



Middleby Investor Presentation

Baird Industrial Conference

November 10, 2021

Forward Looking Statements



Certain statements and information set forth in this presentation, as well as other written or oral statements made from time to time by us or by our executive officers on our behalf, including, without limitation, statements regarding our strategic initiatives, acquisitions and investments, brand growth and product expansion strategies, as well as our expectations for the future performance of our business and the foodservice equipment industry constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact, including statements that describe our objectives, plans or goals, are, or may be deemed to be, forward-looking statements. Such forward-looking statements involve risks and uncertainties which could cause Middleby’s actual results, performance or outcomes to differ materially from those expressed or implied in the forward-looking statements. The accuracy of such statements is subject to a number of risks, uncertainties, assumptions and other factors, including, but not limited to, 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; our ability to implement successfully our strategic initiatives and investments; and other risks detailed herein and from time to time in the company's news releases and filings made under the securities laws, including, among others, our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Forward-looking statements contained in this presentation speak only as of the date of this presentation, and we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

Non-GAAP Measures

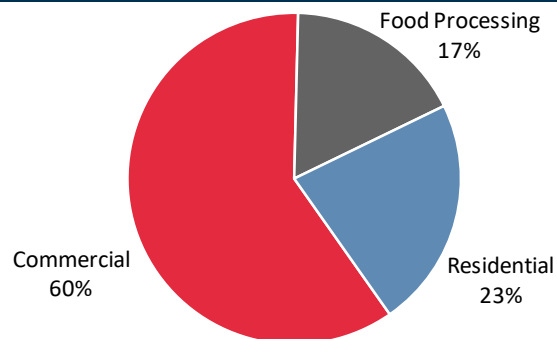
Throughout this presentation, we will be discussing Adjusted EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization), which is a non-GAAP performance measure that provides supplemental information that the company believes is useful to evaluate ongoing results of operations, when considered alongside other GAAP measures such as net income and operating income. For additional information and the reconciliation of Adjusted EBITDA to the appropriate GAAP measures, please refer to the Appendix to this presentation.

Middleby Overview

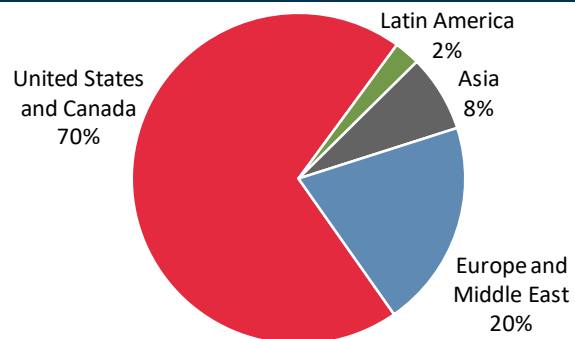
Middleby is a well diversified industry-leading foodservice business



2020 Sales by Segment



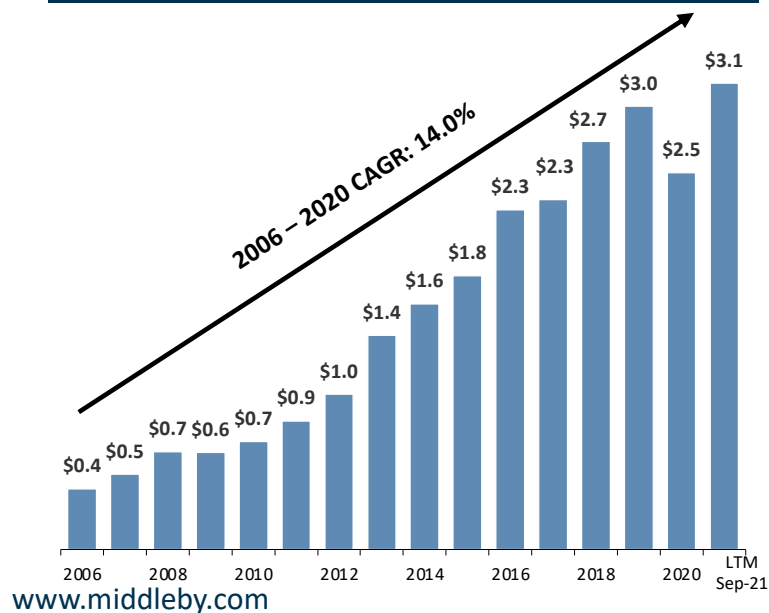
2020 Sales by Geography



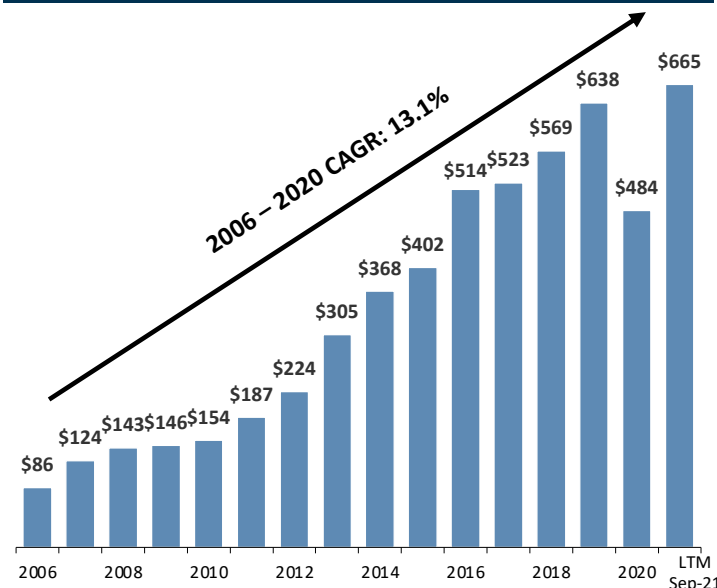
Company Highlights

- Three industry-leading, highly synergistic foodservice platforms with over 100 brands
- Diversified business across end markets and geographies
- Strong track record of profitability with EBITDA margins in excess of 20% for sustained period
- Leveraging core strengths to broaden product offerings in Commercial Foodservice, Residential Kitchen and Food Processing businesses
- Plan in place to continue growth and improve margins further
- Proven ability to acquire and integrate businesses

Historical Sales (\$ in billions)



Historical Adj. EBITDA (\$ in millions)



Snapshot of Middleby's Business Segments



- ✓ Middleby is a leading global manufacturer of commercial cooking equipment
- ✓ Extensive portfolio of products catered toward restaurants (from quick service to fine dining) as well as institutions such as hospitals and schools
- ✓ Leading solutions provider across commercial kitchen and beverage categories



- ✓ Middleby entered the ultra-premium residential appliance market with the acquisition of Viking Range in 2013 and has since built a portfolio of leading brands
- ✓ Enables customers to experience commercial grade innovation and chef-approved appliances in their home
- ✓ Broad product portfolio including ranges, built-in surface cooking and ovens and cook tops, stand alone and built-in refrigeration and outdoor cooking equipment



- ✓ Middleby is a leader in preparation, cooking, baking, packaging, and food safety systems for the industrial processing, baking and packaging industry
- ✓ Core products include batch ovens, belt ovens, continuous processing ovens, automated thermal processing systems, automated loading and unloading systems, meat presses, reduction and emulsion systems, defrosting equipment, and packaging and food safety equipment

Select Brands

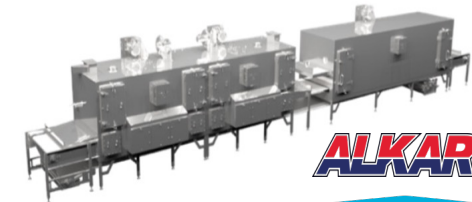


Three Synergistic Platforms Working Together



Accelerating Synergies Across Platforms

- **Technology and engineering synergies**
 - ✓ Technology sharing across segments
 - ✓ Acceleration of development and to-market
 - ✓ Shared Controls and IoT
 - ✓ Integrated Controls platform
 - ✓ Internet of Things (“IoT”)
 - ✓ Automation
- **Supply chain**
- **Production capabilities and platform manufacturing**
- **Shared foodservice and culinary expertise**



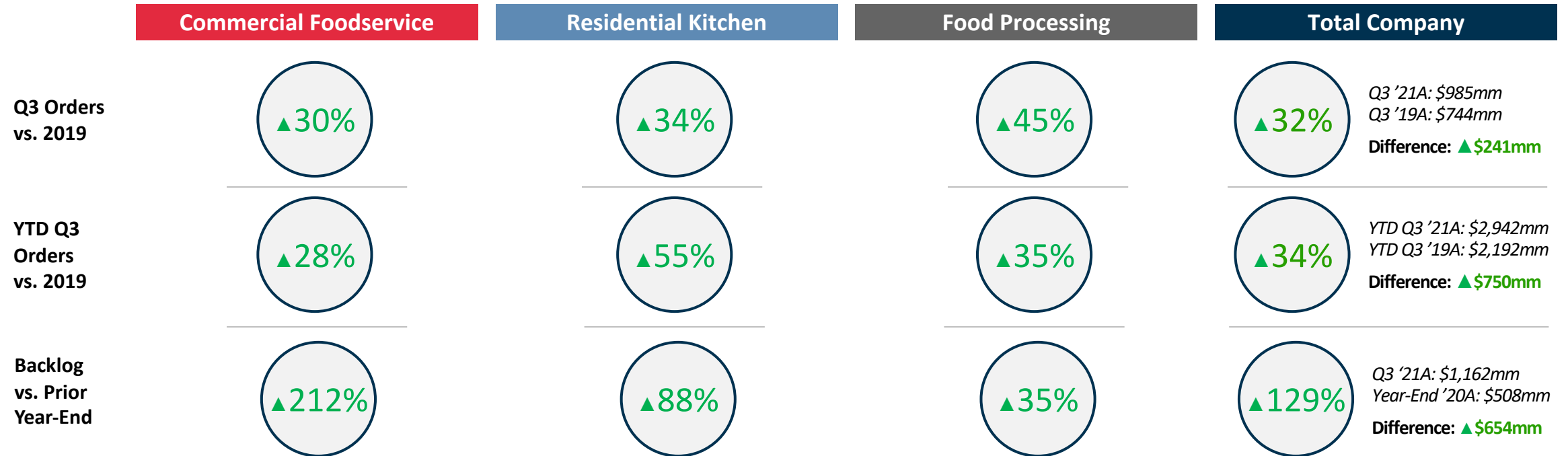
Middleby is accelerating the realization of shared synergies, contributing to greater innovation and operating efficiencies

Business Conditions – 2021 Order Trends



Middleby's Three Innovative Businesses

- All segments reported positive order trends for 2021 as compared to amounts reported for 2019 and 2020
- The order data below compares Q3 '21 to Q3 '19
- Backlog levels have positioned all the segments for growth into 2022



Note: Order and backlog data refers to organic figures.

Consolidated Backlog of \$1.2 billion at All Time High

What We Are Doing at Middleby



Investing in innovation, technology, and solutions targeting trends and customer needs.



Evolving sales processes, strategic partnerships, and service capabilities



Expanding our global footprint in growth markets



Executing business development and strategic acquisitions to support these efforts

Multifaceted Strategy for Long-Term Growth and Margin Enhancement



Sales Growth Initiatives

- New product innovation
- Existing customer penetration
- International expansion in emerging markets
- Digital marketing and sales channel investments
- Services and aftermarket initiatives
- Continued M&A and business development

Middleby Attributes

- ✓ Customer-focused culture
- ✓ Track record of innovation
- ✓ Financial and operating discipline
- ✓ Proven ability to integrate acquisitions
- ✓ Foodservice industry expertise

Operating Efficiencies

- Acquisition integration
- Purchasing optimization / greater leverage across brands
- Aftermarket growth
- Innovation across all segments and introduction of new technologies

Historical and Targeted Adj. EBITDA Margins by Segment

	2019A	2020A	Target
Commercial Foodservice	26%	22%	30%
Residential Kitchen Equipment	18%	17%	25%
Food Processing	21%	22%	25%

Middleby's Historical M&A Track Record



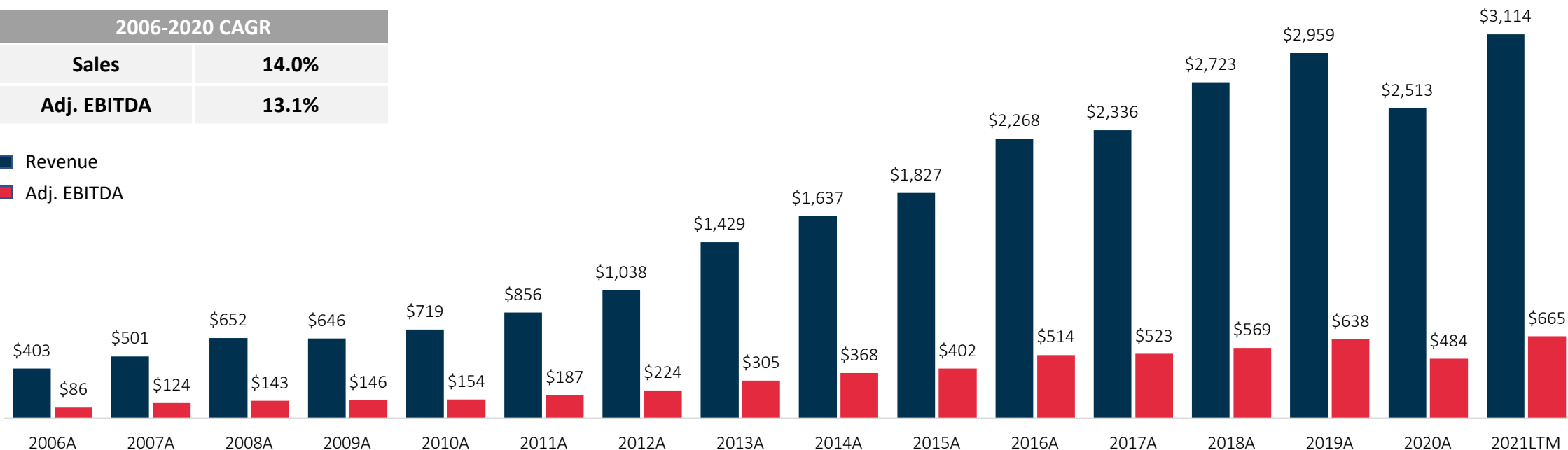
Middleby has strategically invested in core categories through acquisitions and driving subsequent operating performance

Historical Sales and Adj. EBITDA

(\$ in millions)

2006-2020 CAGR	
Sales	14.0%
Adj. EBITDA	13.1%

■ Revenue
■ Adj. EBITDA



Number of acquisitions:

1	5	2	4	2	7	4	3	4	8	2	7	8	7	4	4
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Acquired revenue (\$ in millions):

\$10	\$220	\$34	\$138	\$48	\$149	\$76	\$243	\$99	\$514	\$145	\$279	\$394	\$177	\$97	\$175
------	-------	------	-------	------	-------	------	-------	------	-------	-------	-------	-------	-------	------	-------

Middleby Continued M&A Focus



Middleby has successfully deployed capital to acquire brands over the years which are strategically complementary to the current portfolio

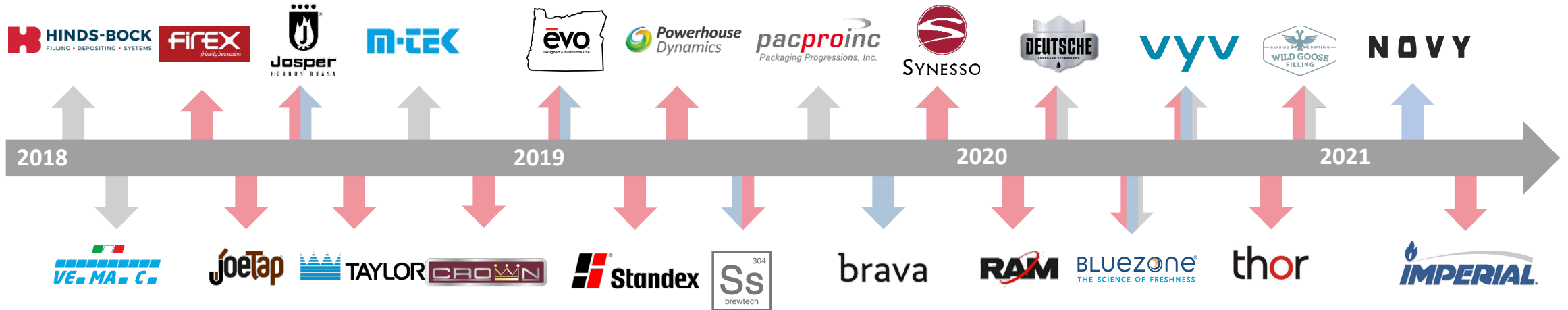
RECENT M&A ACTIVITY

- Middleby has completed 20+ transactions since the beginning of 2018, investing in key technology initiatives and trends, while enhancing the company's capabilities across all three business segments
- Many of the most recent acquisition have ongoing sales and profitability benefits yet to be realized
- Middleby is clearly positioned for additional opportunities in Commercial Foodservice, Food Processing and Residential Kitchen

Strategic Investment Themes

- *Foodservice and Food Processing Automation*
- *Beverage Platform Expansion*
- *Health and Safety*
- *International Expansion*
- *IoT and Controls*
- *Ventless Cooking*

SELECT ACQUISITIONS & INVESTMENTS



↑ Commercial Foodservice
 ↑ Residential Kitchen
 ↑ Food Processing

Debt and Liquidity

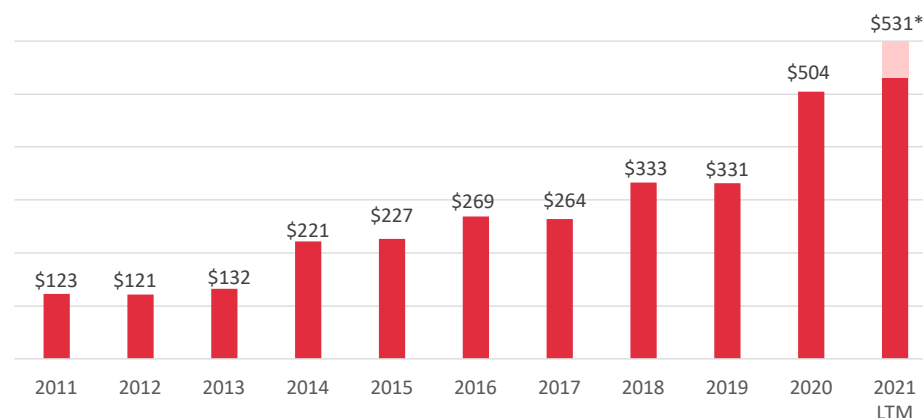


Q3 2021 LEVERAGE RATIO (IN \$000s)

Cash	\$251.5
Debt	\$1,887.6
Net Debt*	\$1,750.8
LTM EBITDA *	\$735.9
Total Leverage	2.4x
Covenant Limit	5.5x

* As defined in the credit agreement

10-YEAR FREE CASH FLOW GROWTH (in 000s)



*Proforma LTM Free Cash Flow is \$462 million, excluding the termination fee received, net of taxes and deal costs of approximately \$68 million.

LIQUIDITY COMMENTARY

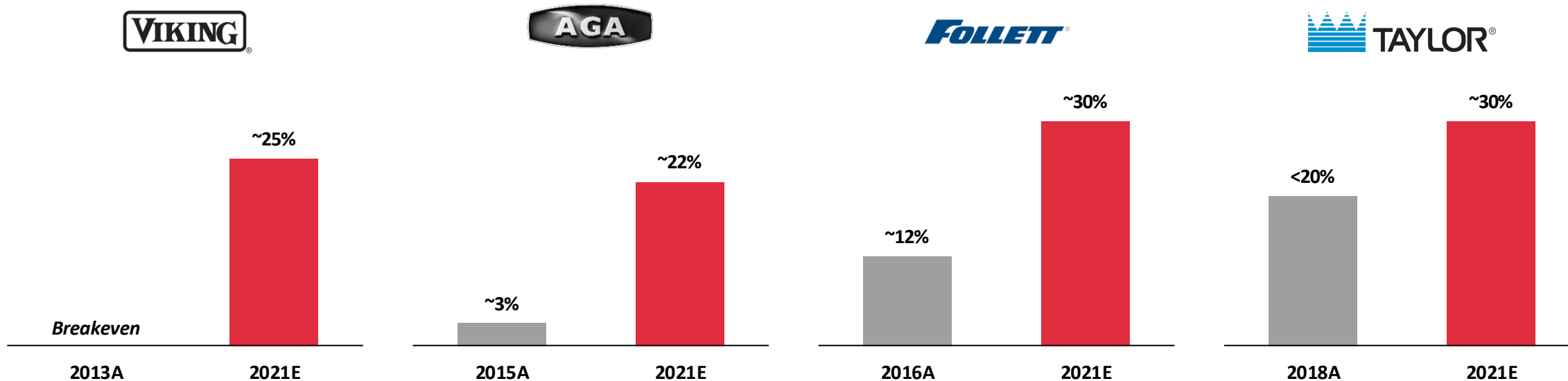
- During Q3, we used \$378 million for acquisitions and received approximately \$77 million in a termination fee, net of taxes and deal costs
- Q3 generated operating cash flow of \$174 million despite the following:
 - Increase in working capital of nearly \$80 million to support increased demand and to manage supply chain risks
 - Q3 free cash flow represents 90% of net income
- On 10/21/21, we amended our credit agreement:
 - Increased facility size from \$3.1 billion to \$4.5 billion and extended maturity to five years from amendment date
 - Facility includes \$1 billion term loan, \$2.75 billion revolver, and \$750 million delayed draw term loan (we have one year to draw)
 - Increased secured leverage covenant from 3.5x to 3.75x or 4.25x after acquisitions
- Current borrowing capacity is approximately \$2.3 billion

Middleby is a Proven and Experienced Acquirer



- Our acquisition history provides a clear integration playbook to implement best practices and maximize efficiency across the Middleby organization
- Middleby has historically realized synergies from its acquisitions from material and supply chain initiatives, combined sales & marketing investments, product & technology sharing accelerating innovation and expense reduction through best practices and removal of duplicative costs
- We set target margin goals at our acquired businesses and work to improve operations in a timely manner, as evidenced below

Application of the 'Middleby Way' – Adj. EBITDA Margin Improvement



Transformative Growth Initiatives in Last 5+ Years



✓ Established Commercial Beverage Platform

- Ice, coffee, nitro-brew, soda, liquor dispense, blending, smoothies, soft serve, and shakes



✓ Technology Innovation Supporting Sustained Brand Growth

- ~\$20mm+ investment per year in key innovation areas:
 - IoT Open Kitchen
 - L2F Kitchen Automation
 - Common Control Platform
 - Ventless Kitchen Solutions



✓ Established Premium Residential Platform

- Acquisition of Viking, U-Line, Lynx and AGA Group
- Added portfolio of 10+ premium leading brands
- Development of company-owned distribution network in USA
- Showroom introductions in Chicago, NYC, Los Angeles, and Dallas
- Viking complete new product lineup

✓ Continued Expansion Into Key Geographic Growth Markets

- ✓ Brazil
- ✓ China
- ✓ India
- ✓ Mid-East
- ✓ Russia
- ✓ United Kingdom
- ✓ Australia
- ✓ Nordics

✓ Continued Expansion in Commercial Foodservice and Food Processing Categories

30+ Acquisitions of leading brands and technologies

✓ Innovative New Product Launches

Middleby is enabling *Kitchen Innovation* through over **250+ new product introductions**



Beverage Platform Innovation

Capitalizing on Market Trends

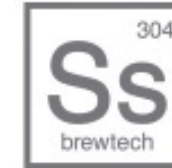
- Automated Coffee & Espresso
- Nitro Brew/Cold Brew
- Soda & Tea Dispense
- Blending & Smoothies
- Shakes & Deserts
- Ice & Water Dispense
- Liquor & Bar
- Beer Brewing
- Canning & Bottling

FOLLETT[®]



Joetap[®]

 **TAYLOR**[®]



 **U-LINE**


CONCORDIA
BEVERAGE SYSTEMS



 **STARLINE**

Wunder-Bar[™]



Skyflo[®]

Recently Established Beverage Platform With Significant Growth Opportunities

Innovation Supporting Industry Trends



Accelerating Trends

- Labor availability, training and cost
- Added focus on off-premise (delivery, carry out and drive-through)
- Emphasis on menu simplification, throughput and space utilization
- New foodservice models - mobile, ghost and virtual kitchens
- Remote operation, monitoring and service
- Kitchen automation
- Safety protocols for employees and customers
- Sustainability



MIDDLEBY VENTLESS SOLUTIONS



AUTOMATED PICK-UP & DELIVERY SYSTEMS



IOT CONNECTED KITCHEN

Middleby Solutions

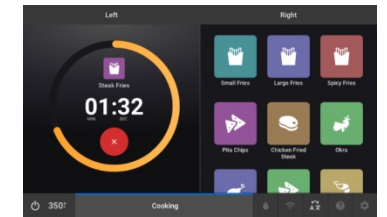
- Middleby ventless kitchens for non-traditional and space savings
- Development and launch of Open Kitchen
- Middleby modular and ghost kitchens
- Data intelligence and automation solutions
- Middleby advanced controls
- Middleby touchless and automated Pick-Up Cabinets (PUC)
- Launch of Bluezone Viral Kill and Food Preservation air purification



MIDDLEBY MODULAR AND GHOST KITCHENS



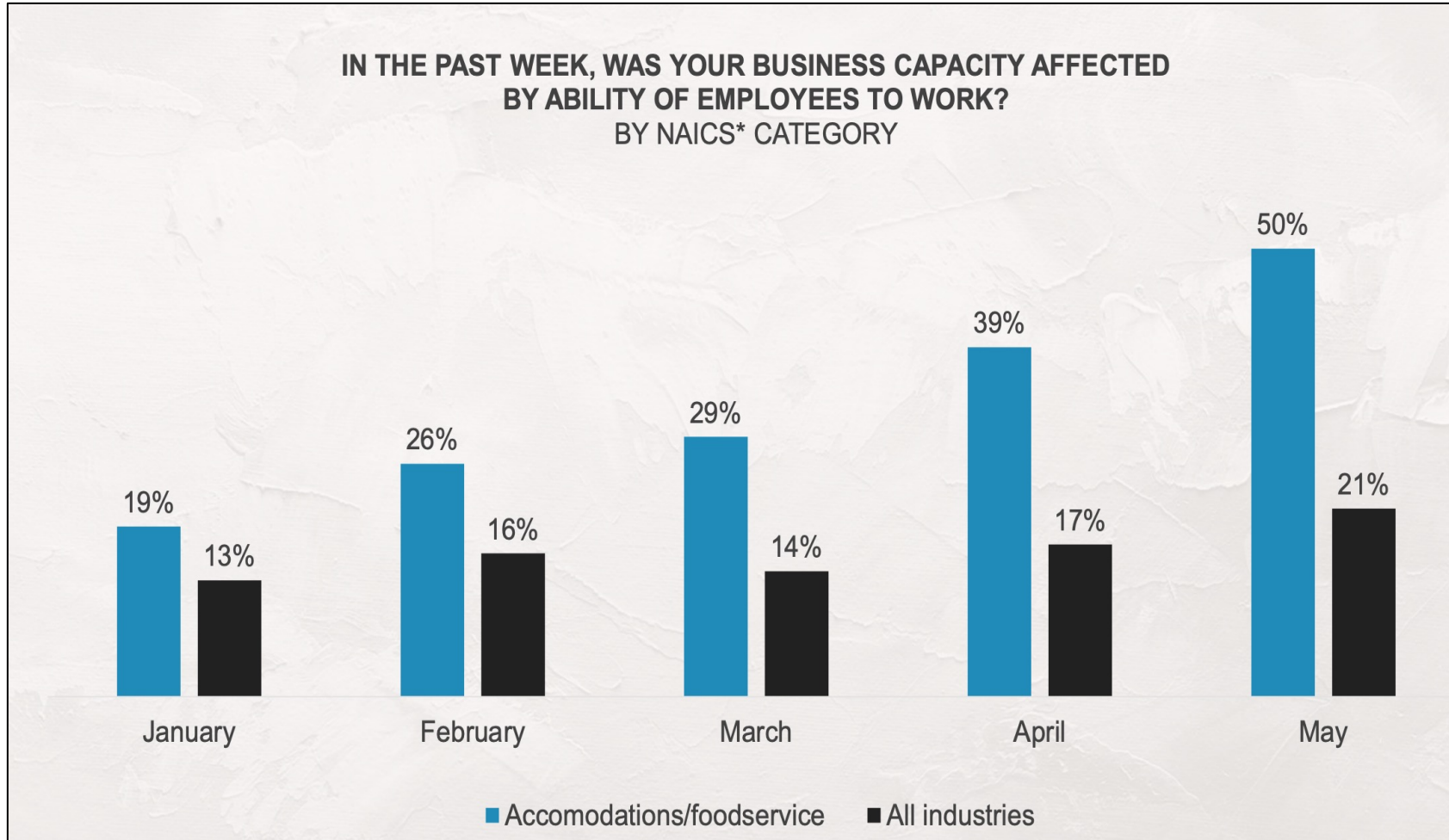
AIR, SURFACE AND FOOD SAFETY



MIDDLEBY'S NEW HIGH-LEVEL USER INTERFACE

Forward-looking investments in technology innovations and solutions addressing industry trends

Labor is the Single Major Issue facing Foodservice Industry



- Enhanced unemployment extension
- COVID-19 fears
- Childcare issues
- Favorable employment situation in other verticals
- Former workers moved on
- Current stressful environment

New Product Spotlight – Taylor NextGen Grill



- Significant labor reduction
- Increased throughput and speed of service
- Menu flexibility
- Simple one-button operation
- True compression cooking enhancing taste and quality
- Self-adjusting cooking platens with fast temperature recovery
- Features Middleby advanced connected control



A Revolution in Grill Automation

IoT Automation for the entire restaurant

Open Kitchen delivers enterprise-wide control and visibility of all your equipment, across every location, on a single platform. With a holistic view, you can analyze and optimize operational performance to reduce energy costs and repairs, improve profitability and protect your brand.



CONNECTED
EQUIPMENT



REMOTE EQUIPMENT MONITORING



ENTERPRISE HVAC & EQUIPMENT
CONTROLS



TEMPERATURE
MONITORING



REAL-TIME
ALERTS



REMOTE RECIPE
DISTRIBUTION

RESTAURANT VIEW



Connectivity enables remote assessment of Taylor equipment performance, status, & usage



“At-a-Glance” infographic shows real-time status of Taylor system, including any alerts



Product Mix report shows break-down of products produced, qty, and time of day

Middleby Innovation Kitchens



Traffic through the MIK has exceeded expectations with over 1300 visitors representing 130+ customers since its opening. Our newest technology vignette, BOT's Automated Ghost Kitchen is now open and operating in the MIK.



www.middlebyinnovationkitchens.com

Industry Outlook – Commercial Foodservice

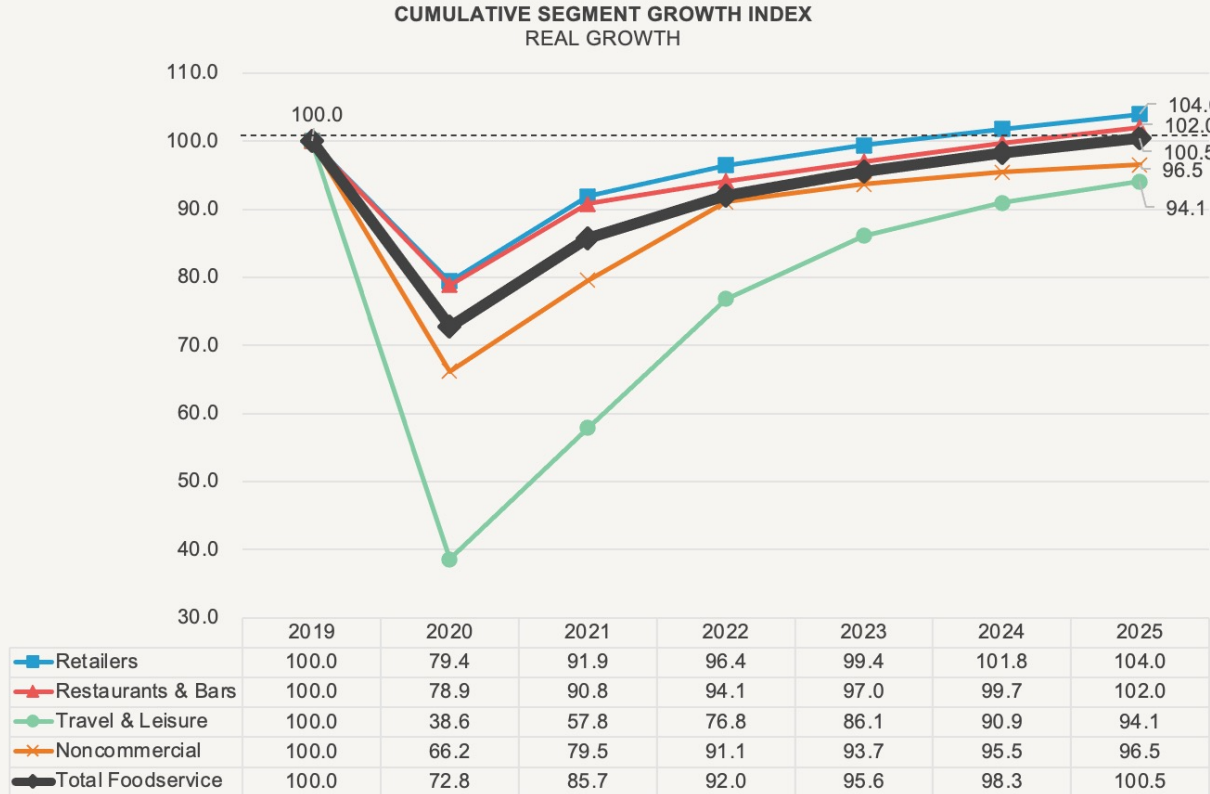


REAL SALES INDEX THROUGH 2025

On a real basis, the overall industry will attain its 2019 sales levels by 2025

By year-end 2025, the total industry will finally achieve parity with its 2019 value, due to expected strong gains in 2021 and 2022.

The retailer and restaurants and bars segments will drive the industry, while the travel and leisure segment as well as the noncommercial segment will continue to lag.



Source: Technomic projections
Note: 2019 and 2020 are actuals

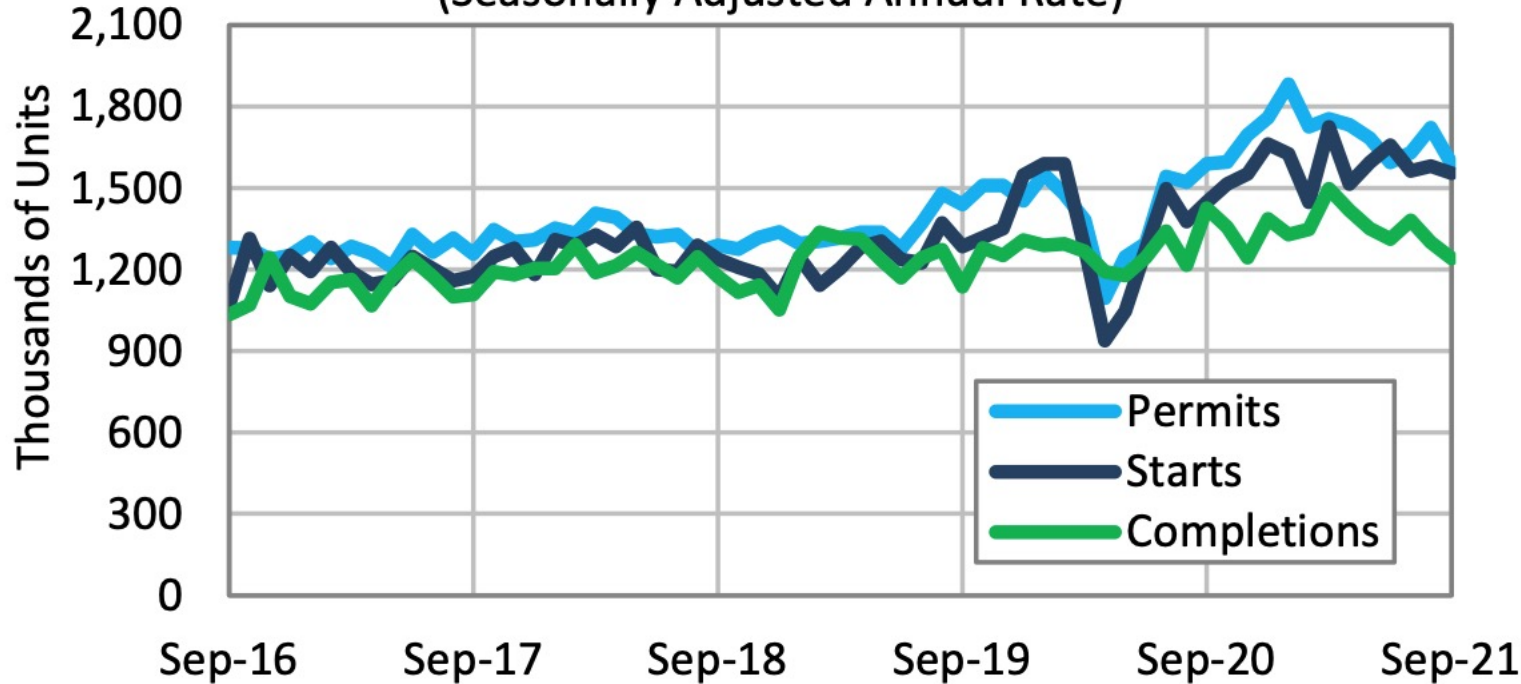
- Quick serve, pizza and fast casual experienced quick recovery. Investing in new models for delivery and drive through.
- Retail and convenience stores investing in enhanced and expanded food and beverage programs, capturing off premise trends
- Bars, casual dining, travel & leisure, school and institutional at early stages of recovery
- New entrants investing in virtual, central, mobile, and cloud based foodservice solutions.
- Labor remains a central issue for all segments.

Long-Term Recovery Expected through 2025

Residential Outlook - New Home Starts remain Strong



New Residential Construction (Seasonally Adjusted Annual Rate)



Source: U.S. Census Bureau, HUD, October 19, 2021



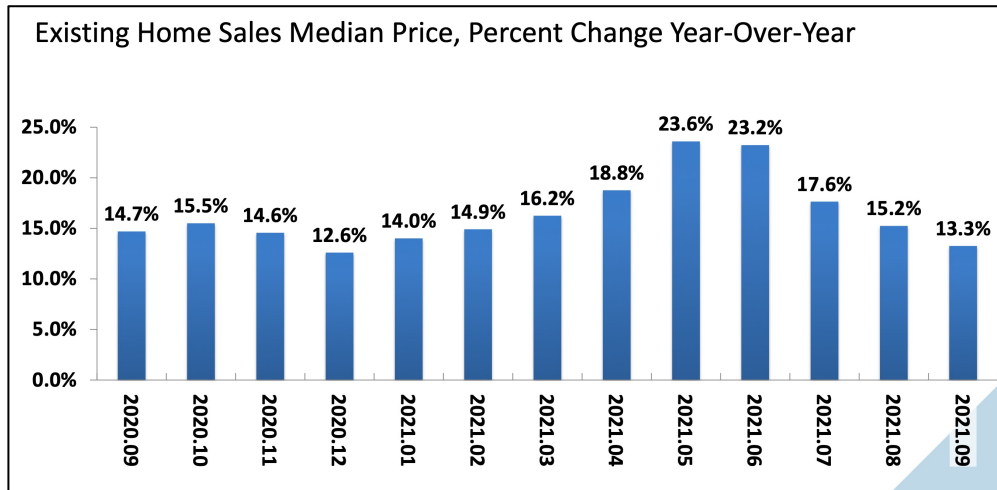
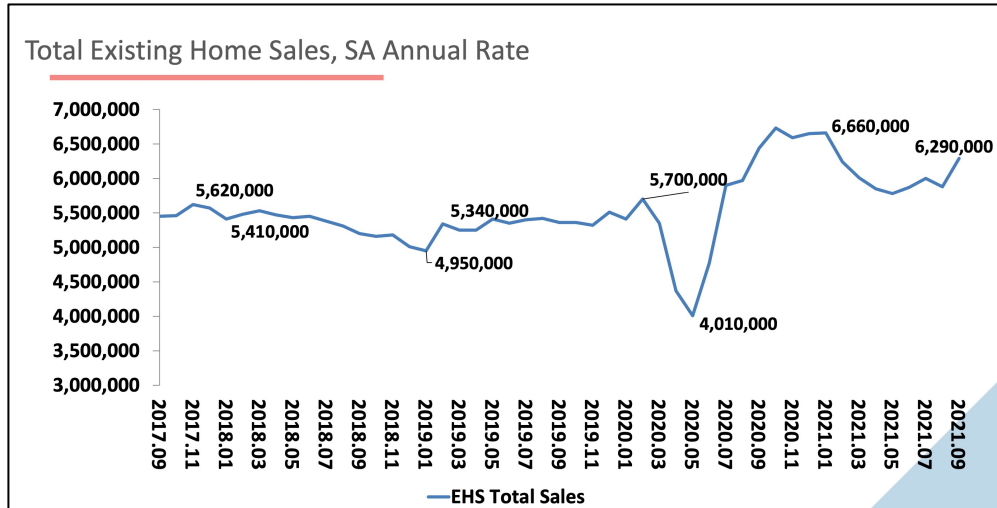
NEW RESIDENTIAL CONSTRUCTION SEPTEMBER 2021

Building Permits:	1,589,000
Housing Starts:	1,555,000
Housing Completions:	1,240,000
Next Release: November 17, 2021	

Seasonally Adjusted Annual Rate (SAAR)
Source: U.S. Census Bureau, HUD, October 19, 2021

- September 2021 Starts +7.4% over September 2020

Residential Outlook - Existing Home Sales elevated



- Existing home sales remain elevated over pre-covid periods
- Median Home prices continue to rise at a double digit rates
- Greatest increase in price and demand for homes valued at \$1m+ (the premium market)



Q&A