



Interface®

Investor Presentation | November 2024

Forward Looking Statements and Non-GAAP Measures

This presentation contains forward-looking statements, including, in particular, statements about Interface’s plans, strategies and prospects. These are based on the Company’s current assumptions, expectations and projections about future events.

Although Interface believes that the expectations reflected in these forward-looking statements are reasonable, the Company can give no assurance that these expectations will prove to be correct or that savings or other benefits anticipated in the forward-looking statements will be achieved. The forward-looking statements set forth involve a number of risks and uncertainties that could cause actual results to differ materially from any such statement, including risks and uncertainties associated with economic conditions in the commercial interiors industry and the risks under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which discussions are hereby incorporated by reference. You should also consider any additional or updated information we include under the heading “Risk Factors” in our subsequent annual and quarterly reports.

Forward-looking statements in this presentation include, without limitation, the information set forth on the slides titled “Interface: a compelling investment”, “One Interface’ Strategy”, “Brand Leader in the Specified Channel”, and “Financial Policy”. Other forward-looking statements can be identified by words such as “may,” “expect,” “forecast,” “anticipate,” “intend,” “plan,” “believe,” “could,” “should”, “goal”, “aim”, “objective”, “commitment”, “seek,” “project,” “estimate,” “target,” and similar expressions. Forward-looking statements speak only as of the date made. The Company assumes no responsibility to update or revise forward-looking statements and cautions listeners and meeting attendees not to place undue reliance on any such statements.

This presentation includes certain financial measures not calculated in accordance with U.S. GAAP. They may be different from similarly titled non-GAAP measures used by other companies, and should not be used as a substitute for, or considered superior to, GAAP measures. Reconciliations to the most directly comparable GAAP measures appear in the Appendix

Note: Sum of reconciling items may differ from total due to rounding of individual components

At Interface, we're Made for More™

Who We Are



Leading

provider of commercial flooring: carpet tile, rubber, and LVT



Established

brand with a history of innovation and a commitment to the pursuit of sustainability



Dedicated

to performance and improving the built environment, industry, and the world



Global

manufacturing capabilities with a focus on local market needs



Engaged

customer-centric and purpose-driven culture with deep design and innovation roots

Interface is a global leader in commercial flooring

\$1.3 billion
in net sales in FY2023

3,700
global employees

6
manufacturing locations
on 4 continents

ATL
headquartered in
Atlanta, GA



Recognized **leader** in sustainability with over 50 years of innovation



First cradle-to-gate **carbon negative** commercial carpet tile

Interface®

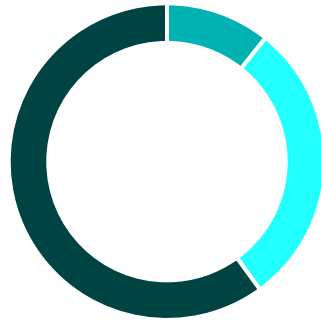
nora®
by **Interface**®

FLOR

Premium brands with attractive margins and leadership in core categories

Diversified Geographically and Customer Verticals

REVENUE BY REGION



60%
Americas

29%
EMEA

11%
APAC



Corporate

- Highest penetration of carpet tile vs broadloom
- Global account management
- New construction, renovations and remodels
- Lease renewals result in recurring revenue



Education

- K-12 and higher education
- Second highest penetration of carpet tile vs broadloom
- Second largest market for rubber
- Significant opportunity for broadloom conversion



Healthcare

- Hospitals, Medical Office Building, Assisted Living, Senior Living and Life Sciences
- Largest rubber market based on hygienic properties, chemical resistance, and durability
- Significant opportunity for broadloom conversion



Government

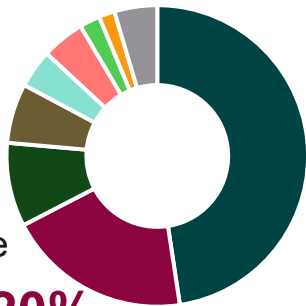
- Federal, State, and Local procurement push for use of low carbon products
- Low carbon footprint products support achievement of decarbonization goals outlined in US Inflation Reduction Act



Retail

- Retail and bank branches
- Significant opportunity for broadloom conversion
- High penetration of LVT

REVENUE BY VERTICAL



6%
Government

9%
Healthcare

48%
Corporate Office

20%
Education

5%
Residential Living

4%
Retail

2%
Hospitality

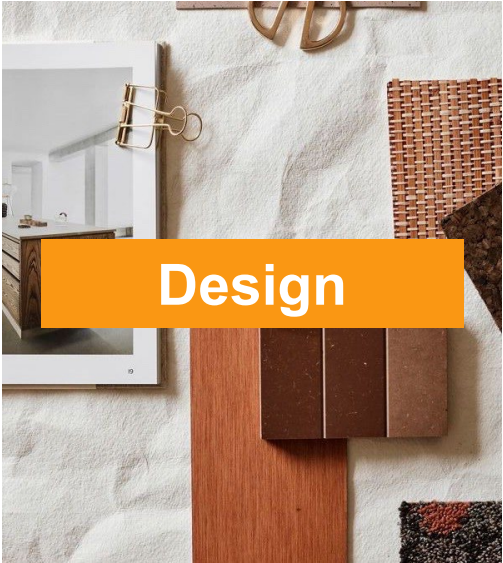
2%
Consumer Residential

5%
Other

Note: Figures represent LTM Q3 2024, figures in chart may not sum to 100% due to rounding

Interface: a compelling investment

We are **global leaders** in...



Images © Christopher Payne / Esto

... with a strong **financial foundation**

attractive margins **strong liquidity** **healthy balance sheet**

... and **unwavering commitment to our people**

winning culture **commitment to talent development** **meaningful DEI progress**

'One Interface' Strategy

- Build strong global functions to support our world-class local sales teams
- Accelerate growth through enhanced productivity of our commercial teams
- Expand margins through global supply chain management and complexity reduction
- Lead in design, innovation, and sustainability



Interface Positioning

Interface®

Attractive Product Portfolio



Carpet Tile

- Industry-leading cradle-to-gate carbon negative carpet tile
- Biomimicry-inspired design (i2)
- No glue installation with TacTiles®
- Faster, more profitable installation for contractors
- Recyclable via our ReEntry® program



Luxury Vinyl Tile (LVT)

- Creative design freedom
- Complements and enhances our carpet tile portfolio
- No transition strips needed; same sizes as our carpet tiles
- High acoustic value (Sound Choice™ backing)



Rubber

- Offered in modular tiles, sheet, and specialized surface sheet
- Ideal for hygienic, high-traffic flooring applications
- Extremely durable with strong chemical resistance

Leading Global Provider of Commercial Flooring Solutions

Total **global commercial flooring market** = \$38.5 Billion

Interface served market = \$9+ Billion

- Global share leader in \$4.9B Carpet Tile segment (now exceeds Broadloom segment globally)
- Leader in high growth \$3.4B LVT segment
- Entered \$1.0B Rubber segment in 2018, acquisition of nora, the category leader

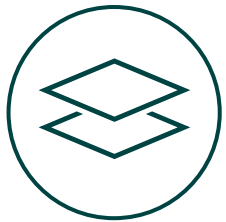


Global Commercial Flooring Segment (\$ in billions)

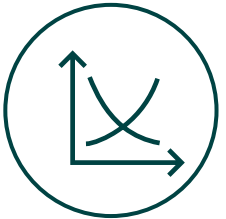
Source: Market Insights LLC

Brand Leader in the Specified Channel

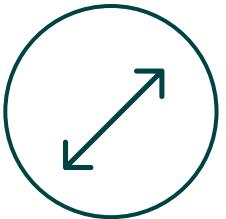
Interface competes on **design**, **sustainability** and **innovation**, commanding a premium price point and industry leading margins.



Share leader in the specified and end user channels of commercial carpet tile

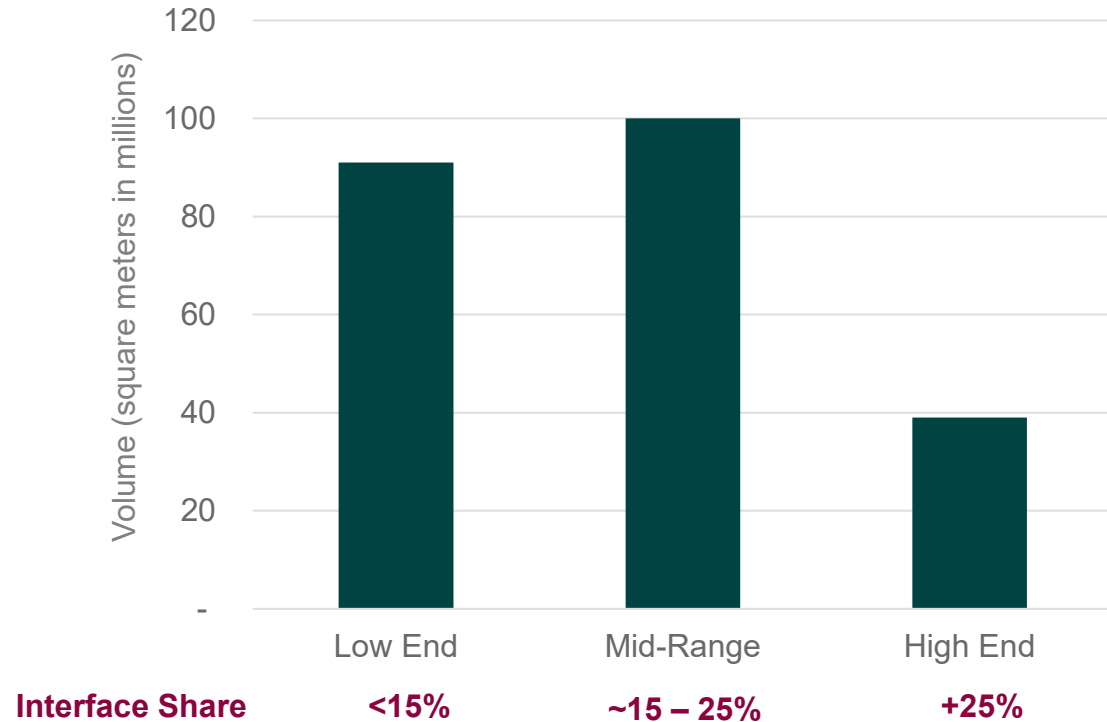


Maintain significant share of the **high-end** and **mid-range** price points



Opportunity to expand in low/mid-range price points

Global Carpet Tile Price Categories



Global Sales and Manufacturing Platform

Americas

60%

of Net Sales

Europe

29%

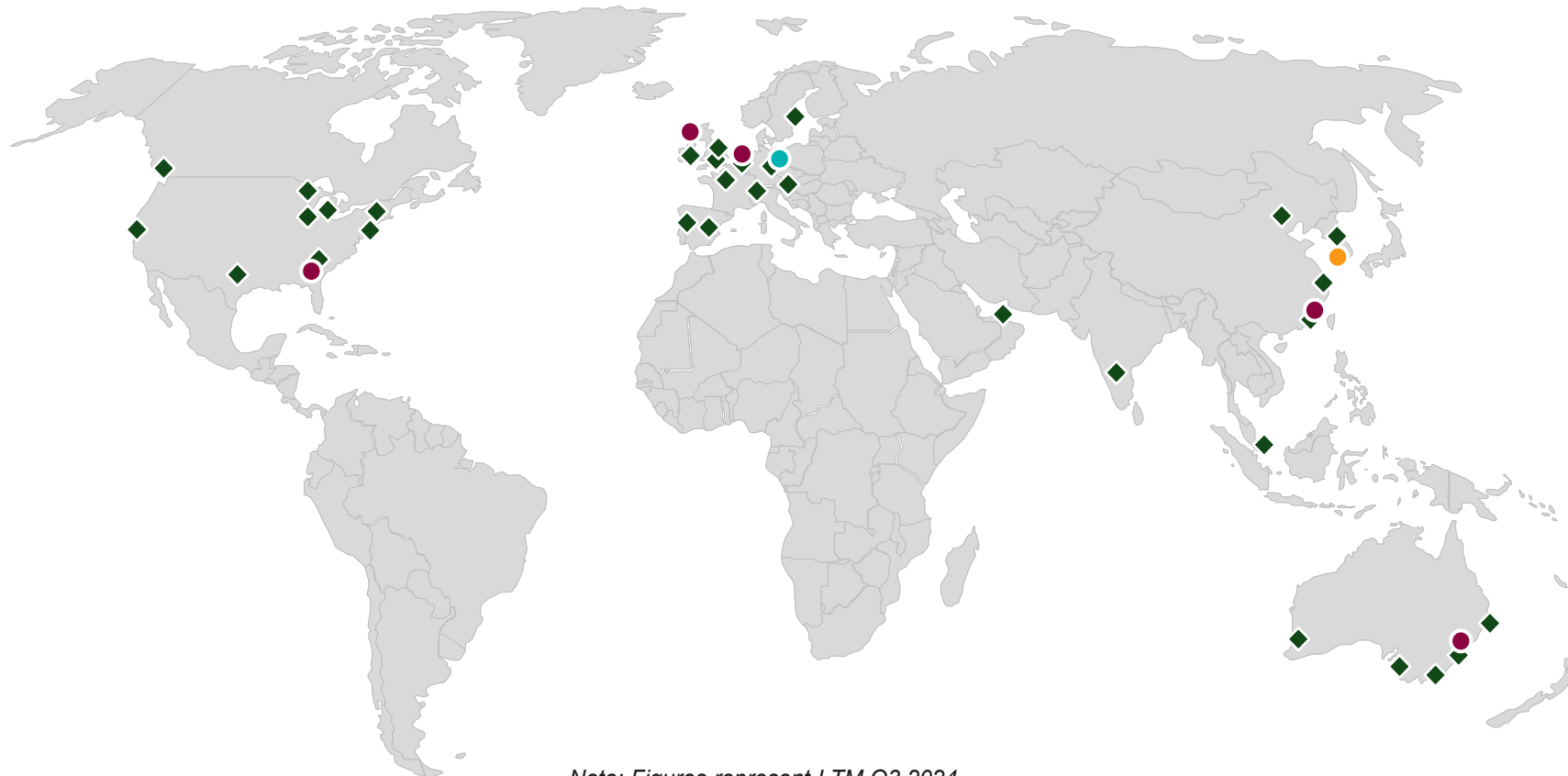
of Net Sales

Asia-Pacific

11%

of Net Sales

- Physical presence in 18 countries
- Global account management
- Six manufacturing locations on four continents
- Global supply chain management
- Unique blend of efficiency and customization



- Carpet Manufacturing Facility
- Rubber Manufacturing Facility
- LVT Supplier Facility
- ◆ Showroom / Office

Note: Figures represent LTM Q3 2024

ESG Overview

Recent ESG Highlights

Environmental Stewardship

Reduce our environmental impact and make progress towards our science-based targets and climate goals.

- Reduced GHG emissions by 12%
- Decreased carbon footprint across all product categories
- Refocused climate ambition on absolute emission reductions and carbon storage, without offsets
- Collected 75+ million pounds of post-consumer carpet since 2016 through ReEntry

Social & Community Impact

Create a world-class experience for all employees and empower them to bring their whole selves to work every day.

- Certified by Great Place to Work® in six countries
- Expanded employee learning and development programs for personal and professional growth
- Invested in additional health and wellness resources for employee well-being
- Continued activation of DEI strategy, including new Inclusion Networks

Governance, Compliance & Ethics

Conduct business ethically and responsibly and drive growth for all our stakeholders.

- Increased female Board representation to 30% with the election of Catherine Marcus
- Launched Global Design & Sustainability Councils
- Activated 'One Interface' strategy, globalizing leadership and teams across functions
- Established Innovation & Sustainability Committee with the Board of Directors

2023 Impact Report

We are focused on reducing our environmental footprint, making Interface a great place to work, and doing business ethically and responsibly to benefit all stakeholders – employees, customers, shareholders, and the environment.

The 2023 Impact Report outlines our progress and lessons learned.

Check out our report here:

[2023 Impact Report](#)

Learn more about ESG at Interface here:

[ESG](#)

The linked 2023 Impact Report is not a part of, or incorporated into, this presentation.

Interface®



2023 INTERFACE IMPACT REPORT



Financial Performance

Financials at a Glance

(\$ in millions, except EPS)

**Q3
2024**

Net Sales

\$344

+10.7% YoY

Currency Neutral
Net Sales

\$343

+10.3% YoY

Adjusted SG&A

24.8%

% of Net Sales

Adjusted
Operating Income

\$43.5

12.6% of Net Sales

Adjusted
Earnings Per Share

\$0.48

LTM

Net Sales

\$1,306

Net Debt /
Adjusted EBITDA

1.1x

Adjusted
EBITDA

\$195

14.9% of Net Sales

Adjusted
Operating Income

\$150

11.5% of Net Sales

Adjusted
Earnings Per Share

\$1.53

GAAP Financial Results

(\$ in millions, except EPS)

Third Quarter

	2024	2023	Change
Net Sales	\$344	\$311	11%
Gross Profit	128	110	16%
<i>% of Net Sales</i>	<i>37.1%</i>	<i>35.5%</i>	
SG&A Expense	85	79	8%
<i>% of Net Sales</i>	<i>24.8%</i>	<i>25.5%</i>	
Operating Income	42	31	36%
<i>% of Net Sales</i>	<i>12.3%</i>	<i>10.0%</i>	
Net Income	28	10	188%
<i>% of Net Sales</i>	<i>8.3%</i>	<i>3.2%</i>	
Diluted EPS	\$0.48	\$0.17	182%

Adjusted Financial Results*

(\$ in millions, except EPS)

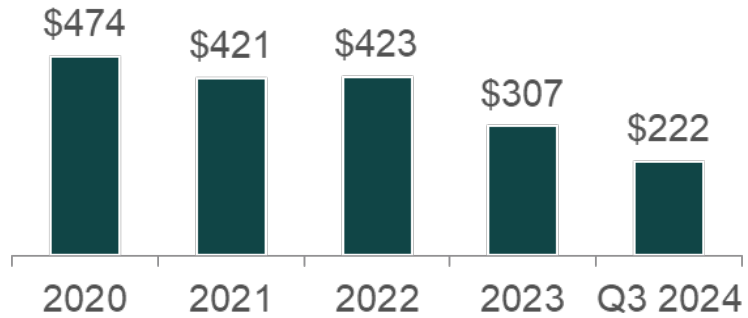
	Third Quarter		
	2024	2023	Change
Net Sales	\$344	\$311	11%
Adjusted Gross Profit	129	112	16%
<i>% of Net Sales</i>	37.5%	35.9%	
Adjusted SG&A Expense	85	79	8%
<i>% of Net Sales</i>	24.8%	25.5%	
Adjusted Operating Income	43	32	34%
<i>% of Net Sales</i>	12.6%	10.4%	
Adjusted Net Income	28	16	73%
<i>% of Net Sales</i>	8.2%	5.3%	
Adjusted Diluted EPS	\$0.48	\$0.28	71%
Adjusted EBITDA	\$54	\$44	23%
<i>% of Net Sales</i>	15.6%	14.1%	

* See Appendix for a reconciliation of Non-GAAP figures

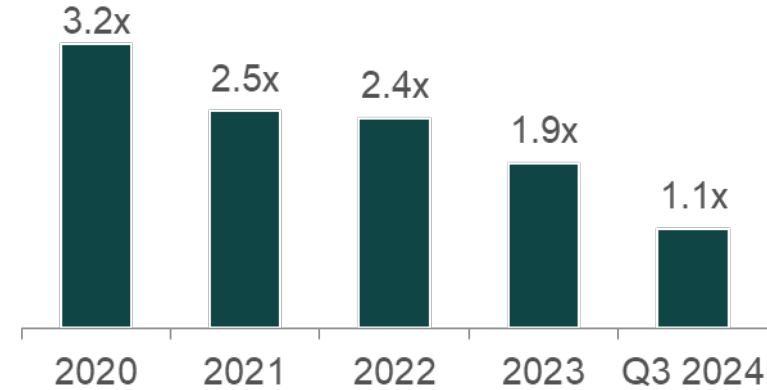
Leverage and Earnings Metrics*

Net Debt

\$ in millions

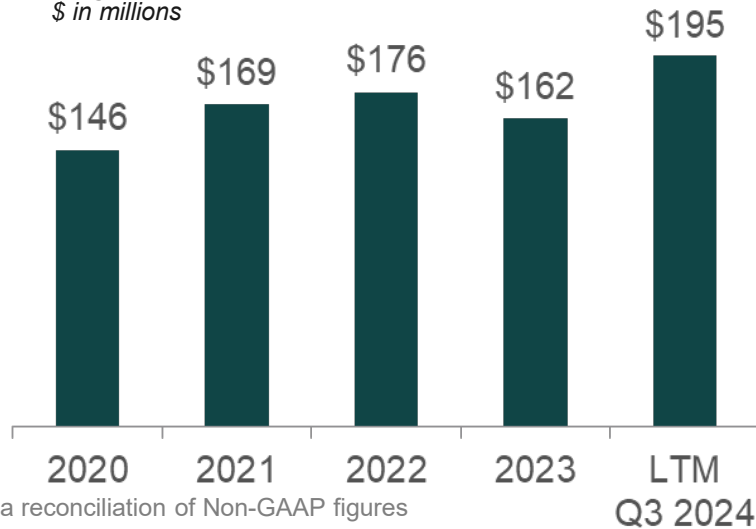


Net Debt / LTM Adjusted EBITDA



Adjusted EBITDA

\$ in millions



Adjusted Earnings Per Share (Diluted)



* See Appendix for a reconciliation of Non-GAAP figures

Financial Policy

Balance **capital allocation** across investment in the business, managing our leverage ratio, and returning capital to shareholders.

Capital Deployment Philosophy



Reduce debt

Optimize cost of capital and target Net Debt / Adjusted EBITDA < 2.0x



Reinvest in the business

Invest in strategic initiatives with high returns, including organic growth opportunities, innovation, manufacturing productivity, and salesforce effectiveness



Explore M&A Opportunities

Opportunistically evaluate accretive M&A transactions that are aligned with our strategy



Return excess cash to Shareholders

Utilize strong free cash flow to return excess cash to shareholders

Appendix

Reconciliation of Non-GAAP Figures

(\$ in millions)

	Q3 2023	Q3 2024	
Net Sales as Reported (GAAP)	\$311.0	\$344.3	
Impact of Changes in Currency	-	(1.4)	
Currency Neutral Sales	\$311.0	\$342.9	
Gross Profit as Reported (GAAP)	\$110.3	\$127.6	
Purchase Accounting Amortization	1.3	1.3	
Adjusted Gross Profit	\$111.6	\$128.9	
SG&A Expense as Reported (GAAP)	\$79.3	\$85.5	
Cyber Event Impact	(0.1)	-	
Restructuring, Asset Impairment, Severance and Other, net	0.0	(0.0)	
Adjusted SG&A Expense	\$79.2	\$85.5	
	Q3 2023	Q3 2024	LTM
			Q3 2024
Operating Income as Reported (GAAP)	\$31.0	\$42.2	\$139.9
Purchase Accounting Amortization	1.3	1.3	5.2
Thailand Plant Shutdown	0.0	-	-
Cyber Event Impact	0.1	-	(0.3)
Restructuring, Asset Impairment, Severance and Other, net	(0.0)	0.0	4.8
Adjusted Operating Income	\$32.4	\$43.5	\$149.6

Note: Sum of reconciling items may differ from total due to rounding of individual components

Reconciliation of Non-GAAP Figures

(\$ in millions)	Q3 2023	Q3 2024	LTM Q3 2024
Net Income as Reported (GAAP)	\$9.9	\$28.4	\$84.7
Purchase Accounting Amortization	0.9	0.9	3.7
Thailand Plant Shutdown	0.2	-	-
Cyber Event Impact	0.1	-	(0.2)
Restructuring, Asset Impairment, Severance and Other, net	-	0.0	3.5
Property Casualty (Recovery) Loss ⁽¹⁾	0.0	(1.0)	(1.8)
Loss on Discontinuance of Interest Rate Swaps	0.1	-	-
Foreign Subsidiary Liquidation ⁽²⁾	5.1	-	(0.0)
Adjusted Net Income	\$16.4	\$28.3	\$89.9

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Q3 2023	Q3 2024	LTM Q3 2024
Diluted EPS as Reported (GAAP)	(\$1.23)	\$0.94	\$0.33	\$0.76	\$ 0.17	\$ 0.48	\$1.44
Purchase Accounting Amortization	0.07	0.07	0.06	0.06	0.02	0.02	0.06
Cyber Event Impact	-	-	0.07	0.01	0.00	-	(0.00)
Thailand Plant Shutdown	-	-	0.04	-	0.00	-	-
Goodwill and Intangible Asset Impairment	2.05	-	0.58	-	-	-	-
Restructuring, Asset Impairment, Severance and Other, net	0.23	0.16	0.13	0.07	0.00	0.00	0.06
Property Casualty (Recovery) Loss ⁽¹⁾	-	-	-	(0.01)	0.00	(0.02)	(0.03)
Loss on Extinguishment of Debt	0.05	-	-	-	-	-	-
Loss on Discontinuance of Interest Rate Swaps	0.05	0.06	0.04	0.01	0.00	-	-
Foreign Subsidiary Liquidation ⁽²⁾	-	-	-	0.09	0.09	-	-
FIN 48 Release on Discontinued Operations	(0.22)	-	-	-	-	-	-
SEC Fine	0.09	-	-	-	-	-	-
Warehouse Fire Loss	0.05	-	-	-	-	-	-
Impact of Change in Equity Award Forfeiture Accounting	0.02	-	-	-	-	-	-
Adjusted Diluted EPS	\$1.15	\$1.23	\$1.25	\$1.00	\$0.28	\$0.48	\$1.53

Note: Sum of reconciling items may differ from total due to rounding of individual components

(1) Represents insurance (recovery) / loss.

(2) Russia and Brazil foreign subsidiaries were substantially liquidated. The related cumulative translation adjustment was recognized in other expense.

Reconciliation of Non-GAAP Figures

(\$ in millions)	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Q3 2023	Q3 2024	LTM Q3 2024
Net (Loss) Income as Reported (GAAP)	(\$71.9)	\$55.2	\$19.6	\$44.5	\$9.9	\$28.4	\$84.7
Income Tax (Benefit) Expense	(7.5)	17.4	22.4	19.1	6.2	7.6	28.4
Interest Expense (including debt issuance cost amortization)	29.2	29.7	29.9	31.8	8.2	5.7	25.1
Depreciation and Amortization (excluding debt issuance cost amortization)	43.8	44.3	38.7	38.7	9.6	9.3	37.4
Share-Based Compensation Expense	(0.5)	5.5	8.5	10.3	2.2	2.6	12.1
Purchase Accounting Amortization	5.5	5.6	5.0	5.2	1.3	1.3	5.2
Thailand Plant Shutdown	-	-	2.5	-	-	-	-
Cyber Event Impact	-	-	5.1	1.1	0.1	-	(0.3)
Property Casualty (Gain) Loss ⁽¹⁾	-	-	-	(0.5)	0.0	(1.4)	(2.3)
Goodwill and Intangible Asset Impairment	121.3	-	36.2	-	-	-	-
Restructuring, Asset Impairment, Severance and Other, net	16.7	11.8	10.7	5.6	(0.0)	0.0	4.8
Warehouse Fire Loss	4.2	(0.2)	-	-	-	-	-
SEC Fine	5.0	-	-	-	-	-	-
Foreign Subsidiary Liquidation ⁽²⁾	-	-	-	6.2	6.2	-	(0.0)
Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (AEBITDA)*	\$145.7	\$169.4	\$176.1	\$162.0	\$43.7	\$53.7	\$195.1
(\$ in millions)	2020	2021	2022	2023			Q3 2024
Total Debt	\$577	\$518	\$520	\$417			\$338
Less: Cash	(103)	(97)	(98)	(110)			(116)
Net Debt	\$474	\$421	\$423	\$307			\$222
Total Debt / LTM Net Income as Reported (GAAP)	(8.0x)	9.4x	26.6x	9.4x			4.0x
Net Debt / LTM Adjusted EBITDA	3.2x	2.5x	2.4x	1.9x			1.1x

Note: Sum of reconciling items may differ from total due to rounding of individual components

* Historical AEBITDA figures have been updated to reflect a change in depreciation and amortization values used to calculate AEBITDA.

(1) Represents insurance (recovery) / loss.

(2) Russia and Brazil foreign subsidiaries were substantially liquidated. The related cumulative translation adjustment was recognized in other expense.