

Garmin Nordic Denmark A/S

Hejrevang 19, 3450 Allerød

CVR no. 11 36 38 81

Annual report 2024

Approved at the Company's annual general meeting on 20 June 2025

Chair of the meeting:



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Garmin Nordic Denmark A/S for the financial year 1 January - 31 December 2024.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.


We recommend that the annual report be approved at the annual general meeting.

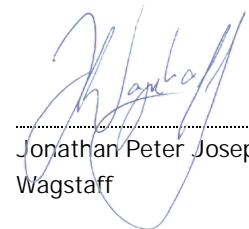
Alleroed, 20 June 2025
Executive Board:


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Jan-Åke Arenäs

Board of Directors:


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Sean Biddlecombe


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Jan-Åke Arenäs


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Jonathan Peter Joseph
Wagstaff

Independent auditor's report

To the shareholders of Garmin Nordic Denmark A/S

Opinion

We have audited the financial statements of Garmin Nordic Denmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations as well as the cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

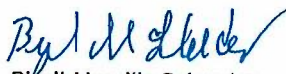
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 20 June 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Birgit Morville Schrøder
State Authorised Public Accountant
mne21337



Martin Fuglkjær Kristensen
State Authorised Public Accountant
mne51046

Management's review

Company details

Name	Garmin Nordic Denmark A/S
Address, Postal code, City	Hejrevang 19, 3450 Allerød
CVR no.	11 36 38 81
Established	14 September 1987
Registered office	Allerød
Financial year	1 January - 31 December
Website	www.garmin.dk
Board of Directors	Sean Biddlecombe, Chairman Jan-Åke Arenäs Jonathan Peter Joseph Wagstaff
Executive Board	Jan-Åke Arenäs
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	Nordea Bank

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
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Key figures

Revenue	1,345,253	1,150,532	1,113,260	1,324,755	1,149,437
Gross profit	91,285	77,613	75,784	80,748	78,557
Operating profit/loss	28,496	18,652	0	0	0
Net financials	1,873	1,288	-98	-189	-522
Profit for the year	33,177	24,826	22,186	25,585	24,217

Total assets	441,752	452,102	373,537	486,808	421,435
Investments in property, plant and equipment	700	232	467	1,244	2,369
Equity	194,547	161,370	144,544	137,358	126,773

Financial ratios

Operating margin	3.0%	2.7%	2.6%	2.5 %	2.8 %
Gross margin	6.8%	6.7%	6.8%	6.1%	6.8%
Return on assets	6.4%	4.5%	0.0%	0.0%	0.0%
Equity ratio	44.0%	35.7%	38.7%	28.2%	30.1%
Return on equity	18.6%	16.2%	15.7%	19.4%	20.1%

Average number of full-time employees	75	69	75	71	67
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The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	$\frac{\text{Profit/loss before net financials +/- Other operating income and other operating expenses}}{\text{Revenue}} \times 100$
Operating margin	$\frac{\text{Operating profit/loss (EBIT)}}{\text{Revenue}} \times 100$
Gross margin	$\frac{\text{Gross profit/loss}}{\text{Revenue}} \times 100$
Return on assets	$\frac{\text{Profit/loss from operating activities}}{\text{Average assets}} \times 100$
Equity ratio	$\frac{\text{Equity, year-end}}{\text{Total equity and liabilities, year-end}} \times 100$
Return on equity	$\frac{\text{Profit/loss after tax}}{\text{Average equity}} \times 100$

Management's review

Management commentary

Principal activities

Garmin Nordic Denmark A/S' main activities are marketing and sale of Garmin products in Denmark and distribution of Garmin products in the Nordics.

Development in activities and financial matters

The income statement for 2024 shows a profit of DKK 33,177 thousand against a profit of DKK 24,826 thousand last year, and the balance sheet at 31 December 2024 shows equity of DKK 194,547 thousand.

The main factors to the higher revenue in 2024 are driving by the high growth in the Fitness segment 31,5 % Extramental sales on the Forerunner Segments do to launch of the new Forerunner 165 and attractive pricing on the entry models, made a fantastic coverage in the marked. Also, the subsegments as Index Scale and Varia was beyond expectations.

Outdoor Growth 13% YOY mainly driven by Fenix (High Price Products) and the Launch of Fenix 8(Fenix segment growth 24%) Launch of new Garmin Instinct 3 went well in the marked with a YOY growth 15%.

Management considers the Company's financial performance in the year to be in line with expectations from the previous year.

Non-financial matters

In late 2024 the construction of the new headquarter in Ballerup began. It is expected to be finished late 2025/beginning of 2026.

The premises in Allerød has been sold per March 1st, 2026, with the option for Garmin to rent the warehouse part for the first 5 months, if the new headquarter should be delayed.

Recognition and measurement uncertainties

The annual report for 2024 is not subject to any significant recognition and measurement uncertainties.

Unusual matters having affected the financial statements

No unusual events occurred in the reporting year.

Financial risks and use of financial instruments

In a matter of few years, Garmin Nordic Denmark A/S has become market leading in all of our large product groups. This requires much from the handling of new launches, competitive situations, price policies, etc., which our competitors do not need to comply with. This, together with the overall decline in the large product groups, implies at all times a risk to further growth. Consequently, once again in current financial year, we were challenged by the continuous decline in the PND (Portable Navigation Devices) market, caused by a general saturation of the market and limited mobility due to our market share as well as increasing pressure from more comprehensive substitutes like smartphones and tablets.

The Company is not exposed to any significant currency or interest rate risks.

Report on data ethics

Garmin follows a privacy and security by design approach. We are transparent about the types of personal data we process and the ways we use it, in compliance with applicable privacy laws and regulations. We believe personal data belongs to our customers, who control what can be shared. We also have a responsibility to be good stewards of that data, and we protect it in accordance with best practices in cybersecurity frameworks. Our privacy and security teams are updated on current trends and practices through annual trainings and collaboration with industry groups, and we engage independent parties to perform annual assessments of our cyber security programs for continuous improvement. To learn more about our privacy practices, visit our website https://www8.garmin.com/sustainability/reports-policies/code-of-conduct/Code_of_Conduct.pdf

Management's review

Corporate social responsibility

The ultimate parent of Garmin Nordic Denmark A/S and the whole Garmin group ("Garmin") is Garmin Ltd., which is domiciled in Switzerland. For more than 30 years, Garmin has pioneered new products that fuel people's passions across five business segments: fitness, outdoor, aviation, marine and automotive OEM. We believe every day is a chance to beat yesterday. The business description can be found on K 10 on the link below:

https://www8.garmin.com/aboutGarmin/invRelations/reports/Investor_Overview.pdf

Regarding Corporate Social Responsibility, the Company therefore leverages Garmin policies when applicable and applies specific local policies and actions as necessary. The policies can be found on the link below:

https://www8.garmin.com/sustainability/reports-policies/code-of-conduct/Code_of_Conduct.pdf

Human Rights:

Policy:

Garmin believes that protecting human rights is the ethical and responsible way to do business. We work to afford our associates the dignity, freedom, respect and acceptance that they deserve. This is outlined in the Garmin group Code of Conduct, which is updated annually and can be found at the link below.

https://www8.garmin.com/suppliers/pdfs/FRM0560_Supplier_Code_of_Conduct.pdf

Risk Assessment:

Garmin Nordic Denmark A/S operates as a distributor of Garmin products and therefore purchases all products from group companies. The Garmin group's goal is to ensure human rights are upheld for all workers involved in its supply chain and supports suppliers who share Garmin's belief that fair labor practices and safe working environments are an inherent part of human rights, which minimizes the risk of human rights abuses locally. Still, a potential risk exists within our supply chain for forced labor or child labor, particularly in regions where labor standards are less stringent.

Actions:

In the future we will communicate our guidelines and expectations regarding human rights to employees and business relations through our code of conducts.

Results:

In 2024 the Garmin Group Code of Conduct was provided to all Garmin Nordic Denmark A/S' newly hired employees. No human rights violations have been identified in 2024.

Climate and Environment:

Policy:

The Garmin group focuses on climate and environmental responsibility related to product design, raw material and energy use, packaging, and shipping. This includes use of recycled materials in packaging and avoiding the use of hazardous materials in Garmin products.

Risk Assessment:

Garmin Nordic Denmark A/S operates as a distributor of Garmin products by utilizing office and warehouse facilities. As the Company does not have its own production facility, climate and environment risks are low and mainly relate to the energy consumption in office and warehouse spaces and recycling of waste.

Actions:

In 2024 the Company continuously strives to practice energy efficiency in its daily activities, including the use of LED light bulbs and automatic on/off light switches. Further, the Company continuously collects recyclable materials to minimize waste. Our target is to continue to work towards reducing non-recycled waste and energy consumption.

Results:

Management considers the Company's record and current approach to climate and environmental responsibility to be positive. Non-recycled waste and energy consumption did not grow significantly in 2024 despite the growth in the local business.

Management's review

Anti-corruption:

Policy:

The Garmin group complies with the anti-corruption laws of the countries in which it does business. This is outlined in the Garmin group Code of Conduct, which is updated annually, provided to each associate upon hire, and can be found at the link below.

https://www8.garmin.com/aboutGarmin/invRelations/documents/Code_of_Conduct.pdf

This includes prohibition of accepting, given or soliciting bribes or kickbacks, cautions when choosing external business partners and extra caution when working with government departments or officials.

Risk Assessment:

Garmin Nordic Denmark A/S operates as a distributor of Garmin products and therefore purchases all products from group companies, which minimizes the risk of corruption locally. Nevertheless, risks associated with lack of integrity and transparency in the supply chain or vendor network pose a threat of exposure to corrupt practices, impacting operational efficiency and brand reputation.

Actions:

Key employees of Garmin Nordic Denmark A/S and the Garmin group receive training annually regarding the Garmin group's policies and procedures regarding bribery, anti-corruption and sensitive payments. This also took place in 2024.

Results:

Management considers the Company's anti-corruption record and approach to be positive. In 2024 there have in Garmin Nordic Denmark A/S not been any breach to the Company's anti-corruption policy. In the future we will communicate our guidelines and expectations regarding anticorruption to employees and business relation through our code of conducts.

Social working conditions:

Policy:

The Garmin group offers an environment that is supportive of inclusion and diversity. We aim to provide globally competitive benefits, as well as numerous programs focused on health and wellness and career development. We believe that healthy, happy associates are safer and more productive.

Risk Assessment:

Management considers the Company's social working conditions, and current employee relations to be positive and therefore low risk, with the exception of physical labor that may be required in the warehouse and therefore moderate risk.

Actions:

We have whenever possible in 2024, assumed the extra, administrative tasks that follow from having employees with special needs or requirements. Such staff categories included: Disabled persons, flex jobbers and interns. Further, the company properly trains its warehouse associates and takes special caution to avoid any work hazards.

Results:

Management considers the Company's human rights record, social working conditions, and current employee relations to be positive, and in 2024 Garmin Nordic Denmark A/S experienced no work hazards. Further, the company properly trains its warehouse associates and takes special caution to avoid any work hazards, which we will continue doing in the future.

Events after the balance sheet date

No events have occurred after the financial year end which could significantly affect the Company's financial position.

Outlook

Due to the uncertain financial environment and the war in Ukraine the Company expects a small increase in the revenue and profit compared to 2024 with a revenue at around DKK 1.350.000 thousand to DKK 1.540.000 thousand and a profit before tax on around DKK 42.800 thousand to DKK 46.200 thousand.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2024	2023
2	Revenue	1,345,253	1,150,532
	Cost of sales	-1,230,065	-1,050,360
	Other operating income	12,430	12,072
3	Other external expenses	-36,333	-34,631
	Gross profit	91,285	77,613
4	Staff costs	-49,382	-45,616
	Depreciation of property, plant and equipment	-977	-1,273
	Profit before net financials	40,926	30,724
	Financial income	1,999	1,365
	Financial expenses	-126	-77
	Profit before tax	42,799	32,012
5	Tax for the year	-9,622	-7,186
	Profit for the year	33,177	24,826

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	ASSETS		
	Non-current assets		
7	Property, plant and equipment		
	Land and buildings	19,130	19,130
	Other fixtures and fittings, tools and equipment	1,516	1,793
	Property, plant and equipment in progress	7,806	0
		<u>28,452</u>	<u>20,923</u>
	Financial assets		
9	Deferred tax assets	211	177
		<u>211</u>	<u>177</u>
	Total non-current assets	<u>28,663</u>	<u>21,100</u>
	Current assets		
	Inventories		
	Finished goods and goods for resale	150,753	132,390
		<u>150,753</u>	<u>132,390</u>
	Receivables		
	Trade receivables	140,303	98,229
	Receivables from group entities	21,439	146,356
	Other receivables	764	6,102
		<u>162,506</u>	<u>250,687</u>
	Cash	99,830	47,925
	Total current assets	<u>413,089</u>	<u>431,002</u>
	TOTAL ASSETS	<u>441,752</u>	<u>452,102</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2024</u>	<u>2023</u>
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	2,000	2,000
	Retained earnings	192,547	159,370
	Dividend proposed for the year	0	0
	Total equity	<u>194,547</u>	<u>161,370</u>
	Liabilities		
	Current liabilities		
	Trade payables	6,579	5,408
	Payables to group entities	225,640	276,452
	Income taxes payable	1,992	795
	Other payables	12,994	8,077
	Total current liabilities	<u>247,205</u>	<u>290,732</u>
	Total liabilities	<u>247,205</u>	<u>290,732</u>
	TOTAL EQUITY AND LIABILITIES	<u>441,752</u>	<u>452,102</u>

- 1 Accounting policies
- 6 Appropriation of profit
- 10 Contractual obligations and contingencies, etc.
- 11 Security and collateral
- 12 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Dividend proposed for the year	Total
	Equity at				
	1 January 2023	2,000	134,544	8,000	144,544
6	Transfer, see "Appropriation of profit"	0	24,826	0	24,826
	Dividend distributed	0	0	-8,000	-8,000
	Equity at				
	1 January 2024	2,000	159,370	0	161,370
6	Transfer, see "Appropriation of profit"	0	33,177	0	33,177
	Equity at				
	31 December 2024	2,000	192,547	0	194,547

Financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	2024	2023
	Profit for the year	33,177	24,826
13	Adjustments	8,726	7,171
	Cash generated from operations (operating activities)	41,903	31,997
14	Changes in working capital	25,094	29,127
	Cash generated from operations (operating activities)	66,997	61,124
	Interest received, etc.	1,999	1,365
	Interest paid, etc.	-126	-77
	Income taxes paid	-8,459	-7,274
	Cash flows from operating activities	60,411	55,138
	Additions of property, plant and equipment	-8,506	-19,362
	Cash flows to investing activities	-8,506	-19,362
	Dividends distributed	0	-8,000
	Cash flows from financing activities	0	-8,000
	Net cash flow	51,905	27,776
	Cash and cash equivalents at 1 January	47,925	20,149
	Cash and cash equivalents at 31 December	99,830	47,925

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Garmin Nordic Denmark A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods held for sale and finished goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Depreciation

The item comprises depreciation of property, plant and equipment.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Other fixtures and fittings, tools and equipment 5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Impairment of non-current assets

Property, plant and equipment are tested for impairment whenever there are indications that an asset might be impaired. The impairment test is performed for each individual asset or group of assets, respectively. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risk of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

Segment information is given for revenue broken down by geographical segment. The segmentation is in accordance with the entity's internal financial management.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2024	2023
2 Segment information		
Breakdown of revenue by business segment:		
Direct sales	607,153	525,121
Intra-group sales	738,100	625,411
	<u>1,345,253</u>	<u>1,150,532</u>
Breakdown of revenue by geographical segment:		
Nordics	1,345,253	1,150,532
	<u>1,345,253</u>	<u>1,150,532</u>
3 Fee to the auditors appointed in general meeting		
Total fees to EY	428	414
Statutory audit	349	341
Assurance engagements	29	28
Tax assistance	21	20
Other assistance	29	25
	<u>428</u>	<u>414</u>
4 Staff costs		
Wages/salaries	39,802	36,384
Pensions	3,600	3,377
Other staff costs	5,980	5,855
	<u>49,382</u>	<u>45,616</u>
Average number of full-time employees	<u>75</u>	<u>69</u>
By reference to section 98b(3)(ii) of the Danish Financial Statements Act, remuneration to Management is not disclosed.		
5 Tax for the year		
Estimated tax charge for the year	9,656	7,275
Deferred tax adjustments in the year	-34	-89
	<u>9,622</u>	<u>7,186</u>
6 Appropriation of profit		
Recommended appropriation of profit		
Retained earnings	33,177	24,826
	<u>33,177</u>	<u>24,826</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Property, plant and equipment

DKK'000	Land and buildings	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2024	19,130	18,349	0	37,479
Additions in the year	0	700	7,806	8,506
Cost at 31 December 2024	19,130	19,049	7,806	45,985
Impairment losses and depreciation at 1 January 2024	0	16,556	0	16,556
Amortisation/depreciation in the year	0	977	0	977
Impairment losses and depreciation at 31 December 2024	0	17,533	0	17,533
Carrying amount at 31 December 2024	19,130	1,516	7,806	28,452
Depreciated over	50 years	5 years		

DKK'000	2024	2023
8 Share capital		
Analysis of the share capital:		
2,000 A- shares of DKK 1,000.00 nominal value each	2,000	2,000
	2,000	2,000

The Company's share capital has remained DKK 2,000 thousand over the past 5 years.

9 Deferred tax		
Deferred tax relates to:		
Property, plant and equipment	-211	-177
	-211	-177

Financial statements 1 January - 31 December

Notes to the financial statements

10 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	3,398	2,715
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Rent and lease liabilities include a rent liability totalling DKK 1,302 (2023: DKK 1,227) and liabilities under operating leases for cars and office equipment, DKK 2,096 (2023: DKK 1,488).

11 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2024.

12 Related parties

Information about consolidated financial statements

Parent	Domicile
Garmin Ltd.	

Related party transactions

Garmin Nordic Denmark A/S was engaged in the below related party transactions:

DKK'000	2024	2023
Sales	738,100	625,411
Purchases	1,241,965	1,029,432
IT costs	925	1,063
Receivables from associates	21,439	146,356
Payables to associates	225,640	276,452

13 Adjustments

Amortisation/depreciation and impairment losses	977	1,273
Financial income	-1,999	-1,365
Financial expenses	126	77
Tax for the year	9,622	7,186
	<u>8,726</u>	<u>7,171</u>

14 Changes in working capital

Change in inventories	-18,363	-1,102
Change in receivables	88,181	113,580
Change in trade and other payables, etc.	-49,641	-74,908
Other changes in working capital	4,917	-8,443
	<u>25,094</u>	<u>29,127</u>