



Baird 2020 Global Industrial Conference

November 11, 2020

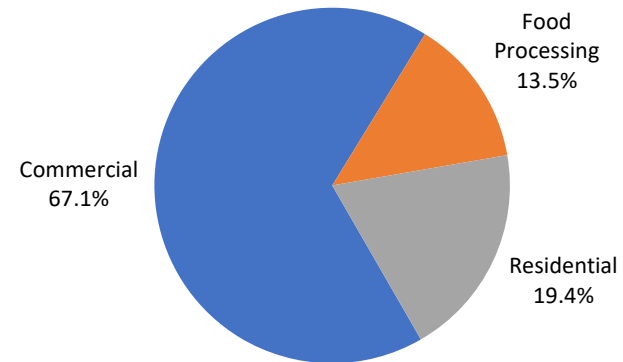
Middleby Overview

THREE INDUSTRY-LEADING FOODSERVICE PLATFORMS

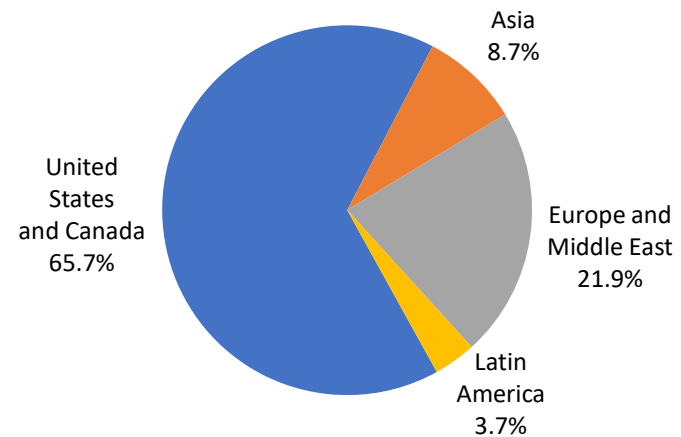
- 100+ highly-respected, leading brands
- Global business infrastructure
- Highly synergistic business segments
- Technology and innovation leader
- Strong track record of profitability and cash flow
- Well positioned for existing and new market trends



SEGMENT REVENUES



SALES BY GEOGRAPHIC REGION





Strong Track Record of Long-Term Growth and Profitability

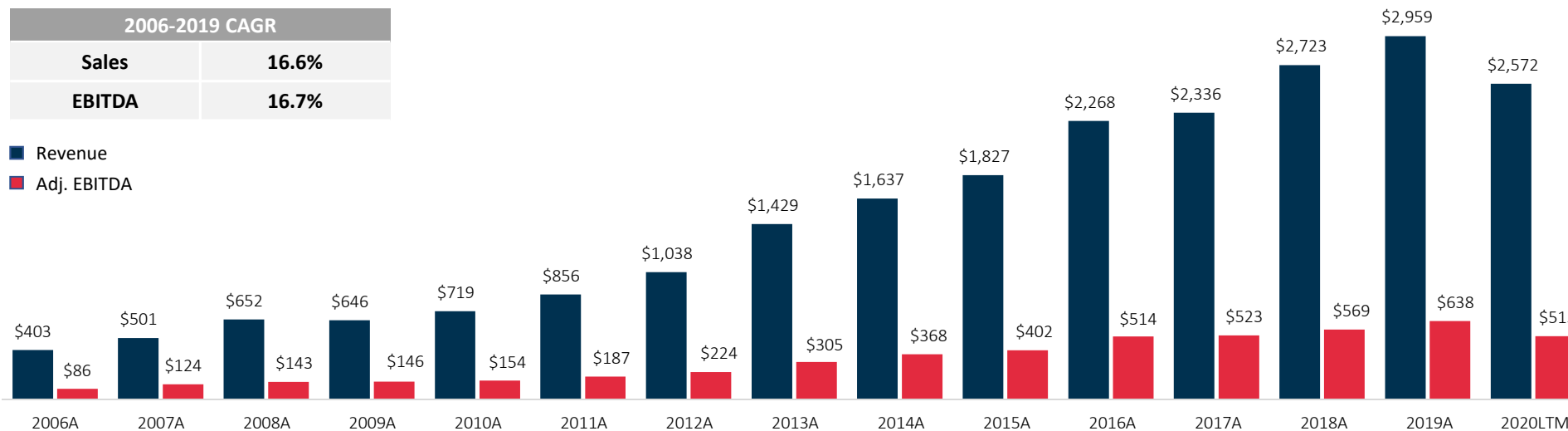
Middleby has strategically invested in core categories through the acquisition of key brands and has subsequently driven significant margin growth

Historical Sales and EBITDA

(\$ in millions)

2006-2019 CAGR	
Sales	16.6%
EBITDA	16.7%

■ Revenue
■ Adj. EBITDA



Number of acquisitions:

1	5	2	4	2	7	4	3	4	8	2	7	8	7	2
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Acquired revenue (\$ in millions):

\$10	\$220	\$34	\$138	\$48	\$149	\$76	\$243	\$99	\$514	\$145	\$279	\$394	\$177	\$47
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Cash Flow and Liquidity

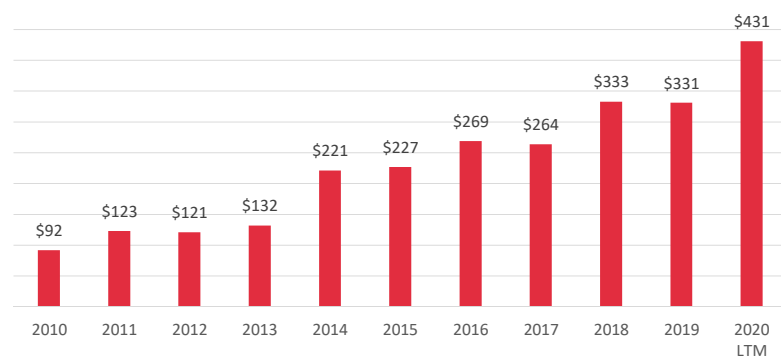


Q3 2020 LEVERAGE RATIO (IN \$000S)

Cash	\$220.3
Debt*	\$1,832.1
Net Debt**	\$1,785.2
LTM EBITDA**	\$563.4
Total Leverage	3.17x
Covenant Limit	5.50x

* Excludes approximately \$120.5m classified as equity and attributable to conversion feature under US GAAP
 ** As defined in the credit agreement

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



LIQUIDITY COMMENTARY

- Q3 generated all-time record high operation cash flow of \$151.4 million, and benefited from \$54.6 million reduction in inventory
- Record LTM operating cash flow of \$463.9 million as of Q3 2020
- During Q3 Middleby completed a convertible notes sale and amended our bank credit agreement
 - Issued \$747.5 million of five-year convertible notes, with a 1% interest coupon
 - Purchased a capped call for \$104.7 million to effectively increase the conversion price from \$128.62 to \$207.93, which greatly reduces dilution risk (less than 2% dilution projected at \$250 share price)
 - Notes proceeds of \$400 million were used to pay down outstanding term loan borrowings and the bank credit facility has decreased by this amount
 - Total leverage (incurrence) covenant has expanded to 5.5x, allowing the company flexibility to continue operational and strategic investments
- Current borrowing capacity is approximately \$1.3 billion

Near-Term Business Conditions—Recent Order Trends



Commercial Food Service



Business in quick-serve, pizza, retail, c-store and healthcare continue to be resilient with increased demand for delivery, drive-through and carry-out. There was a noticeable jump in parts orders for the third quarter as well. Casual dining restaurants have become more versed in carry out and delivery as they face another round of indoor dining restrictions. In the marketplace there continues to be a heightened focus on safety and related solutions. Middleby is well positioned to support new and accelerating trends with Bluezone and other commercial kitchen innovations.

Residential Kitchen



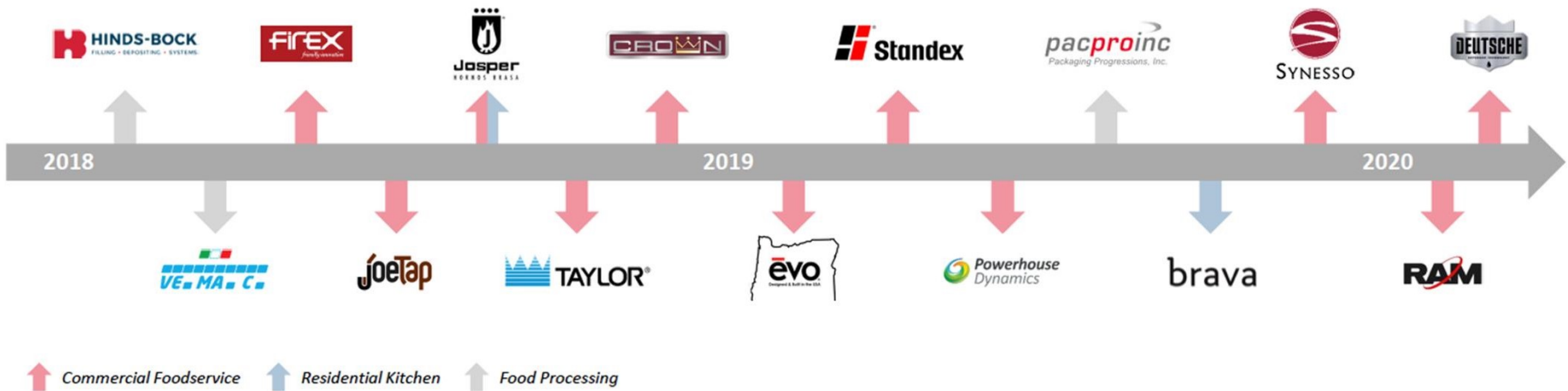
Order improvement has sustained as dealer and retail locations have re-opened and consumers plan for kitchen remodels, reallocating funds earmarked for vacations and other cancelled activities. Many continue working, staying and eating at home which has fueled a consistent demand for both indoor and outdoor residential cooking and refrigeration equipment. Resale inventory is low and sales are exceeding 2019 levels. Permits and new home starts in the U.S. are above prior year levels.

Middleby's Continued M&A Focus

Middleby has completed 15+ transactions since the beginning of 2018, investing in key technology initiatives and trends, while enhancing our capabilities across all three business segments

Strategic Investment Themes

- Beverage Expansion
- Ventless Cooking
- IoT & Controls
- Foodservice Automation
- Hot-side Innovation



Transformative Strategic Growth Initiatives



✓ **Established Commercial Beverage Platform**

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

✓ **Technology Innovation Supporting Sustained Brand Growth**

- IoT Platform Development
- L2F Kitchen Automation
- Middleby Control Platform

✓ **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**

Three Synergistic Platforms Working Together

Accelerating Synergies Across Platform

- **Sharing technology and engineering**
 - ✓ 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**

Together We Bring to the Market

- ✓ Deep and Unique Expertise in Foodservice
- ✓ Culinary capabilities
- ✓ Food Safety
- ✓ Kitchen Efficiency
- ✓ Connecting with retail, restaurants and homes

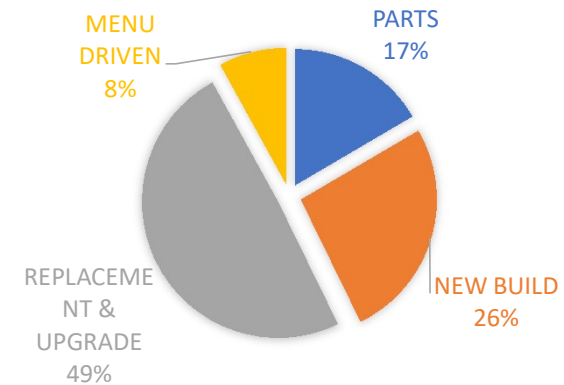
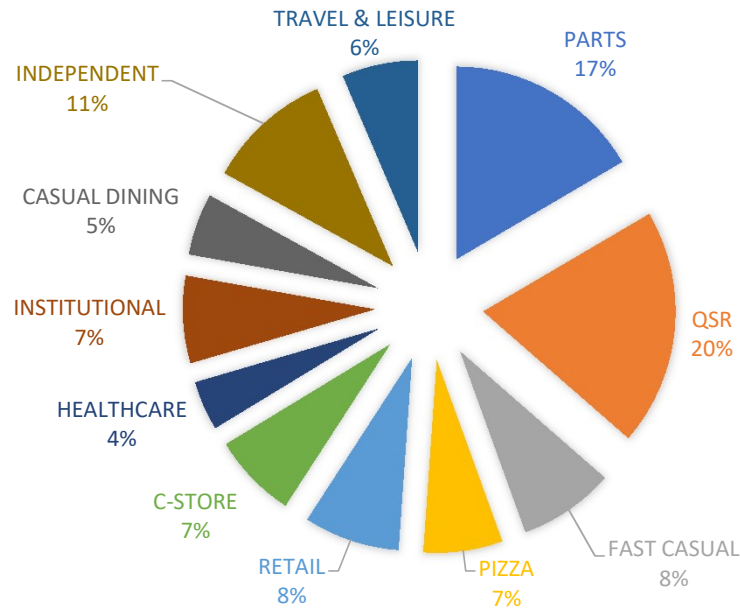


Middleby Revenue Composition – Commercial Foodservice



SEGMENT IMPACT

- Quick serve and fast casual fare better due to delivery, drive through and carry out support. Same store sales trend ahead of prior year in recent weeks
- Pizza performs well as delivery is their core and large chains aim to hire 60,000 additional employees
- Fast casual demand remains and restaurants have adjusted, requiring improved delivery and take-out services
- Retail and c-stores continue to see demand as their customers pursue alternative foodservice options that are not dine-in
- Healthcare and assisted living sectors continue to perform well
- Casual and fine-dining heavily impacted
- Travel and leisure market is challenged as air travel is significantly impaired. Hotel occupancy is down ~50%



COVID-19 Restaurant Impacts

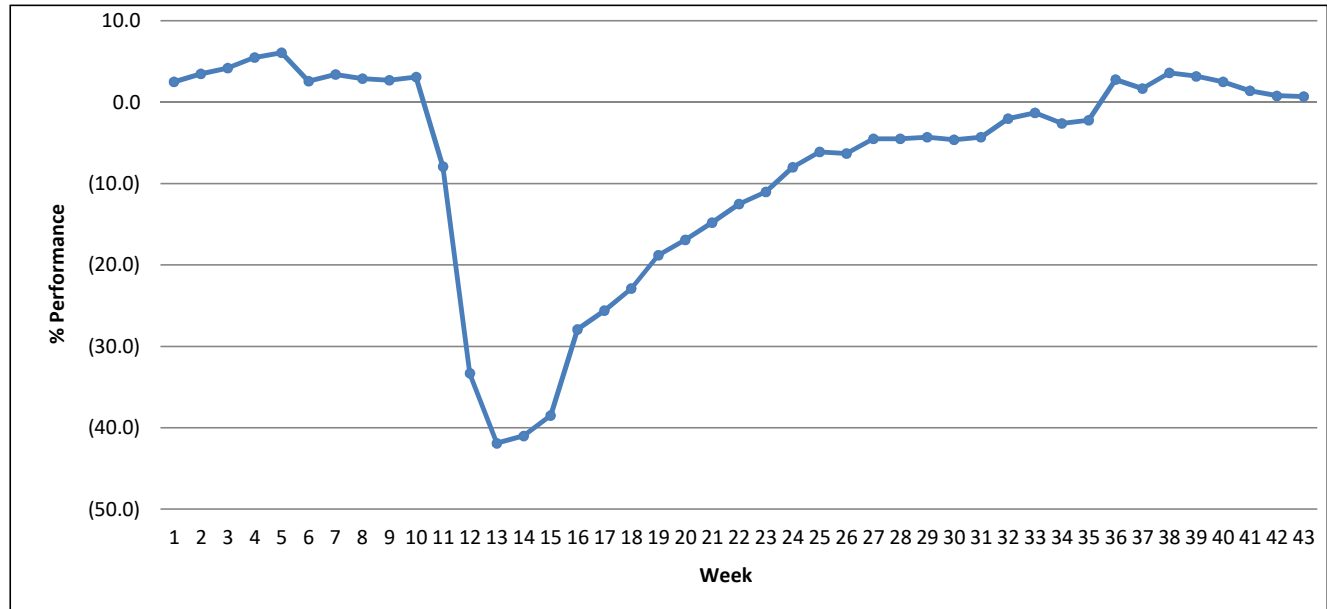


Domestic restaurant same store sales have been positive for several months according to reports from MillerPulse. Multiple industry sources show sustained positive levels and stability, with some customers surpassing 2019 levels.

Restaurants are rapidly adapting to the new the new normal:

- Expanding to-go options, with curbside pick-up and third-party delivery
- Adding or improving mobile and online customer ordering capabilities
- Restaurants in all states offer delivery and carry out, while some are facing another round of dine in restrictions
- Customers are ordering parts and moving forward with planned maintenance schedules

MILLERPULSE WEEKLY INDUSTRY SAME STORE SALES, 2020



Source: MillerPulse
 Week 43 ended
 10/26/2020

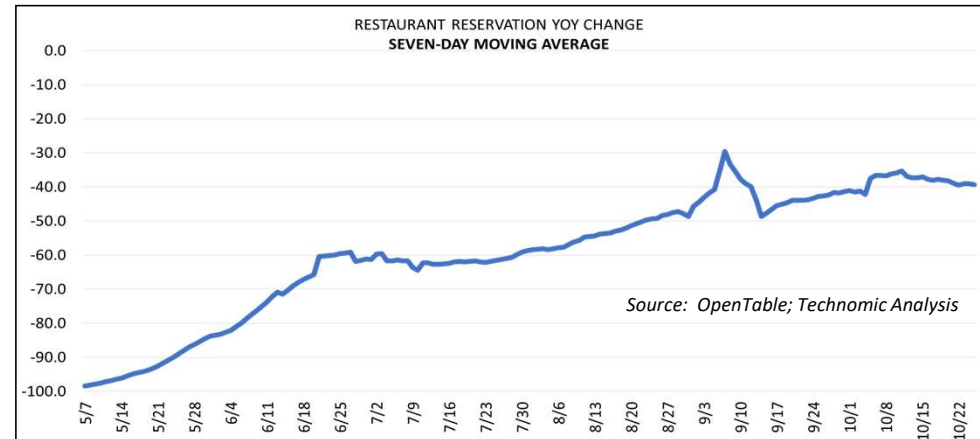
Customers Returning to Restaurants



AVERAGE CONSUMER WEEKLY RESTAURANT VISITS



RESTAURANT RESERVATION YOY CHANGE 7-DAY MOVING AVG.



- Data confirms customers are back to weekly restaurant visit levels of pre-Covid (3+ weekly visits)
- According to Open Table, the restaurant reservation rate continues to rise
- Studies show consumers want to return to their favorite restaurants

Innovation Supporting Industry Trends



ACCELERATING TRENDS

- Added focus on off-premise (delivery, carry out and drive-through)
- Emphasis on menu simplification, throughput and space utilization
- Labor availability, training and cost
- New foodservice models - modular, ghost and cloud kitchens
- Remote operation, monitoring and service
- Kitchen automation

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 units

www.middleby.com



MIDDLEBY VENTLESS SOLUTIONS



MIDDLEBY MODULAR AND GHOST KITCHENS



CLOUD-CONNECTED MODULAR AUTOMATED PICK-UP & DELIVERY SYSTEMS



IoT CONNECTED KITCHEN



VIRAL KILL AND FOOD PRESERVATION UNITS



MIDDLEBY'S NEW HIGH-LEVEL USER INTERFACE

Over the past year Middleby has made significant dedicated investments in R&D to focus on technology initiatives, solutions for industry trends and invested in targeted growth segments. .

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

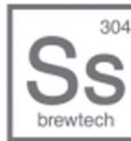
FOLLETT[®]

 **TAYLOR**[®]


CONCORDIA
BEVERAGE SYSTEMS

Wunder-Bar[™]


DEUTSCHE
BEVERAGE TECHNOLOGY


Ss
304
brewtech


SYNESSO

 **MIDDLEBY**

Joetap[®]

 **U-LINE**

 **STARLINE**

Skyflo[®]

“Open Kitchen” IoT Launched 2020



OPEN KITCHEN PLATFORM CAPABILITIES

- Energy Savings
- Equipment Connectivity
- Automation
- Food Safety
- Workflow instructions
- Employee and Customer Safety



The ONE IoT-based Solution to Enhance Kitchen and Facility Performance



Complete Kitchen Ventless Solutions



BROADEST PLATFORM IN THE INDUSTRY

Middleby is able to offer customers a complete ventless solution, a commercial kitchen without the need for traditional overhead venting

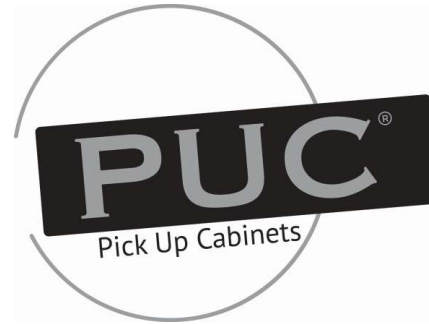
- Ventless kitchens support many fast-growing trends
 - Ghost kitchens
 - Smaller footprint
 - Green and energy saving
 - Foodservice in non-traditional spaces including food trucks, mobile kitchens, unused space, industrial warehouses and older buildings or historic locations
- Reduced Operating Costs
- We supply many products including ovens, fryers, conveyor cooking, griddle



Delivery Automation with “PUC”

CONTACTLESS, SECURE PICK UP SYSTEM

PUC SMART PICKUP CABINET



- Anti-Microbial Unit Resists Viruses And Bacteria
- Skip Wait Line With Dedicated PUC Self-Serve Kiosk
- Secure touchless pick up
- Innovative Analytics Reporting Capabilities
- Decrease Operation Labor Cost
- Interface With Existing POS System
- Increase Points Of Service
- Modular Expandable System
- Temperature Controlled Environment
- Elevated Customer Experience



www.pickupcabinet.com

www.middleby.com



Patented, No-Filter Air Purification System

- In demand by existing foodservice customers
- In study proven to destroy 99.9995% of airborne contaminants
- Most innovative, advanced technology available on the market
- Addresses top consumer indoor dining concern
- Core technology recommended by CDC, used by U.S. military
- Modular system, easily scaled for spaces or built into furniture
- Food preservation system currently used in Viking refrigeration
- Visit www.bluezone.com for study and more information

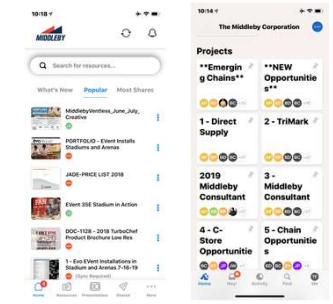
Strategic Sales Initiatives

OBJECTIVES

- ✓ Increase engagement with end-users
- ✓ Promote differentiated Middleby solutions
- ✓ Drive product specification
- ✓ Leverage digital to increase awareness and demand
- ✓ Increase repeat and after-sale business
- ✓ Leverage sales channel partnerships
- ✓ GROWTH IN PROFITABILITY AND MARKETSHARE

MIDDLEBY INVESTMENTS AND INITIATIVES

- Middleby focused exclusive reps
- Middleby Learn and Digital Marketing Initiatives
- Segment focused sales teams
- Chef Network
- Consultant Team
- Digital Sales Support Tools (SETVI, BASECAMP)
- Middleby Innovation and Training Center
- MAINTAIN BRAND FOCUS, ACCOUNTABILITY AND SUPPORT



Middleby Sales Representatives



CONSOLIDATED REPRESENTATIVE ORGANIZATIONS

- Sales Reps Partners focused on Middleby solutions
- Reps investments in test kitchens, culinary support, digital marketing & beverage specialists
- Sales efficiency through Middleby Enhanced Support Tools
- Commissions focused on premium products & technologies



Driving Specifications for Solutions



MIDDLEBY DIGITAL MARKETING

- Middleby Learn
- Middleby Main Dish
- Podcasts & training videos
- SEO and Target Marketing
- Online tools for consumers and reps
- Active social media engagement
- Video content



CONSULTANT SERVICES

- Design files (Specs, CAD, Revit)
- Creditable Education Classes
- New Technology Trainings



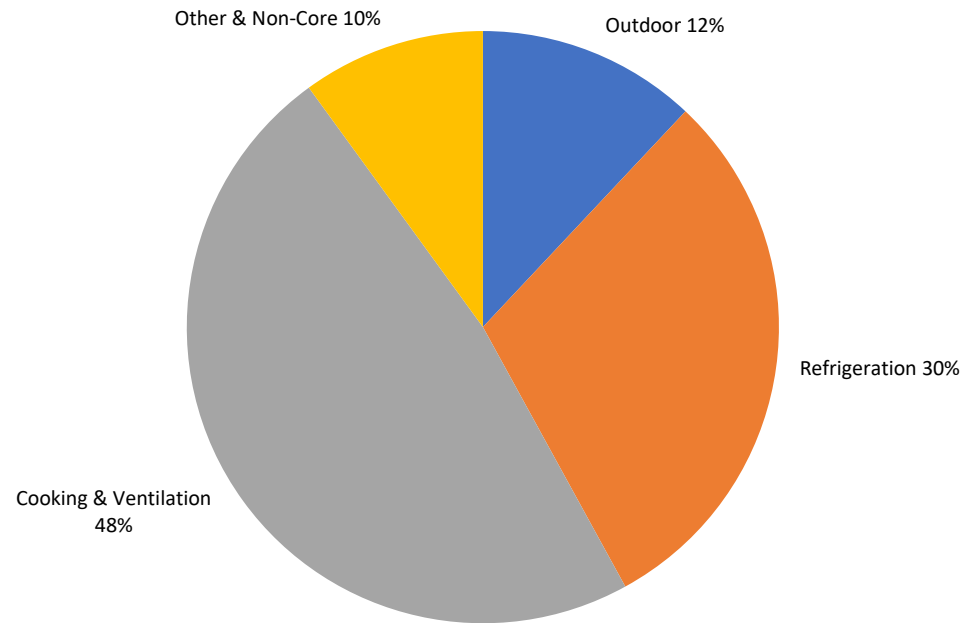
Residential Segment - Revenue Composition



RECENT CONSUMER SPENDING TRENDS

- Growing trend of cooking and dining at home fueling indoor and outdoor kitchen upgrades during COVID
- Heightened interest and demand for new appliances due to meals prepared at home and consumers using time for online product review
- Order-in, pick-up and delivery for food resulting in more warming at home. Trends evolving around meals with food items prepared both inside and outside the home brought together
- Committing to home projects and remodels due to continued work-at-home and school-at-home
- Increasing demand for new refrigeration to fill needs for larger capacity units
- Rising demand for appliance service due to greater residential equipment utilization

Residential Sales



Residential Kitchen Appliance Shipments

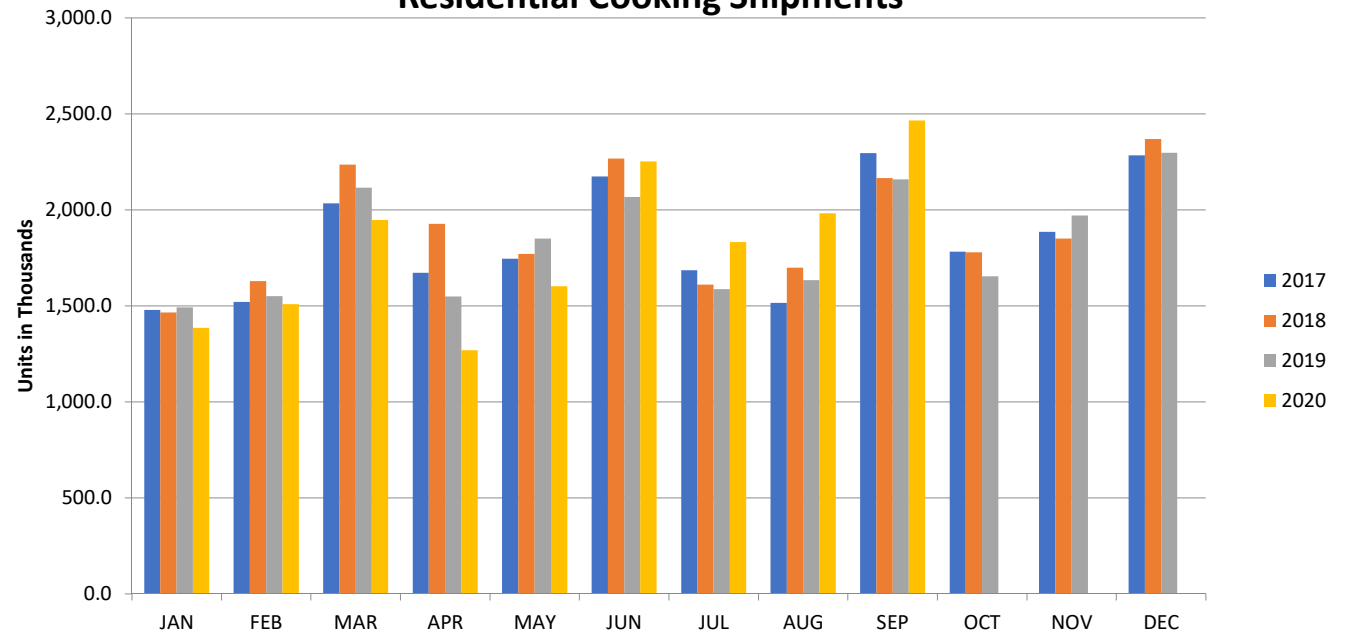


SALES CONTINUE TO IMPROVE

Residential sales are sequentially improving week over week since the April lows and reporting growth through remainder of year

- Cooking up 1.5% YTD and 14% Sept
- Refrigeration -2% YTD and -5% Sept
- Dishwashers -2% YTD and -3% Sept

Residential Cooking Shipments



Source: Association of Home Appliance Manufacturers

Residential Home Sales



Residential New Construction

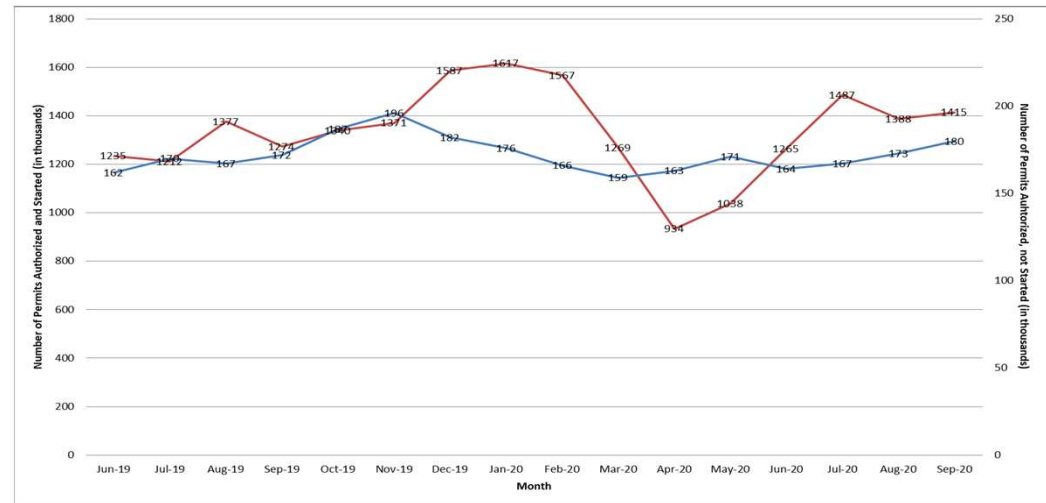


NEW HOME STARTS AND PERMITS IN DEMAND

Domestic home sales and new home starts have steadily improved in recent months since the onset of COVID.

- Existing-home sales grew for the fourth consecutive month in September, up 9.4% from August and nearly 21% from the same month in 2019 according to the National Association of Realtors®
- Building permits remain consistent with previous month levels and 2019 rates
- New home starts rose slightly over Aug 20 and Sept 19, holding steady

New Home Construction



Source: United States Census Bureau

■ New permits approved

■ New home starts

Brava Home



Overview

- Patented cooking by light technology
- High speed and no preheat
- Multi-zone and multi-food
- Cloud-based smart control with menu
- Time saver and eco-friendly

Opportunities

- Leverage sales resources
- Integrate light cooking technology in Viking and TurboChef
- Leverage smart/cloud control in residential
- Enhance digital marketing initiatives
- Attract generation of digital users



**Home
Cooking,
Simplified.**

brava

