Risk Factors Comparison 2024-02-28 to 2023-03-01 Form: 10-K

Legend: New Text ~~Removed Text~~ Unchanged Text Moved Text Section

While we manufacture our products in several facilities and maintain insurance covering our facilities, including business interruption insurance, our manufacturing facilities could be materially damaged by natural disasters, such as floods **, storms** , tornadoes, hurricanes and earthquakes, whether or not as a result of climate change, or by fire or other unexpected events such as adverse weather conditions, acts of war, terrorism, **protests,** energy shortages and disruptions, pandemics or other public health crises ~~(such as the COVID- 19 pandemic described below),~~ or other disruptions to our facilities, supply chain or our customers' facilities. We could incur uninsured losses and liabilities arising from such events, including damage to our reputation, and suffer material losses in operational capacity, which could have a material adverse impact on our business, financial condition and results of operations. These types of events could also affect our suppliers, installers, and customers, which could have a material adverse impact on our business. Disruptions to or failures of ~~our~~ information technology systems **we use** could adversely affect our business. We rely heavily on information technology systems — both software and computer hardware — to operate our business **. Some of these systems are owned and operated by us, and some are owned or operated by third parties pursuant to leases, licenses or other contracts with those third parties** . We rely on these systems to, among other things: • facilitate and plan the purchase, management and distribution of, and payment for, inventory and raw materials; • control our production processes; • manage and monitor our distribution network and logistics; • receive, process and ship orders; • manage billing, collections, cash applications, customer service, and payables; • manage financial reporting; and • manage payroll and human resources information. ~~Our~~ **The** IT systems **we use** may be disrupted or fail for a number of reasons, including: • natural disasters, like fires; • power loss; • software " bugs ", hardware defects or human error; and • hacking, computer viruses, denial of service attacks, malware, ransomware, phishing scams, compromised or irretrievable backups or other cyber **-** attacks. Any of these events which deny us use of vital IT systems may seriously disrupt our normal business operations. These disruptions may lead to production or shipping stoppages, which may in turn lead to material revenue loss and reputational harm. Despite ~~our~~ security ~~design~~ **designs** and internal controls, ~~our~~ **the** IT systems **we use** have in the past experienced, and may in the future become subject to, attempts by unauthorized third parties to access and exfiltrate confidential information, manipulate data or disrupt our operations. In November 2022, we discovered a cybersecurity attack, perpetrated by unauthorized third parties, affecting our IT systems (the " Cyber Event "). In response, we promptly shut down certain systems, including shipping, inventory management and production systems **,** and engaged forensic experts to evaluate the extent of the Cyber Event and its disruption to our operations. **The** ~~While the~~ investigation of the Cyber Event by our forensic experts **was completed during fiscal year 2023. In** ~~is still ongoing and our operations have fully resumed, we estimate~~ fiscal year 2022 **, in connection with the Cyber Event, our** revenues were adversely affected by approximately $ 8 million due to lost sales. **Additionally** ~~In fiscal 2022~~ , **we incurred** ~~in connection with the~~ Cyber Event **costs of** ~~, we incurred~~ approximately $ 5 million ~~of~~ **in fiscal year 2022 primarily due to** idle plant costs, direct labor costs during the period our manufacturing facilities were idle and third- party remediation costs. We have insurance and anticipate that a portion of our financial losses related to the Cyber Event will ultimately be recovered by insurance. Following the Cyber Event, we implemented measures to enhance our cybersecurity protections against, and reduce the potential of, any future cybersecurity attack. We expect to incur ongoing costs to enhance cybersecurity and plan to take further steps to prevent unauthorized access to, or manipulation of, our systems and data. However, there is no guarantee that these enhancements and steps will be adequate to mitigate future losses due to IT system disruptions, and we may incur significant expense in correcting and recovering from future disruptions. To the extent our IT systems store sensitive data, including data related to customers, employees or other parties, security breaches may expose us to fines and other liabilities, and reputational harm if such data is misappropriated. In addition, as cybercriminals continue to become more sophisticated and numerous, the costs to defend and insure against cyberattacks can be expected to rise. The impact of potential changes to environmental laws and regulations and industry standards regarding climate change **and other sustainability matters** could lead to unforeseen disruptions to our business operations. Addressing the effects of climate change has taken on increased importance throughout the world. The continued efforts to combat climate change could include more restrictive federal, state, and foreign environmental laws and regulations, heightened industry standards, or other mitigation measures that may have a material adverse effect on our global operations. These initiatives could, for example, increase the cost of obtaining raw materials for production of our products, increase the cost of energy for our manufacturing processes, ~~and~~ negatively impact our supply chain and capital expenditures **, or increase our administrative costs** . **In 2021, we established** ~~Risk Factors Related to COVID- 19 The COVID- 19 pandemic has had~~ and **publicly disclosed targets** ~~could continue to have (~~ and other **commitments related to certain sustainability matters, including** ~~public health emergencies could have in the future)~~ a ~~material adverse effect~~ **goal to reduce our CO2 emissions across our Company and supply chain by 2030. We also set a goal to become a carbon negative enterprise by 2040. If we are unable to meet these targets or commitments** on our ~~ability~~ **projected timelines or at all, or if they are perceived negatively, including the perception that they are not sufficiently robust or, conversely, are** ~~to~~ **too** ~~operate~~ **costly** , our **reputation** ~~ability to keep employees safe from the pandemic, our results of operations, financial condition, liquidity, capital investments, our near term and long term ability to stay in compliance with debt covenants under our Syndicated Credit Facility and Senior Notes, our ability to refinance our existing indebtedness, and our ability to obtain financing in capital markets. The COVID- 19 pandemic has impacted areas where we operate and sell our products and services. The COVID- 19 pandemic or a similar public health emergency in the future could have a material adverse effect on: our ability to operate; our ability to keep employees safe from public health risks; our results of operations, financial condition, liquidity and capital investments; our near term and long term ability to stay in compliance with debt covenants under our Syndicated Credit Facility and Senior Notes; our ability to refinance our existing indebtedness; and our ability to gain financing in the capital markets. Public health organizations have recommended, and many governments have implemented, measures from time to time during the~~

~~COVID- 19 pandemic to slow and limit the transmission of the virus, including certain business shutdowns and shelter in place and social distancing requirements. Such preventive measures, or others we may voluntarily put in place, may have a material adverse effect on our business for an indefinite period of time, such as: the potential shut down of certain locations; decreased employee availability; employee reluctance to receive vaccinations, whether recommended or potentially required; increased overtime and temporary labor costs; potential border closures; and disruptions to the businesses of our selling channel partners, and others. We may also experience manufacturing personnel shortages, which may adversely affect our ability to manufacture our products. Our suppliers and customers also have faced these and other challenges, which have led to disruption in our supply chain, raw material inflation, the inability to obtain sufficient raw materials necessary to produce our products, increased shipping and transport costs,~~ as well as ~~decreased construction and renovation spending and decreased demand for~~ our ~~products~~ **relationships with investors, customers** and ~~services. These issues may also materially affect~~ **other stakeholders could be harmed, which could in turn adversely impact** our **business** ~~current and future access to sources of liquidity~~ , ~~particularly~~ **results of operations and the trading price of** our **common stock** ~~cash flows from operations, and access to financing from the capital markets. Although these disruptions may continue to occur, the long- term economic impact and near- term financial impacts of the COVID- 19 pandemic, including but not limited to, potential near- term or long- term risk of asset impairment, restructuring, and other charges, cannot be reliably quantified or estimated at this time due to the uncertainty of future developments. A public health emergency that occurs in the future could involve similar uncertainties~~ . Sales of our principal products have been and may continue to be affected by ~~the COVID- 19 pandemic,~~ adverse economic cycles, and effects in the new construction market and renovation market. Sales of our principal products are related to the renovation and construction of commercial and institutional buildings. This activity is cyclical and has been affected by the strength of a country' s or region' s general economy, prevailing interest rates and other factors that lead to cost control measures or reduction in the use of space by businesses and other users of commercial or institutional space ~~.~~ ~~For example, the COVID- 19 pandemic has had and may continue to have cyclical and structural impacts on the renovation of commercial and institutional buildings due to reductions in the use of work spaces, increases in office worker job losses and increases in the number of people working from home. The COVID- 19 pandemic has impacted the corporate office market and what the office of the future might look like and continues to be highly debated by senior executives, commercial real estate firms, architects, designers and other global experts, which could adversely affect the amount of money that customers spend on our products~~ . In addition, the effects of cyclicality and other factors affecting the corporate office segment have traditionally tended to be more pronounced than the effects on other market segments. Historically, we have generated more sales in the corporate office segment than in any other segment. The effects of cyclicality and other factors on the new construction segment of the market have also tended in the past to be more pronounced than the effects on the renovation segment. These effects may recur and could be more pronounced if global economic conditions do not improve or are weakened by negative cycles or other factors **. Health crisis events, such as epidemics or pandemics, have adversely impacted, and may continue to impact, the economy and disrupt our operations and supply chains, which may have an adverse effect on our results of operations. Health crisis events** , including **epidemics or pandemics, such** as ~~a result of the continuing~~ COVID- 19 ~~pandemic~~ **, have impacted areas where we operate and sell our products and could have additional impacts on economic growth, supply chains, and foreign currency exchange rates. Recently, prolonged government imposed COVID- 19 restrictions in China and the slow post- COVID recovery in the country adversely impacted our sales in China during fiscal years 2022 and 2023. A public health emergency in the future could have a material adverse effect on our ability to operate, our results of operations, financial condition, and demand for our products** . International Risk Factors Our substantial international operations are subject to various political, economic and other uncertainties that could adversely affect our business results, including foreign currency fluctuations, restrictive taxation, custom duties, border closings or other adverse government regulations. We have substantial international operations and intend to continue to pursue and commit resources to growth opportunities beyond the United States. Outside of the United States, we maintain manufacturing facilities in the Netherlands, the United Kingdom, China, Australia and Germany, in addition to product showrooms or design studios in England, France, Germany, Spain, the Netherlands, India, Australia, United Arab Emirates, Singapore, Hong Kong, China and elsewhere. In ~~2022~~ **2023** , approximately ~~47~~ **46** % of our net sales and a significant portion of our production were outside the United States, primarily in Europe and Asia- Pacific. International operations carry certain risks and associated costs, such as: the complexities and expense of administering a business abroad; complications in compliance with, and unexpected changes in, legal and regulatory restrictions or requirements; foreign laws, international import and export legislation; trading and investment policies; economic and political instability in the global markets; foreign currency fluctuations; exchange controls; increased nationalism and protectionism; crime and social instability; tariffs and other trade barriers; difficulties in collecting accounts receivable; potential adverse tax consequences and increasing tax complexity or changes in tax law associated with operating in multiple tax jurisdictions; uncertainties of laws and enforcement relating to intellectual property and privacy rights; difficulty in managing a geographically dispersed workforce in compliance with diverse local laws and customs, including health and safety regulations and wage and hour laws; potential governmental expropriation (especially in countries with undemocratic or authoritarian ruling parties); and other factors depending upon the jurisdiction involved. There can be no assurance that we will not experience these risks in the future. In addition, due to our global operations, we are subject to many laws governing international relations and international operations, including laws that prohibit improper payments to government officials and commercial customers and that restrict where we can do business, what information or products we can import and export to and from certain countries and what information we can provide to a non- U. S. government. These laws include but are not limited to the U. S. Foreign Corrupt Practices Act (" FCPA "), the U. K. Bribery Act 2010, the Mexican National Anticorruption System (Sistema Nacional Anticorrupción, or " SNA "), the U. S. Export Administration Act and U. S. and international economic sanctions and money laundering regulations. We have internal policies and procedures relating to compliance with such regulations; however, there is a risk that such policies and procedures will not always protect us from the improper acts of employees, agents, business partners or representatives, particularly in the case of recently acquired operations that may not have significant training in applicable compliance policies and procedures. Violations of these laws, which are

complex, may result in criminal penalties, sanctions and / or fines that could have an adverse effect on our business, financial condition and results of operations and reputation. In addition, we are subject to antitrust laws in various countries throughout the world. Changes in these laws or their interpretation, administration or enforcement may occur over time. Any such changes may limit our future acquisitions, divestitures or operations. Finally, we may not be aware of all the factors that may affect our business in foreign jurisdictions. The risks outlined above, and others specific to certain jurisdictions that we may not be aware of, could adversely and materially affect our business and results. The conflict between Russia and Ukraine **and the Israel- Hamas war** could adversely affect our business, results of operations and financial position. Given the nature of our business and our global operations, political, economic, and other conditions in foreign countries and regions, including geopolitical risks arising from the conflict between Russia and Ukraine **and the Israel- Hamas war** , may adversely affect our business, results of operations and financial position ~~. While we permanently closed our operations in Russia in the third quarter of 2022, the broader consequences of this conflict and the extent of its effects on us as well as the global economy cannot be predicted. These consequences include or may include government sanctions, embargoes, unstable energy markets, regional instability, geopolitical shifts, potential retaliatory action by the Russian government against companies or other countries, and increased tensions between Russia and the United States or other countries in which we operate~~ . Historically, Russia was a key supplier of natural gas, oil, and other raw materials to European countries. We have substantial manufacturing operations in Europe (including Germany, the Netherlands, and the United Kingdom), and we have key suppliers in Europe, which rely upon natural gas, oil, and other raw materials to operate. Our sole rubber flooring plant is in Germany, and our primary European carpet tile plant is in the Netherlands. Any disruption in the supply of natural gas, oil, or other raw materials from Russia to Europe could adversely affect our ability to operate our business, our results of operations and our financial position, or adversely affect the ability of our key suppliers to meet our raw material requirements. In particular, the currently reduced Russian exports of natural gas to Europe may materially impede our European manufacturing operations and may result in higher energy costs to operate our facilities. Our customers' businesses, results of operations and financial positions also could be adversely impacted by the conflict in Ukraine, which could reduce their spending on our products. **While we permanently closed our operations in Russia in the third quarter of 2022, the effects of the conflict between Russia and Ukraine on us as well as the global economy cannot be predicted.** The conflict between Russia and Ukraine ~~is~~ **and the Israel- Hamas war are** ongoing and ~~its~~ **the** duration ~~is~~ **of the conflict and war are** uncertain. We cannot predict the outcome of the conflict **and war** or ~~its~~ **the** impact on the broader region, as the conflict **and war** and related government actions are evolving and are beyond our control. To the extent the conflict between Russia and Ukraine **and the Israel- Hamas war** adversely affects our business, ~~it~~ **the conflict and war** may also have the effect of heightening other risks disclosed in our Annual Report, any of which could materially and adversely affect our business, results of operations and financial condition. Such risks include, but are not limited to, adverse effects on macroeconomic conditions, including inflation and corporate and consumer spending; disruptions to our global technology infrastructure, including through cyberattack, ransom attack, or cyber-intrusion; adverse changes in international trade policies and relations; our ability to maintain or increase our prices, including fuel surcharges in response to rising fuel costs; further disruptions in global supply chains; terrorist activities targeting business infrastructure; our exposure to foreign currency fluctuations; and constraints, volatility, or disruption in the capital markets **. Other potential consequences of the ongoing conflict and war include or may include government sanctions, embargoes, unstable energy markets, regional instability, geopolitical shifts, potential retaliatory action by the governments involved in the conflict and war against companies or other countries, and increased tensions between the involved governments and the United States or other countries in which we operate** . Fluctuations in foreign currency exchange rates have had, and could continue to have, an adverse impact on our financial condition and results of operations. Changes in the value of foreign currencies relative to the U. S. dollar have adversely affected our results of operations and financial position and could continue to do so. In recent periods, as the value of the U. S. dollar has strengthened in comparison to certain foreign currencies — particularly in our EAAA segment and the impact of the Euro on our European operations — our reported revenues have been negatively impacted. As approximately ~~47~~ **46** % of our revenue is denominated in foreign currencies, these exchange rate fluctuations have had, and could continue to have, a significant adverse impact on our financial results. The uncertainty surrounding the ongoing implementation and effect of the U. K.' s exit from the European Union, and related negative developments in the European Union **,** could adversely affect our business, results of operations or financial condition. In 2016, voters in the U. K. approved an exit from the European Union via a referendum (commonly referred to as " Brexit "). The U. K. ceased to be a member of the European Union on January 31, 2020. In December 2020, the U. K. and the European Union agreed on a trade and cooperation agreement. Because the agreement merely sets forth a framework in many respects and will require complex additional bilateral negotiations between the U. K. and the European Union as both parties continue to work on the rules for implementation, significant political and economic uncertainty remains about how the precise terms of the relationship between the parties will differ from the terms before withdrawal. The uncertainty leading up to and following Brexit has had, and the ongoing implementation of Brexit may continue to have, a negative impact on our business and demand for our products in Europe, and particularly in the U. K. Brexit could adversely affect European or worldwide political, regulatory, economic or market conditions and could contribute to instability in political institutions and regulatory agencies. Brexit could also have the effect of disrupting the free movement of goods, services, and people between the U. K., the European Union and elsewhere. In addition, Brexit has had a detrimental effect, and could have further detrimental effects, on the value of either or both of the Euro and the British Pound sterling, which could negatively impact our business (principally from the translation of sales and earnings in those foreign currencies into our reporting currency of U. S. dollars). Such a development could have other unpredictable adverse effects, including a material adverse effect on demand for office space and our flooring products in the U. K. and in Europe if the U. K. exit leads to economic difficulties in Europe. Risk Factors Related to our Indebtedness We have a substantial amount of debt, which could adversely affect our business, financial condition and results of operations and our ability to meet our payment obligations under our debt. We have a substantial amount of debt and debt service requirements. As of ~~January 1~~ **December 31** , 2023, we had approximately $ ~~526~~ **421** . ~~3~~ **7** million of outstanding debt, and we had $ ~~274~~ **298** . ~~1~~ **4** million of undrawn borrowing capacity under our Syndicated Credit Facility. This

level of debt could have significant consequences on our future operations, including: • making it more difficult for us to meet our payment and other obligations under our outstanding debt; • resulting in an event of default if we fail to comply with the financial and other restrictive covenants contained in our debt agreements, which event of default could result in all of our debt becoming immediately due and payable; • reducing the availability of our cash flows to fund working capital, capital expenditures, acquisitions or strategic investments and other general corporate purposes, and limiting our ability to obtain additional financing for these purposes; • subjecting us to the risk of increasing interest expense on variable rate indebtedness, including borrowings under our Syndicated Credit Facility; • limiting our flexibility in planning for, or reacting to, and increasing our vulnerability to, changes in our business, the industry in which we operate and the general economy; • placing us at a competitive disadvantage compared to our competitors that have less debt or are less leveraged; • limiting our ability to attract certain investors to purchase our common stock due to the amount of debt we have outstanding; and • limiting our ability to refinance our existing indebtedness as it matures. In addition, borrowings under our Syndicated Credit Facility have variable interest rates, and therefore our interest expense will increase if the underlying market rates (upon which the variable interest rates are based) increase. For information regarding the current variable interest rates of these borrowings and the potential impact on our interest expense from hypothetical increases in short term interest rates, please see the discussion in Item 7A of this Report ~~. Furthermore, on July 27, 2017, the U. K. Financial Conduct Authority (the " FCA "), which regulates the London interbank offered rate (" LIBOR "), announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. Specifically, the FCA stopped publishing one week and two- month U. S. dollar LIBOR rates as of December 31, 2021, and the remaining U. S. dollar LIBOR rates will cease to be published on June 30, 2023. The Federal Reserve Bank of New York began publishing the Secured Overnight Financing Rate (" SOFR ") in April 2018 as an alternative for LIBOR. SOFR is a broad measure of the cost of borrowing cash overnight collateralized by U. S. Treasury securities. On September 29, 2022, the FCA announced its decision to stop publishing the 1- month and 6- month LIBOR rates by the end of March 2023. We had exposure to LIBOR- based financial instruments, namely our Syndicated Credit Facility which has variable (or floating) interest rates based on LIBOR. This facility allows for the use of an alternative benchmark rate if LIBOR is no longer available. In December 2021 we amended our Syndicated Credit Facility to replace LIBOR with a successor rate for loans denominated in euros or British Pound sterling. In October 2022, we amended our credit facility to replace LIBOR interest rates with the SOFR rate for U. S. denominated loans~~ . Any of the above- listed factors could have an adverse effect on our business, financial condition and results of operations and our ability to meet our payment obligations under our debt. Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our operations to pay our indebtedness. Our ability to generate cash in order to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness depends on our future performance, which is subject to economic, financial, competitive, legislative, regulatory and other factors beyond our control. In addition, our ability to borrow funds in the future to make payments on our debt will depend on the satisfaction of the covenants in our Syndicated Credit Facility and our other financing agreements, including the indenture governing the Senior Notes, and other agreements we may enter into in the future. Specifically, we will need to maintain certain financial ratios under our Syndicated Credit Facility. Our business may not continue to generate sufficient cash flow from operations in the future and future borrowings may not be available to us under our existing revolving credit facility or from other sources in an amount sufficient to service our indebtedness, including the Senior Notes, to make necessary capital expenditures or to fund our other liquidity needs. If we are unable to generate cash from our operations or through borrowings, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to make payments on our indebtedness or refinance our indebtedness will depend on the capital markets and our financial condition at such time, as well as the terms of our financing agreements, including the Syndicated Credit Facility, and the indenture governing the Senior Notes. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations. In addition, borrowings under our Syndicated Credit Facility have variable interest rates, and therefore our interest expense will increase if the underlying market rates (upon which the variable interest rates are based) increase. We may incur substantial additional indebtedness, which could further exacerbate the risks associated with our substantial indebtedness. Subject to the restrictions in our Syndicated Credit Facility and in the indenture governing our Senior Notes, we and our subsidiaries may be able to incur additional indebtedness in the future. Although our Syndicated Credit Facility and the indenture governing the Senior Notes contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of significant qualifications and exceptions, including the ability, on a non- committed basis, for us to increase revolving commitments and / or term loans under our Syndicated Credit Facility, and debt incurred in compliance with these restrictions could be substantial. If new debt is added to our and our subsidiaries' existing debt levels, the related risks we now face would increase. Legal Risk Factors We face risks associated with litigation and claims. We have been, and may in the future become, party to lawsuits including, without limitation, actions and proceedings in the ordinary course of business, such as claims brought by our customers in connection with commercial disputes, employment claims made by our current or former employees, or claims relating to intellectual property matters. Litigation might result in substantial costs and may divert management' s attention and resources, which may adversely affect our business, results of operations and financial condition. An unfavorable judgment against us in any legal proceeding or claim could require us to pay monetary damages. Insurance might not cover such claims, might not provide sufficient payments to cover all the costs to resolve one or more such claims, and might not continue to be available on terms acceptable to us. In addition, an unfavorable judgment in which the counterparty is awarded equitable relief, such as an injunction, could harm our business, results of operations and financial condition. Please refer to Item 3, " Legal Proceedings, " within this Report for additional information related to litigation and claims. ITEM 1B. UNRESOLVED STAFF COMMENTS None. ITEM **1C. CYBERSECURITY Risk Management Strategy Assess, Identify and Manage Material Risks from Cybersecurity Threats Interface has integrated cybersecurity risk management into our broader enterprise risk management framework. This integration ensures that cybersecurity considerations are an integral part of our entity- level risk assessment and decision- making process. Cybersecurity risk management is also a vital part our IT incident management and disaster recovery**

policy that outlines a systematic approach of implementing and executing strategies and procedures to enable the recovery and restoration of vital business functions and IT infrastructure following a significant disruptive event. Engagement of Third Parties Interface engages a range of external experts in evaluating and testing our cybersecurity risk management systems. These partnerships enable us to leverage specialized knowledge and insights, ensuring our cybersecurity strategies and processes remain at the forefront of industry best practices. In the event of a cybersecurity incident, the Company uses external experts to assist with an investigation of the incident, an evaluation of the extent to which the cybersecurity event has impacted the Company' s operations, financial condition, and IT infrastructure, and the recovery and restoration following the incident. We evaluate the inherent risk associated with using external experts by conducting thorough security assessments before engagement and perform ongoing monitoring to ensure compliance with our cybersecurity standards. Governance and Oversight The Audit Committee has oversight responsibility for cybersecurity risk management. The Audit Committee is comprised of board members with diverse experience and expertise to effectively oversee risk, although none of them are cybersecurity experts. Our Chief Information Officer, in his capacity, regularly informs the Audit Committee (typically twice per year) and the full board (typically once per year) on all aspects related to cybersecurity risks, as well as any remediation efforts in response to a cybersecurity incident. Our IT systems face a myriad of cybersecurity threats, including, without limitation, hacking, computer viruses, denial of service attacks, malware, ransomware, phishing scams, compromised or irretrievable backups, and other cyber attacks. Any of these events which deny us use of vital IT systems may seriously disrupt our normal business operations and lead to production or shipping stoppages, revenue loss, and reputational harm. To the extent our IT systems store sensitive data, including data related to customers, employees or other parties, risks from cybersecurity threats may expose us to fines and other liabilities, and reputational harm if such data is misappropriated. In addition, as cybercriminals continue to become more sophisticated and numerous, the costs to defend and insure against cyberattacks can be expected to rise. On November 20, 2022, we discovered a cybersecurity attack, perpetrated by unauthorized third parties, affecting our IT systems. In response to this Cyber Event, we notified law enforcement and took steps to supplement existing security monitoring, including scanning and protective measures. The investigation of the Cyber Event was completed during fiscal year 2023. A more detailed discussion of the Cyber Event can be found in Item 7 entitled " Management' s Discussion and Analysis of Financial Condition and Results of Operations " of this Annual Report on Form 10- K. ITEM 2. PROPERTIES We maintain our corporate headquarters in Atlanta, Georgia in approximately 42, 000 square feet of leased space. The following table lists our principal manufacturing **and distribution** facilities and other material physical locations (some locations are comprised of multiple buildings) by reportable segment, all of which we own except as otherwise noted: Location FloorSpace (Sq. Ft.) AMSLaGrange, Georgia669, 145 LaGrange, Georgia (1) ~~352~~ **250** , ~~205~~ **000** Union City, Georgia (1) 370, 000 West Point, Georgia250, 000 Salem, New Hampshire (1) 126, 766 EAAACraigavon, N. Ireland (1) 72, 200 Minto, Australia240, 000 Scherpenzeel, Netherlands1, 250, 960 Weinheim, Germany (1) 831, 113 Taicang, China (1) 142, 500 (1) Leased. We maintain sales or marketing offices in over ~~45~~ **40** locations in **19** ~~more than 20 countries and a number of other distribution facilities in several~~ countries. Most of our sales and marketing locations ~~and many of our distribution facilities~~ are leased. We believe that our manufacturing and distribution facilities and our marketing offices are sufficient for our present operations. We will continue, however, to consider the desirability of establishing additional facilities and offices in other locations around the world as part of our business strategy to meet global market demands. Substantially all of our owned properties in the United States are subject to mortgages, which secure borrowings under our Syndicated Credit Facility. ITEM 3. LEGAL PROCEEDINGS From time to time, we are a party to legal proceedings, whether arising in the ordinary course of business or otherwise. **See** ~~The disclosure set forth in~~ Note 18 to the consolidated financial statements included in Item 8 of this Annual Report on Form 10- K ~~is incorporated by reference herein~~ . ITEM 4. MINE SAFETY DISCLOSURES Not applicable. PART II ITEM 5. MARKET FOR THE REGISTRANT' S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES Our ~~Common~~ **common** ~~Stock~~ **stock** is traded on the Nasdaq Global Select Market under the symbol TILE. As of February ~~17~~ **16** , ~~2023~~ **2024** , we had ~~620~~ **578** holders of record of our ~~Common~~ **common** ~~Stock~~ **stock** . We estimate that there are in excess of 11, 000 beneficial holders of our ~~Common~~ **common** ~~Stock~~ **stock** . Future declaration and payment of dividends is at the discretion of our Board, and depends upon, among other things, our investment policy and opportunities, results of operations, financial condition, cash requirements, future prospects, and other factors that may be considered relevant by our Board at the time of its determination. Such other factors include limitations contained in the agreement for our Syndicated Credit Facility and the indenture for our Senior Notes, each of which specify conditions as to when any dividend payments may be made. As such, we may discontinue our dividend payments in the future if our Board determines that a cessation of dividend payments is proper in light of the factors indicated above. Stock Performance The following graph and table compare, for the period comprised of the Company' s five preceding fiscal years ended ~~January 1~~ **December 31** , 2023, the Company' s total returns to shareholders (assuming all dividends were reinvested) with that of (i) all companies listed on the Nasdaq Composite Index, (ii) our previous self- determined peer group, and (iii) our new self- determined peer group, assuming an initial investment of $ 100 in each on December ~~31~~ **30** , ~~2017~~ **2018** (the last day of the fiscal year ~~2017~~ **2018**). In ~~2022~~ **2023** , the Company updated its self- determined peer group to exclude ~~Armstrong Flooring~~ **Kimball International** , Inc. ~~and Welbilt~~ , **which** ~~Inc. Armstrong Flooring, Inc. was delisted and most of its assets were acquired in 2022, and Welbilt, Inc.~~ was acquired in ~~2022~~ **2023** and no longer trades publicly **, and also to incorporate other peer group changes to align with the peer group used to measure executive compensation** . In determining its peer group companies, the Company considered various factors, including the potential peer' s industry, business model, size and complexity. The Company chose a peer group that **is** ~~it believes provides~~ a ~~robust sample~~ **better representation of the Company' s** size **and market capitalization** with minimal revenue dispersion, **and** with companies in similar industries or lines of business or subject to similar economic and business cycles, including companies with a significant international presence that are also focused on sustainability. December ~~31, 2017December~~ 30, 2018December 29, 2019January 3, 2021January 2, 2022January 1, **2023December 31,** 2023Interface, Inc. $ 100 $ ~~58~~ **118** $ ~~68~~ **76** $ ~~44~~ **115** $ ~~66~~ **72** $ ~~41NASDAQ~~ **92NASDAQ** Composite Index $ 100 $ ~~97~~ **138** $ ~~133~~ **199** $ ~~192~~ **243** $ ~~235~~

164 $ 159Previous 238Previous Self- Determined Peer Group (18 16 Stocks) $ 100 $ 78 132 $ 102 122 $ 94 166 $ 130 123 $ 89New 150New Self- Determined Peer Group (16 12 Stocks) $ 100 $ 81 $ 107 $ 99 $ 135 $ 100 114 $ 141 $ 91 $ 135 Notes to Performance Graph (1) If the annual interval, based on the fiscal year- end, is not a trading day, the preceding trading day is used. (2) The index level was set to $ 100 as of December 31 30 , 2017 2018 (the last day of fiscal year 2017 2018). (3) The Company' s fiscal year ends on the Sunday nearest December 31. (4) The following companies are included in the Previous Self- Determined Peer Group depicted above: Acuity Brands, Inc.; Albany International Corp.; Apogee Enterprises, Inc.; Armstrong Flooring, Inc.; Armstrong World Industries, Inc.; Caesarstone Ltd. ; Enviri Corporation (formerly Harsco Corporation) ; Gentherm Incorporated; Glatfelter Corporation; H. B. Fuller Company ; Harsco Corporation; MillerKnoll, Inc. (formerly Herman Miller, Inc.) ; HNI Corporation; Kimball International, Inc.; Masonite International Corporation; Materion Corporation; MillerKnoll, Inc Glatfelter Corporation (formerly P. H. Glatfelter Company) ; Steelcase Inc.; and Unifi, Inc. Kimball International ; and Welbilt, Inc. Welbilt , Inc. is included as a peer for periods prior to its acquisition in 2022 2023 . (5) The following companies are included in the New Self- Determined Peer Group depicted above: Acuity ACCO Brands Corporation , Inc.; Albany International Corp. ; Apogee Enterprises, Inc.; Armstrong World Industries, Inc.; Enviri Corporation (formerly Caesarstone Ltd.; Gentherm Incorporated; H. B. Fuller Company; Harsco Corporation) ; Glatfelter Corporation MillerKnoll, Inc. (formerly Herman Miller, Inc.) ; HNI Corporation; MillerKnoll Kimball International , Inc.; Masonite International PGT Innovations, Inc.; SP Plus Corporation ; Materion Corporation; Glatfelter Corporation (formerly P. H. Glatfelter Company) ; Steelcase Inc.; and Unifi, Inc .; and VSE Corporation . Securities Authorized for Issuance Under Equity Compensation Plans See Item 12 of Part III of this Annual Report on Form 10- K. Issuer Purchases of Equity Securities The following table contains information with respect to purchases made by or on behalf of the Company, or any " affiliated purchaser " (as defined in Rule 10b- 18 (a) (3) under the Securities Exchange Act of 1934), of our common stock during our fourth quarter ended January 1 December 31 , 2023: Period (1) TotalNumber ofSharesPurchasedAveragePricePaidPer ShareTotal Numberof Shares Purchasedas Part of Publicly Announced Plans or Programs (2) Approximate Dollar Value of Shares thatMay Yet BePurchased Under thePlans or Programs (2) October 3 2 , 2022 2023 – October 29, 2023 — $ — — $ 82, 828, 595 October 30, 2022 2023 (3) 163, 539 $ 10. 40 163, 204 $ 83, 853, 300 October 31, 2022 – December 3 4, 202294, 302 10. 87 94, 302 82, 828, 595 December 5, 2022 – January 1 , 2023 — — — 82, 828, 595 December 4, 2023 – December 31, 2023 — — — 82, 828, 595 Total257 --- Total — , 841 $ — — 10. 57 257, 506 (1) The monthly periods identified above correspond to the Company' s fiscal fourth quarter of 2022 2023 , which commenced October 3 2 , 2022 2023 and ended January 1 December 31 , 2023. (2) On May 17, 2022, the Company announced a new share repurchase program authorizing the repurchase of up to $ 100 million of common stock. The program has no specific expiration date. There were no (3) Includes 335 shares received by repurchased pursuant to this program during the Company ' s fiscal fourth quarter from employees to satisfy income tax withholding obligations in connection with the vesting of 2023 equity awards . ITEM 6. [RESERVED] ITEM 7. MANAGEMENT' S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS Overview Our revenues are derived from sales of floorcovering products, primarily modular carpet, resilient flooring, including luxury vinyl tile (" LVT ") and , rubber flooring products , and installation services and accessories . Our business, as well as the commercial interiors industry in general, is cyclical in nature and is impacted by economic conditions and trends that affect the markets for commercial and institutional business space. The commercial interiors industry, including the market for floorcovering products, is largely driven by reinvestment by corporations into their existing businesses in the form of new fixtures and furnishings for their workplaces. In significant part, the timing and amount of such reinvestments are impacted by the profitability of those corporations. As a result, macroeconomic factors such as employment rates, office vacancy rates, work from home policies, capital spending, productivity and efficiency gains that impact corporate profitability in general, also affect our business. The During fiscal year 2021, the Company largely completed its integration of the nora acquisition, and integration of its European and Asia- Pacific commercial areas, and determined that it has two operating and reportable segments – namely Americas (" AMS ") and Europe, Africa, Asia and Australia (collectively " EAAA "). The AMS operating segment continues to include includes the United States, Canada and Latin America geographic areas. See Note 20 entitled " Segment Information " included in Item 8 of this Annual Report on Form 10- K for additional information. The results of operations discussion below also includes segment information. We focus our marketing and sales efforts on both corporate office and non- corporate office market segments, to reduce somewhat our exposure to economic cycles that affect the corporate office market segment more adversely, as well as to capture additional market share. More than half of our consolidated net sales were in non- corporate office markets in fiscal year years 2023, 2022 , and fiscal year 2021, primarily in education, healthcare , retail , public buildings, hospitality and residential / living , retail, and hospitality market segments. See Item 1, entitled " Business, " included in this Annual Report on Form 10- K for additional information regarding our mix of sales in corporate office verses non- corporate office market segments for the last three fiscal years by reportable segment. Executive Summary During 2023, we had consolidated net sales of $ 1, 261. 5 million, down 2. 8 % compared to $ 1, 297. 9 million in 2022, primarily due to decreased customer demand – particularly in the retail market segment. Consolidated operating income for 2023 was $ 104. 5 million compared to consolidated operating income of $ 75. 4 million in 2022, primarily due to a non- recurring goodwill and intangible asset impairment charge of $ 36. 2 million recognized in 2022. Consolidated net income for 2023 was $ 44. 5 million, or $ 0. 76 per diluted share, compared to consolidated net income of $ 19. 6 million, or $ 0. 33 per diluted share, in 2022. During 2022, we had consolidated net sales of $ 1, 297. 9 million, up 8. 1 % compared to $ 1, 200. 4 million in 2021, primarily due to higher sales in the corporate office, education and retail market segments. Consolidated operating income for 2022 was $ 75. 4 million compared to consolidated operating income of $ 104. 8 million in 2021 , primarily due to continuing higher inflationary pressures on raw materials and freight costs in the current year and a $ 36. 2 million goodwill and intangible asset impairment charge in 2022. Consolidated net income for 2022 was $ 19. 6 million , or $ 0. 33 per diluted share, compared to consolidated net income of $ 55. 2 million, or $ 0. 94 per diluted share, in 2021 . During 2021, we had consolidated net sales of $ 1, 200. 4 million, up 8. 8 % compared to $ 1, 103. 3 million in 2020, primarily due to the rebound in economic activity in certain countries following the impacts of COVID- 19. Consolidated operating income for 2021 was $ 104. 8 million compared to consolidated operating loss of $

~~39. 3 million in 2020 primarily due to higher sales in 2021 and a $ 121. 3 million impairment of goodwill and certain intangible assets in 2020. Fiscal year 2021 also included $ 3. 9 million of restructuring charges in connection with the planned closure of our Thailand manufacturing operations which occurred in 2022. Consolidated net income for 2021 was $ 55. 2 million or $ 0. 94 per share, compared to consolidated net loss of $ 71. 9 million, or $ 1. 23 per share, in 2020~~ . A detailed discussion of our **2023 and** 2022 ~~and 2021~~ consolidated and segment performance appears below under " Analysis of Results of Operations ". Cybersecurity Event As previously disclosed **,** ~~in our current report on Form 8- K filed with the SEC~~ on November ~~23~~ **20** , 2022, we discovered a cybersecurity attack, perpetrated by unauthorized third parties, affecting our IT systems ~~on November 20, 2022~~ . Promptly, out of an abundance of caution, we shut down certain systems including shipping, inventory management and production systems and engaged forensic experts to evaluate the extent of the Cyber Event and its impact to our operations. We **also** took steps to supplement existing security monitoring, including scanning and protective measures, and notified law enforcement. The Company substantially resumed its operations within two weeks following the occurrence of the Cyber Event. **The** ~~However, the~~ investigation of the Cyber Event by our forensic experts ~~is still ongoing~~ **was completed during 2023** . We **incurred approximately $ 1. 1 million of costs in 2023 in connection with the investigation of the Cyber Event, which were recorded in selling, general and administrative expenses in the consolidated statements of operations. In 2022, we** ~~estimate~~ **estimated that** the Cyber Event adversely affected our fiscal **year** 2022 revenues by approximately $ 8 million in lost sales. We incurred approximately $ 5 million of costs related to the Cyber Event in 2022 for idle plant costs, direct labor costs during the period our manufacturing facilities were idle and third **-** party remediation costs. Approximately $ 4. 8 million of the Cyber Event costs **in 2022** were included in cost of sales in the consolidated ~~statement~~ **statements** of operations and approximately $ 0. 3 million **were included** in selling, general and administrative expenses. We have insurance and anticipate that a portion of our financial losses related to the Cyber Event will ultimately be covered by insurance. We expect to incur ongoing costs ~~to~~ **for** ~~enhance~~ **enhanced** data security **against** ~~and plan to take further steps to prevent~~ unauthorized access to, or manipulation of, our systems and data. Impact of **Macroeconomic Conditions During fiscal year 2023,** the **continued disruption in economic markets due to ongoing inflation, increases in interest rates, the Russia- Ukraine war, the onset of the Israel- Hamas war, a fairly stabilized but still challenging supply chain environment, a slow post** COVID ~~- 19 Pandemic On March 1~~ **recovery in China and slow market conditions in the rest of Asia** , ~~2020~~ **and significant financial pressures in the commercial office market globally** , **all posed challenges for us. Management believes it is reasonably likely that** ~~the~~ **these challenges will** ~~World Health Organization declared the COVID- 19 outbreak a pandemic, and the virus continues~~ - **continue** to **affect our future operations** ~~impact areas where we operate~~ and ~~sell~~ **demand for** our products ~~and services~~ **to some degree during fiscal year 2024** . ~~The~~ **We are also anticipating decreases in the cost of raw materials and freight, offset by continued unfavorable manufacturing fixed cost absorption during fiscal year 2024. To mitigate these impacts, we plan to continue evaluating our cost structure and global manufacturing footprint to identify and activate opportunities to decrease costs and optimize our global cost structure. During fiscal year 2022, the** COVID- 19 pandemic ~~has~~ had ~~material adverse effects on our business, results of operations, and financial condition. The duration of the pandemic will ultimately determine the extent to which our operations are impacted. During fiscal year 2022, the COVID- 19 pandemic continued to have~~ less of an impact on our overall financial results compared with the prior year as consolidated net sales increased 8. 1 % compared to 2021. ~~However, continuing government~~ **Government** imposed COVID- 19 lockdowns and restrictions in parts of China **in 2022** adversely impacted sales in China by approximately 13 % compared **to 2021** ~~with the prior year~~ . ~~Ongoing global~~ **Global** supply chain challenges and inflationary pressures **in 2022** resulted in higher raw material costs, higher freight costs and shipping delays ~~during 2022~~ , which increased our operating costs and adversely impacted our gross profit margin **in** ~~. Management believes it is reasonably likely these impacts will continue to affect our future operations and results to some degree, particularly during the first half of 2023~~ **2022** ~~. During fiscal year 2021, the COVID- 19 pandemic had less of an impact on our overall financial results compared with the prior year as consolidated net sales increased 8. 8 % compared to fiscal year 2020. Government stimulus programs, increased COVID- 19 vaccination rates, and fewer COVID- 19 related restrictions in some places contributed to a rebound in economic activity in certain countries in 2021 driving higher revenues globally compared to fiscal year 2020. Our global supply chain and manufacturing operations, however, experienced increased adverse impacts and disruptions in 2021 from COVID- 19. These impacts included raw material shortages, raw material cost increases, higher freight costs, shipping delays, and labor shortages – particularly in the United States. These impacts to our supply chain and manufacturing operations increased our costs, decreased our ability to achieve manufacturing targets, increased lead times to our customers, and adversely affected our gross profit margin as a percentage of net sales. During fiscal year 2020, the COVID- 19 pandemic resulted in 17. 9 % lower consolidated net sales compared to fiscal year 2019. We temporarily suspended production in certain manufacturing facilities in 2020 due to government lockdowns, shelter in place orders and reduced demand. Our sales mix shifted towards more non- corporate office market segments as the COVID- 19 pandemic reduced corporate spending, which impacted sales in the corporate office market. During 2020, the Company recorded $ 12. 9 million of voluntary and involuntary severance costs, which were included in selling, general and administrative expenses in the consolidated statements of operations. Also in fiscal year 2020, government grants and payroll protection programs were available in various countries globally to provide assistance to companies impacted by the pandemic. The CARES Act enacted in the United States (see Note 17 entitled " Income Taxes " included in Item 8 of this Annual Report on Form 10- K for additional information) and a payroll protection program enacted in the Netherlands (the " NOW Program ") provided benefits related to payroll costs either as reimbursements, lower payroll tax rates or deferral of payroll tax payments. The NOW Program provided eligible companies with reimbursement of labor costs as an incentive to retain employees and continue paying them in accordance with the Company' s customary compensation practices. During fiscal year 2020, the Company qualified for benefits under several payroll protection programs and recognized a reduction in payroll costs of approximately $ 7. 3 million, which were recorded as a $ 6. 1 million reduction of selling, general and administrative expenses and a $ 1. 2 million reduction of cost of sales in the consolidated statements of operations, as the Company believes it is probable that the benefits received will not be repaid. During the first quarter of 2020, as a result of changes in macroeconomic conditions related to the COVID- 19 pandemic, we recognized a charge~~

of $ 121. 3 million for the impairment of goodwill and certain intangible assets. See Note 12 entitled " Goodwill and Intangible Assets " of Part II, Item 8 of this Annual Report for additional information . Analysis of Results of Operations Consolidated Results The following discussion and analyses reflect the factors and trends discussed in the preceding sections. Consolidated net sales denominated in currencies other than the U. S. dollar were approximately **46 % in 2023,** 47 % in 2022, **and** 50 % in 2021 , and 51 % in 2020 . Because we have substantial international operations, we are impacted, from time to time, by international developments that affect foreign currency transactions **. In 2023, the strengthening of the Euro against the U. S. dollar had a positive impact on our net sales, partially offset by the weakening of the Australian dollar, Chinese Renminbi, and Canadian dollar. Currency fluctuations had no material impact to operating income in 2023** . In 2022, the weakening of the Euro, Australian dollar, British Pound sterling and Chinese Renminbi against the U. S. dollar had a negative impact on our net sales and operating income. In 2021, the strengthening of the Euro, Australian dollar, Chinese Renminbi and British Pound sterling against the U. S. dollar had a positive impact on our net sales and operating income. In 2020, the strengthening of the Euro, British Pound sterling, and Chinese Renminbi against the U. S. dollar had a positive impact on our net sales and operating loss. The following table presents the amounts (in U. S. dollars) by which the exchange rates for translating Euros, British Pounds sterling, Australian dollars, Chinese Renminbi and Canadian dollars into U. S. dollars have affected our consolidated net sales and operating income or loss during the past three years: 202220212020 **202320222021** (in millions) Impact of changes in foreign currency on consolidated net sales $ **1. 4 $** (58. 8) $ 23. 9 $ 7. 1 Impact of changes in foreign currency on consolidated operating income (loss **0. 6**) (8. 3) 3. 2 0. 9 The following table presents, as a percentage of net sales, certain items included in our consolidated statements of operations during the past three years: Fiscal Year 202220212020Net **202320222021Net** sales100. 0 % 100. 0 % 100. 0 % Cost of sales66 **sales65 . 0 66** . 3 64. 0 62. 8 Gross profit33 **profit35 . 0 33** . 7 36. 0 37. 2 Selling, general and administrative expenses25 **expenses26 . 9 25** . 0 27. 0 30. 2 Restructuring, asset impairment and **,** other **(gains) and** charges0 - **charges (0. 2) 0** . 2 0. 3 (0. 4) Goodwill and intangible asset impairment charge2 - **charge — 2** . 8 — 11. 0 Operating income **income8 . 3** (loss) 5. 7 8. 7 (3. 6) Interest / Other expense, net2 **net3 . 2 2** . 6 2. 7 3. 6 Income (loss) before income tax expense3 **expense5 . 1 3** . 1 6. 0 (7. 2) Income tax expense **expense1 . 5** (benefit) 1. 7 1. 4 (0. 7) Net income **income3** (loss) **. 6 %** 1. 4 % 4. 6 % (6. 5) % Consolidated Net Sales Below we provide information regarding our consolidated net sales and analyze those results for each of the last three fiscal years. Fiscal year **years 2023,** 2022 **, and 2021 each** included 52 weeks , fiscal year 2021 included 52 weeks, and fiscal year 2020 included 53 weeks . Fiscal YearPercentage Change 2022202120202022 **2023202220212023** compared with 20212021 **20222022** compared with 2020 **2021** (in thousands) Consolidated net sales $ 1, **261, 498 $ 1,** 297, 919 $ 1, 200, 398 $ 1, 103, 262 **(2. 8) %** 8. 1 % 8 **Consolidated net sales for 2023 compared with 2022 For 2023, our consolidated net sales decreased $ 36. 4 million (2** . 8 % $ 97.1 million (8.8 %) compared to 2020 **2022** ,comprised of higher **lower** sales volumes **(approximately 7.9 %) partially offset by higher prices** (approximately 5.1 %) and higher prices (approximately 3.7 %).Fluctuations in currency exchange rates had a positive impact on our year- over- year consolidated net sales comparison of approximately $ 23 **1** . 9 **4** million,meaning that if currency levels had remained constant year **-** over **-** year,our 2021 **2023 net** sales would have been lower by this amount.On a market segment basis,the sales increase **decrease** was most significant in non- corporate office **the retail and healthcare** market segments including retail, **partially offset by increases in** education and healthcare **residential living market segments** .See the segment results discussion below for additional information on market segments. Consolidated net sales for 2022 compared with 2021 For 2022, our consolidated net sales increased $ 97. 5 million (8. 1 %) compared to 2021, comprised of higher sales volumes (approximately 5. 4 %) and higher prices (approximately 2. 7 %, including the impact of currency fluctuations). Fluctuations in currency exchange rates had a negative impact on our year- over- year consolidated net sales comparison of approximately $ 58. 8 million, meaning that if currency levels had remained constant year- over- year, our 2022 net sales would have been higher by this amount. On a market segment basis, the sales increase was most significant in the corporate office, retail and education market segments. See the segment results discussion below for additional information on market segments. Consolidated net sales for 2021 compared with 2020...... additional information on market segments. Consolidated Cost and Expenses The following table presents our consolidated cost of sales and selling, general and administrative (" SG & A ") expenses during the past three years: Fiscal YearPercentage Change 2022202120202022 **2023202220212023** compared with 20212021 **20222022** compared with 2020 **2021** (in thousands) Consolidated cost of sales $ **820, 429 $** 860, 186 $ 767, 665 $ 692, 688 **(4. 6) %** 12. 1 % 10. 8 % Consolidated selling, general and administrative expenses324 **expenses339 , 049 324** , 190 324, 315 333, 229 **4. 6 %** 0. 0 % (2. 7) % Consolidated Cost of Sales **For 2023, our consolidated cost of sales decreased $ 39. 8 million (4. 6 %) compared to 2022, primarily due to lower sales and lower freight costs (approximately $ 19 million) due to stabilizing supply chain conditions. Currency translation had no material impact on consolidated cost of sales compared to 2022. As a percentage of net sales, our consolidated cost of sales decreased to 65. 0 % in 2023 versus 66. 3 % in 2022. Management believes it is reasonably likely that lower inflation and decreases in the cost of raw materials, partially offset by unfavorable manufacturing fixed cost absorption, will continue to some degree in 2024, particularly in the first half of 2024. Management expects to continue managing the fixed cost under- absorption through higher sales prices, product mix and plant productivity initiatives.** For 2022, our consolidated cost of sales increased $ 92. 5 million (12. 1 %) compared to 2021, primarily due to higher sales and continuing inflationary pressures on raw materials and freight costs. The increase in consolidated cost of sales was also impacted by higher energy costs (which were up approximately 28 %) in our EAAA segment primarily due to shortages in the supply of natural gas in connection with the ongoing conflict between Russia and Ukraine. Currency translation had a positive impact on consolidated cost of sales of approximately $ 37. 2 million (4. 8 %) compared to **2021** last year . The increase in cost of sales in 2022 also includes **included** $ 4. 8 million of costs related to the Cyber Event, as discussed above. As a percentage of net sales, our consolidated cost of sales increased to 66. 3 % in 2022 versus 64. 0 % in 2021, due to higher raw materials, freight and energy costs, as discussed above **. Consolidated Gross Profit For 2023, consolidated gross profit, as a percentage of net sales, was 35. 0 % compared to 33. 7 % for 2022. The increase in gross profit percentage was primarily due to (i) higher pricing (approximately 4 %), partially offset by (ii) the unfavorable impact of inflation on raw material costs (approximately 1 %), and (iii) unfavorable manufacturing fixed cost absorption and product mix (approximately 2 %)** . Management believes it is

reasonably likely ~~the~~ **that lower** ~~inflationary~~ --- **inflation** ~~pressures experienced~~ **and decreases** in ~~2022~~ **the cost of raw materials, partially offset by unfavorable manufacturing fixed cost absorption,** will continue to some degree in ~~2023~~ **2024**, particularly in the first half of ~~2023~~ **2024** ~~, and~~ **. Management** expects to continue managing ~~these~~ -- **the** ~~pressures~~ **fixed cost under- absorption** through higher sales prices, product mix **,** and plant productivity ~~initiatives~~ **measures**. For **2022, consolidated gross profit, as a percentage of net sales, was 33. 7 % compared to 36. 0 % for** 2021 **. The decrease was primarily due to inflationary pressures for raw materials and freight costs. Consolidated SG & A Expenses For 2023**, our consolidated ~~cost of sales increased~~ **SG & A expenses were** $ ~~75~~ **339**. 0 million ~~(10~~ **versus $ 324**. **2 million in** ~~8 %) compared to 2020~~ **2022** ~~, primarily due to higher net sales and the continued adverse impacts of COVID- 19~~. Currency translation had a $ ~~16~~ **1**. ~~2~~ **5** million (~~2~~ **0**. ~~3~~ **5** %) negative impact on the year- over- year comparison. ~~In 2021, the impact of COVID- 19 continued to challenge our global supply chain which contributed to higher cost of sales and lower gross profit margins — particularly in the United States. As a percentage of net sales, our consolidated cost of sales increased to 64. 0 % in 2021 versus 62. 8 % in 2020, primarily due to inflationary pressures on raw materials, freight and labor costs driving an approximately 3. 4 % increase in cost of sales as a percentage of net sales compared to the prior year. The increase in our consolidated cost of sales as a percentage of net sales was partially offset by productivity efficiencies during the year. Consolidated Gross Profit For 2022, consolidated gross profit, as a percentage of net sales, was 33. 7 % compared to 36. 0 % for 2021. The decrease was primarily due to continuing inflationary pressures for raw materials and freight costs. As noted above, management believes it is reasonably likely the inflationary pressures experienced in 2022 will continue to some degree in 2023, particularly in the first half of 2023, and expects to continue managing these pressures through higher sales prices and product mix. For 2021, consolidated gross profit, as a percentage of net sales, was 36. 0 % compared with 37. 2 % for 2020. The decrease was primarily due to the impacts of COVID- 19 and the resulting supply chain challenges driving higher costs and shortages for raw materials and labor.~~ Consolidated SG & A ~~Expenses~~ **expenses increased $ 14. 9 million (4. 6 %) in 2023 compared to 2022, primarily due to (i) $ 6. 5 million of higher selling expenses due to sales and marketing initiatives, (ii) $ 6. 3 million of higher severance costs driven by employee headcount reductions and initiatives to reduce future costs, (iii) $ 4. 4 million of higher professional fees, and (iv) $ 1. 9 million of higher variable compensation costs. These increases were partially offset by lower plant closure costs of approximately $ 4. 1 million related to the closure of our Thailand and Russia operations in 2022. As a percentage of net sales, SG & A expenses increased to 26. 9 % in 2023 versus 25. 0 % in 2022.** For 2022, our consolidated SG & A expenses were $ 324. 2 million versus $ 324. 3 million in 2021. Currency translation had a $ 9. 5 million (4. 1 %) positive impact on the year- over- year comparison. Consolidated SG & A expenses were flat compared to 2021 as higher selling expenses of approximately $ 8. 5 million due to higher sales were offset by lower labor costs due to prior year employee reductions and $ 5. 4 million in lower professional fees due to prior year insurance recoveries. As a percentage of net sales, SG & A expenses decreased to 25. 0 % in 2022 versus 27. 0 % in 2021. ~~For 2021, our consolidated SG & A expenses decreased $ 8. 9 million (2. 7 %) versus 2020. Currency translation had a $ 5. 3 million (1. 6 %) negative impact on the year- over- year comparison. Consolidated SG & A expenses were lower in 2021 primarily due to (1) lower legal fees and other related costs of $ 12. 6 million primarily due to the settlement of the SEC matter in the prior year period, and (2) lower severance costs of $ 9. 1 million as the prior year included additional cost reduction initiatives implemented in response to COVID- 19 as discussed above. These decreases were partially offset by higher labor costs of approximately $ 11. 0 million due to higher performance- based compensation as target performance measures were achieved in 2021, partially offset by cost savings from prior year headcount reduction initiatives. As a percentage of net sales, SG & A expenses decreased to 27. 0 % in 2021 versus 30. 2 % in 2020.~~ Restructuring Plans On September 8, 2021, the Company committed to a restructuring plan that ~~continues~~ **continued** to focus on efforts to improve efficiencies and decrease costs across its worldwide operations **, involving** ~~. The plan involves a reduction of approximately 188 employees and~~ the closure of the Company' s ~~carpet tile~~ manufacturing facility in Thailand ~~at~~ **. During** the **second** ~~end of the first~~ quarter of **2023, the Company completed the sale of the Thailand real estate and recognized a gain of $ 2. 7 million. During** 2022 ~~. In connection with this plan~~ , **in** ~~the Company recognized restructuring charges of $ 2. 0 million comprised of severance and asset impairment charges and other related charges during fiscal year 2022. In~~ conjunction with the closure of its Thailand facility, the Company recorded a write- down of inventory of $ 2. 5 million ~~in fiscal year 2022~~ within cost of sales in the consolidated statements of operations. See Note 16 entitled " Restructuring and Other ~~Charges~~ **" and Note 7 entitled " Property, Plant and Equipment** " of Part II, Item 8 of this Annual Report for additional information. Goodwill, Intangible Asset and Fixed Asset Impairment During **2023, there was no impairment of our goodwill or indefinite- lived intangible assets. During** 2022 ~~and 2020~~ , we recognized **a** ~~charges~~ - **charge** of $ 36. 2 million ~~and $ 121. 3 million, respectively,~~ for the impairment of goodwill and certain intangible assets. See Note 12 entitled " Goodwill and **Other** Intangible Assets " of Part II, Item 8 of this Annual Report for additional information. During **2023, there were no material fixed asset impairment charges. In fiscal years** 2022 and 2021, we recognized fixed asset impairment charges of $ 2. 9 million and $ 4. 4 million, respectively, for projects that were abandoned. ~~During 2020, we recognized fixed asset impairment charges of $ 5. 0 million primarily related to certain FLOR design center closures and other projects that were abandoned or indefinitely delayed.~~ These charges are included in selling, general and administrative expenses in the consolidated statements of operations. Interest Expense **For 2023, our interest expense was $ 31. 8 million, versus $ 29. 9 million in 2022, primarily due to higher interest rates on outstanding term loan borrowings under the Syndicated Credit Facility, partially offset by lower outstanding term loan borrowings under the Facility. Our average borrowing rate under the Syndicated Credit Facility as of December 31, 2023, was 6. 61 % compared to 5. 78 % at January 1, 2023.** For 2022, our interest expense was $ 29. 9 million, versus $ 29. 7 million in 2021. Higher interest rates in 2022 were offset by lower outstanding term loan borrowings under the Syndicated Credit Facility. Our average borrowing rate under the Syndicated Credit Facility as of January 1, 2023 **,** was 5. 78 % compared to 1. 91 % at January 2, 2022. ~~For~~ **Other Expense During** ~~2021~~ **2023** , **other expense, net, was $ 9. 1 million, versus $ 3. 6 million in 2022. The increase was primarily due to the substantial liquidation of** our ~~interest expense increased~~ **foreign subsidiaries in Brazil and Russia and the resulting recognition of** $ **6** ~~0. 5 million to $ 29. 7 million, versus $ 29~~ . 2 million ~~in 2020, primarily due to (1) higher fixed- rate interest expense on the Senior Notes debt, which replaced variable- rate debt under the Syndicated Credit~~

~~Facility, and (2) $ 4. 9 million~~ of **cumulative translation adjustments** ~~deferred losses recognized on terminated interest rate swaps that were~~ reclassified from accumulated other comprehensive loss **. Tax For fiscal** ~~into interest expense during the~~ year ~~. These increases were partially offset by $ 60 million of lower outstanding borrowings under the Syndicated Credit Facility compared to 2020. Our average borrowing rate under the Syndicated Credit Facility was 1. 91 % for 2021 compared to 1. 89 % in 2020. For the year ended January 1,~~ 2023, the Company recorded **income tax expense of $ 19. 1 million on pre- tax income of $ 63. 7 million, resulting in an effective tax rate of 30. 1 %. This compares with** income tax expense of $ 22. 4 million on pre- tax income of $ 41. 9 million **,** resulting in an effective tax rate of 53. 3 %, ~~as compared to an income tax expense of $ 17. 4 million on pre- tax income of $ 72. 6 million resulting in an effective tax rate of 24. 0 %~~ for ~~the~~ **fiscal** year ~~ended January 2,~~ 2022. The effective tax rate for ~~the~~ **fiscal** year ~~ended January 1, 2023~~ **2022** was significantly impacted by a non- deductible goodwill impairment charge. Excluding the impact of the non- deductible goodwill impairment charge, the effective tax rate was 31. 4 % for ~~the~~ **fiscal** year ~~ended January 1, 2023~~ **2022** . The ~~increase~~ **decrease** in the effective tax rate **for fiscal year 2023, as compared to fiscal year 2022** , excluding the goodwill impairment ~~charge~~ , was primarily due to ~~an increase in non- deductible employee compensation, an increase in the valuation allowance on net operating loss and interest carryforwards, unfavorable~~ -- **favorable** changes related to the cash surrender value of ~~company~~ **Company** - owned life insurance ~~policies and~~ **, utilization of foreign tax credits,** ~~unfavorable~~ -- **favorable U. S. tax effects from the repatriation of previously taxed foreign earnings, and non- deductible** ~~changes~~ **charges** related to ~~foreign~~ **the closure of the Company' s manufacturing facility in Thailand in fiscal year 2022. This decrease was partially offset by a favorable** ~~exchange~~ -- **change** ~~movements~~ **to unrecognized tax benefits in fiscal year 2022** . For ~~the~~ **fiscal** year ~~ended January 2,~~ 2022, the Company recorded income tax expense of $ ~~17~~ **22** . 4 million on pre- tax income of $ ~~72~~ **41** . ~~6~~ **9** million **,** resulting in an effective tax rate of ~~24~~ **53** . ~~0~~ **3** % ~~, as~~ **. This** ~~compared~~ **compares with** ~~to an~~ income tax ~~benefit~~ **expense** of $ ~~7~~ **17** . ~~5~~ **4** million on pre- tax ~~loss~~ **income** of $ ~~79~~ **72** . ~~4~~ **6** million **,** resulting in an effective tax rate of ~~9~~ **24** . ~~4~~ **0** % for ~~the~~ **fiscal** year ~~ended January 3,~~ 2021. The effective tax rate for ~~the~~ **fiscal** year ~~ended January 3, 2021~~ **2022** was significantly impacted by a non- deductible goodwill impairment charge ~~and recognition of income tax benefits related to uncertain tax positions taken in prior years on discontinued operations~~ . Excluding the impact of the non- deductible goodwill impairment charge ~~and recognition of income tax benefits related to uncertain tax positions on discontinued operations~~ , the effective tax rate was ~~14~~ **31** . ~~1~~ **4** % for ~~the~~ **fiscal** year ~~ended January 3, 2021~~ **2022** . The increase in the effective tax rate for ~~the~~ **fiscal** year ~~ended January 2,~~ 2022 **,** as compared to ~~the~~ **fiscal** year ~~ended January 3,~~ 2021 **, excluding the goodwill impairment charge,** was primarily due to ~~the one- time favorable impacts of amending prior year tax returns during the period ended January 3, 2021,~~ an increase in non- deductible employee compensation ~~and~~ **,** an increase in the valuation allowance on net operating loss and interest carryforwards ~~. This increase was partially offset by a decrease in non~~ **, unfavorable changes related to the cash surrender value of Company** - ~~deductible business expenses~~ **owned life insurance policies and unfavorable changes related to foreign exchange movements** . Segment Results As discussed above, ~~in 2021~~ the Company ~~determined that it~~ has two operating and reportable segments – AMS and EAAA ~~. Segment information presented below for 2020 has been recast to conform to the new reportable segment structure~~ . See Note 20 entitled " Segment Information " included in Item 8 of this Annual Report on Form 10- K for additional information. AMS Segment – Net Sales and Adjusted Operating Income (" AOI ") The following table presents AMS segment net sales and AOI for the last three fiscal years: Fiscal YearPercentage ~~Change2022202120202022~~ **Change2023202220212023** compared with ~~20212021~~ **20222022** compared with ~~2020~~ **2021** (in thousands) AMS segment net sales $ **736, 955 $** 753, 740 $ 651, 216 ~~$ 593, 418~~ **(2. 2) %** 15 ~~. 7 % 9~~ . 7 % AMS segment AOI (1) **87, 789** 102, 370 85, 014 ~~89, 097~~ **(14. 2) %** 20. 4 ~~% (4. 6)~~ % (1) Includes allocation of corporate SG & A expenses. Excludes **Cyber Event costs,** intangible asset impairment ~~charges~~ **charge** ~~, Cyber Event costs~~ , and restructuring, asset impairment, severance **,** and other ~~costs~~ **, net** . See Note 20 entitled " Segment Information " included in Item 8 of this Annual Report on Form 10- K for additional information. AMS segment net sales for **2023 compared with 2022 During 2023, net sales in AMS decreased 2. 2 % versus 2022, comprised of lower sales volume partially offset by higher prices. On a market segment basis, the AMS sales decrease was most significant in the retail (down 50. 6 %) market segment partially offset by increases in the education (up 7. 9 %), corporate office (up 4. 1 %) and residential living (up 15. 4 %) market segments. AMS segment net sales for** 2022 compared with 2021 During 2022, net sales in AMS increased 15. 7 % versus 2021, comprised of higher sales volumes and higher prices. On a market segment basis, the AMS sales increase was most significant in the retail (up 54. 2 %), education (up 18. 9 %), public buildings (up 18. 0 %), corporate office (up 11. 7 %) and healthcare (up 5. 8 %) market segments. These increases were partially offset by decreases in the consumer residential (down 8. 7 %) market segment. AMS **AOI** ~~segment net sales~~ for ~~2021~~ **2023** compared with ~~2020~~ **2022 AOI in AMS decreased 14. 2 %** ~~During~~ **during** ~~2021~~ **2023 compared to 2022** , ~~net~~ **primarily due to unfavorable manufacturing fixed cost absorption and lower** sales ~~in AMS increased 9. 7 % versus 2020~~ , ~~comprised of higher sales volumes and higher prices. On a market segment basis, the AMS sales increase was most significant in non- corporate office market segments including healthcare (up 19. 1 %), retail (up 19. 1 %) and education (up 18. 3 %). Sales in the corporate office market increased 6. 8 % in 2021 compared to 2020. These increases were~~ partially offset by **lower freight costs** ~~decreases in the hospitality (down 38~~ . ~~3~~ **AMS SG & A expenses as a percentage of net sales increased approximately 1. 1** % ~~) and public buildings (down 20~~ **compared to 2022, primarily due to higher selling expenses, which contributed to the decrease in AOI for the current year. As a percentage of net sales, AOI decreased to 11. 9** % ~~) market segments~~ **in 2023 versus 13. 6 % in 2022** . AMS AOI for 2022 compared with 2021 AOI in AMS increased 20. 4 % during 2022 compared to 2021 **,** primarily due to higher sales. AMS SG & A expenses as a percentage of net sales in 2022 decreased approximately 0. 7 % compared to 2021, primarily due to lower administrative costs, which contributed to the increase in AOI **in 2022** ~~for the current year~~ . As a percentage of net sales, AOI increased to 13. 6 % in 2022 versus 13. 1 % in 2021 ~~. AMS AOI for 2021 compared with 2020 AOI in AMS decreased 4. 6 % during 2021 compared to 2020 primarily due to higher cost of sales as a result of inflationary pressures on raw materials, freight and labor costs driving an approximately 3. 0 % increase in cost of sales as a percentage of net sales compared to the prior year. The increase in cost of sales as a percentage of net sales was partially offset by productivity efficiencies during the year. AOI as a percentage of net sales for fiscal 2021 decreased to 13. 1 % compared to 15. 0 % in 2020 due to the global supply chain pressures discussed above~~ . EAAA Segment – Net Sales and AOI The following table

presents EAAA segment net sales and AOI for the last three fiscal years: Fiscal YearPercentage ~~Change2022202120202022~~ **Change2023202220212023** compared with ~~20212021~~ **20222022** compared with ~~2020~~ **2021** (in thousands) EAAA segment net sales $ **524, 543 $** 544, 179 $ 549, 182 ~~$ 509, 844~~ **(3. 6) %** (0. 9) ~~% 7. 7~~ % EAAA segment AOI (1) **28, 608** 30, 058 37, 268 ~~21, 403~~ **(4. 8) %** (19. 3) ~~% 74. 1~~ % (1) Includes allocation of corporate SG & A expenses. Excludes goodwill and intangible asset impairment charges, purchase accounting amortization, Thailand plant closure inventory write- down, Cyber Event costs, and restructuring, asset impairment, severance **,** and other ~~costs~~ **, net** . See Note 20 entitled " Segment Information " included in Item 8 of this Annual Report on Form 10- K for additional information. EAAA segment net sales for **2023 compared with 2022 During 2023, net sales in EAAA decreased 3. 6 % versus 2022, comprised of lower sales volume partially offset by higher selling prices. Slower economic recovery and decreased customer demand in Asia resulted in approximately 25 % lower net sales in Asia during 2023 compared to 2022. Currency fluctuations had a positive impact of approximately $ 3. 5 million (0. 6 %) on EAAA net sales for 2023 compared to 2022 due to the strengthening of the Euro, partially offset by the weakening of the Australian dollar and Chinese Renminbi against the U. S. dollar. On a market segment basis, the EAAA sales decrease was most significant in the corporate office (down 3. 5 %), healthcare (down 23. 5 %), retail (down 22. 8 %), and education (down 3. 9 %) market segments, partially offset by increases in the hospitality (up 11. 5 %) market segment. EAAA segment net sales for** 2022 compared with 2021 During 2022, net sales in EAAA decreased 0. 9 % versus 2021. Higher selling prices and volume were offset by the impact of negative currency fluctuations of approximately $ 56. 7 million (10. 3 %) for 2022 compared to 2021 due to the weakening of the Euro, Australian dollar, British Pound sterling and Chinese Renminbi against the U. S. dollar. On a market segment basis, EAAA sales increased in the corporate office (up 6. 2 %) and hospitality (up 22. 3 %) market segments. These increases were offset by decreases in the public buildings (down 25. 7 %), transportation (down 21. 3 %), retail (down 14. 9 %) and healthcare (down 8. 2 %) market segments. EAAA **AOI** ~~segment net sales~~ for ~~2021~~ **2023** compared with ~~2020~~ **2022 AOI in EAAA decreased 4. 8 %** ~~During~~ **during** ~~2021~~ **2023** ~~, net~~ **versus 2022 primarily due to the impact of lower** sales ~~in EAAA increased 7. 7 % versus 2020~~ , ~~comprised of higher sales~~ **inflationary pressures on raw material costs, and unfavorable manufacturing fixed cost absorption on lower production** volumes ~~and higher prices~~ . Currency fluctuations had **no material** ~~an approximately $ 21. 5 million (4. 2 %) positive~~ impact on EAAA ~~' s~~ **AOI in** ~~2021~~ **2023 compared to 2022. As a percentage of net** sales ~~compared to 2020 due to the strengthening of the Euro~~ , **AOI** ~~British Pound sterling, Australian dollar and the Chinese Renminbi against the U. S. dollar. On a market segment basis, the 2021 EAAA sales increase~~ was **5** ~~most significant in non-corporate office market segments including retail (up 53~~ . ~~8~~ **5** % ~~), public buildings (up 30. 2 %) and healthcare (up 19. 0 %). Sales~~ in **both** ~~the corporate office market increased 2. 4 % in 2021~~ **2023 and** ~~compared to 2020~~ **2022** ~~. These increases were partially offset by a decrease in the education (down 2. 6 %) market segment~~ . EAAA AOI for 2022 compared with 2021 AOI in EAAA decreased 19. 3 % during 2022 versus 2021 due to continuing inflationary pressures on raw materials and higher energy costs (which were up approximately 28 %) primarily due to natural gas shortages in connection with the ongoing conflict between Russia and Ukraine. The decrease in AOI was also due to negative currency fluctuations of approximately $ 6. 5 million (9. 9 %) due to the weakening of the Euro, Australian dollar, British Pound sterling and Chinese Renminbi against the U. S. dollar. EAAA SG & A expenses as a percentage of net sales in 2022 decreased approximately 2. 5 % compared to ~~last~~ **the prior** year, which partially offset the negative impacts on AOI discussed above. As a percentage of net sales, AOI decreased to 5. 5 % in 2022 versus 6. 8 % in 2021 ~~. EAAA AOI for 2021 compared with 2020 AOI in EAAA increased 74. 1 % during 2021 versus 2020. Currency fluctuations had an approximately $ 3. 1 million (6. 4 %) positive impact on AOI for 2021. SG & A expenses as a percentage of net sales decreased to 23. 0 % in 2021 compared to 24. 6 % in 2020 due to savings from cost reduction initiatives implemented in the prior year. AOI as a percentage of net sales increased to 6. 8 % in 2021 compared to 4. 2 % in 2020, due primarily to higher sales as discussed above~~ . Financial Condition, Liquidity and Capital Resources General In our business, we require cash and other liquid assets primarily to purchase raw materials and to pay other manufacturing costs, in addition to funding normal course SG & A expenses, anticipated capital expenditures, interest expense and potential special projects. We generate our cash and other liquidity requirements primarily from our operations and from borrowings under our Syndicated Credit Facility (the " Facility ") discussed below. We anticipate that our liquidity is sufficient to meet our obligations for the next 12 months, and we expect to generate sufficient cash to meet our long- term obligations. Below **are estimates** ~~is a summary~~ of our material cash requirements for future periods ~~:~~ **. The short- term period represents payments due within the 12 months following December 31, 2023, and the long- term period represents payments due beyond the short- term period.** Payments Due by Period Short- TermLong- TermTotal (in thousands) Long- term debt obligations $ ~~10~~ **8** , ~~211~~ **572** $ ~~516~~ **413** , ~~121~~ **086** $ ~~526~~ **421** , ~~332~~ **658** Operating and finance lease ~~obligations16~~ **obligations19** , ~~838 101~~ **876 106** , ~~729 118~~ **130 126** , ~~567~~ **006** Expected interest ~~payments29~~ **payments24** , ~~283 122~~ **254 82** , ~~669 151~~ **978 107** , ~~952~~ **232** Purchase ~~obligations25~~ **obligations16** , ~~658 7~~ **137 34** , ~~054 32~~ **907 51** , ~~712~~ **044** Pension cash obligations4, ~~385 28~~ **601 29** , ~~007 32~~ **160 33** , ~~392~~ **761** Total $ ~~86~~ **73** , ~~375~~ **440** $ ~~775~~ **666** , ~~580~~ **261** $ ~~861~~ **739** , ~~955~~ **701** Historically, we use more cash in the first half of the fiscal year, as we pay insurance premiums, taxes and incentive compensation and build up inventory in preparation for the holiday / vacation season of our international operations. As outlined in the table above, we have approximately $ ~~86~~ **73** . 4 million in material contractual cash obligations due within the next year, which includes, among other things, scheduled debt repayments under the Facility, pension contributions, interest payments on our debt, and lease commitments. Our long- term debt obligations include the contractually scheduled principal repayment of our term loan and revolving loan borrowings under the Facility, which matures in 2027, and $ 300 million on our Senior Notes due in 2028. Operating and finance lease obligations consist of undiscounted lease payments due over the term of the lease. Expected interest payments are those associated with borrowings under the Facility and Senior Notes consistent with our contractually scheduled principal repayments. Our purchase obligations are for non- cancellable agreements primarily for raw material purchases and capital expenditures. Our pension obligations include contributions and expected benefit payments to be paid by the Company related to certain defined benefit pension plans and ~~excludes~~ - **exclude** the expected benefit payments for two of our funded foreign defined benefit plans as these obligations will be paid by the plans ~~over the next ten years~~ . Based on current interest rates and debt levels, we expect our aggregate interest expense for ~~2023~~ **2024** to be ~~between~~ **approximately** $ **27** ~~32 million and $ 33~~ million. We

estimate aggregate capital expenditures in ~~2023~~ **2024** to be approximately $ ~~32~~ **42** million, although we are not committed to ~~these~~ **this** ~~amounts~~ **amount** . At ~~January 1~~ **December 31** , 2023, we had $ ~~97~~ **110** . ~~6~~ **5** million in cash. Approximately $ 5. ~~5~~ **7** million of this cash was located in the U. S., and the remaining $ ~~92~~ **104** . ~~1~~ **8** million was located outside of the U. S. The cash located outside of the U. S. is indefinitely reinvested in the respective jurisdictions (except as identified below). We believe that our strategic plans and business needs, particularly for working capital needs and capital expenditure requirements in Europe, Asia, and Australia, support our assertion that a portion of our cash in foreign locations will be reinvested and remittance will be postponed indefinitely. Of the $ ~~92~~ **104** . ~~1~~ **8** million of cash in foreign jurisdictions, approximately $ ~~43~~ **51** . ~~4~~ **9** million represents earnings which we have determined are not permanently reinvested, and as such we have provided for foreign withholding and U. S. state income taxes on these amounts in accordance with applicable accounting standards. As of ~~January 1~~ **December 31** , 2023, we had $ ~~226~~ **121** . ~~3~~ **7** million of borrowings outstanding under our Facility, **all** of which ~~$ 202. 1 million~~ were term loan borrowings ~~and $ 24~~ . **There** ~~2 million~~ were **no** revolving loan borrowings **outstanding as of December 31, 2023** . Additionally, $ 1. 6 million in letters of credit were outstanding under the Facility at the end of fiscal year ~~2022~~ **2023** . As of ~~January 1~~ **December 31** , 2023, we had additional borrowing capacity of $ ~~274~~ **298** . ~~1~~ **4** million under the Facility. As of ~~January 1~~ **December 31** , 2023, the weighted average interest rate on borrowings outstanding under the Facility was ~~5~~ **6** . ~~78~~ **61** %. As of ~~January 1~~ **December 31** , 2023, there were no other lines of credit available to the Company. **In addition** ~~On November 17~~ , **as of December 31,** ~~2020~~ **2023** , we ~~issued~~ **had** $ 300 **. 0** million ~~aggregate principal amount~~ of 5. 50 % Senior Notes due 2028 (the " Senior Notes ") **outstanding** , which are discussed further below ~~. As of January 1, 2023, we had $ 300. 0 million of Senior Notes outstanding~~ . It is important for you to consider that we have a significant amount of indebtedness. Our Facility matures in October of 2027, and the Senior Notes, as discussed below, mature in December 2028. We cannot assure you that we will be able to renegotiate or refinance any of our debt on commercially reasonable terms, or at all. If we are unable to refinance our debt or obtain new financing, we would have to consider other options, such as selling assets to meet our debt service obligations and other liquidity needs, or using cash, if available, that would have been used for other business purposes. It is also important for you to consider that borrowings under our Facility comprise a substantial portion of our indebtedness, and that these borrowings are based on variable interest rates (as described below) that expose the Company to the risk that interest rates may increase. ~~During 2020, we entered into fixed rate Senior Notes (as described below), which reduced the amount of indebtedness subject to interest rate risk. In the fourth quarter of 2020, we terminated our interest rate swaps that were previously being used to fix a portion of our variable rate debt.~~ For information regarding the current variable interest rates of these borrowings, the potential impact on our interest expense from hypothetical increases in short term interest rates, and the **former** interest rate swap transaction, please see the discussion in Item 7A of this Report. We are not a party to any material off- balance sheet arrangements. Balance Sheet **Accounts receivable, net, were $ 163. 4 million at December 31, 2023, compared to $ 182. 8 million at January 1, 2023. The decrease of $ 19. 4 million was primarily due to customer collections in 2023, including the impact of delays in customer billings from the Cyber Event, in which the due dates for those delayed billings were pushed from the fourth quarter of 2022 to the first quarter of 2023.** Inventories, net, were **$ 279. 1 million at December 31, 2023, compared to** $ 306. 3 million at January 1, 2023 ~~compared to $ 265. 1 million at January 2, 2022~~ . The ~~increase~~ **decrease** of $ ~~41~~ **27** . 2 million was primarily due to ~~higher~~ **decreases in the cost of** raw ~~material~~ **materials** ~~costs and freight costs~~ **during the current year, lower manufacturing volume** due to **reduced** ~~continuing inflationary pressures and inventory build driven by higher~~ customer demand **, and improvements in working capital management** . Analysis of Cash Flows The following table presents a summary of cash flows for fiscal years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ : Fiscal Year ~~202220212020~~ **202320222021** (in thousands) Net cash provided by (used in): Operating activities $ **142, 034 $** 43, 061 $ 86, 689 ~~$ 119, 070~~ Investing activities (**19, 514) (** 18, 437) (28, 071 ~~) (61, 689~~) Financing activities (**111, 564) (** 19, 490) (60, 858 ~~) (42, 715~~) Effect of exchange rate changes on ~~cash~~ **cash1 , 978** (4, 822) (3, 561) ~~7, 086~~ Net change in cash and cash ~~equivalents312~~ **equivalents12, 934 312** (5, 801) ~~21, 752~~ Cash and cash equivalents at beginning of period97, **564 97,** 252 103, 053 ~~81, 301~~ Cash and cash equivalents at end of period $ **110, 498 $** 97, 564 $ 97, 252 ~~$ 103, 053~~ We ended ~~2022~~ **2023** with $ ~~97~~ **110** . ~~6~~ **5** million in cash, an increase of $ ~~0~~ **12** . ~~3~~ **9** million during the year. The increase was primarily due to the following: • Cash provided by operating activities was $ ~~43~~ **142** . ~~1~~ **0** million for ~~2022~~ **2023** , which represents ~~a~~ **an** ~~decrease~~ **increase** of $ ~~43~~ **99** . ~~6~~ **0** million compared to ~~2021~~ **2022** . The ~~decrease~~ **increase in operating cash flows** was primarily due to a greater ~~use~~ **source** of cash ~~for~~ **from** working capital ~~during~~ **in** ~~2022~~ **2023** . Specifically, ~~higher inventories as~~ **customer collections in 2023 contributed to** a **decrease** ~~result of higher raw material costs and input costs contributed to the greater use of cash for working capital compared to last year. Higher variable compensation payouts~~ in **accounts receivable, primarily attributable** ~~the first quarter of 2022 (related~~ to ~~2021 performance) also contributed to the increased use of cash for 2022. Cash provided by operating activities in 2022 also was negatively impacted by~~ delays in **customer** billings **from** ~~due to~~ the Cyber Event, **in** which ~~pushed the~~ due dates for those delayed billings **were pushed** from the fourth quarter of 2022 to the first quarter of **2023. The 2022 comparable period also included a greater use of cash for working capital attributable to an increase in inventories compared with** 2023. • Cash used in investing activities was $ ~~18~~ **19** . ~~4~~ **5** million for ~~2022~~ **2023** , which represents ~~a~~ **an** ~~decrease~~ **increase** of $ ~~9~~ **1** . ~~6~~ **1** million compared to ~~2021~~ **2022** . The ~~decrease~~ **increase** ~~from the comparable period~~ was primarily ~~due~~ **attributable** to ~~a~~ **an** ~~decrease~~ **increase** in capital expenditures due to ~~reduced~~ **increased** capital investment **, partially offset by the proceeds of approximately $ 6. 6 million from the sale of the Company' s Thailand real estate in 2023** . • Cash used in financing activities was $ ~~19~~ **111** . ~~5~~ **6** million for ~~2022~~ **2023** , which represents ~~a~~ **an** ~~decrease~~ **increase** of $ ~~41~~ **92** . ~~4~~ **1** million compared to ~~2021~~ **2022** . The year- over- year difference was primarily due to **lower revolving loan borrowings combined with higher repayments of term loan borrowings in 2023 as a result of cash generated from operating activities as described above. Fiscal year 2022 also included repurchases of the Company' s common stock that did not occur in 2023, which partially offset the increased use of cash for financing activities in 2023 compared with 2022. We ended 2022 with $ 97. 6 million in cash, an increase of $ 0. 3 million during the year. The increase was primarily due to the following: • Cash provided by operating activities was $ 43. 1 million for 2022, which represents a decrease of $ 43. 6 million compared to 2021. The decrease was primarily due to a greater use of cash for working capital during 2022. Specifically, higher**

inventories as a result of higher raw material costs and input costs contributed to the greater use of cash for working capital in 2022. Higher variable compensation payouts in the first quarter of 2022 (related to 2021 performance) also contributed to the increased use of cash for 2022. Cash provided by operating activities in 2022 also was negatively impacted by delays in billings due to the Cyber Event, which pushed the due dates for those delayed billings from the fourth quarter of 2022 to the first quarter of 2023. • Cash used in investing activities was $ 18. 4 million for 2022, which represents a decrease of $ 9. 6 million compared to 2021. The decrease was primarily due to reduced capital expenditures. • Cash used in financing activities was $ 19. 5 million for 2022, which represents a decrease of $ 41. 4 million compared to 2021. The year- over- year difference was primarily due to higher revolving loan borrowings in 2022 as a source of cash to fund operating activities as described above, offset by a use of cash for repurchases of the Company' s common stock pursuant to a new share repurchase program adopted in the second quarter of 2022. Fiscal year 2021 also ~~includes~~ **included** higher repayments of approximately $ 60 million of term loan borrowings which contributed to a greater use of cash in that period. We ended 2021 with $ 97. 3 million in cash, a decrease of $ 5. 8 million during the year. The decrease was primarily due to the following: • Cash provided by operating activities was $ 86. 7 million for 2021, which represents a decrease of $ 32. 4 million compared to 2020. The decrease was primarily due to a greater use of cash for working capital during 2021. Specifically, higher accounts receivable and inventories primarily attributable to increased customer demand in 2021 were partially offset by increases in accounts payable and accrued expenses that contributed positively to the change in working capital. Lower variable compensation payouts in 2021 (related to 2020 performance) had a positive impact on cash provided by operating activities, partially offsetting the decrease from changes in working capital. • Cash used in investing activities was $ 28. 1 million for 2021, which represents a decrease of $ 33. 6 million from 2020. The decrease was primarily due to lower capital expenditures compared to 2020 as two major capital projects were substantially completed in the prior year. • Cash used in financing activities was $ 60. 9 million for 2021, which represents an increase of $ 18. 1 million compared to 2020. In 2021, we repaid approximately $ 60 million in term loan borrowings which contributed to the increase in cash used in financing activities (compared with 2020, when repayments on term loan borrowings were largely funded with the proceeds from the issuance of the $ 300 million Senior Notes). ~~We ended 2020 with $ 103. 1 million in cash, an increase of $ 21. 8 million during the year. The increase was primarily due to the following: • Cash provided by operating activities was $ 119. 1 million for 2020, which represents a decrease of $ 22. 7 million compared to 2019. The decrease was primarily due to lower net income due to the impacts of COVID- 19, offset by working capital sources of cash, specifically a decrease in accounts receivable of $ 40. 1 million, lower inventories of $ 38. 7 million and lower prepaid and other expenses of $ 13. 0 million. These sources of cash were offset by a $ 60. 9 million use of cash in accounts payable and accrued expenses to fund normal operations. • Cash used in investing activities was $ 61. 7 million for 2020, which represents a decrease of $ 12. 5 million from 2019. The decrease was primarily due to lower capital expenditures compared to 2019 due to fewer project demands and lower capital investment as a result of the impacts of COVID- 19. • Cash used in financing activities was $ 42. 7 million for 2020, which represents a decrease of $ 24. 0 million compared to 2019. Financing activities for 2020 include higher loan borrowings of $ 320. 0 million primarily due to the issuance of $ 300 million of Senior Notes, offset by (1) higher repayments of revolving and term loan borrowings as the proceeds from the issuance of the Senior Notes were used to repay $ 290. 7 million of outstanding term and revolving loan borrowings under the Facility, and (2) a decrease in dividends paid of $ 9. 8 million.~~ Share Repurchases In the second quarter of 2022, the Company adopted a new share repurchase program in which the Company is authorized to repurchase up to $ 100 million of its outstanding shares of common stock. The program has no specific expiration date. **No shares of common stock were repurchased during 2023 pursuant to this program.** During 2022, the Company repurchased and retired an aggregate of 1, 383, 682 shares at a weighted average price of $ 12. 41 per share, or $ 17. 2 million, pursuant to this program. As of ~~January 1~~ **December 31** , 2023, approximately $ 82. 8 million remains authorized pursuant to this program for future share repurchases. The program does not require the Company to repurchase a specific number or amount of shares, or to do so within any specific time periods. Syndicated Credit Facility In the normal course of business, in addition to using our available cash, we fund our operations by borrowing under our Facility. At ~~January 1~~ **December 31** , 2023, the Facility provided the Company and certain of its subsidiaries with a multicurrency revolving loan facility up to $ 300 million, as well as other U. S. denominated and multicurrency term loans. On October 14, 2022, in connection with the fifth amendment to the Facility, the maturity date was extended to October 2027. Material terms under the Facility are discussed below. For additional information please see Note 9 entitled " Long- Term Debt " in Item 8 of this Report. Interest Rates and Fees Under the Facility, interest on base rate loans is charged at varying rates computed by applying a margin ranging from 0. 25 % to 2. 00 %, depending on the Company' s consolidated net leverage ratio (as defined in the Facility agreement) as of the most recently completed fiscal quarter. Interest on ~~Eurocurrency- based loans (or~~ SOFR- based and alternative currency loans ~~following the fifth amendment~~ **are charged at varying rates computed by applying a margin ranging from 1. 25 %** to **3. 00 % over the applicable SOFR rate or alternative currency rate, depending on the Company' s consolidated net leverage ratio as of the most recently completed fiscal quarter. In addition, the Company pays a commitment fee ranging from 0. 20 % to 0. 40 % per annum (depending on the Company' s consolidated net leverage ratio as of the most recently completed fiscal quarter) on the unused portion of** the Facility **. Fees for commercial letters of credit are computed** as ~~discussed below) and~~ **1. 00 % per annum of the amount available to be drawn under such letters of credit.** ~~fees~~ **Fees** for **standby** letters of credit are charged at varying rates computed by applying a margin ranging from 1. 25 % to 3. 00 % ~~over~~ **per annum of** the **amount available** ~~applicable Eurocurrency rate (or SOFR rate or alternative currency rate following the fifth amendment~~ to ~~the Facility as discussed below)~~ **be drawn under such standby letters of credit** , depending on the Company' s consolidated net leverage ratio as of the most recently completed fiscal quarter. ~~In addition, the Company pays a commitment fee ranging from 0. 20 % to 0. 40 % per annum (depending on the Company' s consolidated net leverage ratio as of the most recently completed fiscal quarter) on the unused portion of the Facility.~~ LIBOR Transition ~~The U. K. Financial Conduct Authority (the " FCA "), which regulates the London interbank offered rate (" LIBOR "), announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. This announcement indicated that the continuation of LIBOR on the current basis was not guaranteed after 2021, and LIBOR may be~~

~~discontinued or modified. Additionally, certain U. S. dollar LIBOR rates will be discontinued by June 2023. The Federal Reserve Bank of New York began publishing the Secured Overnight Financing Rate (" SOFR ") in April 2018 as an alternative for LIBOR. SOFR is a broad measure of the cost of borrowing cash overnight collateralized by U. S. Treasury securities. On September 29, 2022 the FCA announced its decision to stop publishing the 1- month and 6- month LIBOR rates by the end of March 2023.~~ On December 9, 2021 and October 14, 2022, we entered into the fourth and fifth amendments, respectively, to our Facility. These amendments, among other changes, replaced the LIBOR benchmark rates with specified successor benchmark rates, including SOFR benchmark interest rates applicable to all loans denominated in U. S. dollars. Covenants The Facility contains standard and customary covenants for agreements of this type, including various reporting, affirmative and negative covenants. Among other things, these covenants limit our ability to: • create or incur liens on assets; • make acquisitions of or investments in businesses (in excess of certain specified amounts); • engage in any material line of business substantially different from the Company' s current lines of business; • incur indebtedness or contingent obligations; • sell or dispose of assets (in excess of certain specified amounts); • pay dividends or repurchase our stock (in excess of certain specified amounts); • repay other indebtedness prior to maturity unless we meet certain conditions; and • enter into sale and leaseback transactions. The Facility also requires us to remain in compliance with the following financial covenants as of the end of each fiscal quarter, based on our consolidated results for the year then ended: • Consolidated Secured Net Leverage Ratio: Must be no greater than 3. 00: 1. 00. • Consolidated Interest Coverage Ratio: Must be no less than 2. 25: 1. 00. Events of Default If we breach or fail to perform any of the affirmative or negative covenants under the Facility, or if other specified events occur (such as a bankruptcy or similar event or a change of control of Interface, Inc. or certain subsidiaries, or if we breach or fail to perform any covenant or agreement contained in any instrument relating to any of our other indebtedness exceeding $ 20 million), after giving effect to any applicable notice and right to cure provisions, an event of default will exist. If an event of default exists and is continuing, the lenders' Administrative Agent may, and upon the written request of a specified percentage of the lender group shall: • declare all commitments of the lenders under the facility terminated; • declare all amounts outstanding or accrued thereunder immediately due and payable; and • exercise other rights and remedies available to them under the agreement and applicable law. Collateral Pursuant to a Second Amended and Restated Security and Pledge Agreement, the Facility is secured by substantially all of the assets of Interface, Inc. and our domestic subsidiaries (subject to exceptions for certain immaterial subsidiaries), including all of the stock of our domestic subsidiaries and up to 65 % of the stock of our first- tier material foreign subsidiaries. If an event of default occurs under the Facility, the lenders' Administrative Agent may, upon the request of a specified percentage of lenders, exercise remedies with respect to the collateral, including, in some instances, foreclosing mortgages on real estate assets, taking possession of or selling personal property assets, collecting accounts receivable, or exercising proxies to take control of the pledged stock of domestic and first- tier material foreign subsidiaries. Under the Facility, we are required to make quarterly amortization payments of the term loan borrowings. The amortization payments are due on the last day of the calendar quarter. We are in compliance with all covenants under the Facility and anticipate that we will remain in compliance with the covenants for the foreseeable future. **As** ~~In the fourth quarter~~ of **December 31,** ~~2020~~ **2023** ~~, we terminated our interest rate swaps and paid approximately $ 13 million to terminate the swap agreements. For additional information on interest rates, please see Item 7A and Note 9 entitled " Long- Term Debt " in Item 8 of this Report. On November 17, 2020~~ , the Company ~~issued~~ **had** $ 300 million ~~aggregate principal amount~~ of ~~5. 50 %~~ Senior Notes **outstanding** ~~due 2028~~ . The Senior Notes bear an interest rate at 5. 50 % per annum and mature on December 1, 2028. Interest is paid semi- annually on June 1 and December 1 of each year. **Debt issuance costs associated** ~~The Company used the net proceeds to repay $ 269. 7 million of outstanding term loan borrowings and $ 21. 0 million of outstanding revolving loan borrowings under the Facility. In connection~~ with ~~the issuance of~~ the Senior Notes **are** ~~, the Company recorded $ 5. 7 million of debt issuance costs. These debt issuance costs were~~ recorded as a reduction of long- term debt in the consolidated balance sheets and **are** ~~will be~~ amortized over the life of the outstanding debt. The Senior Notes are unsecured and are guaranteed, jointly and severally, by each of the Company' s material domestic subsidiaries, all of which also guarantee the obligations of the Company under its ~~existing~~ Facility. The Company' s foreign subsidiaries and certain non- material domestic subsidiaries are considered non- guarantors. Net sales for the non- guarantor subsidiaries were approximately $ **584 million for fiscal year 2023, $** 597 million for fiscal year 2022, **and** $ 594 million for fiscal year 2021 ~~, and $ 548 million for fiscal year 2020~~ . Total indebtedness of the non- guarantor subsidiaries was approximately $ **133 million as of December 31, 2023. Included in this $ 133 million is $ 103 million of indebtedness from the non- guarantor subsidiaries to guarantor subsidiaries, resulting from the dividend of an asset — a note receivable — by a non- guarantor subsidiary to a guarantor subsidiary. Total indebtedness of non- guarantor subsidiaries was approximately $** 43 million as of January 1, 2023 ~~, and $ 45 million~~ **. There was no indebtedness from non- guarantor subsidiaries to guarantor subsidiaries** as of January ~~2~~ **1** , ~~2022~~ **2023** . The Senior Notes can be redeemed on or after December 1, 2023, at specified redemption prices. See Note 9 entitled " Long- Term Debt " in Item 8 of this Report for additional information. Forward- Looking Statements The Company **expects decreases in the cost of raw materials and freight to** ~~continues~~ **continue into fiscal year 2024, due** to ~~be challenged by high inflation and~~ a ~~dynamic geopolitical~~ **stabilizing but still challenging supply chain** environment. We expect these impacts ~~to include significant cost increases in our raw materials globally and continued labor cost increases. The impacts may also potentially include raw material shortages, higher freight costs, shipping delays, and other disruptions. These impacts to our supply chain and manufacturing~~ will **benefit** ~~increase our costs and adversely affect~~ our gross **profit** margins **in 2024. We anticipate that a continuing slow post COVID recovery in China** , **slow market conditions in** ~~they~~ **the** ~~may inhibit~~ **rest of Asia, and significant financial pressures in the commercial office market globally will adversely impact** our **future performance** ~~ability to manufacture~~ and ~~ship product timely, and at times they may inhibit our ability to meet customer demands~~ **demand for** ~~and expectations. To mitigate these impacts, we plan to continue evaluating our cost structure and global manufacturing footprint to identify and activate opportunities to decrease costs and optimize our global cost structure. The COVID-19 pandemic and global supply chain disruptions continue to impact areas where we sell~~ our products ~~and services — most recently in China. Its impacts on our full fiscal year 2023 results and beyond are uncertain. We believe the most significant elements of uncertainty are (1) the intensity and duration of the impact on construction, renovation, and remodeling; (2) corporate, government,~~

and consumer spending levels and sentiment; (3) the ability of our sales channels, supply chain, manufacturing, and distribution partners to continue operating through disruptions; and (4) the severity of global supply chain disruptions and their effects on inflation, labor costs, raw material shortages, and other factors that disrupt our supply chain and manufacturing facilities. Any or all of these factors could negatively impact our financial position, results of operations, cash flows, and outlook. As the impact of the COVID- 19 pandemic continues to affect companies with global operations, specifically as it relates to the global supply chain, we anticipate that, at a minimum, our business and results in the first half of 2023 will continue to be affected, and the timeline and pace of recovery is uncertain . Cash flows from operations, cash and cash equivalents, and other sources of liquidity are expected to be available and sufficient to meet foreseeable cash requirements. However, the Company' s cash flows from operations can be affected by numerous factors including the uncertainty of COVID- 19 and its impact on global operations, raw material availability and cost, demand for our products, and other factors described in " Risk Factors " included in Part I, Item 1A of this Annual Report on Form 10- K. Critical Accounting Policies and Estimates The policies and estimates discussed below are considered by management to be critical to an understanding of our consolidated financial statements because their application places the most significant demands on management' s judgment, with financial reporting results relying on estimations about the effects of matters that are inherently uncertain. Specific risks for these critical accounting policies are described in the following paragraphs. For all of these policies, management cautions that future events may not develop as forecasted, and the best estimates routinely require adjustment. Impairment of Long- Lived Assets. Long- lived assets are reviewed for impairment at the asset group level whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the asset, an impairment is indicated. A loss is then recognized for the difference, if any, between the fair value of the asset (as estimated by management using its best judgment) and the carrying value of the asset. Management' s judgement **judgment** in estimating the undiscounted cash flows based on market conditions and trends, and other industry specific metrics used in determining the fair value is subject to uncertainty. If actual market value is less favorable than that estimated by management, additional write- downs may be required. Deferred Income Tax Assets and Liabilities. The carrying values of deferred income tax assets and liabilities reflect the application of our income tax accounting policies in accordance with applicable accounting standards and are based on management' s assumptions and estimates regarding future operating results and levels of taxable income, as well as management' s judgment regarding the interpretation of the provisions of applicable accounting standards. The carrying values of liabilities for income taxes currently payable are based on management' s interpretations of applicable tax laws and incorporate management' s assumptions and judgments regarding the use of tax planning strategies in various taxing jurisdictions. The use of different estimates, assumptions and judgments in connection with accounting for income taxes may result in materially different carrying values of income tax assets and liabilities and results of operations. We evaluate the recoverability of these deferred tax assets by assessing the adequacy of future expected taxable income from all sources, including reversal of taxable temporary differences, forecasted operating earnings and available tax planning strategies. These sources of income inherently rely heavily on estimates. We use our historical experience and our short- term and long- term business forecasts to provide insight. Further, our global business portfolio gives us the opportunity to employ various prudent and feasible tax planning strategies to facilitate the recoverability of future deductions. To the extent we do not consider it more likely than not that a deferred tax asset will be recovered, a valuation allowance is established. As of **December 31, 2023, and** January 1, 2023 , and January 2, 2022 , we had state net operating loss carryforwards of $ **192. 1 million and $** 162. 8 million and $ 153. 0 million, respectively. Certain of these state net operating loss carryforwards are reserved with a valuation allowance because, based on the available evidence, we believe it is more likely than not that we would not be able to utilize those deferred tax assets in the future. The remaining year- end 2022 **2023** amounts are expected to be fully recoverable within the applicable statutory expiration periods. If the actual amounts of taxable income differ from our estimates, the amount of our valuation allowance could be materially impacted. Goodwill. We review the carrying values of our goodwill annually at the beginning of the fourth quarter of each fiscal year, or more often if events or changes in circumstances indicate that the carrying value of each **a** reporting may exceed its fair value as set forth in Accounting Standards Codification 350 " Intangibles — Goodwill and Other ", as amended by Accounting Standards Update (" ASU ") 2017- 04. We test goodwill at the reporting unit level, which is an operating segment or one level below an operating segment. We utilize the present value of expected future cash flows and the guideline public company method to determine the estimated fair value of our reporting units. The present value model requires management to estimate future cash flows, the timing of these cash flows, and a discount rate based on a weighted average cost of capital. The assumptions we use to estimate future cash flows and the development of any forecasts to be used in the fair value determination are subject to inherent risk and judgement **judgment** . If we determine that the estimated fair value of the reporting unit exceeds its carrying value, goodwill of the reporting unit is not impaired. If we determine that the carrying value of the reporting unit exceeds its estimated fair value, we measure the goodwill impairment charge based on the excess of the reporting unit' s carrying value over its fair value consistent with ASU 2017- 04, " Simplifying the Test for Goodwill Impairment ", which we adopted on December 30, 2019. During the fourth quarter of 2022 **2023** , we performed our annual **quantitative** goodwill **impairment testing. We focused our testing on the Americas reporting unit since it is the only reporting unit with an allocated goodwill balance. The allocated goodwill balances for our EMEA and Asia Pacific reporting units were written off in prior years as a result of goodwill impairment charges. The Company performed limited procedures for our EMEA and Asia Pacific reporting units during the 2023 goodwill testing to facilitate a reconciliation of market capitalization. The annual** quantitative **goodwill** testing **performed in 2023 for our Americas reporting unit was consistent with our prior year methodology** . We **The Company prepared valuations for the Americas reporting unit on both a market comparable methodology and an income methodology, utilizing a combination of the present value of expected future cash flows and the guideline public company method to determine the estimated fair value of the reporting unit. In preparing the valuation, past, present and future expectations of performance were** considered factors such as , **including** but not limited to, our expectations for the short- term and long- term impacts of macroeconomic factors **conditions** , including ongoing inflation , foreign currency exchange rates , and our expected financial performance, including planned revenue and operating income of each **for the Americas** reporting unit **.**

The present value model requires management to estimate future cash flows, the timing of these cash flows, and a discount rate based on a weighted average cost of capital . The discount rate used for ~~each~~ **the Americas** reporting unit **was 11** ~~ranged from 13~~ . 5 % **in 2023 compared** to ~~14~~ **13** . ~~0~~ **5** % **in 2022** , which ~~primarily~~ fluctuated based on a ~~country~~ risk premium assigned to **estimates** ~~the geographical region~~ of ~~the reporting unit~~ **expected future performance** . ~~For fiscal~~ **There is inherent uncertainty associated with key assumptions and estimates used in our impairment testing, including the impact of macroeconomic conditions. As a result of our** ~~2022~~ **2023 annual goodwill testing** , we determined that the ~~carrying value of our EMEA reporting unit exceeded its fair value and that the associated goodwill was impaired. We recorded a goodwill impairment charge of $ 29. 4 million to write off all the goodwill allocated to our EMEA reporting unit as the excess of carrying value over fair value was higher than the recorded amount of goodwill for the reporting unit. The~~ fair value of our Americas reporting unit exceeded its carrying value by 71 % **at** ~~, and~~ the **2023 measurement date, and therefore no impairment was indicated. The goodwill balance of $ 105. 4 million at December 31, 2023, is allocated entirely to our** Americas reporting unit ~~was not impaired as of the 2022 measurement date. The Americas reporting unit had a goodwill balance of $ 102. 4 million at the end of fiscal 2022. The goodwill balance allocated to our Asia- Pacific reporting unit was previously written off in connection with the 2020 goodwill impairment, as described below~~ . We have not made any material changes to our goodwill impairment loss assessment methodology during the past three fiscal years. Currently, we do not believe there is a reasonable likelihood that there will be a material change in future assumptions or estimates we use to calculate impairment losses. However, we cannot predict or control market factors, including the impact of macroeconomic conditions and the impact of certain risks inherent to our operations, as described in Item 1A " Risk Factors " of this Annual Report. If actual results are not consistent with our assumptions and estimates, we may be exposed to additional goodwill impairment losses that could be material. During the fourth ~~quarters~~ - ~~fluctuated based on a country risk premium assigned to the geographical region of the reporting unit.For fiscal year 2022,we~~ determined that the carrying value of our EMEA reporting unit exceeded its fair value and that the associated goodwill was impaired **at the measurement date** .We recorded a goodwill impairment charge of $ 29.4 million **in 2022** to write off all the goodwill allocated to our EMEA reporting unit **,** as the excess of carrying value over fair value **exceeded** ~~was higher than~~ the recorded amount of goodwill for the **EMEA** reporting unit. ~~As of~~ **Macroeconomic factors,including inflation,foreign currency exchange rates,and** the ~~2022 measurement date,~~ **expected impact to planned revenue and operating income contributed to** the **lower estimated** fair value of our ~~Americas~~ **EMEA** reporting unit ~~exceeded its carrying~~ **.Higher discount rates also contributed to the lower fair** value **of our** ~~by 71 %,and the Americas~~ reporting ~~unit~~ **units** ~~was not impaired~~ . ~~The~~ **We** of 2021 **,** ~~and 2020~~ we performed the annual goodwill impairment test consistent with **prior years and** the methodology described above, and all reporting units that had a goodwill balance were noted to have a fair value that exceeded their carrying value ~~. In the first quarter of 2020, we performed a quantitative goodwill impairment test as there were indicators of impairment due to the impact of COVID- 19 to our operations. As a result, in the first quarter of 2020, we determined that our EMEA and Asia- Pacific reporting units were impaired and recorded goodwill impairment charges of $ 99. 2 million and $ 17. 3 million, respectively~~ . Inventories. We determine the value of inventories using the lower of cost or net realizable value. We write down inventories for the difference between the carrying value of the inventories and their net realizable value. If actual market conditions are less favorable than those projected by management, additional write- downs may be required. Management' s ~~judgement~~ - **judgment** in estimating our reserves for inventory obsolescence is based on continuous examination of our inventories to determine if there are indicators that carrying values exceed net realizable values. Experience has shown that significant indicators that could require the need for additional inventory write- downs are the age of the inventory, the length of its product life cycles, anticipated demand for our products and current economic conditions. While we believe that adequate write- downs for inventory obsolescence have been made in the consolidated financial statements, consumer tastes and preferences may continue to change, and we could experience additional inventory write- downs in the future. Our inventory reserve on **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ , was $ **34. 0 million and $** 28. 5 ~~million and $ 27. 1~~ million, respectively. To the extent that actual obsolescence of our inventory differs from our estimate by 10 %, our ~~2022~~ **2023** net income would be higher or lower by approximately $ ~~1~~ **2** . ~~3~~ **4** million, on an after- tax basis. Pension Benefits. Net pension expense recorded is based on, among other things, assumptions about the discount rate, estimated return on plan assets and salary increases. While management believes these assumptions are reasonable, changes in these and other factors and differences between actual and assumed changes in the present value of liabilities or assets of our plans above certain thresholds could cause net annual expense to increase or decrease materially from year to year. The actuarial assumptions used in our salary continuation plan and our foreign defined benefit plans reporting are reviewed periodically and compared with external benchmarks to ensure that they appropriately account for our future pension benefit obligation. The expected long- term rate of return on plan assets assumption is based on weighted average expected returns for each asset class. Expected returns reflect a combination of historical performance analysis and the forward- looking views of the financial markets, and include input from actuaries, investment service firms and investment managers. The table below represents the changes to the projected benefit obligation as a result of changes in discount rate assumptions: Foreign Defined Benefit PlansIncrease (Decrease) inProjected Benefit Obligation (in millions) 1 % increase in actuarial assumption for discount rate $ (~~22~~ **24** . 5) 1 % decrease in actuarial assumption for discount ~~rate26~~ **rate30** . ~~7~~ **4** Domestic Salary Continuation PlanIncrease (Decrease) inProjected Benefit Obligation (in millions) 1 % increase in actuarial assumption for discount rate $ (1. 9) 1 % decrease in actuarial assumption for discount rate2. 2 Allowances for Expected Credit Losses. We maintain allowances for expected credit losses resulting from the inability of customers to make required payments. Estimating the amount of future expected losses requires us to consider historical losses from our customers, as well as current market conditions and future forecasts of our customers' ability to make payments for goods and services. By its nature, such an estimate is highly subjective, and it is possible that the amount of accounts receivable that we are unable to collect may be different than the amount initially estimated. Our allowance for expected credit losses on **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ , was $ ~~4~~ **3** . 0 million and $ ~~5~~ **4** . 0 million, respectively. To the extent the actual collectability of our accounts receivable differs from our estimates by 10 %, our ~~2022~~ **2023** net income would be higher or lower by approximately $ 0. 2 million, on an after- tax basis, depending on whether the actual collectability was better or worse, respectively, than the estimated

allowance. Product Warranties. We typically provide limited warranties with respect to certain attributes of our carpet products (for example, warranties regarding excessive surface wear, edge ravel and static electricity) for periods ranging from ten to twenty years, depending on the particular carpet product and the environment in which the product is to be installed. Similar limited warranties are provided on certain attributes of our rubber and LVT products, typically for a period of 5 to 15 years. We typically warrant that any services performed will be free from defects in workmanship for a period of one year following completion. In the event of a breach of warranty, the remedy typically is limited to repair of the problem or replacement of the affected product. We record a provision related to warranty costs based on historical experience and future expectations and periodically adjust these provisions to reflect changes in actual experience. Our warranty and sales allowance reserve on **December 31, 2023 and** January 1, 2023 **, was $ 4. 3 million** and ~~January~~ **$** 2 ~~, 2022, was $ 2~~ . 1 ~~million and $ 2. 7~~ million, respectively. Actual warranty expense incurred could vary significantly from amounts that we estimate. To the extent the actual warranty expense differs from our estimates by 10 %, our ~~2022~~ **2023** net income would be higher or lower by approximately $ 0. ~~1~~ **3** million, on an after- tax basis, depending on whether the actual expense is lower or higher, respectively, than the estimated provision. Recent Accounting Pronouncements Please see Note 2 entitled " Recent Accounting Pronouncements " in Item 8 of this Report for discussion of these items. ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK Market Risk As a result of the scope of our global operations, we are exposed to an element of market risk from changes in interest rates and foreign currency exchange rates. Our results of operations and financial condition could be impacted by this risk. We manage our exposure to market risk through our regular operating and financial activities and, to the extent we deem appropriate, through the use of derivative financial instruments. ~~We have~~ **From time to time, we** ~~employed~~ -- **employ** derivative financial instruments as risk management tools and not for speculative or trading purposes. We monitor the use of derivative financial instruments through objective measurable systems, well- defined market and credit risk limits, and timely reports to senior management according to prescribed guidelines. We have established strict counter- party credit guidelines and enter into transactions only with financial institutions with a rating of investment grade or better. As a result, we consider the risk of counter- party default to be minimal. There were no active derivative instruments as of ~~January 1~~ **December 31** , 2023. Interest Rate Market Risk Exposure Changes in interest rates affect the interest paid on our variable rate debt. To mitigate the impact of fluctuations in interest rates, our management monitors interest rates and has developed and implemented a policy to maintain the percentage of fixed and variable rate debt within certain parameters, subject to approval by our Board of Directors. In **addition** ~~2017 and 2019~~ , ~~the Company~~ **from time to time, we may** ~~entered~~ -- **enter** into **derivative** ~~interest rate swap~~ transactions **, such as** ~~with regard to a portion of its term loan debt. The Company' s~~ interest rate swaps **, in order to manage exposure to** ~~were designated and qualified as cash flow hedges of forecasted interest payments. Both of the Company' s~~ interest rate ~~swaps~~ **fluctuations. There** were ~~terminated in the fourth quarter~~ **no active interest rate derivative instruments as** of **December 31,** ~~2020~~ **2023** . Foreign Currency Exchange Market Risk Exposure A significant portion of our operations consists of manufacturing and sales activities in foreign jurisdictions. We manufacture our products in the United States, Northern Ireland, the Netherlands, Germany, China, and Australia, and we sell our products in more than 100 countries. As a result, our financial results have been, and could be, significantly affected by factors such as changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which we distribute our products. Our operating results are exposed to changes in exchange rates between the U. S. dollar and many other currencies, including the Euro, British Pound sterling, Canadian dollar, Australian dollar and Chinese Renminbi. When the U. S. dollar strengthens against a foreign currency, the value of anticipated sales in those currencies decreases, and vice versa. Additionally, to the extent our foreign operations with functional currencies other than the U. S. dollar transact business in countries other than the United States, exchange rate changes between two foreign currencies could ultimately impact us. Finally, because we report in U. S. dollars on a consolidated basis, foreign currency exchange fluctuations could have a translation impact on our financial position. To mitigate the impact of fluctuations in foreign currency exchange rates, we may enter into derivative transactions from time to time, such as forward contracts and foreign currency options. There were no active foreign currency derivative instruments as of ~~January 1~~ **December 31** , 2023. During ~~2022~~ **2023** , we recognized a $ ~~38~~ **19** . ~~3~~ **2** million ~~increase~~ **decrease** in our accumulated other comprehensive loss – foreign currency translation adjustment account compared with January ~~2~~ **1** , ~~2022~~ **2023** , ~~because~~ **primarily due to the strengthening** of **the Euro against the U. S. dollar in 2023, partially offset by** the weakening of the ~~Euro, British Pound sterling,~~ Australian dollar ~~,~~ and Chinese Renminbi against the U. S. dollar ~~in 2022~~ . Sensitivity Analysis For purposes of specific risk analysis, we use sensitivity analysis to measure the impact that market risk may have on the fair values of our market- sensitive instruments. To perform sensitivity analysis, we assess the risk of loss in fair values associated with the impact of hypothetical changes in interest rates and foreign currency exchange rates on market- sensitive instruments. The market value of instruments affected by interest rate and foreign currency exchange rate risk is computed based on the present value of future cash flows as impacted by the changes in the rates attributable to the market risk being measured. The discount rates used for the present value computations were selected based on market interest and foreign currency exchange rates in effect at ~~January 1~~ **December 31** , 2023. The values that result from these computations are then compared with the market values of the financial instruments. The differences are the hypothetical gains or losses associated with each type of risk. Interest Rate Risk As discussed above, our Facility is comprised of a combination of term loan and revolving loan borrowings. The following table summarizes our market risks associated with our variable rate debt obligations under the Facility and fixed rate Senior Notes debt as of ~~January 1~~ **December 31** , 2023. For debt obligations, the table presents principal cash flows by year of maturity. Rate- Sensitive ~~Liabilities2023202420252026ThereafterTotalFair~~ **Liabilities20242025202620272028TotalFair** Value (in thousands) Long- term Debt: Variable Rate $ ~~10~~ **8** , ~~211~~ **572** $ ~~10~~ **8** , ~~211~~ **572** $ ~~10~~ **8** , ~~211~~ **572** $ ~~10~~ **95** , ~~211~~ **942** $ **—** ~~185, 488~~ $ ~~226~~ **121** , ~~332~~ **658** $ ~~226~~ **121** , ~~332~~ **658** Fixed Rate — — — — 300, 000 300, 000 ~~248~~ **281** , ~~652~~ **991** Our weighted average interest rate for our outstanding borrowings under the Facility as of **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ was **6. 61 % and** 5. 78 ~~% and 1. 91~~ %, respectively. An increase in our effective interest rate of 1 % on our variable rate debt would increase annual interest expense by approximately $ **1.** 2 ~~. 3~~ million. We will continue to review our exposure to interest rate fluctuations and evaluate whether we should continue to manage such exposures through any future interest rate swap transactions. The carrying value of the Company' s

borrowings under our Facility approximates fair value as the Facility bears variable interest rates that are similar to existing market rates. Based on a hypothetical immediate 100 basis point increase in interest rates, with all other variables held constant, the fair value of our fixed rate long- term debt would be impacted by a net decrease of $ 11. 6 million. Conversely, a 100- basis point decrease in interest rates would result in a net increase in the fair value of our fixed rate long- term debt of $ 12. 3 **2** million. Foreign Currency Exchange Rate Risk As of January 1 **December 31**, 2023, a 10 % decrease or increase in the levels of foreign currency exchange rates against the U. S. dollar, with all other variables held constant, would result in a decrease in the fair value of our short- term financial instruments (primarily cash, accounts receivable and accounts payable) of approximately $ 11 **12**. 3 **1** million or an increase in the fair value of our financial instruments of approximately $ 13 **14**. 8 million, respectively. As the impact of offsetting changes in the fair market value of our net foreign investments is not included in the sensitivity model, these results are not indicative of our actual exposure to foreign currency exchange risk. ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA INTERFACE, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS (in thousands, except per share data) FISCAL YEAR 202220212020Net **202320222021Net** sales $ 1, **261, 498 $ 1,** 297, 919 $ 1, 200, 398 $ 1, 103, 262 Cost of sales860 **sales820 , 429 860**, 186 767, 665 692, 688 Gross profit437 **profit441 , 069 437**, 733 432, 733 410, 574 Selling, general and administrative expenses324 **expenses339 , 049 324**, 190 324, 315 333, 229 Restructuring, asset impairment and **,** other **(gains) and** charges1 - **charges (2, 502) 1**, 965 3, 621 (4, 626) Goodwill and intangible asset impairment charge36 -- **charge — 36**, 180 — 121, 258 Operating income **income104 , 522** (loss) 75, 398 104, 797 (39, 287) Interest expense29 **expense31 , 787 29**, 929 29, 681 29, 244 Other expense, net3 **net9 , 081 3**, 552 2, 483 10, 889 Income (loss) before income tax expense41 **expense63 , 654 41**, 917 72, 633 (79, 420) Income tax expense **expense19 , 137** (benefit) 22, 357 17, 399 (7, 491) Net income (loss) **$ 44, 517** $ 19, 560 $ 55, 234 $ (71, 929) Earnings (loss) per share – basic $ 0. **77 $ 0.** 33 $ 0. 94 $ (1. 23) Earnings (loss) per share – diluted $ 0. **76 $ 0.** 33 $ 0. 94 $ (1. 23) Common shares outstanding – basic58, **092 58,** 865 58, 971 58, 547 Common shares outstanding – diluted58, **335 58,** 865 58, 971 58, 547 See accompanying notes to consolidated financial statements. INTERFACE, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) FISCAL YEAR 202220212020Net **202320222021Net** income (loss) **$ 44, 517** $ 19, 560 $ 55, 234 $ (71, 929) Other comprehensive income (loss), after tax: Foreign currency translation adjustment **adjustment19 , 185** (38, 334) (40, 110) 52, 808 **Reclassification from accumulated other comprehensive loss – discontinued** Cash **cash** flow hedge **hedge749** gain (loss) 1, 973 3, 468 (2, 027) Pension liability adjustment26 -- **adjustment (6, 468) 26**, 340 15, 400 (12, 588) Other comprehensive income (loss) **13, 466** (10, 021) (21, 242) 38, 193 Comprehensive income (loss) **$ 57, 983** $ 9, 539 $ 33, 992 $ (33, 736) CONSOLIDATED BALANCE SHEETS (in thousands, except par values) END OF FISCAL YEAR 20222021ASSETS **20232022ASSETS** Current assets Cash and cash equivalents $ **110, 498 $** 97, 564 $ 97, 252 Accounts receivable, net182 **net163, 386 182**, 807 171, 676 Inventories, net306 **net279, 079 306**, 327 265, 092 Prepaid expenses and other current assets30, **895 30,** 339 38, 320 Total current assets617 **assets583, 858 617**, 037 572, 340 Property, plant and equipment, net297 **net291 , 140 297**, 976 329, 801 Operating lease right- of- use assets81 **assets87 , 519 81**, 644 90, 561 Deferred tax asset17 - **asset21 , 721 17**, 767 23, 994 Goodwill **Goodwill105** and **, 448 102, 417** intangibles - **Intangible assets**, net162 **net56**, 195 223 **255 59**, 204 **778** Other assets89 **assets84 , 154 89**, 884 90, 157 Total assets $ 1, **230, 095 $ 1,** 266, 503 $ 1, 330, 057 LIABILITIES AND SHAREHOLDERS' EQUITY Current liabilities Accounts payable $ **62, 912 $** 78, 264 $ 85, 924 Accrued expenses120 **expenses130 , 890 120**, 138 146, 298 Current portion of operating lease liabilities11 **liabilities12 , 347 11**, 857 14, 588 Current portion of long- term debt10 **debt8, 572 10**, 211 15, 002 Total current liabilities220 **liabilities214 , 721 220**, 470 261, 812 Long- term debt510 **debt408, 641 510**, 003 503, 056 Operating lease liabilities72 **liabilities78 , 269 72**, 305 77, 905 Deferred income taxes38 **taxes33 , 832 38**, 662 36, 723 Other long- term liabilities63 **liabilities68 , 685 63**, 526 87, 163 Total liabilities904 **liabilities804 , 148 904**, 966 966, 659 Commitments and contingencies **(Note 18)** Shareholders' equity Preferred stock, par value $ 1. 00 per share; 5, 000 shares authorized; none issued or outstanding at **December 31, 2023 and** January 1, 2023 and January 2, 2022 — — Common stock, par value $ 0. 10 per share; 120, 000 shares authorized; 58, **112 and 58,** 106 and 59, 055 shares issued and outstanding at **December 31, 2023 and** January 1, 2023 and January 2, 2022, respectively5, 811 5, 905 **811** Additional paid- in capital244 **capital252 , 909 244**, 159 253, 110 Retained earnings278 **earnings320 , 833 278**, 639 261, 434 Accumulated other comprehensive loss – foreign currency translation (**119, 590) (** 138, 775) (100, 441) Accumulated other comprehensive loss – cash flow hedge **—** (749) (2, 722) Accumulated other comprehensive loss – pension liability (**34, 016) (** 27, 548) (53, 888) Total shareholders' equity361 **equity425, 947 361**, 537 363, 398 Total liabilities and shareholders' equity $ 1, **230, 095 $ 1,** 266, 503 $ 1, 330, 057 CONSOLIDATED STATEMENTS OF CASH FLOWS FISCAL YEAR 202220212020OPERATING ---- **202320222021OPERATING** ACTIVITIES: Net income (loss) **$ 44, 517** $ 19, 560 $ 55, 234 $ (71, 929) Adjustments to reconcile net income (loss) to cash provided by operating activities: Depreciation and amortization40, **774 40,** 337 46, 345 **Share- based** 45, 920 Stock compensation amortization expense **expense10 , 265** (benefit) 8, 527 5, 467 (502 **Gain**) **loss on disposal of property, plant and equipment, net (2, 252) 4, 319 4, 427** Loss on **foreign subsidiary liquidation6** disposal of fixed assets4, **221 — —** 319 4, 427 4, 996 Bad debt expense26 **expense53 26** (263) 3, 843 Deferred income taxes and other13 -- **other (8, 809) 13**, 414 (16, 379) (20, 794) Amortization of acquired intangible assets5, **172 5,** 038 5, 636 5, 457 Goodwill and intangible asset impairment36 - - **impairment — 36**, 180 — 121, 258 Working capital changes: Accounts receivable **receivable21 , 798** (17, 489) (36, 096) 40, 090 Inventories **Inventories31 , 040** (49, 651) (47, 074) 38, 667 Prepaid expenses and other current assets7 - **assets (302) 7**, 020 (4, 800) 12, 967 Accounts payable and accrued expenses (**6, 443) (** 24, 220) 74, 192 (60, 903) Cash provided by operating activities43 **activities142 , 034 43**, 061 86, 689 119, 070 INVESTING ACTIVITIES: Capital expenditures (**26, 107) (** 18, 437) (28, 071) (62 **Proceeds from sale of property**, 949) Other **plant and equipment6, 593** — — 1, 260 Cash used in investing activities (**19, 514) (** 18, 437) (28, 071) (61, 689) FINANCING ACTIVITIES: Revolving loan borrowing206 - **borrowing90 , 000 206**, 031 76 , 000 110, 000 Revolving loan repayments (**114, 381) (** 189, 281) (71, 500) (131, 024) Term loan repayments (**80, 927) (** 13, 191) (60, 485) (304, 425) Proceeds from issuance of Senior Notes due 2028 — — 300, 000 Repurchase of common stock **—** (17, 171) — — Dividends paid (2, **323) (2,** 355) (2, 362) (5, 565) Tax withholding payments for share- based compensation (**1, 514) (** 402) (193) (1, 511) Debt issuance costs **—** (1, 032) (36) (7, 896) Payments for debt extinguishment costs

— — (660) Proceeds from issuance of common stock — — 93 Finance lease payments (2, **419) (2,** 089) (2, 282) (1, 727) Cash used in financing activities (**111, 564) (** 19, 490) (60, 858) (42, 715) Net cash provided by (used in) operating, investing and financing activities5 **activities10 , 956 5** , 134 (2, 240) 14, 666 Effect of exchange rate changes on cash **cash1 , 978** (4, 822) (3, 561) 7, 086 CASH AND CASH EQUIVALENTS: Net increase (decrease) **12, 934** 312 (5, 801) 21, 752 Balance, beginning of year97 **, 564 97** , 252 103, 053 81, 301 Balance, end of year $ **110, 498 $** 97, 564 $ 97, 252 $ 103, 053 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Nature of Operations Interface is a global flooring company specializing in carbon neutral carpet tile and resilient flooring, including luxury vinyl tile (" LVT "), vinyl sheet, rigid core and nora ® rubber flooring. The Company manufactures modular carpet focusing on the high quality, designer- oriented sector of the market, sources resilient flooring including LVT from third parties and focuses on the same sector of the market, and provides specialized carpet replacement, installation and maintenance services. The Company also manufactures and sells resilient rubber flooring. The Company has determined that it has two operating and reportable segments – namely Americas (" AMS ") which includes the United States, Canada and Latin America geographic areas, and Europe, Africa, Asia and Australia (collectively " EAAA "). See Note 20 entitled " Segment Information " for additional information. On November 20, 2022, we discovered a cybersecurity attack, perpetrated by unauthorized third parties, affecting our IT systems **(** . Promptly, out of an abundance of caution, we shut down certain systems including shipping, inventory management and production systems and engaged forensic experts to evaluate the **"** extent of the Cyber Event **")** and its impact to our operations . We **In response to this Cyber Event, we notified law enforcement and** took steps to supplement existing security monitoring, including scanning and protective measures , and notified law enforcement **. The investigation of the Cyber Event was completed during 2023** . Principles of Consolidation The consolidated financial statements include the accounts of the Company and its subsidiaries. All of our subsidiaries are wholly- owned, and we are not a party to any joint venture, partnership or other variable interest entity that would potentially qualify for consolidation. All material intercompany accounts and transactions are eliminated. Use of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the U. S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Examples include provisions for returns, bad debts, product claims reserves, rebates, inventory obsolescence and the length of product life cycles, accruals associated with restructuring activities, income tax exposures and valuation allowances , environmental liabilities , and the carrying value of goodwill, intangible assets and property, plant and equipment. Actual results could vary from these estimates. Risks and Uncertainties Global economic challenges, including the impact **impacts** of the **Russia- Ukraine and Israel- Hamas wars, inflation, supply chain disruptions, and the slow post** COVID- 19 **recovery** pandemic, the war in **China** Ukraine, rising inflation and supply chain disruptions could cause economic uncertainty and volatility. In connection with the Cyber Event discussed above, security breaches may expose us to fines and other liabilities to the extent sensitive data stored in our IT systems, including data related to customers, suppliers or employees, are misappropriated. Any potential fine or other liability is not probable nor estimable at this time. Accordingly, pursuant to applicable accounting standards, no accrual has been recorded for any contingent liability arising out of the 2022 Cyber Event. The Company considered these impacts and subsequent general uncertainties and volatility in the global economy on the assumptions and estimates used herein, including the goodwill and intangible asset **assessments and** impairments discussed in Note 12 entitled " Goodwill and **Other** Intangible Assets. " These uncertainties could result in a future material adverse effect to the Company' s financial statements if actual results differ from these estimates. COVID- 19 Impact During fiscal year 2022, the COVID- 19 pandemic had less of an impact on our overall financial results as sales increased 8. 1 % compared to 2021. However, continuing government imposed COVID- 19 lockdowns and restrictions in parts of China adversely impacted sales in China by approximately 13 % in 2022 compared with the prior year. Ongoing global supply chain challenges and inflationary pressures resulted in higher raw material costs, higher freight costs and shipping delays during 2022, which increased our operating costs and adversely impacted our gross profit margin. During fiscal year 2020, in connection with the COVID- 19 pandemic, government grants and payroll protection programs were available globally to provide assistance to companies impacted by the pandemic. The Coronavirus Aid, Relief and Economic Security Act (" CARES Act ") enacted in the United States (see Note 17 entitled " Income Taxes " for additional information) and a payroll protection program enacted in the Netherlands (the " NOW Program ") provided benefits related to payroll costs either as reimbursements, lower payroll tax rates or deferral of payroll tax payments. The NOW Program provided eligible companies with reimbursement of labor costs as an incentive to retain employees on the payroll. During fiscal year 2020, the Company received reimbursements under the NOW Program and recognized a reduction in payroll costs of approximately $ 7. 3 million, which were recorded as a $ 6. 1 million reduction of selling, general and administrative expenses and a $ 1. 2 million reduction of cost of sales in the consolidated statements of operations. We applied a grant analogy method to recognize the reimbursements under the NOW Program as the Company believes it is probable that the benefits received will not be repaid. Revenue Recognition Revenue from contracts with customers is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, the guidance provides that an entity should apply the following steps: (1) identify the contract (s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when, or as, the entity satisfies a performance obligation. Revenue Recognized from Contracts with Customers Contracts with customers typically take the form of invoices for purchase of materials from the Company. Customer payment terms vary by region and are typically less than 60 days. The performance obligation is the delivery of these materials to the customer' s control. Revenue from the sale of modular carpet, resilient flooring, rubber flooring, and related products (TacTiles installation materials, etc.) was approximately 97 **98** % of the Company' s total revenue in 2022 **2023** and **,** approximately 98 **97** % of the Company' s total revenue in both **2022, and approximately 98 % of the Company' s total revenue in** 2021 and 2020 . The revenue from sales of these products is recognized upon shipment, or in certain cases, upon delivery to the customer. The transaction price for these sales is readily identifiable. The

remaining revenue of approximately **2 % for 2023, approximately** 3 % for 2022 **,** and approximately 2 % for ~~both~~ 2021 ~~and 2020~~ was generated from the installation of carpet and other flooring- related material. For installation projects underway, the Company recognized installation revenue over time based on a project cost input method as the customer simultaneously received and consumed the benefit of the services. The installation of the carpet and related products is a separate performance obligation from the sale of carpet. The majority of these projects are completed within five days of the start of installation. The transaction price for these sale and installation contracts is readily determinable between flooring material and installation services and **typically** is specifically identified in the contract with the customer. The Company has utilized the portfolio approach to its contracts with customers, as its contracts with customers have similar characteristics, and it is reasonable to expect that the effects from applying this approach are not materially different from applying the accounting standard to individual contracts. The Company does not have any other significant revenue streams outside of these sales of flooring material, and the sale and installation of flooring material, as described above. The Company does not record taxes collected from customers and remitted to governmental authorities within revenues. The Company records such taxes collected as a liability on our consolidated balance sheets. Performance Obligations As noted above, the Company primarily generates revenue through the sale of flooring material to end users either upon shipment or upon arrival of the product at its destination. In these instances, there typically is no other obligation to the customers other than the delivery of flooring material **,** with the exception of warranty. The Company does offer a warranty to its customers which guarantees certain on- floor performance characteristics and warrants against manufacturing defects. The warranty is not a service warranty, and there is no ability to separate the warranty obligation from the sale of the flooring or purchase ~~them~~ **it** separately. The Company' s incidence of warranty claims is extremely low, with less than 0. 5 % of revenue in claims on an annual basis for the last three fiscal years. Given the nature of the warranty as well as the financial impact, the Company has determined that there is no need to identify this warranty as a separate performance obligation, and the Company accounts for warranty on an accrual basis. For the Company' s installation business, the sales of carpet and other flooring materials and installation services are separate deliverables which under the revenue recognition requirements should be characterized as separate performance obligations. The nature of the installation projects is such that the vast majority – an amount in excess of 85 % of these installation projects – are completed in less than five days. The Company' s largest installation customers are retail, education and corporate customers, and these are on a project- by- project basis and are short- term installations. The Company has evaluated these projects at the end of each reporting period and recorded revenue in accordance with the accounting standards for projects which were underway as of the end of **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ . Costs to Obtain Contracts The Company pays sales commissions to many of its sales personnel based upon their selling activity. These are direct costs associated with obtaining the contracts and are expensed as the revenue is earned. As these commissions become payable upon shipment (or in certain cases delivery) of product, the commission is earned as the revenue is recognized. There are no other material costs the Company incurs as part of obtaining the sales contract. Shipping and Handling Shipping and handling fees billed to customers are classified in net sales in the consolidated statements of operations. Shipping and handling costs incurred are classified in cost of sales in the consolidated statements of operations. **Advertising and Promotion The Company' s advertising and promotional activities primarily consist of product samples, printed materials, digital marketing, trade shows, and customer events. Advertising and promotional costs are expensed when the advertising / promotional activity first takes place. Advertising and promotional expenses were $ 34. 6 million, $ 31. 3 million and $ 28. 4 million for the years 2023, 2022 and 2021, respectively, and were recorded in selling, general and administrative (" SG & A ") expenses in the consolidated statements of operations.** Research and Development Research and development costs are expensed as incurred and are included in ~~selling, general and administrative ("~~ SG & A ~~")~~ expenses and cost of sales in the consolidated statements of operations. Research and development expense includes costs associated with the **development of new products as well as the** improvement and enhancement of existing products. Research and development expense was $ **17. 0 million, $** 19. 1 million, **and** $ 19. 3 million ~~, and $ 18. 6 million~~ for the years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , respectively. Cash, Cash Equivalents and Short- Term Investments Highly liquid investments ~~with insignificant interest rate risk and~~ with original maturities of three months or less are classified as cash and cash equivalents. Investments with maturities greater than three months and less than one year are classified as short- term investments. Significant concentrations of credit risk may arise from the Company' s cash maintained at various banks, as from time to time cash balances may exceed the FDIC limits. The Company did not hold any significant amounts of cash equivalents and short- term investments at **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ . **Supplemental Cash Flow Information** Cash payments for interest amounted to approximately $ **28. 8 million, $** 25. 1 million, **and** $ 22. 9 million ~~, and $ 32. 0 million~~ for the years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , respectively ~~. Fiscal year 2020 includes cash payments of $ 12. 5 million to terminate the Company' s interest rate swap liabilities~~ . Income tax payments amounted to approximately $ **25. 8 million, $** 31. 4 million ~~,~~ **and** $ 23. 1 million ~~and $ 19. 3 million~~ for the years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , respectively. During the years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , the Company received income tax refunds of $ **2. 5 million, $** 12. 4 million ~~,~~ **and** $ 5. 4 ~~million and $ 7. 5~~ million, respectively. The Company maintains allowances for expected credit losses for estimated losses resulting from the inability of customers to make required payments. Estimating the amount of future expected losses requires the Company to consider historical losses from our customers, as well as current market conditions and future forecasts of our customers' ability to make payments for goods and services. By its nature, such an estimate is highly subjective, and it is possible that the amount of accounts receivable that the Company is unable to collect may be different than the amount initially estimated. Inventories are carried at the lower of cost (standards approximating the first- in, first- out method) or net realizable value. Costs included in inventories are based on invoiced costs and / or production costs, as applicable. Included in production costs are material, direct labor and allocated overhead. The Company writes down inventories for the difference between the carrying value of the inventories and their estimated net realizable value. If actual market conditions are less favorable than those projected by management, additional write- downs may be required. Management estimates its reserves for inventory obsolescence by continuously examining its inventories to determine if there are indicators that carrying values exceed net realizable values. Experience has shown that significant indicators that could require the need for additional inventory write- downs are the age of the

inventory, the length of its product life cycles, anticipated demand for the Company' s products, and current economic conditions. While management believes that adequate write- downs for inventory obsolescence have been made in the consolidated financial statements, consumer tastes and preferences may continue to change, and the Company could experience additional inventory write- downs in the future ~~. Rebates The Company has agreements to receive cash consideration from certain of its vendors, including rebates and cooperative marketing reimbursements. The amounts received from its vendors are generally presumed to be a reduction of the prices the Company pays for their products and, therefore, such amounts are reflected as either a reduction of cost of sales in the accompanying consolidated statements of operations, or, if the inventory is still on hand at the reporting date, it is reflected as a reduction of " Inventories, net " on the accompanying consolidated balance sheets. Vendor rebates are typically dependent upon reaching minimum purchase thresholds. The Company evaluates the likelihood of reaching purchase thresholds using past experience and current year forecasts. When rebates can be reasonably estimated and receipt becomes probable, the Company records a portion of the rebate as the Company makes progress towards the purchase threshold. When the Company receives direct reimbursements for costs incurred in marketing the vendor' s product or service, the amount received is recorded as an offset to SG & A expenses in the accompanying consolidated statements of operations~~. Leases The Company records a right- of- use asset and lease liability for operating and finance leases once a contract that contains a lease is executed and the Company has the right to control the use of the leased asset. The right- of- use asset is measured as the present value of the lease obligation. The discount rate used to calculate the present value of the lease liability is the Company' s incremental borrowing rate, which is based on the estimated rate for a fully collateralized borrowing that fully amortizes over a similar lease term at the commencement date and for the applicable geographical region. The Company made an accounting policy election to exclude leases with an initial term of 12 months or less from the calculation of the right- of- use asset and lease liability recorded on the consolidated balance sheets. These leases primarily represent month- to- month operating leases for ~~office~~ equipment where we were reasonably certain that we would not elect an option to extend the lease. The Company also made an accounting policy election not to separate lease and non- lease components for all asset classes and accounts for the lease payments as a single component. Property, Plant and Equipment and Long- Lived Assets Property, plant and equipment are carried at cost. Depreciation is computed using the straight- line method over the following estimated useful lives: buildings and improvements – ten to forty years; ~~and~~ **equipment,** furniture and **fixtures – three to twelve years; and computer software – three to six years. Certain manufacturing** equipment ~~—~~ **in our Weinheim manufacturing facility have estimated useful lives up to twenty- five years. Leasehold improvements are depreciated over the shorter of the asset life or lease term, generally between** three to twelve years. Interest costs for the construction / development of certain long- term assets are capitalized and amortized over the related assets' estimated useful lives. ~~The Company capitalized net interest costs on qualifying expenditures of approximately $ 0. 1 million, $ 0. 5 million, and $ 1. 9 million for the fiscal years 2022, 2021 and 2020, respectively.~~ Total depreciation expense amounted to approximately $ **35. 9 million, $** 36. 3 million, **and** $ 41. 9 million ~~, and $ 42. 4 million~~ for the years **2023,** 2022 ~~,~~ **and** 2021 **,** ~~and 2020~~ respectively. Long- lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the sum of the expected future undiscounted cash flow is less than the carrying amount of the asset, a loss is recognized for the difference between the fair value and carrying value of the asset. Repair and maintenance costs are charged to operating expense as incurred. In accordance with applicable accounting standards, the Company tests goodwill for impairment annually and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. During the fourth quarters of **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~, the Company performed the annual goodwill impairment test ~~. In addition, during the first quarter of 2020 — primarily due to anticipated impacts of the COVID- 19 pandemic — the Company determined that there were indicators of impairment, and the Company proceeded with a goodwill impairment test as of the end of the first quarter~~. The Company tests goodwill at the reporting unit level, which is an operating segment or one level below an operating segment. In performing the impairment testing, the Company prepared valuations of reporting units on both a market comparable methodology and an income methodology, and those valuations were compared with the respective carrying values of the reporting units to determine whether any goodwill impairment existed. In preparing the valuations, past, present and future expectations of performance were considered. See Note 12 entitled " Goodwill and **Other** Intangible Assets " for additional information. Trademark and ~~tradename~~ **trade name** intangible assets acquired in connection with the nora acquisition are not subject to amortization, but are tested for impairment annually and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of the intangible asset below its carrying amount. ~~In~~ **For** the ~~fourth quarter of~~ **annual tests performed in 2023,** 2022, ~~we determined that the trademark and trade name intangible assets were impaired. During the first quarter of 2020 — primarily due to anticipated impacts of the COVID- 19 pandemic — the Company determined that there were indicators of impairment, and the Company proceeded with an~~ **and 2021,** ~~impairment test as of~~ the ~~end of the first quarter. The~~ Company prepared valuations of the intangible assets using the present value of cash flows under the relief from royalty method, which were compared to the carrying value of intangible assets to determine whether any impairment existed. See Note 12 entitled " Goodwill and **Other** Intangible Assets " for additional information. The Company' s other intangible assets primarily consist of developed technology that is amortized on a straight- line basis over the estimated useful life of 7 years. The Company typically provides limited warranties with respect to certain attributes of its carpet products (for example, warranties regarding excessive surface wear, edge ravel and static electricity) for periods ranging from ten to twenty years, depending on the particular carpet product and the environment in which it is to be installed. Similar limited warranties are provided on certain attributes of its rubber and LVT products, typically for a period of 5 to 15 years. The Company typically warrants that services performed will be free from defects in workmanship for a period of one year following completion. In the event of a breach of warranty, the remedy typically is limited to repair of the problem or replacement of the affected product. The Company records a provision related to warranty costs based on historical experience and future expectations and periodically adjusts these provisions to reflect changes in actual experience. Warranty and sales allowance reserves amounted to $ **4. 3 million and $** 2. 1 million ~~and $ 2. 7 million~~ as of **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~, respectively, and are included in accrued expenses in the accompanying consolidated balance sheets. **Income**

Taxes The Company accounts for income taxes under an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company' s financial statements or tax returns. In estimating future tax consequences, the Company generally considers all expected future events other than enactments of changes in tax laws or rates. The effect on deferred tax assets and liabilities of a change in tax rates will be recognized as income or expense in the period that includes the enactment date **. The Company has elected to account for tax effects of the global intangible low- taxed income (" GILTI ") in the period when incurred, and therefore has not provided any deferred tax impacts for these provisions in its consolidated financial statements** . The Company records a valuation allowance to reduce its deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will expire before realization of the benefit or that future deductibility is not probable. The ultimate realization of the deferred tax assets depends on the ability to generate sufficient taxable income of the appropriate character in the future. This requires us to use estimates and make assumptions regarding significant future events such as the taxability of entities operating in the various taxing jurisdictions. For uncertain tax positions, the Company applies the provisions of relevant authoritative guidance, which requires application of a " more likely than not " threshold to the recognition and derecognition of tax positions. The Company' s ongoing assessments of the more likely than not outcomes of tax authority examinations and related tax positions require significant judgment and can increase or decrease the Company' s effective tax rate as well as impact operating results. For further information, see Note 17 entitled " Income Taxes. " Fair Values of Financial Instruments Fair values of cash and cash equivalents and short- term debt approximate cost due to the short period of time to maturity. Fair values of debt are based on quoted market prices or pricing models using current market rates and classified as level 2 within the fair value hierarchy. See Note 5 entitled " Fair Value of Financial Instruments " for further information. Translation of Foreign Currencies The financial position and results of operations of most of the Company' s foreign subsidiaries are measured using local currencies as the functional currency. Assets and liabilities of these subsidiaries are translated into U. S. dollars at the exchange rate in effect at each year- end. Income and expense items are translated each month at average monthly exchange rates throughout the year. The resulting translation adjustments are recorded in the foreign currency translation adjustment account. In the event of a divestiture or **substantial** liquidation of a foreign subsidiary, the related foreign currency translation results are reclassified from equity to income. Foreign exchange translation gains (losses) were $ **19. 2 million, $** (38. 3) million, **and** $ (40. 1) ~~million, and $ 52. 8~~ million for the years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , respectively. Earnings per Share Basic earnings per share is computed based on the average number of common shares outstanding, including participating securities. Diluted earnings per share reflects the **potential** increase in average common shares outstanding that would result from **share- based awards or** the assumed exercise of outstanding stock options, calculated using the treasury stock method. See Note 15 entitled " Earnings Per Share " for additional information. ~~Stock~~ **Share** - Based Compensation The Company has ~~stock~~ **share** - based employee compensation plans, which are described more fully in Note 14 entitled " Shareholders' Equity. " The ~~fair value of each stock option grant is estimated on the date of grant using the Black- Scholes option pricing model. However, there were no stock options granted in 2022, 2021 or 2020. The~~ Company recognizes expense related to its restricted stock **, restricted share unit** and performance share grants based on the grant date fair value of the shares awarded, as determined by its market price at date of grant ~~. Derivative Financial Instruments Derivatives are recognized on the balance sheet at fair value. For derivatives that meet the criteria as designated cash flow hedges, the changes in the fair value of the derivative are recognized in other comprehensive income (or other comprehensive loss) until the hedged item is recognized in earnings. Changes in the fair value of derivatives not designated as hedging instruments are recognized in earnings each period. Derivative liabilities are recorded in accrued expenses and derivative assets are recorded in other current assets in the consolidated balance sheets. Cash flows from all derivative instruments, including those not designated as hedging instruments, are classified in the same category as the cash flows from the items being hedged~~ . Net pension expense recorded is based on, among other things, assumptions about the discount rate, estimated return on plan assets and salary increases. While the Company believes these assumptions are reasonable, changes in these and other factors and differences between actual and assumed changes in the present value of liabilities or assets of the Company' s plans above certain thresholds could cause net annual expense to increase or decrease materially from year to year. The actuarial assumptions used in the Company' s salary continuation plan and foreign defined benefit plans reporting are reviewed periodically and compared with external benchmarks to ensure that they appropriately account for our future pension benefit obligation. The expected long- term rate of return on plan assets assumption is based on weighted average expected returns for each asset class. Expected returns reflect a combination of historical performance analysis and the forward- looking views of the financial markets, and include input from actuaries, investment service firms and investment managers. **Reclassifications Prior period amounts for goodwill and intangible assets, net, in the consolidated balance sheets have been reclassified to conform with the current period presentation. Additionally, prior period amounts for the major classes of assets representing property, plant and equipment, as disclosed in Note 7 entitled " Property, Plant and Equipment, " have been reclassified to conform with the current presentation. These reclassifications had no effect on total assets as previously reported.** The Company' s fiscal year is the 52 or 53 week period ending on the Sunday nearest December 31. All references herein to " ~~2022~~ **2023** , " " **2022, " and "** 2021 ~~, " and " 2020~~ , " mean the fiscal years ended **December 31, 2023,** January 1, 2023, **and** January 2, 2022, ~~and January 3, 2021,~~ respectively. Fiscal years **2023,** 2022 and 2021 ~~are both~~ **were each** comprised of 52 ~~weeks, and 2020 is comprised of 53~~ weeks. NOTE 2 – RECENT ACCOUNTING PRONOUNCEMENTS Recently Issued Accounting Pronouncements **–** ~~- Not Yet~~ Adopted In ~~June~~ **July** ~~2022~~ **2023** , the Financial Accounting Standards Board **(" FASB ")** issued Accounting Standards Update (" ASU ") **2023- 03, " Presentation of Financial Statements (Topic 205), Income Statement — Reporting Comprehensive Income (Topic 220), Distinguishing Liabilities from Equity (Topic 480), Equity (Topic 505), Compensation — Stock Compensation (Topic 718). " This ASU amends various paragraphs in the accounting codification pursuant to the issuance of Commission Staff Accounting Bulletin (" SAB ") number 120. The ASU provides clarifying guidance related to employee and non- employee share- based payment accounting, including guidance related to spring- loaded awards. ASU 2023- 03 was effective upon issuance. The adoption of this ASU did not have a material impact on the Company' s consolidated financial statements. In June 2022, the FASB issued ASU** 2022- 03, " Fair

Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions. ” This ASU clarifies that a contractual restriction on the sale of an equity security is not considered in measuring fair value. The ASU also requires certain disclosures for equity securities subject to contractual sale restrictions. The new guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2023. Early adoption ~~is~~ **was** permitted. **The Company adopted** ~~This~~ **this** ~~ASU is~~ **standard on April 2, 2023. The adoption of this standard did** not ~~expected to~~ have a material impact ~~to~~ **on** the Company’ s consolidated financial statements. **Recently Issued Accounting Pronouncements – Not Yet Adopted In December 2023, the FASB issued ASU 2023- 09, “ Income Taxes (Topic 740): Improvements to Income Tax Disclosures. ” This ASU requires public entities on an annual basis to disclose a rate reconciliation with explicit categories, as outlined in the ASU, and requires additional disclosures for reconciling items that meet certain quantitative thresholds. Other disclosures include disaggregation of income taxes paid, pre- tax income, and income tax expense. The new guidance is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact of this ASU to its income tax disclosures. In November 2023, the FASB issued ASU 2023- 07, “ Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. ” This ASU requires additional disclosures in annual and interim periods for significant segment expenses included in the measure of segment profit provided to the chief operating decision maker (“ CODM ”). Disclosure of other segment items by reportable segment as well as a description of its composition is also required. The new guidance is effective for annual periods beginning after December 15, 2023, and for interim periods beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact of this ASU to its segment disclosures.** NOTE 3 – REVENUE RECOGNITION **The Company generates** ~~Revenue~~ **revenue** from sales of modular carpet, resilient flooring, rubber flooring, and other flooring- related material **,** ~~was approximately 97 % of total revenue for 2022~~ and ~~approximately 98 % of total revenue for both 2021 and 2020. The remaining revenue was generated~~ from the installation of carpet and other flooring- related material **. A summary of these revenue streams** , ~~which was~~ - **as** ~~approximately~~ **a percentage of net sales, for fiscal years 2023, 2022 and 2021 is a follows: Fiscal Year202320222021Revenue from the sale of flooring material98 % 97 % 98 % Revenue from installation of flooring material2 %** 3 % ~~of total revenue for 2022 and approximately~~ 2 % ~~of total revenue for both 2021 and 2020.~~ Disaggregation of Revenue For fiscal years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , revenue from the Company’ s customers is broken down by geography as follows: Fiscal ~~YearGeography202220212020Americas58~~ ---- **YearGeography202320222021Americas58 . 4 % 58** . 0 % 54. 3 % ~~53~~ **Europe30** . ~~8~~ **1** % ~~Europe29~~ **29** . 2 % 31. 7 % ~~31. 8 %~~ Asia- ~~Pacific12~~ **Pacific11 . 5 % 12** . 8 % 14. 0 ~~% 14. 4~~ % Revenue from the Company’ s customers in the Americas corresponds to the AMS reportable segment, and the EAAA reportable segment includes revenue from the Europe and Asia- Pacific geographies. See Note 20 entitled “ Segment Information ” for additional information. NOTE 4 – RECEIVABLES The Company has adopted credit policies and standards intended to reduce the inherent risk associated with potential increases in its concentration of credit risk due to increasing trade receivables. Management believes that credit risks are further moderated by the diversity of its end customers and geographic sales areas. The Company performs ongoing credit evaluations of its customers’ financial condition and requires collateral as deemed necessary. The Company maintains allowances for expected credit losses resulting from the inability of customers to make required payments. If the financial condition of its customers were to deteriorate, resulting in ~~an impairment of~~ **a change in** their ability to make payments, additional allowances may be required. As of **December 31, 2023, and** January 1, 2023 ~~and January 2, 2022~~ , the allowance for expected credit losses amounted to $ ~~4~~ **3** . 0 million and $ ~~5~~ **4** . 0 million, respectively, for all accounts receivable of the Company. NOTE 5 – FAIR VALUE OF FINANCIAL INSTRUMENTS Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure estimated fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under applicable accounting standards are described below: Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Level 2 Inputs to the valuation methodology include: • quoted prices for similar assets in active markets; • quoted prices for identical or similar assets in inactive markets; • inputs other than quoted prices that are observable for the asset; and • inputs that are derived principally or corroborated by observable data by correlation or other. Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable. A financial instrument’ s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following table presents the carrying values and estimated fair values, including the level within the fair value hierarchy, of certain financial instruments: **December 31,** ~~January~~ **2023January** 1, ~~2023January 2, 2022Carrying~~ **2023Carrying** ValueFair Value (Level 1) Fair Value (Level 2) Carrying ValueFair Value (Level 1) Fair Value (Level 2) (in thousands) Assets: Company- owned life insurance $ 22, **788 $ — $ 22, 788 $ 22,** 616 $ — $ 22, 616 ~~$ 22, 378 $ — $ 22, 378~~ Deferred compensation ~~investments27~~ **investments28 , 417 9, 200 19, 217 27** , 610 11, 003 16, 607 ~~35, 578 15, 557 20, 021~~ Liabilities **(1)** : Borrowings under Syndicated Credit Facility (~~1~~ **2**) **$ 121, 658 $ — $ 121, 658** $ 226, 332 $ — $ 226, 332 ~~$ 225, 131 $ — $ 225, 131~~ 5. 50 % Senior Notes due 2028 (~~1~~ **3**) **300, 000 — 281, 991** 300, 000 — 248, 652 ~~300, 000 — 315, 039~~ (1) Carrying values **are presented gross,** ~~exclude~~ **excluding the impact of** unamortized debt issuance costs and ~~include~~ **including** amounts presented as current liabilities on the consolidated balance sheets **. (2) Unamortized debt issuance costs associated with term loan borrowings under the Syndicated Credit Facility, recorded as a reduction of long- term debt in the consolidated balance sheets, were $ 1. 0 million and $ 1. 9 million as of December 31, 2023 and January 1, 2023, respectively. (3) Unamortized debt issuance costs associated with the Senior Notes, recorded as a reduction of long- term debt in the consolidated balance sheets, were $ 3. 4 million and $ 4. 2 million as of December 31, 2023 and January 1, 2023, respectively** . Company- Owned Life Insurance The fair value of Company- owned life insurance is measured on a readily determinable cash surrender value on a recurring basis. Company- owned life insurance is recorded at fair value within other assets in the consolidated balance sheets. **Changes in the fair value of Company- owned life insurance are recognized in SG & A expenses in the consolidated statements of operations.** Deferred Compensation Investments Assets associated with the Company’ s nonqualified savings plans are held in a rabbi trust and consist of investments

in mutual funds and insurance contracts. The fair value of the mutual funds is derived from quoted prices in active markets. The fair value of the insurance contracts is based on observable inputs related to the performance measurement funds that shadow the deferral investment allocations made by participants in the nonqualified savings plans. These investments are recorded at fair value within other assets in the consolidated balance sheets **. Changes in the fair value of the investments associated with the nonqualified savings plans are recognized in SG & A expenses in the consolidated statements of operations** . See Note 19 entitled " Employee Benefit Plans " for additional information on the Company' s nonqualified savings plans. **Syndicated Credit Facility and Senior Notes** The Company' s liabilities for borrowings under the Syndicated Credit Facility (the " Facility ") and 5. 50 % Senior Notes due 2028 (the " Senior Notes ") are not recorded at fair value in the consolidated balance sheets. The carrying value of borrowings under the Facility approximates fair value as the Facility bears variable interest rates that are similar to existing market rates. The fair value of the Senior Notes is derived using quoted prices for similar instruments. Other Assets and Liabilities Due to the short maturity of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, their carrying values approximate fair value. See Note 19 entitled " Employee Benefit Plans " for additional information on defined benefit plan assets. NOTE 6 – INVENTORIES Inventories are summarized as follows: End of Fiscal Year ~~20222021~~ **20232022** (in thousands) Finished goods $ **201, 821 $** 209, 478 ~~$ 182, 896~~ Work- in- ~~process15~~ **process20 , 892 15** , 463 ~~15, 185~~ Raw ~~materials81~~ **materials56 , 366 81** , 386 ~~67, 011~~ Inventories, net $ **279, 079 $** 306, 327 ~~$ 265, 092~~ Reserves for inventory obsolescence amounted to $ **34. 0 million and $** 28. 5 million ~~and $ 27. 1 million~~ as of **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ , respectively, and have been netted against amounts presented above. NOTE 7 – PROPERTY, PLANT AND EQUIPMENT Property, plant and equipment consisted of the following: End of Fiscal Year ~~20222021~~ **20232022** (in thousands) Land $ **15, 810 $** 16, 307 ~~$ 17, 237~~ Buildings and ~~improvements169~~ **improvements162** , ~~909 176~~ **359 169** , ~~980~~ **370** Equipment ~~and~~ **,** furniture **and fixtures** (1) ~~602~~ **533** , ~~269 642~~ **418 511** , ~~390~~ **916 Computer software66, 792 66, 826 Construction- in- progress (2) 21, 577 24, 066 799, 956** 788, 485 ~~836, 607~~ Accumulated depreciation and amortization (~~2~~ **3) (508, 816**) (490, 509) ~~(506, 806)~~ Property, plant and equipment, net $ **291, 140 $** 297, 976 ~~$ 329, 801~~ (1) Includes $ ~~9~~ **11** . 9 million and $ ~~14~~ **9** . ~~8~~ **9** million of leased equipment for **2023 and** 2022 ~~and 2021~~ , respectively. (2) **Construction- in- progress costs are presented as a separate asset category. Amounts for 2022, that were previously allocated to each asset class, have been reclassified to conform to the current presentation. (3)** Includes $ 4. **7 million and $ 4.** 1 ~~million and $ 8. 3~~ million of accumulated amortization on leased equipment for **2023 and** 2022 ~~and~~ **, respectively. Assets Disposed On September 8,** 2021, ~~respectively. As~~ **the Company announced a restructuring plan that involved the closure** of ~~January 1,~~ **its manufacturing facility in Thailand and committed to a plan to sell the Thailand facility in connection with this restructuring plan. See Note 16 entitled " Restructuring and Other " for additional information. During the second quarter of** 2023 ~~and January 2~~ , ~~2022, construction- in- progress was approximately~~ **the Company completed the sale of the Thailand facility for a selling price of** $ **6** ~~24. 1 million and $ 44~~ . 6 million **and recognized a gain of $ 2. 7 million** , ~~respectively~~ **which is recorded in restructuring, asset impairment, other (gains) and charges in the consolidated statements of operations and is attributable to the EAAA reportable segment. The Company determined that the Thailand facility sale did not meet the criteria for classification as discontinued operations** . NOTE 8 – ACCRUED EXPENSES Accrued expenses are summarized as follows: End of Fiscal Year ~~20222021~~ **20232022** (in thousands) Compensation $ **87, 265 $** 80, 215 ~~$ 96, 802 Interest2~~ **Interest1 , 338 2** , 033 ~~1, 577 Restructuring456~~ --- **Restructuring — 456 Taxes18, 300 17, 092 Accrued purchases5, 141 4, 609 Warranty and sales allowances4, 302** 2, ~~354 Taxes17, 092 25, 295 Accrued purchases4, 609 5, 588 Warranty and sales allowances2,~~ 091 ~~2, 702 Other13~~ **Other14 , 544 13** , 642 ~~11, 980~~ Accrued expenses $ **130, 890 $** 120, 138 ~~$ 146, 298~~ NOTE 9 – LONG- TERM DEBT Long- term debt consisted of the following: **December 31,** ~~January~~ **2023January** 1, ~~2023January 2, 2022Outstanding~~ **2023Outstanding** PrincipalInterest Rate (1) Outstanding PrincipalInterest Rate (1) (in thousands) (in thousands) Syndicated Credit Facility: Revolving loan borrowings $ **— — % $** 24, 250 5. 29 ~~% $ 7, 500 4. 00~~ % Term loan ~~borrowings202~~ **borrowings121 , 658 6. 61 % 202** , 082 5 ~~. 84 % 217, 631 1~~ . 84 % Total borrowings under Syndicated Credit ~~Facility226~~ **Facility121 , 658 6. 61 % 226** , 332 5. 78 ~~% 225, 131 1. 91~~ % 5. 50 % Senior Notes due 2028300, 000 5. 50 % 300, 000 5. 50 % Total ~~debt526~~ **debt421, 658 526** , 332 ~~525, 131~~ Less: Unamortized debt issuance costs (**4, 445) (** 6, 118 ~~) (7, 073~~) Total debt, ~~net520~~ **net417, 213 520** , 214 ~~518, 058~~ Less: Current portion of long- term debt (**8, 572) (** 10, 211 ~~) (15, 002~~) Total long- term debt, net $ **408, 641 $** 510, 003 ~~$ 503, 056~~ (1) Represents **the weighted average rate of interest for borrowings under the Syndicated Credit Facility and** the stated rate of interest **for the 5. 50 % Senior Notes due 2028** , without the effect of debt issuance costs ~~or interest rate swaps~~ . The Company' s ~~Syndicated Credit~~ Facility ~~(the " Facility ")~~ provides to the Company U. S. denominated and multicurrency term loans and provides to the Company and certain of its subsidiaries a multicurrency revolving credit facility. At ~~January 1~~ **December 31** , 2023, the Facility provided to the Company and certain of its subsidiaries a multicurrency revolving loan facility up to $ 300. 0 million, as well as other U. S. denominated and multicurrency term loans. At ~~January 1~~ **December 31** , 2023, the Company had available borrowing capacity of $ ~~274~~ **298** . ~~1~~ **4** million under the revolving loan facility. Significant Facility Amendments On ~~July 15~~ **December 9** , ~~2020~~ **2021** , the Company entered into a ~~second~~ **fourth** amendment to its Facility. ~~This~~ **The fourth** amendment **provided for** , among other changes, ~~a fourth amendment to its Facility.The fourth amendment provided for,among other changes,~~ the following amendments to the Facility,which became effective on December 16,2021:• amendments to replace the LIBOR interest rate benchmark applicable to loans and other extensions of credit under the Facility denominated in British Pounds sterling and Euros with specified successor benchmark rates;• the amendment of certain provisions related to the implementation,use and administration of successor benchmark rates and to set forth certain borrowing requirements;and **• amendments to provide for the case where any interest rate benchmark in the future ceases to be available.** On October 14,2022,the Company entered into a fifth amendment to its Facility.The fifth amendment ~~provided for,~~ provided for **, among other changes,** the following **amendments to the Facility** : ~~(~~ **• the amendment of the maturity date of the Facility to October 2027; and • amendments to replace the LIBOR benchmark interest rates applicable to all loans denominated in U. S. dollars with the SOFR benchmark interest rates. In connection with the fifth amendment, the Company recognized a loss on extinguishment of debt of $ 0.** 1 ~~) amended~~ **million within interest expense in** the consolidated **statement** ~~net leverage ratio covenant making it less restrictive for a period~~ of

operations ~~seven consecutive fiscal quarters beginning with the third quarter of fiscal year 2020 through the first quarter of fiscal year 2022 (the " Relief Period "); (2) amended the pricing grid used to determine interest rate margins on outstanding loans as well as the commitment fee on the unused portion of the Facility to include additional consolidated net leverage ratio levels with increased pricing at higher levels of leverage; (3) amended interest rate provisions to provide for an~~ **and** ~~interest rate floor of either~~ **recorded approximately $ 1.** 0 ~~. 00 % or 0. 75 %, as applicable, on certain tranches of term loans outstanding; and (4) provided temporary restrictions during the Relief Period on the Company' s ability to make acquisitions, pay dividends, repurchase shares, or enter into new credit facilities without lender consent. The Company incurred approximately $ 1. 5~~ million ~~in~~ **of** debt issuance costs ~~to execute this amendment~~. Of this amount, approximately $ ~~1.~~ 0 **. 4** million of debt issuance costs associated with term loan borrowings was recorded as a reduction of long- term debt, and approximately $ 0. ~~5~~ **7** million of debt issuance costs associated with revolving loan borrowings was recorded in other assets in the consolidated balance ~~sheet~~ **sheets** . These costs will be amortized over...... other assets in the consolidated balance sheet . Interest on base rate loans is charged at varying rates computed by applying a margin ranging from 0. 25 % to 2. 00 %, depending on the Company' s consolidated net leverage ratio as of the most recently completed fiscal quarter. Interest on ~~Eurocurrency- based loans (or~~ SOFR- based and alternative currency loans ~~following the fifth amendment to the Facility) and fees for letters of credit~~ are charged at varying rates computed by applying a margin ranging from 1. 25 % to 3. 00 % over the applicable ~~Eurocurrency rate (or~~ SOFR rate or alternative currency rate ~~following the fifth amendment to the Facility)~~, depending on the Company' s consolidated net leverage ratio as of the most recently completed fiscal quarter. In addition, the Company pays a commitment fee ranging from 0. 20 % to 0. 40 % per annum (depending on the Company' s consolidated net leverage ratio as of the most recently completed fiscal quarter) on the unused portion of the Facility. The Facility contains standard and customary covenants for agreements of this type, including various reporting, affirmative and negative covenants. Among other things, these covenants limit the Company' s and its subsidiaries' ability to: • pay dividends or repurchase the Company' s stock (in excess of certain specified amounts); • repay other indebtedness prior to maturity unless the Company meets certain conditions; and The Facility also requires the Company to remain in compliance with the following financial covenants as of the end of each fiscal quarter, based on the Company' s consolidated results for the year then ended: If the Company breaches or fails to perform any of the affirmative or negative covenants under the Facility, or if other specified events occur (such as a bankruptcy or similar event or a change of control of Interface, Inc. or certain subsidiaries, or if the Company breaches or fails to perform any covenant or agreement contained in any instrument relating to any of the Company' s other indebtedness exceeding $ 20 million), after giving effect to any applicable notice and right to cure provisions, an event of default will exist. If an event of default exists and is continuing, the lenders' Administrative Agent may, and upon the written request of a specified percentage of the lender group shall: Pursuant to a Second Amended and Restated Security and Pledge Agreement, the Facility is secured by substantially all of the assets of the Company and its domestic subsidiaries (subject to exceptions for certain immaterial subsidiaries), including all of the stock of the Company' s domestic subsidiaries and up to 65 % of the stock of its first- tier material foreign subsidiaries. If an event of default occurs under the Facility, the lenders' Administrative Agent may, upon the request of a specified percentage of lenders, exercise remedies with respect to the collateral, including, in some instances, foreclosing mortgages on real estate assets, taking possession of or selling personal property assets, collecting accounts receivable, or exercising proxies to take control of the pledged stock of domestic and first- tier material foreign subsidiaries. As of both **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~, the Company had $ 1. 6 million in letters of credit outstanding under the Facility. Under the Facility, the Company is required to make quarterly amortization payments of the term loan borrowings. The amortization payments are due on the last day of the calendar quarter. The Company is in compliance with all covenants under the Facility and anticipates that it will remain in compliance with the covenants for the foreseeable future. ~~On November 17~~ **As of December 31** , ~~2020~~ **2023** , the Company ~~issued~~ **had** $ 300. 0 million ~~aggregate principal amount~~ of ~~5. 50 %~~ Senior Notes **outstanding** ~~due December 2028 (the " Senior Notes ")~~. The Senior Notes bear an interest rate at 5. 50 % per annum and mature on December 1, 2028. Interest is paid semi- annually on June 1 and December 1 of each year. ~~The Company used the net proceeds to repay approximately $ 269. 7 million of outstanding term loan borrowings and approximately $ 21. 0 million of outstanding revolving loan borrowings under its existing Facility. In connection with the issuance of the Senior Notes, the Company recorded approximately $ 5. 7 million of debt issuance costs. These costs were recorded as a reduction of long- term debt in the consolidated balance sheet and will be amortized over the life of the outstanding debt.~~ Redemption On or after December 1, 2023, the Company may redeem the Senior Notes, in whole or in part, at any time at the redemption prices listed below, plus accrued and unpaid interest, if any, to (but excluding) the redemption date, if redeemed during the 12- month period commencing on December 1 of the years set forth below: PeriodRedemption Price2023102. 750 % 2024101. 375 % 2025 and thereafter100. 000 % In addition, the Company ~~may~~ **had the option to** redeem up to 35 % of the aggregate principal amount of the Senior Notes before December 1, 2023 with the proceeds of certain equity offerings at a redemption price of 105. 50 %, plus accrued and unpaid interest, if any, to (but excluding) the redemption date. The Company ~~may~~ also **had the option to** redeem all or a part of the Senior Notes before December 1, 2023 **,** at a price equal to 100 % of the principal amount plus accrued and unpaid interest, if any, to (but excluding) the redemption date, plus a make- whole premium **. The Company did not elect to redeem the Senior Notes, in whole or in part, before December 1, 2023** . If the Company experiences a change of control, the Company will be required to offer to purchase the Senior Notes at 101 % of their principal amount, plus accrued and unpaid interest to (but excluding) the date of repurchase. The indenture governing the Senior Notes contains standard and customary covenants for agreements of this type, including various reporting, affirmative and negative covenants. Among other things, these covenants limit the Company' s and its subsidiaries' ability to: • incur additional indebtedness; • declare or pay dividends, redeem stock or make other distributions to shareholders; • make investments; • create liens on their assets or use their assets as security in other transactions; • enter into mergers, consolidations or sales, transfers, leases or other dispositions of all or substantially all of the Company' s assets; • enter into certain transactions with affiliates; and • sell or transfer certain assets. The Company is in compliance with all covenants under the indenture governing the Senior Notes and anticipates that it will remain in compliance with the covenants for the foreseeable future. If the Company breaches or fails to perform any of the affirmative or negative covenants under the indenture governing the

Senior Notes, or if other specified events occur (such as a bankruptcy or similar event), after giving effect to any applicable notice and right to cure provisions, an event of default will exist. If an event of default exists and is continuing, the terms of the indenture permit the trustee or the holders of at least 25 % in principal amount of outstanding Senior Notes to declare the principal, premium, if any, and accrued but unpaid interest on all the Senior Notes to be due and payable. Other Lines of Credit Other than its Facility, there were no other lines of credit available to the Company as of January 1, 2023. Debt Issuance Costs Debt issuance costs associated with the Company' s Senior Notes and term loans under the Facility are reflected as a reduction of long- term debt in accordance with applicable accounting standards. These fees are amortized straight- line, which approximates the effective interest method, and over the life of the outstanding borrowing **,** the debt balance will increase by the same amount as the fees that are amortized. As of **December 31, 2023 and** January 1, 2023 and January 2, 2022 , the unamortized debt issuance costs recorded as a reduction of long- term debt were $ **4. 4 million and $** 6 . 1 million and $ 7 . 1 million, respectively. Expenses related to such costs for the years **2023,** 2022 , **and** 2021 and 2020 amounted to **$ 1. 7 million,** $ 1. 2 million, **and** $ 1. 6 million, and $ 1. 7 million, respectively. Debt issuance costs related to the issuance of revolving debt, which include underwriting, legal and other direct costs, net of accumulated amortization, were $ 1. **4 million and $ 1.** 8 million and $ 1. 6 million , as of **December 31, 2023 and** January 1, 2023 and January 2, 2022 , respectively. These amounts are included in other assets in the Company' s consolidated balance sheets. The Company amortizes these costs over the life of the related debt. Expenses related to such costs amounted to $ 0. 4 million for each of the years **2023,** 2022 , **and** 2021 and 2020 . Future Maturities The aggregate maturities of borrowings for each of the five fiscal years subsequent to 2022 **2023** are as follows: Fiscal YearAmount (in thousands) 2023 $ 10, 211 202410 -- **2024 $ 8** , 211 202510 **572 20258** , 211 202610 **572 20268** , 211 **572** 2027185 **202795** , 488 Thereafter300 **942 2028300** , 000 Total debt $ 526 **421** , 332 **658** Total long- term debt in the consolidated balance sheets includes a reduction for unamortized debt issuance costs of $ 6 **4** . 1 **4** million which are excluded from the maturities table above. NOTE 10 – DERIVATIVE INSTRUMENTS Interest Rate Risk Management From time to time, the Company enters into interest rate swap transactions to fix the variable interest rate on a portion of its term loan borrowing in order to manage a portion of its exposure to interest rate fluctuations. The Company' s objective and strategy with respect to these interest rate swaps is to protect the Company against adverse fluctuations in interest rates by reducing its exposure to variability to cash flows relating to interest payments on a portion of its outstanding debt. Cash Flow Interest Rate Swaps The Company reports the changes in fair value of derivatives designated as hedging instruments as a component of other comprehensive income (or other comprehensive loss). In the fourth quarter of 2020, the Company terminated its designated interest rate swap transactions with a total notional value of $ 250 million. Hedge accounting was also discontinued at that time. **Losses recorded** The termination resulted in a **accumulated other comprehensive** loss of $ 3. 9 million **for these terminated interest rate swaps are reclassified and** recorded in interest expense in the consolidated statements of operations in 2020 as **to the extent** it was **is** probable that a portion of the original forecasted transactions related to the portion of the hedged debt that was repaid will not occur by the end of the originally specified time period. **See** As of January 1, 2023 and January 2, 2022, the remaining accumulated other comprehensive loss associated with the terminated interest rate swaps, before tax, was $ 1. 0 million and $ 3. 8 million, respectively, and will be amortized to earnings over the remaining term of the interest rate swaps prior to termination. We expect that approximately $ 1. 0 million, before tax, related to the terminated interest rate swaps will be reclassified from accumulated other comprehensive loss as an increase to interest expense in the next 12 months. Forward Contracts The Company, from time to time, is party to currency forward contracts designed to hedge the cash flow risk of intercompany sales from the manufacturing facility in Europe to the Americas. The Company' s objective and strategy with respect to these currency forward contracts is to protect the Company against adverse fluctuations in currency rates by reducing its exposure to variability in cash flows related to receipt of payment on intercompany sales. As of January 1, 2023 and January 2, 2022, there were no active forward currency contracts. Derivative Transactions Not Designated as Hedging Instruments Our EAAA segment, from time to time, purchases foreign currency options to economically hedge inventory purchases denominated in foreign currencies other than their functional currency. The Company' s objective with respect to these foreign currency options is to protect the Company against adverse fluctuations in currency rates by reducing its exposure to variability in cash flows related to payment on inventory purchases. These options are classified as non- designated derivative instruments. Gains and losses on the changes in fair value of these foreign currency options are recognized in earnings each period. As of January 1, 2023 and January 2, 2022, the Company had no outstanding foreign currency options. The following table summarizes the impact that changes in the fair value of derivatives designated as cash flow hedges and included in the assessment of hedge effectiveness had on other comprehensive income (loss), net of tax: Fiscal Year2020 (in thousands) Interest rate swap contracts loss $ (2, 027) Gains and losses from derivatives designated as cash flow hedges reclassified from accumulated other comprehensive loss into net income (loss) are discussed in Note 21 entitled " Items Reclassified From Accumulated Other Comprehensive Loss ." **for additional information. As of December 31, 2023, all amounts related to the terminated interest rate swaps have been recognized in the consolidated statements of operations, and there was no remaining balance in accumulated other comprehensive loss associated with the terminated interest rate swaps. As of January 1, 2023, the remaining accumulated other comprehensive loss associated with the terminated interest rate swaps to be amortized to earnings over the remaining term of the interest rate swaps prior to termination, before tax, was $ 1. 0 million.** NOTE 11 – LEASES The Company has operating and finance leases for manufacturing equipment, corporate offices, showrooms, distribution facilities, design centers, as well as computer and office equipment. The Company' s leases have terms ranging from 1 to 20 years, some of which may include options to extend the lease term for up to 5 years, and certain leases may include an option to terminate the lease. Our lease accounting may include these options to extend or terminate a lease when it is reasonably certain that we will exercise that option. As of January 1 **December 31** , 2023, there were no significant leases that had not commenced. The table below represents a summary of the balances recorded in the consolidated balance sheets related to the Company' s leases as of **December 31, 2023 and** January 1, 2023 and January 2, 2022 : **December 31,** January **2023January** 1, 2023January 2, 2022Balance **2023Balance** Sheet LocationOperating LeasesFinance LeasesOperating LeasesFinance Leases (in thousands) Operating lease right- of- use assets $ **87, 519 $** 81, 644 $ 90, 561 Current portion of operating lease liabilities $ **12, 347 $** 11, 857 $ 14, 588 Operating lease liabilities72 **liabilities78 , 269 72** , 305 77, 905

Total operating lease liabilities $ **90, 616 $** 84, 162 ~~$ 92, 493~~ Property, plant and equipment, net $ **7, 236 $** 5, 845 ~~$ 6, 547~~ Accrued expenses $ 2, **587 $ 2,** 101 ~~$ 1, 837~~ Other long- term ~~liabilities4~~ **liabilities5 , 035 4** , 138 ~~3, 201~~ Total finance lease liabilities $ **7, 622 $** 6, 239 ~~$ 5, 038~~ Lease Costs Fiscal ~~Year202220212020~~ ---- **Year20232022021** (in thousands) Finance lease cost: Amortization of right- of- use assets $ 2, **808 $ 2,** 238 $ 2, 653 ~~$ 1, 251~~ Interest on lease ~~liabilities164~~ **liabilities319 164** 140 ~~86~~ Operating lease cost18, **850 18,** 916 21, 581 ~~25, 213~~ Short- term lease ~~cost849~~ **cost1, 143 849** 977 ~~525~~ Variable lease cost2, **509 2,** 692 2, 831 ~~3, 970~~ Total lease cost $ **25, 629 $** 24, 859 $ 28, 182 ~~$ 31, 045~~ Other Supplemental Information Fiscal ~~Year202220212020~~ ---- **Year20232022021** (in thousands) Cash paid for amounts included in the measurement of lease liabilities: Operating cash flows from finance leases $ **237 $** 128 $ 108 ~~$ 86~~ Operating cash flows from operating ~~leases18~~ **leases15 , 552 18** , 080 22, 210 ~~22, 206~~ Financing cash flows from finance leases2, **419 2,** 089 2, 282 ~~1, 727~~ Right- of- use assets obtained in exchange for new finance lease liabilities3, **612 3,** 436 3, 259 ~~2, 546~~ Right- of- use assets obtained in exchange for new operating lease ~~liabilities9~~ **liabilities15 , 561 9** , 307 13, 330 ~~2, 504~~ Lease Term and Discount Rate The table below presents the weighted average remaining lease terms and discount rates for finance and operating leases as of **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ : End of Fiscal Year ~~20222021Weighted~~ ---- **20232022Weighted** - average remaining lease term – finance leases (in years) 3. ~~823~~ **703** . ~~20Weighted~~ - **82Weighted** - average remaining lease term – operating leases (in years) ~~9~~ **8** . 299. ~~97Weighted~~ - **29Weighted** - average discount rate – finance ~~leases3~~ **leases5 . 51 % 3** . 79 ~~% 2. 82~~ % Weighted- average discount rate – operating ~~leases5~~ **leases6** . ~~89~~ **25** % 5. ~~87~~ **89** % Maturity Analysis A maturity analysis of lease payments under non- cancellable leases is presented as follows: Fiscal YearOperating LeasesFinance Leases (in thousands) ~~2023~~ **2024** $ ~~14~~ **16** , ~~572~~ **955** $ 2, ~~266 202413~~ **921 202516** , ~~851~~ **287 2, 111 202616, 196** 1, ~~890 202511~~ **545 202713** , ~~998~~ **417** 1, ~~124 202612~~ **105 202810** , **930 570** ~~197 610 20279, 926 412 Thereafter49~~ **Thereafter43** , ~~249 472~~ **725 244** Total future minimum lease payments (undiscounted) ~~111~~ **117** , ~~793 6~~ **510 8** , ~~774~~ **496** Less: Present value discount (~~27~~ **26** , ~~631~~ **894**) (~~535~~ **874**) Total lease ~~liability~~ **liabilities** $ ~~84~~ **90** , ~~162~~ **616** $ ~~6~~ **7** , ~~239~~ **622** NOTE 12 – GOODWILL AND **OTHER** INTANGIBLE ASSETS **The** ~~In 2021, the~~ Company ~~determined that it~~ has two operating and reportable segments – namely AMS and EAAA. See Note 20 entitled " Segment Information " for additional information. The Company tests goodwill for impairment at least annually at the reporting unit level. The Company' s reporting units ~~remain unchanged following the realignment of its operating segments and~~ consist of (1) the Americas, (2) Europe, Middle East and Africa (" EMEA "), and (3) Asia- Pacific. The Americas reporting unit is the same as the AMS reportable segment, and the EMEA and Asia- Pacific reporting units are one level below the EAAA reportable segment. During the fourth quarter of ~~2022~~ **2023** , we performed our annual **quantitative** goodwill impairment testing **. We focused our testing on the Americas reporting unit since it is the only reporting unit with an allocated goodwill balance. The allocated goodwill balances for our EMEA and Asia- Pacific reporting units were written off in prior years as a result of goodwill impairment charges. The Company performed limited procedures for our EMEA and Asia- Pacific reporting units during the 2023 goodwill testing to facilitate a reconciliation of market capitalization. The annual quantitative goodwill impairment testing performed in 2023 for our Americas reporting unit was consistent with our prior year methodology** . The Company prepared valuations ~~of~~ **for the Americas** reporting ~~units~~ - **unit** on both a market comparable methodology and an income methodology, utilizing a combination of the present value of expected future cash flows and the guideline public company method to determine the estimated fair value of ~~our reporting units. We test goodwill at~~ the reporting unit ~~level, which is an operating segment or one level below an operating segment~~ . In preparing the ~~valuations~~ - **valuation** , past, present and future expectations of performance were considered, including our expectations for the short- term and long- term impacts of macroeconomic conditions, including inflation, ~~foreign currency exchange rates~~ and our expected financial performance, including planned revenue and operating income ~~of each~~ **for the Americas** reporting unit. The present value model requires management to estimate future cash flows, the timing of these cash flows, and a discount rate based on a weighted average cost of capital. The discount rate used for ~~each~~ **the Americas** reporting unit **was 11** ~~ranged from 13~~ . 5 % **in 2023 compared** to ~~14~~ **13** . ~~0~~ **5** % **in 2022** , which ~~primarily~~ fluctuated based on a ~~country~~ risk premium assigned to **estimates** ~~the geographical region~~ of ~~the reporting unit~~ **expected future performance** . There is inherent uncertainty associated with key assumptions and estimates used in our impairment testing, including the impact of macroeconomic conditions. As a result of our ~~2022~~ **2023** annual goodwill **impairment** testing, we determined that the carrying value of our...... value of our reporting units. We determined that the fair value of our Americas reporting unit exceeded its carrying value by 71 % at the ~~2022~~ **2023** measurement date, and therefore no impairment was indicated. The determined that the carrying value of our EMEA reporting unit exceeded its fair value and that the associated goodwill was impaired at the measurement date.We recorded a goodwill impairment charge of $ 29.4 million in 2022 to write off all the goodwill allocated to our EMEA reporting unit,as the excess of carrying value over fair value exceeded the recorded amount of goodwill for the EMEA reporting unit.Macroeconomic factors,including inflation,foreign currency exchange rates,and the expected impact to planned revenue and operating income contributed to the lower estimated fair value of our EMEA reporting unit.Higher discount rates also contributed to the lower fair value of our reporting units.We remaining goodwill balance of $ 102. 4 million at January 1, 2023 ~~is~~ **, was** allocated to our Americas reporting unit. The goodwill balance allocated to our Asia- Pacific reporting unit was previously written off in connection with the 2020 goodwill impairment ~~, as discussed below. During the fourth quarters of 2021 and 2020, the Company performed the annual goodwill impairment test, consistent with the methodology discussed above. The Company performed this test at the reporting unit level, which is an operating segment or one level below the operating segment level. In performing the impairment testing, the Company prepared valuations of reporting units on both a market comparable methodology and an income methodology, and those valuations were compared with the respective carrying values of the reporting units to determine whether any goodwill impairment existed. In preparing the valuations, past, present and future expectations of performance were considered, including the ongoing impact of the COVID- 19 pandemic in 2021 and 2020. Each of the Company' s reporting units maintained fair values in excess of their respective carrying values as of the measurement dates, and therefore no impairment was indicated as a result of the annual impairment testing in the fourth quarters of 2021 and 2020. During the first quarter of 2020, we performed a qualitative assessment of goodwill impairment indicators, considering macroeconomic conditions related to the COVID- 19 pandemic and its potential impact to net sales and operating income. We expected that the duration of the COVID- 19~~

pandemic and its adverse impacts on the global economy, global travel restrictions, COVID- 19 related government shutdowns, disruptions to our supply chain, distribution disruption, and disruption to our customers' plans to spend capital on projects that use our products and services would result in lower revenue and operating income. As a result, we determined that there were indicators of impairment, and the Company proceeded with a quantitative assessment of goodwill for all reporting units at the end of the first quarter. In performing the quantitative goodwill impairment testing in the first quarter of 2020, the Company prepared valuations of reporting units on both a market comparable methodology and an income methodology, and those valuations were compared with the respective carrying values of the reporting units to determine whether any goodwill impairment existed. Our reporting units were one level below our operating segment level. In preparing the valuations, past, present and future expectations of performance were considered, including the impact of the COVID- 19 pandemic. This methodology was consistent with the approach used to perform the annual quantitative goodwill assessment in prior years. The weighted average cost of capital used in the goodwill impairment testing ranged between 10. 0 % and 10. 5 %, which primarily fluctuated based on a country risk premium assigned to the geographical region of the reporting unit. There is inherent uncertainty associated with key assumptions used in our impairment testing including the duration of the economic downturn associated with the COVID- 19 pandemic and the recovery period. As a result of the 2020 first quarter assessment, we determined that the fair value for two reporting units was less than the carrying value and recognized a goodwill impairment loss of $ 116. 5 million in the first quarter of 2020. The expected decline in revenue due to the impact of COVID- 19 contributed to the lower fair value of our EMEA and Asia- Pacific reporting units. As such, the goodwill impairment loss was allocated to our EMEA and Asia- Pacific reporting units in the amounts of $ 99. 2 million and $ 17. 3 million, respectively. We determined that the goodwill in our Americas reporting unit was not impaired as the fair value exceeded the carrying value by more than 90 % at April 5, 2020 . The ending balances and the changes in the carrying amounts of goodwill allocated to each reportable segment for the years ended **December 31, 2023 and** January 1, 2023 and January 2, 2022 are as follows **(1)** : AMSEAAATotal (in thousands) Goodwill balance, at January 3 **2** , 2021 **2022** $ 122 **108** , 344 **505** $ 43 **38** , 433 **520** $ 165 **147** , 777 **025 Impairment — (29, 384) (29, 384)** Foreign currency translation (1 **2**) (**6, 088) (9,** 13 **136** , 839) (4 **15** , **224** 913) (18, 752) Goodwill balance, at January 2 **1** , 2022108 **2023102** , **417** 505 38, 520 147, 025 Impairment — **102** (29 , **417** 384) (29, 384) Foreign currency translation (1 **2**) **3** (6 , **031 — 3** 088) (9 , **031** 136) (15, 224) Goodwill balance, at **December 31, 2023 $ 105, 448 $ — $ 105, 448 (1) Goodwill balances are presented net of cumulative impairment losses of $ 358. 5 million as of both December 31, 2023 and** January 1, 2023 $ 102 , 417 **and** $ **329.** — $ 102, 417 (1 **million as of January 2, 2022. The cumulative impairment losses include impairment charges recognized prior to 2020 related to discontinued operations that were allocated to the current reportable segments on a proportionate basis. (2**) A portion of the goodwill balance allocated to the AMS reportable segment is comprised of goodwill denominated in foreign currency attributable to the nora acquisition. **During the fourth quarter of 2023, the Company performed its annual impairment testing of the trademark and trade name intangible assets and determined that no impairment existed at the 2023 measurement date.** In the fourth quarter of 2022, we determined that the trademark and trade name intangible assets related to the acquired nora business were impaired and recognized an impairment loss of $ 6. 3 million. The impairment loss consisted of charges of $ 3. 6 million and $ 2. 7 million attributable to the AMS and EAAA reportable segments, respectively. In the first quarter of 2020, we determined that the trademark and trade name intangible assets related to the acquired nora business were also impaired and recognized an impairment loss of $ 4. 8 million. The impairment loss consisted of charges of $ 2. 7 million and $ 2. 1 million attributable to the AMS and EAAA reportable segments, respectively. The Company' s intangible assets other than goodwill consisted of the following as of **December 31, 2023 and** January 1, 2023 and **: December 31,** January **2023January** 2, 2022 (1): January 1 , 2023January 2, 2022Gross **2023Gross** Carrying AmountAccumulated ImpairmentAccumulated AmortizationNet Carrying AmountGross Carrying Amount (2) Accumulated **AmountAccumulated** ImpairmentAccumulated Amortization **AmortizationNet** (2) Net Carrying Amount (in thousands) Intangible assets subject to amortization **(1)** : Technology $ **37, 198 $ — $ (28, 845) $ 8, 353 $** 36, 069 $ — $ (22, 854) $ 13, 215 $ 38, 330 $ — $ (18, 850) $ 19, 480 Other764 **Other734** (478) (**20) 236 764 (478) (** 17) 269 1, 458 — (818) 640 Total intangible assets subject to amortization36 **amortization37 , 932 (478) (28, 865) 8, 589 36** , 833 (478) (22, 871) 13, 484 39, 788 — (19, 668) 20, 120 Indefinite- lived intangible assets **(1)** : Trademarks and trade names57 **names58 , 747 (11, 081) — 47, 666 57** , 375 (11, 081) — 46, 294 60, 822 (4, 763) — 56, 059 Total intangible assets $ **96, 679 $ (11, 559) $ (28, 865) $ 56, 255 $** 94, 208 $ (11, 559) $ (22, 871) $ 59, 778 $ 100, 610 $ (4, 763) $ (19, 668) $ 76, 179 (1) Certain intangible asset balances are subject to changes attributable to foreign currency translation. (2) Net of a $ 3. 3 million write off for fully amortized backlog intangible assets. Amortization expense related to intangible assets during the years **2023,** 2022 , **and** 2021 and 2020 was **$ 5. 2 million,** $ 5. 0 million , **and** $ 5. 6 million and $ 5. 5 million, respectively, and is recorded in cost of sales in the consolidated statements of operations. Amortization expense related to intangible assets is expected to be approximately $ 5 million per year for fiscal years - **year** 2023 and 2024 and approximately $ 3 million for fiscal year 2025. The developed technology intangible asset **is** will be amortized over its estimated useful life, which ends in fiscal year 2025. NOTE 13 – PREFERRED STOCK The Company is authorized to designate and issue up to 5, 000, 000 shares of $ 1. 00 par value preferred stock in one or more series and to determine the rights and preferences of each series, to the extent permitted by the Articles of Incorporation, and to fix the terms of such preferred stock without any vote or action by the shareholders. The issuance of any series of preferred stock may have an adverse effect on the rights of holders of common stock and could decrease the amount of earnings and assets available for distribution to holders of common stock. In addition, any issuance of preferred stock could have the effect of delaying, deferring or preventing a change in control of the Company. As of **December 31, 2023, and** January 1, 2023 and January 2, 2022 , there were no shares of preferred stock issued. NOTE 14 – SHAREHOLDERS' EQUITY The Company is authorized to issue 120 million shares of $ 0. 10 par value Common Stock. The Company' s Common Stock is traded on the Nasdaq Global Select Market under the symbol TILE. The Company paid cash dividends totaling $ 0. 04 per share in both 2022 and 2021, and $ 0. 095 per share in 2020, to each share of Common Stock , including participating securities **in each of years 2023, 2022 and 2021** . The future declaration and payment of dividends is at the discretion of the Company' s Board, and depends upon, among other things, the Company' s investment policy and opportunities, results of operations, financial condition, cash requirements, future prospects, and other factors that may be

considered relevant at the time of the Board' s determination. Such other factors include limitations contained in the agreement for its Syndicated Credit Facility and the indenture governing its 5. 50 % Senior Notes due 2028, which specify conditions as to when any dividend payments may be made. As such, the Company may discontinue its dividend payments in the future if its Board determines that a cessation of dividend payments is ~~proper~~ **appropriate** in light of the factors indicated above. In the second quarter of 2022, the Company adopted a new share repurchase program in which the Company is authorized to repurchase up to $ 100 million of its outstanding shares of common stock. The program has no specific expiration date **. No shares of common stock were repurchased pursuant to this program during 2023** . During 2022, the Company repurchased and retired an aggregate of 1, 383, 682 shares, at a weighted average price of $ 12. 41 per share, pursuant to this program. All treasury stock is accounted for using the cost method. The following tables depict the activity in the accounts which make up shareholders' equity for fiscal years **2023,** 2022 ~~, and~~ **and** 2021 ~~and 2020~~ : SHARESCOMMON STOCKADDITIONALPAID- INCAPITALRETAINEDEARNINGSPENSIONLIABILITYFOREIGNCURRENCYTRANSLATIONADJUSTMENTCASH ~~FLOWHEDGE~~ **FLOWHEDGETOTAL** (in thousands) Balance, at January ~~2~~ **1** , ~~202259~~ **202358** , ~~055~~ **106** $ 5, ~~905~~ **811** $ ~~253~~ **244** , ~~110~~ **159** $ ~~261~~ **278** , ~~434~~ **639** $ (**27, 548) $ (138, 775) $ (749) $ 361,** ~~53~~ **537** ~~, 888) $ (100, 441) $ (2, 722)~~ Net income — — — ~~19~~ **44** , ~~560~~ **517 — — — 44, 517 Issuances of stock related to restricted share units and performance shares85 8 (8) — —** — — — Restricted stock ~~issuances501~~ **issuances107 11 749** ~~50 6, 499~~ — — — — ~~Unamortized~~ **760 Unrecognized** compensation expense related to restricted stock awards — — (**760** ~~6, 549~~) — — — — **(760)** Cash dividends declared — — — (2, ~~355~~ **323**) — — — **(2, 323)** Compensation expense related to ~~stock awards~~ **share- based plans** , net of forfeitures and shares received for tax withholdings (~~66~~ **186**) (~~6~~ **19**) 8, ~~132~~ **769** — — — — **8** ~~Share repurchases (1~~ , **750** ~~384) (138) (17, 033) — — — —~~ Pension liability adjustment — — — — ~~26~~ **(6** , ~~340~~ **468)** — — **(6, 468)** Foreign currency translation adjustment — — — — — **19, 185 — 19, 185 Reclassification out of accumulated other comprehensive loss – discontinued cash flow hedge — — — — — — 749 749 Balance, at December 31, 202358, 112 $ 5, 811 $ 252, 909 $ 320, 833 $ (34, 016) $ (119, 590) $ — $ 425, 947 SHARESCOMMON STOCKADDITIONALPAID- INCAPITALRETAINEDEARNINGSPENSIONLIABILITYFOREIGNCURRENCYTRANSLATIONADJUSTMENTCASH FLOWHEDGETOTAL (in thousands) Balance, at January 2, 202259, 055 $ 5, 905 $ 253, 110 $ 261, 434 $ (53, 888) $ (100, 441) $ (2, 722) $ 363, 398 Net income — — — 19, 560 — — — 19, 560 Restricted stock issuances501 50 6, 499 — — — — 6, 549 Unrecognized compensation expense related to restricted stock awards — — (6, 549) — — — — (6, 549) Cash dividends declared — — — (2, 355) — — — (2, 355) Compensation expense related to share- based plans, net of forfeitures and shares received for tax withholdings (66) (6) 8, 132 — — — — 8, 126 Share repurchases (1, 384) (138) (17, 033) — — — — (17, 171) Pension liability adjustment — — — — 26, 340 — — 26, 340 Foreign currency translation adjustment — — — — —** (38, 334) — **(38, 334)** Reclassification out of accumulated other comprehensive loss – discontinued cash flow hedge — — — — — — 1, 973 **1, 973** Balance, at January 1, 202358, 106 $ 5, 811 $ 244, 159 $ 278, 639 $ (27, 548) $ (138, 775) $ (749) **$ 361, 537** SHARESCOMMON STOCKADDITIONALPAID- INCAPITALRETAINEDEARNINGSPENSIONLIABILITYFOREIGNCURRENCYTRANSLATIONADJUSTMENTCASH ~~FLOWHEDGE~~ **FLOWHEDGETOTAL** (in thousands) Balance, at January 3, 202158, 664 $ 5, 865 $ 247, 920 $ 208, 562 $ (69, 288) $ (60, 331) $ (6, 190) **$ 326, 538** Net income — — — 55, 234 — — — **55, 234** Restricted stock issuances429 43 6, 066 — — — — ~~Unamortized~~ **6, 109 Unrecognized** compensation expense related to restricted stock awards — — (6, 109) — — — — **(6, 109)** Cash dividends declared — — — (2, 362) — — — **(2, 362)** Compensation expense related to ~~stock awards~~ **share- based plans** , net of forfeitures (38) (3) 5, 233 — — — — **5, 230** Pension liability adjustment — — — — 15, 400 — — **15, 400** Foreign currency translation adjustment — — — — — (40, 110) — **(40, 110)** Reclassification out of accumulated other comprehensive loss – discontinued cash flow hedge — — — — — — 3, 468 **3, 468** Balance, at January 2, 202259, 055 $ 5, 905 $ 253, 110 $ 261, 434 $ (53, 888) $ (100, 441) $ (2, 722) ~~SHARESCOMMON STOCKADDITIONALPAID- INCAPITALRETAINEDEARNINGSPENSIONLIABILITYFOREIGNCURRENCYTRANSLATIONADJUSTMENTCASH FLOW HEDGE (in thousands) Balance, at December 29, 201958, 416~~ $ ~~5~~ **363** , **398** ~~842 $ 250, 306 $ 286, 056 $ (56, 700) $ (113, 139) $ (4, 163) Net loss — — — (71, 929) — — — Issuances of stock (other than restricted stock) 239 24 195 — — — — Restricted stock issuances304 30 3, 999 — — — — Unamortized compensation expense related to restricted stock awards — — (4, 030) — — — — Cash dividends declared — — — (5, 565) — — — Compensation expense related to stock awards, net of forfeitures (295) (31) (2, 550) — — — — Pension liability adjustment — — — — (12, 588) — — Foreign currency translation adjustment — — — — — 52, 808 — Cash flow hedge unrealized loss — — — — — — (2, 027) Balance, at January 3, 202158, 664 $ 5, 865 $ 247, 920 $ 208, 562 $ (69, 288) $ (60, 331) $ (6, 190)~~ Stock Incentive ~~Plans~~ - **Plan** The Company has **a** stock incentive ~~plans~~ - **plan** under which a committee of independent directors is authorized to grant directors and key employees, including officers, restricted stock, incentive stock options, nonqualified stock options, stock appreciation rights, ~~deferred~~ **restricted** ~~shares~~ - **share** ~~,~~ **units and** performance ~~shares and performance units. In May 2015, the shareholders approved an amendment and restatement of the then- existing Omnibus Stock Incentive Plan. This amendment and restatement extended the term of the Omnibus Plan and set the number of shares authorized for issuance or transfer on or after the effective date of the amendment and restatement at 5, 161, 020 shares, except that each share issued under the 2015 plan pursuant to an award other than a stock option reduced the number of such authorized shares by 1. 33~~ shares. In May 2020, the shareholders approved the adoption of **the** ~~a new~~ 2020 Omnibus Stock Incentive Plan (" 2020 Omnibus Plan "). The aggregate number of shares of common stock that may be issued or transferred under the 2020 Omnibus Plan on or after the effective date of the plan is 3, 700, 000 ~~(and the 1. 33 multiplier discussed in the paragraph immediately above was eliminated)~~ . No award may be granted after the tenth anniversary of the effective date of the 2020 Omnibus Plan. Accounting standards require that the Company measure the cost of employee services received in exchange for an award of equity instruments based on the grant date fair market value of the award. That expense will be recognized over the period that the employee is required to provide the services – the requisite service period (usually the vesting period) – in exchange for the award. For certain restricted stock **and restricted share unit** awards with a graded vesting schedule, the Company has elected to recognize compensation expense on a straight- line basis over the requisite

service period for the entire award. ~~Stock Options Stock options are exercisable for shares of Common Stock at a price not less than 100 % of the fair market value on the date of grant. The options become exercisable either immediately upon the grant date or ratably over a time period ranging from one to five years from the date of the grant. The Company' s options expire at the end of time periods ranging from three to ten years from the date of the grant. There was no stock option compensation expense during 2022, 2021 or 2020. There were no stock options outstanding or exercisable as of January 1, 2023 or January 2, 2022.~~ Restricted Stock Awards During fiscal years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~, the Company granted restricted stock awards totaling **107, 100,** 500, 800, **and** 428, 400 ~~, and 308, 100~~ shares, respectively, of Common Stock. The weighted average grant date fair value of restricted stock awards granted during **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ was $ **7. 10, $** 13. 08, **and** $ 14. 26 ~~, and $ 13. 08~~, respectively. These awards (or a portion thereof) vest with respect to each recipient over a one to three **-** year period from the date of grant, provided the individual remains in the employment or service of the Company as of the vesting date. Additionally, certain awards (or a portion thereof) could vest earlier in the event of a change in control of the Company ~~,~~ or upon involuntary termination without cause. Compensation expense related to awards of restricted stock was $ **4. 5 million, $** 5. 3 million ~~,~~ **and** $ 3. 8 million ~~and $ 1. 3 million~~ for **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~, respectively. These grants are made primarily to executive- level personnel at the Company ~~and~~, **and** as a result, no compensation costs have been capitalized. The Company has reduced its expense for any restricted stock forfeited during the period. The expense related to awards of restricted stock is captured in SG & A expenses in the consolidated statements of operations. The following table summarizes restricted stock outstanding as of ~~January 1~~ **December 31** , 2023, as well as activity during the year: Restricted SharesWeighted Average Grant Date Fair ValueOutstanding at January ~~2~~ **1** , ~~2022683~~ **20231** , ~~800 $ 21. 06~~ **006** ~~Granted500~~ , ~~800~~ **400 $** 13. ~~08~~ **91 Granted107, 100 7. 10** Vested (**405, 100)** ~~141~~ - **14** ~~, 900) 16~~ . ~~59~~ **43** Forfeited or canceled (~~36~~ **16** , ~~300~~ **800**) ~~14~~ **13** . ~~04~~ **60** Outstanding at ~~January 1~~ **December 31** , ~~20231~~ **2023691** , **600** ~~006, 400~~ $ ~~13~~ **12** . ~~91~~ **55** As of ~~January 1~~ **December 31** , 2023, the unrecognized total compensation cost related to unvested restricted stock was $ ~~5~~ **1** . 8 million. That cost is expected to be recognized ~~by the end~~ **over a weighted- average remaining vesting period** of **0. 7 years. Restricted Share Unit Awards During fiscal year** ~~2025~~ **2023 , the Company granted awards for 596, 200 restricted share units to certain employees pursuant to the Company' s 2020 Omnibus Plan. There were no restricted share unit awards granted during 2022 or 2021. The weighted average grant date fair value of the restricted share units granted during 2023 was $ 10. 36. Each restricted share unit represents one share of the Company' s common stock to be issued to the award recipient once the vesting criteria have been satisfied. Awards of restricted share units have a graded vesting schedule over a two to three- year period from the date of grant, provided the individual remains in the employment or service of the Company as of each vesting date. Additionally, certain awards (or a portion thereof) could vest earlier in the event of a change in control of the Company, upon involuntary termination without cause, or upon retirement provided certain eligibility criteria are met. Compensation expense related to the restricted share units was $ 1. 9 million for 2023. There was no compensation expense related to restricted share unit awards during 2022 or 2021. These grants are made primarily to executive- level personnel at the Company and, as a result, no compensation costs have been capitalized. The Company has reduced its expense for any restricted share units forfeited during the period. The expense related to awards of restricted share units is captured in SG & A expenses in the consolidated statements of operations. The following table summarizes restricted share units outstanding as of December 31, 2023, as well as activity during the year: Restricted Share UnitsWeighted Average Grant Date Fair ValueOutstanding at January 1, 2023 — $ — Granted596, 200 10. 36 Vested (2, 100) 10. 80 Forfeited or canceled (10, 700) 10. 80 Outstanding at December 31, 2023583, 400 $ 10. 35 As of December 31, 2023, the unrecognized total compensation cost related to unvested restricted share units was $ 4. 1 million. That cost is expected to be recognized over a weighted- average remaining vesting period of 2. 1 years** . Performance Share Awards In each of the years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~, the Company issued awards of performance shares to certain employees. These awards vest based on the achievement of certain performance- based goals over a performance period of one to three years, subject to (among other things) the employee' s continued employment through the last date of the performance period ~~,~~ and will be settled in shares of our common stock or in cash at the Company' s election. The number of shares that may be issued in settlement of the performance shares to the award recipients may be greater (up to 200 %) or lesser than the nominal award amount depending on actual performance achieved as compared to the performance targets set forth in the awards. The expense related to these performance shares is captured in SG & A expenses in the consolidated statements of operations. The Company evaluates the probability of achieving the performance- based goals as of the end of each reporting period and adjusts compensation expense based on this assessment. The following table summarizes the performance shares outstanding as of ~~January 1~~ **December 31** , 2023, as well as the activity during the year: Performance ~~SharesWeightedAverage~~ ------- **SharesWeighted** ~~GrantDate~~ **Average Grant Date** Fair ValueOutstanding at January ~~2~~ **1** , ~~2022718~~ **2023923** , ~~100~~ **600** $ ~~14. 98 Granted366, 900~~ 13. ~~02~~ **91 Granted467, 500 10. 79** Vested (~~200~~ **82, 300**) 15. ~~36~~ **11** Forfeited or canceled (~~161~~ **193** , ~~200~~ **800**) ~~16~~ **14** . ~~62~~ **79** Outstanding at ~~January 1~~ **December 31** , ~~2023923~~ **20231** , ~~600~~ **115, 000** $ ~~13~~ **12** . ~~91~~ **36** Compensation expense ~~(benefit)~~ related to the performance shares for **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ was **$ 3. 9 million,** $ 3. 2 million ~~,~~ **and** $ 1. 7 ~~million and $ (1. 8)~~ million, respectively. The Company has reduced its expense for any performance shares forfeited during the period. Unrecognized compensation expense related to these performance shares was approximately $ ~~7~~ **5** . ~~6~~ **9** million as of ~~January 1~~ **December 31** , 2023. ~~Depending~~ **The amount and timing of future compensation expense will depend** on the performance of the Company ~~, any~~ **. The** compensation expense related to these outstanding performance shares ~~will~~ **is expected to** be recognized ~~by the end~~ **over a weighted- average remaining vesting period** of ~~2025~~ **1. 7 years** . The tax benefit recognized with respect to restricted stock **, restricted share units** and performance shares was $ 0. **9 million, $ 0.** 8 million, **and** $ 0. 7 million ~~, and $ 0. 6 million~~ in **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~, respectively. NOTE 15 – EARNINGS PER SHARE The Company ~~calculates~~ **computes** basic ~~and diluted~~ earnings ~~per common share using the two- class method. Basic earnings (loss)~~ per share (" EPS ") ~~is calculated~~ by dividing net income ~~(loss)~~ by the weighted average common shares outstanding, including participating securities outstanding, during the period as ~~depicted~~ **discussed** below. Diluted EPS reflects the potential dilution beyond shares for basic EPS that could occur if securities or other contracts to issue common stock were exercised, converted into common stock or resulted in the issuance of common stock that

would have shared in the Company' s earnings. Income attributable to non- controlling interest is included in the computation of basic and diluted earnings per share, where applicable. The Company includes all unvested stock awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid, in the number of common shares outstanding **for** in the basic and **EPS as these awards are considered participating securities. Any unvested stock awards considered non-participating securities are included in** diluted EPS calculations when the inclusion of these shares would be dilutive. Unvested share- based awards of restricted stock are paid dividends equally with all other shares of common stock. As a result, the Company includes all outstanding restricted stock awards in the calculation of basic and diluted EPS. Distributed earnings include common stock dividends and dividends earned on unvested share- based payment awards. Undistributed earnings represent earnings that were available for distribution but were not distributed. The following table shows the computation of basic and diluted EPS: Fiscal Year202220212020 ---- **Year202320222021** (in thousands, except per share data) Numerator: Net income (loss) **$ 44, 517** $ 19, 560 $ 55, 234 $ (71, 929) Less: distributed and undistributed earnings available to participating securities (**569) (** 323) (602) (42) Distributed and undistributed earnings (loss) available to common shareholders $ **43, 948 $** 19, 237 $ 54, 632 $ (71, 971) Denominator: Weighted average shares outstanding57, **349 57,** 893 58, 328 58, 110 Participating securities972 - **securities743 972** 643 437 Shares for basic EPS58, **092 58,** 865 58, 971 58, 547 **Dilutive effect of non- participating securities243 — —** Shares for diluted EPS58, **335 58,** 865 58, 971 58, 547 Basic EPS $ 0. **77 $ 0.** 33 $ 0. 94 $ (1. 23) Diluted EPS $ 0. **76 $ 0.** 33 $ 0. 94 $ (1 **For 2023, 657, 391 non- participating securities that could potentially dilute basic EPS in the future, consisting of restricted share units and performance shares, were excluded from the computation of diluted EPS as these securities would have been antidilutive for the respective period** . 23) NOTE 16 – RESTRUCTURING AND OTHER CHARGES Restructuring, asset impairment and **,** other **(gains) and** charges by reportable segment are presented as follows: Fiscal Year202220212020 ---- **Year202320222021** (in thousands) AMS $ — $ **— $** (1) $ (288) EAAA1 - **EAAA (2, 502) 1** , 965 3, 622 (4, 338) Total restructuring, asset impairment and **,** other **(gains) and** charges $ **(2, 502) $** 1, 965 $ 3, 621 $ (4, 626) A summary of the restructuring reserve balance, recorded within accrued expenses in the consolidated balance sheets, for the 2021, 2019 and 2018 restructuring plans is presented below: Workforce ReductionRetention **BonusesAsset** BonusesOther Exit CostsAsset Impairment and Other Related Charges2021 Plan2019 Plan2018 Plan2021 Plan2019 Plan2018 Plan2021 PlanTotal (in thousands) Balance, at December 29, 2019 $ — $ 8, 634 $ 1, 898 $ — $ 139 $ 774 $ — $ 11, 445 Charged to expenses — (3, 704) (223) — — (699) — (4, 626) Deductions — (3, 866) (1, 675) — (139) (75) — (5, 755) Balance, at January 3, 2021 **$** — **$** 1, 064 **$** — **$** — **$** — — — — 1, 064 Charged to expenses2, 257 (286) — — — — — 1, 650 3, 621 Deductions — (681) — — — — — — (681) Charged to other accounts — — — — — — — (1, 650) (1, 650) Balance, at January 2, 20222, 257 97 — — — — — — 2, 354 Charged to expenses1 — — 493 — — — 1, 471 1, 965 Deductions (1, 981) (97) — (314) — — — — (2, 392) Charged to other accounts — — — **(1, 471) (1, 471) Balance, at January 1, 2023277 — 179 — 456 Charged to expenses23 — (19) 174 178 Deductions (300) — (160) — (460) Charged to other accounts** — — — (**174** 1, 471) (**174** 1, 471) Balance, at January 1 **December 31** , 2023 $ 277 $ — $ — $ 179 $ — $ — $ — $ 456 Below is a discussion of the restructuring plan activities under the 2021, 2019 and 2018 restructuring plans. 2021 Restructuring Plan On September 8, 2021, the Company committed to a restructuring plan that continues **continued** to focus on efforts to improve efficiencies and decrease costs across its worldwide operations. The plan involves **involved** a reduction of approximately 188 employees and the closure of the Company' s manufacturing facility in Thailand at the end of the first quarter of 2022. Expected charges and cumulative charges incurred to date under the 2021 restructuring plan are as follows: Workforce ReductionRetention **BonusesAsset** Bonuses (2) Asset Impairment and Other Related ChargesTotal (in thousands) Estimated expected charges (1) $ 2, 300 **281** $ 500 **474** $ 3, 200 **295** $ 6, 000 **050** Cumulative charges incurred to date (1) 2, 258 493 **281 474** 3, 121 5 **295 6** , 872 **050** (1) Charges are attributable to the EAAA reportable segment. (**The Company recognized a gain of $** 2) The retention bonuses will be recognized through the first quarter of 2023 as earned over the requisite service periods . **7 million on** In addition, during 2022, in conjunction with the closure **sale** of its **the** Thailand facility **during 2023. See Note 7 entitled " Property** , the **Plant and Equipment " for additional information. The** Company **completed** recorded a write- down of inventory of $ 2. 5 million within cost of sales in the **2021** consolidated statements of operations. The restructuring plan is expected to result in cash expenditures of approximately $ 3 million to $ 4 million for payment of employee severance, employee retention bonuses and other -- **the** costs to shut down **second quarter of 2023, following the sale of** the Thailand manufacturing facility, as described above. The Company **in Note 7 entitled " Property, Plant and Equipment, " and** expects **expected** to complete the restructuring plan in the first quarter of 2023 and expects the plan to yield annualized savings of approximately $ 1. 7 million. A portion of the annualized savings was realized in the consolidated statements of operations in 2022, with the remaining portion of the annualized savings expected to be realized in 2023. 2019 Restructuring Plan On December 23, 2019, the Company committed to a restructuring plan that continues **continued** to focus on efforts to improve efficiencies and decrease costs across its worldwide operations, and more closely align its operating structure with its business strategy. The plan involved a reduction of approximately 105 employees and early termination of two office leases. As a result of this plan, the Company recorded a pre- tax restructuring charge in the fourth quarter of 2019 of approximately $ 9. 0 million (comprised of $ 1. 1 million attributable to the AMS reportable segment and $ 7. 9 million attributable to the EAAA reportable segment). The charge was comprised of severance expenses ($ 8. 8 million) and lease exit costs ($ 0. 2 million). The plan was expected to result in future cash expenditures of approximately $ 9. 0 million for the payment of employee severance and lease exit costs. In 2021 and 2020, the Company recorded reductions of $ 0. 3 million and $ 3. 7 million, respectively, of the previously recognized charges due to changes in expected cash payments for employee severance. The 2019 restructuring plan was completed as of the end of the first quarter of 2022. Cumulative charges under the 2019 restructuring plan, net of reductions of previously recognized charges, were $ 0. 8 million within the AMS reportable segment and $ 4. 2 million within the EAAA reportable segment. The Company expected the plan to yield annualized savings of approximately $ 6. 0 million. A portion of the annualized savings was realized in the consolidated statements of operations in 2020, with the remaining portion of the annualized savings realized in 2021. 2018 Restructuring Plan On December 29, 2018, the Company committed to a restructuring plan in its continuing efforts to improve efficiencies and decrease costs across its worldwide operations, and more closely align its operating structure with its business strategy. The plan involved (i) a

restructuring of its sales and administrative operations in the United Kingdom, (ii) a reduction of approximately 200 employees, primarily in the Europe and Asia- Pacific geographic regions, and (iii) the write- down of certain underutilized and impaired assets that included information technology assets and obsolete manufacturing equipment. As a result of this plan, the Company recorded a pre- tax restructuring and asset impairment charge in the fourth quarter of 2018 of approximately $ 20. 5 million (comprised of $ 7. 7 million attributable to the AMS reportable segment and $ 12. 8 million attributable to the EAAA reportable segment). The charge was comprised of severance expenses (approximately $ 10. 8 million), impairment of assets (approximately $ 8. 6 million) and other items (approximately $ 1. 1 million). The charge was expected to result in future cash expenditures of $ 12. 0 million, primarily for severance payments (approximately $ 10. 8 million). In the third quarter of 2019, the Company recorded $ 0. 7 million of restructuring charges related to additional lease exit costs in connection with the restructuring plan announced on December 29, 2018. In the fourth quarter of 2019, the Company adjusted its previously recorded severance expenses in connection with the 2018 restructuring plan and recognized a reduction in restructuring costs of $ 1. 7 million in 2019. In 2020, the Company further adjusted its previously recorded severance expenses and other exit costs and recognized a reduction in restructuring costs of $ 0. 9 million. The restructuring plan was completed as of January 3, 2021. Cumulative charges under the 2018 restructuring plan, net of reductions of previously recognized charges, were $ 6. 4 million within the AMS reportable segment and $ 12. 1 million within the EAAA reportable segment. NOTE 17 – INCOME TAXES Income (loss) before income taxes consisted of the following: Fiscal Year 202220212020 **202320222021** (in thousands) U. S. operations $ **3, 611 $** 11, 758 $ 4, 460 $ (7, 104) Foreign operations30 **operations60 , 043 30** , 159 68, 173 (72, 316) Income (loss) before income taxes $ **63, 654 $** 41, 917 $ 72, 633 $ (79, 420) Provisions for federal, foreign and state income taxes in the consolidated statements of operations consisted of the following components: Fiscal Year 202220212020 **202320222021** (in thousands) Current expense (benefit) : Federal $ **5, 523 $** 1, 624 $ 1, 987 $ (22, 976) Foreign20 **Foreign18 , 330 20** , 903 21, 372 14, 822 State1 **State2 , 167 1** , 307 1, 418 529 Current expense **expense26 , 020** (benefit) 23, 834 24, 777 **Deferred (benefit) expense: Federal (4, 810) 346 (2, 841) Foreign (1, 212) (2, 053) (3, 846) State (861) 230 (691) Deferred benefit (6, 883) (1, 477)** (7, 625) Deferred expense (benefit): Federal346 (2, 841) 1, 787 Foreign (2, 053) (3, 846) (2, 422) State230 (691) 769 Deferred expense (benefit) (1, 477) (7, 378) 134 Total income tax expense (benefit) **$ 19, 137** $ 22, 357 $ 17, 399 $ (7, 491) The Company' s effective tax rate was **30. 1 %,** 53. 3 % , **and** 24. 0 % and 9. 4 % for fiscal years **2023,** 2022 , **and** 2021 and 2020 , respectively. The following summary reconciles income taxes at the U. S. federal statutory rate of 21 % applicable for all periods presented to the Company' s actual income tax expense (benefit) : Fiscal Year 202220212020 **202320222021** (in thousands) Income taxes at U. S. federal statutory rate $ **13, 367 $** 8, 803 $ 15, 253 $ (16, 678) Increase (decrease) in taxes resulting from: State income taxes, net of federal tax effect817 --- **effect (432) 817** (87) (2, 033) Non- deductible business expenses237 -- **expenses747 237** 330 1, 792 Non- deductible employee compensation1, **681 1,** 678 1, 213 (210) Tax effects of Company- owned life insurance612 --- **insurance (587) 612** (762) (898) Tax effects of undistributed earnings from foreign subsidiaries not deemed to be indefinitely reinvested1 **reinvested779 1** , 123 1, 219 748 Foreign and U. S. tax effects attributable to foreign operations3 **operations1 , 537 3** , 528 1, 748 (11 **Expiring tax attributes3** , 991) **780 — —** Valuation allowance effect2 - **effect (879) 2** , 898 1, 349 12, 927 Research and development tax credits (**820) (** 917) (793) (780) Goodwill impairment6 - **impairment — 6** , 171 — 24, 464 Unrecognized tax benefits (**79) (** 2, 463) (2, 663) (14, 962) Other **Other43** (130) 592 130 Income tax expense (benefit) **$ 19, 137** $ 22, 357 $ 17, 399 $ (7, 491) On August 16, 2022, the Inflation Reduction Act of 2022 (" Inflation Reduction Act ") was signed into law, with tax provisions primarily focused on implementing a 15 % minimum tax on global adjusted financial statement income (" AFSI ") for corporations with average AFSI exceeding $ 1 billion over a three- year period, a 1 % excise tax on share repurchases and various climate and clean energy tax incentives. **The** While we continue to evaluate the impacts of the Inflation Reduction Act , it is not expected to have a material impact on the Company' s financial statements. On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (" CARES Act ") was signed into law in response to the COVID- 19 pandemic and provides certain tax relief to businesses. Tax provisions of the CARES Act include, among other things, the deferral of certain payroll taxes, relief for retaining employees, and certain income tax provisions for corporations. For the year ended January 3, 2021, the Company deferred $ 4. 1 million in payroll taxes under the CARES Act which was paid as of January 2, 2022. In addition, for the year ended January 3, 2021, the Company benefited from the relaxed 163 (j) limitation and the technical correction related to depreciation of leasehold improvements, both of which did not have a material impact on the Company' s effective **financial statements for the year ended December 31, 2023. On December 20, 2021, the Organization for Economic Co- operation and Development (" OECD ") published Pillar Two Model Rules defining the global minimum** tax **, which calls for the taxation of large corporations at a minimum** rate for that year. Some of **15 %. The OECD has since issued administrative guidance providing transition and safe harbor rules around** the provisions **implementation** of the CARES Act, **Pillar Two global minimum tax. Many non- U. S. tax jurisdictions have either recently enacted legislation to adopt certain components of the Pillar Two Model Rules beginning in 2024 (** including the deferral **European Union Member States) with the adoption** of certain payroll taxes and **additional components in later years or announced** the **their** relaxed 163 (j) limitation, **plans to enact legislation in future years. We** are **still closely monitoring developments** not applicable for tax years after 2020, and **evaluating** as a result the Company did not benefit from these -- **the potential impact on future periods** provisions for the years ended January 1, 2023 and January 2, 2022 . Deferred income taxes for the years ended **December 31, 2023 and** January 1, 2023 and January 2, 2022 , reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows: End of Fiscal Year 20222021 **20232022** (in thousands) Deferred tax assetsLease liability $ **25, 164 $** 23, 649 $ 25, 426 Net operating loss and interest carryforwards7 **carryforwards9 , 587 7** , 616 5, 962 Federal tax credit carryforwards10 **carryforwards7 , 876 10** , 904 10, 054 Derivative instruments295 --- **instruments — 295** 1, 126 Deferred compensation16, **517 16,** 577 19, 487 Inventory3, **041 3,** 521 3, 100 Prepaids, accruals and reserves6 **reserves8 , 147 6** , 947 8, 777 Capitalized costs7 **costs9 , 442 7** , 467 **Other** 4, 805 Pensions — **58** 6, 431 Other58 175 Deferred tax asset, gross77 **gross79 , 774 77** , 034 85, 343 Valuation allowance (**17, 357) (** 18, 236) (15, 338) Deferred tax asset, net $ **62, 417 $** 58, 798 $ 70, 005 Deferred tax

liabilitiesProperty and equipment $ **24, 662 $** 25, 319 ~~$~~ **Intangible assets24, 411** 25, ~~352 Intangible assets25,~~ 533 ~~30, 736~~ Lease ~~asset22~~ **asset23 , 868 22** , 811 ~~24, 856 Pensions4~~ **Pensions5 4** , 284 ~~—~~ Foreign ~~currency600~~ **currency686** ~~458~~ **600** Foreign withholding and U. S. state taxes on unremitted ~~earnings1~~ **earnings725 1** , 146 **Other171 —** ~~1, 332~~ Deferred tax ~~liabilities79~~ **liabilities74 , 528 79** , 693 ~~82, 734~~ Net deferred tax liabilities $ **12, 111 $** 20, 895 ~~$ 12, 729~~ Management believes, based on the Company' s history of taxable income and expectations for the future, that it is more likely than not that future taxable income will be sufficient to fully utilize the federal deferred tax assets at ~~January 1~~ **December 31** , 2023. ~~Beginning in 2018, the Company has elected to account for tax effects of the global intangible low- taxed income (" GILTI "), Foreign Derived Intangible Income (" FDII "), Internal Revenue Code Section 163 (j) interest limitation (" Interest Limitation ") and base- erosion and anti- abuse tax (" BEAT ") provisions included in the Tax Cuts and Jobs Act of 2017 (the " Tax Act ") in the period when incurred, and therefore has not provided any deferred tax impacts for these provisions in its consolidated financial statements.~~ As of ~~January 1~~ **December 31** , 2023, the Company has approximately $ ~~10~~ **7** . 9 million of foreign tax credit carryforwards with expiration dates through ~~2032~~ **2033** . A full valuation allowance has been provided as the Company does not expect to utilize these foreign tax credits before the expiration dates. As of ~~January 1~~ **December 31** , 2023, the Company has approximately $ ~~162~~ **192** . ~~8~~ **1** million in state net operating loss carryforwards relating to continuing operations with expiration dates through ~~2042~~ **2043** and has provided a valuation allowance against $ ~~100~~ **129** . ~~3~~ **6** million of such losses, which the Company does not expect to utilize. In addition, as of ~~January 1~~ **December 31** , 2023, the Company has approximately $ ~~21~~ **15** . ~~2~~ **6** million in state net operating loss carryforwards relating to discontinued operations against which a full valuation allowance has been provided. **During fiscal year 2023, the Company had approximately $ 3. 8 million in tax attributes with a full valuation allowance related to foreign tax credit carryforwards and foreign net operating loss carryforwards that expired.** As **a result, the expiration** of **these tax attributes did not have an impact on the Company' s effective tax rate for fiscal year 2023. As of December 31, 2023, and** January 1, 2023 ~~, and January 2, 2022~~ , non- current deferred tax assets were reduced by approximately $ 2. 8 million of unrecognized tax benefits. Historically, the Company has not provided for U. S. income taxes and foreign withholding taxes on the undistributed accumulated earnings of its foreign subsidiaries, with the exception of its Canada subsidiaries and a specific portion of the undistributed earnings of foreign subsidiaries outside of Canada, because such earnings were deemed to be permanently reinvested. In September of 2021, as part of an overall restructuring plan, the Company made the decision to close its manufacturing facility in Thailand. As a result, the Company is no longer asserting that the undistributed earnings in its Thailand subsidiaries are permanently reinvested. The Company provided for U. S. income taxes and foreign withholding taxes on these earnings at **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ . Although the Tax Act created a dividends received deduction that generally eliminates additional U. S. federal income taxes on dividends from our foreign subsidiaries, the Company continues to assert that all of its undistributed earnings in its non- U. S. subsidiaries, excluding undistributed earnings for which U. S. income taxes and foreign withholding taxes have been provided, are indefinitely reinvested outside of the U. S. The Company expects that domestic cash resources will be sufficient to fund its domestic operations and cash commitments in the future. In the event the Company determines not to continue to assert that all or part of its undistributed earnings in its non- U. S. subsidiaries are permanently reinvested, an actual repatriation **of earnings** from its non- U. S. subsidiaries could still be subject to additional foreign withholding and U. S. state taxes, the determination of which is not practicable. The Company' s federal income tax returns are subject to examination for the years ~~2019~~ **2020** to the present. The Company files returns in numerous state and local jurisdictions and in general it is subject to examination by the state tax authorities for the years ~~2017~~ **2018** to the present. The Company files returns in numerous foreign jurisdictions and in general it is subject to examination by the foreign tax authorities for the years ~~2011~~ **2012** to the present. As a result of an audit of the Company' s U. K. subsidiaries, Her Majesty' s Revenue & Customs (" HMRC ") issued notices of amendment to the Company' s U. K. tax returns for the years 2012 through 2017. The adjustments result from the interest rate applied in the intra- group financing arrangement between a Company subsidiary in the U. K. and **another in** the Netherlands. In April of 2021, the Company filed requests with both the Competent Authority in the Netherlands and in the U. K. to initiate a mutual agreement procedure (" MAP ") related to the double taxation arising from the HMRC adjustments. In June of 2022, the ~~Company was notified that the~~ Competent Authorities ~~had~~ reached an agreement on the interest rate to be applied for the years 2012 through 2017. The Company recognized the adjustments **from the 2012- 2017 MAP** in 2022 **. In March of 2023** , ~~based~~ **the Company filed requests with both the Competent Authority in the Netherlands and in the U. K. to initiate a MAP for tax years 2018 through 2020 related to the double taxation arising from the application of the HMRC interest rate adjustments that were the subject of the 2012- 2017 MAP. In September 2023, the Competent Authorities reached an agreement** on the ~~outcome of~~ **interest rate to be applied for** the **years 2018 through 2020. The Company recognized the adjustments from the 2018- 2020** MAP **in 2023** . The recognition of the adjustments **in both 2022 and 2023** did not have a material impact on the Company' s effective tax rate or its financial position. As of **December 31, 2023, and** January 1, 2023, ~~and January 2, 2022,~~ the Company had $ **4. 9 million and $** 5. 7 ~~million and $ 8. 2~~ million, respectively, of unrecognized tax benefits. For the years ended **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ , the Company recognized as income tax benefits $ **0. 1 million and $** 2. 5 ~~million and $ 2. 7~~ million, respectively, of previously unrecognized tax benefits. ~~It~~ **While it** is reasonably possible that **some** ~~approximately $ 0. 9 million~~ of **the** unrecognized tax benefits ~~may~~ **will** be recognized within the next 12 months **, the Company does not expect the recognition of such amounts will have a material impact on the Company' s financial results** . If any of the $ ~~5~~ **4** . ~~7~~ **9** million of unrecognized tax benefits as of ~~January 1~~ **December 31** , 2023 are recognized, there would be a favorable impact on the Company' s effective tax rate of approximately $ ~~5~~ **4** . ~~0~~ **9** million in future periods. If the unrecognized tax benefits are not favorably settled, $ 2. ~~9~~ **1** million of the total amount of unrecognized tax benefits would require the use of cash in future periods. The Company recognizes accrued interest and income tax penalties related to unrecognized tax benefits as a component of income tax expense. ~~As of January 1, 2023, the Company had accrued~~ **Accrued** interest and penalties ~~of~~ **were** $ 0. 4 million **as of December 31** , ~~which is~~ **2023 and were** included in the total unrecognized tax benefit noted above. The timing of the ultimate resolution of the Company' s tax matters and the payment and receipt of related cash is dependent on a number of factors, many of which are outside the Company' s control. A reconciliation of

the beginning and ending amounts of gross unrecognized tax benefits is as follows: Fiscal Year 202220212020 **202320222021** (in thousands) Balance at beginning of year $ **5, 743 $** 8, 220 $ 10, 799 $ 25, 486 Increases related to tax positions taken during the current year342 - **year320 342** 265 271 Increases related to tax positions taken during the prior years204 - **years140 204** 198 536 Decreases related to tax positions taken during the prior years (**54) (** 447) — (673) Decreases related to lapse of applicable statute of limitations (**1, 218) (** 2, 574) (2, 309) (14, 992) Changes due to settlements — **—** (836) — Changes due to foreign currency translation **translation17** (2) 103 171 Balance at end of year $ **4, 948 $** 5, 743 $ 8, 220 $ 10, 799 NOTE 18 – COMMITMENTS AND CONTINGENCIES From time to time, the Company is a party to legal proceedings, whether arising in the ordinary course of business or otherwise. Some of the proceedings the Company is involved in are summarized below. Lawsuit by Former CEO in Connection with Termination On January 19, 2020, the Company' s Board of Directors voted to terminate for cause the employment of Jay D. Gould, then President and Chief Executive Officer, effective immediately, for violations of the Company' s working environment policies. On February 14, 2020, Mr. Gould filed a lawsuit against the Company in the United States District Court of the Northern District of Georgia, Gould v. Interface, Inc., Case No. 1: 20- cv- 00695. In his lawsuit, Mr. Gould asserted several claims against the Company in connection with his termination, including that the termination was a wrongful retaliation against Mr. Gould and breached his employment contract with the Company, that public statements made by the Company in connection with his termination defamed Mr. Gould (two counts) and that the Company' s investigation into Mr. Gould' s conduct that preceded the termination was negligently performed. Among other unspecified relief, Mr. Gould seeks **sought** in excess of $ 10 million in damages for the breach of contract claim and $ 100 million for each of the other claims, as well as attorneys' fees. The Court granted judgment on the pleadings in favor of the Company on Mr. Gould' s putative claim of negligent investigation, and Mr. Gould' s defamation claims were dismissed with prejudice by stipulation of the parties. On March 31, 2022, the Court entered an order granting the Company' s motion for summary judgment on all of Mr. Gould' s remaining claims, leaving only the Company' s counterclaim against Mr. Gould for breach of fiduciary duty pending in the District Court. An attempted interlocutory appeal by Mr. Gould of the summary judgment order was remanded by the 11th Circuit Court of Appeals back to the District Court as premature. **Mr. Gould filed a motion for reconsideration of the Court' s grant of summary judgment in favor of the Company on Mr. Gould' s breach of contract claim. On July 31, 2023, the Court denied that motion for reconsideration. Also on July 31, 2023, the Company filed a motion to dismiss without prejudice its counterclaim against Mr. Gould for breach of fiduciary duty. On August 2, 2023, the Court granted that motion to dismiss, resulting in a final judgment in the trial court. The Court' s award of summary judgment in favor of the Company on Mr. Gould' s breach of contract claim has been appealed by Mr. Gould to the U. S. Court of Appeals for the 11th Circuit, and that appeal remains pending.** The Company believes Mr. Gould' s lawsuit **and the appeal therefrom** is without merit and intends to defend vigorously against it. Putative Class Action Lawsuit As previously reported, the Securities & Exchange Commission (the " SEC ") conducted an investigation into the Company' s historical quarterly earnings per share calculations and rounding practices during the period 2014- 2017. In the third quarter of 2020, the Company successfully reached a settlement with the SEC in this matter. The Company consented to the entry of an order by the SEC which states, among other things, that the Company was negligent in making certain accounting entries in 2015 and 2016. As part of the settlement, the Company did not admit or deny any wrongdoing. The Company paid a $ 5. 0 million fine to resolve the matter, and was ordered to cease- and- desist from violating certain federal securities laws. On November 12, 2020, the Company **and certain** , the Company' s former president and chief executive officer, and its current chief financial officer **officers** and chairman were named as defendants in a lawsuit filed in the United States District Court for the Eastern District of New York, Swanson v. Interface, Inc. et al. (case: 120- cv- 05518). The lawsuit is **was** a federal securities law putative class action that alleges **alleged** that the defendants made materially false and misleading statements regarding the Company' s business, operational and compliance policies. The specific allegations relate **related** to the subject matter of the **a previously disclosed and** concluded SEC investigation described above . The complaint does **did** not quantify the damages sought. **In 2023** The Court has appointed a lead plaintiff , which filed **the parties settled the lawsuit for $ 7. 5 million,** an **and** Amended Complaint that, among other things, added the Company' s **insurers funded** former chief financial officer as a defendant. As in the **settlement amount** original complaint, the allegations in the Amended Complaint relate to the subject matter of the concluded SEC investigation described above. The Company filed a motion to dismiss the Amended Complaint, and that motion was denied by the Court on June 6, 2022. The Company filed its Answer to the Amended Complaint on July 21, 2022. Discovery in the case is proceeding. The Company believes the putative class action is without merit and that the Company has good defenses to it. The Company intends to defend itself vigorously against the action . NOTE 19 – EMPLOYEE BENEFIT PLANS Defined Contribution and Deferred Compensation Plans The Company has a 401 (k) retirement investment plan (" 401 (k) Plan "), which is open to all eligible U. S. employees with at least six months of service. The 401 (k) Plan **provides** calls for Company matching contributions on a sliding scale based on the level of the employee' s contribution. The Company may, at its discretion, make additional contributions to the 401 (k) Plan based on the attainment of certain performance targets by its subsidiaries. The Company' s matching contributions are funded bi- monthly and totaled approximately $ 3. **4 million, $ 3.** 3 million, **and** $ 3. 0 million , and $ 1. 6 million for the years **2023,** 2022 , **and** 2021 and 2020 , respectively. No discretionary contributions were made in **2023,** 2022 , **or** 2021 or 2020 . Under the Company' s nonqualified savings plans (" NSPs "), the Company provides eligible employees the opportunity to enter into agreements for the deferral of a specified percentage of their compensation, as defined in the NSPs. The NSPs **provide** call for Company matching contributions on a sliding scale based on the level of the employee' s contribution. The obligations of the Company under such agreements to pay the deferred compensation in the future in accordance with the terms of the NSPs are unsecured general obligations of the Company. Participants have no right, interest or claim in the assets of the Company, except as unsecured general creditors. The Company has established a rabbi trust to hold, invest and reinvest deferrals and contributions under the NSPs. If a change in control of the Company occurs, as defined in the NSPs, the Company will contribute an amount to the rabbi trust sufficient to pay the obligation owed to each participant. The deferred compensation liability in connection with the NSPs totaled $ **28. 2 million and $** 27. 5 million and $ 34. 2 million at **December 31, 2023 and** January 1, 2023 and January 2, 2022 , respectively. The Company invests the deferrals in insurance instruments with readily determinable cash

surrender values and in exchange traded mutual funds beginning in fiscal 2021. The value of the insurance instruments was $ 19. 2 million and $ 16. 6 million and $ 20. 0 million as of December 31, 2023 and January 1, 2023 and January 2, 2022, respectively. The fair value of the mutual fund investments at December 31, 2023 and January 1, 2023 and January was $ 9. 2 million and , 2022 was $ 11. 0 million and $ 15. 6 million, respectively. In 2020, the Company temporarily suspended its 401 (k) and NSP matching contributions described above. These employer matching contributions were resumed in 2021. Multiemployer Plan On December 31, 2019, a plan amendment was executed to eliminate future service accruals in our defined benefit pension plan in the Netherlands (the " Dutch Plan "), which resulted in a curtailment of the plan. The Dutch Plan remains in existence and continues to pay vested benefits. Active participants no longer accrue benefits after December 31, 2019, and instead participate in the Industry-Wide Pension Fund (the " IWPF ") multi- employer plan beginning in fiscal year 2020. During 2023, 2022 , and 2021 and 2020, the Company recorded multi- employer pension expense related to multi- employer multiemployer contributions of $ 2. 7 million, $ 2. 4 million , and $ 2. 6 million and $ 2. 5 million, respectively. The Company' s contributions into the IWPF are less than 5 % of total plan contributions. The IWPF is more than 95 85 % funded at the end of 2021 2022, which is the latest date plan information is available. The IWPF multi- employer plan is not considered to be significant based on the funded status of the plan and our contributions. The Company has trusteed defined benefit retirement plans which cover many of its European employees. The benefits under these defined benefit retirement plans are generally based on years of service and the employee' s average monthly compensation. In connection with the nora acquisition in 2018, the Company acquired an additional defined benefit plan, which covers certain employees in Germany (the " nora Plan "). The nora plan has no plan assets. The Company uses a year- end measurement date for the plans, which is the closest practical date to the Company' s fiscal year end. As described above, on December 31, 2019, a plan amendment was executed to eliminate future service accruals in the Dutch defined benefit plan. The Dutch Plan remains in existence and continues to pay vested benefits. The reduction in future benefit accruals resulted in a curtailment of the Dutch Plan. Participants in the Dutch Plan no longer accrue benefits under the plan after December 31, 2019 , and participate in the IWPF beginning in fiscal year 2020. Although the Dutch Plan is frozen to new participants, vested benefits will continue to be accounted for in accordance with applicable accounting standards for defined benefit plans. The Dutch Plan is financed by assets held in an insurance contract. The guarantee provision included in the insurance contract, that existed to fund any shortfall between the fair value of plan investments and the benefit obligation, expired on December 31, 2019. The Company will fund the cost to guarantee vested benefits and this amount is recorded as an obligation on the Company' s consolidated balance sheets. As discussed above, the Company still has an obligation to pay vested benefits in the frozen Dutch Plan. As of January 1 December 31, 2023, the under- funded status of the Dutch Plan of $ 5. 5 7 million is recorded on the consolidated balance sheet in other long- term liabilities. Pension expense for our three European defined benefit plans was $ 1. 3 million, $ 2. 0 million, $ 2. 5 million, and $ 2. 5 million for the years 2023, 2022 , and 2021 and 2020, respectively. Plan assets are primarily invested in insurance contracts and fixed income securities. As of January 1 December 31, 2023, for the European plans, the Company had a net liability recorded of $ 8 15. 0 1 million, an amount equal to their under- funded status, and had recorded in accumulated other comprehensive loss an amount equal to $ 23 29. 7 9 million (net of taxes of approximately $ 4 8. 3 1 million) related to the future amounts to be recorded in net periodic benefit costs. In the next fiscal year, approximately $ 0 1. 6 3 million will be reclassified from accumulated other comprehensive loss into net periodic benefit cost. The tables presented below set forth the funded status of the Company' s significant foreign defined benefit plans and required disclosures in accordance with applicable accounting standards: Fiscal Year 20222021 20232022 (in thousands) Change in benefit obligation: Benefit obligation, beginning of year $ 195, 440 $ 324, 408 $ 364, 443 Service cost458 840 cost840 1, 087 Interest cost3 cost8 , 169 3, 793 2, 687 Benefits and expenses paid (10, 832) (9, 890) (11, 339) Actuarial loss (gain) 12, 760 (96, 556) (19, 723) Currency translation adjustment adjustment8 , 433 (27, 155) (12, 747) Benefit obligation, end of year $ 214, 428 $ 195, 440 $ 324, 408 Change in plan assets: Plan assets, beginning of year $ 187, 485 $ 285, 600 $ 303, 531 Actual return on assets assets11 , 596 (66, 759) (2, 817) Company contributions4 contributions2 , 497 4, 001 5, 393 Benefits paid (10, 832) (9, 890) (11, 339) Currency translation adjustment adjustment8 , 602 (25, 467) (9, 168) Plan assets, end of year $ 199, 348 $ 187, 485 $ 285, 600 Funded status $ (15, 080) $ (7, 955) $ (38, 808) Amounts recognized in consolidated balance sheets: Other assets $ 25, 235 $ 26, 586 $ 10, 975 Current liabilities (1, 182) (1, 032) (1, 049) Other long- term liabilities, net of current portion (39, 133) (33, 509) (48, 734) Under- funded status at end of fiscal year $ (15, 080) $ (7, 955) $ (38, 808) Amounts recognized in accumulated other comprehensive loss, after tax: Unrecognized actuarial loss $ 29, 918 $ 23, 737 $ 45, 209 Unamortized prior service credits — — Total amount recognized , end of year $ 29, 918 $ 23, 737 $ 45, 209 Accumulated benefit obligation $ 214, 428 $ 195, 440 $ 324, 408 The above disclosure represents the aggregation of information related to the Company' s three defined benefit plans which cover many of its European employees. The decrease increase in the projected benefit obligation of $ 129 - 19. 0 million for 2022 2023 compared to prior year was primarily due to the a increase decrease in the weighted average discount rates - rate used to measure the obligation and the impact of foreign currency translation due to the weakening strengthening of the Euro and British Pound sterling against the U. S. dollar in 2022 2023. As of January 1 December 31, 2023, one of these plans, which primarily covers certain employees in the United Kingdom (the " UK Plan "), had assets in excess of the accumulated benefit obligation. The accumulated benefit obligation of the Dutch Plan exceeded plan assets as of January 1 December 31, 2023. The nora Plan is an unfunded defined benefit plan and the accumulated benefit obligation exceeded plan assets as of January 1 December 31, 2023. The following table summarizes this information as of December 31, 2023 and January 1, 2023 and January 2, 2022. End of Fiscal Year 20222021 20232022 (in thousands) UK Plan Projected benefit obligation $ 108, 424 $ 98, 730 $ 181, 997 Accumulated benefit obligation98 obligation108 , 424 98, 730 181, 997 Plan assets125 assets133 , 658 125, 315 192, 971 Dutch Plan Projected benefit obligation $ 71, 422 $ 67, 689 $ 97, 108 Accumulated benefit obligation67 - obligation71 , 422 67, 689 97, 108 Plan assets62 assets65 , 690 62, 170 92, 629 nora Plan Projected benefit obligation $ 34, 582 $ 29, 021 $ 45, 303 Accumulated benefit obligation29 obligation34 , 582 29, 021 45, 303 Plan assets — — Fiscal Year 202220212020 202320222021 (in thousands) Components of net periodic benefit cost: Service cost $ 458 $ 840 $ 1, 087 $ 1, 070 Interest cost3 cost8 , 169 3, 793 2, 687 4, 038 Expected return on plan assets (7, 933) (3, 957) (3, 312) (4, 256) Amortization of prior service cost117 cost137 117 114 106 Amortization of net actuarial losses1

losses468 1 , 201 1, 968 1, 549 Net periodic benefit cost $ 1, 299 $ 1, 994 $ 2, 544 $ 2, 507 In accordance with applicable accounting standards, the service cost component of net periodic benefit costs is presented within operating income (loss) in the consolidated statements of operations, while all other components of net periodic benefit costs are presented within other expense, net, in the consolidated statements of operations. During 2022 2023 , other comprehensive loss was impacted by a total net gain loss of approximately $ 17 6. 3 million (net of $ 2 . 1 million of tax), comprised of actuarial loss of approximately $ 6. 6 million (net of $ 10 2 . 3 million of tax) and amortization of loss of $ 0 . 3 million of tax), comprised of actuarial gain of approximately $ 16. 4 million (net of $ 9. 5 million of tax) and amortization of loss of $ 0. 2 7 million (net of $ 0. 5 million of tax). Fiscal Year 202220212020Weighted ---- 202320222021Weighted average assumptions used to determine net periodic benefit cost: Discount rate1 rate4 . 1 % 1 . 4 % 0. 9 % 1. 0 % Expected return on plan assets3 assets4 . 6 % 3 . 0 % 1. 5 % 1. 2 % Weighted average assumptions used to determine benefit obligations: Discount rate4. 1 % 4. 4 % 1. 6 % 1. 0 % The investment objectives of the foreign defined benefit plans are to maximize the return on the investments to ensure that the assets are sufficient to exceed minimum funding requirements, and to achieve a favorable return against performance expectations based on historical and projected rates of return over the short term. The goal is to optimize the long- term return on plan assets at a moderate level of risk, by balancing higher- returning assets, such as equity securities, with less volatile assets, such as fixed income securities. The assets are managed by professional investment firms and performance is evaluated periodically against specific benchmarks. The plans' net assets did not include the Company' s own stock at January 1 December 31 , 2023 or January 2 1 , 2022 2023 . Dutch Plan Assets and Indexation Benefit As is common in Dutch pension plans, the Dutch Plan includes a provision for discretionary benefit increases termed " indexation. " The indexation benefit is meant to adjust pension benefits for cost- of- living increases, similar to U. S. consumer price index- based cost- of- living adjustments for U. S. retirement plans. The indexation benefit is not guaranteed, and is only provided for and paid out if sufficient assets are available due to favorable asset returns. Both the vested benefit amounts as well as amounts related to the discretionary indexation benefits under the Dutch Plan are paid pursuant to an insurance contract with a private insurer (the " Contract "). The Dutch Plan itself is financed by investment assets held within the Contract. Prior to December 31, 2019, the Contract guaranteed payment of vested benefits, regardless of whether Dutch Plan assets held through the Contract were ultimately sufficient to pay vested amounts, and also provided for payment of the indexation amount on a contingent basis if the actual return on Dutch Plan assets were sufficient to pay it. This type of insurance arrangement is common in The Netherlands, although not necessarily common in other jurisdictions. After the Dutch Plan curtailment on December 31, 2019, any shortfall in plan assets to pay vested benefits will be funded by the Company. The assets under the Dutch Plan, including any indexation benefit, are identified as level 3 assets under the fair value hierarchy. Under the express terms of the Contract, contract value is the greater of (i) the value of the discounted vested benefits of the Dutch Plan and (ii) the fair value of the underlying investment assets held by the insurance company under the Contract. As between those two values, the former was the greater for 2023 and 2022 and 2021 and this represents the plan assets as shown above for the Dutch Plan . Because the Company will fund the cost to guarantee vested benefits, the Company has recorded a provision, which reduces the Dutch Plan assets, that consists of the net present value of the expected future guarantee payments due to the insurance company pursuant to the Company' s guarantee. As explained above, the Contract also will pay the indexation benefit if sufficient assets are available, which the Company believes not to be probable as of the end of 2022 2023 based on recent returns. The indexation benefit for 2023 and 2022 and 2021 is not significant. The Company' s actual weighted average asset allocations for 2023 and 2022 and 2021 , and the targeted asset allocation for 2023 2024 , of the foreign defined benefit plans by asset category, are as follows: Fiscal Year 202320222021Asset ---- 202420232022Asset CategoryTarget AllocationPercentage of Plan Assets at Year EndEquity securities — % — — % — % — % Debt and debt securities65 % — 70 % 59 % 53 % 63 % Short- term investments — % — 2 % 8 % 13 % 4 % Other investments30 % — 35 % 33 % 34 % 33 % 100 % 100 % 100 % The following table sets forth by level within the fair value hierarchy the foreign defined benefit plans' assets at fair value, as of December 31, 2023 and January 1, 2023 and January 2, 2022 . The nora plan is currently unfunded. As required by accounting standards, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. As noted above, the Dutch Plan assets as represented by the insurance contract are classified as a level 3 asset and included in the " Other " asset category. Pension Plan Assets by Category as of January 1 December 31 , 2023 Dutch PlanUK PlanTotal (in thousands) Level 1 $ — $ 44 16 , 335 232 $ 44 16 , 335 232 Level 2 — 53 92 , 286 53 200 92 , 286 200 Level 362 365 , 170 27 690 25 , 694 89 226 90 , 864 916 Total $ 62 65 , 170 690 $ 125 133 , 315 658 $ 187 199 , 485 348 Pension Plan Assets by Category as of January 2 1 , 2022 2023 Dutch PlanUK PlanTotal (in thousands) Level 1 $ — $ 57 44 , 338 335 $ 57 44 , 338 335 Level 2 — 107 53 , 136 107 286 53 , 136 286 Level 392 362 , 629 28 170 27 , 497 121 694 89 , 126 864 Total $ 92, 629 62 $ 192 , 971 170 $ 285 125 , 600 315 $ 187, 485 The tables below detail the foreign defined benefit plans' assets by asset allocation and fair value hierarchy: End of Fiscal Year 2023Asset CategoryLevel 1Level 2Level 3 (in thousands) Debt and debt securities $ — $ 92, 200 $ 24, 325 Short- term investments (1) 16, 232 — — Other investments (2) — — 66, 591 $ 16, 232 $ 92, 200 $ 90, 916 End of Fiscal Year 2022Asset CategoryLevel 1Level 2Level 3 (in thousands) Debt and debt securities $ 19, 614 $ 53, 286 $ 26, 778 Short- term investments (1) 24, 721 — — Other investments (2) — — 63, 086 $ 44, 335 $ 53, 286 $ 89, 864 End of Fiscal Year 2021Asset CategoryLevel 1Level 2Level 3 (in thousands) Debt and debt securities $ 45, 516 $ 107, 136 $ 27, 176 Short- term investments (1) 11, 822 — — Other investments (2) — — 93, 950 $ 57, 338 $ 107, 136 $ 121, 126 (1) Short- term investments are generally invested in interest- bearing accounts. (2) Other investments are comprised of insurance contracts. Assets identified as level 2 above pertain to corporate bonds and other debt securities. The fair values of these assets are calculated based on quoted market prices for similar assets. With the exception of the Dutch Plan assets as discussed above, the assets identified as level 3 above in 2023 and 2022 and 2021 relate to insured annuities and direct lending assets held by the UK Plan. The fair value of these assets was calculated using the present value of the future cash flows due under the insurance annuities, and for the direct lending assets the value is based on the asset value from the latest available valuation with adjustments for any drawdowns and distribution payments made between the valuation date and the reporting date. The range of discount rates used in the fair value calculation of level 3 assets held by the Dutch Plan and the UK Plan were 3. 30 % to 4. 50 % for 2023, and 3. 70 % to 4. 75 % for 2022 and 1. 00 % to 1. 85 % for 2021 . The weighted average

discount rates were 3. **32 % and 3.** 72 % ~~and 1. 01 %~~ for **2023 and** 2022 ~~and 2021~~, respectively. These amounts are weighted based on the fair value of level 3 plan assets subject to fluctuations in the discount rate. Any changes in these variables will impact the fair value of level 3 assets. The table below indicates the change in value related to these level 3 assets during **2023 and** 2022 ~~and 2021~~: Fiscal Year ~~20222021~~ **20232022** (in thousands) Balance of level 3 assets, beginning of year $ **89, 864 $** 121, 126 ~~$ 137, 623~~ Actual return on plan assets (1) **3, 429** (21, 968) ~~(10, 189)~~ Purchases, sales and settlements, ~~net389 440~~ **net (5, 734) 389** Assets transferred ~~to (~~ from ~~)~~ level 3 **—** (710) ~~732~~ **Currency** ~~Translation~~ **translation** ~~adjustment~~ **adjustment3 , 357** (8, 973 ~~) (7, 480~~) Balance of level 3 assets, end of year $ **90, 916 $** 89, 864 ~~$ 121, 126~~ (1) Includes $ **2. 7 million and $ (** 22. 2 **)** ~~million and $ 6. 6~~ million for **2023 and** 2022 ~~and 2021~~, respectively, of unrealized **gains / (** losses **)** recognized during the period in other comprehensive income (loss) for assets held at year end. During ~~2023~~ **2024**, the Company expects to contribute $ 2. ~~5~~ **7** million to the **foreign defined benefit** plans. It is anticipated that future benefit payments for the foreign defined benefit plans will be as follows: Fiscal YearExpected Payments (in thousands) ~~2023 $ 10, 283 202410~~ -- **2024 $ 11** , ~~316~~ **145** ~~202510~~ **202511** , ~~384~~ **214** ~~202610~~ **202611** , ~~495~~ **360** ~~202710~~ **202711** , ~~787~~ **484** ~~2028~~ **202811 , 782 2029** - ~~203254~~ **203359** , ~~345~~ **800** Domestic Defined Benefit Plan The Company maintains a domestic nonqualified salary continuation plan (" SCP "), which is designed to induce selected officers of the Company to remain in the employ of the Company by providing them with retirement, disability and death benefits in addition to those which they may receive under the Company' s other retirement plans and benefit programs. The SCP entitles participants to: (i) retirement benefits upon normal retirement at age 65 (or early retirement as early as age 55) after completing at least 15 years of service with the Company (unless otherwise provided in the SCP), payable for the remainder of their lives (or, if elected by a participant, a reduced benefit is payable for the remainder of the participant' s life and any surviving spouse' s life) and in no event less than 10 years under the death benefit feature; (ii) disability benefits payable for the period of any total disability; and (iii) death benefits payable to the designated beneficiary of the participant for a period of up to 10 years. Benefits are determined according to one of three formulas contained in the SCP, and the SCP is administered by the Compensation Committee of the Company' s Board of Directors, which has full discretion in choosing participants and the benefit formula applicable to each. The Company' s obligations under the SCP are currently unfunded (although the Company uses insurance instruments to hedge its exposure thereunder). The Company is required to contribute the present value of its obligations thereunder to an irrevocable grantor trust in the event of a change in control as defined in the SCP. The Company uses a year- end measurement date for the domestic SCP. The tables presented below set forth the required disclosures in accordance with applicable accounting standards, and amounts recognized in the consolidated financial statements related to the domestic SCP. There is no service cost component ~~of~~ **in** the change in benefit obligation in **2023 and** 2022 ~~and 2021~~ as there are no longer any participants accruing benefits in the plan. Fiscal Year ~~20222021~~ **20232022** (in thousands) Change in benefit obligation: Benefit obligation, beginning of year $ **22, 731 $** 30, 053 ~~$ 33, 834~~ Interest ~~cost771~~ -- **cost1** ~~706~~ **, 134 771** Benefits paid (1, 873) (1, ~~965~~ **873**) Actuarial **loss (** gain **) 667** (6, 220 ~~) (2, 522~~) Benefit obligation, end of year $ 22, **659 $ 22,** 731 ~~$ 30, 053~~ The amounts recognized in the consolidated balance sheets are as follows: End of Fiscal Year ~~20222021~~ **20232022** (in thousands) Current liabilities $ 1, 873 $ 1, 873 Non- current liabilities20, **786 20,** 858 ~~28, 180~~ Total benefit obligation $ 22, **659 $ 22,** 731 ~~$ 30, 053~~ The components of the amounts in accumulated other comprehensive loss, after tax, are as follows: Fiscal Year ~~20222021~~ **20232022** (in thousands) Unrecognized actuarial loss $ **4, 098 $** 3, 811 ~~$ 8, 679~~ The accumulated benefit obligation related to the SCP was $ 22. 7 million ~~and $ 30. 1 million~~ as of **both December 31, 2023 and** January 1, 2023 ~~and January 2, 2022, respectively~~. The SCP is currently unfunded; as such, the benefit obligations disclosed are also the benefit obligations in excess of the plan assets. The Company uses insurance instruments to help limit its exposure under the SCP. Fiscal Year ~~202220212020~~ **202320222021** (in thousands, except for assumptions) Assumptions used to determine net periodic benefit cost: Discount ~~rate2~~ **rate5 . 20 % 2** . 65 % 2. 15 ~~% 3. 05~~ % Assumptions used to determine benefit obligations: Discount ~~rate5~~ **rate4 . 90 % 5** . 20 % 2. 65 ~~% 2. 15~~ % Components of net periodic benefit cost: Interest cost $ **1, 134 $** 771 $ 706 ~~$ 938 Amortizations557~~ -- **Amortizations195 557** 743 ~~558~~ Net periodic benefit cost $ 1, **329 $ 1,** 328 $ 1, 449 ~~$ 1~~ **In accordance with applicable accounting standards** , ~~496~~ **all components of net periodic benefit cost associated with the SCP are presented within other expense, net, in the consolidated statements of operations.** The ~~changes~~ - **change** in other comprehensive loss during ~~2022~~ **2023** related to the SCP as a result of plan activity was a net ~~gain~~ **loss** of approximately $ **0.** 4 ~~. 9~~ million (net of $ **0.** 1 ~~. 9~~ million of tax), primarily comprised of a net ~~gain~~ **loss** during the period of $ ~~4~~ **0** . 5 million (net of $ ~~1. 7 million of tax) and amortization of loss of $ 0. 4 million (net of $~~ 0. 2 million of tax) **and amortization of loss of $ 0. 1 million (net of $ 0. 1 million of tax)** . During ~~2022~~ **2023** , the Company contributed $ 1. 9 million in the form of direct benefit payments for its domestic SCP. It is anticipated that future benefit payments for the SCP will be as follows: Fiscal YearExpected Payments (in thousands) ~~2023~~ **2024** $ 1 ~~, 873 20241~~ , 873 20251, 873 20261, 873 20271, ~~868~~ **873** ~~2028~~ **20281 , 851 2029** - ~~20328~~ **20338** , ~~761~~ **670** NOTE 20 – SEGMENT INFORMATION The Company determines that an operating segment exists if a component (i) engages in business activities from which it earns revenues and incurs expenses, (ii) has operating results that are regularly reviewed by the chief operating decision maker (" CODM ") and (iii) has discrete financial information. Additionally, accounting standards require the utilization of a " management approach " to report the financial results of operating segments, which is based on information used by the CODM to assess performance and make operating and resource allocation decisions. **The** ~~In 2021, the~~ Company determined that it has two operating segments organized by geographical area – namely (a) Americas (" AMS ") and (b) Europe, Africa, Asia and Australia (collectively " EAAA "). The AMS operating segment includes the United States, Canada and Latin America geographic areas. Pursuant to the management approach discussed above, the Company' s CODM, our chief executive officer, evaluates performance at the AMS and EAAA operating segment levels and makes operating and resource allocation decisions based on segment adjusted operating income (" AOI "), which includes allocations of corporate selling, general and administrative expenses. AOI excludes nora purchase accounting amortization; Thailand plant closure inventory write- down; Cyber Event impact; goodwill and intangible asset impairment charges; **and** ~~changes in equity award forfeiture accounting;~~ restructuring, asset impairment, severance **,** and other **, net** ~~charges; and an SEC settlement fine~~. Intersegment revenues for **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ were **$ 82. 8 million,** $ 75. 5 million ~~,~~ **and** $ 78. 1 ~~million and $ 71. 5~~ million, respectively. Intersegment revenues are eliminated from net sales presented below since these amounts are not included in the information provided to the

CODM. The Company has determined that it has two reportable segments – AMS and EAAA, as each operating segment meets the quantitative thresholds defined in the accounting guidance. Segment information for 2023, 2022 , and 2021 and 2020 is presented in the tables table below – segment information for fiscal year 2020 has been recast to reflect the new reportable segment structure : Fiscal Year202220212020 ---- Year202320222021 (in thousands) Net salesAMS $ 736, 955 $ 753, 740 $ 651, 216 $ 593, 418 EAAA544 - EAAA524 , 543 544 , 179 549, 182 509, 844 Total net sales $ 1, 261, 498 $ 1, 297, 919 $ 1, 200, 398 $ 1, 103, 262 Segment AOIAMS $ 87, 789 $ 102, 370 $ 85, 014 EAAA28 $ 89 , 097 EAAA30 608 30 , 058 37, 268 21, 403 Depreciation and amortizationAMS $ 17, 989 $ 16, 827 $ 17, 963 $ 17, 164 EAAA23 EAAA22 , 785 23 , 510 28, 382 28, 756 Total depreciation and amortization $ 40, 774 $ 40, 337 $ 46, 345 $ 45, 920 A reconciliation of the Company' s total operating segment assets to the corresponding consolidated amounts follows: End of Fiscal Year20222021 Year20232022 (in thousands) AssetsAMS $ 627, 782 $ 588, 110 $ EAAA630, 939 652, 423 EAAA652, 921 691, 844 Total segment assets1, 258, 721 1, 241, 031 1, 344, 267 Corporate assets110 - assets108 , 673 110 , 495 146, 204 Eliminations (137, 299) (85, 023) (160, 414) Total reported assets $ 1, 230, 095 $ 1, 266, 503 $ 1, 330, 057 Total assets in the table above include operating lease right- of- use assets for fiscal years 2023 and 2022 and 2021 . Below is a summary of the operating lease right- of- use assets by reportable segment and a reconciliation to the consolidated amounts: End of Fiscal YearOperating Lease Right- of- Use Assets20222021 Assets20232022 (in thousands) AMS $ 23, 149 $ 14, 140 $ 12, 662 EAAA58 EAAA54 , 663 58 , 255 67, 741 Total segment operating lease right- of- use assets72 assets77 , 812 72 , 395 80, 403 Corporate operating lease right- of- use assets9, 707 9, 249 10, 158 Total operating lease right- of- use assets $ 87, 519 $ 81, 644 $ 90, 561 Reconciliations of operating income (loss) to income (loss) before income tax expense and segment AOI are presented as follows: Fiscal Year202220212020 ---- Year202320222021 (in thousands) AMS operating income $ 85, 035 $ 92, 234 $ 81, 445 $ 73, 234 EAAA operating income (loss) 19, 487 (16, 836) 23, 352 (112, 521) Consolidated operating income income104 , 522 (loss) 75, 398 104, 797 (39, 287) Interest expense29 expense31 , 787 29 , 929 29, 681 29, 244 Other expense, net3 net9 , 081 3 , 552 2, 483 10, 889 Income (loss) before income tax expense $ 63, 654 $ 41, 917 $ 72, 633 $ (79, 420) Fiscal Year202220212020AMSEAAAAMSEAAAAMSEAAA ---- Year202320222021AMSEAAAAMSEAAAAMSEAAA (in thousands) Operating income (loss) $ 85, 035 $ 19, 487 $ 92, 234 $ (16, 836) $ 81, 445 $ 23, 352 $ 73, 234 $ (112, 521) Purchase accounting amortization — 5, 172 — 5, 038 — 5, 636 — 5, 457 Thailand plant closure inventory write- down — 2, 530 — — 2, 530 — — Cyber Event impact3 impact616 456 3 , 878 1, 215 — — Goodwill and intangible asset impairment — — 3 Goodwill and intangible asset impairment3 , 838 32, 342 — — 2, 695 118, 563 Impact of change in equity award forfeiture accounting — — — — 757 650 Restructuring, asset impairment, severance , and other charges2 , net2, 138 3, 493 2 , 420 5, 769 3, 569 8, 280 9, 722 6, 943 SEC fine — — — — 2, 689 2, 311 AOI $ 87, 789 $ 28, 608 $ 102, 370 $ 30, 058 $ 85, 014 $ 37, 268 $ 89, 097 $ 21, 403 The Company has a large and diverse customer base, which includes numerous customers located in foreign countries. No single unaffiliated customer accounted for more than 10 % of total sales in any year during the past three years. Sales to customers in foreign markets in 2023, 2022 , and 2021 and 2020 were approximately 46 %, 47 % , and 50 % and 51 %, respectively, of total net sales. These sales were primarily to customers in Europe, Canada, Asia, Australia and Latin America. Net sales and long- lived assets for the United States and other significant countries (that individually represent 10 % or greater of consolidated totals for each year presented) are as follows: Fiscal YearNet Sales to Unaffiliated Customers (1) 202320222021 202220212020 (2) (in thousands) United States $ 677, 342 $ 694, 299 $ 596, 844 $ 545, 183 Other foreign countries603 countries584 , 156 603 , 620 603, 554 558, 079 Total net sales $ 1, 261, 498 $ 1, 297, 919 $ 1, 200, 398 $ 1, 103, 262 End of Fiscal YearLong- Lived Assets (3 2) 20222021 20232022 (in thousands) United States $ 146, 106 $ 146, 210 $ 157, 194 Germany64 Germany66 , 740 64 , 182 71, 114 Netherlands42 Netherlands40 , 455 42 , 422 47, 476 Australia29, 924 33, 536 Other foreign countries15 -- countries (3) 37 , 238 20 839 45 , 481 162 Total long- lived assets $ 291, 140 $ 297, 976 $ 329, 801 (1) Revenue attributed to geographic areas is based on the location of the customer. (2) Net sales in Germany were $ 115 Long- lived assets attributed to geographic areas are based on the physical location of the asset . 2023 includes $ 2. 2 million and $ 5. 0 million of leased equipment, net of accumulated amortization, in the United States and foreign countries, respectively. 2022 includes $ 1. 3 million and $ 4 . 5 million in 2020, which exceeded 10 % of consolidated leased equipment, net of accumulated amortization, sales for that year. Net sales in Germany the United States and foreign countries, respectively. (3) Long- lived assets in Australia did not exceed 10 % of consolidated net sales long- lived assets for 2023 all other periods presented . (3) Long- lived assets attributed to geographic areas are based on the physical location of the asset. 2022 includes $ 1. 3 million and $ 4. 5 million of leased equipment, net of accumulated amortization, in Australia were the United States and foreign countries, respectively. 2021 includes $ 29 1. 6 million and $ 4 . 9 million of leased equipment, net of accumulated amortization, in 2022 the United States and foreign countries , respectively which exceeded 10 % of consolidated long- lived assets as of the end of that fiscal year. NOTE 21 – ITEMS RECLASSIFIED FROM ACCUMULATED OTHER COMPREHENSIVE LOSS Amounts reclassified out of accumulated other comprehensive loss (" AOCI "), before tax, to the consolidated statements of operations for the fiscal years 2023, 2022 , and 2021 and 2020 , are reflected in the table below: Fiscal YearStatement of Operations Location202220212020 ---- Location202320222021 (in thousands) Loss on foreign subsidiary liquidation (1) Other expense, net $ (6, 221) $ — $ — Interest rate swap contracts loss (1 2) Interest expense $ (982) (2, 809) $ (4, 861) $ (7, 287) Amortization of benefit plan net actuarial losses and prior service cost (2 3) Other expense, net (800) (1, 875) (2, 825) (2, 213) Total loss reclassified from AOCI $ (8, 003) $ (4, 684) $ (7, 686) $ (9, 500) (1) The Company' s foreign subsidiaries in Russia and Brazil were substantially liquidated in 2023, and Other -- the comprehensive income (cumulative foreign currency translation loss losses) includes associated with these entities were recognized in the consolidated statements of operations. The tax impact of the cumulative foreign currency translation reclassification for 2023 is approximately $ 1. 1 million. (2) The tax impact of the interest rate swap reclassifications were $ 0. 2 million, $ 0. 8 million , and $ 1. 4 million and $ (2. 5) million for 2023, 2022 , and 2021 and 2020 , respectively, related to the discontinued cash flow hedges. See Note 10 entitled " Derivative Instruments " for additional information. (2 3) See Note 19 entitled " Employee Benefit Plans " for the tax impact of reclassifications effects in other comprehensive income (loss) related to the Company' s defined benefit plans. Report of Independent Registered Public Accounting Firm Shareholders and Board of Directors Opinion on

the Consolidated Financial Statements We have audited the accompanying consolidated balance sheets of Interface, Inc. (the " Company ") as of **December 31, 2023, and** January 1, 2023 ~~, and January 2, 2022~~ , the related consolidated statements of operations, comprehensive income ~~(loss)~~ , and cash flows for each of the three **fiscal** years in the period ended ~~January 1~~ **December 31** , 2023, and the related notes and financial ~~statement~~ **statements** ~~schedules~~ **schedule** listed in the accompanying index (collectively referred to as the " consolidated financial statements "). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company ~~on~~ **at December 31, 2023, and** January 1, 2023 ~~, and January 2, 2022~~ , and the results of its operations and its cash flows for each of the three **fiscal** years in the period ended ~~January 1~~ **December 31** , 2023, in conformity with accounting principles generally accepted in the United States of America. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (" PCAOB "), the Company' s internal control over financial reporting as of ~~January 1~~ **December 31** , 2023, based on criteria established in Internal Control ~~—~~ **-** Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (" COSO ") and our report dated ~~March 1~~ **February 28** , ~~2023~~ **2024** expressed an unqualified opinion thereon. Basis for Opinion These consolidated financial statements are the responsibility of the Company' s management. Our responsibility is to express an opinion on the Company' s consolidated financial statements based on our audits. We are a public accounting firm registered with the ~~Public Company Accounting Oversight Board (United States) ("~~ PCAOB ~~")~~ and are required to be independent with respect to the Company in accordance with the U. S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion. Critical Audit Matter The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing **a** separate ~~opinions~~ **opinion** on the critical audit matter or on the accounts or disclosures to which it relates. Goodwill **and Other Intangible Assets** Impairment Assessment As described in Notes 1 and 12 ~~to~~ **of** the consolidated financial statements, the Company' s consolidated goodwill balance was $ ~~102~~ **105. 4** million as of ~~January 1~~ **December 31** , 2023 **, all allocated to the Americas reporting unit** . Goodwill is tested for impairment annually **and between annual tests** ~~as of the measurement date or more frequently~~ if events or changes in circumstances indicate the asset might be impaired. ~~During~~ **If** the ~~fourth quarter of fiscal 2022, the Company performed the annual impairment test for all reporting units, which resulted in the Company recording a goodwill impairment charge for the Europe, Middle East and Africa (" EMEA ") reporting unit in the amount of $ 29. 4 million. The goodwill impairment test consists of a comparison of the fair value of a reporting unit with its~~ carrying value ~~, including the goodwill allocated to the reporting unit. If the carrying value~~ of ~~a~~ **the Americas** reporting unit exceeds its **estimated** fair value, the Company will recognize an impairment loss equal to the amount of the excess, limited to the amount of goodwill allocated to that reporting unit. The Company estimates the fair value of ~~its~~ **the Americas** reporting ~~units~~ **unit** using a ~~weighting~~ **combination** of fair values derived from an income ~~approach~~ **methodology** and a market ~~approach~~ **comparable methodology. The Company' s consolidated trademark and tradename intangible assets were $ 47. 7 million as of December 31, 2023. Trademark and tradename intangible assets acquired in connection with the nora acquisition are not subject to amortization, but are tested for impairment annually and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of the intangible assets below their carrying amount. The Company prepared valuations of the intangible assets using the present value of cash flows under the relief from royalty method, which were compared to the carrying value of intangible assets to determine whether any impairment existed** . We identified the ~~estimate of~~ **income approach valuation methodology used in** the ~~fair value~~ **impairment evaluation** of **goodwill for** the ~~EMEA~~ **Americas** reporting unit **and** ~~used in~~ the **nora tradename intangibles** ~~goodwill impairment assessment as of the annual measurement date,~~ as a critical audit matter **due** ~~. The principal considerations for our determination are: (i) this reporting unit had relatively low excess fair value over carrying value; therefore, the fair value estimates were particularly sensitive~~ to ~~changes in significant assumptions such as projected revenue, gross margin, earnings, and the discount rate included in the income approach, (ii) the greater than usual volatility and uncertainty underlying the market data used in the market approach includes assumptions utilized by management for which changes to these~~ - **the inherent subjectivity involved in** ~~assumptions can have a significant impact on the fair value of the reporting unit, and (iii) auditing~~ management' s ~~valuation methods~~ **determination of (i) forecasts of revenues** and **(ii) the discount rate. The audit procedures to evaluate the reasonableness of these** assumptions ~~utilized in estimating the fair value of the EMEA reporting unit~~ involved ~~especially challenging and subjective~~ **a high degree of** auditor judgment **and** ~~due to the nature and~~ - **an increased** extent of ~~audit~~ effort ~~required to address this matter~~ , including the involvement of individuals with specialized skill or knowledge. The primary procedures we performed to address this critical audit matter included: • **Evaluating** ~~Testing the design and operating effectiveness of controls related to~~ management' s **ability to accurately** ~~forecasting~~ - **forecast** ~~process, including controls over~~ **future revenues by performing a retrospective review comparing** management' s **prior period forecasts** ~~review of the data and significant assumptions utilized~~ to **actual results for** ~~determine fair value of~~ the ~~EMEA reporting unit, including projected~~ **same period. • Inquiring of management to understand the process for developing the forecasts of future revenues and evaluating the consistency of the** revenue **forecasts used with evidence obtained in** ~~, gross margin, earnings, and the~~ **other areas of** ~~discount~~

rate, all referred to as significant assumptions, included in the **audit** income approach . • **Testing** Evaluating the reasonableness of the significant assumptions described above used in management' s income approach analysis **process used to evaluate goodwill and the nora tradename intangibles for impairment, including evaluating the reasonableness of the forecasts of future revenues** by comparing them to prior period forecasts , **of future revenues to (1)** historical operating performance **results and the recent trend of revenue growth rates** , **(2) forecasted information included in industry reports for** the Company **and its** ' s projected budget, peer company **companies** historical operating performance , **(3)** publicly available industry analyst projections, and internal and **(4)** external communications made by the Company. • Testing **Utilizing our valuation specialists to assist in evaluating** the **reasonableness** reconciliation of the estimated fair value of the Company' s reporting units to **discount rate by (i) testing** the **source information underlying** indicated market capitalization of the Company as **determination of the discount rate, (ii) testing the mathematical accuracy of the calculations; and (iii) developing** a **range** whole. • Utilizing personnel with specialized knowledge and skill of **independent estimates and comparing** valuation techniques to assist in: (i) evaluating the **those** methodologies used **to the discount rate selected** by management **. /** to determine the fair value of the EMEA reporting unit including the weighting of the income and market approaches (ii) testing the mathematical accuracy of the Company' s calculations **/ BDO USA** , **P. C** (iii) evaluating the reasonableness of significant assumptions used in the income approach including the discount rate, (iv) assessing the reasonableness of certain market data used in the market approach, and (v) evaluating the reasonableness of the market capitalization reconciliation . We are uncertain as to the year we began serving consecutively as the auditor of the Company' s financial statements; however, we are aware that we have been the Company' s auditor consecutively since at least 1981. / s / BDO USA, LLP Report of Independent Registered Public Accounting Firm Opinion on Internal Control over Financial Reporting We have audited Interface, Inc. **' s** (the " Company' s ") internal control over financial reporting as of January 1 **December 31** , 2023, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the " COSO criteria "). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 1 **December 31** , 2023, based on the COSO criteria. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (" PCAOB "), the consolidated balance sheets of the Company as of **December 31, 2023, and** January 1, 2023 and January 2, 2022 , the related consolidated statements of operations, comprehensive income (loss) , and cash flows for each of the three **fiscal** years in the period ended January 1 **December 31** , 2023, and the related notes and **financial statements** schedules **schedule** and our report dated March 1 **February 28** , 2023 **2024** expressed an unqualified opinion thereon. The Company' s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Item 9A, Management' s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company' s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U. S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audit of internal control over financial reporting in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Definition and Limitations of Internal Control over Financial Reporting A company' s internal control over financial reporting is a process designed 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. A company' s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company' s assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE ITEM 9A. CONTROLS AND PROCEDURES Disclosure Controls and Procedures. As of the end of the period covered by this Annual Report on Form 10- K, an evaluation was performed under the supervision and with the participation of our management, including our principal executive officer and our principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rule 13a- 15 (e) under the Securities Exchange Act of 1934, pursuant to Rule 13a- 14 (c) under the Act. Based on that evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Annual Report. Changes in Internal Control over Financial Reporting. There were no changes in our internal control over financial reporting that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Management' s Annual Report on Internal Control over Financial Reporting. The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a- 15 (f) or 15d- 15 (f) promulgated under the Securities Exchange Act of 1934. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Our management assessed the effectiveness of our internal control over financial reporting as of ~~January 1~~ **December 31** , 2023 based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in " Internal Control – Integrated Framework (2013). " Based on that assessment, management concluded that, as of ~~January 1~~ **December 31** , 2023, our internal control over financial reporting was effective based on those criteria. Our independent auditors have issued an audit report on the effectiveness of our internal control over financial reporting. This report immediately precedes Item 9 of this Report. ITEM 9B. OTHER INFORMATION **During the three months ended December 31, 2023, no director or officer (as defined in Rule 16a- 1 (f) of the Exchange Act) 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 of Regulation S- K.** ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS PART III ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE The information contained under the captions " Nomination and Election of Directors, " " Delinquent Section 16 (a) Reports " and " Meetings and Committees of the Board " in our definitive Proxy Statement for our ~~2023~~ **2024** Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of our ~~2022~~ **2023** fiscal year, is incorporated herein by reference. Pursuant to Instruction 3 to Paragraph (b) of Item 401 of Regulation S- K, information relating to our executive officers is included in Item 1 of this Report. We have adopted the " Interface Code of Conduct " (the " Code ") which applies to all of our employees, officers and directors, including the Chief Executive Officer and Chief Financial Officer. The Code may be viewed on our website at www. interface. com. Changes to the Code will be posted on our website. Any waiver of the Code for executive officers or directors may be made only by our Board of Directors and will be disclosed to the extent required by law or Nasdaq rules on our website or in a filing on Form 8- K. ITEM 11. EXECUTIVE COMPENSATION The information contained under the captions " Executive Compensation, " " Compensation Discussion and Analysis, " " Compensation Committee Report, " " Compensation Committee Interlocks and Insider Participation, " and " Potential Payments upon Termination or Change in Control " in our definitive Proxy Statement for our ~~2023~~ **2024** Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of our ~~2022~~ **2023** fiscal year, is incorporated herein by reference. ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS The information contained under the captions " Principal Shareholders and Management Stock Ownership " and " Equity Compensation Plan Information " in our definitive Proxy Statement for our ~~2023~~ **2024** Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of our ~~2022~~ **2023** fiscal year, is incorporated herein by reference. For purposes of determining the aggregate market value of our voting and non- voting stock held by non- affiliates, shares held by our directors and executive officers have been excluded. The exclusion of such shares is not intended to, and shall not, constitute a determination as to which persons or entities may be " affiliates " as that term is defined under federal securities laws. ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE The information contained under the captions " Certain Relationships and Related Transactions " and " Director Independence " in our definitive Proxy Statement for our ~~2023~~ **2024** Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of our ~~2022~~ **2023** fiscal year, is incorporated herein by reference. ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES The information contained under the captions " Audit and Non- Audit Fees " and " Policy on Audit Committee Pre- Approval of Audit and Permissible Non- Audit Services of Independent Auditors " in our definitive Proxy Statement for our ~~2023~~ **2024** Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of our ~~2022~~ **2023** fiscal year, is incorporated herein by reference. PART IV ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES 1. Financial Statements The following consolidated financial statements and notes thereto of Interface, Inc. and subsidiaries and related Reports of Independent Registered Public Accounting Firm are contained in Item 8 of this Report: Consolidated Statements of Operations and Comprehensive Income ~~(Loss)~~ — fiscal years ended **December 31, 2023,** January 1, 2023 ~~,~~ **and** January 2, 2022 ~~and January 3, 2021~~ . Consolidated Balance Sheets — **December 31, 2023 and** January 1, 2023 ~~and January 2, 2022~~ . Consolidated Statements of Cash Flows — fiscal years ended **December 31, 2023,** January 1, 2023, **and** January 2, 2022 ~~, and January 3, 2021~~ . Notes to Consolidated Financial Statements Report of Independent Registered Public Accounting Firm (BDO USA, ~~LLP~~ **P. C.** , Atlanta, Georgia, PCAOB ID: 243) Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting 2. Financial Statement Schedule The following consolidated financial statement schedule of Interface, Inc. and subsidiaries is included as part of this Report (see the pages immediately preceding the signatures in this Report). Schedule II — Valuation and Qualifying Accounts and Reserves 3. Exhibits The following exhibits are filed or furnished with this Report: ExhibitNumberDescription of Exhibit3. 1Restated Articles of Incorporation and accompanying Clarification Certificate (included as Exhibit 3. 1 to the Company' s quarterly report on Form 10- Q filed on May 10, 2012, previously filed with the Commission and incorporated herein by reference). 3. 2Bylaws, as amended and restated February 22, 2017 (included as Exhibit 3. 1 to the Company' s current report on Form 8- K filed on February 27, 2017, previously filed with the Commission and incorporated herein by reference). 4. 1Description of the Company' s Securities (included as Exhibit 4. 1 to the Company' s annual report on Form 10- K for the year ended December 29, 2019, previously filed with the Commission and incorporated herein by reference). 4. 2Indenture governing the Company' s 5. 50 % Senior Notes Due 2028, dated as of November 17, 2020 (included as Exhibit 4. 1 to the Company' s current report on Form 8- K filed on November 18, 2020, previously filed with the Commission and incorporated herein by reference). 4. 3Form of 5. 50 % Senior Note Due 2028 (included as Exhibit 4. 2 to the Company' s current report on Form 8- K filed on November 18, 2020, previously filed with the Commission and incorporated herein by reference, and included in Exhibit 4. 2 to this Report). 10. 1Salary Continuation Plan, dated May 7, 1982 (included as Exhibit 10. 20 to the Company' s registration statement on Form S- 1, File No. 2- 82188, previously filed with the Commission and incorporated herein by reference). * 10. 2Form of Salary Continuation Agreement, dated as of January 1, 2008 (as used for Daniel T. Hendrix) (included as Exhibit 99. 5 to the Company' s current report on Form 8- K filed on January 7, 2008, previously filed with the Commission and

incorporated herein by reference). * 10. ~~3Interface, Inc. Omnibus Stock Incentive Plan (as amended and restated effective February 18, 2015) (included as Exhibit 99. 1 to the Company' s current report on Form~~ **3Form** ~~8- K filed on May 20, 2015, previously filed with the Commission and incorporated herein by reference); Form~~ of Restricted Stock Agreement, as used for **directors** ~~executive officers~~ (included as Exhibit 10. **3** ~~5 to the Company' s annual report on Form 10- K for the year ended December 30, 2007, previously filed with the Commission and incorporated herein by reference); Form of Performance Share Agreement (included as Exhibit 99. 1 to the Company' s current report on Form 8- K filed on January 20, 2016, previously filed with the Commission and incorporated herein by reference); Form of Restricted Stock Agreement, as used for executive officers (included as Exhibit 10. 1~~ to the Company' s quarterly report on Form 10- Q filed on May 11, 2017, previously filed with the Commission and incorporated herein by reference); Form of ~~Performance Share~~ **Restricted Stock** Agreement for executive officers (included as Exhibit 10. ~~2~~ **1** to the Company' s quarterly report on Form 10- Q filed on May 11, ~~2017~~ **2018** , previously filed with the Commission and incorporated herein by reference); **and** Form of ~~Restricted Stock~~ **Performance Share** Agreement ~~, as used~~ for ~~directors~~ **executive officers** (included as Exhibit 10. 2 to the Company' s quarterly report on Form 10- Q filed on May 11, ~~2017, previously filed with the Commission and incorporated herein by reference); Form of 2018 Restricted Stock Agreement for executive officers (included as Exhibit 10. 1 to the Company' s quarterly report on Form 10- Q filed on May 11, 2018, previously filed with the Commission and incorporated herein by reference); and Form of 2018 Performance Share Agreement for executive officers (included as Exhibit 10. 2 to the Company' s quarterly report on Form 10- Q filed on May 11,~~ 2018, previously filed with the Commission and incorporated herein by reference). * 10. 4Interface, Inc. Executive Bonus Plan, as amended October 28, 2015 (included as Exhibit 99. 2 to the Company' s current report on Form 8- K filed on October 28, 2015, previously filed with the Commission and incorporated herein by reference). * 10. 5Interface, Inc. Nonqualified Savings Plan (as amended and restated effective January 1, 2002) (included as Exhibit 10. 4 to the Company' s annual report on Form 10- K for the year ended December 30, 2001, previously filed with the Commission and incorporated herein by reference); First Amendment thereto, dated as of December 20, 2002 (included as Exhibit 10. 2 to the Company' s quarterly report on Form 10- Q for the quarter ended June 29, 2003, previously filed with the Commission and incorporated herein by reference); Second Amendment thereto, dated as of December 30, 2002 (included as Exhibit 10. 3 to the Company' s quarterly report on Form 10- Q for the quarter ended June 29, 2003, previously filed with the Commission and incorporated herein by reference); Third Amendment thereto, dated as of May 8, 2003 (included as Exhibit 10. 6 to the Company' s annual report on Form 10- K for the year ended December 28, 2003 (the " 2003 10- K "), previously filed with the Commission and incorporated herein by reference); and Fourth Amendment thereto, dated as of December 31, 2003 (included as Exhibit 10. 7 to the 2003 10- K, previously filed with the Commission and incorporated herein by reference). * 10. 6Form of Indemnity Agreement of Director (as used for directors of the Company) (included as Exhibit 99. 1 to the Company' s current report on Form 8- K filed on November 30, 2005, previously filed with the Commission and incorporated herein by reference). * 10. 7Form of Indemnity Agreement of Officer (as used for certain officers of the Company, including Daniel T. Hendrix, Laurel M. Hurd, David B. Foshee, Bruce A. Hausmann, James Poppens and Nigel Stansfield) (included as Exhibit 99. 2 to the Company' s current report on Form 8- K filed on November 30, 2005, previously filed with the Commission and incorporated herein by reference). * 10. 8Interface, Inc. Long- Term Care Insurance Plan and related Summary Plan Description (included as Exhibit 99. 2 to the Company' s current report on Form 8- K filed on December 20, 2005, previously filed with the Commission and incorporated herein by reference). * 10. 9Interface, Inc. Nonqualified Savings Plan II, as amended and restated effective January 1, 2009 (included as Exhibit 10. 18 to the Company' s annual report on Form 10- K for the year ended December 30, 2012 (the " 2012 10- K "), previously filed with the Commission and incorporated herein by reference); First Amendment thereto, dated February 26, 2009 (included as Exhibit 10. 19 to the 2012 10- K, previously filed with the Commission and incorporated herein by reference); Second Amendment thereto, dated December 9, 2009 (included as Exhibit 10. 20 to the 2012 10- K, previously filed with the Commission and incorporated herein by reference); Third Amendment thereto, dated April 15, 2010 (included as Exhibit 10. 21 to the 2012 10- K, previously filed with the Commission and incorporated herein by reference); Fourth Amendment thereto, dated August 9, 2012 (included as Exhibit 10. 22 to the 2012 10- K, previously filed with the Commission and incorporated herein by reference); **Fifth Amendment thereto, dated September 6, 2019 (included as Exhibit 99. 6 to the Company' s registration statement on Form S- 8 filed on March 24, 2023, previously filed with the Commission and incorporated herein by reference);** Sixth Amendment thereto, dated March 30, 2020 (included as Exhibit 10. 1 to the Company' s current report on Form 8- K filed on March 31, 2020, previously filed with the Commission and incorporated herein by reference); Seventh Amendment thereto (included as Exhibit 10. 1 to the Company' s quarterly report on Form 10- Q filed on August 11, 2020, previously filed with the Commission and incorporated herein by reference); Eighth Amendment thereto, dated November 19, 2020 (included as Exhibit 10. 1 to the Company' s current report on Form 8- K filed on November 24, 2020, previously filed with the Commission and incorporated herein by reference); and Ninth Amendment thereto, dated as of December 31, 2020 (included as Exhibit 10. 9 to the Company' s annual report on Form 10- K for the year ended January 2, 2022, previously filed with the Commission and incorporated herein by reference). * 10. 10Second Amended and Restated Security and Pledge Agreement, dated as of August 7, 2018, among Interface, Inc., certain subsidiaries of the Company as obligors, and Bank of America, N. A. as Administrative Agent (included as Exhibit 10. 14 to the Company' s annual report on Form 10- K for the year ended December 29, 2019, previously filed with the Commission and incorporated herein by reference). 10. ~~11Employment Offer Letter to Bruce A. Hausmann (included as Exhibit 10. 3 to the Company' s quarterly report on Form 10- Q filed on May 11, 2018, previously filed with the Commission and incorporated herein by reference). * 10. 12First~~ **11First** Restatement Agreement, dated as of July 20, 2018, among Interface, Inc., certain subsidiaries of the Company as borrowers, certain subsidiaries of the Company as guarantors, Bank of America, N. A. as Administrative Agent, and the other lenders party thereto (included as Exhibit 10. 1 to the Company' s current report on Form 8- K filed on July 26, 2018, previously filed with the Commission and incorporated herein by reference). 10. ~~13First~~ **12First** Amendment to Second Amended and Restated Syndicated Facility Agreement, dated as of December 18, 2019 (included as Exhibit 99. 1 to the Company' s current report on Form 8- K filed on December 23, 2019, previously filed with the Commission and incorporated herein by reference). 10. ~~14Second~~ **13Second** Amendment to Second Amended and Restated Syndicated Facility

Agreement dated as of July 15, 2020 (included as Exhibit 10. 1 to the Company' s current report on Form 8- K filed on July 16, 2020, previously filed with the Commission and incorporated herein by reference). 10. ~~15Third~~ **14Third** Amendment to Second Amended and Restated Syndicated Facility Agreement, dated as of November 17, 2020 (included as Exhibit 10. 1 to the Company' s current report on Form 8- K filed on November 18, 2020, previously filed with the Commission and incorporated herein by reference). 10. ~~16Fourth~~ **15Fourth** Amendment to Second Amended and Restated Syndicated Facility Agreement dated as of December 9, 2021 (included as Exhibit 99. 2 to the Company' s current report on Form 8- K / A filed on December 21, 2021, previously filed with the Commission and incorporated herein by reference). 10. **16Fifth Amendment to Second Amended and Restated Syndicated Facility Agreement, dated as of October 14, 2022 (included as Exhibit 10. 1 to the Company' s current report on Form 8- K filed on October 17, 2022, previously filed with the Commission and incorporated herein by reference). 10.** 17Interface, Inc. 2020 Omnibus Stock Incentive Plan (included as Exhibit 99. 1 to the Company' s current report on Form 8- K filed on May 28, 2020 **, previously filed with the Commission and incorporated herein by reference); Form of 2023 Restricted Share Unit Agreement for executive officers (included as Exhibit 10. 1 to the Company' s quarterly report on Form 10- Q filed on May 9, 2023, previously filed with the Commission and incorporated herein by reference); and Form of 2023 Performance Share Agreement for executive officers (included as Exhibit 10. 2 to the Company' s quarterly report on Form 10- Q filed on May 9, 2023** , previously filed with the Commission and incorporated herein by reference). * 10. 18Contract of Employment of Nigel Stansfield dated August 15, 2022 (included as Exhibit 99. 1 to the Company' s current report on Form 8- K filed on August 19, 2022, previously filed with the Commission and incorporated herein by reference). * 10. 19Form of Severance Protection and Change in Control Agreement (as used for David B. Foshee, Bruce A. Hausmann, and James Poppens) (included as Exhibit 99. 1 to the Company' s current report on Form 8- K / A filed on December 21, 2021, previously filed with the Commission and incorporated herein by reference). * 10. ~~20Employment Offer Letter for Laurel M. Hurd dated March 3, 2022 (included as Exhibit 99. 1 to the Company' s current report on Form 8- K filed on March 7, 2022, previously filed with the Commission and incorporated herein by reference). * 10. 21Severance~~ **20Severance** Protection and Change in Control Agreement of Laurel M. Hurd dated April 18, 2022 (included as Exhibit 99. 1 to the Company' s current report on Form 8- K / A filed on April 21, 2022, previously filed with the Commission and incorporated herein by reference). * 10. ~~22Severance~~ **21Severance** Protection and Change in Control Agreement of Nigel Stansfield dated August 15, 2022 (included as Exhibit 99. 2 to the Company' s current report on Form 8- K filed on August 19, 2022, previously filed with the Commission and incorporated herein by reference). * 10. ~~23Fifth Amendment~~ **22Consent Letter** to Second Amended and Restated Syndicated Facility Agreement, dated as of ~~October 14~~ **November 23** , ~~2022~~ **2023** ~~(included as Exhibit 10. 1 to the Company' s current report on Form 8- K filed on October 17, 2022, previously filed with the Commission and incorporated herein by reference)~~ . 21Subsidiaries of the Company. 23Consent of BDO USA, ~~LLP~~ **P. C** . 24Power of Attorney (see signature page of this Report). 31. 1Certification of Chief Executive Officer with respect to the Company' s Annual Report on Form 10- K for the fiscal year ended ~~January 1~~ **December 31** , 2023. 31. 2Certification of Chief Financial Officer with respect to the Company' s Annual Report on Form 10- K for the fiscal year ended ~~January 1~~ **December 31** , 2023. 32. 1Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of United States Code by Chief Executive Officer with respect to the Company' s Annual Report on Form 10- K for the fiscal year ended ~~January 1~~ **December 31** , 2023. 32. 2Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of United States Code by Chief Financial Officer with respect to the Company' s Annual Report on Form 10- K for the fiscal year ended ~~January 1~~ **December 31** , 2023. ~~101~~ **97Interface, Inc. Clawback Policy101** . INSXBRL Instance Document – The Instance Document does not appear in the Interactive Data Files because its XBRL tags are embedded within the Inline XBRL document. 101. SCHXBRL Taxonomy Extension Schema Document. 101. CALXBRL Taxonomy Extension Calculation Linkbase Document. 101. LABXBRL Taxonomy Extension Label Linkbase Document. 101. PREXBRL Taxonomy Presentation Linkbase Document. 101. DEFXBRL Taxonomy Definition Linkbase Document. 104The cover page from this Annual Report on Form 10- K for the year ended ~~January 1~~ **December 31** , 2023, formatted in Inline XBRL. * Management contract or compensatory plan or agreement required to be filed pursuant to Item 15 (b) of this Report. ITEM 16. FORM 10- K SUMMARY SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS AND RESERVES COLUMN ABALANCE, ATBEGINNINGOF YEARCOLUMN BCHARGED TOCOSTS ANDEXPENSES (A) COLUMN CCHARGED TOOTHERACCOUNTSCOLUMN DDEDUCTIONS (DESCRIBE) (B) COLUMN E BALANCE, ATEND OF YEAR (in thousands) Allowance for Expected Credit Losses Year ended: **December 31, 2023 $ 3, 952 $ (527) $ — $ 472 $ 2, 953** January 1, ~~2023~~ **20234** ~~$ 4~~ , 960 ~~$~~ (357) ~~$~~ — ~~$~~ 651 ~~$~~ 3, 952 January 2, 20226, 643 (705) — 978 4, 960 ~~January 3, 20213, 793 3, 777 — 927 6, 643~~ (A) Includes changes in foreign currency exchange rates. (B) Write off of bad debt and recovery of previously provided for amounts. COLUMN ABALANCE, ATBEGINNINGOF YEARCOLUMN BCHARGED TOCOSTS ANDEXPENSES (A) COLUMN CCHARGEDTO OTHERACCOUNTSCOLUMN DDEDUCTIONS (DESCRIBE) (B) COLUMN EBALANCE, ATEND OF YEAR (in thousands) Warranty and Sales Allowances Reserves Year ended: **December 31, 2023 $ 2, 091 $ 3, 624 $ — $ 1, 413 $ 4, 302** January 1, ~~2023~~ **20232** ~~$ 2~~ , 702 ~~$~~ (41) ~~$~~ — ~~$~~ 570 ~~$~~ 2, 091 January 2, 20223, 248 366 — 912 2, 702 ~~January 3, 20213, 853 1, 062 — 1, 667 3, 248~~ (B) Represents credits and costs applied against reserve and adjustments to reflect actual exposure. (All other Schedules for which provision is made in the applicable accounting requirements of the Securities and Exchange Commission are omitted because they are either not applicable or the required information is shown in the Company' s consolidated financial statements or the notes thereto.) SIGNATURES Pursuant to the requirements of Section 13 or 15 (d) 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. Date: ~~March 1~~ **February 28** , ~~2023~~ **2024** INTERFACE, INC. By: / s / LAUREL M. HURD Laurel M. Hurd President and Chief Executive Officer POWER OF ATTORNEY KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Laurel M. Hurd as attorney- in- fact, with power of substitution, for him or her in any and all capacities, to sign any amendments to this Report on Form 10- K, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney- in- fact may do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons

on behalf of the registrant and in the capacities and on the dates indicated. Signature Capacity Date / s / LAUREL M. HURD President, Chief Executive Officer and Director March 1 **February 28** , 2023Laurel **2024Laurel** M. Hurd (Principal Executive Officer) / s / BRUCE A. HAUSMANN Vice President and Chief Financial Officer March 1 **February 28** , 2023Bruce **2024Bruce** A. Hausmann (Principal Financial Officer) / s / ROBERT PRIDGENVice President and Chief Accounting OfficerMarch 1 **OfficerFebruary 28** , 2023Robert **2024Robert** Pridgen (Principal Accounting Officer) / s / DANIEL T. HENDRIXChairman of the Board and DirectorMarch 1 **DirectorFebruary 28** , 2023Daniel **2024Daniel** T. Hendrix / s / JOHN P. BURKE Director March 1 **February 28** , 2023John **2024John** P. Burke / s / DWIGHT GIBSON Director March 1 **February 28** , 2023Dwight **2024Dwight** Gibson / s / CHRISTOPHER G. KENNEDY Director March 1 **February 28** , 2023Christopher **2024Christopher** G. Kennedy / s / JOSEPH KEOUGH Director March 1 **February 28** , 2023Joseph **2024Joseph** Keough / s / CATHERINE M. KILBANE Director March 1 **February 28** , 2023Catherine **2024Catherine** M. Kilbane / s / K. DAVID KOHLER Director March 1 **February 28** , 2023K **2024K** . David Kohler / s / **CATHERINE MARCUSDirectorFebruary 28, 2024Catherine Marcus / s /** ROBERT T. O' BRIEN Director March 1 **February 28** , 2023Robert **2024Robert** T. O' Brien **Execution Version November 23, 2023 Interface, Inc. 1280 West Peachtree Street NW Atlanta, GA 30309 Attention: Frank J. Varano III, Vice President / Treasurer CONSENT LETTER Re: Second Amended and Restated Syndicated Facility Agreement dated as of August 7, 2018 (as amended by that certain First Amendment to Second Amended and Restated Syndicated Facility Agreement dated as of December 18, 2019, that certain Second Amendment to Second Amended and Restated Syndicated Facility Agreement dated as of July 15, 2020, that certain Third Amendment to Second Amended and Restated Syndicated Facility Agreement dated as of November 17, 2020, that certain Fourth Amendment to Second Amended and Restated Syndicated Facility Agreement dated as of December 9, 2021 and that certain Fifth Amendment to Second Amended and Restated Syndicated Facility Agreement dated as of October 14, 2022 and as further amended, modified, supplemented, increased and extended from time to time, the " Facility Agreement ") among Interface, Inc., a Georgia corporation (the " Company "), the Designated Borrowers identified therein, the Guarantors identified therein, the Lenders identified therein and Bank of America, N. A., as Administrative Agent. Capitalized terms used in this consent letter agreement (this " Consent Letter ") but not otherwise defined herein shall have the respective meanings provided for such terms in the Facility Agreement (as in effect on the date hereof). Ladies and Gentlemen: The Company has indicated to the Administrative Agent that it would like to enter into a pooling account arrangement (as more specifically described below, the " Pooling Account Arrangement ") with a financial institution that has the following characteristics: • All deposit accounts subject to the Pooling Account Arrangement, as well as the Company Account (as defined below) are (or will be) maintained by the Company and certain Subsidiaries with such financial institution and domiciled / located in The Netherlands (collectively, the " Pooled Accounts "). The Subsidiaries of the Company participating in the Pooling Account Arrangement initially will be nora systems GmbH, Interface Europe B. V., Interface European Manufacturing B. V., Interface Singapore Pte Ltd., and Interface Aust Pty Limited. • (i) The Pooling Account Arrangement will be a treasury management product that provides overdraft services with respect to the Pooled Accounts, (ii) the aggregate balance of the Pooled Accounts will be required to be € 0 (or zero in any other applicable currency) or positive at the end of each business day; and (iii) if there is a negative aggregate balance on the Pooled Accounts, an account maintained by the Company with such financial institution that is not one of the Pooled Accounts (the " Company Account ") will be debited in an amount sufficient to bring the aggregate balance of the Pooled Accounts to € 0 (or zero in any other applicable currency). Consent Letter (Interface, Inc.) • With respect to the Pooled Accounts, at the date of implementation, it is proposed that there will be a maximum net overdraft limit of $ 75, 000, 000 (or equivalent in any other applicable currency) (such amount, the " Maximum Overdraft Limit "). As the Pooling Account Arrangement Relates to the Facility Agreement: The financial institution providing the Pooling Account Arrangement requires that none of the Pooled Accounts nor the Company Account be subject to any lien or right of off- set (other than a lien or right of offset in favor of such financial institution). None of the Pooled Accounts or Company Account are subject to a perfected lien in favor of the Administrative Agent and the other holders of the Obligations (as defined in the Facility Agreement), but certain of the accounts are subject to an unperfected grant of security interest, as is contemplated under the Facility Agreement. Section 7. 13 (b) of the Facility Agreement contains this agreement: " Notwithstanding the foregoing, the Loan Parties shall not be required to enter into deposit account control agreements or securities account control agreements. " Requests: The Company hereby requests that each Lender, on behalf of itself and each of its Affiliates that are (or may become) holders of Obligations (including, without limitation, in connection with any Cash Management Bank in respect of Secured Cash Management Agreements) consent, confirm and agree to the following, notwithstanding any provisions of the Facility Agreement to the contrary (collectively, the " Requested Consent Items "): • Each of the Pooled Accounts and the Company Account from time to time subject to the Pooling Account Arrangement shall be deemed to be, and shall constitute, " Excluded Property " (as defined in the Facility Agreement), with the effect being that such Pooled Accounts and the Company Account shall not be subject to any Lien, security interest or right of setoff in favor of the Administrative Agent, the Lenders and / or any of their respective Affiliates. • The Pooling Account Arrangement, as initially entered into with the written (including email) approval of the Administrative Agent and as modified from time to time with the written (including email) approval of the Administrative Agent, shall be deemed to be, and shall constitute a Cash Management Agreement. Without limitation of the foregoing, (x) the Maximum Overdraft Limit may be increased, (y) additional Subsidiaries may become party to the Pooling Account Arrangement and (z) additional accounts may be added to the Pooling Account Arrangement, in each case with the written (including email) approval of the Administrative Agent, which shall not to be unreasonably withheld, conditioned or delayed); provided that (x) material modifications of the Pooling Account Arrangement made without the consent of the Administrative Agent shall be deemed to be, and shall be, a Default and, if not cured or waived by Required Lenders within ten (10) Business Days, an Event of Default and (y) in the event that Pooling Account Arrangement is amended or otherwise modified by agreement between or among the Company and / or any of its Subsidiaries, on one hand, and the financial institution providing the**

Pooling Account Arrangement, on the other, the Pooled Accounts and Company Account then subject to the Pooling Account Arrangement shall, nonetheless, continue to constitute " Excluded Property " (as defined in the Facility Agreement) and such modifications will not affect the rights of the financial institution providing the Pooling Account Arrangement with respect to the Pooled Accounts. • The Lenders (by act of the Required Lenders) hereby authorize the Administrative Agent to enter into and / or execute, deliver and provide to the Company any " no interest " letters, disclaimer letters, agreements and / or other documents that the Company may reasonably request to give effect to the foregoing Requested Consent Items. • The terms of this Consent Letter may be shared with the applicable financial institution and its affiliates, and the consents, confirmations and agreements contained herein may be relied upon by such financial institution and its affiliates. The Company shall cause such financial institution to enter into a letter agreement in form and substance reasonably satisfactory to the Administrative Agent pursuant to which such financial institution disclaims any and all rights to (x) any portion of the Collateral (or proceeds thereof) and (y) deliver a Secured Party Designation Notice with respect to the Pooling Account Arrangement and / or the Pooled Accounts in order that it constitute a Secured Cash Management Agreement (the effect being that such financial institution providing the Pooling Account Arrangement shall have no claim to the benefit of any Collateral securing the Obligations (as such term is defined and used in the Facility Agreement)). • The Pooling Account Arrangement (as contemplated in this Consent Letter, including the Requested Consent Item immediately above) may be replaced with a substantially similar facility, and the financial institution initially providing the Pooling Account Arrangement (or any subsequent financial institution) may be replaced with one or more financial institutions, in each case with the prior written approval (not to be unreasonably withheld, conditioned or delayed) of the Administrative Agent. Consent: Each of the undersigned Lenders hereby consents, confirms and agrees to the Requested Consent Items. Such consent, confirmation and agreement of such Lender set forth in this paragraph is a one- time consent and is strictly limited to the purposes and matters that are expressly described in this Consent Letter. Nothing contained in this Consent Letter shall constitute a waiver of, consent to non- compliance with, or modification of, any provision under the Facility Agreement (as expressly modified by this Consent Letter) or any other Loan Document in the future or of any other rights and / or remedies of the Administrative Agent and / or the Lenders under any Loan Document and / or applicable law. Additional Consent Item: Pursuant to Section 7. 13 of the Facility Agreement, sixty- five percent (65 %) of the voting Equity interests and one hundred percent (100 %) of the non- voting Equity Interests in each Material Foreign Subsidiary directly owned by any Domestic Loan Party shall be subject at all times to a first priority, perfected Lien in favor of the Administrative Agent. The Company intends to undertake a reorganization of certain of its European Subsidiaries, and in connection with implementation of that reorganization, the entity that constitutes such a directly owned Material Foreign Subsidiary will vary over the next few months. Rather than obtaining a pledge of such Equity Interests for a short period of time and the re- obtaining a new pledge over such Equity Interests thereafter, the Company hereby requests that such additional time be granted to satisfy the requirements of Section 7. 13 of the Facility Agreement as the Administrative Agent shall determine in its sole discretion (in consultation with the Company) (such request, the " Additional Requested Consent Item "). Each of the undersigned Lenders hereby consents, confirms and agrees to the Additional Requested Consent Item. Miscellaneous: Each of the parties to this Consent Letter hereby acknowledges and agrees that this Consent Letter constitutes a " Loan Document " (as such term is defined in the Facility Agreement). The terms and provisions of Section 1. 02 (Other Interpretive Provisions), Section 11. 04 (Expenses; Indemnity; Damage Waiver), Section 11. 07 (Treatment of Certain Information; Confidentiality), Section 11. 12 (Severability), Section 11. 14 (Governing Law; Jurisdiction; Etc.), Section 11. 15 (Waiver of Jury Trial), Section 11. 17 (Electronic Execution of Assignments and Certain Other Documents) and Section 11. 16 (No Advisory or Fiduciary Responsibility) of the Facility Agreement are hereby incorporated herein by reference and shall apply to this Consent Letter, and to the agreement (s) and / or transaction (s) contemplated hereby, mutatis mutandis. The Company hereby agrees that following the effectiveness of this Consent, each Compliance Certificate delivered pursuant to Section 7. 02 (b) of the Facility Agreement shall include (x) a listing of each account added to the Pooling Account Arrangement since the date of the most recently previously delivered Compliance Certificate, (y) a listing of each Subsidiary added to the Pooling Account Arrangement since the date of the most recently previously delivered Compliance Certificate and (z) a representation and warranty that no material modifications of the documents governing the Pooling Account Arrangement have been made without the prior written (including email) approval of the Administrative Agent. The Facility Agreement (as expressly modified by this Consent Letter) and the other Loan Documents shall remain in full force and effect according to their respective terms. Effectiveness: This Consent Letter shall become effective upon the Administrative Agent' s receipt of counterparts of this Consent Letter duly executed by each of the Loan Parties, the Administrative Agent, the Swingline Lenders, the L / C Issuer and the Required Lenders, without any further action (s) required to be taken by any Person. To the extent necessary to give effect to the terms of this Consent, the Facility Agreement shall be deemed to be, and shall be, hereby amended. [Remainder of Page Intentionally Left Blank; Signature Pages Follow] IN WITNESS WHEREOF, the parties hereto have caused this Consent Letter to be duly executed as of the date first above written. COMPANY: INTERFACE, INC., a Georgia corporation By: / s / Bruce A. Hausmann Name: Bruce A. HausmannTitle: Vice President and Chief Financial Officer DESIGNATED BORROWERS: INTERFACE EUROPE B. V., a private company with limited liability incorporated under the laws of the Netherlands (besloten vennootschap met beperkte aansprakelijkheid), having its official seat (statutaire zetel) in Scherpenzeel, the Netherlands, and its office at lndustrielaan 15, 3925BD Scherpenzeel, the Netherlands, registered with the Dutch Trade Register of the Chamber of Commerce under number 09064240 By: / s / Danielle VerschuurName: Danielle VerschuurTitle: Director A INTERFACE EUROPEAN MANUFACTURING B. V., a private company with limited liability incorporated under the laws of the Netherlands (besloten vennootschap met beperkte aansprakelijkheid), having its official seat (statutaire zetel) in Scherpenzeel, the Netherlands, and its office at Industrielaan 15, 3925BD Scherpenzeel, the Netherlands, registered with the Dutch Trade Register of the Chamber of Commerce under

number 50970364 By: / s / Danielle VerschuurName: Danielle VerschuurTitle: Director A INTERFACE AUST PTY LIMITED, a company organized under the laws of New South Wales, Australia By: / s / Bruce A. Hausmann Name: Bruce A. HausmannTitle: Attorney INTERFACE AUST. HOLDINGS PTY LIMITED, a companyorganized under the laws of Queensland, Australia By: / s / Bruce A. Hausmann Name: Bruce A. HausmannTitle: Attorney INTERFACE EURASIA HOLDINGS S. A R. L., Societe aresponsabilite limiteeRegistered office: 26, boulevard de Kockelscheuer, L- 1821 LuxembourgRCS Number: B1 By: / s / Keith ArmstrongName: Keith ArmstrongTitle: Category A Manager INTERFACE EUROPE INVESTMENT B. V., a private limited liability company organized under the laws of the Netherlands (besloten vennootschap met beperkte aansprakelijkheid), having its official seat (statutaire zetel) in Scherpenzeel, the Netherlands, and its office at Industrielaan 15, 3925BD Scherpenzeel, the Netherlands, registered with the Dutch Trade Register of the Chamber of Commerce under number 32143704 By: / s / Danielle VerschuurName: Danielle VerschuurTitle: managing director A GUARANTORS: FLOR, INC., a Georgia corporationINTERFACE AMERICAS, INC., a Georgia corporation INTERFACEFLOR, LLC, a Georgia limited liability company INTERFACE OVERSEAS HOLDINGS, INC., a Georgia corporationNORA SYSTEMS, INC., a Delaware corporation By: / s / Bruce A. Hausmann Name: Bruce A. HausmannTitle: Vice President INTERFACESERVICES, INC., a Georgia corporation By: / s / Frank J. Varano IIIName: Frank J. Varano IIITitle: Vice President and Treasurer INTERFACE AMERICAS HOLDINGS, LLC, a Georgia limited liability companyBy: Interface, Inc., its Manager By: / s / Bruce A. Hausmann Name: Bruce A. HausmannTitle: Vice President INTERFACE REAL ESTATE HOLDINGS, LLC, a Georgialimited liability company By: Interface, Inc., its Manager By: / s / Bruce A. Hausmann Name: Bruce A. HausmannTitle: Vice President ADMINISTRATIVE AGENT: BANK OF AMERICA, N. A., as Administrative Agent By: / s / Felicia BrinsonName: Felicia BrinsonTitle: Assistant Vice President LENDERS: BANK OF AMERICA, N. A., as a Lender, L / C Issuer and Domestic Swing Line Lender By: / s / Ryan MaplesName: Ryan MaplesTitle: Sr. Vice President JPMORGAN CHASE BANK, N. A., as a Lender By: / s / Blakely EngelName: Blakely EngelTitle: Executive Director PNC BANK, NATIONAL ASSOCIATION, as a Lender By: / s / Larry D. JacksonName: Larry D. JacksonTitle: Senior Vice President REGIONS BANK, as a Lender By: / s / Jason GoetzName: Jason GoetzTitle: Director TD BANK, N. A., as a Lender By: / s / Steve LeviName: Steve LeviTitle: Senior Vice President THE HUNTINGTON NATIONAL BANK, as a Lender By: / s / Josie CountsName: Josie CountsTitle: Vice President BARCLAYS BANK PLC, as a Lender By: / s / Warren Veech IIIName: Warren Veech IIITitle: Vice President Exhibit 21 SUBSIDIARIES OF INTERFACE, INC. Subsidiary (1) Jurisdiction of OrganizationFLOR, Inc. Georgia (USA) Interface Americas Holdings, LLC (2) Georgia (USA) Interface Americas, Inc. Georgia (USA) Interface Asia- Pacific (HK) Ltd. Hong KongInterface Aust. Holdings Pty LimitedAustraliaInterface Aust. Pty LimitedAustraliaInterface ~~Eurasia Enterprises S. à r. l. (3) LuxembourgInterface Eurasia Holdings S. à r. l. LuxembourgInterface~~ Europe B. V. (**3) NetherlandsInterface European Manufacturing BV (** 4 ~~) NetherlandsInterface Europe Holding B. V. (5~~) NetherlandsInterface Europe Investment B. V. NetherlandsInterface Europe, Ltd. (~~6~~ **5**) England and WalesInterface Hong Kong Ltd. Hong KongInterface International B. V. NetherlandsInterface Leasing, Inc. Georgia (USA) Interface Massachusetts Holdings, Inc. Delaware (USA) Interface Modular Carpet (China) Co., Ltd. ChinaInterface nora GmbHGermanyInterface Overseas Holdings, Inc. Georgia (USA) Interface Real Estate Holdings, LLCGeorgia (USA) Interface Singapore Pte. Ltd. SingaporeInterface Yarns, Inc. Georgia (USA) InterfaceFLOR Canada, Inc. CanadaInterfaceFLOR, LLCGeorgia (USA) ~~InterfaceFLOR (Thailand) Co., Ltd. ThailandInterfaceSERVICES~~ -------- **InterfaceSERVICES** , Inc. Georgia (USA) nora systems GmbH (~~7~~ **6**) Germanynora systems, Inc. Delaware (USA) (1) The names of certain subsidiaries which, if considered in the aggregate as a single subsidiary, would not constitute a " significant subsidiary ", have been omitted. The names of consolidated wholly- owned multiple subsidiaries carrying on the same line of business have been omitted where the name of the immediate parent, the line of business, the number of omitted subsidiaries operating in the United States and the number operating in foreign countries have been given. (2) Interface Americas Holdings, LLC is the parent of five direct subsidiaries organized and operating in the United States, of which three are in the floorcovering products / services business (FLOR, Inc., Interface Americas, Inc. and InterfaceFLOR, LLC). Interface Americas Holdings, LLC is also the parent of one direct subsidiary organized in Georgia (Interface Real Estate Holdings, LLC) and one direct subsidiary organized and operating outside of the United States in the floorcovering products / services business. (3) Interface **Europe B** ~~Eurasia Enterprises S~~ . **V** ~~à r. l~~ . is the parent of ~~five~~ **four** direct subsidiaries organized and operating ~~in~~ **outside of** the ~~Netherlands~~ **United States** (**including** ~~Interface Europe B. V. and~~ Interface Europe Investment B. V. ~~)~~ , ~~Thailand (~~ Interface ~~Holdings Co~~ **European Manufacturing B** . **V** ~~, Ltd~~ . ~~)~~ , ~~Singapore (Interface Singapore Pte. Ltd.), and Hong Kong (~~ Interface Asia- Pacific (HK) Ltd. **and** ~~). (4)~~ Interface ~~Europe B~~ **Singapore Pte** . ~~V. is the parent of four direct subsidiaries organized and operating outside of the United States (including Interface Europe Holding B. V., Interface Aust. Holdings Pty Ltd. and Interface Hong Kong~~ Ltd.) in the floorcovering products / services business. (~~5~~ **4**) Interface ~~Europe~~ **European** ~~Holding~~ **Manufacturing** B. V. is the parent of ~~eight~~ **seven** direct subsidiaries organized and operating in the Netherlands, and ~~twelve~~ **ten** direct subsidiaries organized and operating in other countries outside of the United States, in the floorcovering products / services business. (~~6~~ **5**) Interface Europe, Ltd. is the parent of two direct subsidiaries organized and operating in England and Wales, and one direct subsidiary organized and operating in Ireland, in the floorcovering products / services business. (~~7~~ **6**) nora systems GmbH is the parent of four direct subsidiaries organized and operating outside of the United States in the floorcovering products / services business. Exhibit 23 Consent of Independent Registered Public Accounting Firm We hereby consent to the incorporation by reference in the Registration Statements on Form S- 8 (No. 333- ~~38675; No. 333-~~ 38677 ~~; No. 333- 66956~~ ; No. 333- 120813; No. 333- ~~135781~~ **248451** ; **and** No. 333- **270822** ~~168373; No. 333- 205949; and No. 333- 248451~~) of Interface, Inc. **(the Company)** of our reports dated ~~March 1~~ **February 28** , ~~2023~~ **2024** , relating to the consolidated financial statements and financial ~~statements~~ - **statement** ~~schedule~~ **schedules** , and the effectiveness of **the Company** ~~Interface, Inc.~~ ' s internal control over financial reporting, which ~~appears~~ - **appear** in the Form 10- K. Exhibit 24 The signature page of Interface, Inc' s Report on Form 10- K for the fiscal year ended ~~January 1~~ **December 31** , 2023 includes the power of attorney given by each person whose signature appears on the Report on Form 10- K, which power of attorney constitutes and appoints Laurel M. Hurd as attorney- in- fact, with power of substitution,

for him or her in any and all capacities, to sign any amendments to the Report on Form 10- K, and to file the same, with the exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission. Exhibit 31. 1 CERTIFICATION I, Laurel M. Hurd, certify that: 1. I have reviewed this annual report on Form 10- K of Interface, 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 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 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: ~~March 1~~ **February 28** , ~~2023~~ **2024** / s / Laurel M. HurdLaurel M. HurdChief Executive Officer Exhibit 31. 2 I, Bruce A. Hausmann, certify that: Date: ~~March 1~~ **February 28** , ~~2023~~ **2024** / s / Bruce A. Hausmann Bruce A. Hausmann Chief Financial Officer Exhibit 32. 1 CERTIFICATION PURSUANT TO 18 U. S. C. SECTION 1350 I, Laurel M. Hurd, Chief Executive Officer of Interface, Inc. (the " Company "), certify, pursuant to 18 U. S. C. § 1350 as adopted by § 906 of the Sarbanes- Oxley Act of 2002, that: (1) the Annual Report on Form 10- K of the Company for the year ended ~~January 1~~ **December 31** , 2023 (the " Report ") 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. Exhibit 32. 2 I, Bruce A. Hausmann, Chief Financial Officer of Interface, Inc. (the " Company "), certify, pursuant to 18 U. S. C. § 1350 as adopted by § 906 of the Sarbanes- Oxley Act of 2002, that: Date: ~~March 1~~ **February 28** , ~~2023~~ **2024** / s / Bruce A. Hausmann Bruce A. Hausmann Chief Financial Officer **This Clawback Policy (this " Policy ") has been adopted by the Compensation Committee (the " Committee ") of the Board of Directors (the " Board ") of Interface, Inc., a Georgia corporation (the " Company "), effective as of October 2, 2023 (the " Effective Date "). This Policy supersedes and replaces the Company' s prior Clawback Policy adopted February 25, 2020. 1. Recovery of Certain Incentive- Based Compensation due to Restatement of Financial Statements: (a) In the event that following the Effective Date the Company is required to prepare an Accounting Restatement, regardless of individual fault, the Committee shall take such action as it deems necessary to obtain reasonably promptly the forfeiture or reimbursement, subject to the terms of this Policy, from any Covered Executive of the Company who was awarded Incentive- Based Compensation, any or all of the Excess Incentive- Based Compensation that such Covered Executive was awarded during the Applicable Period preceding the Date on which the Company is required to prepare an Accounting Restatement. (b) For the avoidance of doubt, a restatement of the Company' s financial statements due to a change in accounting policies or principles shall not be deemed an Accounting Restatement for purposes of this Policy. 2. Applicability: Recovery under this Policy shall solely apply to (a) awards that have been granted after the Effective Date, (b) awards granted prior to the Effective Date but remain outstanding on or after the Effective Date and (c) awards that specifically reference the possibility of recovery under a clawback or compensation recovery policy to be adopted by the Company. 3. Definitions: For purposes of this Policy, the following terms have the meanings indicated, in addition to the other terms defined herein: (a) " Accounting Restatement " means an accounting restatement of the Company' s financial statements the Company is required to prepare due to the Company' s material noncompliance with any financial reporting requirement under the securities laws, including any required restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period. (b) " Applicable Period " means the three completed fiscal years immediately preceding the Date on which the Company is required to prepare an Accounting Restatement, as well as any transition period (that results from a change in the Company' s fiscal year) within or immediately following those three completed fiscal years (except that a transition period that comprises a period of at least nine months shall count as a completed fiscal year). (c) " Covered Executive " means any individual who is a current or former Executive Officer, and who served as a Covered Executive at any time during the performance period for the relevant Incentive- Based Compensation. (d) " Date " means the calendar date of the earlier to occur of (i) the date Company' s Board, a committee of the Board or the officer or officers of the Company authorized to take such action if action by the Board is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement or (ii) the date a court, 1 regulator or other**

legally authorized body directs the Company to prepare an Accounting Restatement, in each case regardless of if or when the restated financial statements are filed. (e) " Executive Officer " means the Company' s president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice- president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy- making function, or any other person who performs similar policy- making functions for the Company. Executive Officers of the Company' s parent (s) or subsidiaries are deemed executive officers of the Company if they perform such policy making functions for the Company. Executive Officers shall include at a minimum the executive officers whose biographies appear in the Company' s Annual Report on Form 10- K or Proxy Statement for its Annual Meeting of Shareholders. (f) " Excess Incentive- Based Compensation " means the amount or value of a Covered Executive' s Incentive- Based Compensation Received that exceeds the amount of Incentive- Based Compensation that otherwise would have been Received had it been determined based on the amounts set forth in the Accounting Restatement, computed without regard to any taxes paid. Where the amount of Excess Incentive- Based Compensation is not subject to mathematical recalculation directly from the Accounting Restatement, as with Financial Reporting Measures such as stock price or total shareholder return, the amount of Excess Incentive- Based Compensation will be based on a reasonable estimate of the effect of the Accounting Restatement on that Financial Reporting Measure. The Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to Nasdaq. (g) " Financial Reporting Measure " means any measure that is determined and presented in accordance with the accounting principles used in preparing the Company' s financial statements, and any measure that is derived wholly or in part from such measure. Financial Reporting Measures include but are not limited to the following (and any measures derived from the following): Company stock price; total shareholder return; revenues; net income; operating income; profitability of one or more reportable segments; financial ratios (e. g., accounts receivable turnover and inventory turnover rates); earnings before interest, taxes, depreciation and amortization; funds from operations and adjusted funds from operations; liquidity measures (e. g., working capital, operating cash flow); return measures (e. g., return on invested capital, return on assets); earnings measures (e. g., earnings per share); sales per square foot or same store sales, where sales is subject to an Accounting Restatement; revenue per user, or average revenue per user, where revenue is subject to an Accounting Restatement; cost per employee, where cost is subject to an Accounting Restatement; any of such financial reporting measures relative to a peer group, where the Company' s financial reporting measure is subject to an Accounting Restatement; and tax basis income. A Financial Reporting Measure need not be presented within the Company' s financial statements or included in a filing with the Securities Exchange Commission. (h) " Incentive- Based Compensation " means, with respect to a Covered Executive, any compensation granted, awarded, earned, vested or Received based wholly or in part on the attainment of a Financial Reporting Measure. Incentive- Based Compensation is " Received " for purposes of this Policy in the Company' s fiscal period during which the Financial Reporting Measure specified in the Incentive- Based Compensation award is attained, even if the payment or grant of such Incentive- Based Compensation occurs after the end of that period. Examples of Incentive- Based Compensation include but are not limited to cash incentives under any performance- based cash bonus plan, and stock options, stock appreciation rights, performance shares, performance- based restricted stock and performance- based restricted stock units awarded under the Company' s equity compensation plans. (i) " Triggering Event " means any event that would permit the Committee to recover any Excess Incentive- Based Compensation under Section 1 of this Policy. 4. Recoupment Process: (a) Committee Determination as to the Method of Recoupment of Excess Incentive- Based Compensation. In addition to any recoupment provided hereunder, the Committee may reduce or cancel, in its sole discretion, future cash or equity compensation payable to a Covered Executive following an Accounting Restatement to offset any amount that the Committee deems appropriate to recover under this Policy, provided that the Committee may not seek recovery of any amount by reducing any future amount that is payable and / or to be provided to the Covered Executive and that is considered " non- qualified deferred compensation " under Section 409A of the Internal Revenue Code of 1986, as amended and the regulations and guidance promulgated thereunder. Any Excess Incentive- Based Compensation that is considered " non- qualified deferred compensation " under Section 409A and to which this Policy is applicable is instead subject to forfeiture. There shall be no duplication of recovery under this Policy and any of 15 U. S. C. Section 7243 (Section 304 of the Sarbanes- Oxley Act of 2002) or Section 10D of the Securities Exchange Act of 1934, as amended (the " Exchange Act "). 5. Interpretation of this Policy; Determinations by the Committee and the Board: The Committee and the Board have the exclusive power and authority to administer this Policy, including, without limitation, the right and power to interpret the provisions of this Policy and to make all determinations deemed necessary or advisable for the administration of this Policy, including, without limitation, any determination as to: (a) whether a Triggering Event has occurred and (b) what constitutes Excess Incentive- Based Compensation and Incentive- Based Compensation. All such actions, interpretations and determinations that are taken or made by the Committee and the Board in good faith will be final, conclusive and binding. This Policy shall be interpreted consistently in all material respects with Rule 5608 of the Nasdaq Stock Market (" Rule 5608 ") and any successors thereto, Section 10D of the Exchange Act and Rule 10D- 1 thereunder. 6. Due Process: Before the Committee determines to seek recovery pursuant to this Policy, it shall provide, where feasible, the Covered Executive with written notice and the opportunity to be heard, at a meeting of the Committee (which may be in- person, telephonic or virtual, as determined by the Committee). 7. No Indemnification: The Company shall not indemnify any Covered Executives against the loss of any incorrectly awarded Incentive- Based Compensation. 8. Binding Effect: This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives. 9. Other Rights: The Committee intends that this Policy will be applied to the fullest extent of the law. The Committee or the Board may require that any employment agreement, equity award agreement or similar agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of

this Policy. Any rights under this Policy are in addition to, and not in lieu of, any other remedies or rights, whether of recoupment or otherwise, that may be available to the Company pursuant to the terms of any other policy or any employment agreement, equity award agreement or similar agreement, and any other legal remedies available to the Company. 10. Amendment; Termination: The Committee or the Board may at any time in its sole discretion supplement or amend any provision of this Policy in any respect, including to reflect any amendments to Rule 5608, Section 10D or Rule 10D- 1 or to comply with any other rules or standards adopted by a national securities exchange on which the Company' s securities are listed. The Committee or the Board may terminate this Policy at any time. 11. Impracticability: The Committee or the Board shall recover any Excess Incentive- Based Compensation in accordance with this Policy unless the Committee determines such recovery would be impracticable for one or more of the following reasons, and subject to the following procedural and disclosure requirements: (a) The direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. Before concluding that it would be impracticable to recover any amount of Excess Incentive- Based Compensation based on expense of enforcement, the Committee must make a reasonable attempt to recover such erroneously awarded compensation, document such reasonable attempt (s) to recover and provide that documentation to the Nasdaq Stock Market. (b) Recovery would violate home country law where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Excess Incentive- Based Compensation based on violation of home country, the Committee must satisfy the applicable opinion and disclosure requirements of Rule 5608. (c) Recovery would likely cause an otherwise tax- qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U. S. C. 401 (a) (13) or 26 U. S. C. 411 (a) and regulations thereunder.