



Q1 Earnings Update

May 7, 2025

MIDDLEBY SHARE REPURCHASE



STRATEGIC PRIORITIZATION OF CAPITAL TO MIDDLEBY SHARE REPURCHASES

- ▶ Vast majority of free cash flow will be deployed to Middleby share repurchases
- ▶ Strategic step underscores strong confidence in our business; share price does not reflect long-term inherent value
- ▶ Repurchases to complement ongoing priority of realizing Organic Growth from Innovation & Go-to-Market Investments
- ▶ Acquisitions on a highly opportunistic and strategic basis
- ▶ Buybacks expected to reduce outstanding shares by 6–8% annually
- ▶ Targeting 2.0–2.5x leverage

TARIFF COMMENTS AND OUTLOOK



LARGE U.S. MANUFACTURING FOOTPRINT AND GLOBAL SCALE POSITIONS US WELL TO NAVIGATE TARIFFS AND GAIN MARKET SHARE

- ▶ Tariff impact expected to be fully offset by year end through operating initiatives and price increases set to take effect Q3 2025
- ▶ Preliminary tariff cost effect projected to be \$150–200 million annually
- ▶ China represents roughly 50% of identified cost exposure
- ▶ Negligible headwind from tariffs in Q1 2025; more weighted to back half of year
- ▶ Expected long-term market-share gains by leveraging advantage of U.S. and global manufacturing footprint

FOOD PROCESSING SPIN UPDATE



- ▶ Food Processing spin progressing and on track for targeted completion by early 2026
- ▶ Established separation management office to allow focus on delivering for all stakeholders during transition
- ▶ Further details related to separation, including corporate structure, stand-alone costs, and leadership team, to be outlined in future quarters
- ▶ Shareholder days for RemainCo and SpinCo will be held in Q4 2025
- ▶ Business as usual for RemainCo and SpinCo customers with no disruptions to quality or service

LOGIC OF FOOD PROCESSING SEPARATION



AFTER A COMPREHENSIVE ASSESSMENT OF ITS PORTFOLIO, IN FEBRUARY, MIDDLEBY'S BOARD DECIDED TO SPIN OFF THE FOOD PROCESSING BUSINESS

- ▶ Next chapter of growth for highly successful but inherently different businesses that will benefit from renewed focus on individual core strategies, driving full valuations in line with best-in-class peers for each entity
- ▶ Provides greater exposure to and deeper understanding of each entity's standalone growth story, business strategies, and performance, aligned with respective macroeconomic trends
- ▶ Enables each entity to have unique, optimized capital structures and capital allocation policies aligned with individual business models and strategic and operational priorities
- ▶ Enhances strategic and financial impact of M&A potential for Food Processing

SEPARATION ENABLES FOCUSED AND CAPABILITY-ALIGNED COMPANIES WITH BEST-IN-CLASS FINANCIAL PROFILES



\$3.1bn
2024A
Revenue

\$0.7bn¹
2024A Adj.
EBITDA

~23%¹
Adj. EBITDA
Margin

- ✓ **Market-leading brands in kitchen equipment** across Commercial and Residential end-markets in both food and beverage
- ✓ **Positioned to accelerate sales growth**, capitalizing on next generation product innovation and differentiated go-to-market investments
- ✓ **Top-tier margins and cash generation** combined with further opportunities to scale in the market
- ✓ **Significant upside** in volumes and margin at Residential Kitchen through market recovery and realization of strategic investments



\$0.7bn
2024A
Revenue

\$0.2bn¹
2024A Adj.
EBITDA

~26%¹
Adj. EBITDA
Margin

- ✓ **Fast growing and focused** food processing market leader with a **best-in-class financial profile**
- ✓ Business will benefit from its **own capital structure, investor base and acquisition currency**
- ✓ **Strong M&A pipeline** and actionable organic initiatives support a **significant growth opportunity and ability to quickly scale**
- ✓ **Founded on Middleby's culture**, Food Processing can realize its long-term strategic vision with independence to fuel visible growth

¹ As reported in 2024A earnings release and excludes any allocation of corporate costs.

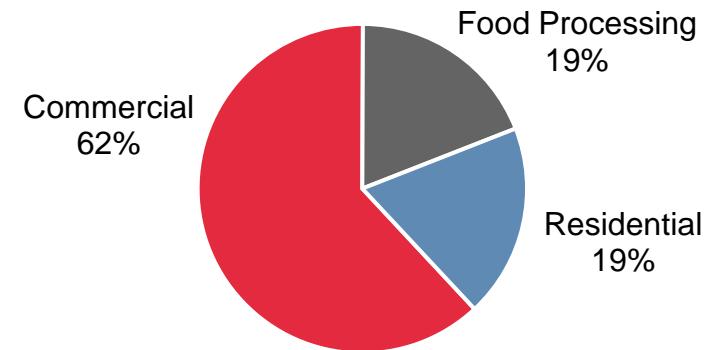
FINANCIAL RESULTS



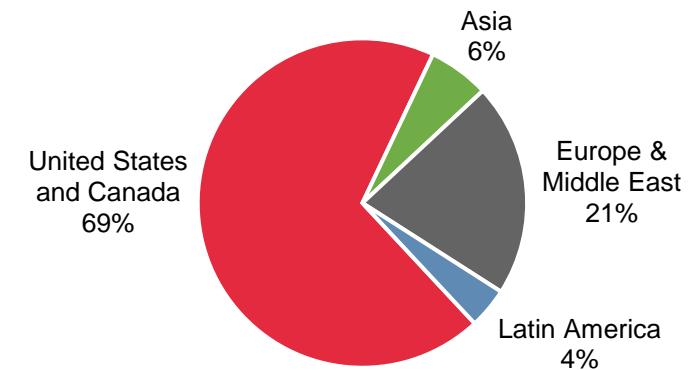
Q1 2025 Financial Results

(in millions, except percentages)	Q1 '25	Q1 '24	Change
Net Sales	\$906.6	\$926.9	-2.2%
Gross Profit % of Net Sales	345.9 38.2%	346.4 37.4%	-0.1%
Operating Income	140.6	137.1	2.5%
Net Earnings	92.4	86.6	6.7%
Adjusted EBITDA % of Net Sales	182.1 20.1%	185.8 20.0%	-2.0%
LTM Bank EBITDA as defined in credit agreement	873.9	901.3	-3.0%
Operating Cash Flow	141.1	140.9	0.1%

2025 YTD REVENUE BY SEGMENT



2025 YTD REVENUE BY REGION



COMMERCIAL FOODSERVICE



Q1 2025 Financial Results

(in millions, except percentages)	Q1 '25	Q1 '24	Change
Net Sales	\$562.7	\$581.4	-3.2%
Organic Net Sales Growth			-2.8%
Adjusted EBITDA	151.4	151.9	-0.3%
Adjusted EBITDA as % of Net Sales	26.9%	26.1%	
Organic Adjusted EBITDA as % of Net Sales	26.7%		

REVENUE AND GROWTH

U.S. and Canada	\$413.9	-2.8%
International	148.8	-4.4%

Results Commentary

- Margin remained strong versus prior year despite lower sales volumes due to profitability initiatives and product mix
- Sales affected by lower store traffic at largest chain customers and replacement demand; new store openings weighted to H2 2025
- Effect of tariff costs more weighted to H2 2025 but will be offset by pricing and other operational initiatives by year end
- Middleby earned seven of the prestigious Kitchen Innovation Awards, which will be proudly displayed at the upcoming National Restaurant Association Show (May 17–20)

RESIDENTIAL KITCHEN



Q1 2025 Financial Results

(in millions, except percentages)	Q1 '25	Q1 '24	Change
Net Sales	\$176.0	\$173.9	1.2%
Organic Net Sales Growth			2.0%
Adjusted EBITDA	20.6	11.2	83.9%
Adjusted EBITDA as % of Net Sales	11.7%	6.4%	
Organic Adjusted EBITDA as % of Net Sales	11.6%		

REVENUE AND GROWTH

U.S. and Canada	\$112.9	5.5%
International	63.1	-5.7%

Results Commentary

- Unit volumes remain significantly below normalized levels, presenting meaningful upside with a market recovery
- Facility consolidations and profitability initiatives led to margin expansion, with additional future benefits to be realized
- In the near term, tariffs pose a sizable revenue headwind, primarily for outdoor products; may be offset by modest growth in premium indoor brands
- Overall cautious outlook given uncertainty of consumer behavior and end-market demand

FOOD PROCESSING



Q1 2025 Financial Results

(in millions, except percentages)	Q1 '25	Q1 '24	Change
Net Sales	\$167.9	\$171.6	-2.2%
Organic Net Sales Growth			-12.9%
Adjusted EBITDA	30.1	39.8	-24.4%
Adjusted EBITDA as % of Net Sales	17.9%	23.2%	
Organic Adjusted EBITDA as % of Net Sales	17.9%		

REVENUE AND GROWTH

U.S. and Canada	\$93.2	-10.2%
International	74.7	10.2%

Results Commentary

- Strong finish to 2024 and customer delivery delays in Q1 led to slower start in 2025
- Backlog and order pipeline support expectation for at least double-digit sequential sales growth
- Q1 2025 margin decline on lower volumes and product mix
- Expansion into snack-food category is having a positive impact on results
- Two triennial trade shows in Q2 2025 provide opportunities for improvement in order trends but add to margin headwind
- Robust pipeline, but market uncertainty causing delayed order conversion

DEBT AND LIQUIDITY



Q1 2025 Leverage Ratio (in millions)

Cash	\$745.0
Debt	\$2,385.2
Net Debt*	\$1,760.0
LTM EBITDA*	\$873.9
Total Leverage	2.0x
Covenant Limit	5.5x

* As defined in the credit agreement

10-YEAR OPERATING CASH FLOW GROWTH (in millions)



*Proforma Free Cash Flow is \$355 million, excluding the termination fee received, net of taxes and deal costs of approximately \$68 million.

Liquidity Commentary

- QTD operating cash flows were \$141 million in the current year and prior year
- Repurchased common stock of \$29 million in Q1 2025 and \$21 million to date in Q2
- Acceleration of share repurchasing in Q2 2025
- Quarter-end borrowing capacity was approximately \$3.0 billion
- 60% of debt is currently at fixed interest rates, including the impact of interest-rate swaps
- Bank credit facility matures in October 2026