

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 4, 2022

**THE MIDDLEBY CORPORATION**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-9973**  
(Commission File Number)

**36-3352497**  
(IRS Employer  
Identification No.)

**1400 Toastmaster Drive, Elgin, Illinois**  
(Address of Principal Executive Offices)

**60120**  
(Zip Code)

**(847) 741-3300**  
(Registrant's telephone number, including area code)

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| <u>Title of Each Class</u> | <u>Trading Symbol(s)</u> | <u>Name of Each Exchange on Which Registered</u> |
|----------------------------|--------------------------|--|
| Common Stock               | MIDD                     | The Nasdaq Global Select Market                  |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition.**

On August 4, 2022, The Middleby Corporation (the "Company") issued a press release announcing its financial results for the second quarter ended July 2, 2022. A copy of that press release is furnished as Exhibit 99.1 and incorporated herein by reference.

The information furnished pursuant to Item 2.02 of this Current Report on Form 8-K (including the exhibit hereto) shall not be considered "filed" under the Securities Exchange Act of 1934, as amended, nor shall it be incorporated by reference into future filings by the Company under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, unless the Company expressly sets forth in such future filing that such information is to be considered "filed" or incorporated by reference therein.

**Item 9.01. Financial Statements and Exhibits.**

**(c) Exhibits.**

| <b><u>Exhibit No.</u></b> | <b><u>Description</u></b>                                    |
|---------------------------|--|
| Exhibit 99.1              | The Middleby Corporation press release dated August 4, 2022. |

---



**Exhibit Index**

| <b>Exhibit<br/>No.</b>           | <b>Description</b>   |
|----------------------------------|--|
| <a href="#">Exhibit<br/>99.1</a> | <a href="#">The Middleby Corporation press release dated August 4, 2022.</a> |

## The Middleby Corporation Reports Second Quarter Results

ELGIN, Ill.--(BUSINESS WIRE)--August 4, 2022--The Middleby Corporation (NASDAQ: MIDD), a leading worldwide manufacturer of equipment for the commercial foodservice, food processing, and residential kitchen industries, today reported net earnings for the 2022 second quarter of \$113.2 million or \$2.07 diluted earnings per share on net sales of \$1,013.6 million. Adjusted net earnings were \$120.8 million or \$2.23 adjusted diluted earnings per share. A full reconciliation between GAAP and non-GAAP measures is provided at the end of the press release.

“We posted record quarterly sales and earnings, while facing continued supply chain disruptions impacting production. Our profitability remained strong, despite inflationary pressures that accelerated following the attack on Ukraine. We continued to invest in our manufacturing capabilities to increase throughput and efficiencies, while focusing on raising profitability through evolving our sales mix to favor our more advanced technologies and solutions,” said Tim FitzGerald, CEO of The Middleby Corporation.

“We continue to build upon our three industry leading foodservice businesses with several strategic acquisitions. We added Proxaut, CP Packaging and Colussi Ermes to our Food Processing Group. These companies bring innovative technologies that complement our existing brands and expand our automated and integrated full-line solutions portfolio. In Commercial Foodservice, the addition of South Korean based Icetro further extended our product lineup in frozen beverage and ice making equipment, providing meaningful sales opportunities and operational synergies,” Mr. FitzGerald continues.

“While markets continue to present disruption and uncertainty, we continue to make strategic investments across all three of our business segments and execute on our strategic sales, operating and technology initiatives as we position for long-term profitable growth,” concluded Mr. FitzGerald.

### 2022 Second Quarter Financial Results

- Net sales increased 25.3% in the second quarter over the comparative prior year period. Excluding the impacts of acquisitions and foreign exchange rates, sales increased 13.3% in the second quarter over the comparative prior year period, reflecting higher shipments as we realize benefits of investments to increase our production throughput.
- Organic net sales (a non-GAAP measure) increases were reported for the Commercial Foodservice and Residential Kitchen segments due to improvements in market conditions and consumer demand in the second quarter of 2022. A reconciliation of reported net sales by segment is as follows:

|   | <b>Commercial<br/>Foodservice</b> | <b>Residential<br/>Kitchen</b> | <b>Food<br/>Processing</b> | <b>Total<br/>Company</b> |
|---|-----------------------------------|--------------------------------|----------------------------|--------------------------|
| <b>Reported Net Sales Growth</b>        | <b>19.8%</b>                      | <b>64.7%</b>                   | <b>(4.7) %</b>             | <b>25.3%</b>             |
| Acquisitions                            | 4.0%                              | 56.8%                          | —%                         | <b>14.4%</b>             |
| Foreign Exchange Rates                  | (1.9) %                           | (3.5) %                        | (3.4) %                    | <b>(2.5) %</b>           |
| <b>Organic Net Sales Growth (1) (2)</b> | <b>17.7%</b>                      | <b>11.4%</b>                   | <b>(1.4) %</b>             | <b>13.3%</b>             |

(1) Organic net sales growth defined as total sales growth excluding impact of acquisitions and foreign exchange rates

(2) Totals may be impacted by rounding

- Foreign exchange losses were approximately \$5.7 million in the second quarter, which negatively impacted adjusted earnings per share by \$0.08. For the six months period, foreign exchange losses were approximately \$9.6 million, which negatively impacted adjusted earnings per share by \$0.13.
- Adjusted EBITDA (a non-GAAP measure) was \$210.2 million, in the second quarter of 2022 due to the impact of higher sales volumes and profitability initiatives. A reconciliation of organic adjusted EBITDA (a non-GAAP measure) by segment is as follows:

|  | <b>Commercial<br/>Foodservice</b> | <b>Residential<br/>Kitchen</b> | <b>Food<br/>Processing</b> | <b>Total<br/>Company</b> |
|--|-----------------------------------|--------------------------------|----------------------------|--------------------------|
| <b>Adjusted EBITDA</b>                 | <b>25.4%</b>                      | <b>18.6%</b>                   | <b>19.5%</b>               | <b>20.7%</b>             |
| Acquisitions                           | 0.2%                              | (4.7) %                        | —%                         | <b>(1.0) %</b>           |
| Foreign Exchange Rates                 | —%                                | (0.1) %                        | (0.1) %                    | <b>(0.1) %</b>           |
| <b>Organic Adjusted EBITDA (1) (2)</b> | <b>25.2%</b>                      | <b>23.3%</b>                   | <b>19.6%</b>               | <b>21.8%</b>             |

(1) Organic Adjusted EBITDA defined as Adjusted EBITDA excluding impact of acquisitions and foreign exchange rates.

(2) Totals may be impacted by rounding

- Operating cash flows during the second quarter amounted to \$104.8 million in comparison to \$112.7 million in the prior year period. The total leverage ratio per our credit agreements was 3.1x. The trailing twelve month bank agreement pro-forma EBITDA was \$830.4 million.
- During the second quarter, \$69 million of common stock was repurchased and debt increased \$92 million related to recent business acquisitions.
- Cash balances at the end of the quarter were \$166.6 million. Net debt, defined as debt excluding the unamortized discount associated with the Convertible Notes less cash, at the end of the 2022 fiscal second quarter amounted to \$2.5 billion as compared to \$2.3 billion at the end of fiscal 2021. Additionally, our borrowing availability at quarter end was approximately \$2.0 billion.

### **Conference Call**

The company has scheduled a conference call to discuss the second quarter results at 11 a.m. Eastern/10 a.m. Central Time on August 4. The conference call is accessible through the Investor Relations section of the company website at [www.middleby.com](http://www.middleby.com). If website access is not available, attendees can join the conference by dialing (866) 374-5140 or (404) 400-0571 and entering conference code #40393296. The conference call will be available for replay from the company's website.

Statements in this press release or otherwise attributable to the company regarding the company's business which are not historical facts are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The company cautions investors that such statements are estimates of future performance and are highly dependent upon a variety of important factors that could cause actual results to differ materially from such statements. Such factors include variability in financing costs; quarterly variations in operating results; dependence on key customers; international exposure; foreign exchange and political risks affecting international sales; changing market conditions; the impact of competitive products and pricing; the timely development and market acceptance of the company's products; the availability and cost of raw materials; and other risks detailed herein and from time-to-time in the company's SEC filings. Any forward-looking statement speaks only as of the date hereof, and the company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

The Middleby Corporation is a global leader in the foodservice industry. The company develops and manufactures a broad line of solutions used in commercial foodservice, food processing, and residential kitchens. Supporting the company's pursuit of the most sophisticated innovation, the state-of-the-art Middleby Innovation Kitchens showcases and demonstrates the most advanced Middleby solutions. In 2022 Middleby was named a World's Best Employer by Forbes and is a proud philanthropic partner to organizations addressing food insecurity.

---

**THE MIDDLEBY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS**

(Amounts in 000's, Except Per Share Information)

(Unaudited)

|   | Three Months Ended |                   | Six Months Ended  |                   |
|---|--------------------|-------------------|-------------------|-------------------|
|   | 2nd Qtr,<br>2022   | 2nd Qtr,<br>2021  | 2nd Qtr,<br>2022  | 2nd Qtr,<br>2021  |
| Net sales   | \$1,013,601        | \$808,773         | \$2,008,277       | \$1,566,831       |
| Cost of sales   | <u>652,859</u>     | <u>505,047</u>    | <u>1,317,025</u>  | <u>987,231</u>    |
| Gross profit  | 360,742            | 303,726           | 691,252           | 579,600           |
| Selling, general and administrative expenses                          | 189,486            | 165,711           | 395,557           | 320,668           |
| Restructuring expenses  | 4,029              | 1,011             | 5,904             | 1,805             |
| Loss/(gain) on sale of plant  | —                  | 287               | —                 | (763)             |
| Income from operations  | <u>167,227</u>     | <u>136,717</u>    | <u>289,791</u>    | <u>257,890</u>    |
| Interest expense and deferred financing amortization, net             | 20,842             | 14,222            | 38,496            | 30,289            |
| Net periodic pension benefit (other than service costs & curtailment) | (10,784)           | (11,532)          | (22,300)          | (22,905)          |
| Other expense (income), net   | <u>5,888</u>       | <u>(469)</u>      | <u>9,949</u>      | <u>(2,160)</u>    |
| Earnings before income taxes  | 151,281            | 134,496           | 263,646           | 252,666           |
| Provision for income taxes  | <u>38,033</u>      | <u>13,911</u>     | <u>64,643</u>     | <u>42,818</u>     |
| Net earnings  | <u>\$ 113,248</u>  | <u>\$ 120,585</u> | <u>\$ 199,003</u> | <u>\$ 209,848</u> |
| Net earnings per share:   |                    |                   |                   |                   |
| Basic   | <u>\$ 2.10</u>     | <u>\$ 2.18</u>    | <u>\$ 3.66</u>    | <u>\$ 3.80</u>    |
| Diluted   | <u>\$ 2.07</u>     | <u>\$ 2.13</u>    | <u>\$ 3.59</u>    | <u>\$ 3.73</u>    |
| Weighted average number of shares                                     |                    |                   |                   |                   |
| Basic   | <u>54,033</u>      | <u>55,230</u>     | <u>54,351</u>     | <u>55,222</u>     |
| Diluted   | <u>54,654</u>      | <u>56,673</u>     | <u>55,509</u>     | <u>56,320</u>     |

**THE MIDDLEBY CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(Amounts in 000's)  
(Unaudited)

|   | <u>Jul 2, 2022</u> | <u>Jan 1, 2022</u>  |
|---|--------------------|---------------------|
| <b>ASSETS</b>                               |                    |                     |
| Cash and cash equivalents                   | \$ 166,589         | \$ 180,362          |
| Accounts receivable, net                    | 627,276            | 577,142             |
| Inventories, net                            | 1,008,920          | 837,418             |
| Prepaid expenses and other                  | 109,932            | 92,269              |
| Prepaid taxes                               | 22,543             | 19,894              |
| Total current assets                        | <u>1,935,260</u>   | <u>1,707,085</u>    |
| Property, plant and equipment, net          | 417,688            | 380,980             |
| Goodwill                                    | 2,221,120          | 2,243,469           |
| Other intangibles, net                      | 1,805,036          | 1,875,377           |
| Long-term deferred tax assets               | 26,306             | 33,194              |
| Other assets                                | 173,963            | 143,493             |
| Total assets                                | <u>\$6,579,373</u> | <u>\$ 6,383,598</u> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b> |                    |                     |
| Current maturities of long-term debt        | \$ 49,076          | \$ 27,293           |
| Accounts payable                            | 323,155            | 304,740             |
| Accrued expenses                            | 604,183            | 582,855             |
| Total current liabilities                   | <u>976,414</u>     | <u>914,888</u>      |
| Long-term debt                              | 2,647,313          | 2,387,001           |
| Long-term deferred tax liability            | 199,367            | 186,935             |
| Accrued pension benefits                    | 176,960            | 219,680             |
| Other non-current liabilities               | 161,349            | 180,818             |
| Stockholders' equity                        | <u>2,417,970</u>   | <u>2,494,276</u>    |
| Total liabilities and stockholders' equity  | <u>\$6,579,373</u> | <u>\$ 6,383,598</u> |

---



**THE MIDDLEBY CORPORATION**  
**NON-GAAP SEGMENT INFORMATION (UNAUDITED)**

(Amounts in 000's, Except Percentages)

|  | <b>Commercial<br/>Foodservice</b> | <b>Residential<br/>Kitchen</b> | <b>Food<br/>Processing</b> | <b>Total<br/>Company (1)</b> |
|--|-----------------------------------|--------------------------------|----------------------------|------------------------------|
| <b>Three Months Ended July 2, 2022</b> |                                   |                                |                            |                              |
| Net sales                              | \$ 609,679                        | \$ 280,009                     | \$ 123,913                 | \$ 1,013,601                 |
| <b>Segment Operating Income</b>        | <b>\$ 137,344</b>                 | <b>\$ 46,077</b>               | <b>\$ 18,548</b>           | <b>\$ 167,227</b>            |
| <i>Operating Income % of net sales</i> | <i>22.5%</i>                      | <i>16.5%</i>                   | <i>15.0%</i>               | <i>16.5%</i>                 |
| Depreciation                           | 5,850                             | 3,425                          | 1,299                      | 10,757                       |
| Amortization                           | 13,712                            | 1,030                          | 1,746                      | 16,488                       |
| Restructuring expenses                 | 820                               | 611                            | 2,598                      | 4,029                        |
| Acquisition related adjustments        | (3,112)                           | 832                            | —                          | (2,280)                      |
| Charitable support to Ukraine          | —                                 | —                              | —                          | 798                          |
| Stock compensation                     | —                                 | —                              | —                          | 13,157                       |
| <b>Segment adjusted EBITDA</b>         | <b>\$ 154,614</b>                 | <b>\$ 51,975</b>               | <b>\$ 24,191</b>           | <b>\$ 210,176</b>            |
| <i>Adjusted EBITDA % of net sales</i>  | <i>25.4%</i>                      | <i>18.6%</i>                   | <i>19.5%</i>               | <i>20.7%</i>                 |
| <b>Three Months Ended July 3, 2021</b> |                                   |                                |                            |                              |
| Net sales                              | \$ 508,778                        | \$ 169,987                     | \$ 130,008                 | \$ 808,773                   |
| <b>Segment Operating Income</b>        | <b>\$ 109,944</b>                 | <b>\$ 33,910</b>               | <b>\$ 26,961</b>           | <b>\$ 136,717</b>            |
| <i>Operating Income % of net sales</i> | <i>21.6%</i>                      | <i>19.9%</i>                   | <i>20.7%</i>               | <i>16.9%</i>                 |
| Depreciation                           | 5,993                             | 2,738                          | 1,337                      | 10,167                       |
| Amortization                           | 14,246                            | 1,784                          | 1,834                      | 17,864                       |
| Restructuring expenses                 | 490                               | 348                            | 173                        | 1,011                        |
| Acquisition related adjustments        | 302                               | —                              | —                          | 302                          |
| Acquisition deal costs                 | —                                 | —                              | —                          | 10,481                       |
| Stock compensation                     | —                                 | —                              | —                          | 9,329                        |
| Loss/(gain) on sale of plant           | 372                               | (85)                           | —                          | 287                          |
| <b>Segment adjusted EBITDA</b>         | <b>\$ 131,347</b>                 | <b>\$ 38,695</b>               | <b>\$ 30,305</b>           | <b>\$ 186,158</b>            |
| <i>Adjusted EBITDA % of net sales</i>  | <i>25.8%</i>                      | <i>22.8%</i>                   | <i>23.3%</i>               | <i>23.0%</i>                 |

(1) Includes corporate and other general company expenses, which impact Segment Adjusted EBITDA, and amounted to \$20.6 million and \$14.2 million for the three months ended July 2, 2022 and July 3, 2021, respectively.

**THE MIDDLEBY CORPORATION**  
**NON-GAAP SEGMENT INFORMATION (UNAUDITED)**

(Amounts in 000's, Except Percentages)

|   | Commercial<br>Foodservice | Residential<br>Kitchen | Food<br>Processing | Total<br>Company <sup>(1)</sup> |
|---|---------------------------|------------------------|--------------------|---------------------------------|
| <b>Six Months Ended July 2, 2022</b>    |                           |                        |                    |                                 |
| Net sales                               | \$ 1,153,332              | \$ 611,089             | \$ 243,856         | \$ 2,008,277                    |
| <b>Segment Operating Income</b>         | <b>\$ 247,062</b>         | <b>\$ 71,023</b>       | <b>\$ 38,660</b>   | <b>\$ 289,791</b>               |
| <i>Operating Income % of net sales</i>  | <i>21.4%</i>              | <i>11.6%</i>           | <i>15.9%</i>       | <i>14.4%</i>                    |
| Depreciation                            | 11,722                    | 7,410                  | 2,624              | 22,129                          |
| Amortization                            | 27,361                    | 19,159                 | 3,533              | 50,053                          |
| Restructuring expenses                  | 2,271                     | 998                    | 2,635              | 5,904                           |
| Acquisition related adjustments         | (3,092)                   | 15,062                 | —                  | 11,970                          |
| Charitable support to Ukraine           | —                         | —                      | —                  | 798                             |
| Stock compensation                      | —                         | —                      | —                  | 26,880                          |
| <b>Segment adjusted EBITDA</b>          | <b>\$ 285,324</b>         | <b>\$ 113,652</b>      | <b>\$ 47,452</b>   | <b>\$ 407,525</b>               |
| <i>Adjusted EBITDA % of net sales</i>   | <i>24.7%</i>              | <i>18.6%</i>           | <i>19.5%</i>       | <i>20.3%</i>                    |
| <b>Six Months Ended July 3, 2021</b>    |                           |                        |                    |                                 |
| Net sales                               | \$ 989,933                | \$ 334,396             | \$ 242,502         | \$ 1,566,831                    |
| <b>Segment Operating Income</b>         | <b>\$ 206,260</b>         | <b>\$ 63,766</b>       | <b>\$ 46,623</b>   | <b>\$ 257,890</b>               |
| <i>Operating Income % of net sales</i>  | <i>20.8%</i>              | <i>19.1%</i>           | <i>19.2%</i>       | <i>16.5%</i>                    |
| Depreciation                            | 11,786                    | 5,512                  | 2,652              | 20,304                          |
| Amortization                            | 29,450                    | 3,556                  | 3,677              | 36,683                          |
| Restructuring expenses                  | 913                       | 556                    | 336                | 1,805                           |
| Facility consolidation related expenses | 993                       | —                      | —                  | 993                             |
| Acquisition related adjustments         | 737                       | —                      | —                  | 737                             |
| Stock compensation                      | —                         | —                      | —                  | 16,938                          |
| Gain on sale of plant                   | (678)                     | (85)                   | —                  | (763)                           |
| Acquisition deal costs                  | —                         | —                      | —                  | 12,821                          |
| <b>Segment adjusted EBITDA</b>          | <b>\$ 249,461</b>         | <b>\$ 73,305</b>       | <b>\$ 53,288</b>   | <b>\$ 347,408</b>               |
| <i>Adjusted EBITDA % of net sales</i>   | <i>25.2%</i>              | <i>21.9%</i>           | <i>22.0%</i>       | <i>22.2%</i>                    |

(1) Includes corporate and other general company expenses, which impact Segment Adjusted EBITDA, and amounted to \$38.9 million and \$28.6 million for the six months ended July 2, 2022 and July 3, 2021, respectively.

**THE MIDDLEBY CORPORATION**  
**NON-GAAP INFORMATION (UNAUDITED)**

(Amounts in 000's, Except Percentages)

|   | Three Months Ended |                   |                  |                   |
|---|--------------------|-------------------|------------------|-------------------|
|   | 2nd Qtr, 2022      |                   | 2nd Qtr, 2021    |                   |
|   | \$                 | Diluted per share | \$               | Diluted per share |
| <b>Net earnings</b>   | <b>\$113,248</b>   | <b>\$ 2.07</b>    | <b>\$120,585</b> | <b>\$ 2.13</b>    |
| Amortization (1)  | 18,279             | 0.33              | 19,443           | 0.34              |
| Restructuring expenses  | 4,029              | 0.07              | 1,011            | 0.02              |
| Acquisition related costs   | (2,280)            | (0.04)            | 302              | 0.01              |
| Net periodic pension benefit (other than service costs & curtailment)               | (10,784)           | (0.20)            | (11,532)         | (0.20)            |
| Loss on sale of plant   | —                  | —                 | 287              | 0.01              |
| Charitable support to Ukraine   | 798                | 0.01              | —                | —                 |
| Acquisition deal costs  | —                  | —                 | 10,481           | 0.18              |
| Discrete tax adjustments  | —                  | —                 | (18,900)         | (0.33)            |
| Income tax effect of pre-tax adjustments  | (2,521)            | (0.05)            | (4,898)          | (0.09)            |
| Adjustment for shares excluded due to anti-dilution effect on GAAP net earnings (2) | —                  | 0.04              | —                | 0.04              |
| <b>Adjusted net earnings</b>  | <b>\$120,769</b>   | <b>\$ 2.23</b>    | <b>\$116,779</b> | <b>\$ 2.11</b>    |
| <b>Diluted weighted average number of shares</b>                                    | <b>54,654</b>      |                   | <b>56,673</b>    |                   |
| Adjustment for shares excluded due to anti-dilution effect on GAAP net earnings (2) | (613)              |                   | (1,430)          |                   |
| <b>Adjusted diluted weighted average number of shares</b>                           | <b>54,041</b>      |                   | <b>55,243</b>    |                   |

|   | Six Months Ended |                   |                  |                   |
|---|------------------|-------------------|------------------|-------------------|
|   | 2nd Qtr, 2022    |                   | 2nd Qtr, 2021    |                   |
|   | \$               | Diluted per share | \$               | Diluted per share |
| <b>Net earnings</b>   | <b>\$199,003</b> | <b>\$ 3.59</b>    | <b>\$209,848</b> | <b>\$ 3.73</b>    |
| Amortization (1)  | 53,649           | 0.97              | 39,738           | 0.71              |
| Restructuring expenses  | 5,904            | 0.11              | 1,805            | 0.03              |
| Acquisition related costs   | 11,970           | 0.22              | 737              | 0.01              |
| Acquisition deal costs  | —                | —                 | 12,821           | 0.23              |
| Facility consolidation related expenses   | —                | —                 | 993              | 0.02              |
| Net periodic pension benefit (other than service costs & curtailment)               | (22,300)         | (0.40)            | (22,905)         | (0.41)            |
| Gain on sale of plant   | —                | —                 | (763)            | (0.01)            |
| Charitable support to Ukraine   | 798              | 0.01              | —                | —                 |
| Discrete tax adjustments  | —                | —                 | (18,900)         | (0.34)            |
| Income tax effect of pre-tax adjustments  | (12,255)         | (0.22)            | (7,944)          | (0.14)            |
| Adjustment for shares excluded due to anti-dilution effect on GAAP net earnings (2) | —                | 0.08              | —                | 0.07              |
| <b>Adjusted net earnings</b>  | <b>\$236,769</b> | <b>\$ 4.36</b>    | <b>\$215,430</b> | <b>\$ 3.90</b>    |
| <b>Diluted weighted average number of shares</b>                                    | <b>55,509</b>    |                   | <b>56,320</b>    |                   |
| Adjustment for shares excluded due to anti-dilution effect on GAAP net earnings (2) | (1,151)          |                   | (1,087)          |                   |
| <b>Adjusted diluted weighted average number of shares</b>                           | <b>54,358</b>    |                   | <b>55,233</b>    |                   |

(1) Includes amortization of deferred financing costs and convertible notes issuance costs.

(2) Adjusted diluted weighted average number of shares was calculated based on excluding the dilutive effect of shares to be issued upon conversion of the notes to satisfy the amount in excess of the principal since the company's capped call offsets the dilutive impact of the shares underlying the convertible notes. The calculation of adjusted diluted earnings per share excludes the principal portion of the convertible notes as this will always be settled in cash.

|  | Three Months Ended |               | Six Months Ended |               |
|--|--------------------|---------------|------------------|---------------|
|  | 2nd Qtr, 2022      | 2nd Qtr, 2021 | 2nd Qtr, 2022    | 2nd Qtr, 2021 |
| <b>Net Cash Flows Provided By (Used In):</b>     |                    |               |                  |               |
| Operating activities                             | \$ 104,802         | \$ 112,686    | \$ 89,458        | \$ 172,381    |
| Investing activities                             | (83,133)           | (17,184)      | (107,259)        | (24,222)      |
| Financing activities                             | 9,017              | (10,446)      | 17,738           | (18,731)      |
| <b>Free Cash Flow</b>                            |                    |               |                  |               |
| Cash flow from operating activities              | \$ 104,802         | \$ 112,686    | \$ 89,458        | \$ 172,381    |
| Less: Capital expenditures, net of sale proceeds | (17,636)           | (7,992)       | (32,133)         | (13,363)      |
| Free cash flow                                   | \$ 87,166          | \$ 104,694    | \$ 57,325        | \$ 159,018    |

## NON-GAAP FINANCIAL MEASURES

The company supplements its consolidated financial statements presented on a GAAP basis with this non-GAAP financial information to provide investors with greater insight, increase transparency and allow for a more comprehensive understanding of the information used by management in its financial and operational decision-making. The non-GAAP financial measures disclosed by the company should not be considered a substitute for, or superior to, financial measures prepared in accordance with GAAP, and the financial results prepared in accordance with GAAP and reconciliations from these results should be carefully evaluated. In addition, the non-GAAP financial measures included in this press release do not have standard meanings and may vary from similarly titled non-GAAP financial measures used by other companies.

The company believes that organic net sales growth, non-GAAP adjusted segment EBITDA, adjusted net earnings and adjusted diluted per share measures are useful as supplements to its GAAP results of operations to evaluate certain aspects of its operations and financial performance, and its management team primarily focuses on non-GAAP items in evaluating performance for business planning purposes. The company also believes that these measures assist it with comparing its performance between various reporting periods on a consistent basis, as these measures remove from operating results the impact of items that, in its opinion, do not reflect its core operating performance including, for example, intangibles amortization expense, impairment charges, restructuring expenses, and other charges which management considers to be outside core operating results.

The company believes that free cash flow is an important measure of operating performance because it provides management and investors a measure of cash generated from operations that is available for mandatory payment obligations and investment opportunities, such as funding acquisitions, repaying debt and repurchasing our common stock.

The company believes that its presentation of these non-GAAP financial measures is useful because it provides investors and securities analysts with the same information that Middleby uses internally for purposes of assessing its core operating performance.

## Contacts

Darcy Bretz, Investor and Public Relations, (847) 429-7756  
 Bryan Mittelman, Chief Financial Officer, (847) 429-7715