

REFINITIV

# DELTA REPORT

## 10-Q

GRMN - GARMIN LTD

10-Q - MARCH 30, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	735
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 CHANGES	180
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 DELETIONS	291
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 ADDITIONS	264
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United States  
Securities and Exchange Commission  
Washington, D.C. 20549

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FORM 10-Q

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

For the quarterly period ended September March 30, 2023 2024

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 001-41118

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GARMIN LTD.

(Exact name of Company as specified in its charter)

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Switzerland

(State or other jurisdiction  
of incorporation or organization)

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98-0229227

(I.R.S. Employer  
identification no.)

Mühlentalstrasse 2

**8200 Schaffhausen**

**Switzerland**

(Address of principal executive offices)

**N/A**

(Zip Code)

Company's telephone number, including area code: **+41 52 630 1600**

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

**Registered Shares, \$0.10 Per Share Par**

<b>Value</b>	<b>GRMN</b>	<b>New York Stock Exchange</b>
(Title of each class)	(Trading Symbol)	(Name of each exchange on which registered)

Indicate by check mark whether the Company (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 Company 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 ☒

Accelerated Filer ☐

Non-accelerated Filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. YES ☐ NO ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES ☐ NO ☒

Number of shares outstanding of the registrant's common shares as of **October 27, 2023** **April 26, 2024**  
Registered Shares, \$0.10 par value: **191,331,077** **192,077,718** (excluding treasury shares)

**Garmin Ltd.**  
**Form 10-Q**  
**Quarter Ended **September 30, 2023** **March 30, 2024****

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**Part I - Financial Information**  
**Item I - Condensed Consolidated Financial Statements**

**Garmin Ltd. and Subsidiaries**  
**Condensed Consolidated Statements of Income (Unaudited)**  
(In thousands, except per share information)

	<b>13-Weeks Ended</b>		<b>39-Weeks Ended</b>		<b>13-Weeks Ended</b>	
	<b>Septe mber 30, 2023</b>	<b>Septe mber 24, 2022</b>	<b>Septe mber 30, 2023</b>	<b>Septe mber 24, 2022</b>	<b>March 30, 2024</b>	<b>April 1, 2023</b>
Net sales	1,277, \$ 531	1,140, \$ 434	3,745, \$ 751	3,553, \$ 931	1,381,649	1,147,424
Cost of goods sold	548,9 62	469,9 35	1,604, 945	1,492, 126	579,510	494,630
Gross profit	728,5 69	670,4 99	2,140, 806	2,061, 805	802,139	652,794
Advertising expense	35,15 8	32,88 8	111,8 49	110,3 78		
Research and development expense					242,535	221,485
Selling, general and administrative expenses	201,4 70	189,5 46	609,8 00	571,5 41	261,194	234,327
Research and development expense	221,5 72	208,6 92	667,4 51	619,2 15		
Total operating expense	458,2 00	431,1 26	1,389, 100	1,301, 134	503,729	455,812
Operating income	270,3 69	239,3 73	751,7 06	760,6 71	298,410	196,982

Other income						
(expense):						
Interest income	19,80	10,47	54,46	26,52		
	3	2	1	0	25,027	15,899
Foreign currency	(11,53	(29,86		(55,80		
gains (losses)	9)	3)	6,946	9)		
Foreign currency						
gains					2,282	7,688
Other income	938	285	4,206	3,716	1,321	1,203
Total other income		(19,10	65,61	(25,57		
(expense)	9,202	6)	3	3)	28,630	24,790
Income before income	279,5	220,2	817,3	735,0		
taxes	71	67	19	98	327,040	221,772
Income tax provision	22,32		69,81	54,78		
	8	9,419	0	5	51,079	19,445
Net income	257,2	210,8	747,5	680,3		
	\$ 43	\$ 48	\$ 09	\$ 13	\$ 275,961	\$ 202,327
Net income per share:						
Basic	\$ 1.34	\$ 1.09	\$ 3.91	\$ 3.53	\$ 1.44	\$ 1.06
Diluted	\$ 1.34	\$ 1.09	\$ 3.90	\$ 3.52	\$ 1.43	\$ 1.05
Weighted average						
common shares						
outstanding:						
Basic	191,4	192,6	191,4	192,8		
	35	72	09	78	191,890	191,498
Diluted	191,8	193,1	191,7	193,3		
	68	05	72	78	192,698	191,886

See accompanying notes.

**Garmin Ltd. and Subsidiaries**  
**Condensed Consolidated Statements of Comprehensive Income (Unaudited)**  
(In thousands)

	13-Weeks Ended		39-Weeks Ended		13-Weeks Ended	
	Septe mber 30, 2023	Septe mber 24, 2022	Septe mber 30, 2023	Septe mber 24, 2022	March 30, 2024	April 1, 2023
Net income	257, \$ 243	210, \$ 848	747, \$ 509	680, \$ 313	\$ 275,961	\$ 202,327
Foreign currency translation adjustment	(48, 342)	(117, ,360)	(56, 793)	(239, ,167)	(59,055)	16,891
Change in fair value of available-for-sale marketable securities, net of deferred taxes	2,81 5	(18, 867)	10,4 99	(85, 507)	2,613	11,076
Comprehensive income	211, \$ 716	74,6 \$ 21	701, \$ 215	355, \$ 639	\$ 219,519	\$ 230,294

See accompanying notes.

**Garmin Ltd. and Subsidiaries**  
**Condensed Consolidated Balance Sheets (Unaudited)**  
(In thousands)



	September 30, 2023	December 31, 2022	March 30, 2024	December 30, 2023
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 1,422,855	\$ 1,279,194	\$ 1,921,782	\$ 1,693,452
Marketable securities	273,050	173,288	274,579	274,618
Accounts receivable, net	721,137	656,847	694,690	815,243
Inventories	1,439,894	1,515,045	1,302,230	1,345,955
Deferred costs	15,296	14,862	18,329	16,316
Prepaid expenses and other current assets	284,682	315,915	305,674	318,556
Total current assets	4,156,914	3,955,151	4,517,284	4,464,140
Property and equipment, net of accumulated depreciation of \$982,405 and \$904,922	1,187,375	1,147,005		
Property and equipment, net of accumulated depreciation of \$1,048,936 and \$1,030,588			1,206,401	1,224,097
Operating lease right-of-use assets	140,635	138,040	136,285	143,724
Noncurrent marketable securities	1,081,674	1,208,360	1,133,958	1,125,191
Deferred income tax assets	514,876	441,071	763,083	754,635
Noncurrent deferred costs	10,538	9,831	10,480	11,057
Goodwill	594,449	567,994	601,618	608,474
Other intangible assets, net	185,835	178,461	176,647	186,601
Other noncurrent assets	92,726	85,257	88,124	85,650
Total assets	\$ 7,965,022	\$ 7,731,170	\$ 8,633,880	\$ 8,603,569
<b>Liabilities and Stockholders' Equity</b>				
Current liabilities:				
Accounts payable	\$ 268,030	\$ 212,417	\$ 243,087	\$ 253,790
Salaries and benefits payable	196,665	176,114	192,832	190,014
Accrued warranty costs	53,533	50,952	55,219	55,738
Accrued sales program costs	71,558	97,772	77,592	98,610
Other accrued expenses	208,717	197,376	191,474	245,874

Deferred revenue	98,289	91,092	100,740	101,189
Income taxes payable	151,559	246,180	256,442	225,475
Dividend payable	279,447	139,732	—	139,997
<b>Total current liabilities</b>	<b>1,327,798</b>	<b>1,211,635</b>	<b>1,117,386</b>	<b>1,310,687</b>
Deferred income tax liabilities	116,419	129,965	113,932	114,682
Noncurrent income taxes payable	24,577	34,627	16,128	16,521
Noncurrent deferred revenue	35,525	35,702	33,928	36,148
Noncurrent operating lease liabilities	111,035	114,541	105,859	113,035
Other noncurrent liabilities	388	360	550	436
<b>Stockholders' equity:</b>				
Shares (195,880 and 198,077 shares authorized and issued; 191,387 and 191,623 shares outstanding)	19,588	17,979		
Common shares (194,901 and 195,880 shares authorized and issued; 192,079 and 191,777 shares outstanding)			19,490	19,588
Additional paid-in capital	2,100,357	2,042,472	2,135,384	2,125,467
Treasury stock (4,493 and 6,454 shares)	(331,393)	(475,095)		
Treasury shares (2,822 and 4,103 shares)			(226,921)	(330,909)
Retained earnings	4,721,555	4,733,517	5,440,200	5,263,528
Accumulated other comprehensive income (loss)	(160,827)	(114,533)	(122,056)	(65,614)
<b>Total stockholders' equity</b>	<b>6,349,280</b>	<b>6,204,340</b>	<b>7,246,097</b>	<b>7,012,060</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 7,965,022</b>	<b>\$ 7,731,170</b>	<b>\$ 8,633,880</b>	<b>\$ 8,603,569</b>

See accompanying notes.

## Garmin Ltd. and Subsidiaries

**Condensed Consolidated Statements of Cash Flows (Unaudited)**  
(In thousands)

	39-Weeks Ended		13-Weeks Ended	
	September 30, 2023	September 24, 2022	March 30, 2024	April 1, 2023
<b>Operating Activities:</b>				
Net income	\$ 747,509	\$ 680,313	\$ 275,961	\$ 202,327
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	98,483	88,005	33,892	31,952
Amortization	33,751	34,349	10,933	11,463
Gain on sale or disposal of property and equipment	(50)	(1,652)	(12)	(129)
Unrealized foreign currency losses	9,927	45,498		
Unrealized foreign currency losses (gains)			2,974	(867)
Deferred income taxes	(90,214)	(101,133)	(9,611)	(15,713)
Stock compensation expense	66,214	57,871	30,719	20,732
Realized loss on marketable securities	56	982	—	20
Changes in operating assets and liabilities, net of acquisitions:				
Accounts receivable, net of allowance for doubtful accounts	(54,756)	156,666	108,453	46,873
Inventories	111,459	(442,312)	16,545	43,712
Other current and noncurrent assets	28,288	29,299	2,117	4,780
Accounts payable	55,340	(64,199)	(1,281)	(4,202)
Other current and noncurrent liabilities	430	(84,287)	(64,699)	(67,405)
Deferred revenue	7,063	(3,299)	(2,549)	(1,876)
Deferred costs	(1,152)	3,426	(1,451)	622
Income taxes	(102,024)	20,067	33,314	6,921
Net cash provided by operating activities	910,324	419,594	435,305	279,210
<b>Investing activities:</b>				

Purchases of property and equipment	(144,876)	(184,928)	(33,168)	(46,814)
Proceeds from sale of property and equipment	157	1,693		
Purchase of intangible assets	(1,175)	(1,411)		
Purchase of marketable securities	(116,039)	(1,044,942)	(85,626)	(18,684)
Redemption of marketable securities	145,094	923,894	77,131	57,789
Acquisitions, net of cash acquired	(150,853)	(13,455)		
Net cash from (payments for) acquisitions			5,011	—
Other investing activities, net			(223)	(190)
Net cash used in investing activities	(267,692)	(319,149)	(36,875)	(7,899)
<b>Financing activities:</b>				
Dividends	(419,166)	(399,074)	(140,212)	(139,847)
Proceeds from issuance of treasury stock related to equity awards	21,946	41,052		
Purchase of treasury stock related to equity awards	(9,397)	(14,750)		
Purchase of treasury stock under share repurchase plan	(79,533)	(105,206)		
Purchase of treasury shares related to equity awards			(15,987)	(9,169)
Purchase of treasury shares under share repurchase plan			—	(43,273)
Net cash used in financing activities	(486,150)	(477,978)	(156,199)	(192,289)
Effect of exchange rate changes on cash and cash equivalents	(12,854)	(38,265)	(13,913)	3,387
Net increase (decrease) in cash, cash equivalents, and restricted cash	143,628	(415,798)		
Net increase in cash, cash equivalents, and restricted cash			228,318	82,409
Cash, cash equivalents, and restricted cash at beginning of period	1,279,912	1,498,843	1,694,156	1,279,912
Cash, cash equivalents, and restricted cash at end of period	\$ 1,423,540	\$ 1,083,045	\$ 1,922,474	\$ 1,362,321

See accompanying notes.

**Garmin Ltd. and Subsidiaries**  
**Condensed Consolidated Statements of Stockholders' Equity (Unaudited)**  
For the 13-Weeks Ended **September 30, 2023** **March 30, 2024** and **September 24, 2022** **April 1, 2023**  
(In thousands)

	Common	Additional	Treasury	Retained	Accumulated Other Comprehensive	Total
	Stock	Paid-In Capital	Stock	Earnings	Income (Loss)	
Balance at June 25, 2022						5,865,93
	\$ 17,979	\$ 2,008,931	\$ (315,886)	\$ 4,225,521	\$ (70,612)	\$ 3
Net income	—	—	—	210,848	—	210,848
Translation adjustment	—	—	—	—	(117,360)	(117,360)
Adjustment related to unrealized gains (losses) on available-for-sale securities net of income tax effects of \$5,744	—	—	—	—	(18,867)	(18,867)
Comprehensive income						74,621
Dividends	—	—	—	2,635	—	2,635
Issuance of treasury stock related to equity awards	—	(28)	28	—	—	—
Stock compensation	—	18,116	—	—	—	18,116
Purchase of treasury stock related to equity awards	—	—	(27)	—	—	(27)
Purchase of treasury stock under share repurchase plan, including any associated excise tax	—	—	(83,089)	—	—	(83,089)

	Accumulated					
	Common	Additional	Treasury	Retained	Other	
	Stock	Paid-In	Stock	Earnings	Comprehensive	Total
		Capital			Income (Loss)	
Balance at July 1, 2023						6,123,82
	\$ 19,588	\$ 2,077,540	\$ (322,688)	\$ 4,464,682	\$ (115,300)	\$ 2
Net income	—	—	—	257,243	—	257,243
Translation adjustment	—	—	—	—	(48,342)	(48,342)
Adjustment related to unrealized gains (losses) on available-for-sale securities net of income tax effects of \$686	—	—	—	—	2,815	2,815
Comprehensive income						211,716
Dividends	—	—	—	(370)	—	(370)
Issuance of treasury stock related to equity awards	—	—	—	—	—	—
Stock compensation	—	22,817	—	—	—	22,817
Purchase of treasury stock related to equity awards	—	—	—	—	—	—
Purchase of treasury stock under share repurchase plan, including any associated excise tax	—	—	(8,705)	—	—	(8,705)
Cancellation of treasury stock	—	—	—	—	—	—
Share capital currency change	—	—	—	—	—	—
Balance at September 30, 2023						6,349,28
	\$ 19,588	\$ 2,100,357	\$ (331,393)	\$ 4,721,555	\$ (160,827)	\$ 0

					Accumulated	
		Additional			Other	
	Common	Paid-In	Treasury	Retained	Comprehensive	
	Shares	Capital	Shares	Earnings	Income (Loss)	Total

Balance at December 31, 2022	\$	17,979	\$ 2,042,472	\$ (475,095)	\$ 4,733,517	\$ (114,533)	\$ 6,204,340
Net income		—	—	—	202,327	—	202,327
Translation adjustment		—	—	—	—	16,891	16,891
Adjustment related to unrealized gains (losses) on available-for-sale securities net of income tax effects of \$2,613		—	—	—	—	11,076	11,076
Comprehensive income							230,294
Dividends		—	—	—	(114)	—	(114)
Issuance of treasury shares related to equity awards		—	(14,865)	14,865	—	—	—
Stock compensation		—	20,732	—	—	—	20,732
Purchase of treasury shares related to equity awards		—	—	(9,169)	—	—	(9,169)
Purchase of treasury shares under share repurchase plan, including any associated excise tax		—	—	(41,079)	—	—	(41,079)
Balance at April 1, 2023	\$	17,979	\$ 2,048,339	\$ (510,478)	\$ 4,935,730	\$ (86,566)	\$ 6,405,004

		Common	Additional Paid-In Capital	Treasury Shares	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 30, 2023	\$	19,588	\$ 2,125,467	\$ (330,909)	\$ 5,263,528	\$ (65,614)	\$ 7,012,060
Net income		—	—	—	275,961	—	275,961
Translation adjustment		—	—	—	—	(59,055)	(59,055)
Adjustment related to unrealized gains (losses) on available-for-sale securities net of income tax effects of \$812		—	—	—	—	2,613	2,613
Comprehensive income							219,519
Dividends		—	—	—	(214)	—	(214)
Issuance of treasury shares related to equity awards		—	(20,802)	20,802	—	—	—

Stock compensation	—	30,719	—	—	—	30,719
Purchase of treasury shares related to equity awards	—	—	(15,987)	—	—	(15,987)
Purchase of treasury shares under share repurchase plan, including any associated excise tax	—	—		—	—	—
Cancellation of treasury shares	(98)	—	99,173	(99,075)	—	—
Balance at March 30, 2024	\$ 19,490	\$ 2,135,384	\$ (226,921)	\$ 5,440,200	\$ (122,056)	\$ 7,246,097

See accompanying notes.

### Garmin Ltd. and Subsidiaries

#### Condensed Consolidated Statements of Stockholders' Equity (Unaudited)

For the 39-Weeks Ended September 30, 2023 and September 24, 2022

(In thousands)

	Common Stock	Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 25, 2021						6,114,15
	\$ 17,979	\$ 1,960,722	\$ (303,114)	\$ 4,320,737	\$ 117,835	\$ 9
Net income	—	—	—	680,313	—	680,313
Translation adjustment	—	—	—	—	(239,167)	(239,167)
Adjustment related to unrealized gains (losses) on available-for-sale securities net of income tax effects of \$25,202	—	—	—	—	(85,507)	(85,507)
Comprehensive income						355,639



Dividends	—	—	—	(562,046 )	—	(562,046 )
Issuance of treasury stock related to equity awards	—	8,426	32,626	—	—	41,052
Stock compensation	—	57,871	—	—	—	57,871
Purchase of treasury stock related to equity awards	—	—	(14,750 )	—	—	(14,750 )
Purchase of treasury stock under share repurchase plan, including any associated excise tax	—	—	(113,736 )	—	—	(113,736 )
Balance at September 24, 2022	\$ 17,979	\$ 2,027,019	\$ (398,974 )	\$ 4,439,004	\$ (206,839 )	\$ 9

Share capital currency change	1,847	(1,847)	—	—	—	—
Balance at September 30, 2023						6,349,28
	\$ 19,588	\$ 2,100,357	\$ (331,393)	\$ 4,721,555	\$ (160,827)	\$ 0

See accompanying notes.

**Garmin Ltd. and Subsidiaries**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**  
**September March 30, 2023 2024**  
(In thousands, except per share information)

## 1. Accounting Policies

### Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of Garmin Ltd. and its wholly-owned subsidiaries (collectively, we, our, us, the “Company” Company or “Garmin”) Garmin). Intercompany balances and transactions have been eliminated.

The condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the condensed consolidated financial statements reflect all adjustments, which are normal and recurring in nature, necessary for fair financial statement presentation. The condensed consolidated balance sheet at December 31, 2022 December 30, 2023 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Additionally, the condensed consolidated financial statements should be read in conjunction with Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Form 10-Q, and the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 December 30, 2023.

Our The Company’s operating results are subject to fluctuations associated with seasonal demand for consumer products, the timing of new product introductions, and OEM original equipment manufacturer (OEM) customer production schedules. Therefore, operating results for the 13-week and 39-week periods period ended September 30, 2023 March 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 30, 2023 December 28, 2024.

The Company's fiscal year is based on a 52- or 53-week period ending on the last Saturday of the calendar year. Therefore, the financial results of certain 53-week fiscal years, and the associated 14-week quarters, will not be exactly comparable to the prior and subsequent 52-week fiscal years and the associated 13-week quarters. The quarters ended **September 30, 2023** **March 30, 2024** and **September 24, 2022** **April 1, 2023** both contain operating results for 13 weeks.

Garmin completed the acquisition of JL Audio during the 13-week period ending September 30, 2023. Accordingly, the balance sheet and operating results of JL Audio for the period following the acquisition have been included in Garmin's condensed consolidated financial statements as of and for the 13-week and 39-week periods ended September 30, 2023. This acquisition was not material.

### Changes in Classification and Allocation

Certain prior period amounts have been reclassified or presented to conform to the current period presentation.

The In the first quarter of fiscal 2024, the Company announced an organization realignment in January 2023, changed the presentation of operating expense to include advertising expense within selling, general and administrative expenses on the Company's condensed consolidated statements of income, which combined the consumer auto operating segment with the outdoor operating segment. management believes to be a more meaningful presentation. As a result, the Company's operating segments, which also represent our reportable segments, are fitness, outdoor, aviation, marine, and auto OEM. Results condensed consolidated statements of income have been recast for the 13-week and 39-week periods period ended September 24, 2022 have been recast herein April 1, 2023 to conform to with the current period presentation. This change had no effect on the Company's consolidated results of operations. operating or net income.

### Significant Accounting Policies

For a description of the significant accounting policies and methods used in the preparation of the Company's condensed consolidated financial statements, refer to Note 1, "Summary of Significant Accounting Policies" in the Notes to the Consolidated Financial Statements in Part II, Item 8 of the Company's Annual Report on Form 10-K for the fiscal year ended **December 31, 2022** **December 30, 2023**. There were no material changes to the Company's significant accounting policies during the 39-week 13-week period ended **September 30, 2023** **March 30, 2024**.

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### Recently Issued Adopted Accounting Standards and Pronouncements

Recently There are no recently adopted accounting standards and recently issued accounting pronouncements not yet adopted are not expected to that have a material impact on the Company's consolidated financial statements, accounting policies, processes, or systems.

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Recently Issued Accounting Pronouncements Not Yet Adopted

Income Taxes

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures (“ASU 2023-09”) to enhance the transparency and decision usefulness of income tax disclosures, primarily related to the rate reconciliation and income taxes paid. ASU 2023-09 is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact that the updated standard will have on its financial statement disclosures.

Segment Reporting

In November 2023, the FASB issued Accounting Standards Update No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (“ASU 2023-07”) to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact that the updated standard will have on its financial statement disclosures.

2. Revenue

In order to further depict how the nature, amount, timing and uncertainty of our the Company's revenue and cash flows are affected by economic factors, we disaggregate revenue (“net sales”) by geographic region, major product category, and pattern of recognition.

Disaggregated revenue by geographic region (Americas, APAC, and EMEA) is presented in Note 11 – Segment Information and Geographic Data. Note 11 also contains disaggregated revenue information of the five major product categories identified by the Company – fitness, outdoor, aviation, marine, and auto OEM.

A large majority of the Company’s sales are recognized on a point in time basis, usually once the product is shipped and title and risk of loss have transferred to the customer. Sales recognized over a period of time are primarily within the outdoor, aviation, and auto OEM segments and relate to performance obligations that are satisfied over the estimated life of the product or contractual service period. Revenue disaggregated by the timing of transfer of the goods or services is presented in the table below:

13-Weeks Ended		39-Weeks Ended		13-Weeks Ended	
September	September	September	September		
30, 2023	24, 2022	30, 2023	24, 2022	March 30, 2024	April 1, 2023

Point						
in time	\$ 1,200,676	\$ 1,073,058	\$ 3,532,960	\$ 3,366,382	\$ 1,306,447	\$ 1,081,068
Over						
time	76,855	67,376	212,791	187,549	75,202	66,356
Net						
sal						
es	\$ 1,277,531	\$ 1,140,434	\$ 3,745,751	\$ 3,553,931	\$ 1,381,649	\$ 1,147,424

Transaction price and costs associated with the Company's unsatisfied performance obligations are reflected as deferred revenue and deferred costs, respectively, on the Company's condensed consolidated balance sheets. Such amounts are recognized ratably over the applicable service period or estimated useful life. Changes in deferred revenue and costs during the 39-week 13-week period ended September 30, 2023 March 30, 2024 are presented below:

	39-Weeks Ended September 30, 2023		13-Weeks Ended March 30, 2024	
	Deferred Revenue (1)	Deferred Costs (2)	Deferred Revenue (1)	Deferred Costs (2)
Balance, beginning of period	\$ 126,794	\$ 24,693	\$ 137,337	\$ 27,373
Deferrals in period	219,811	17,240	72,533	13,474
Recognition of deferrals in period	(212,791)	(16,099)	(75,202)	(12,038)
Balance, end of period	\$ 133,814	\$ 25,834	\$ 134,668	\$ 28,809

(1) Deferred revenue is comprised of both deferred revenue and noncurrent deferred revenue per the condensed consolidated balance sheets sheets.

(2) Deferred costs are comprised of both deferred costs and noncurrent deferred costs per the condensed consolidated balance sheets sheets.

Of the \$212,791 75,202 of deferred revenue recognized in the 39-week 13-week period ended September 30, 2023 March 30, 2024, approximately \$75,641 39,000 was deferred as of the beginning of the period. Of the \$133,814 134,668 of deferred revenue as of September 30, 2023 March 30, 2024, the Company expects to recognize approximately eighty 85% percent ratably over a total period of three years or less.

### 3. Earnings Per Share

The following table sets forth the computation of basic and diluted net income per share. Stock options, stock appreciation rights, and restricted stock units are collectively referred to as “equity awards”.

	13-Weeks Ended		39-Weeks Ended		13-Weeks Ended	
	Septe mber 30, 2023	Septe mber 24, 2022	Septe mber 30, 2023	Septe mber 24, 2022	March 30, 2024	April 1, 2023
Numerator:						
Numerator for basic and diluted net income per share – net income	257, \$ 243	210, \$ 848	747, \$ 509	680, \$ 313	275,961 \$	202,327 \$
Denominator:						
Denominator for basic net income per share – weighted-average common shares	191, 435	192, 672	191, 409	192, 878	191,890	191,498
Effect of dilutive equity awards	433	433	363	500	808	388
Denominator for diluted net income per share – adjusted weighted-average common shares	191, 868	193, 105	191, 772	193, 378	192,698	191,886
Basic net income per share	\$ 1.34	\$ 1.09	\$ 3.91	\$ 3.53	\$ 1.44	\$ 1.06
Diluted net income per share	\$ 1.34	\$ 1.09	\$ 3.90	\$ 3.52	\$ 1.43	\$ 1.05
Shares excluded from diluted net income per share calculation:						

Anti-dilutive equity awards	—	754	215	759	—	218
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#### 4. Marketable Securities

ASC Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The accounting guidance classifies the inputs used to measure fair value into the following hierarchy:

- Level 1 Unadjusted quoted prices in active markets for the identical asset or liability
- Level 2 Observable inputs for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability
- Level 3 Unobservable inputs for the asset or liability

The Company endeavors to utilize the best available information in measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Valuation is based on prices obtained from an independent pricing vendor using both market and income approaches. The primary inputs to the valuation include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, contractual cash flows, benchmark yields, and credit spreads.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Marketable securities classified as available-for-sale securities are summarized below:

	Available-For-Sale Securities as of September 30, 2023					Available-For-Sale Securities as of March 30, 2024				
	Fair Value Level	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Losses	Fair Value	Fair Value Level	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	Level 2	2,930	\$ —	\$ —	\$ 30	Level 2	\$ 3,446	\$ —	\$ —	\$ 3,446
Agency securities	Level 2	16,950	—	(872)	16,078	Level 2	20,695	21	(598)	20,118
Mortgage-backed securities	Level 2	40,072	—	(5,642)	34,430	Level 2	37,510	—	(4,516)	32,994
Corporate debt securities	Level 2	1,089,503	172	(69,461)	1,020,214	Level 2	1,111,977	732	(43,402)	1,069,307
Municipal securities	Level 2	301,221	—	(24,728)	276,493	Level 2	296,722	49	(17,069)	279,702
Other	Level 2	5,159	—	(580)	4,579	Level 2	3,193	—	(223)	2,970
		1,455,833		(101,723)	1,354,110					
<b>Total</b>		<b>\$ 5</b>	<b>\$ 172</b>	<b>\$ ,283)</b>	<b>\$ 4</b>		<b>\$ 1,473,543</b>	<b>\$ 802</b>	<b>\$ (65,808)</b>	<b>\$ 1,408,537</b>



	Available-For-Sale Securities as of December 31, 2022					Available-For-Sale Securities as of December 30, 2023				
	Fair Value Level	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Losses	Fair Value	Fair Value Level	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	Level 2	\$ —	\$ —	\$ —	\$ —	Level 2	\$ 2,971	\$ 1	\$ —	\$ 2,972
Agency securities	Level 2	7,000	—	(786)	6,214	Level 2	23,692	32	(585)	23,139
Mortgage-backed securities	Level 2	45,373	—	(4,525)	40,848	Level 2	38,743	—	(4,731)	34,012
Corporate debt securities	Level 2	1,106,688	188	(77,802)	1,029,074	Level 2	1,104,834	1,680	(46,073)	1,060,441
Municipal securities	Level 2	326,058	3	(28,861)	297,200	Level 2	294,240	98	(18,430)	275,908
Other	Level 2	10,466	—	(2,154)	8,312	Level 2	3,760	—	(423)	3,337
		1,495,588		(114,811)	1,380,777					
<b>Total</b>		<b>\$ 5</b>	<b>\$ 191</b>	<b>\$ ,128)</b>	<b>\$ 8</b>		<b>\$ 1,468,240</b>	<b>\$ 1,811</b>	<b>\$ (70,242)</b>	<b>\$ 1,399,809</b>

The primary objectives of the Company’s investment policy are to preserve capital, maintain an acceptable degree of liquidity, and maximize yield within the constraint of low credit risk. The fair value of securities varies from period to period due to changes in interest rates, the performance of the underlying collateral, and the credit performance of the underlying issuer, among other factors.

Accrued interest receivable, which totaled \$10,93511,852 as of September 30, 2023March 30, 2024, is excluded from both the fair value and amortized cost basis of available-for-sale securities and is included within prepaid expenses and other current assets on the Company’s condensed consolidated balance sheets. The Company writes off impaired accrued interest on a timely basis, generally within 30 days of the due date, by reversing interest income. No accrued interest was written off during the 39-week13-week period ended September 30, 2023March 30, 2024.

The Company recognizes impairments relating to credit losses of available-for-sale securities through an allowance for credit losses and other income (expense) on the Company’s condensed consolidated statements of income. Impairment not relating to credit losses is recorded in accumulated other comprehensive income (loss) on the Company’s condensed consolidated balance sheets. The cost of securities sold is based on the specific identification method. Approximately 9995% of securities in the Company’s portfolio were at an unrealized loss position as of September 30, 2023March 30, 2024.

The following tables display additional information regarding gross unrealized losses and fair value by major security type for available-for-sale securities in an unrealized loss position as of September 30, 2023March 30, 2024 and December 31, 2022December 30, 2023.

As of September 30, 2023						As of March 30, 2024					
Less than 12 Consecutive Months or Longer			12 Consecutive Months or Longer			Less than 12 Consecutive Months			12 Consecutive Months or Longer		
Total			Total			Total			Total		
Gross Unrealized Losses			Gross Unrealized Losses			Gross Unrealized Losses			Gross Unrealized Losses		
Fair Value			Fair Value			Fair Value			Fair Value		
Unrealized Losses			Unrealized Losses			Unrealized Losses			Unrealized Losses		
Fair Value			Fair Value			Fair Value			Fair Value		
Unrealized Losses			Unrealized Losses			Unrealized Losses			Unrealized Losses		
Fair Value			Fair Value			Fair Value			Fair Value		







As of September 30, 2023 March 30, 2024 and December 31, 2022 December 30, 2023, the Company had not recognized an allowance for credit losses on any securities in an unrealized loss position.

The Company has not recorded an allowance for credit losses and charge to other income (expense) for the unrealized losses on agency, mortgage-backed, corporate debt, municipal, and other securities presented above because we do the Company does not consider the declines in fair value to have resulted from credit losses. We have The Company has not observed a significant deterioration in credit quality of these securities, which are highly rated with moderate to low credit risk. Declines in value are largely attributable to current global economic conditions. The securities continue to make timely principal and interest payments, and the fair values are expected to recover as they approach maturity. Management does not intend to sell the securities, and it is not more likely than not that the Company will be required to sell the securities, before the respective recoveries of their amortized cost bases, which may be maturity.

The amortized cost and fair value of marketable securities at September 30, 2023 March 30, 2024, by maturity, are shown below.

	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	\$ 279,248	\$ 273,050	\$ 279,010	\$ 274,579
Due after one year through five years	1,151,539	1,059,938	1,173,293	1,115,240
Due after five years through ten years	10,783	9,525	13,661	12,512
Due after ten years	14,265	12,211	7,579	6,206
<b>Total</b>	<b>\$ 1,455,835</b>	<b>\$ 1,354,724</b>	<b>\$ 1,473,543</b>	<b>\$ 1,408,537</b>

## 5. Income Taxes

The Company recorded income tax expense of \$22,328 51,079 in the 13-week period ended September 30, 2023 March 30, 2024, compared to income tax expense of \$9,419 19,445 in the 13-week period ended September 24, 2022 April 1, 2023. The effective tax rate was 8.0% in the third quarter of 2023, compared to 4.3% in the third quarter of 2022. The increase was primarily due to a change in income mix by jurisdiction and a revaluation of U.S. state deferred tax assets in the third quarter of 2023 compared to the third quarter of 2022.

The Company recorded income tax expense of \$69,810 in the 39-week period ended September 30, 2023, compared to income tax expense of \$54,785 in the 39-week period ended September 24, 2022. The effective tax rate was 8.5 15.6% in the first three quarters quarter of 2023, 2024, compared to 7.5 8.8% in the first three quarters quarter of 2022, 2023. The increase in effective tax rate between comparative periods was primarily due to a decrease the increase in U.S. tax deductions in the first three quarters of 2023 compared to the first three quarters of 2022.

Global taxing standards continue to evolve as a result of the Organization for Economic Co-Operation and Development (OECD) recommendations aimed at preventing perceived base erosion and profit shifting (BEPS) by multinational corporations. While these recommendations do not change tax law, the countries where we operate may implement legislation or take unilateral actions which may result in adverse effects to our income tax provision and financial statements.

Partially to respond to changes to global tax standards, we initiated an intercompany transaction in 2020 which migrates ownership of certain intellectual property from Switzerland to the United States, which is the primary location of research, development, and executive management. At the end of this migration, a higher percentage of income will be recognized in the U.S. Due to the subjectivity inherent in transfer pricing associated with this intercompany transaction, we are pursuing an advanced pricing agreement with relevant jurisdictions to provide certainty regarding the pricing. We are unable to predict the outcome of the final advanced pricing agreement, related negotiations, and associated impacts for periods during negotiation, upon finalization, and in the periods that follow.

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In 2021, the OECD continued work on the BEPS project by issuing a statement regarding a two-pillar solution which includes within "Pillar Two" a global minimum tax. Numerous countries have signed onto the OECD statement including Switzerland, the U.S., and the U.K. Recently, Switzerland's Federal Council proposed legislation which would implement a federal minimum tax in Switzerland of 15% in 2024. Additionally, the Parliament of the Swiss canton of Schaffhausen has also passed legislation, subject to a public-vote approval, that would increase the cantonal corporate tax rate beginning in 2024 and result in a combined federal and cantonal Switzerland statutory tax rate of approximately 15% in Switzerland. Neither the OECD statement nor proposed legislation has the effect of changes in actual tax law, but these actions may lead to legislation in those countries in which we operate.

The negotiations and final outcome of the advanced pricing agreement, the passage of certain tax legislation described above, or both, could have a material adverse impact on the Company's income tax provision, effective tax rate, and financial statements. However, we are not currently able to reasonably estimate the net impact(s) or associated timing of such events due response to the uncertainties that remain and any potential interdependencies. implementation of global minimum tax requirements.

## 6. Inventories

The components of inventories consist of the following:

	September 30,		March 30,	
	2023	December 31, 2022	2024	December 30, 2023
Raw materials	\$ 530,323	\$ 600,858	\$ 488,357	\$ 493,493
Work-in-process	168,090	180,873	174,085	160,919
Finished goods	741,481	733,314	639,788	691,543
Inventories	\$ 1,439,894	\$ 1,515,045	\$ 1,302,230	\$ 1,345,955

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## 7. Warranty Reserves

The Company accrues for estimated future warranty costs at the time products are sold. The Company's standard warranty obligation to retail partners generally provides for a right of return of any product for a full refund in the event that such product is not merchantable, is damaged, or is defective. The Company's standard warranty obligation to its end-users provides for a period of one to two years from the date of shipment, while certain aviation, marine, and auto OEM products have a warranty period of two years or more from the date of installation. The Company's estimates of costs to service its warranty obligations are based on historical experience and management's expectations and judgments of future conditions, and are recorded as with most claims resolved within a liability on year of the balance sheet sale. The following reconciliation provides an illustration presents details of the changes in the aggregate Company's accrued warranty reserve costs:

	13-Weeks Ended		39-Weeks Ended		13-Weeks Ended	
	Septe mber 30, 2023	Septe mber 24, 2022	Septe mber 30, 2023	Septe mber 24, 2022	March 30, 2024	April 1, 2023
Balance - beginni ng of period	\$ 52,3	\$ 39,9	\$ 50,9	\$ 45,4	\$ 55,738	\$ 50,952
Accrual for product s sold <sup>(1)</sup>	17,3 98	16,9 13	58,1 24	41,9 39	18,362	22,381
Expendi tures	(16, 217)	(16, 937)	(55, 543)	(47, 481)	(18,881)	(20,658)
Balance - end of period	\$ 33	\$ 25	\$ 33	\$ 25	\$ 55,219	\$ 52,675



- (1) Changes in cost estimates related to pre-existing warranties were not material and aggregated with accruals for new warranty contracts in the 'accrual for products sold' line.

## 8. Commitments and Contingencies

### Commitments

The Company is party to certain commitments that require the future purchase of goods or services ("unconditional purchase obligations"). The Company's unconditional purchase obligations primarily consist of payments for inventory, capital expenditures, and other indirect purchases in connection with conducting the its business. The aggregate amount of purchase orders and other commitments open as of September 30, 2023 March 30, 2024 that may represent noncancelable unconditional purchase obligations having a remaining term in excess of one year was approximately \$300,000 301,000.

Certain cash balances are held as collateral in relation to bank guarantees. This restricted cash is reported within other assets on the condensed consolidated balance sheets and totaled \$685 692 and \$718 704 on September 30, 2023 March 30, 2024 and December 31, 2022 December 30, 2023, respectively. The total of the cash and cash equivalents balance and the restricted cash reported within other assets in the condensed consolidated balance sheets equals the total cash, cash equivalents, and restricted cash shown in the condensed consolidated statements of cash flows.

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### Contingencies

Management of the Company currently does not believe it is reasonably possible that the Company may have incurred a material loss, or a material loss in excess of recorded accruals, with respect to loss contingencies in the aggregate, for the fiscal quarter ended September 30, 2023 March 30, 2024. The results of legal proceedings, investigations and claims, however, cannot be predicted with certainty. An adverse resolution of one or more of such matters in excess of management's expectations could have a material adverse effect in the particular quarter or fiscal year in which a loss is recorded, but based on information currently known, the Company does not believe it is likely that losses from such matters would have a material adverse effect on the Company's business or its consolidated financial position, results of operations or cash flows.

The Company settled or resolved certain matters during the 13-week and 39-week periods period ended September 30, 2023 March 30, 2024 that did not individually or in the aggregate have a material impact on the Company's business or its consolidated financial position, results of operations or cash flows.

## 9. Stockholders' Equity

### Dividends

Under Swiss corporate law, dividends must be approved by shareholders at the annual general meeting of the Company's shareholders. Approved dividends are subject to possible adjustment based on the total amount of the dividend in Swiss Francs as approved at the annual meeting, and payable in four equal installments on dates to be determined by the Board of Directors. A reduction of retained earnings and a corresponding liability are recorded at the time of shareholders' approval and are periodically adjusted based on the number of applicable shares outstanding.

Our shareholders approved the following dividends: 11

Declaration Date	Dividend Date	Record Date	Dividend Per Share
<b>Fiscal 2023</b>			
June 9, 2023	June 30, 2023	June 20, 2023	\$ 0.73
June 9, 2023	September 29, 2023	September 15, 2023	\$ 0.73
June 9, 2023	December 29, 2023	December 15, 2023	\$ 0.73
June 9, 2023	March 29, 2024	March 15, 2024	\$ 0.73
<b>Total</b>			<b>\$ 2.92</b>
<b>Fiscal 2022</b>			
June 10, 2022	June 30, 2022	June 20, 2022	\$ 0.73
June 10, 2022	September 30, 2022	September 15, 2022	\$ 0.73
June 10, 2022	December 30, 2022	December 15, 2022	\$ 0.73
June 10, 2022	March 31, 2023	March 15, 2023	\$ 0.73
<b>Total</b>			<b>\$ 2.92</b>
<b>Fiscal 2021</b>			
June 4, 2021	June 30, 2021	June 15, 2021	\$ 0.67
June 4, 2021	September 30, 2021	September 15, 2021	\$ 0.67
June 4, 2021	December 31, 2021	December 15, 2021	\$ 0.67
June 4, 2021	March 31, 2022	March 15, 2022	\$ 0.67
<b>Total</b>			<b>\$ 2.68</b>

The Company's shareholders approved the following dividends:

Approval Date	Dividend Payment Date	Record Date	Dividend Per Share
<b>Fiscal 2023</b>			
June 9, 2023	June 30, 2023	June 20, 2023	\$ 0.73
June 9, 2023	September 29, 2023	September 15, 2023	\$ 0.73
June 9, 2023	December 29, 2023	December 15, 2023	\$ 0.73
June 9, 2023	March 29, 2024	March 15, 2024	\$ 0.73
<b>Total</b>			<b>\$ 2.92</b>
<b>Fiscal 2022</b>			
June 10, 2022	June 30, 2022	June 20, 2022	\$ 0.73
June 10, 2022	September 30, 2022	September 15, 2022	\$ 0.73
June 10, 2022	December 30, 2022	December 15, 2022	\$ 0.73
June 10, 2022	March 31, 2023	March 15, 2023	\$ 0.73
<b>Total</b>			<b>\$ 2.92</b>

### Share Repurchase Program Programs

On April 22, 2022, the Board of Directors approved a share repurchase program (the "Program" "2022 Program") authorizing the Company to repurchase up to \$300,000 of the common shares of Garmin Ltd., exclusive of the cost of any associated excise tax. As of December 30, 2023, the Company had repurchased 3,176 shares for \$300,000, leaving \$0 available to repurchase additional shares under the 2022 Program when the share repurchase authorization expired on December 29, 2023.

On February 16, 2024, the Board of Directors approved a new share repurchase program (the "2024 Program") authorizing the Company to repurchase up to \$300,000 of the common shares of Garmin Ltd., exclusive of the cost of any associated excise tax. The timing and volume of share repurchases are subject to market conditions, business conditions and applicable laws, and are at management's discretion. Share repurchases may be made from time to time in 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. The 2024 Program does not require the purchase of any minimum number of shares and may be suspended or discontinued at any time. The share repurchase authorization expires on December 29, 2023 26, 2026. As of September 30, 2023 March 30, 2024, the Company had repurchased 3,019 no shares, for leaving \$281,869, leaving approximately \$18,131 300,000 available to repurchase additional shares under the 2024 Program.

## Share Capital Treasury Shares

In March 2024, the second quarter Board of 2023, the share capital currency of the Company was changed from the Swiss Franc (CHF) to the U.S. Dollar (USD), as approved by shareholders at the Company's 2023 Annual General Meeting. This aligns the share capital currency with the financial statement presentation currency of the Company. The Company's nominal par value per share of CHF 0.10 was slightly reduced to USD \$0.10, the impact of which is reflected in share capital, captioned as shares on the Company's condensed consolidated balance sheets. Total stockholders' equity reported for the Company was not affected by this change. Our common shares had a par value of USD \$0.10 and CHF 0.10 per share as of September 30, 2023 and December 31, 2022, respectively.

### Treasury Stock

In June 2023, our shareholders approved Directors authorized the cancellation of 2,197,979 shares previously purchased under our share repurchase program. The capital reduction by cancellation of these shares became effective in June 2023. March 2024. Total stockholders' equity reported for the Company was not affected.

## 10. Accumulated Other Comprehensive Income (Loss)

The following provides required disclosure of changes in accumulated other comprehensive income (loss) balances by component for the 13-week and 39-week periods period ended September 30, 2023 March 30, 2024:

	13-Weeks Ended September 30, 2023		
	Foreign currency translation adjustment	Net gains (losses) on available-for- sale securities	Total
Balance - beginning of period	\$ (34,432)	\$ (80,868)	\$ (115,300)
Other comprehensive income (loss) before reclassification, net of income tax expense of \$686	(48,342)	2,818	(45,524)
Amounts reclassified from accumulated other comprehensive income (loss) to other income, net of income tax of \$0 included in income tax provision	—	(3)	(3)
Net current-period other comprehensive income (loss)	(48,342)	2,815	(45,527)
Balance - end of period	\$ (82,774)	\$ (78,053)	\$ (160,827)

  

39-Weeks Ended September 30, 2023	13-Weeks Ended March 30, 2024
--------------------------------------	-------------------------------

	Foreign currency translation adjustment	Net gains (losses) on available-for- sale securities	Total	Foreign currency translation adjustment	Net gains (losses) on available-for-sale securities	Total
Balance - beginning of period			(1 1 4, 5 3 (25,9 \$ 81)			
			\$ 3)	\$ (11,508)	\$ (54,106)	\$ (65,614)
Other comprehensive income (loss) before reclassification, net of income tax expense of \$2,314			(4 6, 3 3 (56,7 93)			
			10,456 7)			
Amounts reclassified from accumulated other comprehensive income (loss) to other income, net of income tax benefit of \$13 included in income tax provision			4 3 — 43 3			
Other comprehensive income (loss) before reclassification, net of income tax expense of \$812				(59,055)	2,613	(56,442)
Amounts reclassified from accumulated other comprehensive income (loss) to other income				—	—	—
Net current-period other comprehensive income (loss)			(4 6, 2 9 (56,7 93)			
			10,499 4)	(59,055)	2,613	(56,442)

Balance - end of period			(1	
			6	
			0,	
			8	
	(82,7		2	
	\$ 74 )	\$ (78,053 )	\$ 7 )	\$ (70,563 )
				\$ (51,493 )
				\$ (122,056 )

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11. Segment Information and Geographic Data

Garmin is organized in the five operating segments of fitness, outdoor, aviation, marine, and auto OEM. These operating segments represent our the Company's reportable segments.

The Company's Chief Executive Officer, who has been identified as the CODM, Company's Chief Operating Decision Maker (CODM), primarily uses operating income as the measure of profit or loss to assess segment performance and allocate resources. Operating income represents net sales less costs of goods sold and operating expenses. Net sales are directly attributed to each segment. Most costs of goods sold and the majority of operating expenses are also directly attributed to each segment, while certain other costs of goods sold and operating expenses are allocated to the segments in a reasonable manner considering the specific facts and circumstances of the expenses being allocated.

As indicated in Note 1 to the condensed consolidated financial statements, the Company announced an organization realignment in January 2023, which combined the consumer auto operating segment with the outdoor operating segment. As a result, the Company's operating segments, which also represent our reportable segments, are fitness, outdoor, aviation, marine, and auto OEM. Results for the 13-week and 39-week periods ended September 24, 2022 have been recast below to conform with the current period presentation.

Net sales ("revenue"), gross profit, and operating income for each of the Company's five reportable segments are presented below.

	Fitness	Outdoor	Aviation	Marine	Auto OEM	Total						
13-Weeks Ended September 30, 2023												
13-Weeks Ended March 30, 2024												
Net sales	3,529,717	4,918,649	1,891,208	1,825,100	1,000,000	1,314,000	\$ 342,892	\$ 366,193	\$ 216,855	\$ 326,736	\$ 128,973	\$ 1,381,649
Gross profit	1,906,815	2,478,000	1,000,000	950,000	500,000	700,000	194,802	242,739	162,626	179,252	22,720	802,139
Operating income (loss)	743,600	1,399,000	400,000	200,000	(100,000)	170,000	68,133	106,950	52,134	87,692	(16,499)	298,410

**13-  
Weeks  
Ended  
April 1,  
2023**



39-  
Weeks  
Ended  
Septemb  
er 30,  
2023

Net sales	9	1,	6	6		3,
	3	2	2	7	2	7
	2	1	9	7	9	4
	,	0,	,	,	6,	5,
	5	7	1	0	1	7
	6	7	9	2	9	5
	\$ 1	\$ 3	\$ 5	\$ 6	\$ 6	\$ 1
Gross	4		4	3		2,
profit	8	7	6	6		1
	4	5	3	5	7	4
	,	5,	,	,	1,	0,
	7	8	7	1	3	8
	5	0	7	6	1	0
	9	0	4	2	1	6
Operatin	1		1	1		
g income	3	3	6	4	(	7
(loss)	9	5	9	2	5	5
	,	1,	,	,	1,	1,
	6	3	7	1	2	7
	5	9	3	3	0	0
	1	9	0	5	9)	6

39-  
Weeks  
Ended  
Septemb  
er 24,  
2022

Net sales	7	1,	5	6		3,
	7	3	6	9	2	5
	2	1	7	3	0	5
	,	8,	,	,	1,	3,
	8	8	5	3	3	9
	6	1	4	6	3	3
	\$ 7	\$ 0	\$ 8	\$ 9	\$ 7	\$ 1
Gross	3		4	3		2,
profit	8	8	1	7		0
	7	1	3	6	6	6
	,	9,	,	,	4,	1,
	9	3	2	7	5	8
	2	7	0	3	6	0
	1	6	6	4	8	5
Operatin			1	1		
g income	6	4	5	7	(	7
(loss)	4	3	0	2	6	6
	,	9,	,	,	6,	0,
	8	1	3	4	1	6
	9	2	5	5	6	7
	4	9	9	1	2)	1

Net sales to external customers by geographic region were as follows for the 13-week period ended March 30, 2024 and 39-week periods ended September 30, 2023 and September 24, 2022 April 1, 2023. Note that APAC includes Asia Pacific and Australian Continent and EMEA includes Europe, the Middle East and Africa:

	13-Weeks Ended		39-Weeks Ended		13-Weeks Ended	
	Septe mber 30, 2023	Septe mber 24, 2022	Septe mber 30, 2023	Septe mber 24, 2022	March 30, 2024	April 1, 2023
Americ as	628,1 \$ 57	563,3 \$ 10	1,881 \$ ,710	1,780 \$ ,117	\$ 716,116	\$ 611,704
EMEA	439,1 23	382,8 65	1,252 ,526	1,192 ,893	463,384	355,853

APAC	210,2	194,2	611,5	580,9		
	51	59	15	21	202,149	179,867
Net sales						
to external	1,277	1,140	3,745	3,553		
customers	\$ ,531	\$ ,434	\$ ,751	\$ ,931	\$ 1,381,649	\$ 1,147,424

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

The discussion set forth below, as well as other portions of this Quarterly Report, contain statements concerning potential future events. Such forward-looking statements are based upon assumptions by management, as of the date of this Quarterly Report, including assumptions about risks and uncertainties faced by the Company. Readers can identify these forward-looking statements by their use of such verbs words as expects, anticipates, believes "future", "expects", "anticipates", "believes", "estimates", "would", "could", "can", "may," or other similar verbs words or conjugations of such verbs. other comparable terms. If any of the Company's assumptions prove incorrect or should unanticipated circumstances arise, actual results could materially differ from those anticipated by such forward-looking statements. The differences could be caused by a number of factors or combination of factors including, but not limited to, those factors identified in Part II, Item 1A of this Quarterly Report on Form 10-Q and in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 30, 2023. This report has been filed with the Securities and Exchange Commission (the "SEC" or the "Commission") in Washington, D.C. and can be obtained by contacting the SEC's public reference operations or obtaining it through the SEC's website at <http://www.sec.gov>. Readers are strongly encouraged to consider those factors when evaluating any forward-looking statement concerning the Company. The These forward-looking statements are made as of the date hereof, and the Company will not disclaims any obligation to update any forward-looking statements in this Quarterly Report to reflect future events or developments. developments, except as required by law.

The information contained in this Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Condensed Consolidated Financial Statements and Notes thereto included in this Form 10-Q and the audited financial statements and notes thereto in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 30, 2023. Unless the context otherwise requires,

references in this document to "we", "us", "our", the "Company" and similar terms refer to Garmin Ltd. and its subsidiaries.

Unless otherwise indicated, amounts set forth in the discussion below are in thousands.

## Company Overview

The Company is a leading worldwide provider of wireless devices, many of which feature Global Positioning System (GPS) navigation, and applications that are designed for people who live an active lifestyle. We are organized in the five operating segments of fitness, outdoor, aviation, marine, and auto OEM. Our products are sold through a variety of indirect distribution channels, including a large worldwide network of independent retailers, dealers, distributors, installation and repair shops, as well as and original equipment manufacturers (OEMs). We also sell our products and services directly through our online webshop (garmin.com), subscriptions for connected services, and our own retail stores.

## Business Environment Update

A number of headwinds including high inflation and rising interest rates have recently affected the economic environment and consumer behaviors. Additionally, while our global supply chain is routinely subject to component shortages, increased lead times, cost fluctuations, and logistics constraints, certain of these factors have at times been further amplified by the recent business environment. The nature and degree of effects of the business environment over time remain uncertain. Refer to Part II, Item 1A, "Risk Factors" of this Quarterly Report for further discussion of the risks and uncertainties facing our Company.

## Results of Operations

As indicated in Note 1 to the Condensed Consolidated Financial Statements, in the first quarter of fiscal 2024, the Company changed the presentation of operating expense to include advertising expense within selling, general and administrative expenses on the Company's condensed consolidated financial statements of income, which management believes to be a more meaningful presentation.

This change in presentation had no effect on the Company announced an organization realignment in January 2023, which combined the consumer auto Company's consolidated operating segment with the outdoor operating segment. As a result, the Company's operating segments, which also represent our reportable segments, are fitness, outdoor, aviation, marine, or net income. The amounts presented below for selling, general and auto OEM. Results administrative expenses for the 13-week and 39-week periods period ended September 24, 2022 April 1, 2023 have been recast below to conform with the current period presentation. This change had no effect on the Company's consolidated results of operations.

Comparison of 13-Weeks Ended **September 30, 2023** **March 30, 2024** and **September 24, 2022** **April 1, 2023**  
**Net Sales**

Net Sales	13-Weeks Ended		13-Weeks Ended		13-Weeks Ended		13-Weeks Ended	
	September 30, 2023	Year-over-Year Change	September 24, 2022		March 30, 2024	Year-over-Year Change	April 1, 2023	
<b>Fitness</b>	\$ 352,976	26 %	\$ 279,875		\$ 342,892	40 %	\$ 244,721	
Percentage of Total Net Sales	27 %		25 %		25 %		21 %	
<b>Outdoor</b>	433,997	7 %	406,832		366,193	11 %	328,662	
Percentage of Total Net Sales	34 %		36 %		26 %		29 %	
<b>Aviation</b>	198,160	5 %	188,043		216,855	2 %	213,582	
Percentage of Total Net Sales	16 %		16 %		16 %		19 %	
<b>Marine</b>	182,248	(7 %)	196,506		326,736	17 %	278,975	
Percentage of Total Net Sales	14 %		17 %		24 %		24 %	
<b>Auto OEM</b>	110,150	59 %	69,178		128,973	58 %	81,484	
Percentage of Total Net Sales	9 %		6 %		9 %		7 %	
<b>Total</b>	<b>\$ 1,277,531</b>	<b>12 %</b>	<b>\$ 1,140,434</b>		<b>\$ 1,381,649</b>	<b>20 %</b>	<b>\$ 1,147,424</b>	

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Net sales increased **12%** **20%** for the 13-week period ended **September 30, 2023** **March 30, 2024** when compared to the year-ago quarter. Total unit sales in the **third** **first** quarter of **2023** **2024** increased to **3,997** **3,890** when compared to total unit sales of **3,491** **3,210** in the **third** **first** quarter of **2022**, **2023**, which differs from the percent increase in revenue primarily due to shifts in segment and product mix. Outdoor was the largest portion of our revenue mix at **34%** **26%** in the **third** **first** quarter of **2023** **2024** compared to **36%** **29%** in the **third** **first** quarter of **2022**, **2023**.

The increase in fitness revenue was driven by sales growth across all categories, led by strong demand for advanced wearables. Outdoor revenue increased primarily due to growth in adventure watches, wearable products. Aviation revenue increased due to growth in OEM product categories. The increase in marine revenue was primarily driven by contributions from the Company's acquisition of JL Audio. Auto OEM revenue increased primarily due to increased shipments of domain controllers. The decrease in marine revenue was due to declines across multiple categories, partially offset by contributions from newly acquired JL Audio.

### Gross Profit

	13-Weeks		13-Weeks		13-Weeks		13-Weeks	
	Ended	Year-over-	Ended		Ended	Year-over-Year	Ended	
Gross Profit	September	Year Change	September		March 30, 2024	Change	April 1, 2023	
	30, 2023		24, 2022					
<b>Fitness</b>	\$ 190,685	29 %	\$ 147,716		\$ 194,802	61 %	\$ 120,910	
Percentage of								
Segment Net Sales	54 %		53 %		57 %		49 %	
<b>Outdoor</b>	270,774	8 %	250,412		242,739	18 %	204,948	
Percentage of								
Segment Net Sales	62 %		62 %		66 %		62 %	
<b>Aviation</b>	148,364	8 %	137,732		162,626	5 %	154,454	
Percentage of								
Segment Net Sales	75 %		73 %		75 %		72 %	
<b>Marine</b>	95,186	(14 %)	110,747		179,252	20 %	149,631	
Percentage of								
Segment Net Sales	52 %		56 %		55 %		54 %	
<b>Auto OEM</b>	23,560	(1 %)	23,892		22,720	(1 %)	22,851	
Percentage of								
Segment Net Sales	21 %		35 %		18 %		28 %	
<b>Total</b>	\$ 728,569	9 %	\$ 670,499		\$ 802,139	23 %	\$ 652,794	
<b>Percentage of Total</b>	<b>57 %</b>		<b>59 %</b>		<b>58 %</b>		<b>57 %</b>	
<b>Net Sales</b>								

Gross profit dollars in the third first quarter of 2023 2024 increased 9% 23%, primarily due to the increase in net sales when compared to the year-ago quarter, as described above. Consolidated gross margin decreased 180 increased 120 basis points when compared to the year-ago quarter primarily due to segment mix and partially due to favorable product mix within certain segments, segments, partially offset by unfavorable segment mix.

The fitness, outdoor, and marine gross margin increases of 740 basis points, 390 basis points, and 120 basis points respectively, were primarily attributable to favorable product mix within those segments. The aviation gross margin increase of 120 270 basis points was primarily attributable to favorable freight lower warranty costs. The aviation gross margin increase of 160 basis points was primarily attributable to product mix. The outdoor gross margin was relatively flat when compared to the year-ago quarter. The marine and auto OEM gross margin decreases decrease of 410 and 1,320 1,040 basis points respectively, were was primarily attributable to unfavorable product mix.

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## Operating Expense

	13-Weeks Ended September 30, 2023	Year-over- Year Change	13-Weeks Ended September 24, 2022	13-Weeks Ended March 30, 2024	Year-over-Year Change	13-Weeks Ended April 1, 2023
Operating Expense						
Advertising expense	\$ 35,158	7 %	\$ 32,888			
Research and development expense				242,535	10 %	221,485
Percentage of Total Net Sales	3 %		3 %	18 %		19 %
Selling, General and administrative expenses	201,470	6 %	189,546			
Percentage of Total Net Sales	16 %		17 %			
Research and development expense	221,572	6 %	208,692			
Selling, general and administrative expenses				261,194	11 %	234,327
Percentage of Total Net Sales	17 %		18 %	19 %		20 %
Total	\$ 458,200	6 %	\$ 431,126	\$ 503,729	11 %	\$ 455,812
Percentage of Total Net Sales	36 %		38 %	36 %		40 %

Total operating expense in the first quarter of 2024 increased 6% 11% in absolute dollars and decreased 190 330 basis points as a percent of revenue when compared to the year-ago quarter.

Advertising expense increased 7% in absolute dollars and was relatively flat as a percent of revenue when compared to the year-ago quarter. The absolute dollar increase was primarily attributable to increased cooperative spend.

Selling, general and administrative expense increased 6% in absolute dollars and was relatively flat as a percent of revenue when compared to the year-ago quarter. The absolute dollar expense increase in the third quarter of 2023 was primarily attributable to increased personnel-related expenses and information technology costs.

Research and development expense increased 6% 10% in absolute dollars and decreased 100 180 basis points as a percent of revenue when compared to the year-ago quarter. The absolute dollar expense increase was primarily due to higher engineering personnel costs.

Selling, general and administrative expenses increased 11% in absolute dollars and decreased 150 basis points as a percent of revenue when compared to the year-ago quarter. The absolute dollar expense increase was primarily attributable to increased personnel-related expenses, including the impact of the Company's acquisition of JL Audio.

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## Operating Income

Operating Income (Loss)	13-Weeks Ended September 30, 2023	Year-over- Year Change	13-Weeks Ended September 24, 2022	13-Weeks Ended March 30, 2024	Year-over-Year Change	13-Weeks Ended April 1, 2023
<b>Fitness</b>	\$ 74,614	83 %	\$ 40,850	\$ 68,133	544 %	\$ 10,578
Percentage of Segment Net Sales	21 %		15 %	20 %		4 %
<b>Outdoor</b>	136,401	11 %	122,947	106,950	39 %	76,743
Percentage of Segment Net Sales	31 %		30 %	29 %		23 %
<b>Aviation</b>	49,269	2 %	48,487	52,134	(10 %)	57,695
Percentage of Segment Net Sales	25 %		26 %	24 %		27 %
<b>Marine</b>	23,850	(47 %)	44,950	87,692	22 %	71,908



Percentage of						
Segment Net Sales	13 %		23 %	27 %		26 %
<b>Auto OEM</b>	(13,765)	(23 %)	(17,861)	(16,499)	(17 %)	(19,942)
Percentage of						
Segment Net Sales	(12 %)		(26 %)	(13 %)		(24 %)
<b>Total</b>	<b>\$ 270,369</b>	<b>13 %</b>	<b>\$ 239,373</b>	<b>\$ 298,410</b>	<b>51 %</b>	<b>\$ 196,982</b>
Percentage of Total						
Net Sales	21 %		21 %	22 %		17 %

Total operating income in the first quarter of 2024 increased 13% 51% in absolute dollars and was relatively flat increased 440 basis points as a percent of revenue when compared to the year-ago quarter. The increase in operating income was primarily driven by the increase in sales, increase in gross margin, and lower operating expenses as a percent of revenue, as described above. The improved performance in fitness, outdoor, aviation, marine, and auto OEM was partially offset by a decrease in marine. aviation.

#### Other Income (Expense)

	13-Weeks Ended September 30, 2023	13-Weeks Ended September 24, 2022	13-Weeks Ended March 30, 2024	13-Weeks Ended April 1, 2023
<b>Other Income (Expense)</b>				
Interest income	\$ 19,803	\$ 10,472	\$ 25,027	\$ 15,899
Foreign currency gains (losses)	(11,539)	(29,863)		
Foreign currency gains			2,282	7,688
Other income	938	285	1,321	1,203
<b>Total</b>	<b>\$ 9,202</b>	<b>\$ (19,106)</b>	<b>\$ 28,630</b>	<b>\$ 24,790</b>

The average interest rate return on cash and investments during the third first quarter of 2023 2024 was 2.8% 3.1%, compared to 1.5% 2.4% during the same quarter of 2022.

Foreign currency gains and losses for the Company are driven by movements of a number of currencies in relation to the U.S. Dollar. The Taiwan Dollar is the functional currency of Garmin Corporation, the Euro is the functional currency of several subsidiaries, and the U.S. Dollar is the functional currency of Garmin (Europe) Ltd., although some transactions and balances are denominated in British Pounds. Other notable currency exposures include the Australian Dollar, Chinese Yuan, Japanese Yen, and Polish Zloty. The majority of the Company's consolidated foreign currency gain or loss is typically driven by the significant cash and marketable securities, receivables and payables held in a currency other than the functional currency at a given legal entity.

The \$11.5 million currency loss recognized in the third quarter of 2023 was primarily due to the U.S. Dollar strengthening against the Polish Zloty, Australian Dollar, and British Pound Sterling, partially offset by the U.S. Dollar strengthening against the Taiwan Dollar within the 13-week period ended September 30, 2023. During this period, the U.S. Dollar strengthened 6.8% against the Polish Zloty, 2.9% against the Australian Dollar, and 4.0% against the British Pound Sterling, resulting in losses of \$18.4 million, \$2.4 million, and \$1.9 million, respectively, partially offset by the U.S. Dollar strengthening 3.4% against the Taiwan Dollar, resulting in a gain of \$15.2 million. The remaining net currency loss of \$4.0 million was related to the impacts of other currencies, each of which was individually immaterial.

The \$29.9 million currency loss recognized in the third quarter of 2022 was primarily due to the U.S. Dollar strengthening against the Polish Zloty, Euro, Australian Dollar, British Pound Sterling, Chinese Yuan, and Japanese Yen, partially offset by the U.S. Dollar strengthening against the Taiwan Dollar, within the 13-week period ended September 24, 2022. During this period, the U.S. Dollar strengthened 8.8% against the Polish Zloty, 8.2% against the Euro, 5.3% against the Australian Dollar, 11.5% against the British Pound Sterling, 5.4% against the Chinese Yuan, and 5.7% against the Japanese Yen resulting in losses of \$15.4 million, \$12.2 million, \$5.0 million, \$4.3 million, \$3.3 million, and \$1.9 million, respectively, partially offset by the U.S. Dollar strengthening 6.6% against the Taiwan Dollar, resulting in a gain of \$17.1 million. The remaining net currency loss of \$4.9 million was related to the impacts of other currencies, each of which was individually immaterial.

### Income Tax Provision

The Company recorded income tax expense of \$22.3 million in the 13-week period ended September 30, 2023, compared to income tax expense of \$9.4 million in the 13-week period ended September 24, 2022. The effective tax rate was 8.0% in the third quarter of 2023, compared to 4.3% in the third quarter of 2022. The increase was primarily due to a change in income mix by jurisdiction and a revaluation of U.S. state deferred tax assets in the third quarter of 2023, compared to the third quarter of 2022.

### Net Income

As a result of the above, net income for the 13-week period ended September 30, 2023 was \$257.2 million compared to \$210.8 million for the 13-week period ended September 24, 2022, an increase of \$46.4 million.

### Comparison of 39-Weeks Ended September 30, 2023 and September 24, 2022

#### Net Sales

	39-Weeks Ended September 30, 2023	Year-over-Year Change	39-Weeks Ended September 24, 2022
<b>Net Sales</b>			
<b>Fitness</b>	\$ 932,561	21 %	\$ 772,867
<i>Percentage of Total Net Sales</i>	25 %		22 %
<b>Outdoor</b>	1,210,773	(8 %)	1,318,810
<i>Percentage of Total Net Sales</i>	32 %		37 %
<b>Aviation</b>	629,195	11 %	567,548
<i>Percentage of Total Net Sales</i>	17 %		16 %
<b>Marine</b>	677,026	(2 %)	693,369

Percentage of Total Net Sales	18 %	19 %	
Auto OEM	296,196	47 %	201,337
Percentage of Total Net Sales	8 %	6 %	
Total	\$ 3,745,751	5 %	\$ 3,553,931

Net sales increased 5% for the 39-week period ended September 30, 2023 when compared to the year-ago period. Total unit sales in the first three quarters of 2023 increased to 11,369 when compared to total unit sales of 10,672 in the first three quarters of 2022. Outdoor was the largest portion of our revenue mix at 32% in the first three quarters of 2023 compared to 37% in the first three quarters of 2022.

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The increase in fitness revenue was primarily driven by strong demand for wearables. Aviation revenue increased primarily due to growth in OEM product categories. Auto OEM revenue increased primarily due to increased shipments of domain controllers. Outdoor revenue decreased primarily due to declines in adventure watches during the first quarter of 2023. Marine revenue decreased due to declines across multiple categories, partially offset by contributions from newly acquired JL Audio.

### Gross Profit

	39-Weeks Ended September 30, 2023	Year-over-Year Change	39-Weeks Ended September 24, 2022
<b>Gross Profit</b>			
<b>Fitness</b>	\$ 484,759	25 %	\$ 387,921
<i>Percentage of Segment Net Sales</i>	52 %		50 %
<b>Outdoor</b>	755,800	(8 %)	819,376
<i>Percentage of Segment Net Sales</i>	62 %		62 %
<b>Aviation</b>	463,774	12 %	413,206
<i>Percentage of Segment Net Sales</i>	74 %		73 %
<b>Marine</b>	365,162	(3 %)	376,734
<i>Percentage of Segment Net Sales</i>	54 %		54 %
<b>Auto OEM</b>	71,311	10 %	64,568
<i>Percentage of Segment Net Sales</i>	24 %		32 %
<b>Total</b>	<b>\$ 2,140,806</b>	<b>4 %</b>	<b>\$ 2,061,805</b>
<b>Percentage of Total Net Sales</b>	<b>57 %</b>		<b>58 %</b>

Gross profit dollars in the first three quarters of 2023 increased 4%, primarily due to the increase in net sales when compared to the year-ago period, as described above. Consolidated gross margin was relatively flat when compared to the year-ago period.

The fitness gross margin increase of 180 basis points was primarily attributable to favorable freight costs. The outdoor, aviation, and marine gross margins were relatively flat when compared to the year-ago period. The auto OEM gross margin decrease of 800 basis points was primarily attributable to unfavorable product mix.

## Operating Expense

	39-Weeks Ended September 30, 2023	Year-over-Year Change	39-Weeks Ended September 24, 2022
<b>Operating Expense</b>			
<b>Advertising expense</b>	\$ 111,849	1 %	\$ 110,378
<i>Percentage of Total Net Sales</i>	3 %		3 %
<b>Selling, General and administrative expenses</b>	609,800	7 %	571,541
<i>Percentage of Total Net Sales</i>	16 %		16 %
<b>Research and development expense</b>	667,451	8 %	619,215
<i>Percentage of Total Net Sales</i>	18 %		17 %
<b>Total</b>	<b>\$ 1,389,100</b>	<b>7 %</b>	<b>\$ 1,301,134</b>
<b>Percentage of Total Net Sales</b>	<b>37 %</b>		<b>37 %</b>

Total operating expense increased 7% in absolute dollars and was relatively flat as a percent of revenue when compared to the year-ago period.

Advertising expense increased 1% in absolute dollars and was relatively flat as a percent of revenue when compared to the year-ago period. The absolute dollar increase was primarily attributable to increased media spend.

Selling, general and administrative expense increased 7% in absolute dollars and was relatively flat as a percent of revenue compared to the year-ago period. The absolute dollar expense increase in the first three quarters of 2023 was primarily attributable to increased personnel-related expenses and information technology costs.

Research and development expense increased 8% in absolute dollars and was relatively flat as a percent of revenue when compared to the year-ago period. The absolute dollar expense increase was primarily due to higher engineering personnel costs.

## Operating Income

	39-Weeks Ended September 30, 2023	Year-over-Year Change	39-Weeks Ended September 24, 2022
<b>Operating Income (Loss)</b>			
<b>Fitness</b>	\$ 139,651	115 %	\$ 64,894
<i>Percentage of Segment Net Sales</i>	15 %		8 %
<b>Outdoor</b>	351,399	(20 %)	439,129
<i>Percentage of Segment Net Sales</i>	29 %		33 %
<b>Aviation</b>	169,730	13 %	150,359
<i>Percentage of Segment Net Sales</i>	27 %		26 %
<b>Marine</b>	142,135	(18 %)	172,451
<i>Percentage of Segment Net Sales</i>	21 %		25 %
<b>Auto OEM</b>	(51,209)	(23 %)	(66,162)

Percentage of Segment Net Sales	(17 %)		(33 %)	
Total	\$	751,706	(1 %)	\$ 760,671
Percentage of Total Net Sales	20 %		21 %	

Total operating income decreased 1% in absolute dollars and 130 basis points as a percent of revenue when compared to the year-ago period. The decrease as a percent of revenue was primarily due to higher operating expenses, partially offset by sales growth, as described above. The decrease in outdoor and marine operating income was partially offset by improved performance in fitness, aviation, and auto OEM.

#### Other Income (Expense)

Other Income (Expense)	39-Weeks Ended		39-Weeks Ended	
	September 30, 2023		September 24, 2022	
Interest income	\$	54,461	\$	26,520
Foreign currency gains (losses)		6,946		(55,809)
Other Income		4,206		3,716
Total	\$	65,613	\$	(25,573)

The average interest returns on cash and investments during the 39-week periods ended September 30, 2023 and September 24, 2022 were 2.6% and 1.2%, respectively.

Foreign currency gains and losses for the Company are driven by movements of a number of currencies in relation to the U.S. Dollar. The Taiwan Dollar is the functional currency of Garmin Corporation, the Euro is the functional currency of several subsidiaries, and the U.S. Dollar is the functional currency of Garmin (Europe) Ltd., although some transactions and balances are denominated in British Pounds. Other notable currency exposures include the Australian Dollar, Chinese Yuan, Japanese Yen, and Polish Zloty. The majority of the Company's consolidated foreign currency gain or loss is typically driven by the significant cash and marketable securities, receivables and payables held in a currency other than the functional currency at a given legal entity.

The \$6.9 million \$2.3 million currency gain recognized in the 39-week period ended September 30, 2023 first quarter of 2024 was primarily due to the U.S. Dollar strengthening against the Taiwan Dollar, partially offset by the U.S. Dollar strengthening against the Polish Zloty, Australian Dollar, Chinese Yuan, and Japanese Yen and U.S. Dollar volatility with the Polish Zloty Euro within the 39-week 13-week period ended September 30, 2023 March 30, 2024. During this period, the U.S. Dollar strengthened 4.9% 3.9% against the Taiwan Dollar, resulting in a gain of \$21.1 million \$21.6 million, partially offset by while the U.S. Dollar strengthening 5.2% strengthened 1.8% against the Polish Zloty, 4.6% against the Australian Dollar, 4.6% and 2.2% against the Chinese Yuan, and 12.2% against the Japanese Yen, Euro, resulting in losses of \$2.9 million \$6.8 million, \$2.9 million \$3.3 million, and \$2.8 million \$3.0 million, respectively, while volatility with the Polish Zloty resulted in a net loss of \$4.5 million as the loss in the third quarter more than offset gains in previous quarters, respectively. The remaining net currency loss of \$1.1 million \$6.2 million was related to the impacts of other currencies, each of which was individually immaterial.

The \$55.8 million \$7.7 million currency loss gain recognized in the 39-week period ended September 24, 2022 first quarter of 2023 was primarily due to the U.S. Dollar strengthening weakening against the Polish Zloty, Euro, Australian Dollar, British Pound Sterling, Chinese Yuan, and Japanese Yen, Euro, partially offset by the U.S. Dollar strengthening weakening against the Taiwan Dollar, within the 39-week 13-week period ended September 24, 2022 April 1, 2023. During this period, the U.S. Dollar strengthened 16.7% weakened 2.7% against the Polish Zloty, 14.4% against the Euro, 9.9% against the Australian Dollar, 18.9% 2.0% against the British Pound Sterling, 10.0% 1.3% against the Chinese Yuan, and 20.2% 1.3% against the Japanese Yen Euro, resulting in losses gains of \$26.7 million \$4.5 million, \$21.1 million \$1.3 million, \$11.7 million, \$6.8 million, \$6.2 million \$0.7 million, and \$5.7 million, \$0.5 million respectively, partially offset by while the U.S. Dollar strengthening 12.9% weakened 0.4% against the Taiwan Dollar, resulting in a gain loss of \$34.2 million \$1.1 million. The remaining net currency loss gain of \$11.8 million \$1.8 million was related to the impacts of other currencies, each of which was individually immaterial.

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## Income Tax Provision

The Company recorded income tax expense of \$69.8 million \$51.1 million in the first three quarters of 2023, 13-week period ended March 30, 2024, compared to income tax expense of \$54.8 million \$19.4 million in the first three quarters of 2022, 13-week period ended April 1, 2023. The effective tax rate was 8.5% 15.6% in the first three quarters quarter of 2023 2024, compared to 7.5% 8.8% in the first three quarters quarter of 2022, 2023. The increase in effective tax rate between comparative periods was primarily due to a decrease the increase in U.S. tax deductions in the first three quarters of 2023 compared to the first three quarters of 2022.

Global taxing standards continue to evolve as a result of the Organization for Economic Co-Operation and Development (OECD) recommendations aimed at preventing perceived base erosion and profit shifting (BEPS) by multinational corporations. While these recommendations do not change tax law, the countries where we operate may implement legislation or take unilateral actions which may result in adverse effects to our income tax provision and financial statements.

Partially to respond to changes to global tax standards, we initiated an intercompany transaction in 2020 which migrates ownership of certain intellectual property from Switzerland to the United States, which is the primary location of research, development, and executive management. At the end of this migration, a higher percentage of income will be recognized in the U.S. Due to the subjectivity inherent in transfer pricing associated with this intercompany transaction, we are pursuing an advanced pricing agreement with relevant jurisdictions to provide certainty regarding

the pricing. We are unable to predict the outcome of the final advanced pricing agreement, related negotiations, and associated impacts for periods during negotiation, upon finalization, and in the periods that follow.

In 2021, the OECD continued work on the BEPS project by issuing a statement regarding a two-pillar solution which includes within "Pillar Two" a global minimum tax. Numerous countries have signed onto the OECD statement including Switzerland, the U.S., and the U.K. Recently, Switzerland's Federal Council proposed legislation which would implement a federal minimum tax in Switzerland of 15% in 2024. Additionally, the Parliament of the Swiss canton of Schaffhausen has also passed legislation, subject to a public-vote approval, that would increase the cantonal corporate tax rate beginning in 2024 and result in a combined federal and cantonal Switzerland statutory tax rate of approximately 15% in Switzerland. Neither the OECD statement nor proposed legislation has the effect of changes in actual tax law, but these actions may lead to legislation in those countries in which we operate.

The negotiations and final outcome of the advanced pricing agreement, the passage of certain tax legislation described above, or both, could have a material adverse impact on the Company's income tax provision, effective tax rate, and financial statements. However, we are not currently able to reasonably estimate the net impact(s) or associated timing of such events due response to the uncertainties that remain and any potential interdependencies. implementation of global minimum tax requirements.

## Net Income

As a result of the above, net income for the 39-week 13-week period ended September 30, 2023 March 30, 2024 was \$747.5 million \$276.0 million compared to \$680.3 million \$202.3 million for the 39-week 13-week period ended September 24, 2022 April 1, 2023, an increase of \$67.2 million \$73.7 million.

## Liquidity and Capital Resources

We primarily use cash flow from operations, and expect that future cash requirements may be used, to fund our capital expenditures, support our working capital requirements, pay dividends, fund share repurchases, and fund strategic acquisitions. We believe that our existing cash balances and cash flow from operations will be sufficient to meet our short- and long-term projected working capital needs, capital expenditures, and other cash requirements.

## Cash, Cash Equivalents, and Marketable Securities

As of September 30, 2023 March 30, 2024, we had approximately \$2.8 billion \$3.3 billion of cash, cash equivalents and marketable securities. Management invests idle or surplus cash in accordance with the Company's investment policy, which has been approved by the Company's Board of Directors. The investment policy's primary objectives are to preserve capital, maintain an acceptable degree of liquidity, and maximize yield within the constraint of low credit risk. Garmin's average interest rate returns on cash and investments during the first three quarters quarter of 2024 and 2023 were 3.1% and 2022 were 2.6% and 1.2% 2.4%, respectively. The fair value of our securities varies from period to period due to changes in interest rates, in the performance of the underlying collateral, and in the credit



performance of the underlying issuer, among other factors. See Note 4 for additional information regarding marketable securities.

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## Cash Flows

Cash provided by operating activities totaled \$910.3 million \$435.3 million for the first three quarters quarter of 2023, 2024, compared to \$419.6 million \$279.2 million for the first three quarters quarter of 2022, 2023. The increase was primarily due to a lower use of an increase in cash on purchases of inventory, received from customers primarily driven by higher net sales, partially offset by a decrease increases in collections cash paid for cost of accounts receivable goods sold and operating expenses in the first three quarters quarter of 2023 2024 compared to the first three quarters quarter of 2022, 2023.

Cash used in investing activities totaled \$267.7 million \$36.9 million for the first three quarters quarter of 2023, 2024, compared to \$319.1 million \$7.9 million for the first three quarters quarter of 2022, 2023. The decrease increase was primarily due to net purchases of marketable securities in the first quarter of 2024, compared to the net redemptions of marketable securities in the first three quarters quarter of 2023, compared to the net purchases of marketable securities in the first three quarters of 2022, as well as partially offset by a decrease in purchases of property and equipment, partially offset by cash used for acquisitions. equipment.

Cash used in financing activities totaled \$486.2 million \$156.2 million for the first three quarters quarter of 2023, 2024, compared to \$478.0 million \$192.3 million for the first three quarters quarter of 2022, 2023. This increase decrease was primarily due to higher cash dividend payments lower purchases of treasury shares under the share repurchase plan and partially offset by an increase in the purchase of treasury shares related to equity awards in the first three quarters quarter of 2023, as our declared dividend increased from \$0.67 per share for 2024 compared to the four calendar quarters beginning in June 2021 to \$0.73 per share for the eight calendar quarters beginning in June 2022, first quarter of 2023.

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## Use of Cash



## *Operating Leases*

The Company has lease arrangements for certain real estate properties, vehicles, and equipment. Leased properties are typically used for office space, distribution, and retail. As of **September 30, 2023** **March 30, 2024**, the Company had fixed lease payment obligations of **\$159.1 million** **\$155.7 million**, with **\$33.9 million** **\$34.5 million** payable within 12 months.

## *Inventory Purchase Obligations*

The Company obtains various raw materials and components for its products from a variety of third party suppliers. The Company's inventory purchase obligations are primarily noncancelable. As of **September 30, 2023** **March 30, 2024**, the Company had inventory purchase obligations of **\$644.6 million** **\$773.5 million**, with **\$489.1 million** **\$623.1 million** payable within 12 months.

## *Other Purchase Obligations*

The Company's other purchase obligations primarily consist of noncancelable commitments for capital expenditures and other indirect purchases in connection with conducting our business. As of **September 30, 2023** **March 30, 2024**, the Company had other purchase obligations of **\$299.8 million** **\$396.8 million**, with **\$112.3 million** **\$210.2 million** payable within 12 months.

## **Critical Accounting Policies and Estimates**

### **General**

Our discussion and analysis of financial condition and results of operations are based upon the Company's condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The presentation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to customer sales programs and incentives, product returns, bad debts, inventories, investments, intangible assets, income taxes, warranty obligations, and contingencies and litigation. We base our estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

For a description of the significant accounting policies and methods used in the preparation of the Company's condensed consolidated financial statements, refer to Note 1, "Summary of Significant Accounting Policies" in the Notes to the Consolidated Financial Statements in Part II, Item 8 and "Critical Accounting Policies and Estimates" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended **December 31, 2022** **December**

30, 2023. There were no significant changes to the Company's critical accounting policies and estimates in the 13-week and 39-week periods period ended September 30, 2023 March 30, 2024.

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### Item 3. Quantitative and Qualitative Disclosures About Market Risk

There are numerous market risks that can affect our future business, financial condition and results of operations. In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 30, 2023. There have been no material changes during the 13-week and 39-week periods period ended September 30, 2023 March 30, 2024 in the risks described in our Annual Report on Form 10-K related to market sensitivity, inflation, foreign currency exchange rate risk and interest rate risk.

### Item 4. Controls and Procedures

(a) *Evaluation of disclosure controls and procedures.* The Company maintains a system of disclosure controls and procedures that are designed to provide reasonable assurance that information, which is required to be timely disclosed, is accumulated and communicated to management in a timely fashion. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. As of September 30, 2023 March 30, 2024, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded as of September 30, 2023 March 30, 2024 that our disclosure controls and procedures were effective such that the information relating to the Company, required to be disclosed in our Securities and Exchange Commission ("SEC") (SEC) reports (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to the Company's management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

(b) *Changes in internal control over financial reporting.* There has been no change in the Company's internal controls over financial reporting that occurred during the Company's fiscal quarter ended September 30, 2023 March 30, 2024 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## Part II - Other Information

### Item 1. Legal Proceedings

In the normal course of business, the Company and its subsidiaries are parties to various legal claims, actions, and complaints, including matters involving patent infringement, other intellectual property, product liability, customer claims and various other risks. It is not possible to predict with certainty whether or not the Company and its subsidiaries will ultimately be successful in any of these legal matters, or if not, what the impact might be. However, the Company's management does not expect that the results in any of these legal proceedings will have a material adverse effect on the Company's business, results of operations, financial position or cash flows. For additional information, see Note 8 – Commitments and Contingencies in the above Condensed Consolidated Financial Statements and Part I, Item 3, "Legal Proceedings" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 30, 2023.

#### Item 1A. Risk Factors

There are many risks and uncertainties that can affect our future business, financial performance or share price. In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 30, 2023. There have been no material changes during the 39-week 13-week period ended September 30, 2023 March 30, 2024 in the risks described in our Annual Report on Form 10-K. These risks, however, are not the only risks facing our Company. Additional risks and uncertainties, including those not currently known to us or that we currently deem to be immaterial, also may materially adversely affect our business, financial condition and/or operating results.

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

#### Issuer Purchases of Equity Securities

Share repurchase activity There were no repurchases of our common shares during the 13-week period three months ended September 30, 2023, summarized on a trade-date basis, was as follows (in thousands, except per share amounts): March 30, 2024.

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share (2)	Total Number of Shares Purchased as	Approximate Dollar Value of Shares That
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	Repurchased (1)		Repurchased as Part of Publicly Announced Plans or Programs		Shares That May Yet Be Purchased Under the Program
July 2, 2023 - July 29, 2023	18	\$ 104.85	18	\$	24,842
July 30, 2023 - August 26, 2023	26	\$ 103.51	26	\$	22,161
August 27, 2023 - September 30, 2023	39	\$ 104.12	39	\$	18,131
<b>Total</b>	<b>83</b>		<b>83</b>		

(1) The On February 16, 2024, the Board of Directors approved a share repurchase program on April 22, 2022 (the "Program" "2024 Program"), authorizing the Company to purchase up to \$300 million of its common shares, exclusive of the cost of any associated excise tax. Share repurchases may be made in 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. The timing and volume of share repurchases are subject to market conditions, business conditions and applicable laws, and are at management's discretion. The Program does not require the purchase of any minimum number of shares and may be suspended or discontinued at any time. The share repurchase authorization expires on December 29, 2023 December 26, 2026. See As of March 30, 2024 the Company had repurchased no shares, leaving \$300 million available to repurchase shares under the 2024 Program. Refer to Note 9 in Part I, Item 1 of this Quarterly Report the Condensed Consolidated Financial Statements for additional information related to share repurchases.

(2) Average price paid per share includes costs associated with the repurchases, except for the cost of any associated excise tax.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not applicable.

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### Item 5. Other Information

## (c) Trading Plans

During the 13-week period ended **September 30, 2023** **March 30, 2024**, no **director** **directors** or **officer** **officers** (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) of the Company adopted or terminated any **Rule** **Rule** 10b5-1 trading arrangement” or **non-Rule** **non-Rule** 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation **S-K**. **S-K**, except as follows:

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- On March 1, 2024, Clifton Pemble, President and Chief Executive Officer, adopted a new written trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act for the potential sale of up to (i) 15,931 shares of our common shares, and (ii) 100% of the net shares (net of tax withholding) resulting from the vesting of 31,206 gross shares of our common shares relating to equity awards during the plan period, subject to certain conditions. The first trade date will not occur until June 17, 2024 at the earliest, and the plan's maximum duration is until March 1, 2025.
- On March 5, 2024, Patrick Desbois, Executive Vice President, Operations, adopted a new written trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act for the potential sale of up to 4,126 shares of our common shares, subject to certain conditions. The first trade date will not occur until June 4, 2024 at the earliest, and the plan's maximum duration is until July 31, 2024.

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## Item 6. Exhibits

Exhibit 3.1	<a href="#">Articles of Association of Garmin Ltd., as amended and restated on June 9, 2023 (incorporated by reference to Exhibit 10.3 of the Registrant's Current Report on Form 8-K filed on June 12, 2023).</a>
Exhibit <b>31.1</b> 3.2	<a href="#">Organizational Regulations of Garmin Ltd., as amended on October 25, 2019 (incorporated by reference to Exhibit 3.2 of the Registrant's Amendment No.1 to Current Report on Form 8-K/A filed on November 21, 2019).</a>
Exhibit 31.1†	<a href="#">Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a).</a>
Exhibit 31.2 31.2†	<a href="#">Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a).</a>
Exhibit 32.1 32.1†	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>

Exhibit [Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)  
32.2 32.2†

Exhibit [Inline 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.INS 101.IN  
S†

Exhibit [Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents](#)  
101.SCH 101.S  
CH†

Exhibit [101.CAL](#) [Inline XBRL Taxonomy Extension Calculation Linkbase](#)

Exhibit [101.DEF](#) [Inline XBRL Taxonomy Extension Definition Linkbase](#)

Exhibit [101.LAB](#) [Inline XBRL Taxonomy Extension Label Linkbase](#)

Exhibit [Inline XBRL Taxonomy Extension Presentation Linkbase](#)  
101.PRE

Exhibit [Cover Page Interactive Data File \(formatted as Inline XBRL and contained in Exhibit 101\)](#)  
104 104†  
27 † Filed herewith.  
† Furnished herewith.

## SIGNATURES

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

GARMIN LTD.

By /s/ Douglas G. Boessen

Douglas G. Boessen

Chief Financial Officer

Dated: November 1, 2023 May 1, 2024

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**EXHIBIT 31.1**

**CERTIFICATION**

I, Clifton A. Pemble, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Garmin Ltd.;
2. Based on my knowledge, this quarterly 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 we 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 quarterly 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;
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 function):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2023 May 1, 2024

By /s/ Clifton A. Pemble

Clifton A. Pemble

President and Chief Executive Officer

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## EXHIBIT 31.2

### CERTIFICATION

I, Douglas G. Boessen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Garmin Ltd.;
2. Based on my knowledge, this quarterly 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 we 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 quarterly 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;

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 function):

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

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

Date: November 1, 2023 May 1, 2024

By /s/ Douglas G. Boessen

Douglas G. Boessen

Chief Financial Officer

## EXHIBIT 32.1

### CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Garmin Ltd. (the "Company") on Form 10-Q for the period ending September 30, 2023 March 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Clifton A. Pemble, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2023 May 1, 2024

By /s/ Clifton A. Pemble

Clifton A. Pemble

President and Chief Executive Officer

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

This certification accompanies the Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

**EXHIBIT 32.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Garmin Ltd. (the "Company") on Form 10-Q for the period ending **September 30, 2023** **March 30, 2024** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas G. Boessen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **November 1, 2023** **May 1, 2024**

By /s/ Douglas G. Boessen

Douglas G. Boessen

Chief Financial Officer

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

This certification accompanies the Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

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