

Third Quarter 2020 Conference Call

Safe Harbor Statement

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These factors include, among others, existing and unknown future limitations on the ability of the Company’s direct and indirect subsidiaries to make their cash flow available to the Company for payments on the Company’s indebtedness or other purposes; global demands for bio-fuels and grain and oilseed commodities, which have exhibited volatility, and can impact the cost of feed for cattle, hogs and poultry, thus affecting available rendering feedstock and selling prices for the Company’s products; reductions in raw material volumes available to the Company due to weak margins in the meat production industry as a result of higher feed costs, reduced consumer demand or other factors, reduced volume from food service establishments, or otherwise; reduced demand for animal feed; reduced finished product prices, including a decline in fat and used cooking oil finished product prices; changes to worldwide government policies relating to renewable fuels and greenhouse gas (“GHG”) emissions that adversely affect programs like the U.S. government’s renewable fuel standard, low carbon fuel standards (“LCFS”) and tax credits for biofuels both in the United States and abroad; possible product recall resulting from developments relating to the discovery of unauthorized adulterations to food or food additives; the occurrence of 2009 H1N1 flu (initially known as “Swine Flu”), Highly pathogenic strains of avian influenza (collectively known as “Bird Flu”), severe acute respiratory syndrome (“SARS”), bovine spongiform encephalopathy (or “BSE”), porcine epidemic diarrhea (“PED”) or other diseases associated with animal origin in the United States or elsewhere, such as the outbreak of African Swine Fever (“ASF”) in China and elsewhere; the occurrence of pandemics, epidemics or disease outbreaks, such as the current COVID-19 outbreak; unanticipated costs and/or reductions in raw material volumes related to the Company’s compliance with the existing or unforeseen new U.S. or foreign (including, without limitation, China) regulations (including new or modified animal feed, Bird Flu, SARS, PED, BSE, ASF or similar or unanticipated regulations) affecting the industries in which the Company operates or its value added products; risks associated with the DGD Joint Venture, including possible unanticipated operating disruptions and issues relating to the announced expansion project; risks and uncertainties relating to international sales and operations, including imposition of tariffs, quotas, trade barriers and other trade protections imposed by foreign countries; difficulties or a significant disruption in our information systems or failure to implement new systems and software successfully, risks relating to possible third party claims of intellectual property infringement; increased contributions to the Company’s pension and benefit plans, including multiemployer and employer-sponsored defined benefit pension plans as required by legislation, regulation or other applicable U.S. or foreign law or resulting from a U.S. mass withdrawal event; bad debt write-offs; loss of or failure to obtain necessary permits and registrations; continued or escalated conflict in the Middle East, North Korea, Ukraine or elsewhere; uncertainty regarding the exit of the U.K. from the European Union; and/or unfavorable export or import markets. These factors, coupled with volatile prices for natural gas and diesel fuel, climate conditions, currency exchange fluctuations, general performance of the U.S. and global economies, disturbances in world financial, credit, commodities and stock markets, and any decline in consumer confidence and discretionary spending, including the inability of consumers and companies to obtain credit due to lack of liquidity in the financial markets, among others, could cause actual results to vary materially from the forward looking statements included in this release or negatively impact the Company’s results of operations. Among other things, future profitability may be affected by the Company’s ability to grow its business, which faces competition from companies that may have substantially greater resources than the Company. The Company’s announced share repurchase program may be suspended or discontinued at any time and purchases of shares under the program are subject to market conditions and other factors, which are likely to change from time to time. Other risks and uncertainties regarding Darling Ingredients Inc., its business and the industries in which it operates are referenced from time to time in the Company’s filings with the Securities and Exchange Commission. Darling Ingredients Inc. is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

Summary Highlights

Third Quarter 2020 Business Update

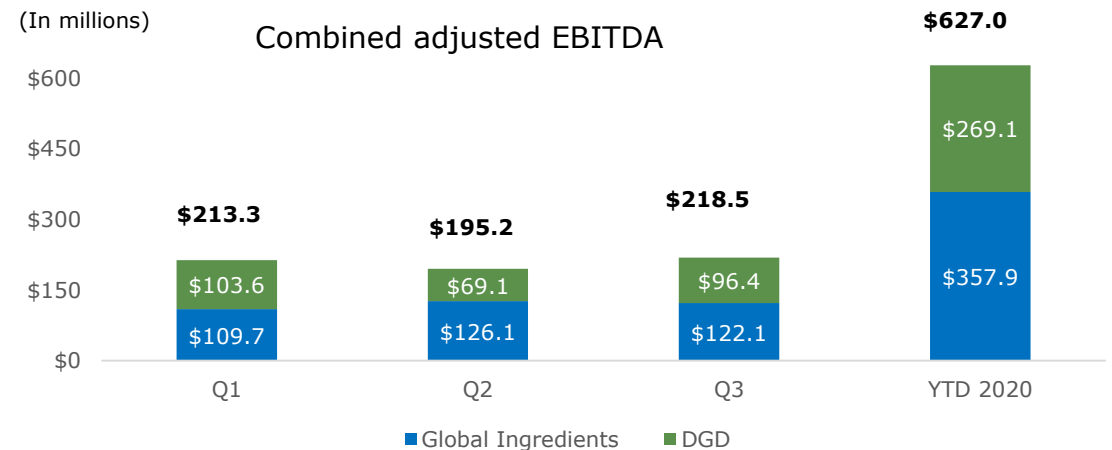
- Best combined adjusted EBITDA quarter YTD for 2020
- Gross margin percentage growth of 2.4 points year over year and 2.7 points YTD 2020 versus YTD 2019
- Reduced term loan B balance by \$145 million to \$350 million outstanding
- Amended and extended \$1.0 billion revolver until September 2025
- In October 2020, we acquired a private company in Belgium for approximately \$29 million, strengthening rendered poultry position in Europe along with food waste recycling
- DGD record 80 million gallons sold in Q3, on track for 285 million gallons sold in 2020
- Peptan growth project in Presidente Epitacio, BR is commissioning

Financial Highlights

| Financials (in millions) | Q3-2020 | Q3-2019 | YTD Q3-2020 | YTD Q3-2019 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Segment EBITDA | | | | |
| Feed | \$72.3 | \$72.3 | \$227.6 | \$201.4 |
| Food | 41.7 | 39.3 | 117.4 | 132.8 ⁽¹⁾ |
| Fuel | 117.1 | 48.7 | 322.9 | 144.6 |
| Corporate | <u>(12.6)</u> | <u>(12.5)</u> | <u>(40.9)</u> | <u>(38.3)</u> |
| Total Combined adjusted EBITDA | <u>\$218.5</u> | <u>\$147.8</u> | <u>\$627.0</u> | <u>\$440.5</u> |

| Financials (in millions, except per share data) | Q3-2020 | Q3-2019 | YTD Q3-2020 | YTD Q3-2019 |
|--|--------------|-------------|----------------|----------------|
| Net sales | \$850.6 | \$842.0 | \$2,552.1 | \$2,504.4 |
| Gross margin | 212.2 | 189.1 | 634.4 | 555.8 |
| Gross margin % | 24.9% | 22.5% | 24.9% | 22.2% |
| Net income | <u>101.1</u> | <u>25.7</u> | <u>252.1</u> | <u>70.0</u> |
| EPS diluted | \$0.61 | \$0.15 | \$1.51 | \$0.42 |

| Balance Sheet (in millions, except ratio data) | As of 9/26/2020 | As of 12/28/2019 |
|---|--------------------|---------------------|
| Cash (including restricted) | \$66.0 | \$73.0 |
| Revolver availability | \$934.3 | \$911.9 |
| Net working capital | \$267.9 | \$246.9 |
| Total debt | \$1,474.2 | \$1,649.4 |
| Leverage ratio ⁽²⁾ | 1.93x | 3.18x |
| Capital expenditures | \$184.9 | \$359.5 |



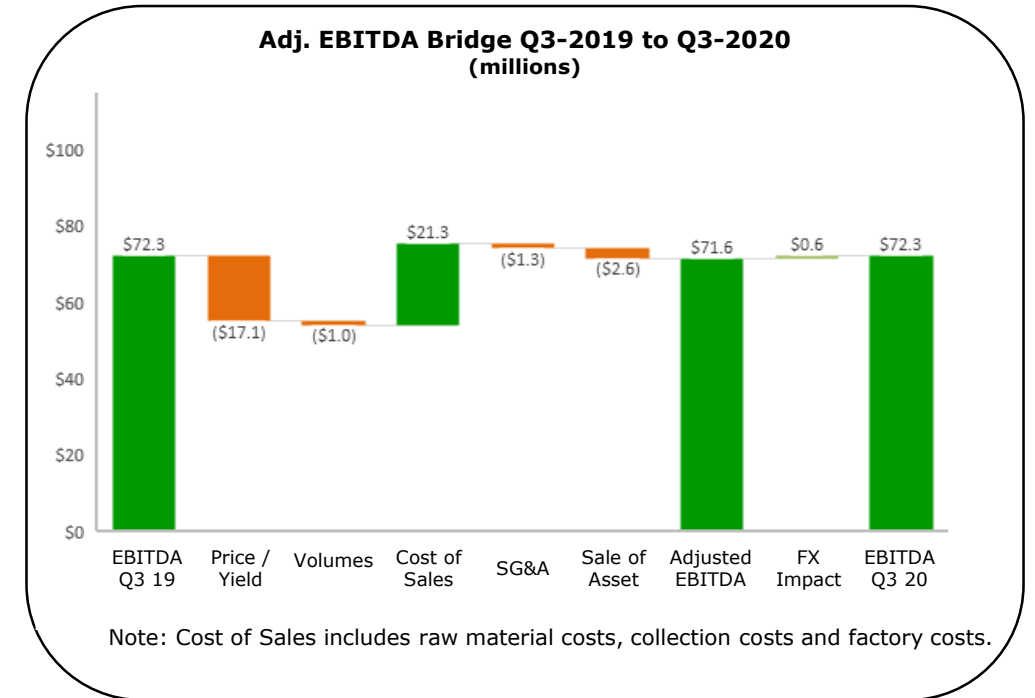
Feed Segment

| US\$ (in millions) | Q3-2019 | Q4-2019 | Q1-2020 | Q2-2020 | Q3-2020 |
|-------------------------------|----------|----------|----------|----------|----------|
| Net Sales | \$ 497.0 | \$ 490.4 | \$ 512.6 | \$ 503.7 | \$ 483.0 |
| Gross Margin | 117.2 | 114.3 | 124.2 | 135.8 | 121.4 |
| Gross Margin % | 23.6% | 23.3% | 24.2% | 27.0% | 25.1% |
| Loss/(gain) on sale of assets | (2.4) | (0.4) | 0.1 | 0.1 | 0.2 |
| SG&A | 47.3 | 57.9 | 53.9 | 50.5 | 49.0 |
| SG&A Margin % | 9.5% | 11.8% | 10.5% | 10.0% | 10.2% |
| Operating Income | 22.1 | 1.6 | 16.7 | 32.5 | 18.5 |
| Adj. EBITDA (1) | \$ 72.3 | \$ 56.8 | \$ 70.2 | \$ 85.2 | \$ 72.3 |
| Raw Material Processed (mnts) | 2.19 | 2.21 | 2.24 | 2.15 | 2.18 |

(1) Does not include Unconsolidated Subsidiaries EBITDA

Key Drivers:

- Sequentially improved volumes with gross margin improvement led by strong cost management in North America
- UCO volumes continue to run approximately 15% below historical levels
- Fat prices (BFT & YG) were down during Q3-20 compared to a year ago and sequentially to Q2-2020. Protein pricing (MBM) was also lower in Q3-20 compared to the same period in 2019 and sequentially to Q2-2020. Pet food PM price was up year over year, but down from Q2-2020



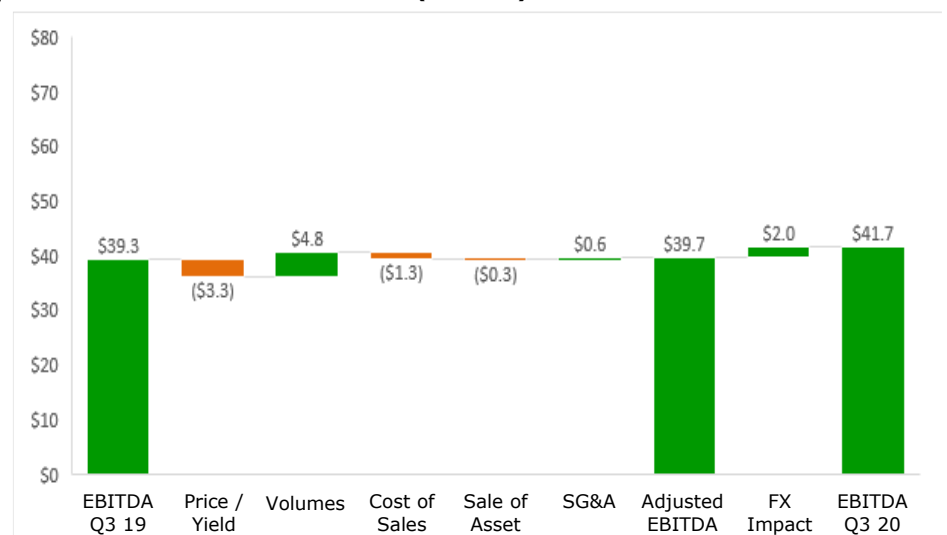
Food Segment

| US\$ (in millions) | Q3-2019 | Q4-2019 | Q1-2020 | Q2-2020 | Q3-2020 |
|---------------------------------|----------|----------|----------|----------|----------|
| Net Sales | \$ 276.5 | \$ 288.6 | \$ 270.3 | \$ 278.9 | \$ 291.8 |
| Gross Margin | 61.8 | 67.2 | 64.9 | 58.8 | 65.1 |
| Gross Margin % | 22.4% | 23.3% | 24.0% | 21.1% | 22.3% |
| Loss/(gain) on sale of assets | (0.2) | 0.3 | - | - | 0.0 |
| SG&A | 22.8 | 29.3 | 25.5 | 22.6 | 23.4 |
| SG&A Margin % | 8.2% | 10.2% | 9.4% | 8.1% | 8.0% |
| Operating Income ⁽¹⁾ | 19.5 | 17.0 | 19.1 | 16.3 | 21.1 |
| Adj. EBITDA ⁽¹⁾ | \$ 39.3 | \$ 37.5 | \$ 39.4 | \$ 36.3 | \$ 41.7 |
| Raw Material Processed (mnts) | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |

Key Drivers:

- Peptan product sales rebound in third quarter 2020
- Food Ingredients operating income increased 8.2% year over year primarily due to higher sales volumes in North and South America collagen markets
- Improving results in China

Adj. EBITDA Bridge Q3-2019 to Q3-2020
(millions)



Note: Cost of Sales includes raw material costs, collection costs and factory costs.

Fuel Segment (Includes Diamond Green Diesel JV consolidated EBITDA)

| US\$ (in millions) | Q3-2019 | Q4-2019 | Q1-2020 | Q2-2020 | Q3-2020 |
|---|---------|----------|----------|---------|----------|
| Net Sales | \$ 68.6 | \$ 80.6 | \$ 69.9 | \$ 66.0 | \$ 75.7 |
| Gross Margin | 10.1 | 37.6 | 16.9 | 21.8 | 25.7 |
| Gross Margin % | 14.7% | 46.7% | 24.2% | 32.9% | 33.9% |
| Loss/(gain) on sale of assets | - | 0.3 | - | (0.0) | (0.1) |
| SG&A | 0.9 | 2.3 | 1.6 | 4.0 | 5.0 |
| Depreciation and amortization | 7.9 | 7.8 | 8.1 | 8.0 | 8.6 |
| Equity in net income/(loss) of Diamond Green Diesel (DGD) | 32.0 | 270.1 | 97.8 | 63.5 | 91.1 |
| Segment Income | 33.3 | 297.2 | 105.0 | 73.3 | 103.1 |
| Segment EBITDA | 9.2 | 35.0 | 15.3 | 17.8 | 20.7 |
| DGD adjusted EBITDA (Darling's Share) | 39.5 | 276.2 | 103.6 | 69.1 | 96.4 |
| Combined Adj. EBITDA ⁽¹⁾ | \$ 48.7 | \$ 311.2 | \$ 118.9 | \$ 86.9 | \$ 117.1 |
| Raw Material Processed*(mmts) | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |

(1) Includes Fuel Segment EBITDA and Darling's share of DGD EBITDA.

* Excludes feed stock (raw material) processed at the DGD joint venture.



Key Drivers:

- **Combined adjusted EBITDA** of \$117.1 million, with DGD earning \$2.41 per gallon on 80.0 million gallons sold for Q3-20
- Green bioenergy continues to have strong results, pushing the fuel segment EBITDA up 125% year over year
- Darling has received \$205 million of cash distributions from DGD year to date 2020

| US\$ and gallons (in millions) | Q3-2019 | Q4-2019 | Q1-2020 | Q2-2020 | Q3-2020 |
|--|----------|----------|----------|----------|----------|
| EBITDA (Entity) - in quarter recorded w/no BTC | \$ 79.1 | \$ 121.7 | \$ 127.3 | \$ 66.0 | \$ 112.9 |
| EBITDA (Entity) - BTC adjusted to when earned | \$ 137.3 | \$ 198.2 | \$ 207.3 | \$ 138.2 | \$ 192.9 |
| Pro forma Adjusted EBITDA (Darling's share) | \$ 68.6 | \$ 99.1 | \$ 103.6 | \$ 69.1 | \$ 96.4 |
| Total gallons produced | 55.9 | 77.9 | 77.0 | 74.5 | 77.3 |
| Total gallons sold/shipped | 58.7 | 77.1 | 78.9 | 72.3 | 80.0 |
| EBITDA per gallon sold/shipped | \$ 2.34 | \$ 2.57 | \$ 2.63 | \$ 1.91 | \$ 2.41 |

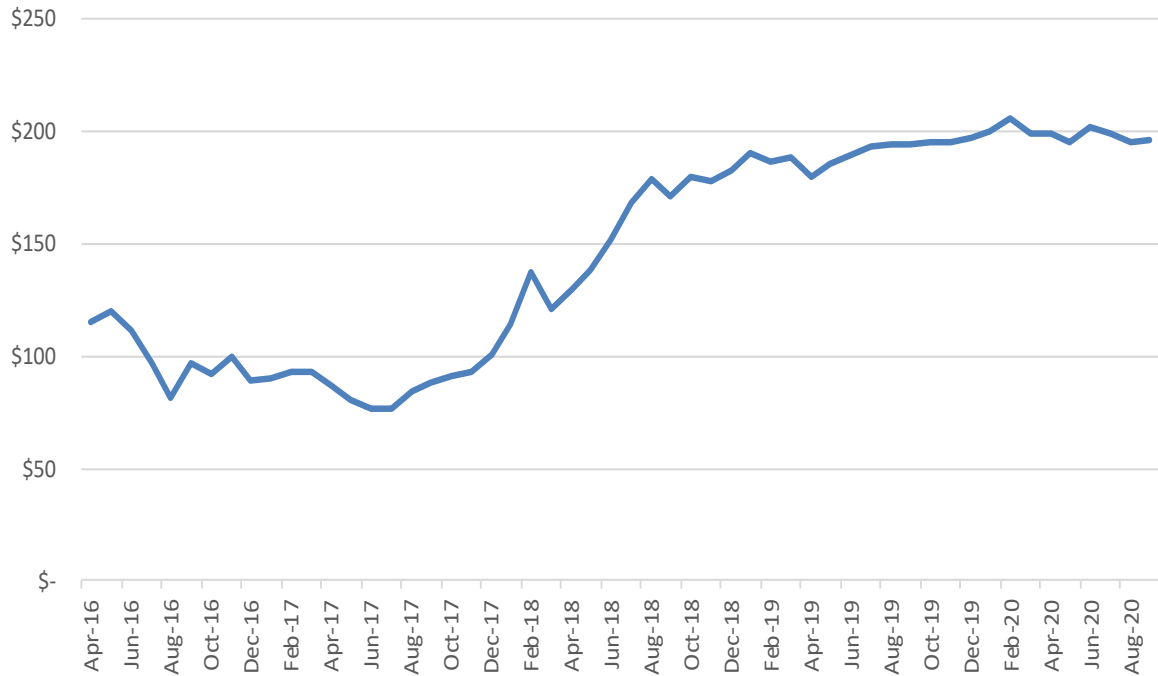
October 2020 400-million-gallon expansion

Existing 275-million-gallon plant

Appendix Additional Information

California LCFS & RIN value history

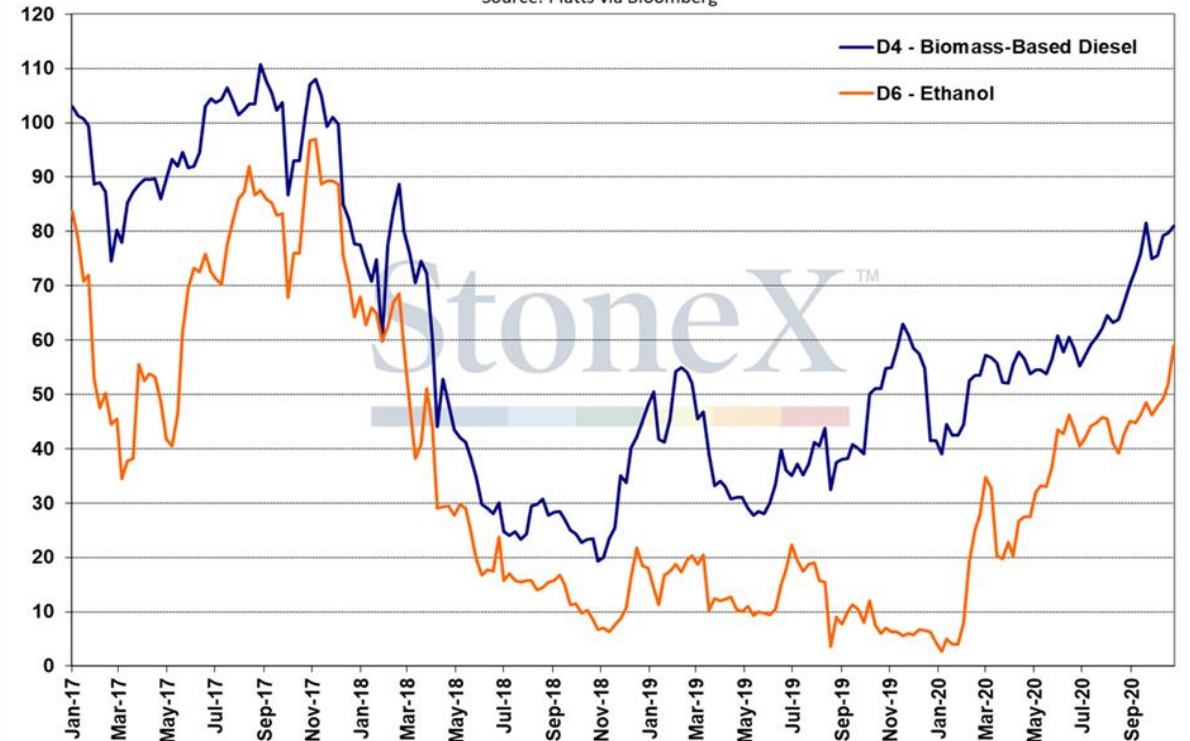
Average LCFS Carbon Credit Price
Weighted Ave Price (USD/MT)



Source: <https://ww3.arb.ca.gov/fuels/lcfs/credit/lrtweeklycreditreports.htm>

Platts Biodiesel RIN Values (Year 1, cents/gal)

Source: Platts via Bloomberg



Feed Segment - Historical

| US\$ (in millions) | Q3-2018 | Q4-2018 | Total 2018 | Q1-2019 | Q2-2019 | Q3-2019 | Q4-2019 | Total 2019 | Q1-2020 | Q2-2020 | Q3-2020 |
|-------------------------------|--------------|----------|------------|----------|----------|----------|----------|------------|----------|----------|----------|
| Net Sales | \$ 482.7 (1) | \$ 485.3 | \$ 1,952.6 | \$ 495.8 | \$ 487.4 | \$ 497.0 | \$ 490.4 | \$ 1,970.6 | \$ 512.6 | \$ 503.7 | \$ 483.0 |
| Gross Margin | 99.0 | 110.4 | 454.6 | 109.0 | 110.5 | 117.2 | 114.3 | 451.0 | 124.2 | 135.8 | 121.4 |
| Gross Margin % | 20.5% | 22.7% | 23.2% | 22.0% | 22.7% | 23.6% | 23.3% | 22.9% | 24.2% | 27.0% | 25.1% |
| Loss/(gain) on sale of assets | 0.1 | 0.2 | 0.7 | (4.4) | (0.5) | (2.4) | (0.4) | (7.7) | 0.1 | 0.1 | 0.2 |
| SG&A | 39.7 | 44.8 | 176.7 | 48.8 | 46.5 | 47.3 | 57.9 | 200.5 | 53.9 | 50.5 | 49.0 |
| SG&A Margin % | 8.2% | 9.2% | 9.0% | 9.8% | 9.5% | 9.5% | 11.8% | 10.2% | 10.5% | 10.0% | 10.2% |
| Operating Income | 11.9 | 11.9 | 82.8 | 15.2 | 15.8 | 22.1 | 1.6 | 54.7 | 16.7 | 32.5 | 18.5 |
| Adj. EBITDA (2) | \$ 59.2 | \$ 65.3 | \$ 277.1 | \$ 64.5 | \$ 64.5 | \$ 72.3 | \$ 56.8 | \$ 258.2 | \$ 70.2 | \$ 85.2 | \$ 72.3 |
| Adj. EBITDA Margin % | 12.3% | 13.5% | 14.2% | 13.0% | 13.2% | 14.5% | 11.5% | 13.2% | 13.7% | 16.9% | 15.0% |
| Raw Material Processed (mmts) | 2.17 | 2.18 | 8.60 | 2.18 | 2.16 | 2.19 | 2.21 | 8.74 | 2.24 | 2.15 | 2.18 |

(1) Reflects freight revenue reclass and deconsolidation of BestHides

(2) Does not include Unconsolidated Subsidiaries EBITDA

Historical Pricing

Jacobson, Wall Street Journal and Thomson Reuters

| 2020 Finished Product Pricing | 2020 Average Jacobsen Prices (USD) | | | | | | | | | | | |
|--|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | January | February | March | Q1 Avg. | April | May | June | Q2 Avg. | July | August | Sept. | Q3 Avg. |
| Feed Segment Ingredients | | | | | | | | | | | | |
| Bleachable Fancy Tallow - Chicago Renderer / cwt | \$31.26 | \$35.21 | \$31.86 | \$32.69 | \$30.78 | \$33.98 | \$24.86 | \$29.95 | \$23.86 | \$30.60 | \$32.07 | \$29.04 |
| Yellow Grease - Illinois / cwt | \$22.00 | \$24.22 | \$22.73 | \$22.92 | \$20.67 | \$21.78 | \$18.33 | \$20.18 | \$17.60 | \$18.70 | \$22.37 | \$19.48 |
| Meat and Bone Meal - Ruminant - Illinois / ton | \$230.00 | \$231.60 | \$248.63 | \$237.10 | \$306.78 | \$326.63 | \$240.68 | \$290.42 | \$208.64 | \$208.57 | \$224.17 | \$212.91 |
| Poultry By-Product Meal - Feed Grade - Mid South/ton | \$215.00 | \$215.00 | \$245.73 | \$225.73 | \$269.29 | \$298.25 | \$241.36 | \$269.07 | \$225.00 | \$225.00 | \$229.29 | \$226.07 |
| Poultry By-Product Meal - Pet Food - Mid South/ton | \$471.00 | \$550.00 | \$598.90 | \$540.44 | \$660.71 | \$729.38 | \$647.73 | \$679.08 | \$610.80 | \$555.95 | \$578.57 | \$581.80 |
| Feathermeal - Mid South / ton | \$279.05 | \$280.00 | \$287.95 | \$282.50 | \$303.21 | \$333.75 | \$268.41 | \$300.90 | \$252.10 | \$264.29 | \$289.29 | \$267.91 |

| 2020 Cash Corn Pricing | | | | | | | | | | | | | |
|--|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Competing Ingredient for Bakery Feeds and Fats | | | | | | | | | | | | | |
| Corn - Track Central IL #2 Yellow / bushel | | \$4.02 | \$3.96 | \$3.73 | \$3.90 | \$3.21 | \$3.22 | \$3.37 | \$3.26 | \$3.19 | \$3.06 | \$3.47 | \$3.55 |

| 2020 European Benchmark Pricing | | | | | | | | | | | | | | | |
|---|--|--|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Soy meal - Competing ingredient for protein meals in Feed Segment | | | | | | | | | | | | | | | |
| Palm oil - CIF Rotterdam / metric ton | | | | \$824 | \$731 | \$616 | \$724 | \$569 | \$528 | \$588 | \$562 | \$640 | \$695 | \$736 | \$690 |
| Soy meal - CIF Rotterdam / metric ton | | | | \$357 | \$347 | \$375 | \$360 | \$367 | \$341 | \$347 | \$352 | \$354 | \$375 | \$407 | \$379 |

| Comparison | QTR. Over QTR. | | | Year Over Year | | |
|--|----------------|----------|--------|----------------|----------|--------|
| | Q2-2020 | Q3-2020 | % | Q3-2019 | Q3-2020 | % |
| Average Jacobsen Prices (USD) | Avg. | Avg. | Change | Avg. | Avg. | Change |
| Bleachable Fancy Tallow - Chicago Renderer / cwt | \$29.95 | \$29.04 | -3.0% | \$30.50 | \$29.04 | -4.8% |
| Yellow Grease - Illinois / cwt | \$20.18 | \$19.48 | -3.5% | \$24.53 | \$19.48 | -20.6% |
| Meat and Bone Meal - Ruminant - Illinois / ton | \$290.42 | \$212.91 | -26.7% | \$216.29 | \$212.91 | -1.6% |
| Poultry By-Product Meal - Feed Grade - Mid South / ton | \$269.07 | \$226.07 | -16.0% | \$234.60 | \$226.07 | -3.6% |
| Poultry By-Product Meal - Pet Food - Mid South / ton | \$679.08 | \$581.80 | -14.3% | \$411.77 | \$581.80 | 41.3% |
| Feathermeal - Mid South / ton | \$300.90 | \$267.91 | -11.0% | \$333.43 | \$267.91 | -19.7% |
| Average Wall Street Journal Prices (USD) | | | | | | |
| Corn - Track Central IL #2 Yellow / bushel | \$3.26 | \$3.55 | 8.9% | \$4.16 | \$3.55 | -14.7% |
| Average Thomson Reuters Prices (USD) | | | | | | |
| Palm oil - CIF Rotterdam / metric ton | \$562 | \$690 | 22.8% | \$533 | \$690 | 29.5% |
| Soy meal - CIF Rotterdam / metric ton | \$352 | \$379 | 7.7% | \$339 | \$379 | 11.8% |

Food Segment - Historical

| US\$ (in millions) | Q3-2018 | Q4-2018 | Total 2018 | Q1-2019 | Q2-2019 | Q3-2019 | Q4-2019 | Total 2019 | Q1-2020 | Q2-2020 | Q3-2020 |
|-------------------------------|-------------------------|-------------------------|------------|-------------------------|-------------------------|-------------------------|----------|------------|----------|----------|----------|
| Net Sales | \$ 265.2 ⁽¹⁾ | \$ 291.7 ⁽¹⁾ | \$1,139.1 | \$ 279.2 ⁽¹⁾ | \$ 274.8 ⁽¹⁾ | \$ 276.5 ⁽¹⁾ | \$ 288.6 | \$1,119.1 | \$ 270.3 | \$ 278.9 | \$ 291.8 |
| Gross Margin | 54.5 | 58.6 | 221.0 | 65.1 | 60.4 | 61.8 | 67.2 | 254.5 | 64.9 | 58.8 | 65.1 |
| Gross Margin % | 20.6% | 20.1% | 19.4% | 23.3% | 22.0% | 22.4% | 23.3% | 22.7% | 24.0% | 21.1% | 22.3% |
| Loss/(gain) on sale of assets | - | - | (0.3) | 0.1 | (13.4) | (0.2) | 0.3 | (13.2) | - | - | 0.0 |
| SG&A | 21.8 | 23.6 | 91.5 | 21.9 | 23.4 | 22.8 | 29.3 | 97.4 | 25.5 | 22.6 | 23.4 |
| SG&A Margin % | 8.2% | 8.1% | 8.0% | 7.8% | 8.5% | 8.2% | 10.2% | 8.7% | 9.4% | 8.1% | 8.0% |
| Operating Income | 13.0 ⁽²⁾ | 14.6 ⁽²⁾ | 48.7 | 23.6 | 30.5 | 19.5 | 17.0 | 90.6 | 19.1 | 16.3 | 21.1 |
| Adj. EBITDA | \$ 32.7 ⁽²⁾ | \$ 34.9 ⁽²⁾ | \$ 129.7 | \$ 43.2 | \$ 37.1 ⁽³⁾ | \$ 39.3 | \$ 37.5 | \$ 157.1 | \$ 39.4 | \$ 36.3 | \$ 41.7 |
| Adj. EBITDA Margin % | 12.3% | 12.0% | 11.4% | 15.5% | 13.5% | 14.2% | 13.0% | 14.0% | 14.6% | 13.0% | 14.3% |
| Raw Material Processed (mmts) | 0.3 | 0.3 | 1.1 | 0.3 | 0.3 | 0.3 | 0.3 | 1.1 | 0.3 | 0.3 | 0.3 |

(1) Reflects freight revenue reclass in 2018 and 2019

(2) Adjusted for restructuring and impairment charges of \$15.0 million for closure of Argentina collagen plant

(3) Adjusted for the \$13.1 million land asset sale in China

Fuel Segment - Historical

| US\$ (in millions) | Q3-2018 | Q4-2018 | Total 2018 | Q1-2019 | Q2-2019 | Q3-2019 | Q4-2019 | Total 2019 | Q1-2020 | Q2-2020 | Q3-2020 |
|---|---------|---------|------------|---------|---------|---------|----------|------------|----------|---------|----------|
| Net Sales | \$ 64.6 | \$ 76.2 | \$ 296.0 | \$ 60.1 | \$ 65.0 | \$ 68.6 | \$ 80.6 | \$ 274.3 | \$ 69.9 | \$ 66.0 | \$ 75.7 |
| Gross Margin | 11.2 | 16.6 | 65.8 | 10.0 | 11.7 | 10.1 | 37.6 | 69.4 | 16.9 | 21.8 | 25.7 |
| Gross Margin % | 17.3% | 21.8% | 22.2% | 16.7% | 18.0% | 14.7% | 46.7% | 25.3% | 24.2% | 32.9% | 33.9% |
| Loss/(gain) on sale of assets | 0.1 | 0.1 | 0.3 | - | - | - | 0.3 | 0.3 | - | (0.0) | (0.1) |
| SG&A | (2.8) | (0.8) | (4.8) | (0.8) | 0.4 | 0.9 | 2.3 | 2.8 | 1.6 | 4.0 | 5.0 |
| Depreciation and amortization | 9.4 | 8.6 | 35.0 | 7.8 | 8.4 | 7.9 | 7.8 | 31.9 | 8.1 | 8.0 | 8.6 |
| Equity in net income/(loss) of Diamond Green Diesel (DGD) | (2.6) | 50.1 | 159.8 | 24.3 | 38.1 | 32.0 | 270.1 | 364.5 | 97.8 | 63.5 | 91.1 |
| Segment Income | 1.9 | 58.7 | 195.1 | 27.3 | 41.1 | 33.3 | 297.2 | 398.8 | 105.0 | 73.3 | 103.1 |
| Segment EBITDA | 13.9 | 17.2 | 70.3 | 10.8 | 11.4 | 9.2 | 35.0 | 66.3 | 15.3 | 17.8 | 20.7 |
| DGD adjusted EBITDA (Darling's Share) | 0.5 | 55.2 | 174.0 | 29.8 | 43.8 | 39.5 | 276.2 | 389.4 | 103.6 | 69.1 | 96.4 |
| Combined Adj. EBITDA ⁽¹⁾ | \$ 14.4 | \$ 72.4 | \$ 244.3 | \$ 40.6 | \$ 55.2 | \$ 48.7 | \$ 311.2 | \$ 455.7 | \$ 118.9 | \$ 86.9 | \$ 117.1 |
| Raw Material Processed*(mmts) | 0.3 | 0.3 | 1.2 | 0.3 | 0.3 | 0.3 | 0.3 | 1.3 | 0.3 | 0.3 | 0.3 |

(1) Includes Fuel Segment EBITDA and Darling's share of DGD EBITDA.

* Excludes feed stock (raw material) processed at the DGD joint venture.

Non-U.S. GAAP Measures

Adjusted EBITDA is not a recognized accounting measurement under GAAP; it should not be considered as an alternative to net income, as a measure of operating results, or as an alternative to cash flow as a measure of liquidity, and is not intended to be a presentation in accordance with GAAP. Adjusted EBITDA is presented here not as an alternative to net income, but rather as a measure of the Company's operating performance. Since EBITDA (generally, net income plus interest expenses, taxes, depreciation and amortization) is not calculated identically by all companies, this presentation may not be comparable to EBITDA or Adjusted EBITDA presentations disclosed by other companies. Adjusted EBITDA is calculated in this presentation and represents, for any relevant period, net income/(loss) plus depreciation and amortization, goodwill and long-lived asset impairment, interest expense, (income)/loss from discontinued operations, net of tax, income tax provision, other income/(expense) and equity in net loss of unconsolidated subsidiary. Management believes that Adjusted EBITDA is useful in evaluating the Company's operating performance compared to that of other companies in its industry because the calculation of Adjusted EBITDA generally eliminates the effects of financing, income taxes and certain non-cash and other items that may vary for different companies for reasons unrelated to overall operating performance.

As a result, the Company's management uses Adjusted EBITDA as a measure to evaluate performance and for other discretionary purposes. In addition to the foregoing, management also uses or will use Adjusted EBITDA to measure compliance with certain financial covenants under the Company's Senior Secured Credit Facilities and 5.25% Notes and 3.625% Notes that were outstanding at September 26, 2020. However, the amounts shown in this presentation for Adjusted EBITDA differ from the amounts calculated under similarly titled definitions in the Company's Senior Secured Credit Facilities and 5.25% Notes and 3.625% Notes, as those definitions permit further adjustments to reflect certain other non-recurring costs, non-cash charges and cash dividends from the DGD Joint Venture. Additionally, the Company evaluates the impact of foreign exchange impact on operating cash flow, which is defined as segment operating income (loss) plus depreciation and amortization.

Adjusted EBITDA

| Adjusted EBITDA (U.S. dollars in thousands) | Three Months Ended | | Nine Months Ended | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 26, 2020 | September 28, 2019 | September 26, 2020 | September 28, 2019 |
| Net income attributable to Darling | \$ 101,125 | \$ 25,721 | \$ 252,074 | \$ 69,991 |
| Depreciation and amortization | 85,730 | 80,407 | 253,711 | 239,057 |
| Interest expense | 18,793 | 19,359 | 55,803 | 60,088 |
| Income tax expense | 4,812 | 10,850 | 43,058 | 23,900 |
| Foreign currency loss/(gain) | 1,239 | (466) | 709 | 654 |
| Other expense, net | 1,912 | 2,614 | 5,278 | 7,158 |
| Debt extinguishment costs | - | - | - | 12,126 |
| Equity in net (income) of Diamond Green Diesel | (91,099) | (32,020) | (252,411) | (94,390) |
| Equity in net (income)/loss of unconsolidated subsidiaries | (906) | 665 | (2,467) | 1,087 |
| Net income attributable to noncontrolling interests | 480 | 1,116 | 2,117 | 7,530 |
| Adjusted EBITDA (Non-GAAP) | <u>\$ 122,086</u> | <u>\$ 108,246</u> | <u>\$ 357,872</u> | <u>\$ 327,201</u> |
| Foreign currency exchange impact | (3,702) (1) | - | 407 (2) | - |
| Pro forma Adjusted EBITDA to Foreign Currency (Non-GAAP) | <u>\$ 118,384</u> | <u>\$ 108,246</u> | <u>\$ 358,279</u> | <u>\$ 327,201</u> |
| DGD Joint Venture Adjusted EBITDA (Darling's Share) | <u>\$ 96,435</u> | <u>\$ 39,548</u> | <u>\$ 269,177</u> | <u>\$ 113,270</u> |
| Darling plus Darling's share of DGD Joint Venture Adjusted EBITDA | <u>\$ 218,521</u> | <u>\$ 147,794</u> | <u>\$ 627,049</u> | <u>\$ 440,471</u> |

(1) The average rate assumption used in this calculation was the actual fiscal average rate for the three months ended September 26, 2020 of €1.00:USD\$1.17 and CAD\$1.00:USD\$0.75, as compared to the average rate for the three months ended September 28, 2019 of €1.00:USD\$1.11 and CAD\$1.00:USD\$0.76, respectively.

(2) The average rate assumption used in this calculation was the actual fiscal average rate for the nine months ended September 26, 2020 of €1.00:USD\$1.12 and CAD\$1.00:USD\$0.74, as compared to the average rate for the nine months ended September 28, 2019 of €1.00:USD\$1.12 and CAD\$1.00:USD\$0.75, respectively.

Upcoming IR Events

- Baird Industrial Conference – 11.11.20
- Berenberg CEO Conference – 11-12-20
- Stephens Consumer Staples Conference – 11.18.20
- BMO Growth & ESG Conference – 12.08.20 or 12.09.20

A man in a white t-shirt and khaki shorts is lifting a young child in a red shirt onto his shoulders. They are on a sandy beach at sunset, with the sun low on the horizon and its light reflecting on the wet sand. A small dog is running in the background. The sky is filled with soft, colorful clouds. A green geometric overlay is present on the left side of the image.

Thank you

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