

MillerKnoll

Investor
Presentation

Fourth Quarter FY24
NASDAQ: MLKN



Forward looking statements

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements relate to future events and anticipated results of operations, business strategies, the anticipated benefits of our acquisition of Knoll, the anticipated impact of the Knoll acquisition on the combined Company's business and future financial and operating results, the expected amount and timing of synergies from the Knoll acquisition, and other aspects of our operations or operating results. These forward-looking statements generally can be identified by phrases such as "will," "expects," "anticipates," "foresees," "forecasts," "estimates" or other words or phrases of similar import. It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of MillerKnoll or the price of MillerKnoll's stock.

These forward-looking statements involve certain risks and uncertainties, many of which are beyond MillerKnoll's control, that could cause actual results to differ materially from those indicated in such forward-looking statements, including but not limited to:

- general economic conditions;
- the impact of any government policies and actions to protect the health and safety of individuals or to maintain the functioning of national or global economies, and the Company's response to any such policies and actions;
- the impact of public health crises, such as pandemics and epidemics;
- risks related to the additional debt incurred in connection with the Knoll acquisition;
- MillerKnoll's ability to comply with its debt covenants and obligations;
- the risk that the anticipated benefits of the Knoll acquisition will be more costly to realize than expected;
- the effect of the announcement of the Knoll acquisition on the ability of MillerKnoll to retain and hire key personnel and maintain relationships with customers, suppliers and others with whom MillerKnoll does business, or on MillerKnoll's operating results and business generally;
- the ability to successfully integrate Knoll's operations;

- the ability of MillerKnoll to implement its plans, forecasts and other expectations with respect to MillerKnoll's business after the completion of the Knoll acquisition and realize expected synergies;
- business disruption following the Knoll acquisition;
- the availability and pricing of raw materials;
- the financial strength of our dealers and the financial strength of our customers;
- the success of newly-introduced products;
- the pace and level of government procurement;
- regional and global geopolitical events
- foreign currency exchange fluctuations; and
- the outcome of pending litigation or governmental audits or investigations.

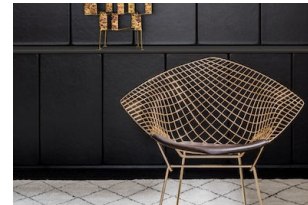
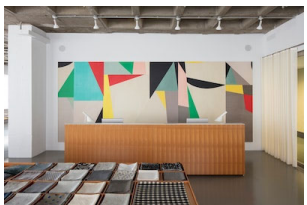
For additional information about other factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to MillerKnoll's periodic reports and other filings with the SEC, including the risk factors identified in MillerKnoll's most recent Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. The forward-looking statements included in this communication are made only as of the date hereof. MillerKnoll does not undertake any obligation to update any forward-looking statements to reflect subsequent events or circumstances, except as required by law.

Company Snapshot



The MillerKnoll Collective

We own 14 of the world's most dynamic design brands



MillerKnoll

NaughtOne
Edelman **DATESWEISER**
HAY
GEIGER  **KnollTextiles**
Knoll  **HermanMiller**
 **colebrook bosson saunders** **MUUTO**
maharam spinneybeck filzfelt*
HOLLY HUNT

We have global brands
sold through three segments and
multiple channels

\$3.6B

FY24 Revenue

14

Brands

70+

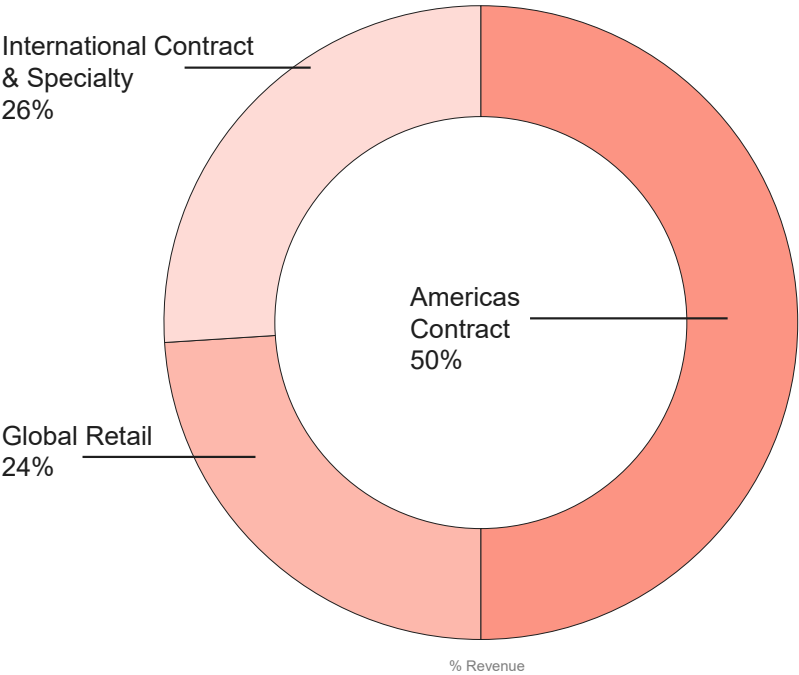
Retail Stores

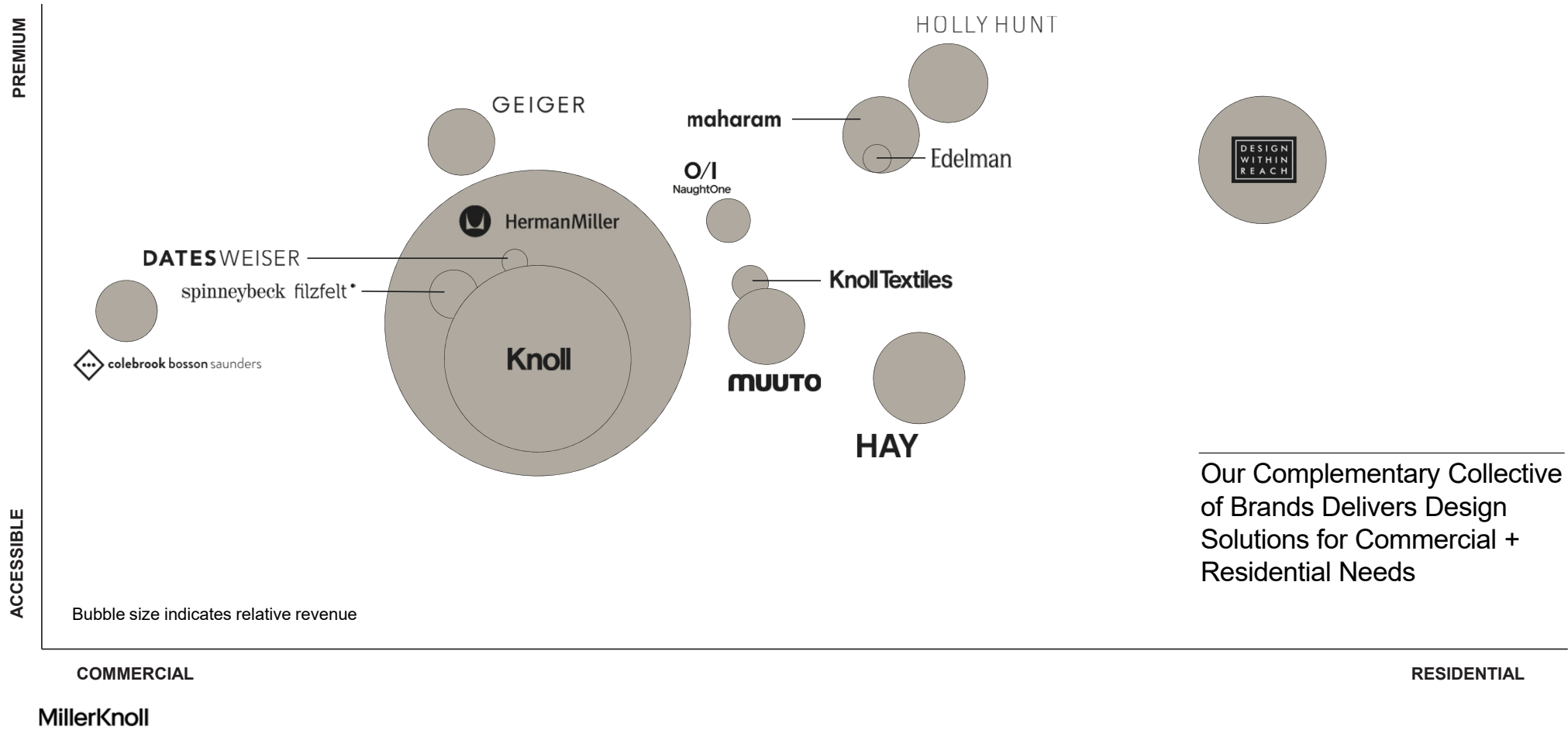
1,000+

Dealers
in 110 Countries

11,000

Employees around
the globe





COMPANY SNAPSHOT

Investment thesis

Diversified Revenue Growth Opportunities

- Global brands
- Multiple channels
- Diversified customer segments

Margin Expansion Focus

- Delivered \$160M of cost synergies post Knoll acquisition (*annual run-rate, within three years of closing*)
- Targeted actions to improve operating efficiency
 - Creating centers of excellence
 - Consolidating production
 - Leveraging our manufacturing scale

Disciplined Capital Stewardship

- \$78 million of cash flow from operations in Q4 FY24
- 2.63x Net debt-to-EBITDA ratio as of Q4 FY24⁽¹⁾

Investment in Growth

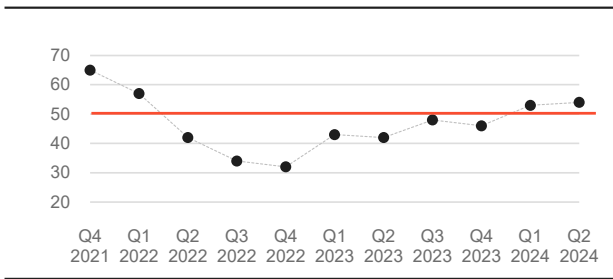
- 30+ product launches in June 2024
- Innovation in sustainable materials and practices to reduce carbon footprint
- Active showroom investment projects underway in major cities aimed at showing the breadth of MillerKnoll collective

(1) See appendix for reconciliation of non-GAAP measures



Macro-Economic drivers

The Conference Board – CEO Confidence



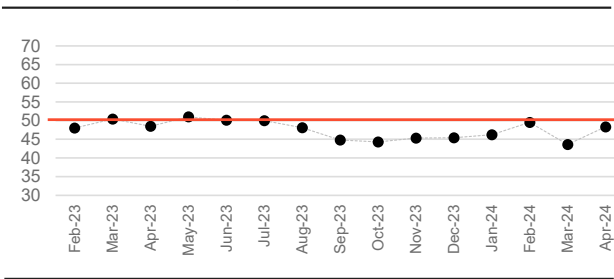
Source: Conference-Board, May 2024

AIA Consensus Construction Forecast (%YOY GROWTH)

	2024	2025
Non-Residential	4%	1.2%
Commercial Total	-0.7%	0.2%
Office	-1.7%	-0.7%
Health	3.6%	3.5%
Education	5.8%	3.9%
Hotel	7.4%	5.9%

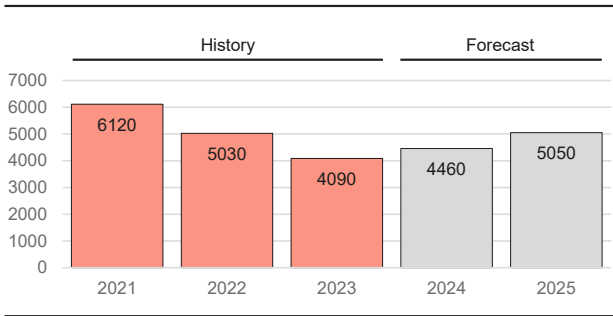
Source: The American Institute of Architects, December 2023

U.S. Architects Billing Index



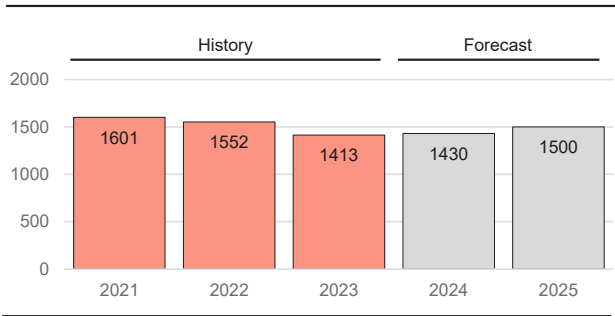
Source: The American Institute of Architects, April 2024

Existing Home Sales (THOUSANDS OF UNITS)



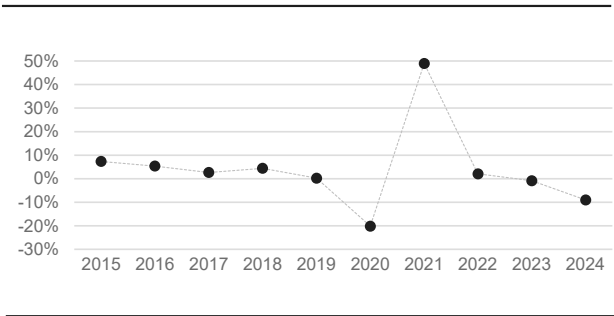
Source: Ntl. Assoc. of Realtors U.S. Economic Outlook, Apr 2024

Housing Starts (THOUSANDS OF UNITS)



Source: Ntl. Assoc. of Realtors U.S. Economic Outlook, Apr 2024

Furniture + Home Furnishing Stores (ANNUAL SALES GROWTH)



Source: US Census Bureau; 2024 reflecting Fiscal YTD through May vs. prior Fiscal YTD May

Our Purpose, Vision, Strengths and Priorities



Our Purpose:
Design for the good of humankind

Our Vision:

We are designers and creators of products, solutions, and experiences that inspire and delight our clients at work, home, and in the spaces between. We win because:

- Our associates are passionate about what they do.
- Our clients love our brands.
- Our shareholders value the results we deliver.



Sources of competitive advantages



Design & Innovation Leadership

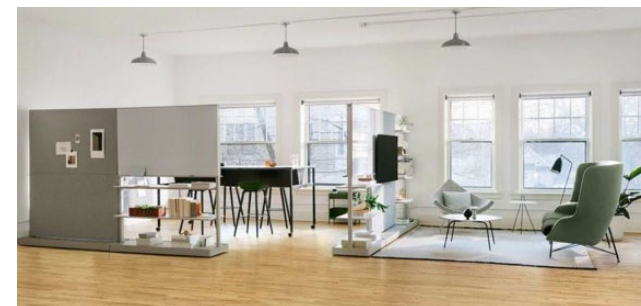


Global Scale & Reach

MillerKnoll



Power of the brand collective & our product portfolio



Diversified Business Model



Extraordinary People

Our near-term strategic priorities emphasize our three most important stakeholder groups

Customers

Drive customer demand and order growth

- ✓ Deliver a world-class experience with every client interaction
- ✓ Build advantage through design excellence, innovative products, solutions and scale
- ✓ Win customer confidence through our ability to build a better future

Associates

Foster a culture of highly engaged associates

- ✓ Nurture our culture and inspire belief in the future
- ✓ Empower associates to be agile and reduce complexity
- ✓ Enable high performance

Shareholders

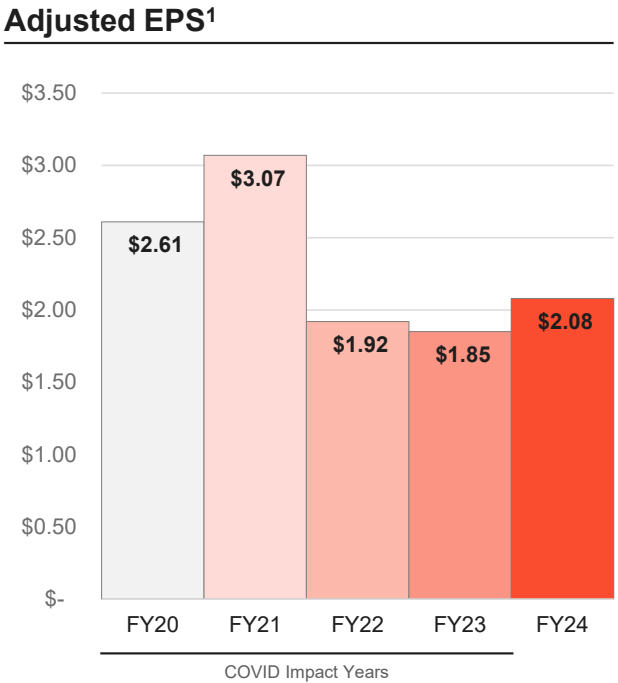
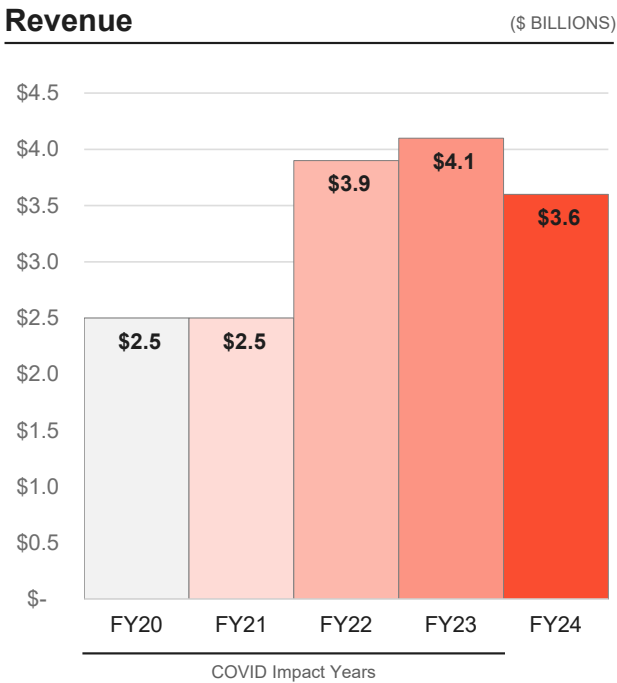
Deliver Shareholder Value

- ✓ Deliver on stated targets
- ✓ Consistent execution
- ✓ Defend profitability and build earnings resiliency

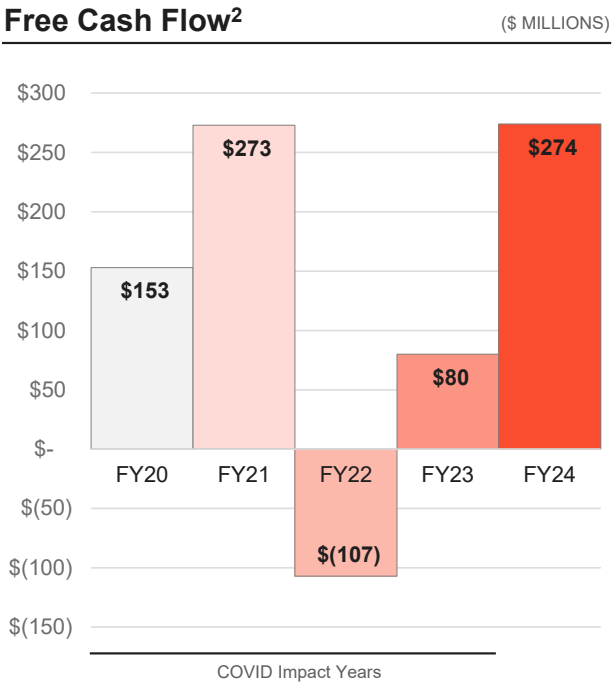
Financial Performance



Historical financial performance



¹ See Appendix for reconciliation of non-GAAP measures



² Cash flow from operations less capital expenditures

Disciplined capital allocation approach focused on value creation

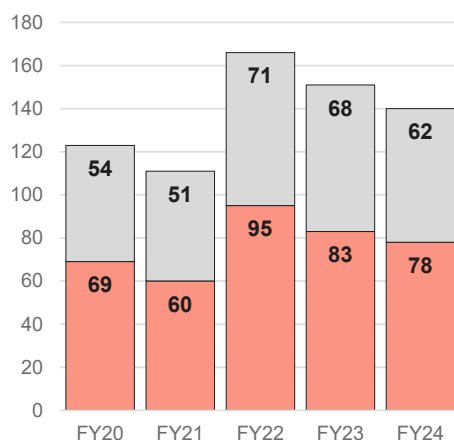
1. Support Growth

2. Targeted M&A

3. Strong & Flexible Balance Sheet

4. Capital Returns to Shareholders

(\$ MILLIONS) CAPEX R+D



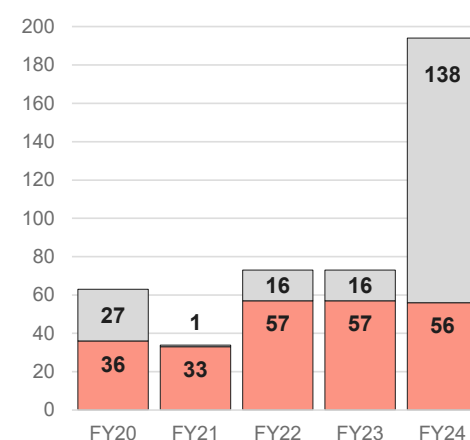
Investments in M&A, including the following acquisitions in the past 5 years:

- Knoll
- HAY
- NaughtOne

Q4 FY24

Cash	\$230M
Long-term Debt ¹	\$1,292M
Net Debt to EBITDA Ratio ²	2.63x
Revolver Avail.	\$322M

(\$ MILLIONS) DIVIDENDS SHARE REPURCHASE



¹ Excludes current portion of long-term debt

² Per the measure allowed under our bank agreement

Recent Quarterly Financial Trends

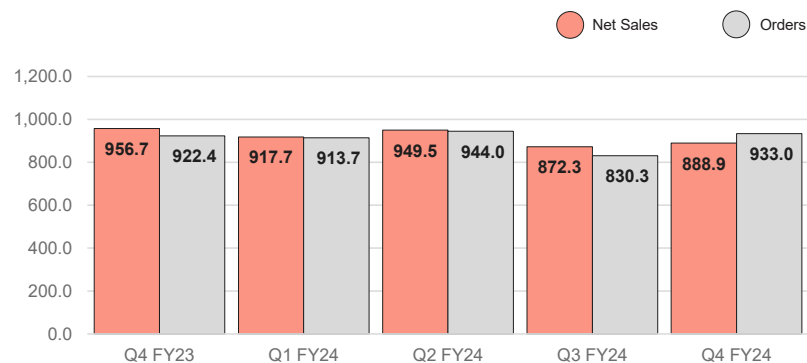


RECENT QUARTERLY FINANCIAL TRENDS

17

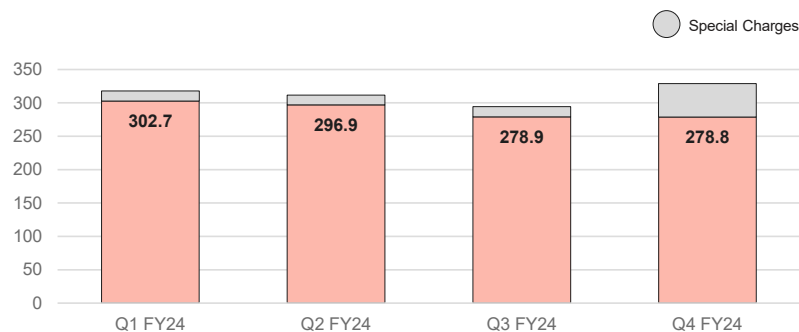
Quarterly Net Sales + Orders

(\$ MILLIONS)



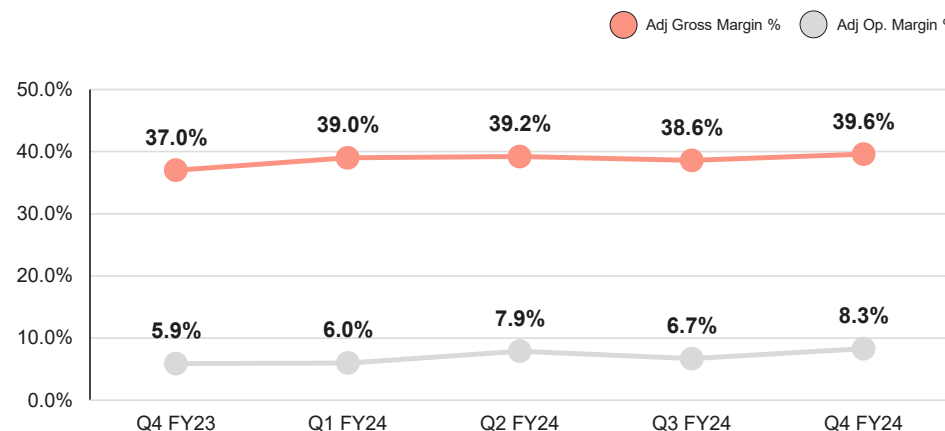
Quarterly Operating Expenses

(\$ MILLIONS)



Adjusted Gross Margin and Adjusted Operating Margin ¹

(% NET SALES)



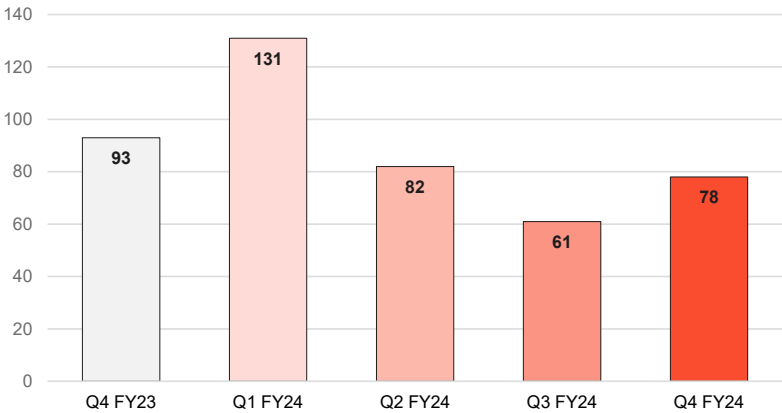
Reported Q4 FY24 net sales decreased 7.1% and orders increased 1.1% from the prior year. On an organic basis, sales decreased 5.2%¹ and orders increased 2.9%¹.

Adjusted gross margin in Q4 FY24 reflected a 260-basis point increase over the prior year. The year-over-year increase in gross margin was driven by price optimization strategies; improved freight, distribution and inventory management; an impairment charge recorded in the prior year, and benefits from our ongoing synergy efforts

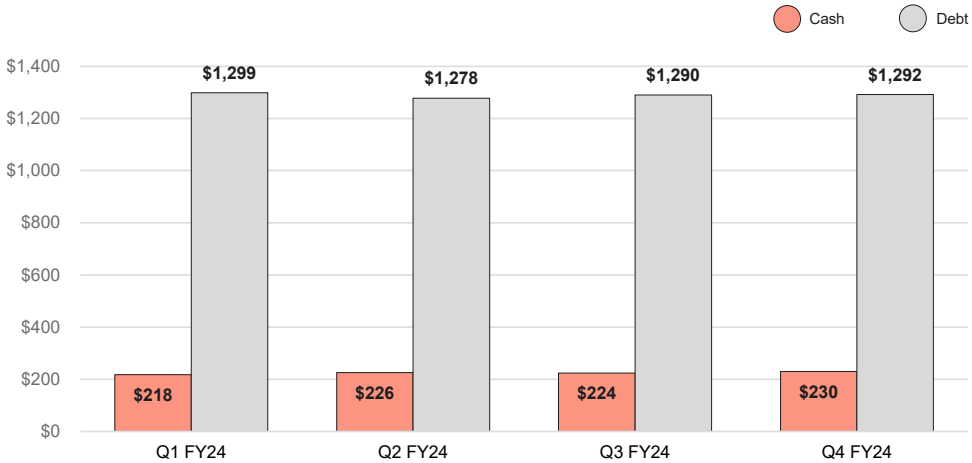
Earnings per share in Q4 FY24 totaled \$0.14 per share on a reported basis and \$0.67¹ on an adjusted basis, compared to \$0.00 per share last year on a reported basis and \$0.41¹ per share on an adjusted basis.

(1) See appendix for reconciliation of non-GAAP measures

Quarterly Cash Flow from Operations (\$ MILLIONS)



Quarterly Net Debt ⁽²⁾ (\$ MILLIONS)



Net Debt to EBITDA Ratio ⁽¹⁾ (Q4 FY24)

2.63x

⁽¹⁾ See appendix for reconciliation of non-GAAP measures

⁽²⁾ Excludes current portion of long-term debt

GUIDANCE

Q1 and Full Year FY25 Guidance

	Q1 FY25	FY25 Full Year
Revenue	\$872 million to \$912 million	
Gross Margin %	39.0% to 40.0%	
Adj. Operating Expenses	\$291 million to \$301 million	
Interest & Other Expense, Net	\$16.8 million to \$17.8 million	
Effective Tax Rate	20.5% to 22.5%	
Adj. Earnings Per Share, Diluted	\$0.38 to \$0.44	\$2.10 to \$2.30

(*) as provided in the earnings press release dated June 26, 2024



Appendix

Non-GAAP Financial Measures and Other Supplemental Data



Non-GAAP Financial Measures and Other Supplemental Data

This presentation contains non-GAAP financial measures that are not in accordance with, nor an alternative to, generally accepted accounting principles (GAAP) and may be different from non-GAAP measures presented by other companies. These non-GAAP financial measures are not measurements of our financial performance under GAAP and should not be considered an alternative to the related GAAP measurement. These non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP.

Our presentation of non-GAAP measures should not be construed as an indication that our future results will be unaffected by unusual or infrequent items. We compensate for these limitations by providing equal prominence of our GAAP results. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are provided in the financial tables included within this presentation.

The Company believes these non-GAAP measures are useful for investors as they provide financial information on a more comparative basis for the periods presented.

MillerKnoll

The non-GAAP financial measures referenced within this presentation include: Adjusted Operating Earnings (Loss), Adjusted Operating Margin, Adjusted Earnings per Share, Adjusted Operating Expenses, Adjusted EBITDA, Adjusted Bank Covenant EBITDA, Adjusted Gross Margin, and Organic Growth (Decline).

Adjusted Operating Earnings (Loss) represents reported operating earnings plus integration charges, amortization of Knoll purchased intangibles, restructuring expenses, and impairment charges.

Adjusted Operating Margin is calculated as adjusted operating earnings (loss) divided by net sales

Adjusted Earnings per Share represents reported diluted earnings per share excluding the impact from amortization of Knoll purchased intangibles, integration charges, restructuring expenses, impairment charges, and the related tax effect of these adjustments.

Adjusted Operating Expenses represents reported operating expenses excluding restructuring charges, integration charges, amortization of Knoll purchased intangibles, and impairment charges.

Adjusted EBITDA is calculated by excluding income tax expense, interest income and expense, depreciation and amortization expense, restructuring and integration charges from net income.

Adjusted Bank Covenant EBITDA is calculated by excluding depreciation, amortization, interest expense, taxes from net income, and certain other adjustments. Other adjustments include, as applicable in the period, charges associated with business restructuring actions, acquisition and integration charges, impairment expenses, non-cash stock-based compensation, future synergies, and other items as described in our lending agreements.

Adjusted Gross Margin represents gross margin plus restructuring and impairment charges.

Organic Growth (decline) represents the change in sales and orders, excluding currency translation effects, the impact of the additional week in fiscal 2023, the impact of the closure of the Hay eCommerce channel in North America, and the impact of the closure of the Fully business.

The adjustments to arrive at these non-GAAP financial measures described further below:

Amortization of Knoll purchased intangibles: Includes expenses associated with the amortization of acquisition related intangibles acquired as part of the Knoll acquisition. The revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. We exclude the impact of the amortization of Knoll purchased intangibles as such non-cash amounts were significantly impacted by the size of the Knoll acquisition. Furthermore, we believe that this adjustment enables better comparison of our results as Amortization of Knoll Purchased Intangibles will not recur in future periods once such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets. Although we exclude the Amortization of Knoll Purchased Intangibles in these non-GAAP measures, we believe that it is important for investors to understand that such intangible assets were recorded as part of purchase accounting and contribute to revenue generation

Integration charges: Knoll integration-related costs include severance, accelerated stock-based compensation expenses, asset impairment charges, and expenses related to synergy realization efforts and reorganization initiatives.

Restructuring charges: Includes costs associated with actions involving targeted workforce reductions and non-cash charges for the impairment of assets associated with the decision to close certain showrooms.

Impairment charges: Includes non-cash, pre-tax charges for the impairment of assets associated with the decision to cease operating Fully as a stand-alone brand as well as impairment of the Knoll and Muuto trade names.

Tax related items: We excluded the income tax benefit/provision effect of the tax related items from our non-GAAP measures because they are not associated with the tax expense on our ongoing operating results.

Reconciliation of Adjusted Earnings per Share

(UNAUDITED)

Adjusted Earnings per Share							Current Quarter	
	FY20	FY21	FY22	FY23	FY24		Q4 FY23	Q4 FY24
Earnings per share (Loss) - diluted	\$ (0.15)	\$ 2.94	\$ (0.37)	\$ 0.55	\$ 1.11		\$ -	\$ 0.14
Add: Amortization of Knoll purchased intangibles	-	-	0.87	0.33	0.32		0.08	0.08
Add: Acquisition and integration charges	-	0.17	1.71	0.24	0.31		0.07	0.07
Add: Restructuring charges	0.45	0.03	-	0.45	0.42		0.19	0.30
Add: Impairment charges	3.37	-	-	0.76	0.24		0.27	0.23
Add: Special charges	0.20	0.02	(0.01)	-	-		-	-
Add: Debt extinguishment	-	-	0.18	-	-		-	-
Less: Gain on legal settlement	-	(0.08)	-	-	-		-	-
Less: Gain on sale of dealer	-	-	(0.03)	-	-		-	-
Less: Gain on consolidation of equity method investments	(0.61)	-	-	-	-		-	-
Other *	-	-	-	-	-		-	-
Tax impact on adjustments	(0.65)	(0.01)	(0.43)	(0.48)	(0.32)		(0.20)	(0.15)
Adjusted earnings per share - diluted	\$ 2.61	\$ 3.07	\$ 1.92	\$ 1.85	\$ 2.08		\$ 0.41	\$ 0.67
Weighted average shares outstanding (used for calculating adjusted earnings per share) - diluted	58,920,653	59,389,598	73,160,212	76,024,368	73,954,756		75,586,370	72,658,582

* Other: Inventory step up on HAY equity method investment; Adjustments Related to Adoption of U.S. Tax Cuts and Jobs Act; Investment fair value adjustments

Reconciliation of Adjusted Operating Expenses

(\$ MILLIONS); (UNAUDITED)

Adjusted Operating Expenses	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24
Operating Expenses	317.8	311.6	294.2	328.7
Restructuring Charges	5.2	1.8	1.7	22.1
Integration Charges	3.9	6.9	7.6	5.1
Amortization of Knoll purchased intangibles	6.0	6.0	6.0	5.9
Impairment Charges	-	-	-	16.8
Adj. Operating Expenses	\$ 302.7	\$ 296.9	\$ 278.9	\$ 278.8
Adj. Operating Expenses (% of sales)	33.0%	31.3%	32.0%	31.4%

Reconciliation of Adjusted Operating Earnings

(\$ MILLIONS); (UNAUDITED)

Adjusted Operating Earnings	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24
Net Sales	\$ 917.7	\$ 949.5	\$ 872.3	\$ 888.9
Operating Earnings (GAAP)	40.3	60.4	42.8	23.7
Operating Margin (% of sales)	4.4%	6.4%	4.9%	2.7%
Restructuring Charges	5.2	1.8	1.7	22.1
Integration Charges	3.9	6.9	7.6	5.1
Amortization of Knoll purchased intangibles	6.0	6.0	6.0	5.9
Impairment Charges	-	-	-	16.8
Adj. Operating Earnings (non-GAAP)	\$ 55.4	\$ 75.1	\$ 58.1	\$ 73.6
Adj. Operating Margin (% of sales)	6.0%	7.9%	6.7%	8.3%

**Reconciliation of Net Earnings to Adjusted Bank Covenant EBITDA and Adjusted Bank Covenant EBITDA Ratio
(provided on a trailing twelve month basis)**

(\$ MILLIONS); (UNAUDITED)

	Q4 FY24
Net earnings	\$ 82.3
Income tax expense	14.7
Depreciation expense	117.5
Amortization expense	37.6
Interest expense	76.2
Other adjustments	95.8
Adjusted bank covenant EBITDA	424.1
Total debt, less cash, end of trailing period (includes outstanding LC's)	\$ 1,115.9
Net debt to adjusted bank covenant EBITDA ratio	2.63

Reconciliation of Adjusted Gross Margin

(\$ MILLIONS); (UNAUDITED)

Adjusted Gross Margin	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24
Net Sales	\$ 917.7	\$ 949.5	\$ 872.3	\$ 888.9
Gross Margin (GAAP)	358.1	372.0	337.0	352.4
Gross Margin (% of sales)	39.0%	39.2%	38.6%	39.6%
Restructuring Charges	-	-	-	-
Impairment Charges	-	-	-	-
Adj. Gross Margin (non-GAAP)	\$ 358.1	\$ 372.0	\$ 337.0	\$ 352.4
Adj. Gross Margin (% of sales)	39.0%	39.2%	38.6%	39.6%

Organic Sales Growth

(\$ MILLIONS); (UNAUDITED)

	Q4 FY24
Net Sales, as reported	\$ 888.9
% change from PY	(7.1)%
Currency translation effects ⁽¹⁾	2.5
Net sales, organic	\$ 891.4
% change from PY	(5.2)%

	Q4 FY23
Net Sales, as reported	\$ 956.7
Fully and HAY eCommerce	(16.7)
Net sales, organic	\$ 940.0

* Currency translation effects represent the estimated net impact of translating current period sales and orders using the average exchange rates applicable to the comparable prior year period.

Organic Orders Growth

(\$ MILLIONS); (UNAUDITED)

	Q4 FY24
Orders, as reported	\$ 933.0
% change from PY	1.1%
Currency translation effects ⁽¹⁾	0.6
Orders, organic	\$ 933.6
% change from PY	2.9%

	Q4 FY23
Orders, as reported	\$ 922.4
Fully and HAY eCommerce	(14.7)
Orders, organic	\$ 907.7

* Currency translation effects represent the estimated net impact of translating current period sales and orders using the average exchange rates applicable to the comparable prior year period.