

# SUPPLEMENTAL FINANCIAL INFORMATION

## Q1 FISCAL YEAR 2024 (QUARTER ENDED June 30, 2023)

# Q1 FY 2024 FINANCIAL HIGHLIGHTS

| $974 million | -15% | 39.0% | $109 million | $0.65 per share | $240 million |
|---|---|---|---|---|---|
| Revenue | Y/Y Sales % (CC) | Non-GAAP Gross Margin | Non-GAAP Operating Income | Non-GAAP Diluted EPS | Cash Flow from Operations |

Results listed in non-GAAP. Sales are net sales and comparisons are Y/Y and on a constant currency basis.

## Change in Presentation of Sales by Product Category

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

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

As a result of these changes, certain prior-period amounts have been reclassified to conform to the current period presentation.

The following table presents the sales by product category under the new presentation and the previous presentation for the three months ended June 30, 2023 (in thousands):

| | Previous presentation | Reclassifications | New presentation |
|---|---|---|---|
| Gaming | 250,351 | 16,078 (1) | 266,429 |
| Keyboards & Combos | 180,855 | - | 180,855 |
| Pointing Devices | 174,454 | - | 174,454 |
| Video Collaboration | 179,413 | (40,067) (2) (3) | 139,346 |
| Webcams (2) | 46,541 | 28,659 (3) | 75,200 |
| Tablet Accessories | 70,336 | - | 70,336 |
| Headsets | - | 36,850 (2) | 36,850 |
| Other | 1,422 | 29,607 (4) (5) | 31,029 |
| Mobile Speakers | 14,777 | (14,777) (4) | - |
| Audio & Wearables | 56,350 | (56,350) (1) (2) (5) | - |
| Total Net Sales | 974,499 | | 974,499 |

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

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

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

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

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

## Quarterly Financial Trends

Reflects Reclassification (1)

*Preliminary results **

*In $ millions except per share and %*

| | Q1'19 | Q2'19 | Q3'19 | Q4'19 | Q1'20 | Q2'20 | Q3'20 | Q4'20 | Q1'21 | Q2'21 | Q3'21 | Q4'21 | Q1'22 | Q2'22 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | Q4'23 | Q1'24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **GAAP Results** | | | | | | | | | | | | | | | | | | | | | |
| Net Sales | 608 | 691 | 864 | 624 | 644 | 720 | 903 | 709 | 792 | 1,257 | 1,667 | 1,536 | 1,312 | 1,306 | 1,633 | 1,230 | 1,160 | 1,149 | 1,270 | 960 | **974** |
| Gross Margin | 36.8% | 37.1% | 37.5% | 37.3% | 37.1% | 37.8% | 37.1% | 39.0% | 38.6% | 45.3% | 44.9% | 46.3% | 43.4% | 41.5% | 40.3% | 40.2% | 39.6% | 38.2% | 37.6% | 35.8% | **38.5%** |
| Operating Expenses | 191 | 191 | 201 | 191 | 192 | 204 | 206 | 245 | 222 | 248 | 301 | 416 | 366 | 363 | 395 | 365 | 344 | 311 | 301 | 305 | **297** |
| Operating Income | 32 | 65 | 123 | 42 | 47 | 68 | 129 | 32 | 83 | 322 | 448 | 295 | 203 | 179 | 263 | 129 | 115 | 127 | 177 | 39 | **78** |
| Operating Margin | 5.3% | 9.4% | 14.3% | 6.8% | 7.4% | 9.5% | 14.3% | 4.5% | 10.5% | 25.6% | 26.9% | 19.2% | 15.5% | 13.7% | 16.1% | 10.5% | 10.0% | 11.1% | 13.9% | 4.0% | **8.0%** |
| Net Income | 38 | 64 | 113 | 42 | 45 | 73 | 118 | 214 | 72 | 267 | 383 | 226 | 187 | 139 | 210 | 108 | 101 | 82 | 140 | 41 | **63** |
| Diluted EPS | $0.23 | $0.38 | $0.67 | $0.25 | $0.27 | $0.43 | $0.69 | $1.26 | $0.42 | $1.56 | $2.22 | $1.31 | $1.09 | $0.81 | $1.24 | $0.64 | $0.61 | $0.50 | $0.86 | $0.26 | **$0.39** |
| Avg. Diluted Shares Outstanding | 169 | 169 | 169 | 169 | 169 | 169 | 170 | 170 | 170 | 171 | 173 | 173 | 172 | 171 | 170 | 169 | 166 | 164 | 163 | 162 | **160** |
| **Non-GAAP Results** | | | | | | | | | | | | | | | | | | | | | |
| Net Sales | 608 | 691 | 864 | 624 | 644 | 720 | 903 | 709 | 792 | 1,257 | 1,667 | 1,536 | 1,312 | 1,306 | 1,633 | 1,230 | 1,160 | 1,149 | 1,270 | 960 | **974** |
| Gross Margin | 37.4% | 37.6% | 38.1% | 38.0% | 37.8% | 38.4% | 37.6% | 39.8% | 39.2% | 45.7% | 45.2% | 46.6% | 43.8% | 42.0% | 40.6% | 40.5% | 40.0% | 38.6% | 37.9% | 36.3% | **39.0%** |
| Operating Expenses | 167 | 175 | 186 | 173 | 176 | 187 | 188 | 203 | 193 | 221 | 278 | 391 | 340 | 337 | 361 | 342 | 319 | 287 | 278 | 266 | **271** |
| Operating Income | 61 | 85 | 143 | 64 | 67 | 89 | 152 | 79 | 117 | 354 | 476 | 325 | 235 | 211 | 302 | 156 | 146 | 156 | 204 | 82 | **109** |
| Operating Margin | 9.9% | 12.2% | 16.6% | 10.3% | 10.4% | 12.4% | 16.8% | 11.1% | 14.8% | 28.1% | 28.6% | 21.2% | 17.9% | 16.2% | 18.5% | 12.7% | 12.6% | 13.6% | 16.1% | 8.6% | **11.2%** |
| Net Income | 57 | 83 | 134 | 65 | 66 | 85 | 143 | 71 | 109 | 320 | 423 | 251 | 210 | 180 | 263 | 136 | 123 | 138 | 185 | 81 | **103** |
| Diluted EPS | $0.34 | $0.49 | $0.79 | $0.38 | $0.39 | $0.50 | $0.84 | $0.42 | $0.64 | $1.87 | $2.45 | $1.45 | $1.22 | $1.05 | $1.55 | $0.81 | $0.74 | $0.84 | $1.14 | $0.50 | **$0.65** |
| **Net Sales by Product Category (1)** | | | | | | | | | | | | | | | | | | | | | |
| Gaming (2) | 136 | 169 | 238 | 151 | 147 | 176 | 262 | 162 | 202 | 333 | 496 | 373 | 373 | 361 | 502 | 341 | 298 | 322 | 412 | 256 | **266** |
| Keyboards & Combos | 128 | 132 | 144 | 132 | 129 | 139 | 156 | 148 | 145 | 202 | 218 | 219 | 218 | 236 | 282 | 231 | 228 | 201 | 220 | 188 | **181** |
| Pointing Devices | 128 | 128 | 149 | 132 | 122 | 133 | 155 | 135 | 120 | 169 | 214 | 178 | 183 | 189 | 231 | 178 | 183 | 185 | 199 | 161 | **174** |
| Video Collaboration | 41 | 41 | 55 | 49 | 55 | 72 | 73 | 83 | 74 | 140 | 162 | 223 | 148 | 146 | 200 | 174 | 182 | 179 | 174 | 144 | **139** |
| Webcams | 45 | 42 | 49 | 48 | 43 | 42 | 48 | 61 | 106 | 180 | 242 | 287 | 184 | 166 | 188 | 137 | 109 | 102 | 94 | 73 | **75** |
| Tablet Accessories | 32 | 37 | 36 | 23 | 38 | 34 | 31 | 32 | 46 | 83 | 138 | 117 | 79 | 81 | 83 | 67 | 67 | 54 | 65 | 68 | **70** |
| Headsets | 22 | 22 | 23 | 22 | 21 | 24 | 22 | 29 | 38 | 63 | 69 | 67 | 59 | 50 | 51 | 48 | 46 | 45 | 47 | 39 | **37** |
| Other (3) | 76 | 121 | 170 | 68 | 89 | 100 | 155 | 59 | 60 | 87 | 128 | 70 | 67 | 77 | 96 | 54 | 47 | 61 | 59 | 31 | **31** |
| Total Net Sales (4) | 608 | 691 | 864 | 624 | 644 | 720 | 903 | 709 | 792 | 1,257 | 1,667 | 1,536 | 1,312 | 1,306 | 1,633 | 1,230 | 1,160 | 1,149 | 1,270 | 960 | **974** |

Note: These preliminary results for the three months ended June 30, 2023 are subject to adjustments, including subsequent events that may occur through the date of filing of our Quarterly Report on Form 10-Q.

1. Reflects Change in Presentation of Sales by Product Category (see prior slide). As a result of this change, certain prior-period amounts have been reclassified to the current period presentation.

2. Gaming includes streaming services revenue generated by Streamlabs.

3. Other primarily consists of mobile speakers and PC speakers.

4. These reclassifications do not impact our previously reported Total Net Sales. Individual amounts may not add up to the total Net Sales due to rounding.

## Cash Flow and Operational Trends

*Preliminary results **

*In $ millions except working capital metrics*

| | Q1'21 | Q2'21 | Q3'21 | Q4'21 | Q1'22 | Q2'22 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | Q4'23 | Q1'24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance Sheet** | | | | | | | | | | | | | |
| Cash and Cash Equivalents | 809 | 917 | 1,389 | 1,750 | 1,498 | 1,137 | 1,364 | 1,329 | 1,107 | 869 | 1,036 | 1,149 | **1,251** |
| Debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Accounts Receivable | 500 | 751 | 895 | 612 | 546 | 728 | 846 | 676 | 707 | 773 | 802 | 630 | **563** |
| Inventory | 271 | 395 | 477 | 661 | 779 | 828 | 835 | 933 | 917 | 880 | 798 | 683 | **572** |
| Accounts Payable | 430 | 663 | 812 | 823 | 710 | 661 | 739 | 636 | 559 | 547 | 491 | 407 | **387** |
| Net Working Capital (1) | 342 | 483 | 560 | 450 | 615 | 895 | 942 | 972 | 1,065 | 1,106 | 1,109 | 906 | **748** |
| **Working Capital Metrics** | | | | | | | | | | | | | |
| Days Sales Outstanding | 57 | 54 | 48 | 36 | 37 | 50 | 47 | 49 | 55 | 61 | 57 | 59 | **52** |
| Days of Inventory | 50 | 52 | 47 | 72 | 94 | 97 | 77 | 114 | 118 | 112 | 91 | 100 | **86** |
| Days Payables Outstanding | 80 | 87 | 80 | 90 | 86 | 78 | 68 | 78 | 72 | 69 | 56 | 59 | **58** |
| Cash Conversion Cycle | 27 | 19 | 15 | 18 | 45 | 69 | 56 | 85 | 101 | 104 | 92 | 100 | **80** |
| Cash Flow from Operations | 119 | 280 | 530 | 530 | (115) | (63) | 377 | 100 | (36) | 73 | 280 | 217 | **240** |
| **Capital Return** | | | | | | | | | | | | | |
| Dividends Paid | 0 | 147 | 0 | 0 | 0 | 159 | 0 | 0 | 0 | 159 | 0 | 0 | **0** |
| Shares Repurchased | 0 | 22 | 50 | 92 | 55 | 120 | 116 | 121 | 121 | 117 | 90 | 91 | **95** |
| Total Capital Return | 0 | 169 | 50 | 92 | 55 | 279 | 116 | 121 | 121 | 276 | 90 | 91 | **95** |
| LTM Capital Return | 159 | 204 | 255 | 311 | 366 | 476 | 542 | 571 | 637 | 634 | 608 | 578 | **552** |

1. Net Working Capital is defined here as Accounts Receivables + Inventory - Accounts Payable.

Note: These preliminary results for the three months ended June 30, 2023 are subject to adjustments, including subsequent events that may occur through the date of filing of our Quarterly Report on Form 10-Q.

## GAAP to Non-GAAP Reconciliations

*Preliminary results **

*In $ millions except per share and %*

| | Q1'21 | Q2'21 | Q3'21 | Q4'21 | Q1'22 | Q2'22 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | Q4'23 | Q1'24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Profit - GAAP** | 306 | 570 | 749 | 711 | 569 | 542 | 658 | 494 | 460 | 439 | 477 | 344 | **376** |
| Share-based compensation expense | 1 | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | **1** |
| Amortization of intangible assets and purchase accounting efffect on inventory | 4 | 3 | 3 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 4 | **3** |
| **Gross Profit - Non-GAAP** | 311 | 574 | 754 | 716 | 574 | 548 | 663 | 498 | 464 | 443 | 482 | 349 | **380** |
| **Operating Expenses - GAAP** | 222 | 248 | 301 | 416 | 366 | 363 | 395 | 365 | 344 | 311 | 301 | 305 | **297** |
| Share-based compensation expense | 19 | 23 | 18 | 20 | 22 | 22 | 23 | 20 | 22 | 11 | 14 | 18 | **20** |
| Amortization of intangible assets and acquistion-related costs | 5 | 4 | 5 | 5 | 5 | 5 | 4 | 3 | 3 | 3 | 3 | 3 | **3** |
| Change in fair value of contingent consideration for business acquisition | 6 | 0 | 0 | 0 | (1) | (1) | (1) | 0 | 0 | 0 | 0 | 0 | **0** |
| Restructuring charges (credits), net | (0) | (0) | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 11 | 6 | 18 | **4** |
| Intangible Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | **0** |
| **Operating Expenses - Non-GAAP** | 193 | 221 | 278 | 391 | 340 | 337 | 361 | 342 | 319 | 287 | 278 | 266 | **271** |
| **Operating Income - GAAP** | 83 | 322 | 448 | 295 | 203 | 179 | 263 | 129 | 115 | 127 | 177 | 39 | **78** |
| Share-based compensation expense | 20 | 25 | 20 | 21 | 24 | 24 | 25 | 21 | 24 | 12 | 16 | 19 | **22** |
| Amortization of intangible assets | 8 | 7 | 8 | 9 | 9 | 9 | 7 | 6 | 6 | 6 | 6 | 6 | **6** |
| Acquistion-related costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Change in fair value of contingent consideration for business acquisition | 6 | 0 | 0 | 0 | (1) | (1) | (1) | 0 | 0 | 0 | 0 | 0 | **0** |
| Restructuring charges (credits), net | (0) | (0) | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 11 | 6 | 18 | **4** |
| Intangible Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | **0** |
| **Operating Income - Non-GAAP** | 117 | 354 | 476 | 325 | 235 | 211 | 302 | 156 | 146 | 156 | 204 | 82 | **109** |
| **Net Income From Continuing Operations - GAAP** | 72 | 267 | 383 | 226 | 187 | 139 | 210 | 108 | 101 | 82 | 140 | 41 | **63** |
| Share-based compensation expense | 20 | 25 | 20 | 21 | 24 | 24 | 25 | 21 | 24 | 12 | 16 | 19 | **22** |
| Amortization of intangible assets | 8 | 7 | 8 | 9 | 9 | 9 | 7 | 6 | 6 | 6 | 6 | 6 | **6** |
| Acquistion-related costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Change in fair value of contingent consideration for business acquisition | 6 | 0 | 0 | 0 | (1) | (1) | (1) | 0 | 0 | 0 | 0 | 0 | **0** |
| Restructuring charges (credits), net | (0) | (0) | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 11 | 6 | 18 | **4** |
| Intangible Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | **0** |
| Pension curtailment (gain) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (4) | **0** |
| Loss (gain) on investments | (0) | 3 | 2 | 1 | (1) | 2 | 0 | 0 | (11) | 23 | 1 | 1 | **12** |
| Non-GAAP tax adjustment | 3 | 18 | 10 | (6) | (7) | 7 | 13 | (0) | 3 | 4 | 16 | (1) | **(2)** |
| **Net Income From Continuing Operations - Non-GAAP** | 109 | 320 | 423 | 251 | 210 | 180 | 263 | 136 | 123 | 138 | 185 | 81 | **103** |
| **Net Income from Continuing Operations Per Share** | | | | | | | | | | | | | |
| Diluted- GAAP | $0.42 | $1.56 | $2.22 | $1.31 | $1.09 | $0.81 | $1.24 | $0.64 | $0.61 | $0.50 | $0.86 | $0.26 | **$0.39** |
| Diluted - Non-GAAP | $0.64 | $1.87 | $2.45 | $1.45 | $1.22 | $1.05 | $1.55 | $0.81 | $0.74 | $0.84 | $1.14 | $0.50 | **$0.65** |

Note: These preliminary results for the three months ended June 30, 2023 are subject to adjustments, including subsequent events that may occur through the date of filing of our Quarterly Report on Form 10-Q.

# FORWARD-LOOKING STATEMENTS AND GAAP TO NON-GAAP RECONCILIATION NOTES

***Note: These preliminary results for the three months ended June 30, 2023 are subject to adjustments, including subsequent events that may occur through the date of filing of our Quarterly Report on Form 10-Q.**

## Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the U.S. federal securities laws, including, without limitation, statements regarding our preliminary financial results for the three months ended June, 2023; full year and first half Fiscal Year 2024 outlook for sales and non-GAAP operating income; growth expectations; business strategy, including but not limited to design led engineering and product innovation, manufacturing and operations, global go-to-market capabilities, and capital allocation strategy; trends in our business; and related assumptions.

These statements are subject to risks and uncertainties that may cause actual results and events to differ materially, including without limitation: macroeconomic and geopolitical conditions and other factors and their impact, for example changes in inflation levels and monetary policies; our expectations regarding our expense reduction efforts, including the timing thereof; changes in secular trends that impact our business; if our product offerings, marketing activities and investment prioritization decisions do not result in the sales, profitability or profitability growth we expect, or when we expect it; if we fail to innovate and develop new products in a timely and cost-effective manner for our new and existing product categories; if we do not successfully execute on our growth opportunities or our growth opportunities are more limited than we expect; the effect of demand variability, supply shortages and other supply chain challenges; the effect of pricing, product, marketing and other initiatives by our competitors, and our reaction to them, on our sales, gross margins and profitability; if we are not able to maintain and enhance our brands; if our products and marketing strategies fail to separate our products from competitors' products; if we do not efficiently manage our spending; our expectations regarding our restructuring efforts, including the timing thereof; if there is a deterioration of business and economic conditions in one or more of our sales regions or product categories, or significant fluctuations in exchange rates; changes in trade regulations, policies and agreements and the imposition of tariffs that affect our products or operations and our ability to mitigate; if we do not successfully execute on strategic acquisitions and investments; risks associated with acquisitions; and the effect of changes to our effective income tax rates. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in Logitech's periodic filings with the Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K for the fiscal year ended March 31, 2023, and our subsequent reports filed with the SEC, available at www.sec.gov, under the caption Risk Factors and elsewhere. Logitech does not undertake any obligation to update any forward-looking statements to reflect new information or events or circumstances occurring after the date of this presentation.

## Non-GAAP Financial Measures

To facilitate comparisons to Logitech's historical results, we have included non-GAAP adjusted measures in this presentation, which exclude share-based compensation expense, amortization of intangible assets, acquisition-related costs, restructuring charges, net, loss (gain) on investments, non-GAAP income tax adjustment, and other items detailed under "Supplemental Financial Information" in our earnings press release posted to our website under "Quarterly Results" at http://ir.logitech.com.

We also present percentage sales growth in constant currency ("CC"), a non-GAAP measure, to show performance unaffected by fluctuations in currency exchange rates. Percentage sales growth in constant currency is calculated by translating prior period sales in each local currency at the current period's average exchange rate for that currency and comparing that to current period sales. Logitech believes this information will help investors to evaluate its current period performance, outlook and trends in its business. With respect to our outlook for non-GAAP operating income, most of the excluded amounts pertain to events that have not yet occurred and are not currently possible to estimate with a reasonable degree of accuracy. Therefore, no reconciliation to the GAAP amounts has been provided for the first half of Fiscal Year 2024 and full Fiscal year 2024 non-GAAP operating income outlook.