UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 2, 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: 001-15141

MillerKnoll, Inc.

(Exact name of registrant as specified in its charter)

Michigan	**38-0837640**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

855 East Main Avenue
Zeeland, MI 49464
(Address of principal executive offices and zip code)
(616) 654-3000
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.20 per share	MLKN	Nasdaq Global Select Market

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

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

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

Large accelerated filer	☒	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. ☐

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

As of April 5, 2024, MillerKnoll, Inc. had 71,638,797 shares of common stock outstanding.

MillerKnoll, Inc.
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PART I - FINANCIAL INFORMATION

Item 1: Financial Statements

MillerKnoll, Inc.

Condensed Consolidated Statements of Comprehensive Income

(Dollars in millions, except share data)	Three Months Ended		Nine Months Ended	
(Unaudited)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Net sales	$ 872.3	$ 984.7	$ 2,739.5	$ 3,130.4
Cost of sales	535.3	649.1	1,672.4	2,055.1
Gross margin	337.0	335.6	1,067.1	1,075.3
Operating expenses:				
Selling, general and administrative	271.1	264.7	849.2	852.3
Impairment charges	—	21.5	—	21.5
Restructuring expense	1.7	4.6	8.7	19.8
Design and research	21.4	23.6	65.7	71.0
Total operating expenses	294.2	314.4	923.6	964.6
Operating earnings	42.8	21.2	143.5	110.7
Interest expense	18.4	19.1	57.4	54.1
Interest and other investment (income) expense	(1.3)	(0.9)	(4.8)	(2.0)
Other (income) expense, net	(1.8)	1.4	(2.0)	1.7
Earnings before income taxes and equity income	27.5	1.6	92.9	56.9
Income tax expense	4.4	0.5	19.0	11.1
Equity (loss) income from nonconsolidated affiliates, net of tax	—	—	(0.3)	0.2
Net earnings	23.1	1.1	73.6	46.0
Net earnings attributable to redeemable noncontrolling interests	0.9	0.7	1.2	3.8
Net earnings attributable to MillerKnoll, Inc.	**$ 22.2**	**$ 0.4**	**$ 72.4**	**$ 42.2**
Earnings per share - basic	$ 0.31	$ 0.01	$ 0.98	$ 0.56
Earnings per share - diluted	$ 0.30	$ 0.01	$ 0.97	$ 0.56
Other comprehensive (loss) income, net of tax				
Foreign currency translation adjustments	$ (3.3)	$ (2.3)	$ 7.9	$ (30.6)
Pension and post-retirement liability adjustments	(0.1)	(0.4)	(0.2)	0.4
Unrealized (loss) gain on interest rate swap agreement	(1.1)	10.3	(1.2)	31.8
Other comprehensive (loss) income, net of tax	$ (4.5)	$ 7.6	$ 6.5	$ 1.6
Comprehensive income	18.6	8.7	80.1	47.6
Comprehensive income attributable to redeemable noncontrolling interests	0.9	0.7	1.2	3.8
Comprehensive income attributable to MillerKnoll, Inc.	**$ 17.7**	**$ 8.0**	**$ 78.9**	**$ 43.8**

See accompanying notes to Condensed Consolidated Financial Statements.

MillerKnoll, Inc.

Condensed Consolidated Balance Sheets

(Dollars in millions, except share data)

(Unaudited)

	March 2, 2024	June 3, 2023
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 223.6	$ 223.5
Accounts receivable, net of allowance of $7.6 and $6.4	291.1	334.1
Unbilled accounts receivable	27.6	29.4
Inventories, net	437.4	487.4
Prepaid expenses	89.9	92.7
Assets held for sale	4.6	—
Other current assets	9.2	9.1
Total current assets	1,083.4	1,176.2
Property and equipment, at cost	1,583.8	1,570.7
Less — accumulated depreciation	(1,077.6)	(1,034.4)
Net property and equipment	506.2	536.3
Right of use assets	376.8	415.9
Goodwill	1,225.9	1,221.7
Indefinite-lived intangibles	482.2	480.7
Other amortizable intangibles, net of accumulated amortization of $214.1 and $185.2	287.7	313.1
Other noncurrent assets	132.9	130.9
Total Assets	**$ 4,095.1**	**$ 4,274.8**
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS & STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 242.0	$ 269.5
Short-term borrowings and current portion of long-term debt	40.9	33.4
Accrued compensation and benefits	104.8	61.7
Short-term lease liability	71.1	77.1
Accrued warranty	18.3	20.8
Customer deposits	85.5	93.8
Other accrued liabilities	117.9	146.5
Total current liabilities	680.5	702.8
Long-term debt	1,290.4	1,365.1
Pension and post-retirement benefits	7.4	7.5
Lease liabilities	355.2	393.7
Other liabilities	263.5	265.5
Total Liabilities	**2,597.0**	**2,734.6**
Redeemable noncontrolling interests	**107.2**	**107.6**
Stockholders' Equity:		
Preferred stock, no par value (10,000,000 shares authorized, none issued)	—	—
Common stock, $0.20 par value (240,000,000 shares authorized, 71,736,286 and 75,698,670 shares issued and outstanding in fiscal 2024 and 2023, respectively)	14.3	15.1
Additional paid-in capital	758.1	836.5
Retained earnings	707.1	676.1
Accumulated other comprehensive loss	(88.6)	(95.1)
Total Stockholders' Equity	**1,390.9**	**1,432.6**
Total Liabilities, Redeemable Noncontrolling Interests, and Stockholders' Equity	**$ 4,095.1**	**$ 4,274.8**

See accompanying notes to Condensed Consolidated Financial Statements.

MillerKnoll, Inc.

Condensed Consolidated Statements of Cash Flows

(Dollars in millions) *(Unaudited)*	Nine Months Ended March 2, 2024	Nine Months Ended March 4, 2023
Cash Flows from Operating Activities:		
Net earnings	$ 73.6	$ 46.0
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	111.6	115.9
Stock-based compensation	17.1	15.7
Amortization of deferred financing costs	3.5	3.5
Loss on sale of equity method investment	0.4	—
Deferred taxes	(0.3)	(1.2)
Restructuring expense	8.7	19.8
Impairment	—	36.6
Decrease in current assets	100.0	5.9
(Decrease) in current liabilities	(32.9)	(159.1)
(Decrease) in non-current liabilities	(2.1)	(5.3)
Other, net	(5.7)	(7.4)
Net Cash Provided by Operating Activities	**273.9**	**70.4**
Cash Flows from Investing Activities:		
Advances of notes receivable	(10.6)	(4.4)
Proceeds from the sale of equity method investment	3.5	—
Capital expenditures	(56.5)	(60.6)
Proceeds from loan on cash surrender value of life insurance	—	13.5
Other, net	2.6	(1.7)
Net Cash Used in Investing Activities	**(61.0)**	**(53.2)**
Cash Flows from Financing Activities:		
Repayments of long-term debt	(22.2)	(19.7)
Proceeds from credit facility	620.1	720.2
Repayments of credit facility	(668.9)	(664.7)
Dividends paid	(42.2)	(42.9)
Common stock issued	4.3	4.5
Common stock repurchased and retired	(101.0)	(15.9)
Other, net	(3.2)	(3.6)
Net Cash Used in Financing Activities	**(213.1)**	**(22.1)**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	0.3	(8.3)
Net Increase (Decrease) in Cash and Cash Equivalents	0.1	(13.2)
Cash and Cash Equivalents, Beginning of Period	223.5	230.3
Cash and Cash Equivalents, End of Period	**$ 223.6**	**$ 217.1**

See accompanying notes to Condensed Consolidated Financial Statements.

MillerKnoll, Inc.

Condensed Consolidated Statements of Stockholders' Equity

(Dollars in millions, except share data) (Unaudited)	Nine Months Ended March 2, 2024						
	Common Stock						
	Shares	Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Deferred Compensation Plan	MillerKnoll, Inc. Stockholders' Equity
June 3, 2023	75,698,670	$ 15.1	$ 836.5	$ 676.1	$ (95.1)	$ —	$ 1,432.6
Net earnings	—	—	—	16.7	—	—	16.7
Other comprehensive income, net of tax	—	—	—	—	11.6	—	11.6
Stock-based compensation expense	(983)	—	6.4	—	—	—	6.4
Restricted and performance stock units released	332,566	0.1	0.1	—	—	—	0.2
Employee stock purchase plan issuances	45,107	—	0.9	—	—	—	0.9
Repurchase and retirement of common stock	(1,670,135)	(0.3)	(31.7)	—	—	—	(32.0)
Dividends declared ($0.1875 per share)	—	—	—	(14.1)	—	—	(14.1)
September 3, 2023	74,405,225	$ 14.9	$ 812.2	$ 678.7	$ (83.5)	$ —	$ 1,422.3
Net earnings	—	—	—	33.5	—	—	33.5
Other comprehensive income, net of tax	—	—	—	—	(0.6)	—	(0.6)
Stock-based compensation expense	—	—	5.3	—	—	—	5.3
Exercise of stock options	19,429	—	0.4	—	—	—	0.4
Restricted and performance stock units released	11,887	—	—	—	—	—	—
Employee stock purchase plan issuances	31,669	—	1.3	—	—	—	1.3
Repurchase and retirement of common stock	(1,390,551)	(0.3)	(27.7)	—	—	—	(28.0)
Dividends declared ($0.1875 per share)	—	—	—	(13.7)	—	—	(13.7)
Other	—	—	—	0.1	—	—	0.1
December 2, 2023	73,077,659	$ 14.6	$ 791.5	$ 698.6	$ (84.1)	$ —	$ 1,420.6
Net earnings	—	—	—	22.2	—	—	22.2
Other comprehensive income, net of tax	—	—	—	—	(4.5)	—	(4.5)
Stock-based compensation expense	—	—	5.4	—	—	—	5.4
Exercise of stock options	18,659	—	0.4	—	—	—	0.4
Restricted and performance stock units released	112,794	—	0.7	—	—	—	0.7
Employee stock purchase plan issuances	29,225	—	—	—	—	—	—
Repurchase and retirement of common stock	(1,533,430)	(0.3)	(40.7)	—	—	—	(41.0)
Directors' fees	31,379	—	0.8	—	—	—	0.8
Dividends declared ($0.1875 per share)	—	—	—	(13.8)	—	—	(13.8)
Other	—	—	—	0.1	—	—	0.1
March 2, 2024	71,736,286	$ 14.3	$ 758.1	$ 707.1	$ (88.6)	$ —	$ 1,390.9

(Dollars in millions, except share data) (Unaudited)	Nine Months Ended March 4, 2023						
	Common Stock						
	Shares	Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Deferred Compensation Plan	MillerKnoll, Inc. Stockholders' Equity
May 28, 2022	75,824,241	$ 15.2	$ 825.7	$ 693.3	$ (107.1)	$ —	$ 1,427.1
Net earnings	—	—	—	25.8	—	—	25.8
Other comprehensive loss, net of tax	—	—	—	—	(57.8)	—	(57.8)
Stock-based compensation expense	(13,474)	—	5.4	—	—	—	5.4
Exercise of stock options	43,469	—	1.0	—	—	—	1.0
Restricted and performance stock units released	160,551	—	0.1	—	—	—	0.1
Employee stock purchase plan issuances	35,753	—	0.8	—	—	—	0.8
Repurchase and retirement of common stock	(494,509)	(0.1)	(14.2)	—	—	—	(14.3)
Dividends declared ($0.1875 per share)	—	—	—	(14.3)	—	—	(14.3)
Other	—	—	0.5	0.5	—	—	1.0
September 3, 2022	75,556,031	$ 15.1	$ 819.3	$ 705.3	$ (164.9)	$ —	$ 1,374.8
Net earnings	—	—	—	16.0	—	—	16.0
Other comprehensive income, net of tax	—	—	—	—	51.8	—	51.8
Stock-base compensation expense	(2,476)	—	5.5	—	—	—	5.5
Restricted and performance stock units released	8,763	—	0.1	—	—	—	0.1
Employee stock purchase plan issuances	44,010	—	0.7	—	—	—	0.7
Repurchase and retirement of common stock	(3,222)	—	(0.1)	—	—	—	(0.1)
Dividends declared ($0.1875 per share)	—	—	—	(14.3)	—	—	(14.3)
Other	—	—	0.2	(0.4)	—	—	(0.2)
December 3, 2022	75,603,106	$ 15.1	$ 825.7	$ 706.6	$ (113.1)	$ —	$ 1,434.3
Net earnings	—	—	—	0.4	—	—	0.4
Other comprehensive income, net of tax	—	—	—	—	7.6	—	7.6
Stock-based compensation expense	(15,563)	—	4.8	—	—	—	4.8
Restricted and performance stock units released	44,926	—	0.3	—	—	—	0.3
Employee stock purchase plan issuances	36,375	—	0.8	—	—	—	0.8
Repurchase and retirement of common stock	(69,927)	—	(1.6)	—	—	—	(1.6)
Deferred compensation plan	—	—	0.6	—	—	—	0.6
Directors Fees	27,784	—	0.6	—	—	—	0.6
Dividends declared ($0.1875 per share)	—	—	—	(14.3)	—	—	(14.3)
Other	—	—	(0.2)	0.6	—	—	0.4
March 4, 2023	75,626,701	$ 15.1	$ 831.0	$ 693.3	$ (105.5)	$ —	$ 1,433.9

See accompanying notes to Condensed Consolidated Financial Statements.

Notes to Condensed Consolidated Financial Statements

(Dollars in millions, except share data)

(unaudited)

1. Description of Business

MillerKnoll, Inc. (the "Company") researches, designs, manufactures, sells, and distributes interior furnishings for use in various environments including residential, office, healthcare, and educational settings and provides related services that support organizations and individuals all over the world. The Company's products are sold primarily through the following channels: independent contract office furniture dealers, direct customer sales, owned and independent retailers, direct-mail catalogs, and the Company's eCommerce platforms.

MillerKnoll is a collective of dynamic brands that comes together to design the world we live in. A global leader in design, MillerKnoll includes Herman Miller® and Knoll®, as well as Colebrook Bosson Saunders™, DatesWeiserTM, Design Within Reach®, Edelman®, Geiger®, HAY®, Holly Hunt®, KnollTextiles®, Maharam®, Muuto®, NaughtOne®, and Spinneybeck®|FilzFelt®. MillerKnoll represents over 100 years of design research and exploration in service of humanity. The Company is united by a belief in design as a tool to create positive impact and shape a more sustainable, caring, and beautiful future for all people and the planet.

Basis of Presentation

The Condensed Consolidated Financial Statements have been prepared by MillerKnoll, Inc. in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") 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 U.S. GAAP for complete financial statements. Management believes the disclosures made in this document are adequate with respect to interim reporting requirements. Unless otherwise noted or indicated by the context, all references to "MillerKnoll," "we," "our," "Company" and similar references are to MillerKnoll, Inc., its predecessors, and controlled subsidiaries.

The accompanying unaudited Condensed Consolidated Financial Statements, taken as a whole, contain all adjustments that are of a normal recurring nature necessary to present fairly the financial position of the Company as of March 2, 2024. Operating results for the three and nine months ended March 2, 2024 are not necessarily indicative of the results that may be expected for the year ending June 1, 2024 ("fiscal 2024"). These Condensed Consolidated Financial Statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 3, 2023 ("fiscal 2023"). All intercompany transactions have been eliminated in the Condensed Consolidated Financial Statements. The financial statements of equity method investments are not consolidated.

The Company's fiscal year is the 52 or 53 week period ending on the Saturday closest to May 31. The fiscal year ending June 1, 2024 contains 52 weeks, while the fiscal year ended June 3, 2023 contained 53 weeks. The first quarter of fiscal 2024 contained 13 weeks and the first quarter of fiscal 2023 contained 14 weeks.

Investments in Nonconsolidated Affiliates

On October 30, 2023, the Company sold its 48.2% investment in Global Holdings Netherlands B.V., which owns 100% of Maars Holding B.V. ("Maars") for total purchase consideration of $5.9 million. As part of this transaction, we received cash proceeds of $3.5 million at closing, a $1.4 million receivable under a vendor loan, and $1.0 million of cash held in an escrow account to secure the representations and warranties made to the purchaser. As a result of the sale, a loss of $0.4 million was recorded in Equity (loss) income from nonconsolidated affiliates, net of tax during the nine months ended March 2, 2024.

2. Recently Issued Accounting Standards

The Company evaluates all Accounting Standards Updates ("ASUs") issued by the Financial Accounting Standards Board ("FASB") for consideration of their applicability to our consolidated financial statements.

Recently Issued Accounting Standards Not Yet Adopted

ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. In November 2023, the FASB issued this ASU to update reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses and information used to assess segment performance. This ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

ASU 2023-09, Income Taxes (Topic 740): Improvements to Tax Disclosures. In December 2023, the FASB issued this ASU which expands disclosures in an entity's income tax rate reconciliation table and regarding cash taxes paid both in the U.S. and foreign jurisdictions. The update will be effective for annual periods beginning after December 15, 2024. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

We have assessed all other ASUs issued but not yet adopted and concluded that those not disclosed are not relevant to the Company or are not expected to have a material impact.

3. Revenue from Contracts with Customers

Disaggregated Revenue

Revenue disaggregated by contract type is provided in the table below:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Net Sales:				
Single performance obligation				
Product revenue	$ 809.9	$ 919.7	$ 2,526.7	$ 2,924.0
Multiple performance obligations				
Product revenue	58.3	60.9	201.9	193.7
Service revenue	1.4	0.8	3.4	2.6
Other	2.7	3.3	7.5	10.1
Total	$ 872.3	$ 984.7	$ 2,739.5	$ 3,130.4

The Company internally reports and evaluates products based on the categories Workplace, Performance Seating, Lifestyle, and Other. A description of these categories is included below.

The Workplace category includes products centered on creating highly functional and productive settings for both groups and individuals. This category focuses on the development of products, beyond seating, that define boundaries, support work and enable productivity.

The Performance Seating category includes products centered on seating ergonomics, productivity and function across an evolving and diverse range of settings. This category focuses on the development of ergonomic seating solutions for specific use cases requiring more than basic utility.

The Lifestyle category includes products focused on bringing spaces to life through beautiful yet functional products. This category focuses on the development of products that support a way of living, in thoughtful yet elevated ways. The products in this category help create emotive and visually appealing spaces via a portfolio that offers diversity in aesthetics, price and performance.

The Other category primarily consists of textiles, uncategorized product sales, and service sales.

Revenue disaggregated by product type and reportable segment is provided in the table below:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Americas Contract:				
Workplace	$ 281.8	$ 313.5	$ 917.3	$ 994.3
Performance Seating	96.3	102.8	303.4	336.7
Lifestyle	55.3	60.8	171.9	200.3
Other	7.7	7.5	15.0	20.4
Total Americas Contract	$ 441.1	$ 484.6	$ 1,407.6	$ 1,551.7
International Contract & Specialty:				
Workplace	$ 34.8	$ 37.5	$ 110.0	$ 131.4
Performance Seating	55.8	63.3	172.7	197.9
Lifestyle	81.5	92.4	258.8	299.0
Other	45.2	49.3	145.3	151.6
Total International Contract & Specialty	$ 217.3	$ 242.5	$ 686.8	$ 779.9
Global Retail:				
Workplace	$ 3.3	$ 20.3	$ 10.8	$ 69.7
Performance Seating	50.4	59.8	148.1	161.9
Lifestyle	159.9	177.2	485.3	565.8
Other	0.3	0.3	0.9	1.4
Total Global Retail	$ 213.9	$ 257.6	$ 645.1	$ 798.8
Total	$ 872.3	$ 984.7	$ 2,739.5	$ 3,130.4

In the current year, certain products were reclassified within the Performance Seating, Lifestyle, and Other categories based on management's internal reporting of the performance of these product lines. The prior year has been restated to reflect these changes.

Refer to Note 15 of the Condensed Consolidated Financial Statements for further information related to our reportable segments.

Contract Balances

Customers may make payments before the satisfaction of the Company's performance obligation and recognition of revenue. These payments represent contract liabilities and are included within the caption “Customer deposits” in the Condensed Consolidated Balance Sheets. During the three and nine months ended March 2, 2024, the Company recognized Net sales of $4.0 million and $75.9 million respectively, related to customer deposits that were included in the balance sheet as of June 3, 2023.

4. Acquisitions

Knoll, Inc.

On July 19, 2021, the Company completed the acquisition of Knoll, a leader in the design, manufacture, marketing and sale of high-end furniture products and accessories for workplace and residential markets. The Company has included the financial results of Knoll in the condensed consolidated financial statements from the date of acquisition. The transaction costs associated with the acquisition, which included financial advisory, legal, proxy filing, regulatory and financing fees, were approximately $30.0 million for the twelve months ended May 28, 2022 and were recorded in general and administrative expenses.

Under the terms of the Agreement and Plan of Merger, each issued and outstanding share of Knoll common stock (excluding shares exercising dissenters rights, shares owned by Knoll as treasury stock, shares owned by the deal parties or their subsidiaries, or shares subject to Knoll restricted stock awards) was converted into a right to receive 0.32 shares of Herman Miller, Inc. (now MillerKnoll, Inc.) common stock and $11.00 in cash, without interest. The acquisition date fair value of the consideration transferred for Knoll was $1,887.3 million, which consisted of the following (in millions, except share amounts):

	Knoll Shares	Herman Miller, Inc (now MillerKnoll, Inc.) Shares Exchanged	Fair Value
Cash Consideration:			
Shares of Knoll Common Stock issued and outstanding at July 19, 2021	49,444,825		$ 543.9
Knoll equivalent shares for outstanding option awards, outstanding awards of restricted common stock held by non-employee directors and outstanding awards of performance units held by individuals who are former employees of Knoll and remain eligible to vest at July 19, 2021	184,857		1.4
Total number of Knoll shares for cash consideration	49,629,682		
Shares of Knoll Preferred Stock issued and outstanding at July 19, 2021	169,165		254.4
Consideration for payment to settle Knoll's outstanding debt			376.9
Share Consideration:			
Shares of Knoll Common Stock issued and outstanding at July 19, 2021	49,444,825		
Knoll equivalent shares for outstanding awards of restricted common stock held by non-employee directors and outstanding awards of performance units held by individuals who are former employees of Knoll and remain eligible to vest at July 19, 2021	74,857		
Total number of Knoll shares for share consideration	49,519,682	15,843,921	688.3
Replacement Share-Based Awards:			
Outstanding awards of Knoll Restricted Stock and Performance units relating to Knoll Common Stock at July 19, 2021			22.4
Total acquisition date fair value of consideration transferred			$ 1,887.3

The aggregate cash paid in connection with the Knoll acquisition was $1,176.6 million. MillerKnoll funded the acquisition through cash on-hand and debt proceeds, as described in "Note 13. Short-Term Borrowings and Long-Term Debt."

Outstanding unvested restricted stock awards, performance stock awards, performance stock units and restricted stock units with a fair value of $53.4 million converted into Company awards. Of the total fair value, $22.4 million was allocated to purchase consideration and $31.0 million was allocated to future services and is being expensed over the remaining service periods on a straight-line basis. Per the terms of the converted awards any qualifying termination within the twelve months subsequent to the acquisition resulted in accelerated vesting and related recognition of expense.

The transaction was accounted for as a business combination which requires that assets and liabilities assumed be recognized at their fair value as of the acquisition date. The following table summarizes the fair value of assets acquired and liabilities assumed as of the date of acquisition:

(In millions)	Fair Value
Cash	$ 88.0
Accounts receivable	82.3
Inventories	219.9
Other current assets	29.2
Property and equipment	296.5
Right-of-use assets	202.7
Intangible assets	756.6
Goodwill	903.5
Other noncurrent assets	25.1
Total assets acquired	2,603.8
Accounts payable	144.0
Other current liabilities	153.1
Lease liabilities	177.8
Other liabilities	241.6
Total liabilities assumed	716.5
Net Assets Acquired	$ 1,887.3

The excess of purchase consideration over the fair value of net tangible and identifiable intangible assets acquired was recorded as goodwill. Goodwill is attributed to the assembled workforce of Knoll and anticipated operational synergies. Goodwill related to the acquisition was allocated to each of the reporting segments with a total value as of the opening balance sheet date of $903.5 million. Goodwill arising from the acquisition is not deductible for tax reporting purposes.

Certain measurement period adjustments were made during the twelve months ended May 28, 2022 to the preliminary fair values resulting in a net decrease to goodwill of $22.4 million primarily related to adjustments to the value of certain liabilities acquired and the fair value of intangible assets acquired. The allocation of purchase price was completed in the fourth quarter of fiscal year 2022.

The following table summarizes the acquired identified intangible assets, valuation method employed, useful lives and fair value, as determined by the Company as of the acquisition date:

(In millions)	Valuation Method	Useful Life (years)	Fair Value
Backlog	Multi-Period Excess Earnings	Less than 1 Year	$ 27.6
Trade name - indefinite lived	Relief from Royalty	Indefinite	418.0
Trade name - amortizing	Relief from Royalty	5-10 Years	14.0
Designs	Relief from Royalty	9-15 years	40.0
Customer Relationships	Multi-Period Excess Earnings	2-15 years	257.0
Total			$ 756.6

5. Inventories, net

(In millions)	March 2, 2024	June 3, 2023
Finished goods and work in process	$ 323.2	$ 357.2
Raw materials	114.2	130.2
Total	$ 437.4	$ 487.4

Inventories are primarily valued using the first-in first-out method.

6. Goodwill and Indefinite-Lived Intangibles

Goodwill and other indefinite-lived intangible assets included in the Condensed Consolidated Balance Sheets consisted of the following as of March 2, 2024 and June 3, 2023:

(In millions)	Americas Contract	International Contract & Specialty	Global Retail	Total
June 3, 2023				
Goodwill	$ 565.1	$ 303.0	$ 479.1	$ 1,347.2
Foreign currency translation adjustments	1.4	1.4	1.4	4.2
Accumulated impairment losses	(36.7)	—	(88.8)	(125.5)
March 2, 2024	$ 529.8	$ 304.4	$ 391.7	$ 1,225.9

Other indefinite-lived assets included in the Consolidated Balance Sheets consist of the following:

(In millions)	Indefinite-lived Intangible Assets
June 3, 2023	$ 480.7
Foreign currency translation adjustments	1.5
March 2, 2024	$ 482.2

Goodwill is tested for impairment at the reporting unit level annually, or more frequently when events or changes in circumstances indicate that the fair value of a reporting unit has more likely than not declined below its carrying value. When testing goodwill for impairment, the Company may first assess qualitative factors. If an initial qualitative assessment identifies that it is more likely than not that the carrying value of a reporting unit exceeds its estimated fair value, additional quantitative testing is performed. The Company may also elect to bypass the qualitative testing and proceed directly to the quantitative testing. If the quantitative testing indicates that goodwill is impaired, the carrying value of goodwill is written down to fair value.

During the third quarter of fiscal year 2023, the Company assessed changes in circumstances that occurred during the quarter to determine if it was more likely than not that the fair values of any reporting units were below their carrying amounts. Although our annual impairment test is performed during the fourth quarter, we perform this qualitative assessment each interim reporting period.

While there was no single determinate event, the consideration in totality of several factors that developed during the third quarter of fiscal year 2023 led us to conclude that it was more likely than not that the fair value of the Global Retail reporting unit was below its carrying amount. These factors included: (i) the decision to discontinue stand-alone operations of the Fully brand and (ii) the assessment of our third quarter results, for which the performance of the Global Retail reporting unit was below management's expectations.

Accordingly, the Company performed an interim quantitative impairment analysis as of March 4, 2023 to determine the fair value of the Global Retail reporting unit as compared to the carrying value. In performing the quantitative impairment test, the Company determined that the fair value of the Global Retail reporting unit exceeded the carrying amount and, as such, the reporting unit was not impaired. The Company determined that the Global Retail reporting unit exceeded its carrying value by 1% and therefore has a heightened risk of future impairments if any assumptions, estimates or market factors change in the future.

Each of the reporting units was reviewed for impairment using a qualitative assessment as of March 31, 2023, our annual testing date. In performing the qualitative impairment test for fiscal year 2023, the Company determined that the fair value of its reporting units exceeded the carrying amount and, as such, these reporting units were not impaired.

During the third quarter of fiscal year 2024, the Company performed an assessment to determine whether there were indicators of a triggering event which could indicate the carrying amount of the reporting units may not be supported by the fair value. No indicators of a triggering event for potential impairment were noted in the third quarter of fiscal 2024.

The Company generally uses the discounted cash flow method under a weighting of the income and market approach to estimate the fair value of our reporting units. These approaches are based on a discounted cash flow analysis and observable comparable company information that use several inputs, including:

- actual and forecasted revenue growth rates and operating margins,
- discount rates based on the reporting unit's weighted average cost of capital, and
- revenue and EBITDA of comparable companies.

The Company selected the assumptions used in the financial forecasts using historical data, supplemented by current and anticipated market conditions, management's long-term strategic plans, and guideline companies.

Intangible assets with indefinite useful lives are not subject to amortization and are evaluated annually for impairment, or more frequently when events or changes in circumstances indicate that the fair value of an intangible asset may not be recoverable. Management has not identified any events or changes in circumstances that may indicate an indefinite-lived intangible is more likely than not to be impaired as of the third quarter of fiscal year 2024.

7. Employee Benefit Plans

The following table summarizes the components of net periodic benefit cost for the Company's defined benefit pension plans:

	Pension Benefits			
	Three Months Ended March 2, 2024		Three Months Ended March 4, 2023	
(In millions)	Domestic	International	Domestic	International
Service cost	$ —	$ —	$ —	$ —
Interest cost	1.5	1.0	1.5	0.8
Expected return on plan assets[1]	(2.3)	(1.2)	(2)	(1.2)
Expected administrative expenses	0.2	—	0.1	—
Net amortization loss	—	—	—	0.6
Settlement charge	—	—	(0.5)	—
Net periodic benefit (income) cost	$ (0.6)	$ (0.2)	$ (0.9)	$ 0.2

	Nine Months Ended March 2, 2024		Nine Months Ended March 4, 2023	
(In millions)	Domestic	International	Domestic	International
Service cost	$ —	$ —	$ —	$ —
Interest cost	4.5	3.0	4.5	2.4
Expected return on plan assets[1]	(6.9)	(3.7)	(6)	(3.5)
Expected administrative expenses	0.6	—	0.3	—
Net amortization loss	—	—	—	1.8
Settlement charge	—	—	(0.5)	—
Net periodic benefit (income) cost	$ (1.8)	$ (0.7)	$ (1.7)	$ 0.7

(1) The weighted-average expected long-term rate of return on plan assets is 6.0%.

8. Earnings Per Share

Basic earnings per share is computed by dividing net earnings attributable to MillerKnoll, Inc. by the weighted-average number of common shares outstanding for the period. Diluted earnings per share is computed by dividing net earnings attributable to MillerKnoll, Inc. by the weighted-average number of common shares outstanding, including all potentially dilutive common shares. In periods of loss, there are no potentially dilutive common shares to add to the weighted-average number of common shares outstanding.

The table below presents a reconciliation of the numerator and denominator used in the calculation of basic and diluted earnings per share attributable to MillerKnoll, Inc.:

	Three Months Ended		Nine Months Ended	
	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Numerator:				
Net earnings attributable to MillerKnoll, Inc. - in millions	$ 22.2	$ 0.4	$ 72.4	$ 42.2
Denominator:				
Weighted-average common shares outstanding - basic	72,720,734	75,463,071	73,952,015	75,442,780
Potentially dilutive shares resulting from stock plans	1,426,092	603,144	664,376	593,364
Weighted-average common shares outstanding - diluted	74,146,826	76,066,215	74,616,391	76,036,144
Earnings per share attributable to MillerKnoll, Inc. - basic	0.31	0.01	0.98	0.56
Earnings per share attributable to MillerKnoll, Inc. - diluted	0.30	0.01	0.97	0.56
Antidilutive equity awards not included in weighted-average common shares - diluted	918,423	2,562,710	3,867,589	1,161,186

9. Stock-Based Compensation

The following table summarizes the stock-based compensation expense and related income tax effect for the three and nine months ended:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Stock-based compensation expense	$ 5.4	$ 4.8	$ 17.1	$ 15.7
Related income tax effect	$ 1.3	$ 1.2	$ 4.1	$ 3.8

Certain Company equity-based compensation awards contain provisions that allow for continued vesting into retirement. Stock-based awards are considered fully vested for expense attribution purposes when the employee's retention of the award is no longer contingent on providing subsequent service.

10. Income Taxes

The Company's process for determining the provision for income taxes for the three and nine months ended March 2, 2024 involved using an estimated annual effective tax rate which was based on expected annual income and statutory tax rates across the various jurisdictions in which it operates. The effective tax rates were 16.0% and 31.2%, respectively, for the three month periods ended March 2, 2024 and March 4, 2023. The year over year change in the effective tax rate for the three months ended March 2, 2024 resulted from the current quarter having favorable discrete impacts from return to provision true-ups related to the United States research and development tax credit and the prior year quarter having no comparable impacts. For the three months ended March 2, 2024, the effective tax rate is lower than the United States federal statutory rate due to favorable discrete impacts from return to provision true-ups related to the United States research and development tax credit. For the three months ended March 4, 2023, the effective tax rate was higher than the United States federal statutory rate due to an unfavorable tax adjustment in the quarter related to stock compensation.

The effective tax rates were 20.5% and 19.5%, respectively, for the nine months ended March 2, 2024 and March 4, 2023. The year over year increase in the effective rate for the nine months ended March 2, 2024 resulted from the same nine months in the prior year having more favorable foreign tax credit impacts in the United States than the current nine months. For the nine months ended March 2, 2024, the effective tax rate is slightly lower than the United States federal statutory rate due to favorable impacts from return to provision true-ups related to the United States research and development tax credit. For the nine months ended March 4, 2023, the effective tax rate was lower than the United States federal statutory rate due to the favorable impact of increased foreign tax credits in the United States resulting from the recapture of prior year overall domestic loss.

The Company recognizes interest and penalties related to uncertain tax benefits through Income tax expense in its Condensed Consolidated Statements of Comprehensive Income. Interest and penalties recognized in the Company's Condensed Consolidated Statements of Comprehensive Income were negligible for the three and nine months ended March 2, 2024 and March 4, 2023.

The Company's recorded liability for potential interest and penalties related to uncertain tax benefits was:

(In millions)	March 2, 2024	June 3, 2023
Liability for interest and penalties	$ 0.9	$ 0.7
Liability for uncertain tax positions, current	$ 1.7	$ 1.6

The Company is subject to periodic audits by domestic and foreign tax authorities. Currently, the Company is undergoing routine periodic audits in both domestic and foreign tax jurisdictions. It is reasonably possible that the amounts of unrecognized tax benefits could change in the next twelve months as a result of these audits. Tax payments related to these audits, if any, are not expected to be material to the Company's Condensed Consolidated Statements of Comprehensive Income.

For the majority of tax jurisdictions, the Company is no longer subject to state, local, or non-United States income tax examinations by tax authorities for fiscal years before 2020.

11. Fair Value Measurements

The Company's financial instruments consist of cash equivalents, marketable securities, accounts and notes receivable, deferred compensation plan, accounts payable, debt, interest rate swaps, and foreign currency exchange contracts. The Company's financial instruments, other than long-term debt, are recorded at fair value.

The carrying value and fair value of the Company's long-term debt, including current maturities, is as follows for the periods indicated:

(In millions)	March 2, 2024	June 3, 2023
Carrying value	$ 1,344.6	$ 1,414.4
Fair value	$ 1,369.5	$ 1,378.2

The following describes the methods the Company uses to estimate the fair value of financial assets and liabilities recorded in net earnings, which have not significantly changed in the current period:

Cash and cash equivalents — The Company invests excess cash in short term investments in the form of money market funds, which are valued using net asset value ("NAV").

Deferred compensation plan — The Company's deferred compensation plan primarily includes various domestic and international mutual funds that are recorded at fair value using quoted prices for similar securities.

Foreign currency exchange contracts — The Company's foreign currency exchange contracts are valued using an approach based on foreign currency exchange rates obtained from active markets. The estimated fair value of forward currency exchange contracts is based on month-end spot rates as adjusted by market-based current activity. These forward contracts are not designated as hedging instruments.

The following table sets forth financial assets and liabilities measured at fair value through net income and the respective pricing levels to which the fair value measurements are classified within the fair value hierarchy as of March 2, 2024 and June 3, 2023.

(In millions)	March 2, 2024			June 3, 2023		
Financial Assets	NAV	Quoted prices in active markets for identical assets (Level 1)	Quoted prices with other observable inputs (Level 2)	NAV	Quoted prices in active markets for identical assets (Level 1)	Quoted prices with other observable inputs (Level 2)
Cash equivalents:						
Money market funds	$ 10.7	$ —	$ —	$ 17.3	$ —	$ —
Foreign currency forward contracts	—	—	0.4	—	—	1.3
Deferred compensation plan	—	18.3	—	—	16.3	—
Total	$ 10.7	$ 18.3	$ 0.4	$ 17.3	$ 16.3	$ 1.3
Financial Liabilities						
Foreign currency forward contracts	—	—	0.3	—	—	1.8
Total	$ —	$ —	$ 0.3	$ —	$ —	$ 1.8

The following describes the methods the Company uses to estimate the fair value of financial assets and liabilities recorded in other comprehensive income, which have not significantly changed in the current period:

Interest rate swap agreements — The value of the Company's interest rate swap agreements are determined using a market approach based on rates obtained from active markets. The interest rate swap agreements are designated as cash flow hedging instruments.

The following table sets forth financial assets and liabilities measured at fair value through other comprehensive income and the respective pricing levels to which the fair value measurements are classified within the fair value hierarchy as of March 2, 2024 and June 3, 2023.

(In millions)		March 2, 2024	June 3, 2023
Financial Assets	Balance Sheet Location	Quoted Prices with Other Observable Inputs (Level 2)	Quoted Prices with Other Observable Inputs (Level 2)
Interest rate swap agreement	Other noncurrent assets	$ 55.7	$ 59.9
Total		$ 55.7	$ 59.9
Financial Liabilities			
Interest rate swap agreement	Other liabilities	$ 0.4	$ 3.0
Total		$ 0.4	$ 3.0

Derivative Instruments and Hedging Activities

Foreign Currency Forward Contracts

The Company transacts business in various foreign currencies and has established a program that primarily utilizes foreign currency forward contracts to reduce the risks associated with the effects of certain foreign currency exposures. Under this program, the Company's strategy is to have increases or decreases in our foreign currency exposures offset by gains or losses on the foreign currency forward contracts to mitigate the risks and volatility associated with foreign currency transaction gains or losses. These foreign currency exposures typically arise from net liability or asset exposures in non-functional currencies on the balance sheets of our foreign subsidiaries. These foreign currency forward contracts generally settle within 30 days and are not used for trading purposes.

These forward contracts are not designated as hedging instruments. Accordingly, we record the fair value of these contracts as of the end of the reporting period in the Consolidated Balance Sheets with changes in fair value recorded within the Consolidated Statements of Comprehensive Income. The balance sheet classification for the fair values of these forward contracts is to Other current assets for unrealized gains and to Other accrued liabilities for unrealized losses. The Consolidated Statements of Comprehensive Income classification for the fair values of these forward contracts is to Other (income) expense, net, for both realized and unrealized gains and losses.

Interest Rate Swaps

The Company enters into interest rate swap agreements to manage its exposure to interest rate changes and its overall cost of borrowing. The Company's interest rate swap agreements exchange variable rate interest payments for fixed rate payments over the life of the agreement without the exchange of the underlying notional amounts. The notional amount of the interest rate swap agreements is used to measure interest to be paid or received. The differential paid or received on the interest rate swap agreements is recognized as an adjustment to interest expense.

The interest rate swaps were designated as cash flow hedges at inception and the facts and circumstances of the hedged relationships remain consistent with the initial quantitative effectiveness assessment in that the hedged instruments remain an effective accounting hedge as of March 2, 2024. Since a designated derivative meets hedge accounting criteria, the fair value of the hedge is recorded in the Consolidated Statements of Stockholders' Equity as a component of Accumulated other comprehensive loss, net of tax. The ineffective portion of the change in fair value of the derivatives is immediately recognized in earnings. The interest rate swap agreements are assessed for hedge effectiveness on a quarterly basis. The impact of derivative instruments on our Condensed Consolidated Statements of Cash Flows is included in Net cash provided by operating activities.

(In millions)	Notional Amount	Forward Start Date	Amendment Effective Date	Termination Date	Effective Fixed Interest Rate
September 2016 Interest Rate Swap	$ 150.0	January 3, 2018	February 3, 2023	January 3, 2028	1.910 %
June 2017 Interest Rate Swap	$ 75.0	January 3, 2018	February 3, 2023	January 3, 2028	2.348 %
January 2022 Interest Rate Swap	$ 575.0	January 31, 2022	January 31, 2023	January 29, 2027	1.650 %
March 2023 Interest Rate Swap	$ 150.0	March 3, 2023	none	January 3, 2029	3.950 %

The swaps above effectively converted indebtedness up to the notional amounts from a SOFR-based floating interest rate plus 0.11448% plus applicable margin to an effective fixed interest rate plus 0.11448% plus applicable margin under the terms of our Credit Agreement, as amended. Effective fixed interest rates include the rates amended effective January 31, 2023, or February 3, 2023, for the first three swaps included in the chart above.

The following table summarizes the effects of the interest rate swap agreements for the three and nine months ended:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
(Loss) Gain recognized in Other comprehensive loss (income) (effective portion)	$ (1.1)	$ 10.3	$ (1.2)	$ 31.8
Gain reclassified from Accumulated other comprehensive loss into earnings	$ 7.9	$ 4.9	$ 23.0	$ 6.9

There were no gains or losses recognized in earnings for hedge ineffectiveness for the three and nine month periods ended March 2, 2024 and March 4, 2023. The amount of gain expected to be reclassified from Accumulated other comprehensive income into earnings during the next twelve months is $27.0 million, net of tax is $20.2 million.

Redeemable Noncontrolling Interests

Changes in the Company's redeemable noncontrolling interest in HAY for the nine months ended March 2, 2024 and March 4, 2023 are as follows:

(In millions)	March 2, 2024	March 4, 2023
Beginning Balance	$ 107.6	$ 106.9
Net income attributable to redeemable noncontrolling interests	1.2	3.8
Dividend attributable to redeemable noncontrolling interests	(2.8)	(3.2)
Foreign currency translation adjustments	1.2	(0.9)
Ending Balance	$ 107.2	$ 106.6

12. Commitments and Contingencies

Product Warranties

The Company provides coverage to the end-user for parts and labor on products sold under its warranty policy and for other product-related matters. The specific terms, conditions and length of those warranties vary depending upon the product sold. The Company does not sell or otherwise issue warranties or warranty extensions as stand-alone products. Reserves have been established for various costs associated with the Company's warranty programs. General warranty reserves are based on historical claims experience and other currently available information and are periodically adjusted for business levels and other factors. Specific reserves are established once an issue is identified with the amounts for such reserves based on the estimated cost of correction. The Company provides an assurance-type warranty that ensures that products will function as intended. As such, the Company's estimated warranty obligation is accounted for as a liability and is recorded within current and long-term liabilities within the Condensed Consolidated Balance Sheets.

Changes in the warranty reserve for the stated periods were as follows:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Accrual Balance — beginning	$ 71.3	$ 74.1	$ 73.9	$ 73.2
Accrual for warranty matters	4.9	6.0	15.0	17.7
Settlements and adjustments	(5.6)	(5.6)	(18.3)	(16.4)
Accrual Balance — ending	$ 70.6	$ 74.5	$ 70.6	$ 74.5

Guarantees

The Company is periodically required to provide performance bonds to do business with certain customers. These arrangements are common in the industry and generally have terms ranging between one year and three years. The bonds are required to provide assurance to customers that the products and services they have purchased will be installed and/or provided properly and without damage to their facilities. The bonds are provided by various bonding agencies. However, the Company is ultimately liable for claims that may occur against them. As of March 2, 2024, the Company had a maximum financial exposure related to performance bonds totaling approximately $7.9 million. The Company has no history of claims, nor is it aware of circumstances that would require it to pay, under any of these arrangements. The Company also believes that the resolution of any claims that might arise in the future, either individually or in the aggregate, would not materially affect the Company's Consolidated Financial Statements. Accordingly, no liability has been recorded in respect to these bonds as of either March 2, 2024 or June 3, 2023.

The Company has entered into standby letter of credit arrangements for purposes of protecting various insurance companies and lessors against default on insurance premium and lease payments. As of March 2, 2024, the Company had a maximum financial exposure from these standby letters of credit totaling approximately $12.7 million, all of which is considered usage against the Company's revolving line of credit. The Company has no history of claims, nor is it aware of circumstances that would require it to perform under any of these arrangements and believes that the resolution of any claims that might arise in the future, either individually or in the aggregate, would not materially affect the Company's Consolidated Financial Statements. Accordingly, no liability has been recorded with respect to these arrangements as of March 2, 2024 or June 3, 2023.

Contingencies

The Company is also involved in legal proceedings and litigation arising in the ordinary course of business. In the opinion of management, the outcome of such proceedings and litigation currently pending will not have a material adverse effect, if any, on the Company's Consolidated Financial Statements.

13. Short-Term Borrowings and Long-Term Debt

Short-term borrowings and long-term debt as of March 2, 2024 and June 3, 2023 consisted of the following:

(In millions)		March 2, 2024		June 3, 2023
Syndicated revolving line of credit, due July 2026	$	377.9	$	426.7
Term Loan A, 6.9407%, due July 2026		352.5		370.0
Term Loan B, 7.4407%, due July 2028		610.9		615.6
Supplier financing program		1.9		2.1
Finance lease liability		1.4		—
Total debt	$	1,344.6	$	1,414.4
Less: Unamortized discount and issuance costs		(13.3)		(15.9)
Less: Current debt		(40.9)		(33.4)
Long-term debt	$	1,290.4	$	1,365.1

In connection with the acquisition of Knoll, in July, 2021, the Company entered into a credit agreement that provided for a syndicated revolving line of credit and two term loans. The revolving line of credit provides the Company with up to $725 million in revolving variable rate interest borrowing capacity that matures in July 2026, replacing the previous $500 million syndicated revolving line of credit. The term loans consist of a five-year senior secured term loan "A" facility with an aggregate principal amount of $400 million and a seven-year senior secured term loan "B" facility with an aggregate principal amount of $625 million, the proceeds of which were used to finance a portion of the cash consideration for the acquisition of Knoll, and to pay fees, costs, and expenses related thereto. In January 2023, the company entered into an Amendment to the credit agreement which transitioned the benchmark rate from LIBOR to the Secured Overnight Financing Rate ("SOFR") for U.S. dollar borrowings. SOFR is the recommended risk-free reference rate of the Federal Reserve Board and Alternative Reference Rates Committee, as defined within the credit agreement. The indebtedness incurred under the revolving line of credit and term loans is secured by substantially all of the Company’s tangible and intangible assets, including, without limitation, the Company’s intellectual property. The Company’s direct and indirect wholly-owned domestic subsidiaries have also guaranteed the obligations of the Company and the foreign borrowers under the revolving line of credit and term loans and pledged substantially all of their tangible and intangible assets as security for their obligations under such guarantee.

During the nine months ended March 2, 2024, the Company made total principal payments on term loans "A" and "B" in the amounts of $17.5 million and $4.7 million, respectively. During the nine months ended March 4, 2023, the Company made total principal payments on term loans "A" and "B" in the amounts of $15.0 million and $4.7 million, respectively.

Available borrowings under the syndicated revolving line of credit were as follows for the periods indicated:

(In millions)		March 2, 2024		June 3, 2023
Syndicated revolving line of credit borrowing capacity	$	725.0	$	725.0
Less: Borrowings under the syndicated revolving line of credit		377.9		426.7
Less: Outstanding letters of credit		12.7		14.1
Available borrowings under the syndicated revolving line of credit	$	334.4	$	284.2

Supplier Financing Program

The Company has an agreement with a third-party financial institution that allows certain participating suppliers the ability to finance payment obligations of the Company. Under this program, participating suppliers may finance payment obligations of the Company, prior to their scheduled due dates, at a discounted price to the third-party financial institution.

The Company has lengthened the payment terms for certain suppliers that have chosen to participate in the program. As a result, certain amounts due to suppliers have payment terms that are longer than standard industry practice and as such, these amounts have been excluded from “Accounts payable” in the Condensed Consolidated Balance Sheets as the amounts have been accounted for by the Company as current debt, within “Short-term borrowings and current portion of long-term debt”. As of March 2, 2024 and June 3, 2023, the liability related to the supplier financing program was $1.9 million and $2.1 million, respectively.

14. Accumulated Other Comprehensive Loss

The following table provides an analysis of the changes in accumulated other comprehensive loss for the nine months ended March 2, 2024 and March 4, 2023:

(In millions)	Cumulative Translation Adjustments	Pension and Other Post-retirement Benefit Plans	Interest Rate Swap Agreement	Accumulated Other Comprehensive Loss
Balance at June 3, 2023	$ (114.0)	$ (23.8)	$ 42.7	$ (95.1)
Other comprehensive income (loss), net of tax before reclassifications	7.9	—	(24.2)	(16.3)
Reclassification from accumulated other comprehensive loss - Other, net	—	(0.2)	23.0	22.8
Tax benefit	—	—	—	—
Net reclassifications	—	(0.2)	23.0	22.8
Net current period other comprehensive income (loss)	7.9	(0.2)	(1.2)	6.5
Balance at March 2, 2024	$ (106.1)	$ (24.0)	$ 41.5	$ (88.6)
Balance at May 28, 2022	$ (93.9)	$ (36.9)	$ 23.7	$ (107.1)
Other comprehensive (loss) income, net of tax before reclassifications	(30.6)	—	24.9	(5.7)
Reclassification from accumulated other comprehensive loss - Other, net	—	0.6	6.9	7.5
Tax benefit	—	(0.2)	—	(0.2)
Net reclassifications	—	0.4	6.9	7.3
Net current period other comprehensive (loss) income	(30.6)	0.4	31.8	1.6
Balance at March 4, 2023	$ (124.5)	$ (36.5)	$ 55.5	$ (105.5)

15. Operating Segments

The Company's reportable segments consist of three segments: Americas Contract, International Contract & Specialty, and Global Retail.

The Americas Contract segment includes the operations associated with the design, manufacture and sale of furniture products directly or indirectly through an independent dealership network for office, healthcare, and educational environments throughout North and South America.

The International Contract & Specialty segment includes the operations associated with the design, manufacture and sale of furniture products, indirectly or directly through an independent dealership network in Europe, the Middle East, Africa and Asia-Pacific as well as the global activities of the Specialty brands, which include Holly Hunt, Spinneybeck, Maharam, Edelman, and Knoll Textiles.

The Global Retail segment includes global operations associated with the sale of modern design furnishings and accessories to third-party retailers, as well as direct to consumer sales through eCommerce, direct-mail catalogs, and physical retail stores.

The Company also reports a “Corporate” category consisting primarily of unallocated expenses related to general corporate functions, including, but not limited to, certain legal, executive, corporate finance, information technology, administrative and integration-related costs. Management regularly reviews corporate costs and believes disclosing such information provides more visibility and transparency regarding how the chief operating decision maker reviews results of the Company. The accounting policies of the operating segments are the same as those of the Company.

The following is a summary of certain key financial measures for the respective periods indicated:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Net Sales:				
Americas Contract	$ 441.1	$ 484.6	$ 1,407.6	$ 1,551.7
International Contract & Specialty	217.3	242.5	686.8	779.9
Global Retail	213.9	257.6	645.1	798.8
Total	$ 872.3	$ 984.7	$ 2,739.5	$ 3,130.4
Operating Earnings (Loss):				
Americas Contract	$ 25.3	$ 32.5	$ 101.8	$ 78.2
International Contract & Specialty	18.5	25.3	53.7	81.5
Global Retail	11.3	(24.5)	28.2	(4.7)
Total reportable segments	$ 55.1	$ 33.3	$ 183.7	$ 155.0
Corporate	(12.3)	(12.1)	(40.2)	(44.3)
Total	$ 42.8	$ 21.2	$ 143.5	$ 110.7

Many of the Company's assets, including manufacturing, office and showroom facilities, support multiple segments. For that reason, it is impractical to disclose asset information on a segment basis.

16. Restructuring and Integration Expense

As part of restructuring and integration activities the Company has incurred expenses that qualify as exit and disposal costs under U.S. GAAP. These include severance and employee benefit costs as well as other direct separation benefit costs. Severance and employee benefit costs primarily relate to cash severance, as well as non-cash severance, including accelerated equity award compensation expense. The Company also incurs expenses that are an integral component of, and directly attributable to, our restructuring and integration activities, which do not qualify as exit and disposal costs under U.S. GAAP. These include integration implementation costs that relate primarily to professional fees and non-cash losses incurred on debt extinguishment.

The expenses associated with integration initiatives are included in Selling, general and administrative and the expenses associated with restructuring activities are included in Restructuring expense in the Condensed Consolidated Statements of Comprehensive Income.

Knoll Integration:

Following the Knoll acquisition, the Company announced a multi-year program (the "Knoll Integration") designed to reduce costs and integrate and optimize operations of the combined organization. The Company currently expects that the Knoll Integration will result in pre-tax cash costs that are expected to be approximately $150 million, comprised of the following categories:

- Severance and employee benefit costs associated with plans to integrate our operating structure, resulting in workforce reductions. These costs will primarily include: severance and employee benefits (cash severance, non-cash severance, including accelerated stock-compensation award expense and other termination benefits).
- Exit and disposal activities include those incurred as a direct result of integration activities, primarily including the reorganization and consolidation of facilities as well as asset impairment charges.
- Other integration costs include professional fees and other incremental third-party expenses, including a loss on extinguishment of debt associated with financing of the Knoll acquisition.

For the three months ended March 2, 2024, we incurred $7.6 million of costs related to the Knoll Integration which was comprised of $6.6 million of exit and disposal costs related to the consolidation of facilities, and $1 million of other integration costs.

For the three months ended March 4, 2023, we incurred $4.0 million of costs related to the Knoll Integration including: $1.7 million of severance and employee benefit costs, $0.8 million of exit and disposal costs related to the consolidation of facilities, and $1.5 million of other integration costs

For the nine months ended March 2, 2024, we incurred $18.4 million of costs related to the Knoll Integration which was comprised of $15.3 million of exit and disposal costs related to the consolidation of facilities and $3.1 million of other integration costs.

For the nine months ended March 4, 2023, we incurred $12.7 million of costs related to the Knoll Integration including: $3.1 million of severance and employee benefit costs, $3.6 million of of exit and disposal costs related to the consolidation of facilities, and $6.0 million of other integration costs.

The following table provides an analysis of the changes in liability balance for Knoll Integration costs that qualify as exit and disposal costs under U.S. GAAP (i.e., severance and employee benefit costs and exit and disposal activities) for the nine months ended March 2, 2024:

(In millions)	Severance and Employee Benefit	Exit and Disposal Activities	Total
June 3, 2023	$ 2.9	$ —	$ 2.9
Integration Costs	—	15.3	15.3
Amounts Paid	(2.8)	(10.2)	(13.0)
Non-cash costs	—	(3.9)	(3.9)
March 2, 2024	$ 0.1	$ 1.2	$ 1.3

The Company expects that a substantial portion of the liability for the Knoll Integration as of March 2, 2024 will be paid in the balance of fiscal year 2024.

The following is a summary of integration expenses by segment for the periods indicated:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Americas Contract	$ 5.8	$ 2.2	$ 15.3	$ 6.2
International Contract & Specialty	1.8	0.5	3.0	2.0
Global Retail	—	—	—	0.2
Corporate	—	1.3	0.1	4.3
Total	$ 7.6	$ 4.0	$ 18.4	$ 12.7

In the second quarter of fiscal 2024 a manufacturing facility located in Wisconsin met the criteria to be classified as an asset held for sale. The decision to sell this facility was made as a result of facility integration activities performed in connection with the integration of Knoll. The carrying amount of these assets held for sale was $4.6 million and is classified as current assets within "Assets held for sale" in the Condensed Consolidated Balance Sheets as of March 2, 2024. No impairment has been recorded on the carrying value of the asset.

Restructuring Activities

During fiscal year 2023, the Company announced a series of actions that relate to the 2023 restructuring plan ("2023 restructuring plan") to reduce expenses. These restructuring activities included voluntary and involuntary reductions in workforces and charges incurred in connection with the decision to cease operating Fully as a stand-alone brand. As the result of these actions, the Company projected an annualized expense reduction of approximately $30 million to $35 million. The Company incurred $34.0 million of costs related to the 2023 restructuring plan comprised of $27.9 million of severance and employee benefit costs and $6.1 million of non-impairment charges related to the closure of the Fully business. The restructuring plan was complete in fiscal 2023 and no future costs related to this plan are expected.

During fiscal year 2024, the Company announced an action related to the 2024 restructuring plan ("2024 restructuring plan") to reduce expenses. This restructuring activity included involuntary reductions in workforces. As the result of the action, the Company projects an annualized expense reduction of approximately $15.0 million to $17.0 million. During the three and nine months ended March 2, 2024 the Company incurred $1.7 million and $8.7 million, respectively of severance and employee benefit costs related to the 2024 restructuring plan.

The following table provides an analysis of the changes in the restructuring cost reserve for the nine months ended March 2, 2024:

	Severance and Employee-Related	
(In millions)	2024 Restructuring Plan	2023 Restructuring Plan
June 3, 2023	$ —	$ 7.3
Restructuring Costs	8.7	—
Amounts Paid	(6.4)	(7.0)
March 2, 2024	$ 2.3	$ 0.3

The Company expects that remaining liability for the 2023 restructuring plan as of March 2, 2024 will be paid in fiscal year 2024. The Company expects that remaining liability for the 2024 restructuring plan as of March 2, 2024, will be paid in fiscal year 2024 and fiscal 2025.

The following is a summary of restructuring costs by segment for the periods indicated:

	Three Months Ended		Nine Months Ended	
(In millions)	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Americas Contract	$ 1.5	$ 4.4	$ 5.8	$ 17.5
International Contract & Specialty	0.1	—	1.6	0.7
Global Retail	0.1	0.2	1.3	1.6
Total	$ 1.7	$ 4.6	$ 8.7	$ 19.8

17. Variable Interest Entities

The Company entered into long-term notes receivable with certain independently owned dealers that are deemed to be variable interests in variable interest entities. The carrying value of these long-term notes receivable was $14.3 million and $6.3 million as of March 2, 2024 and June 3, 2023 respectively and represents the Company’s maximum exposure to loss. The Company is not deemed to be the primary beneficiary for any of these variable interest entities as each independently owned dealer controls the activities that most significantly impact the entity’s economic performance, including sales, marketing, and operations.

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

(Dollars in millions, except share data)

The following is management's discussion and analysis of certain significant factors that affected the Company's financial condition, earnings and cash flows during the periods included in the accompanying Condensed Consolidated Financial Statements and should be read in conjunction with the Company's Annual Report on Form 10-K for the fiscal year ended June 3, 2023. References to "Notes" are to the footnotes included in the accompanying Condensed Consolidated Financial Statements.

Business Overview

The Company researches, designs, manufactures, sells, and distributes interior furnishings for use in various environments including residential, office, healthcare, and educational settings and provides related services that support organizations and individuals all over the world. The Company's products are sold primarily through independent contract office furniture dealers, direct customer sales, owned and independent retailers, direct-mail catalogs, and the Company's eCommerce platforms. The following is a summary of results for the three months ended March 2, 2024:

- Net sales were $872.3 million and orders were $830.3 million, representing a decrease of 11.4% and 6.2%, respectively, when compared to the same quarter of the prior year. On an organic basis, which excludes the impact of foreign currency translation and the impact of the closure of the Fully business, Net sales were $870.5 million(*) and orders were $826.9 million(*), representing an organic decrease of 10.1% and 4.7%, respectively, when compared to the same quarter of the prior year.
- Gross margin in the third quarter was 38.6% as compared to 34.1% for the same quarter of the prior year. The increase in gross margin was driven primarily by the realization of price optimization strategies; improved freight, distribution and inventory management; an impairment charge in the same quarter of the prior year that did not reoccur; and benefits from our ongoing synergy efforts following the Knoll acquisition.
- Operating expenses decreased by $20.2 million or 6.4% as compared to the same quarter of the prior year. The decrease was driven primarily by the continued realization of cost synergies as a result of optimization of our organizational structure, a reduction in restructuring costs as compared to the same prior of the prior year as well as lower variable costs due to decreased sales.
- As of the end of the third quarter, the Company has captured $153 million in annualized run rate synergies following the close of the Knoll acquisition in the first quarter of Fiscal 2022. The Company continues to make further progress on integration plans and expects total run-rate cost synergies to equal $160 million per year by July 2024 (three years following the acquisition closing date).
- The effective tax rate was 16.0% compared to 31.2% for the same quarter of the prior year. The current quarter rate benefited from favorable discrete impacts from return to provision true-ups related to the United States research and development tax credit.
- Diluted earnings per share was $0.30 as compared to $0.01 in the prior year. Excluding integration related costs, restructuring costs, impairment charges, and the amortization of intangible assets purchased as part of the Knoll acquisition, adjusted diluted earnings per share was $0.45(*), a 16.7%(*) decrease as compared to prior year adjusted diluted earnings per share.

(*) Non-GAAP measurements; see accompanying reconciliations and explanations under the heading "Reconciliation of Non-GAAP Financial Measures."

The following summary includes the Company's view of the economic environment in which it operates:

- During the third quarter, demand levels for the Company's products continued to be impacted by general economic uncertainty around the world driven by geopolitical concerns, persistent inflationary effects, and elevated market interest rates.
- The Americas Contract segment in the third quarter reported Net sales totaling $441.1 million, down 9.0% compared to the prior year period on a reported basis and down 9.2%(*) organically. Americas Contract had new orders of $420.1 million, which was a decrease of 9.0% from the prior year, and down 9.4%(*) on an organic basis.

- The International Contract & Specialty segment delivered Net sales in the third quarter of $217.3 million, a decrease of 10.4% from the year-ago period on a reported basis and a decrease of 10.6%(*) organically. New orders in this segment totaled $227.6 million, representing a year-over-year increase of 8.3% on a reported basis and an increase of 7.9%(*) organically.
- Net sales in the third quarter for the Global Retail segment totaled $213.9 million, a decrease of 17.0% over the same quarter last year on a reported basis and a decrease of 11.3%(*) organically. Orders in the quarter totaled $182.6 million, down 14.6% compared to the same period last year on a reported basis and down 7.1%(*) organically.

(*) Non-GAAP measurements; see accompanying reconciliations and explanations under the heading "Reconciliation of Non-GAAP Financial Measures."

The Company's fiscal year is the 52 or 53 week period ending on the Saturday closest to May 31. The fiscal year ending June 1, 2024 contains 52 weeks, while the fiscal year ended June 3, 2023 contained 53 weeks. The first quarter of fiscal 2024 contained 13 weeks and the first quarter of fiscal 2023 contained 14 weeks. This is a factor that should be considered when comparing the Company's year to date financial results to the prior year period.

The remaining sections within Item 2 include additional analysis of the three and nine months ended March 2, 2024, including discussion of significant variances compared to the prior year periods.

Reconciliation of Non-GAAP Financial Measures

This report 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 report. 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.

The non-GAAP financial measures referenced within this report include: Adjusted Earnings per Share and Organic Growth (Decline).

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. These adjustments are described further below.

Organic Growth (Decline) represents the change in sales and orders, excluding currency translation effects, the impact of an additional week in the fiscal 2023 and the impact of the closure of the Fully business.

The adjustments made to arrive at these non-GAAP financial measures are as follows:

- 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.

- 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.
- 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.

The following tables reconciles Net sales to Net sales, organic for the periods ended as indicated below:

	Three Months Ended March 2, 2024			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Net sales, as reported	$ 441.1	$ 217.3	$ 213.9	$ 872.3
% change from PY	(9.0)%	(10.4)%	(17.0)%	(11.4)%
Adjustments				
Currency translation effects [1]	(1.0)	(0.5)	(0.3)	(1.8)
Net sales, organic	$ 440.1	$ 216.8	$ 213.6	$ 870.5
% change from PY	(9.2)%	(10.6)%	(11.3)%	(10.1)%

	Three Months Ended March 4, 2023			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Net sales, as reported	$ 484.6	$ 242.5	$ 257.6	$ 984.7
Adjustments				
Fully closure	—	—	(16.9)	(16.9)
Net sales, organic	$ 484.6	$ 242.5	$ 240.7	$ 967.8

(1) 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

	Nine Months Ended March 2, 2024			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Net sales, as reported	$ 1,407.6	$ 686.8	$ 645.1	$ 2,739.5
% change from PY	(9.3)%	(11.9)%	(19.2)%	(12.5)%
Adjustments				
Currency translation effects (1)	(2.2)	(7.8)	(5.5)	(15.5)
Net sales, organic	$ 1,405.4	$ 679.0	$ 639.6	$ 2,724.0
% change from PY	(7.1)%	(10.7)%	(11.3)%	(9.0)%

	Nine Months Ended March 4, 2023			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Net sales, as reported	$ 1,551.7	$ 779.9	$ 798.8	$ 3,130.4
Adjustments				
Fully closure	—	—	(59.3)	(59.3)
Impact of extra week in FY23	(38.7)	(19.6)	(18.2)	(76.5)
Net sales, organic	$ 1,513.0	$ 760.3	$ 721.3	$ 2,994.6

(1) 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

The following tables reconcile orders as reported to organic orders for the periods ended as indicated below:

	Three Months Ended March 2, 2024			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Orders, as reported	$ 420.1	$ 227.6	$ 182.6	$ 830.3
% change from PY	(9.0)%	8.3 %	(14.6)%	(6.2)%
Adjustments				
Currency translation effects (1)	(1.8)	(0.9)	(0.7)	(3.4)
Orders, organic	$ 418.3	$ 226.7	$ 181.9	$ 826.9
% change from PY	(9.4)%	7.9 %	(7.1)%	(4.7)%

	Three Months Ended March 4, 2023			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Orders, as reported	$ 461.6	$ 210.1	$ 213.7	$ 885.4
Adjustments				
Fully closure	—	—	(17.8)	(17.8)
Orders, organic	$ 461.6	$ 210.1	$ 195.9	$ 867.6

(1) 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.

	Nine Months Ended March 2, 2024			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Orders, as reported	$ 1,344.8	$ 689.4	$ 653.8	$ 2,688.0
% change from PY	(7.1)%	(2.1)%	(14.1)%	(7.7)%
Adjustments				
Currency translation effects [1]	(6.0)	(8.4)	(6.3)	(20.7)
Orders, organic	$ 1,338.8	$ 681.0	$ 647.5	$ 2,667.3
% change from PY	(5.1)%	(0.6)%	(5.2)%	(4.0)%

	Nine Months Ended March 4, 2023			
	Americas Contract	International Contract & Specialty	Global Retail	Total
Orders, as reported	$ 1,447.0	$ 704.2	$ 760.7	$ 2,911.9
Adjustments				
Impact of extra week in FY23	(36.2)	(18.9)	(16.6)	(71.7)
Fully closure	—	—	(61.0)	(61.0)
Orders, organic	$ 1,410.8	$ 685.3	$ 683.1	$ 2,779.2

(1) 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.

The following table reconciles earnings per share - diluted to adjusted earnings per share - diluted for the periods ended as indicated below:

	Three Months Ended		Nine Months Ended	
	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
Earnings per share - diluted	$ 0.30	$ 0.01	$ 0.97	$ 0.56
Add: Amortization of Knoll purchased intangibles	0.08	0.09	0.24	0.26
Add: Integration charges	0.10	0.05	0.26	0.14
Add: Restructuring charges	0.02	0.06	0.10	0.29
Add: Impairment charges	—	0.48	—	0.48
Tax impact on adjustments	(0.05)	(0.15)	(0.16)	(0.29)
Adjusted earnings per share - diluted	**$ 0.45**	**$ 0.54**	**$ 1.41**	**$ 1.44**
Weighted average shares outstanding (used for calculating adjusted earnings per share) – diluted	74,146,826	76,066,215	74,616,391	76,036,144

Key Highlights

The following table presents certain key highlights from the results of operations for the three and nine months ended:

(In millions, except share data)	Three Months Ended March 2, 2024	Three Months Ended March 4, 2023	% Change	Nine Months Ended March 2, 2024	Nine Months Ended March 4, 2023	% Change
Net sales	$ 872.3	$ 984.7	(11.4)%	$ 2,739.5	$ 3,130.4	(12.5)%
Cost of sales	535.3	649.1	(17.5)%	1,672.4	2,055.1	(18.6)%
Gross margin	337.0	335.6	0.4 %	1,067.1	1,075.3	(0.8)%
Operating expenses	294.2	314.4	(6.4)%	923.6	964.6	(4.3)%
Operating earnings	42.8	21.2	101.9 %	143.5	110.7	29.6 %
Other expenses, net	15.3	19.6	(21.9)%	50.6	53.8	(5.9)%
Earnings before income taxes and equity income	27.5	1.6	N/A	92.9	56.9	63.3 %
Income tax expense	4.4	0.5	N/A	19.0	11.1	71.2 %
Equity (loss) income from nonconsolidated affiliates, net of tax	—	—	— %	(0.3)	0.2	N/A
Net earnings	23.1	1.1	N/A	73.6	46.0	60.0 %
Net earnings attributable to redeemable noncontrolling interests	0.9	0.7	N/A	1.2	3.8	N/A
Net earnings attributable to MillerKnoll, Inc.	$ 22.2	$ 0.4	N/A	$ 72.4	$ 42.2	71.6 %
Earnings per share - basic	$ 0.31	$ 0.01	N/A	$ 0.98	$ 0.56	75.0 %
Orders	$ 830.3	$ 885.4	(6.2)%	$ 2,688.0	$ 2,911.9	(7.7)%
Backlog	$ 639.4	$ 732.3	(12.7)%			

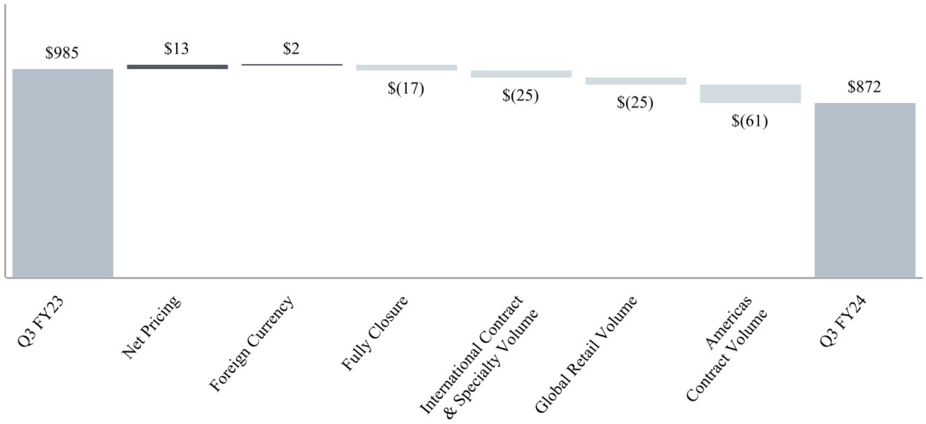
The following table presents select components of the Company's Condensed Consolidated Statements of Comprehensive (Loss) Income as a percentage of Net sales, for the three and nine months ended:

	Three Months Ended March 2, 2024	Three Months Ended March 4, 2023	Nine Months Ended March 2, 2024	Nine Months Ended March 4, 2023
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	61.4 %	65.9 %	61.0 %	65.6 %
Gross margin	38.6 %	34.1 %	39.0 %	34.4 %
Operating expenses	33.7 %	31.9 %	33.7 %	30.8 %
Operating earnings	4.9 %	2.2 %	5.2 %	3.5 %
Other expenses, net	1.8 %	2.0 %	1.8 %	1.7 %
Earnings before income taxes and equity income	3.2 %	0.2 %	3.4 %	1.8 %
Income tax expense	0.5 %	0.1 %	0.7 %	0.4 %
Equity (loss) income from nonconsolidated affiliates, net of tax	— %	— %	— %	— %
Net earnings	2.6 %	0.1 %	2.7 %	1.5 %
Net earnings attributable to redeemable noncontrolling interests	0.1 %	0.1 %	— %	0.1 %
Net earnings attributable to MillerKnoll, Inc.	2.5 %	— %	2.6 %	1.3 %

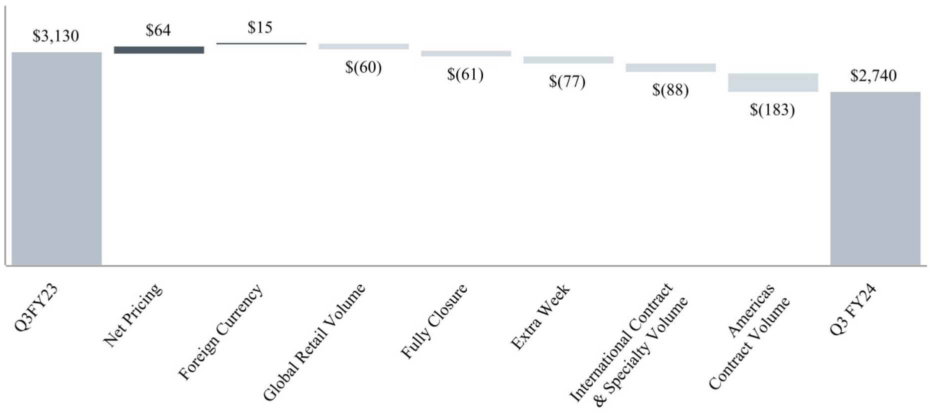
Net Sales

The following chart presents graphically the primary drivers of the year-over-year change in Net sales for the three and nine months ended March 2, 2024. The amounts presented in the graph are expressed in millions and have been rounded.

Change in Net Sales Three Months Ended



Change in Net Sales Nine Months Ended



Net sales decreased $113 million or 11% in the third quarter of fiscal 2024 compared to the third quarter of fiscal 2023. The following items contributed to the change:

- Decreased sales volume within the International Contract & Specialty, Global Retail, and Americas Contract segments of approximately $25 million, $25 million and $61 million, respectively.
- Decrease of $17 million related to the closure of the Fully business that occurred in the prior year. Offset in part by:
- Price increases, net of incremental discounting, which drove an increase in Net sales of approximately $13 million.
- Foreign currency translation increased Net sales by approximately $2 million.

Net sales decreased $390 million or 12% in the first nine months of fiscal 2024 compared to the first nine months of fiscal 2023. The following items contributed to the change:

- The additional week during the first quarter of the prior year contributed to approximately $77 million of the net sales decrease.
- Decrease of $61 million related to the closure of the Fully business that occurred in the prior year.
- Decreased sales volume within the Global Retail, International Contract & Specialty, and Americas Contract segments of approximately $60 million, $88 million and $183 million, respectively. Offset in part by:
- Price increases, net of incremental discounting, which drove an increase in Net sales of approximately $64 million.
- Foreign currency translation increased Net sales by approximately $15 million.

Gross Margin

Gross margin was 38.6% in the third quarter of fiscal 2024 as compared to 34.1% in the third quarter of fiscal 2023. The following factors summarize the major drivers of the year-over-year change in gross margin percentage:

- Reduction in costs from commodities, storage and handling costs, freight and product distribution costs, as compared to the same period of the prior year which increased gross margin by approximately 240 basis points.
- Charges in the prior year for the impairment of assets associated with the decision to cease operating Fully as a stand-alone brand contributed to an increase in gross margin of approximately 170 basis points.
- Price increases, net of incremental discounting, contributed to margin improvement of approximately 90 basis points.
- Savings from the realization of incremental synergies associated with the Knoll acquisition as compared to the same period in the prior year. These factors were offset in part by;
- Loss of leverage on lower sales volumes, which negatively impacted margin by approximately 70 basis points.

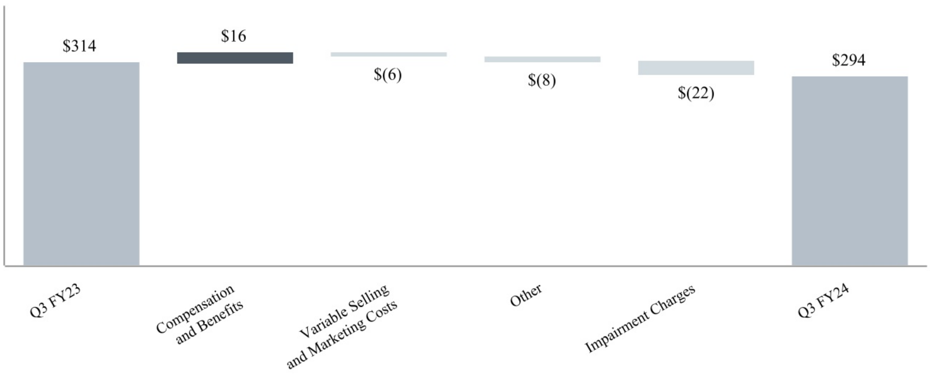
Gross margin was 39.0% in the nine months ended March 2, 2024 as compared to 34.4% for the same period in the prior fiscal year. The following factors summarize the major drivers of the year-over-year change in gross margin percentage:

- Reduction in costs from commodities, storage and handling costs, freight and product distribution costs, as compared to the same period of the prior year which increased gross margin by approximately 330 basis points.
- Price increases, net of incremental discounting, contributed to margin improvement of approximately 150 basis points.
- Charges in the prior year for the impairment of assets associated with the decision to cease operating Fully as a stand-alone brand contributed to an increase in gross margin of approximately 60 basis points.
- Savings from the realization of incremental synergies associated with the Knoll acquisition as compared to the same period in the prior year. These factors were offset in part by;
- Loss of leverage on lower sales volumes and unfavorable channel and product mix, which negatively impacted gross margin by approximately 130 basis points.

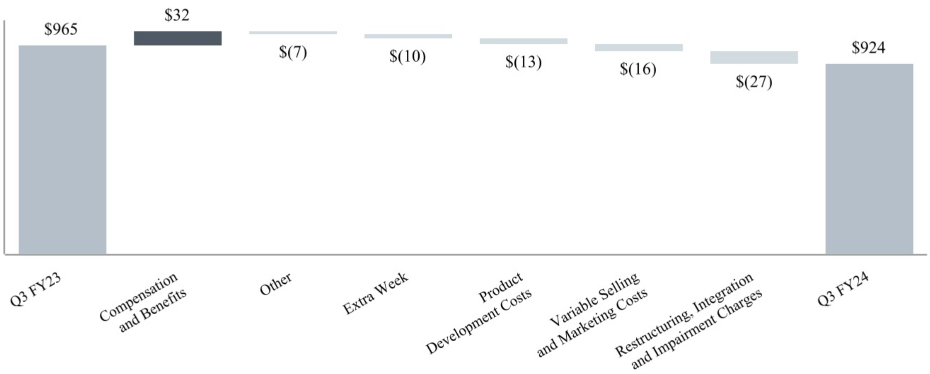
Operating Expenses

The following chart presents graphically the primary drivers of the year-over-year change in Operating expenses for the three and nine months ended March 2, 2024. The amounts presented in the graphs are expressed in millions and have been rounded.

Change in Operating Expenses Three Months Ended



Change in Operating Expenses Nine Months Ended



Operating expenses decreased by $20 million or 6.4% in the third quarter of fiscal 2024 compared to the prior year period. The following factors contributed to the change:

- Charges for the impairment of assets associated with the decision to cease operating Fully as a stand-alone brand contributed a decrease in Operating expenses as compared to the same period of the prior year of approximately $22 million; and
- Variable selling and marketing costs decreased by approximately $6 million, due in part to the closure of the Fully business that occurred in the prior year; and
- Other costs decreased approximately $8 million as compared to the prior year, of which the largest category of decrease was product development costs which decreased $4 million. These decreases were offset in part by:

- Compensation and benefit costs, which increased approximately $16 million, driven by changes in variable-based compensation and incentives.

Operating expenses decreased by $41 million or 4.3% in the first nine months of fiscal 2024 compared to the first nine months of fiscal 2023. The following factors contributed to the change:

- Charges for the impairment of assets associated with the decision to cease operating Fully as a stand-alone brand, restructuring charges related to reductions in the Company's workforce as well as acquisition related integration costs contributed a decrease in Operating expenses as compared to the same period of the prior year of approximately $27 million; and
- Variable selling and marketing costs decreased by approximately $16 million, due in part to the closure of the Fully business that occurred in the prior year; and
- Product development costs decreased approximately $13 million, primarily in the Americas Contract and Global Retail segments; and
- The impact of an extra week in the first quarter of fiscal 2023 decreased operating expenses by approximately $10 million in the current period; and
- Savings from the realization of incremental synergies associated with the Knoll acquisition as compared to the same period in the prior year. These decreases were offset in part by:
- Compensation and benefit costs, which increased approximately $32 million, driven by changes in variable-based compensation and incentives.

Other Income/Expense

During the three months ended March 2, 2024, net Other expense was $15.3 million, representing a decrease of $4.3 million compared to the same period in the prior year, driven primarily by increased interest income as well as reductions in foreign currency losses.

During the nine months ended March 2, 2024, net Other expense was $50.6 million, representing a decrease of $3.2 million compared to the same period in the prior year. This change is driven primarily by increased interest income in the current year offset in part by increased interest expense as compared to the same period of the prior year.

Income Taxes

See Note 10 of the Condensed Consolidated Financial Statements for additional information.

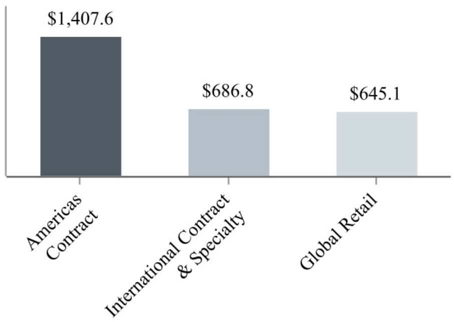
Operating Segment Results

The business is comprised of various operating segments as defined by generally accepted accounting principles in the United States. These operating segments are determined on the basis of how the Company internally reports and evaluates financial information used to make operating decisions. The segments identified by the Company are Americas Contract, International Contract & Specialty, and Global Retail. Unallocated expenses are reported within the Corporate category. For descriptions of each segment, refer to Note 15 of the Condensed Consolidated Financial Statements.

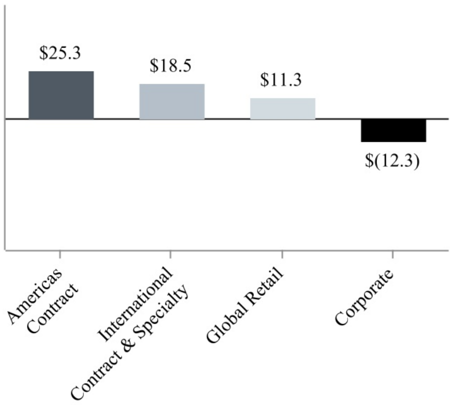
The charts below present the relative mix of Net sales and Operating earnings across each of the Company's segments during the three and nine month periods ended March 2, 2024. This is followed by a discussion of the Company's results, by reportable segment. The amounts presented in the charts are in millions and have been rounded.

Net Sales by Operating Segment Three Months Ended March 2, 2024

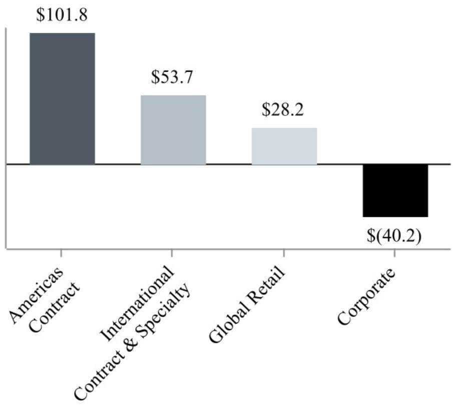
Net Sales by Operating Segment Nine Months Ended March 2, 2024



Operating Earnings by Operating Segment Three Months Ended March 2, 2024



Operating Earnings by Operating Segment Nine Months Ended March 2, 2024



Americas Contract

(Dollars in millions)	Three Months Ended			Nine Months Ended		
	March 2, 2024	March 4, 2023	Change	March 2, 2024	March 4, 2023	Change
Net sales	$ 441.1	$ 484.6	$ (43.5)	$ 1,407.6	$ 1,551.7	$ (144.1)
Gross margin	145.9	149.6	(3.7)	481.7	452.5	29.2
Gross margin %	33.1 %	30.9 %	2.2 %	34.2 %	29.2 %	5.0 %
Operating earnings	25.3	32.5	(7.2)	101.8	78.2	23.6
Operating earnings %	5.7 %	6.7 %	(1.0)%	7.2 %	5.0 %	2.2 %

For the three month comparative period, Net sales decreased 9.0%, or 9.2%(*) on an organic basis, over the prior year period due to:

- Decreased sales volumes within the segment of approximately $61 million, driven by the impact of a challenging macro-economic environment; offset in part by
- Price increases, net of incremental discounting of $16 million; and
- Favorable foreign currency translation of approximately $1 million.

For the nine month comparative period, Net sales decreased 9.3%, or 7.1%(*) on an organic basis, over the prior year period due to:

- Decreased volumes within the segment of approximately $183 million, which was driven by the impact of a challenging macro-economic environment compounded by pandemic-driven pent-up demand at the start of the prior year; and
- The impact of an additional week in the same period of the prior year, which reduced sales approximately $39 million; offset in part by
- Price increases, net of incremental discounting of $76 million; and
- Favorable foreign currency translation of approximately $2 million.

(*) Non-GAAP measurements; see accompanying reconciliations and explanations under the heading "Reconciliation of Non-GAAP Financial Measures."

For the three month comparative period, operating earnings decreased $7.2 million, or 22.2%, over the prior year period due to:

- Decreased Gross margin of $4 million due to the decrease in net sales discussed above offset in part by an increase in gross margin percentage of 220 basis points. The increase in gross margin percentage was due primarily to:
  - The impact of incremental list price increases, net of contract price discounting which provided an approximately 250 basis point improvement over the prior year; and
  - Decreased commodity costs which provided an improvement of approximately 180 basis points. These increases were offset in part by increased labor costs as well as loss of labor and overhead leverage due to reduced production volumes which had a negative impact on margin of 210 basis points; as well as
  - The favorable impact of realization of synergies associated with the Knoll acquisition.
- Increased Operating expenses of $4 million driven primarily by an increase in variable compensation costs of approximately $9 million offset in part by decreased restructuring charges related to reductions in the Company's workforce of approximately $3 million and decreased product development costs of $2 million.

For the nine month comparative period, operating earnings increased $23.6 million, or 30.2%, over the prior year period due to:

- Increased Gross margin of $29.2 million due to the increased gross margin percentage of 500 basis points. The increase in gross margin percentage was due primarily to:
  - The impact of incremental list price increases, net of contract price discounting, that increased gross margin percentage by 360 basis points; and

◦ Decreased commodity and product distribution costs that increased gross margin percentage by 300 basis points. These increases were offset in part by increased labor costs as well as loss of labor and overhead leverage due to reduced production volumes as well as unfavorable product mix which had a negative impact on margin of 160 basis points.

- The improvement in operating earnings from Gross margin was offset in part by increased Operating expenses of $6 million. The following factors contributed to the change:
  - An increase in variable based compensation of approximately $18 million and increased Knoll integration related costs costs of $9 million; offset by
  - A decrease of approximately $11 million in restructuring charges related to reductions in the Company's workforce compared to the prior year, decreased product development costs of $5 million, as well as a decrease of $5 million due to the additional week in the prior year.

International Contract & Specialty

	Three Months Ended			Nine Months Ended		
(Dollars in millions)	March 2, 2024	March 4, 2023	Change	March 2, 2024	March 4, 2023	Change
Net sales	$ 217.3	$ 242.5	$ (25.2)	$ 686.8	$ 779.9	$ (93.1)
Gross margin	96.8	100.6	(3.8)	299.7	323.0	(23.3)
Gross margin %	44.5 %	41.5 %	3.0 %	43.6 %	41.4 %	2.2 %
Operating earnings	18.5	25.3	(6.8)	53.7	81.5	(27.8)
Operating earnings %	8.5 %	10.4 %	(1.9)%	7.8 %	10.5 %	(2.7)%

For the three month comparative period, Net sales decreased 10.4%, or 10.6%(*) on an organic basis, over the prior year period due to:

- Decline in sales volume of approximately $25 million driven mainly by challenging macroeconomic conditions in Europe and parts of Asia-Pacific; offset in part by
- Favorable foreign currency translation of approximately $1 million.

For the nine month comparative period, Net sales decreased 11.9%, or 10.7%(*) on an organic basis, over the prior year period due to:

- Decreased sales volume of approximately $88 million; and
- Impact of the extra week in the prior year period, which drove a decrease of $20 million; offset in part by
- Favorable foreign currency translation of approximately $8 million; and
- Price increases, net of incremental discounting of $7 million.

(*) Non-GAAP measurements; see accompanying reconciliations and explanations under the heading "Reconciliation of Non-GAAP Financial Measures."

For the three month comparative period, operating earnings decreased $7 million, or 27% over the prior year period due to:

- Decreased Gross margin of $4 million due to the decrease in net sales discussed above, offset by an increase in gross margin percentage of 300 basis points due primarily to favorable product mix.
- Operating expenses increased approximately $3 million which was largely due to an increase in variable compensation costs in the current year.

For the nine month comparative period, operating earnings decreased $27.8 million, or 34.1%, over the prior year period due to:

- Decreased Gross margin of $23 million due to the decrease in sales explained above, offset in part by an increase in gross margin percentage of 220 basis points due primarily to favorable product mix and the impact of incremental list price increases, net of contract price discounting.
- Increased Operating expenses of $5 million which was largely due to an increase in variable compensation costs in the current year of $11 million, offset in part by a decrease of $4 million due to the additional week in the prior year and a decrease of $2 million of variable selling costs.

Global Retail

(Dollars in millions)	Three Months Ended			Nine Months Ended		
	March 2, 2024	March 4, 2023	Change	March 2, 2024	March 4, 2023	Change
Net sales	$ 213.9	$ 257.6	$ (43.7)	$ 645.1	$ 798.8	$ (153.7)
Gross margin	94.3	85.4	8.9	285.7	299.8	(14.1)
Gross margin %	44.1 %	33.2 %	10.9 %	44.3 %	37.5 %	6.8 %
Operating earnings (loss)	11.3	(24.5)	35.8	28.2	(4.7)	32.9
Operating earnings %	5.3 %	(9.5)%	14.8 %	4.4 %	(0.6)%	5.0 %

For the three month comparative period, Net sales decreased 17.0%, and decreased 11.3%(*) on an organic basis, over the prior year period due to:

- A decrease in sales volume of approximately $25 million, driven by elevated interest rates in major markets around the world, ongoing geopolitical concerns, and a lagging housing market in the U.S.; and
- Decrease of $17 million related to the closure of the Fully business that occurred in the prior year; and
- Incremental discounting, net of price increases which decreased sales by $2 million.

For the nine month comparative period, Net sales decreased 19.2%, and decreased 11.3%(*) on an organic basis, over the prior year period due to:

- Decrease of $61 million related to the closure of the Fully business that occurred in the prior year; and
- A decrease in sales volume of approximately $60 million, driven by a slowdown in the North American housing market and a continuation of general economic uncertainty; and
- The additional week during the first quarter of the prior year contributed to approximately $18 million of the net sales decrease; and
- Incremental discounting, net of price increases, which decreased sales by $21 million; offset by
- Favorable foreign currency translation of approximately $6 million.

(*) Non-GAAP measurements; see accompanying reconciliations and explanations under the heading "Reconciliation of Non-GAAP Financial Measures."

For the three month comparative period, Operating earnings increased $36 million or 146.1% over the prior year period due to:

- Increased Gross margin of $9 million due to the gross margin percentage increase of 1,090 basis points which was attributable to:
  - Charges in the prior year for the impairment of assets associated with the decision to cease operating Fully as a stand-alone brand; and
  - The impact of reduced costs as compared to the prior year associated with product distribution and inventory handling.
- Decreased Operating expenses of $27 million driven primarily by charges of $22 million in the prior year for the impairment charges of assets associated with the decision to cease operating Fully as a stand-alone brand, decreased variable selling and marketing costs, as well as a decrease due to to the closure of the Fully business that occurred in the prior year.

For the nine month comparative period, Operating earnings increased $32.9 million, or 700% over the prior year period due to:

- An increase in gross margin percentage of 680 basis points attributable to the favorable impact of reduced costs as compared to the prior year associated with product distribution and inventory handling as well as charges in the prior year for the impairment of assets associated with the decision to cease operating Fully as a stand-alone brand. These increases were offset in part by unfavorable discounting, net of price increases.
- Decreased Operating expenses of $47 million driven primarily by charges of $22 million in the prior year for the impairment charges of assets associated with the decision to cease operating Fully as a stand-alone brand, decreased

variable selling and marketing costs of $14 million, decreased product development of $4 million, a decrease of $4 million due to the additional week in the prior year, as well as a decrease due to to the closure of the Fully business that occurred in the prior year.

Corporate

Corporate unallocated expenses totaled $12.3 million for the third quarter of fiscal 2024, a decrease of $0.2 million from the third quarter of fiscal 2023. The decrease was driven primarily by a reduction in integration costs as compared to the same period of the prior year.

Corporate unallocated expenses totaled $40.2 million for the first nine months of fiscal 2024, a decrease of $4.1 million from the same period of fiscal 2023. The decrease was driven primarily by a reduction in integration costs as compared to the same period of the prior year.

Liquidity and Capital Resources

The table below summarizes the net change in Cash and cash equivalents for the nine months ended as indicated.

(In millions)	March 2, 2024	March 4, 2023
Cash provided by (used in):		
Operating activities	$ 273.9	$ 70.4
Investing activities	(61.0)	(53.2)
Financing activities	(213.1)	(22.1)
Effect of exchange rate changes	0.3	(8.3)
Net change in Cash and cash equivalents	$ 0.1	$ (13.2)

Cash Flows - Operating Activities

The principal source of our operating cash flow is net earnings. Net cash provided by operating activities for the nine months ended March 2, 2024 totaled $273.9 million compared to $70.4 million in the same period of the prior year. The increase in cash inflow is due primarily to higher net income and a reduction in working capital. Our working capital consists primarily of receivables from customers, inventory, prepaid expenses, accounts payable, accrued compensation, and accrued other expenses. The following all affected these account balances:

- The timing of collection of our receivables;
- Effective inventory management resulting in reduced inventory levels; and
- Increased variable compensation in the current year.

Cash Flows - Investing Activities

Cash used in investing activities for the nine months ended March 2, 2024 was $61.0 million, as compared to $53.2 million in the same period of the prior year. The increase in cash outflow in the current year, compared to the prior year, was primarily due to:

- An increase in notes receivable received from certain independently owned dealers in the current year;
- The advancement of $13.5 million of cash against the value of company owned life insurance policies received in the nine months ended March 4, 2023 for which there was no activity in the current year. Offset in part by:
- Proceeds of $3.5 million received in the nine months ended March 2, 2024 related to the sale of the Company's investment in Global Holdings Netherlands B.V.

At the end of the third quarter of fiscal 2024, there were outstanding commitments for capital purchases of $14.9 million. The Company plans to fund these commitments through a combination of cash on hand and cash flows from operations. The Company expects full-year capital purchases to be between $70 million and $90 million, which will be primarily related to investments in the Company's facilities and equipment. This compares to full-year capital spending of $83.3 million in fiscal 2023. Capital expenditures for the first nine months of fiscal 2024 were $56.5 million compared to $60.6 million for the nine months ended March 4, 2023.

Cash Flows - Financing Activities

Cash used in financing activities for the nine months ended March 2, 2024 was $213.1 million, as compared to $22.1 million in the same period of the prior year. The increase in cash used in the current year, compared to the prior year, was primarily due to:

- Net payments on the credit agreement of $48.8 million in the current year compared to net borrowings of $55.5 million in the same period of the prior year; and
- The Company repurchased 4.6 million shares at a cost of $101.0 million during the nine months ended March 2, 2024 as compared to share repurchases totaling $15.9 million in the same period of the prior year.

Sources of Liquidity

The Company has taken actions to safeguard its cash flow and liquidity position in the current environment. The Company is closely managing spending levels, capital investments, and working capital.

The Company maintains an open market share repurchase program under our existing share repurchase authorization and may repurchase shares from time to time based on management’s evaluation of market conditions, share price and other factors.

At the end of the third quarter of fiscal 2024, the Company had a well-positioned balance sheet and liquidity profile. The Company has access to liquidity through credit facilities as well as cash and cash equivalents. These sources have been summarized below. For additional information, refer to Note 13 to the Condensed Consolidated Financial Statements.

(In millions)	March 2, 2024	June 3, 2023
Cash and cash equivalents	$ 223.6	$ 223.5
Availability under syndicated revolving line of credit	334.4	284.2
Total liquidity	$ 558.0	$ 507.7

Of the Cash and cash equivalents noted above at the end of the third quarter of fiscal 2024, the Company had $210.4 million of Cash and cash equivalents held outside the United States.

The Company’s syndicated revolving line of credit, which matures in July, 2026, provides the Company with up to $725 million in revolving variable interest borrowing capacity and allows the Company to borrow incremental amounts, at its option, subject to negotiated terms as outlined in the agreement. Outstanding borrowings bear interest at rates based on the prime rate, federal funds rate, SOFR or negotiated terms as outlined in the agreement.

As of March 2, 2024, the total debt outstanding related to borrowings under the syndicated revolving line of credit was $377.9 million with available borrowings on this facility of $334.4 million.

The Company intends to repatriate $106.5 million of undistributed foreign earnings all of which is held in cash in certain foreign jurisdictions with the remainder of undistributed earnings outside the U.S. recorded in working capital. The Company has recorded a $5.8 million deferred tax liability related to foreign withholding taxes on these future dividends received in the U.S. from foreign subsidiaries. A significant portion of the $106.5 million of undistributed foreign earnings was previously taxed under the U.S. Tax Cut and Jobs Act (TCJA). The Company intends to remain indefinitely reinvested in the remaining undistributed earnings outside the U.S. which is estimated to be approximately $282.2 million on March 2, 2024.

The Company believes cash on hand, cash generated from operations, and borrowing capacity will provide adequate liquidity to fund near term and foreseeable future business operations, capital needs, upcoming debt maturities, future dividends and share repurchases, subject to financing availability in the marketplace.

Contractual Obligations

Contractual obligations associated with ongoing business and financing activities will require cash payments in future periods. A table summarizing the amounts and estimated timing of these future cash payments as of June 3, 2023 was provided in the Company's Annual Report on Form 10-K for the year ended June 3, 2023. There have been no material changes in such obligations since that date.

Guarantees

See Note 12 to the Condensed Consolidated Financial Statements.

Variable Interest Entities

See Note 17 to the Condensed Consolidated Financial Statements.

Contingencies

See Note 12 to the Condensed Consolidated Financial Statements.

Critical Accounting Policies

The Company strives to report financial results clearly and understandably. The Company follows accounting principles generally accepted in the United States in preparing its consolidated financial statements, which require certain estimates and judgments that affect the financial position and results of operations for the Company. The Company continually reviews the accounting policies and financial information disclosures. A summary of the more significant accounting policies that require the use of estimates and judgments in preparing the financial statements is provided in the Company's Annual Report on Form 10-K for the year ended June 3, 2023.

New Accounting Standards

See Note 2 to the Condensed Consolidated Financial Statements.

Cautionary Note Regarding Forward-Looking Statements

This report 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; 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 our most recent Quarterly Reports on Form 10-Q and Annual Report on Form 10-K for the year ended June 3, 2023. The forward-looking statements included in this report 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.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

The information concerning quantitative and qualitative disclosures about market risk contained in the Company's Annual Report on Form 10-K for the year ended June 3, 2023 has not changed materially. The nature of market risks from interest rates and commodity prices has not changed materially during the first nine months of fiscal 2024.

Foreign Exchange Risk

The Company primarily manufactures its products in the United States, United Kingdom, Canada, China, Italy, India, Mexico and Brazil. It also sources completed products and product components from outside the United States. The Company's completed products are sold in numerous countries around the world. Sales in foreign countries as well as certain expenses related to those sales are transacted in currencies other than the Company's reporting currency, the U.S. dollar. Accordingly, production costs and profit margins related to these sales are affected by the currency exchange relationship between the countries where the sales take place and the countries where the products are sourced or manufactured. These currency exchange relationships can also impact the Company's competitive positions within these markets.

In the normal course of business, the Company enters into contracts denominated in foreign currencies. The principal foreign currencies in which the Company conducts its business are the British pound sterling, euro, Canadian dollar, Japanese yen, Mexican peso, Hong Kong dollar, Chinese renminbi, and the Danish krone. Changes in the fair value of such contracts are reported in earnings in the period the value of the contract changes. The net gain or loss upon settlement and the change in fair value of outstanding contracts is recorded as a component of Other (income) expense.

Item 4: Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of management, including the Company's Chief Executive Officer and Chief Financial Officer, management has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of March 2, 2024, and the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of that date, the Company's disclosure controls and procedures are effective.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the quarterly period ended March 2, 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1: Legal Proceedings

There have been no material changes in the Company's legal proceedings from those set forth in the Company's Annual Report on Form 10-K for the year ended June 3, 2023.

Item 1A: Risk Factors

There have been no material changes in the Company's risk factors from those set forth in the Company's Annual Report on Form 10-K for the year ended June 3, 2023.

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The Company has one share repurchase plan authorized by the Board of Directors on January 16, 2019, which provides a share repurchase authorization of $250.0 million with no specified expiration date. The approximate dollar value of shares available for purchase under the plan at March 2, 2024, was $103.5 million.

The following is a summary of share repurchase activity during the fiscal quarter ended March 2, 2024.

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares that may yet be Purchased Under the Plans or Programs (in millions) (1)
12/3/2023 - 12/30/2023	101,883	$ 27.50	101,883	$ 141.7
12/31/2023 - 1/27/2024	801,927	$ 25.94	801,927	$ 120.9
1/28/2024 - 3/2/2024	629,620	$ 27.62	629,620	$ 103.5
Total	1,533,430		1,533,430	

(1) Amounts are as of the end of the period indicated

The Company may repurchase shares from time to time in open market transactions, privately negotiated transactions, pursuant to accelerated share repurchase programs or otherwise in accordance with applicable federal securities laws. The timing and amount of the repurchases will be determined by the Company's management based on their evaluation of market conditions, share price and other factors. The share repurchase program may be suspended or discontinued at any time.

During the period covered by this report, the Company did not sell any shares of common stock that were not registered under the Securities Act of 1933.

Item 5: Other Information

During the period covered by this Quarterly Report on Form 10-Q, no director or officer of the Company adopted or terminated a "Rule 10b5-1 Trading Arrangement" or "Non-Rule 10b5-1 Trading Arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6: Exhibits

The following exhibits (listed by number corresponding to the Exhibit table as Item 601 in Regulation S-K) are filed with this Report:

Exhibit Number	Document
10.1	MillerKnoll, Inc. 2023 Long-Term Incentive Plan Nonemployee Director Global Stock Option Agreement*
31.1	Certificate of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certificate of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certificate of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certificate of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

101.INS The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL Document.

101.SCH XBRL Taxonomy Extension Schema Document

101.CAL XBRL Taxonomy Extension Calculation Linkbase Document

101.LAB XBRL Taxonomy Extension Label Linkbase Document

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

101.DEF XBRL Taxonomy Extension Definition Linkbase Document

104 Cover Page Interactive Data File (embedded within the Inline XBRL Document)

* Denotes compensatory plan or arrangement.

Signatures

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

MillerKnoll, Inc.

April 10, 2024	/s/ Andrea R. Owen
	Andrea R. Owen President and Chief Executive Officer (Duly Authorized Signatory for Registrant)
April 10, 2024	/s/ Jeffrey M. Stutz
	Jeffrey M. Stutz Chief Financial Officer (Duly Authorized Signatory for Registrant)

MILLERKNOLL, INC. 2023 LONG-TERM INCENTIVE PLAN
NONEMPLOYEE DIRECTOR GLOBAL STOCK OPTION AGREEMENT

Participant: [INSERT NAME]

Award Date: [INSERT AWARD DATE]

Number of Stock Options: [INSERT TOTAL OPTIONS]

Option Price: [INSERT PURCHASE PRICE]

Expiration Date: [INSERT EXPIRATION DATE]

This certifies that MillerKnoll, Inc. (the "Company") has on the date set forth above (the "Award Date") granted to the individual named above (the "Participant") a non-qualified stock option (the "Award") under the MillerKnoll, Inc. 2023 Long-Term Incentive Plan (the "Plan") as summarized above and as detailed in the Compensation Equity Award Notice (the "Award Notice") reflected in the web portal maintained by E*TRADE Financial Corporate Services, Inc. (the "Stock Plan Service Provider").

The Award is subject to the terms and conditions set forth in this Nonemployee Director Global Stock Option Agreement (the "Award Agreement"). A copy of the Plan and the U.S. prospectus for the Plan Prospectus has been delivered or otherwise made available to the Participant. The Plan is incorporated into this Award Agreement by reference, and in the event of any conflict between the terms of the Plan and this Award Agreement, the terms of the Plan will govern; provided, however, that definitions under this Award Agreement shall govern. Any capitalized terms not defined herein will have the meaning set forth in the Plan.

1. Option. Pursuant to the Plan and this Award Agreement, the Participant has the option to purchase the number of shares of Common Stock (the "Option Shares") on the terms and conditions herein set forth (the "Option"). This Option shall not be designated as an incentive stock option for purposes of qualifying as such under the provisions of Section 422 of the Internal Revenue Code of 1986, as amended.

2. Option Price. The Option Price of the Option Shares covered by this Award Agreement shall be the per share price shown above (the "Option Price").

3. Term of Option. This Option shall expire on the date set forth above subject to earlier termination as provided in subsequent sections of this Award Agreement (the "Expiration Date").

4. Exercise of Option.

(a) Except as provided in Section 7 and 8, this Option may be exercised at any time during the term of this Award Agreement, by written notice to the Company (or by following such other exercise procedures as may be established by the Company from time to time). The notice shall state the number of Option Shares with respect to which the Option is being exercised, shall be signed by the person exercising this Option, and shall be accompanied by payment of the full purchase price of the shares. This Award Agreement shall be submitted to the Company with the notice for purposes of recording the shares being purchased, if exercised in part, or for purposes of cancellation if all shares then subject to this Option are being purchased. In the event this Option shall be exercised pursuant to Section 7(d) hereof by any person other than the Participant, such notice shall be accompanied by appropriate proof of the right of such person to exercise the Option. Payment of the purchase price shall be made by: (a) cash, check, bank draft, or money order, payable to the order of the Company; (b) the delivery by the Participant of unencumbered shares of Common Stock already owned by the Participant for at least six (6) months, with a Fair Market Value on the date of exercise equal to the aggregate Option Price of the Option Shares to be purchased; or (c) reduction in the number of Option Shares issuable upon exercise (based on the Fair Market Value of the Option Shares on the last trading date preceding payment as determined by the Committee); (d) payment under a cashless exercise program approved by the Company or through a broker-dealer sale and remittance procedure acceptable to the Company; or (e) a combination of (a), (b), (c) and (d). Upon exercise of all or a portion of this Option, the Company shall deposit the applicable number of Option Shares into the Participant's brokerage account with the Stock Plan Service Provider.

(b) Automatic Exercise Upon Expiration. Notwithstanding any other provision of this Award Agreement (other than this Section 4(b)), on the last trading day on which all or a portion of the outstanding Option may be exercised, if as of the close of trading on such day the then Fair Market Value of a share of Common Stock exceeds the per share Option Price of the Option by at least $.01 (such expiring portion of the Option that is so in-the-money, an "Auto-Exercise Eligible Option"), the Participant will be deemed to have automatically exercised such Auto-Exercise Eligible Option (to the extent it is then vested and has not previously been exercised or forfeited) as of the close of trading in accordance with the provisions of this Section 4(b); provided that, if such automatic exercise would result in the issuance of less than one whole share of Common Stock to the Participant following the reduction for the Option Price and withholding described in the following sentence, then the Option shall not be automatically exercised pursuant to this Section 4(b). In the event of an automatic exercise pursuant to this Section 4(b), the Company will reduce the number of Option Shares issued to the Participant upon such automatic exercise of the Auto-Exercise Eligible Option in an amount necessary to satisfy (1) the Participant's Option Price obligation for the Auto-Exercise Eligible Option, and (2) the applicable federal, state, local and, if applicable, foreign income and employment tax and social insurance withholding requirements arising upon the automatic exercise in accordance with the procedures of Section 15.3 of the Plan (unless the Committee deems that a different method of satisfying the tax withholding obligations is practicable and advisable), in each case based on the Fair Market Value of the Common Stock as determined in accordance with the Plan. The Participant may notify the Plan record-keeper in writing in advance that the Participant does not wish for the Auto-Exercise Eligible Option to be exercised and, if such advance notification is provided, the automatic exercise shall not apply. In its discretion, the Company may determine to cease automatically exercising some or all stock options, including the Option, at any time. The Participant understands, acknowledges, agrees and hereby stipulates that the automatic exercise procedure pursuant to this Section 4(b) is provided solely as a convenience to the Participant as protection against the Participant's inadvertent failure to exercise all or any portion of an in-the-money Option that is vested and exercisable before such Option expires under this Award Agreement. Because any exercise of all or any portion of the Option is solely the Participant's responsibility, the Participant hereby waives and releases and agrees to indemnify and hold the Company harmless from and against any and all claims of any kind whatsoever against the Company and/or any other party (including without limitation, the Committee and the Company's employees and agents) arising out of or relating to the automatic exercise procedure pursuant to this Section 4(b) (or any failure thereof), including without limitation any resulting individual income tax, penalty and/or interest liability and/or any other liability if the automatic exercise of the Option does occur, or does not occur for any reason or no reason whatsoever and/or the Option actually expires.

5. Tax Withholding.

(a) Regardless of any action the Company takes with respect to any or all federal, state, local or foreign income tax, social insurance, payroll tax, payment on account or other tax related-items ("Tax Related-Items"), the Participant acknowledges that the ultimate liability for all Tax Related-Items associated with the Option is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company and that the Company (i) makes no representations or undertakings regarding the treatment of any Tax Related-Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the subsequent sale of Option Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) does not commit to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Participant's liability for Tax Related-Items. Further, if the Participant is subject to tax in more than one jurisdiction, the Participant acknowledges that the Company may be required to withhold or account for Tax Related-Items in more than one jurisdiction.

(b) Prior to the delivery of any Option Shares upon exercise of the Option, if the Participant's country of residence requires withholding of Tax-Related Items, the Company shall withhold a sufficient number of shares of Common Stock otherwise issuable upon exercise of the Option that have an aggregate Fair Market Value sufficient to pay the Tax-Related Items required to be withheld. In cases where the Fair Market Value of the number of shares of Common Stock withheld is greater than the Tax-Related Items required to be withheld, the Company shall make a cash payment to the Participant equal to the difference as soon as administratively practicable. The cash equivalent of the Option Shares withheld will be used to settle the obligation to withhold the Tax-Related Items. Alternatively, the Company may permit the Participant to tender payment of the Tax-Related Items to the Company (i) in the form of cash, check (bank check, certified check or personal check) or money order payable to the Company, (ii) in the form of unencumbered shares of Common Stock already owned by the Participant for at least six (6) months, (iii) causing the broker to sell from the number of Option Shares to be issued to the Participant having an aggregate Fair Market Value necessary to satisfy the amount of Tax-Related Items due, or (iv) by having the Company withhold the Tax-Related Items required to be withheld with respect to the Option Shares in cash from the Participant's regular salary/wages, or from any other amounts payable to the Participant. In the event the withholding requirements for Tax-Related Items are not satisfied through any of the foregoing methods, no Option Shares will be issued to the Participant (or the Participant's estate) upon exercise of the Option unless and until satisfactory arrangements have been made by the Participant with respect to the payment of any Tax-Related Items which the Company determines, in its sole discretion, must be withheld or collected with respect to such Option.

(c) Depending on the withholding method, the Company may withhold or account for Tax Related-Items by considering maximum applicable rates to the extent permitted by the Plan, in which case the Participant may receive a refund of any over-withheld amount in cash from the applicable taxing authority and will have no entitlement to the Share equivalent. If the obligation for Tax Related-Items is satisfied by withholding in Option Shares, for tax purposes, the Participant shall be deemed to have been issued the full member of Option Shares issued upon exercise of the Options notwithstanding that a member of the Option Shares are held back solely for the purpose of paying the Tax Related-Items.

(d) By accepting the Option, the Participant expressly consents to the foregoing methods of tax withholding for Tax-Related Items associated with the Option. All other Tax-Related Items related to the Option and any shares of Common Stock delivered in payment thereof are the Participant's sole responsibility.

6. Restriction on Transfer. This Option shall not be sold, assigned, transferred, pledged hypothecated or otherwise disposed of by the Participant otherwise than by will or the laws of descent and distribution, and any such purported sale, assignment, transfer, pledge, hypothecation or other disposition will be void and unenforceable against the Company.

7. Termination of Service.

(a) Termination of Service Before Five Years of Continuous Service for Reasons Other Than Disability or Death. In the event the Participant ceases to be a Nonemployee Director for any reason other than Disability or death before five (5) or more years of continuous service on the Board, this Option shall, to the extent this Option shall not have been fully exercised, be exercisable, in whole or in part, at any time within a period of three (3) months following the date of the Termination of Service, subject, however, to prior expiration of the term of this Option and any other limitations upon its exercise in effect at the date of exercise.

(b) Termination of Service After Five Years of Continuous Service. If the Participant ceases to be a Nonemployee Director after five (5) or more years of continuous service on the Board, this Option shall be exercisable, in whole or in part, at any time within the period of five (5) years following the date of the Termination of Service, subject, however, to prior expiration of the term of this Option and any of the limitations upon its exercise in effect at the date of exercise. If the Participant dies after such Termination of Service, this Option shall be exercisable in accordance with Section 7(d) hereof.

(c) Termination of Service for Disability. If the Participant ceases to be a Nonemployee Director by reason of Disability, this Option shall, to the extent this Option not been fully exercised, be exercisable, in whole or in part, at any time within the period of five (5) years following such Termination of Service, subject, however, to prior expiration of the term of this Option and any other limitations upon its exercise in effect at the date of exercise. If the Participant dies after such Disability, this Option shall be exercisable in accordance with Section 7(d) hereof.

(d) Termination of Service Because of Death. In the event of the Participant's death, this Option shall, to the extent this Option shall not have been fully exercised, be exercisable, in whole or in part, by the personal representative of the Participant's estate, by any person or persons who shall have acquired this Option directly from the Participant by bequest or inheritance at any time during the following periods: (i) if the Participant dies while a Nonemployee Director, at any time within five (5) years after the date of death, or (ii) if the Participant dies during the extended exercise period following Termination of Service specified in Section 7(b) of (c) above, at any time within the longer time of such extended period or one year after the date of death, subject, however, in each case, to the prior expiration of the term of this Option and any other limitations on the exercise of such Option in effect at the date of exercise.

(e) Termination of Option. If this Option is not exercised within whichever of the exercise periods specified in Sections 7(a), (b), (c) or (d) is applicable, this Option shall terminate upon expiration of such exercise period.

8. Change in Control. Notwithstanding the foregoing, if upon the occurrence of a Change in Control this Award is not assumed or continued, then this Award shall be treated in accordance with Section 14.3(a) of the Plan.

9. Rights as a Shareholder. The Participant shall not have any rights as a shareholder with respect to any shares covered hereby until the Participant shall have become the holder of record of such shares. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date on which the Participant shall have become the holder of record thereof, except as provided in Section 10 hereof.

10. Adjustments to Option Shares for Certain Corporate Transactions.

(a) The Committee will make an appropriate and proportionate adjustment to the number of Option Shares granted under this Award Agreement if (i) the outstanding shares of Common Stock are increased or decreased, as a result of merger, consolidation, sale of all or substantially all of the assets of the Company, reclassification, stock dividend, stock split, reverse stock split with respect to such shares of Common Stock or other securities, or (ii) additional shares or new or different shares or other securities are distributed with respect to such shares of Common Stock or other securities or exchanged for a different number or kind of shares or other securities through merger, consolidation, sale of all or substantially all of the assets of the Company, reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other distribution with respect to such shares of Common Stock or other securities.

(b) The Committee may make an appropriate and proportionate adjustment in the number of Option Shares granted under this Award Agreement if the outstanding shares of Common Stock are increased or decreased as a result of a recapitalization or reorganization not included within Section 10(a) above.

11. Miscellaneous.

An original record of this Award Agreement and of the Participant's acceptance and acknowledgement will be held on file by the Company. This Award Agreement and the Participant's acknowledgement may be made in either paper or electronic format as specified by the Company. To the extent there is any conflict between the terms contained in this Award Agreement and the terms contained in the original held by the Company, the terms of the original held by the Company will control.

12. Section 409A Compliance. To the extent applicable, it is intended that this Award Agreement be exempt from or comply with the provisions of Section 409A of the Internal Revenue Code, as amended ("Section 409A"). This Award Agreement will be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Award Agreement to fail to satisfy Section 409A will have no force and effect until amended to comply therewith (which amendment may be retroactive to the extent permitted by Section 409A). If any payments under this Award Agreement constitute nonqualified deferred compensation subject to the requirements of Section 409A and are payable upon a termination of the Participant's employment, then (a) all such payments shall be made only upon a "separation from service" within the meaning of Section 409A, (b) for purposes of determining the timing of such payments, the Participant's termination shall not be considered to occur until the Participant has incurred such a separation from service and (c) to the extent required for compliance with Section 409A if the Participant is a "specified employee" within the meaning of Section 409A, payments will be delayed by six months.

13. Section 280G. Notwithstanding anything contained in this Award Agreement to the contrary, to the extent that any of the payments and benefits provided for under this Award Agreement, together with any payments or benefits under any other agreement or arrangement between the Company or any of its affiliates and the Participant (collectively, the "Payments") would constitute a "parachute payment" within the meaning of Section 280G of the Code, the amount of such Payments shall be reduced (to the extent any reduction is necessary) to the amount that would result in no portion of the Payments being subject to the excise tax imposed pursuant to Section 4999 of the Code if and only if such reduction would provide the Participant with an after-tax amount greater than if there was no reduction. Any reduction shall be done in a manner that maximizes the amount to be retained by the Participant, provided that to the extent any order is required to be set forth herein, then such reduction shall be applied in the following order: (a) payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a) will be reduced (if necessary, to zero), with amounts that are payable last reduced first; (b) payments due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a) will be reduced next (if necessary, to zero), with amounts that are payable or deliverable last reduced first; (c) payments that are payable in cash

that are valued at less than full value under Treasury Regulation Section 1.280G- 1, Q&A 24 will be reduced next (if necessary, to zero), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24); (d) payments due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24 will be reduced next (if necessary, to zero), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24); and (e) all other non-cash benefits will be next reduced pro-rata.

14. Electronic Delivery. The Company, in its sole discretion, may decide to deliver any documents related to this Option to the Participant under the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

15. Data Privacy. The Company is located at 855 East Main Avenue, Zeeland, MI 49464, United States of America and grants Options in its sole discretion. In conjunction with the *Company's* grant of Options under the Plan and its ongoing administration of such awards, the Company is providing the following information about its data collection, processing and *transfer practices ("Personal Data Activities").* In accepting the grant of the Option, the Participant expressly and explicitly consents to the Personal Data Activities as described herein. *The Participant should consult the Company's Global Associate Privacy Notice for* additional information on its current privacy practices, a copy of which can be provided by *contacting the Company's* privacy team at privacy@millerknoll.com.

(a) Data Collection, Processing and Usage. The Company collects, processes *and uses the Participant's personal data, including the Participant's name, home* address, e-mail address, and telephone number, date of birth, social insurance / passport number or other identification number (e.g. resident registration number), compensation, citizenship, title, any Option Shares held in the Company, and details of all Options or any other equity compensation awards granted, canceled, exercised, vested, or outstanding in the *Participant's* favor, which the Company receives from the *Participant ("Personal Information").* In granting the Option under the Plan, the Company will collect the *Participant's* Personal Information for purposes of allocating Option Shares and implementing, administering and managing the Plan. The *Company's legal basis for the collection, processing and usage of the Participant's Personal Information is the Participant's consent.*

(b) Stock Plan Service Provider. *The Company transfers the Participant's* Personal Information to the Stock Plan Service Provider, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different Stock Plan Service Provider and share the *Participant's* Personal Information with another company that serves in a similar manner. The Stock Plan Service Provider will open an account for the Participant to receive and trade Option Shares acquired under the Plan. The Participant will be asked to agree on separate terms and data processing practices with the Stock Plan Service Provider, *which is a condition to the Participant's ability to participate in the Plan.*

(c) International Data Transfers. The Company and the Stock Plan Service Provider are based in the United States. The Participant should note that the Participant's country of residence may have enacted data privacy laws that are different from the United States. The Company's legal basis for the transfer of the Participant's Personal Information to the United States is the Participant's consent.

(d) Voluntariness and Consequences of Consent Denial or Withdrawal. The Participant's participation in the Plan and the Participant's grant of consent is purely voluntary. The Participant may deny or withdraw the Participant's consent at any time. If the Participant does not consent, or if the Participant later withdraws the Participant's consent, the Participant may be unable to participate in the Plan. This would not affect the Participant's existing Award; instead, the Participant merely may forfeit the future opportunities associated with the Plan.

(e) Data Subject Rights. The Participant may have a number of rights under the data privacy laws in the Participant's country of residence. For example, the Participant's rights may include the right to (i) request access or copies of Personal Information the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in the Participant's country of residence, and/or (vi) request a list with the names and addresses of any potential recipients of the Participant's personal data. To receive clarification regarding the Participant's rights, the Participant should contact the Company's privacy team at privacy@millerknoll.com. Further, the Participant may exercise the Participant's rights via the Company's Privacy Rights Portal (https://www.millerknoll.com/legal/privacy/privacy-rights).

16. Severability. In the event that any provision of this Award Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Award Agreement.

17. Governing Law and Venue. The laws of the State of Michigan (other than its choice of law provisions) shall govern this Award Agreement and its interpretation. For purposes of litigating any dispute that arises with respect to this Option, this Award Agreement or the Plan, the parties hereby submit to and consent to the jurisdiction of the State of Michigan, and agree that such litigation shall be conducted in the courts of Kent County, or the United States Federal court for the Western District of Michigan, and no other courts; and waive, to the fullest extent permitted by law, any objection that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in any such court is improper or that such proceedings have been brought in an inconvenient forum. Any claim under the Plan, this Award Agreement or any Option must be commenced by the Participant within twelve (12) months of the earliest date on which the Participant's claim first arises, or the Participant's cause of action accrues, or such claim will be deemed waived by the Participant.

18. Nature of Option. In accepting the Option, the Participant expressly acknowledges and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of the Option does not create any contractual or other right to receive future grants of options, benefits in lieu of options or other equity awards, even if options have been granted repeatedly in the past;

(c) all decisions with respect to future equity awards, if any, shall be at the sole discretion of the Company;

(d) the Participant's participation in the Plan is voluntary;

(e) the future value of the underlying Option Shares is unknown and cannot be predicted with certainty;

(f) if the Option Shares do not increase in value, the Option will have no value;

(g) if the Participant exercises the Option and obtains Option Shares, the value of the Option Shares obtained upon exercise may increase or decrease in value, even below the Option Price;

(h) in consideration of the award of the Option, no claim or entitlement to compensation or damages shall arise from termination of the Option or diminution in value of the Option, or Option Shares purchased through the exercise of the Option, resulting from Termination of Service (for any reason whatsoever), and in consideration of the grant of the Options, the Participant agrees not to institute any claim against the Company or any Subsidiary; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing/electronically accepting this Award Agreement, the Participant shall be deemed to have irrevocably waived the Participant's entitlement to pursue or seek remedy for any such claim; and

(i) neither the Company nor any other Subsidiary shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the U.S. Dollar that may affect the value of the Option or of any amounts due to the Participant pursuant to the exercise of the Option or the subsequent sale of any Option Shares acquired upon exercise.

19. Language. The Participant acknowledges that the Participant is proficient in the English language and understands the terms of this Award Agreement. If the Participant has received the Plan, this Award Agreement, the Plan or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise prescribed by applicable law.

20. Waiver. The Participant acknowledges that a waiver by the Company of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any

other provision of this Award Agreement, or of any subsequent breach by the Participant or any other participant.

21. Insider Trading/Market Abuse Laws. By accepting the Options, the Participant acknowledges that the Participant is bound by all the terms and conditions of any Company insider trading policy as may be in effect from time to time. The Participant further acknowledges that, depending on the Participant's country, the Participant may be or may become subject to insider trading restrictions and/or market abuse laws, which may affect the Participant's ability to accept, acquire, sell or otherwise dispose of Option Shares, rights to Option Shares (e.g., Options) or rights linked to the value of Option Shares under the Plan during such times as the Participant is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant placed before the Participant possessed inside information. Furthermore, the Participant could be prohibited from (a) disclosing the inside information to any third party, which may include fellow employees and (b) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any Company insider trading policy as may be in effect from time to time. The Participant acknowledges that it is the Participant's personal responsibility to comply with any applicable restrictions, and the Participant should speak to the Participant's personal advisor on this matter.

22. Legal and Tax Compliance; Cooperation. If the Participant resides outside of the United States, the Participant agrees, as a condition of the grant of the Options, to repatriate all payments attributable to the Option Shares and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of Option Shares acquired pursuant to the Options) if required by and in accordance with local foreign exchange rules and regulations in the Participant's country of residence. In addition, the Participant also agrees to take any and all actions, and consent to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in the Participant's country of residence. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under local laws, rules and regulations in the Participant's country of residence.

23. Private Offering. The grant of the Options is not intended to be a public offering of securities in the Participant's country of residence. The Company has not submitted any registration statement, prospectus or other filing with the local securities authorities with respect to the grant of the Options (unless otherwise required under local law). No employee of the Company is permitted to advise the Participant on whether the Participant should purchase Option Shares under the Plan or provide the Participant with any legal, tax or financial advice with respect to the grant of the Options. Investment in Option Shares involves a degree of risk. Before deciding to purchase Option Shares pursuant to the Options, the Participant should carefully consider all risk factors and tax considerations relevant to the acquisition of Option Shares under the Plan or the disposition of them. Further, the Participant should carefully review all of the materials related to the Options and the Plan, and the Participant should consult with the Participant's personal legal, tax and financial advisors for professional advice in relation to the Participant's personal circumstances.

24. Foreign Asset/Account Reporting and Exchange Controls. The Participant's country of residence may have certain exchange control and/or foreign asset/account reporting requirements which may affect the Participant's ability to acquire or hold Option Shares under the Plan or cash received from participating in the Plan (including from any dividends paid on Option Shares or sale proceeds resulting from the sale of Option Shares) in a brokerage or bank account outside the Participant's country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant's country. The Participant may be required to repatriate sale proceeds or other funds received as a result of the Participant's participation in the Plan to the Participant's country through a designated bank or broker within a certain time after receipt. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable regulations, and that the Participant should speak to the Participant's personal advisor on this matter.

25. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Option and on any Option Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons and provided the imposition of the term or condition will not result in adverse accounting expense to the Company, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

26. Notices. The Company may, directly or through its third party Stock Plan Service Provider, endeavor to provide certain notices to the Participant regarding certain events relating to awards that the Participant may have received or may in the future receive under the Plan, such as notices reminding the Participant of the vesting or expiration date of certain awards. The Participant acknowledges and agrees that (a) the Company has no obligation (whether pursuant to this Award Agreement or otherwise) to provide any such notices; (b) to the extent the Company does provide any such notices to the Participant the Company does not thereby assume any obligation to provide any such notices or other notices; and (c) the Company, its Subsidiaries and the third party Stock Plan Service Provider have no liability for, and the Participant has no right whatsoever (whether pursuant to this Award Agreement or otherwise) to make any claim against the Company, any of its Subsidiaries or the third party Stock Plan Service Provider based on any allegations of, damages or harm suffered by the Participant as a result of the Company's failure to provide any such notices or the Participant's failure to receive any such notices. The Participant further agrees to notify the Company upon any change in the Participant's residence address.

27. Limitations on Liability. Notwithstanding any other provisions of the Plan or this Award Agreement, no individual acting as a director, employee, or agent of the Company or any of its Subsidiaries will be liable to the Participant or the Participant's spouse, beneficiary, or any other person or entity for any claim, loss, liability, or expense incurred in connection with the Plan, nor will such individual be personally liable because of any contract or other instrument the Participant executes in such other capacity. No member of the Board or of the Committee will be liable for any action or determination (including, but limited to, any decision not to act) made in good faith with respect to the Plan or any Option.

28. Consent and Agreement With Respect to Plan. The Participant (a) acknowledges that the Plan and the prospectus relating thereto are available to the Participant on the website

maintained by the Company's third party Stock Plan Service Provider; (b) represents that the Participant has read and understands the terms and provisions thereof, has had an opportunity to obtain the advice of counsel of the Participant's choice prior to accepting this Award Agreement and fully understands all provisions of this Award Agreement and the Plan; (c) accepts the Option subject to all of the terms and provisions thereof; and (d) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Award Agreement.

IN WITNESS WHEREOF, the parties have executed this Award Agreement effective as of the Award Date.

MillerKnoll, Inc.

By:
Jeffrey M. Stutz
Chief Financial Officer

ELECTRONIC ACKNOWLEDGEMENT, ACCEPTANCE AND AGREEMENT

By electronically accepting this Award Agreement via the Stock Plan Service **Provider's** web portal, the Participant hereby acknowledges and accepts the grant of the Option described in this Award Agreement, and expressly acknowledges and agrees to be bound by the terms and conditions of the Plan, the Award Notice, this Award Agreement. Further, the Participant hereby expressly acknowledges and agrees that all decisions and determinations of the Committee with respect to the Option and the Option Shares shall be final, conclusive and binding upon the Participant.

Exhibit 31.1

CERTIFICATE OF THE CHIEF EXECUTIVE OFFICER
OF MILLERKNOLL, INC. (THE “REGISTRANT”)

I, Andrea R. Owen, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 2, 2024, of MillerKnoll, Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

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

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

Date: April 10, 2024

/s/ Andrea R. Owen
Andrea R. Owen
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATE OF THE CHIEF FINANCIAL OFFICER
OF MILLERKNOLL, INC. (THE “REGISTRANT”)

I, Jeffrey M. Stutz, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 2, 2024, of MillerKnoll, Inc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

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

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

Date: April 10, 2024

/s/ Jeffrey M. Stutz
Jeffrey M. Stutz
Chief Financial Officer

Exhibit 32.1

CERTIFICATE OF THE CHIEF EXECUTIVE OFFICER
OF MILLERKNOLL, INC. (THE "COMPANY")

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002:

I, Andrea R. Owen, President and Chief Executive Officer of the company, certify to the best of my knowledge and belief pursuant to Section 906 of Sarbanes-Oxley Act of 2002 that:

(1) The quarterly report on Form 10-Q for the period ended March 2, 2024, which this statement accompanies, 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 this quarterly report on Form 10-Q for the quarterly period ended March 2, 2024, fairly presents, in all material respects, the financial condition and results of operations of the company

Dated: April 10, 2024

/s/ Andrea R. Owen
Andrea R. Owen
President and Chief Executive Officer

The signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to MillerKnoll, Inc. and will be retained by MillerKnoll, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATE OF THE CHIEF FINANCIAL OFFICER
OF MILLERKNOLL, INC. (THE "COMPANY")

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002:

I, Jeffrey M. Stutz, Chief Financial Officer of the company, certify to the best of my knowledge and belief pursuant to Section 906 of Sarbanes-Oxley Act of 2002 that:

(1) The quarterly report on Form 10-Q for the period ended March 2, 2024, which this statement accompanies, 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 this quarterly report on Form 10-Q for the quarterly period ended March 2, 2024, fairly presents, in all material respects, the financial condition and results of operations of the company.

Dated: April 10, 2024

/s/ Jeffrey M. Stutz
Jeffrey M. Stutz
Chief Financial Officer

The signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to MillerKnoll, Inc. and will be retained by MillerKnoll, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.