



Q4 Earnings Update

February 21, 2023

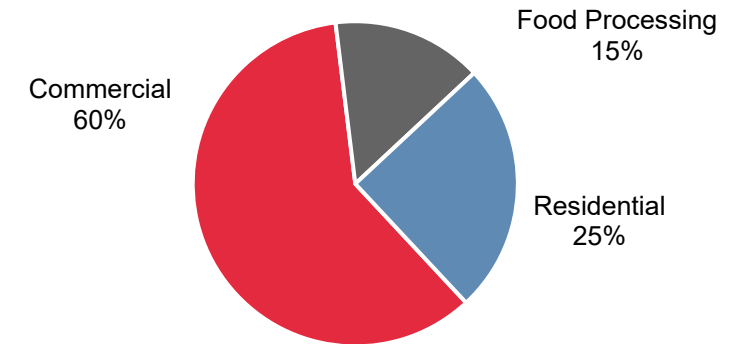
MIDDLEBY SEGMENT SUMMARY



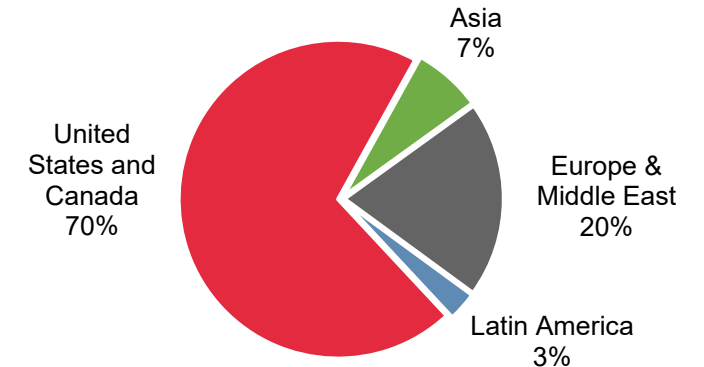
Three Industry-Leading Foodservice Platforms

- More than 110 highly-respected, leading brands
- Established global business infrastructure
- Highly synergistic business segments
- Technology and innovation leader
- Strong track record of profitability and cash flow
- Well positioned for existing and new market trends

2022 YTD PROFORMA REVENUE BY SEGMENT *



2022 YTD PROFORMA REVENUE BY REGION *



* Revenues adjusted to depict estimated results if ownership of acquired businesses was effective for the entire year.

FINANCIAL RESULTS



Q4 2022 Financial Results

(in millions, except percentages)	Q4 '22	Q4 '21	Change
Net Sales	\$1,031.7	\$866.4	19.1%
Gross Profit	390.1	315.6	23.6%
% of Sales	37.8%	36.4%	
Operating Income	188.1	138.6	35.7%
Net Earnings	133.2	102.7	29.7%
Adjusted EBITDA	233.5	193.0	21.0%
% of Sales	22.6%	22.3%	
LTM Bank EBITDA	889.6	823.2	8.1%
as defined in credit agreement			
Operating Cash Flow	159.1	77.4	105.6%

Results Commentary

- Organic revenue increase of 14.0% versus prior year
- Organic revenue growth by segment:
 - Commercial Foodservice 19.4%
 - Residential Kitchen -8.7%
 - Food Processing 29.1%
- Q4 '22 organic adjusted EBITDA of 23.8%
- Strong Q4 '22 organic adjusted EBITDA across all segments:
 - Commercial Foodservice 28.3%
 - Residential Kitchen 16.2%
 - Food Processing 29.0%
- Adjusted EBITDA was unfavorably impacted by foreign exchange rates for approximately \$6.6 million

COMMERCIAL FOODSERVICE



Q4 2022 Financial Results

(in millions, except percentages)

	Q4 '22	Q4 '21	Change
Revenues	\$633.3	\$531.3	19.2%
Adjusted EBITDA	177.4	136.4	30.1%
Adjusted EBITDA as % of Revenues	28.0%	25.7%	
Organic Adjusted EBITDA as % of Revenues	28.3%		

REVENUE AND GROWTH

U.S. and Canada	\$452.9	22.2%
International	180.4	12.3%

Results Commentary

- Margin expansion over prior year and sequentially from Q3 '22 as a result of pricing, shifting mix towards higher technology solutions, and disciplined cost control
- For the second half of '22, generated Adjusted EBITDA margin of over 27% versus 25% in the prior year
- Digital automation (IoT), embedded, and collaborative automated solutions continue to drive cross-brand innovations
- Recent acquisition of Marco broadens Middleby's portfolio of beverage dispensing solutions

RESIDENTIAL KITCHEN



Q4 2022 Financial Results

(in millions, except percentages)

	Q4 '22	Q4 '21	Change
Revenues	\$216.0	\$209.5	3.1%
Adjusted EBITDA	30.6	40.2	-23.9%
Adjusted EBITDA as % of Revenues	14.2%	19.2%	
Organic Adjusted EBITDA as % of Revenues	16.2%		

REVENUE AND GROWTH

U.S. and Canada	\$138.8	16.4%
International	77.2	-14.5%

Results Commentary

- Organic revenue decline of 9% comprised of decreases of 8% domestically and 10% internationally
- International revenue affected primarily by market conditions in the UK, as well as \$10 million of foreign exchange impact
- Decrease in reported Adjusted EBITDA margin reflects the impact of the outdoor grill companies acquired at the end of December 2021
- Supply chain challenges persist and have limited our output and reduced margins

FOOD PROCESSING



Q4 2022 Financial Results

(in millions, except percentages)

	Q4 '22	Q4 '21	Change
Revenues	\$182.4	\$125.6	45.2%
Adjusted EBITDA	47.8	29.8	60.4%
Adjusted EBITDA as % of Revenues	26.2%	23.7%	
Organic Adjusted EBITDA as % of Revenues	29.0%		

REVENUE AND GROWTH

U.S. and Canada	\$123.8	41.2%
International	58.6	54.6%

Results Commentary

- Continued customer acceptance of our full-line automated solutions driving organic revenue growth of 29%
- Margin expansion over prior year and sequentially from Q3 '22 as we delivered larger projects and realized operational leverage benefits
- Recent acquisition of Escher strengthens Middleby's offerings in industrial bakery mixing and automation

DEBT AND LIQUIDITY



Q4 2022 Leverage Ratio (in \$000s)

Cash	\$162.0
Debt	\$2,722.3
Net Debt*	\$2,650.4
LTM EBITDA*	\$889.6
Total Leverage	3.0x
Covenant Limit	5.5x

* As defined in the credit agreement

Liquidity Commentary

- Operating cash flows for Q4 were \$159 million, with only modest increases in working capital
- Free cash flow exceeded net income and was our best quarter for conversion in two years
- Reinvestment continued in an ongoing effort to strengthen operations, grow the business, and drive shareholder value. On a year-to-date basis, we have:
 - Made capital expenditures of \$67 million
 - Invested \$290 million to acquire businesses and assumed \$29 million of debt
 - Repurchased common stock and purchased capped calls for \$259 million
- Quarter-end borrowing capacity was approximately \$2.2 billion

STRATEGIC M&A FOCUS

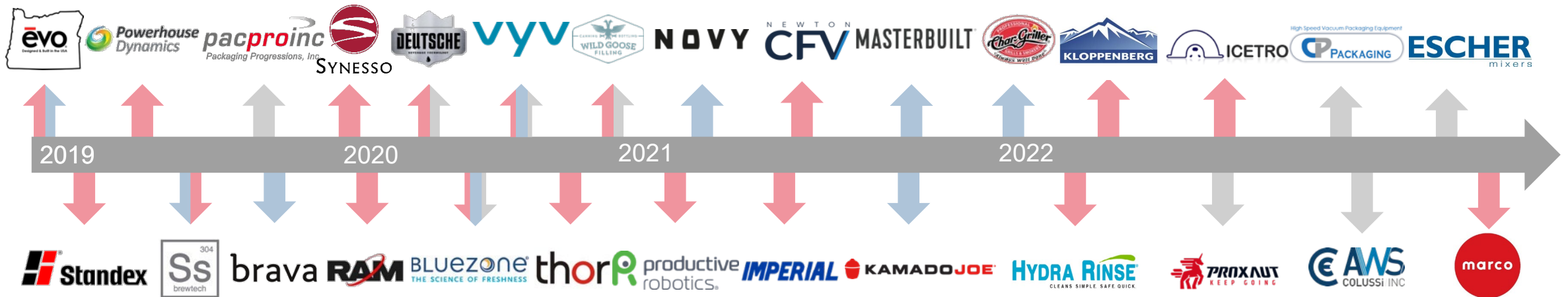


Recent M&A Activity

- Middleby has completed 25+ transactions since the beginning of 2019, investing in key technology initiatives and trends, which have enhanced our capabilities and offerings across all three business segments
- Many of the recent acquisitions 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

- Automation, IoT and Digital Controls
- Beverage Platform Expansion
- Food Processing Full-Line Solutions
- Outdoor Residential Equipment
- Ventless Cooking
- International Expansion



↑ Commercial Foodservice
 ↑ Residential Kitchen
 ↑ Food Processing

NEW PRODUCT SPOTLIGHT



Konnected Joe™

- Connected digital charcoal products bring automation to the backyard
- Effortless lighting with auto-light ignition
- Digital temperature and fan control precisely regulates temperature
- Use the full digital control for automated smoking and grilling or turn it all “off” for traditional Kamado cooking
- Kamado Joe App driven content and control



Konnected Control



Auto-light ignition coil



NEW PRODUCT SPOTLIGHT



InvoQ

- Full line-up of combis optimized for US and EU Market
- Sustainability Features:
 - 38% less power
 - 70% lower power consumption during steam function
 - 27% lower water usage during cleaning
 - 17% more capacity
 - 32% smaller footprint
- Middleby One Touch Control and OPEN KITCHEN IoT enabled



NEW PRODUCT SPOTLIGHT



Smart Solstice Fryer

- Traditional full oil volume frying for heavy-duty frying with the same features and benefits as reduced oil volume (ROV) fryers
- High efficiency gas and electric frying
- Automated filtering and oil top off
- Embedded SOS (Smart Oil Sensor) system measures and reports TPC
- Integrates with bulk oil systems
- Middleby One Touch Control and OPEN KITCHEN IoT enabled



ACQUISITIONS



www.marco beveragesystems.com

- Innovative and energy-efficient beverage dispensing solutions
- Highly complementary to our current beverage portfolio extending offerings in coffee brewers, cold brew dispense and hot, cold and sparkling water dispensers
- POUR'D cold coffee on tap received Best New Product 2022 award from Specialty Coffee Association
- Annual revenue of approximately \$30M
- Headquartered in Dublin, Ireland with U.S. and China operations



ACQUISITIONS

ESCHER
mixers

www.eschermixers.com

- Spiral and planetary mixers for the industrial baking industry
- Innovative dough handling and mixing equipment, including automated and robotic solutions
- Customers include large grocery and retail chains
- Annual revenue of approximately \$15M
- Headquartered in Vicenza, Italy





THANK YOU