



# Financial Results Q3 2024

October 24, 2024

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Important factors that could cause actual results to differ materially from the Company's expectations include: 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; reduced demands or prices for biofuels, biogases or renewable electricity; global demands for 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, reduced volume due to government regulations affecting animal production 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, used cooking oil, protein or collagen (including, without limitation, collagen peptides and gelatin) finished product prices; changes to government policies around the world relating to renewable fuels and greenhouse gas (“GHG”) emissions that adversely affect prices, margins or markets (including for the DGD Joint Venture), including programs like the renewable fuel standards low carbon fuel standards (“LCFS”), renewable fuel mandates and tax credits for biofuels, or loss or diminishment of tax credits due to failure to satisfy any eligibility requirements, including, without limitation, in relation to the blender tax credit or the Clean Fuels Production Credit (“CFPC”); climate related adverse results, including with respect to the Company's climate goals, targets or commitments; possible product recall resulting from developments relating to the discovery of unauthorized adulterations to food or food additives or products which do not meet specifications, contract requirements or regulatory standards; 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 U.S. or elsewhere, such as the outbreak of African Swine Fever in China and elsewhere; the occurrence of pandemics, epidemics or disease outbreaks, such as the 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 or 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, a decline in margins on the products produced by the DGD Joint Venture and issues relating to the announced SAF upgrade project (including, without limitation, operational, mechanical, product quality, market based or other such issues); risks and uncertainties relating to international sales and operations, including imposition of tariffs, quotas, trade barriers and other trade protections by foreign countries; tax changes, such as global minimum tax measures, or issues related to guidance and/or regulations associated with biofuel policies, including CFPC; difficulties or a significant disruption (including, without limitation, due to cyber-attack) in the Company's information systems, networks or the confidentiality, availability or integrity of our data 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, including the Russia-Ukraine war and the Israeli-Palestinian conflict and other associated or emerging conflicts in the Middle East; uncertainty regarding the exit of the U.K. from the European Union; uncertainty regarding any administration changes in the U.S. or elsewhere around the world, including, without limitation, impacts to trade, tariffs and/or policies impacting the Company (such as biofuel policies and mandates); and/or unfavorable export or import markets. These factors, coupled with volatile prices for natural gas and diesel fuel, inflation rates, 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 report 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. For more detailed discussion of these factors and other risks and uncertainties regarding the Company, its business and the industries in which it operates, see the Company's filings with the SEC, including the Risk Factors discussion in Item 1A of Part I of the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 2023. The Company cautions readers that all forward-looking statements speak only as of the date made, and the Company undertakes no obligation to update any forward-looking statements, whether as a result of changes in circumstances, new events or otherwise.

# Q3 2024 Business Highlights (unaudited)

Financial Performance	Q3 2024
Total Net Sales	\$1,421.9 million
Net Income	\$16.9 million
EPS Diluted	\$0.11
Combined Adjusted EBITDA	\$236.7 million
Feed Ingredients EBITDA	\$132.2 million
Food Ingredients EBITDA	\$57.0 million
Fuel Ingredients EBITDA	\$59.7 million
Debt Paydown	~\$192 million
Diamond Green Diesel Dividends Received	\$111.2 million

# Q3 2024 Earnings (unaudited)

In millions, except per share	Q3-2024	Q3-2023	% variance	YTD 2024	YTD 2023	% variance
Total Net Sales	\$1,421.9	\$1,625.2	(12.5%)	\$4,297.5	\$5,174.0	(16.9%)
Gross Margin	\$313.6	\$386.5	(18.9%)	\$944.1	\$1,208.6	(21.9%)
Gross Margin %	22.1%	23.8%	(7.1%)	22.0%	23.4%	(6.0%)
Net Income	\$16.9	\$125.0	(86.5%)	\$177.0	\$563.2	(68.6%)
EPS Diluted	\$0.11	\$0.77	(85.9%)	\$1.10	\$3.47	(68.3%)

EBITDA In millions	Q3-2024	Q3-2023	% variance	YTD 2024	YTD 2023	% variance
Feed	\$132.2	\$161.7	(18.2%)	\$361.0	\$562.3	(35.8%)
Food	\$57.0	\$86.0	(33.7%)	\$191.9	\$230.4	(16.7%)
Fuel (1)	\$59.7	\$106.2	(43.8%)	\$289.6	\$530.0	(45.4%)
Corporate	<u>(\$12.2)</u>	<u>\$19.6</u>	(37.8%)	(\$52.1)	(\$61.7)	15.6%
Total combined adjusted EBITDA	<u>\$236.7</u>	<u>\$334.3</u>	(29.2%)	\$790.4	\$1,261.0	(37.3%)

(1) Includes Darling's share of DGD EBITDA

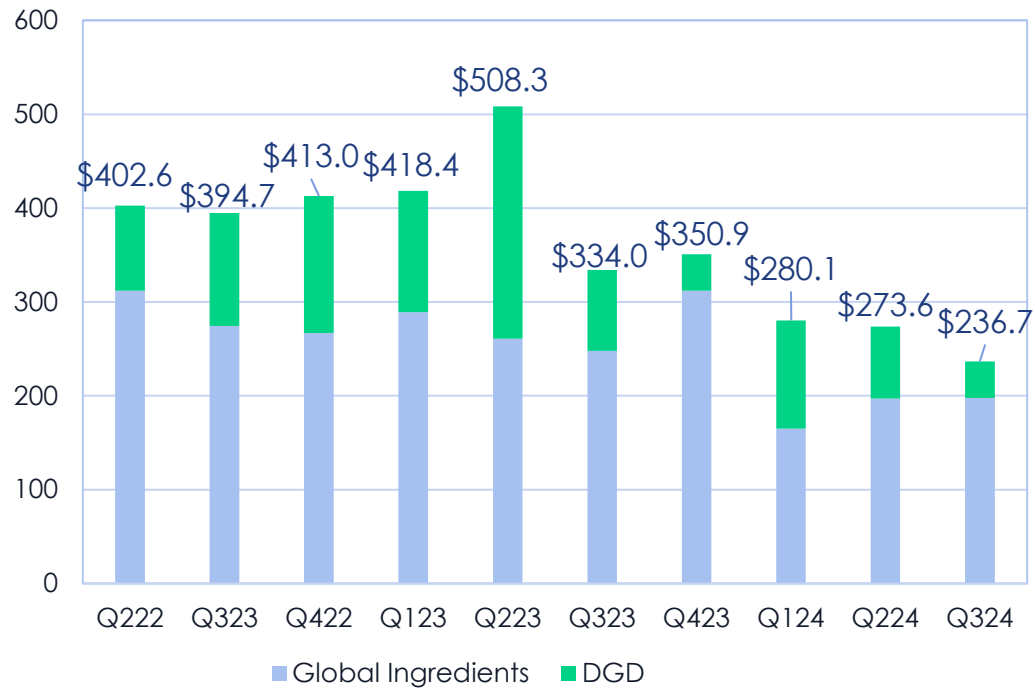
Balance Sheet		
In millions, except ratio data	As of 9/28/2024	As of 12/30/2023
Cash and cash equivalents	\$114.8	\$126.5
Revolver availability	\$1,008.3	\$832.5
Total debt	\$4,246.2	\$4,427.1
Projected leverage ratio (2)	4.04X	3.26X

(2) Per Bank Covenant

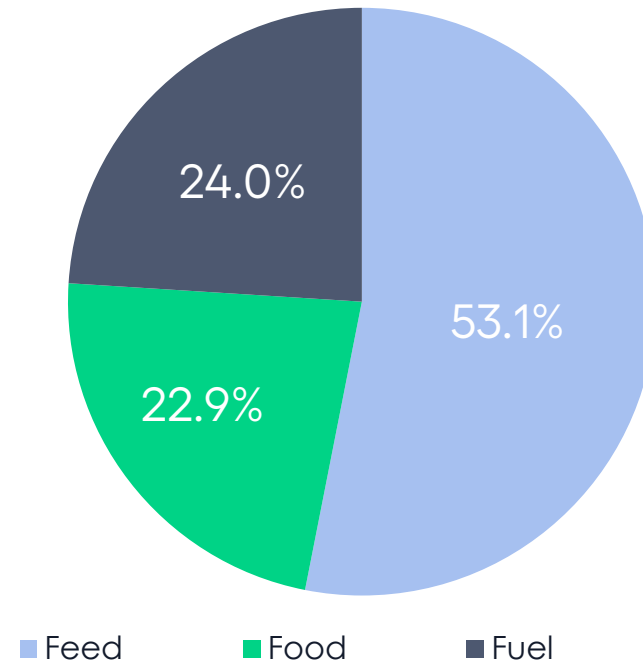
- Calculated by Financial Statements, leverage ratio would be 3.63X

# EBITDA (unaudited)

## Combined Adjusted EBITDA



## Q3 2024 % of Total EBITDA by Segment



# Feed Segment

- Raw material volumes remain steady, animal numbers shifting in favor of Brazil for beef and USA for poultry
- Fat prices did not improve as much as predicted due to imports and operational challenges in the renewable diesel industry
- Operational excellence focus providing margin lift along with targeted SG&A reductions

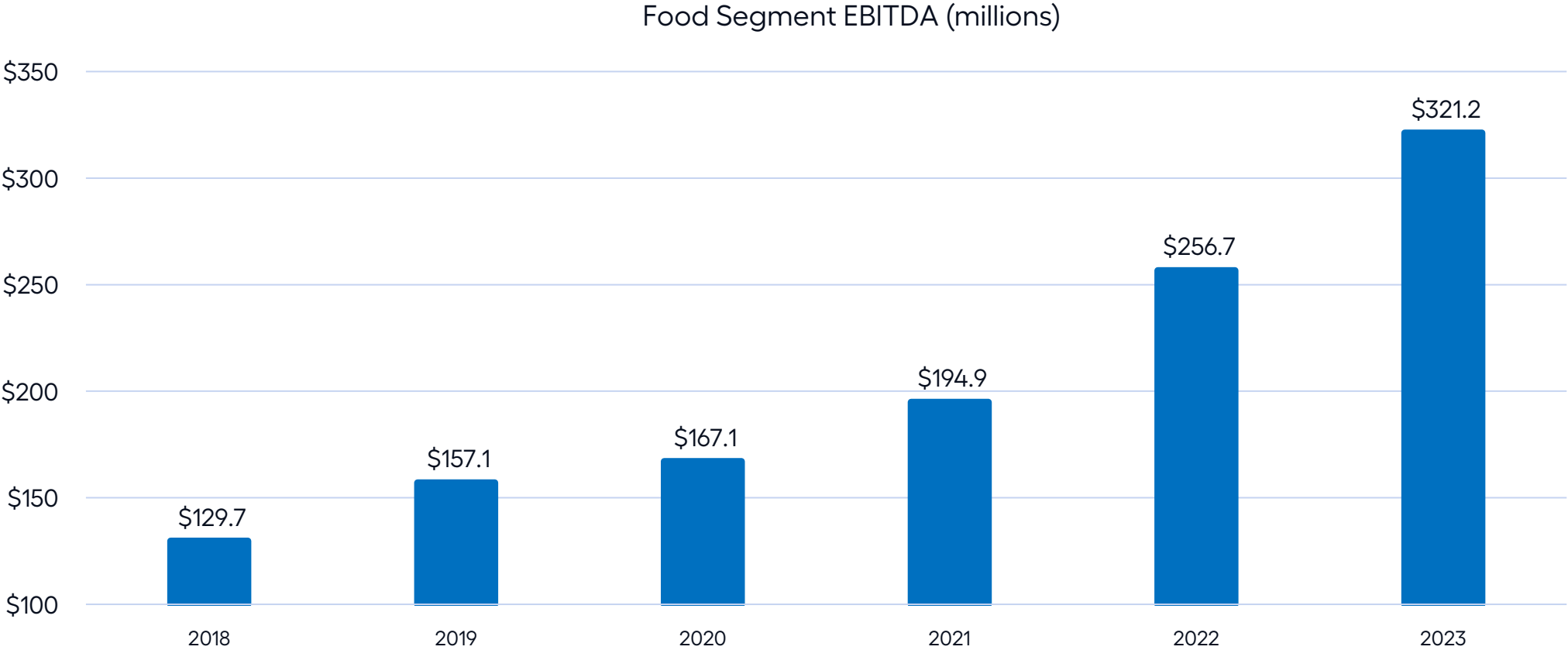
US \$ (in millions, unaudited)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Total net sales	\$ 927,457	\$ 1,047,796	\$ 2,751,452	\$ 3,426,950
Cost of sales & operating expenses	727,642	804,312	2,171,282	2,630,797
Gross margin	\$ 199,815	\$ 243,484	\$ 580,170	\$ 796,153
Loss on sale of assets	204	833	541	813
Selling, general and administrative expenses	67,445	80,985	218,598	233,082
Restructuring and asset impairment charges	-	-	-	92
Change in fair value of contingent consideration	16,156	(5,559)	(42,215)	(13,058)
Depreciation and amortization	85,480	88,954	259,493	261,849
Segment operating income	30,530	78,271	143,753	313,375
Equity in net income of other unconsolidated subsidiaries	3,782	1,534	9,109	3,503
<b>Segment Income</b>	<b>\$ 34,312</b>	<b>\$ 79,805</b>	<b>\$ 152,862</b>	<b>\$ 316,878</b>
<b>Segment Adjusted EBITDA</b>	<b>\$ 132,166</b>	<b>\$ 161,666</b>	<b>\$ 361,031</b>	<b>\$ 562,258</b>
Raw material processed (mmts)	3.1	3.1	9.3	9.4

# Food Segment

- Global gelatin and collagen business continuing to feel global capacity increases and customer destocking.
- Margins remained strong, despite reduced selling prices. Spread management is key.
- Nextida GC, next generation collagen peptide that targets post-meal glucose spike now commercially available.

US \$ (in millions, unaudited)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Total net sales	\$ 357,292	\$ 455,744	\$ 1,127,415	\$ 1,328,229
Cost of sales & operating expenses	271,861	338,208	846,766	999,418
Gross margin	\$ 85,431	\$ 117,536	\$ 280,649	\$ 328,811
Loss (gain) on sale of assets	49	117	(208)	99
Selling, general and administrative expenses	28,351	31,463	88,939	98,269
Restructuring and asset impairment charges	-	-	-	5,328
Depreciation and amortization	26,743	25,418	82,983	68,336
<b>Segment Income</b>	<b>\$ 30,288</b>	<b>\$ 60,538</b>	<b>\$ 108,935</b>	<b>\$ 156,779</b>
<b>Segment Adjusted EBITDA</b>	<b>\$ 57,031</b>	<b>\$ 85,956</b>	<b>\$ 191,918</b>	<b>\$230,443</b>
Raw material processed (mts)	306,000	324,000	911,000	920,000

# Continued growth driven by collagen peptides





# Fuel Segment

- Received \$111.2 million in dividends from DGD.
- Sustainable aviation fuel unit successfully completed in October
  - Strong sales book continues to build
- Regulatory landscape becoming increasingly supportive of waste fats and oils, paving the way for improved margins in 2025

US \$ (in millions, unaudited)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Total net sales	\$ 137,142	\$ 121,664	\$ 418,615	\$ 418,818
Cost of sales & operating expenses	108,816	96,213	335,358	335,193
Gross margin	\$ 28,326	\$25,451	\$ 83,257	\$ 83,625
Gain on sale of assets	(2)	(21)	(434)	(51)
Selling, general & administrative expenses	7,757	5,666	24,911	16,829
Depreciation & amortization	9,297	9,026	26,687	25,986
Equity in net income of Diamond Green Diesel	2,430	54,389	125,046	361,690
Segment Income	\$ 13,704	\$ 65,169	\$ 157,139	\$ 402,551
Segment Adjusted EBITDA	\$ 20,571	\$ 19,806	\$ 58,780	\$ 66,847
DGD adjusted EBITDA (Darling's Share)	\$ 39,085	\$ 86,450	\$ 230,787	\$ 463,171
Segment Adjusted EBITDA	\$ 59,656	\$ 106,256	\$ 289,567	\$ 530,018
Raw material processed (mt)*	391,000	344,000	1,110,000	1,040,000

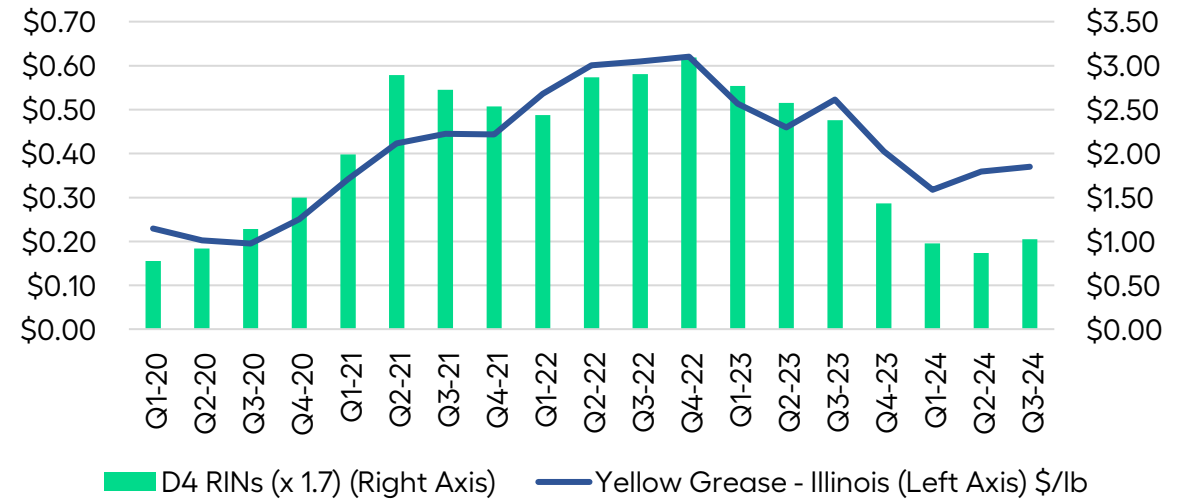
\*Excludes feedstock (raw material) processed at the DGD joint venture

# Fuel Segment

Diamond Green Diesel (unaudited)		
US \$ and gallons (in millions)	Q3 2024	Q3 2023
Pro forma Adjusted EBITDA (Darling's share)	\$39.1	\$86.5
Total gallons produced	311.2	290.2
Total gallons sold/shipped	316.6	266.8
EBITDA per gallon sold/shipped	\$0.25	\$0.65

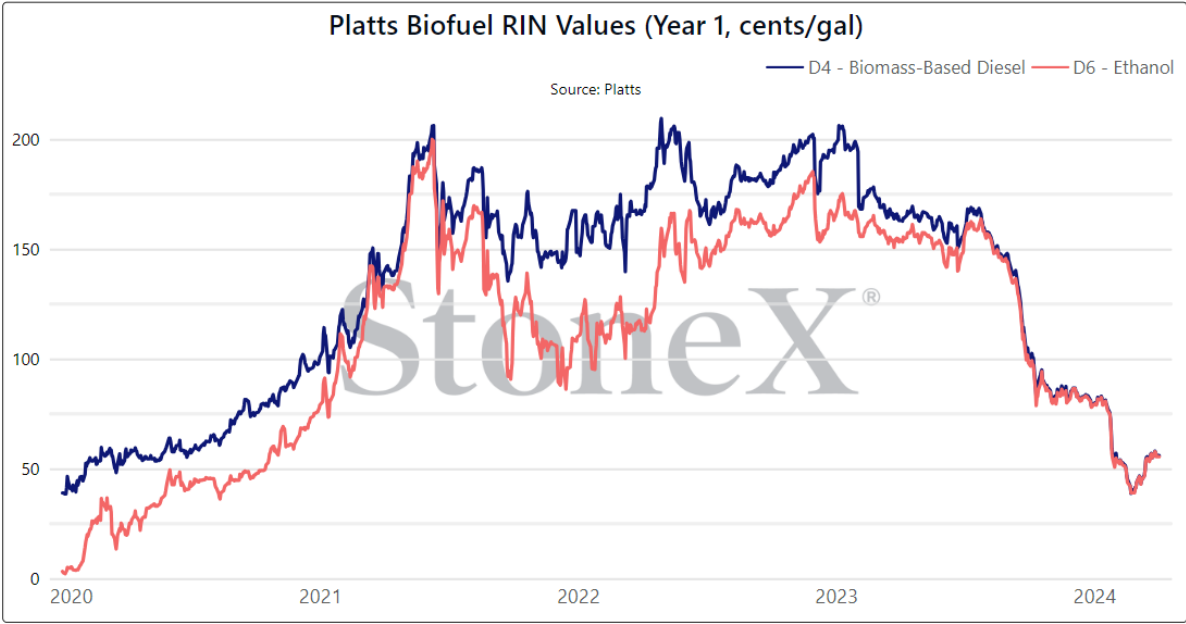
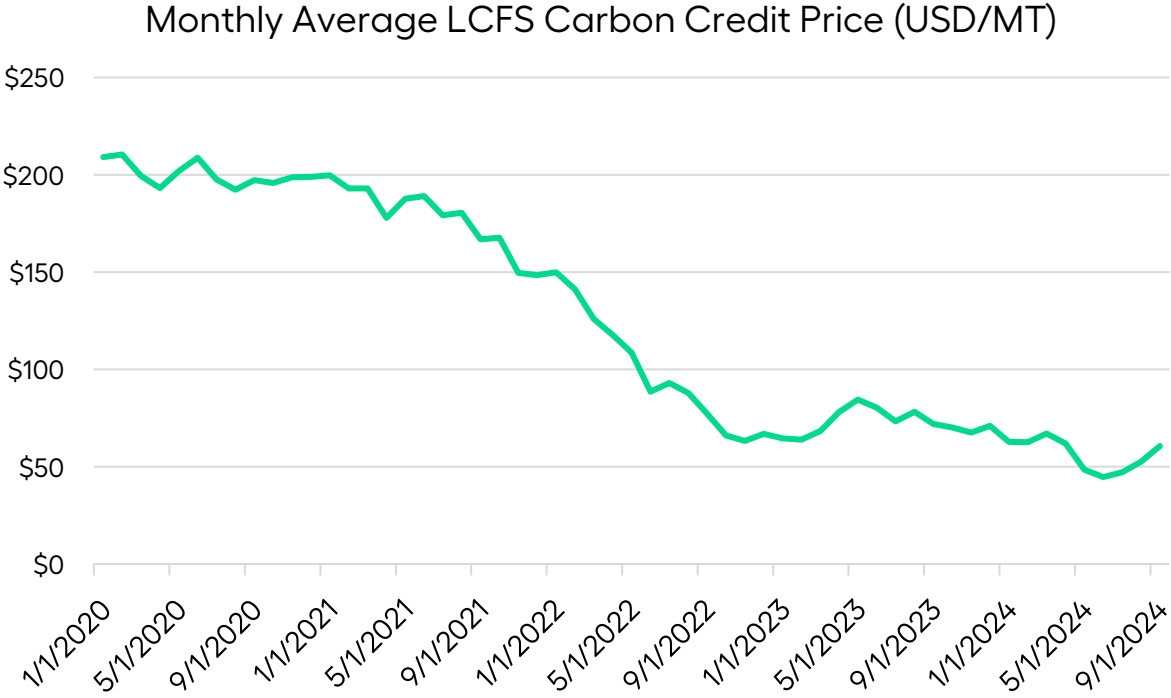
Excluding \$20.3 million lower of cost-or-market valuation adjustment at DGD, EBITDA per gallon sold/shipped would have been \$0.31 for Q3 24.

Quarterly Avg. Prices  
D4 RINs (1.7 Multiple) & Yellow Grease - IL



# Appendix

# California LCFS and RIN Value History



# Feed Segment – Historical (unaudited)

US\$ (in millions)	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Total 2023	Q1-2024	Q2-2024	Q3-2024
Total Net Sales	\$ 1,237.5	\$ 1,141.7	\$ 1,047.8	\$ 1,045.6	\$ 4,472.6	\$ 889.8	\$ 934.1	\$ 927.5
Gross Margin	287.4	265.2	243.5	290.6	1,086.7	184.1	196.3	199.8
Gross Margin %	23.2%	23.2%	23.2%	27.8%	24.3%	20.7%	21.0%	21.5%
Loss (Gain) on sale of assets	(0.3)	0.3	0.8	0.0	0.8	0.1	0.2	0.2
SG&A	74.7	77.4	81.0	77.3	310.4	77.1	74.0	67.4
SG&A Margin %	6.0%	6.8%	7.7%	7.4%	6.9%	8.7%	7.9%	7.3%
Operating Income	122.7	112.4	78.3	105.8	419.2	44.5	68.7	30.5
Segment Adj. EBITDA	\$ 213.1	\$ 187.5	\$ 161.7	\$ 213.3	\$ 775.6	\$ 106.8	\$ 122.1	\$ 132.2
Raw Material Processed (mmts)	3.2	3.1	3.1	3.1	12.53	3.1	3.1	3.1

# Feed Segment Sales

	Rendering Sales							
	Fats	Proteins	Other	Total Rendering	Used Cooking Oils	Bakery	Other	Total
<b>Total net sales three months ended September 30, 2023</b>	\$ 417.9	\$ 405.4	\$ 42.6	\$ 865.9	\$ 103.1	\$ 63.2	\$ 15.6	\$ 1,047.8
Increase/(decrease) in sales volumes	2.7	11.3	—	14.0	(25.0)	(2.3)	—	(13.3)
Increase/(decrease) in finished product prices	(73.9)	(47.8)	—	(121.7)	3.7	(13.2)	—	(131.2)
Increase/(decrease) due to currency exchange rates	0.2	0.6	0.1	0.9	(0.2)	—	—	0.7
Other change	—	—	27.0	27.0	—	—	(3.5)	23.5
<b>Total change</b>	<b>(71.0)</b>	<b>(35.9)</b>	<b>27.1</b>	<b>(79.8)</b>	<b>(21.5)</b>	<b>(15.5)</b>	<b>(3.5)</b>	<b>(120.3)</b>
<b>Total net sales three months ended September 28, 2024</b>	\$ 346.9	\$ 369.5	\$ 69.7	\$ 786.1	\$ 81.6	\$ 47.7	\$ 12.1	927.5
	Rendering Sales							
	Fats	Proteins	Other	Total Rendering	Used Cooking Oils	Bakery	Other	Total
<b>Total net sales nine months ended September 30, 2023</b>	\$ 1,313.5	\$ 1,288.5	\$ 182.7	\$ 2,784.7	\$ 387.1	\$ 205.4	\$ 49.8	\$ 3,427.0
Increase/(decrease) in sales volumes	(28.3)	13.8	—	(14.5)	(47.3)	(13.4)	—	(75.2)
Decrease in finished goods prices	(312.2)	(182.8)	—	(495.0)	(85.8)	(50.9)	—	(631.7)
Increase/(decrease) due to currency exchange rates	(0.2)	0.2	—	—	(0.4)	—	—	(0.4)
Other change	—	—	43.2	43.2	—	—	(11.4)	31.8
<b>Total change</b>	<b>(340.7)</b>	<b>(168.8)</b>	<b>43.2</b>	<b>(466.3)</b>	<b>(133.5)</b>	<b>(64.3)</b>	<b>(11.4)</b>	<b>(675.5)</b>
<b>Total net sales nine months ended September 28, 2024</b>	\$ 972.8	\$ 1,119.7	\$ 225.9	\$ 2,318.4	\$ 253.6	\$ 141.1	\$ 38.4	2,751.5

# Food Segment – Historical (unaudited)

US\$ (in millions)	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Total 2023	Q1-2024	Q2-2024	Q3-2024
Total Net Sales	\$ 396.4	\$ 476.1	\$ 455.7	\$ 423.8	\$ 1,752.1	\$ 391.3	\$ 378.8	\$ 357.3
Gross Margin	106.3	105.0	117.5	112.7	441.5	93.1	102.1	85.4
Gross Margin %	26.8%	22.1%	25.8%	26.6%	25.2%	23.8%	26.9%	23.9%
Loss (gain) on sale of assets	(0.0)	0.0	0.1	(8.2)	(8.2)	(0.3)	0.0	0.0
SG&A	33.1	33.7	31.5	30.2	128.5	31.7	28.8	28.4
SG&A Margin %	8.4%	7.1%	6.9%	7.1%	7.3%	8.1%	7.6%	7.9%
Operating Income	54.3	42.0	60.5	54.9	211.6	32.8	45.8	30.3
Segment Adj. EBITDA	\$ 73.2	\$ 71.3	\$ 86.0	\$ 90.7	\$ 321.2	\$ 61.7	\$ 73.2	\$ 57.0
Raw Material Processed (mmts)	0.26	0.33	0.32	0.30	1.22	0.30	0.30	0.31

# Fuel Segment – Historical (unaudited)

US\$ (in millions)	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Total 2023	Q1-2024	Q2-2024	Q3-2024
Total Net Sales	\$ 157.3	\$ 139.9	\$ 121.7	\$ 144.6	\$ 563.4	\$ 139.2	\$ 142.3	\$ 137.1
Gross Margin	30.5	27.7	25.5	33.2	116.8	26.4	28.5	28.3
Gross Margin %	19.4%	19.8%	20.9%	23.0%	20.7%	19.0%	20.0%	20.7%
Loss (gain) on sale of assets	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.4)	0.0	(0.0)
SG&A	6.2	5.0	5.7	6.7	23.5	8.7	8.4	7.8
Depreciation and amortization	8.4	8.6	9.0	8.5	34.5	8.7	8.7	9.3
Equity in net income of DGD	94.3	213.0	54.4	4.7	366.4	78.4	44.2	2.4
Operating Income	110.2	227.2	65.2	22.7	425.3	87.8	55.6	13.7
Base adjusted EBITDA	24.3	22.8	19.8	26.5	93.4	18.1	20.1	20.6
DGD adjusted EBITDA (Darling's Share)	129.3	247.4	86.5	38.8	502.0	115.1	76.6	39.1
Combined adjusted EBITDA (1)	\$ 153.6	\$ 270.2	\$ 106.3	\$ 65.3	\$ 595.3	\$ 133.1	\$ 96.8	\$ 59.7
Raw Material Processed (mmts) (2)	0.35	0.35	0.34	0.37	1.41	0.36	0.36	0.39

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

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



# Historical Pricing

2024 Finished Product Pricing Feed Segment Ingredients	2024 Average Jacobsen Prices (USD)																
	January	February	March	Q1 Avg.	April	May	June	Q2 Avg.	July	August	Sept.	Q3 Avg.	Oct.	Nov.	Dec.	Q4 Avg.	Year Avg.
Yellow Grease - Illinois / cwt	\$31.60	\$31.50	\$32.05	\$31.71	\$34.27	\$35.36	\$38.00	\$35.85	\$39.50	\$36.48	\$35.00	\$37.11					
Used Cooking Oil (UCO) - Illinois / cwt	\$34.14	\$32.25	\$32.25	\$32.90	\$34.22	\$36.00	\$37.76	\$35.96	\$40.50	\$37.70	\$36.00	\$38.21					
Bleachable Fancy Tallow - Chicago Renderer / cwt	\$43.43	\$42.04	\$44.26	\$43.25	\$45.00	\$45.00	\$49.11	\$46.29	\$53.00	\$49.63	\$48.75	\$50.62					
Meat and Bone Meal - Ruminant - IL/ ton	\$310.00	\$279.13	\$288.75	\$292.91	\$294.89	\$287.50	\$289.08	\$290.51	\$297.50	\$295.45	\$295.00	\$296.12					
Poultry By-Product Meal - Feed Grade - Mid South/ton	\$412.50	\$432.75	\$376.00	\$407.17	\$365.91	\$375.00	\$375.00	\$371.25	\$373.41	\$357.50	\$357.50	\$362.42					
Poultry By-Product Meal - Pet Food - Mid South/ton	\$611.31	\$775.75	\$830.75	\$737.17	\$834.09	\$782.95	\$730.26	\$785.69	\$617.61	\$612.50	\$612.50	\$611.13					

2024 Vegetable Oils Pricing Competing Ingredient for Feed Segment fats & biofuel feedstock	2024 Average Jacobsen Prices (USD)																
	January	February	March	Q1 Avg.	April	May	June	Q2 Avg.	July	August	Sept.	Q3 Avg.	Oct.	Nov.	Dec.	Q4 Avg.	Year Avg.
Soybean Oil (crude/de-gummed) - Central Illinois / cwt	\$48.42	\$44.08	\$44.86	\$45.83	\$43.15	\$41.84	\$42.10	\$42.31	\$47.48	\$42.65	\$42.55	\$44.28					
Soybean Oil (RBD) - Central Illinois / cwt	\$56.16	\$53.22	\$53.31	\$54.26	\$50.80	\$50.79	\$49.85	\$50.44	\$53.65	\$48.19	\$47.35	\$49.77					
Distiller's Corn Oil - IL/WI cwt	\$45.64	\$43.63	\$42.71	\$44.02	\$41.30	\$40.95	\$44.61	\$42.14	\$47.11	\$43.10	\$42.22	\$42.90					

2024 Cash Corn Pricing Competing Ingredient for Bakery Feeds and Fats	2024 Average Wall Street Journal Prices (USD)																
	January	February	March	Q1 Avg.	April	May	June	Q2 Avg.	July	August	Sept.	Q3 Avg.	Oct.	Nov.	Dec.	Q4 Avg.	Year Avg.
Corn - Track Central IL #2 Yellow / bushel	\$4.23	\$4.00	\$4.05	\$4.42	\$4.11	\$4.32	\$4.11	\$4.48	\$3.79	\$3.52	\$3.67	\$3.97					

2024 European Benchmark Pricing Palm Oil - Competing ingredient for edible fats in Food Segment Soy meal - Competing ingredient for protein meals in Feed Segment	2024 Average Thomson Reuters Prices (USD)																
	January	February	March	Q1 Avg.	April	May	June	Q2 Avg.	July	August	Sept.	Q3 Avg.	Oct.	Nov.	Dec.	Q4 Avg.	Year Avg.
Palm oil - CIF Rotterdam / metric ton	\$951	\$978	\$1,068	\$999	\$1,069	\$1,012	\$1,039	\$1,040	\$1,030	\$1,066	\$1,146	\$1,081					
Soy meal - CIF Rotterdam / metric ton	\$501	\$450	\$442	\$464	\$425	\$471	\$458	\$451	\$430	\$420	\$438	\$429					

Comparison	QTR. over QTR. (Sequential)			Year over Year (Q3)		
	Q2-2024	Q3-2024	%	Q3-2023	Q3-2024	%
<b>Average Jacobsen Prices (USD)</b>	<b>Avg.</b>	<b>Avg.</b>	<b>Change</b>	<b>Avg.</b>	<b>Avg.</b>	<b>Change</b>
Yellow Grease - Illinois / cwt	\$35.85	\$37.11	3.5%	\$52.39	\$37.11	-29.2%
Used Cooking Oil (UCO) - Illinois / cwt	\$35.96	\$38.21	6.3%	\$54.72	\$38.21	-30.2%
Bleachable Fancy Tallow - Chicago Renderer / cwt	\$46.29	\$50.62	9.4%	\$68.66	\$50.62	-26.3%
Meat and Bone Meal - Ruminant - Illinois / ton	\$290.51	\$296.12	1.9%	\$455.04	\$296.12	-34.9%
Poultry By-Product Meal - Feed Grade - Mid South / ton	\$371.25	\$362.42	-2.4%	\$488.13	\$362.42	-25.8%
Poultry By-Product Meal - Pet Food - Mid South / ton	\$785.69	\$611.13	-22.2%	\$796.10	\$611.13	-23.2%
Soybean Oil (crude/de-gummed) - Central Illinois / cwt	\$42.31	\$44.28	4.7%	\$69.07	\$44.28	-35.9%
Soybean Oil (RBD) - Central Illinois / cwt	\$50.44	\$49.77	-1.3%	\$79.26	\$49.77	-37.2%
Distiller's Corn Oil - IL/WI per cwt	\$42.14	\$42.90	1.8%	\$67.45	\$42.90	-36.4%
<b>Average Wall Street Journal Prices (USD)</b>						
Corn - Track Central IL #2 Yellow / bushel	\$4.48	\$3.97	-11.4%	\$5.32	\$3.97	-25.4%
<b>Average Thomson Reuters Prices (USD)</b>						
Palm oil - CIF Rotterdam / metric ton	\$1,040	\$1,081	3.9%	\$963	\$1,081	12.3%
Soy meal - CIF Rotterdam / metric ton	\$451	\$429	-4.9%	\$513	\$429	-16.4%

Reconciliation of Net Income (Non-GAAP) Adjusted EBITDA and (Non-GAAP) Pro-Forma  
Adjusted EBITDA to Foreign Currency  
For the Three and Nine Months Ended September 28, 2024 and September 30, 2023  
(in thousands, unaudited)

	Three Months Ended		Nine Months Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
<b>Adjusted EBITDA</b> (U.S. dollars in thousands)				
Net income attributable to Darling	16,949	125,026	176,972	563,210
Depreciation and amortization	123,553	125,994	375,667	364,086
Interest expense	66,846	70,278	198,947	190,770
Income tax expense (benefit)	(17,471)	(15,364)	(12,790)	52,322
Restructuring and asset impairment charges	—	—	—	5,420
Acquisition and integration costs	218	3,430	5,402	12,158
Change in fair value of contingent consideration	16,156	(5,559)	(42,215)	(13,058)
Foreign currency loss/(gain)	134	(845)	(515)	(8,339)
Other income, net	(4,735)	(2,247)	(12,823)	(13,485)
Equity in net income of Diamond Green Diesel	(2,430)	(54,389)	(125,046)	(361,690)
Equity in net income of other unconsolidated subsidiaries	(3,782)	(1,534)	(9,109)	(3,503)
Net income attributable to noncontrolling interests	2,166	3,055	5,096	9,923
Adjusted EBITDA (Non-GAAP)	<u>\$ 197,604</u>	<u>\$ 247,845</u>	<u>\$ 559,586</u>	<u>\$ 797,814</u>
Foreign currency exchange impact	(601) <sup>(1)</sup>	—	(76) <sup>(2)</sup>	—
Pro forma Adjusted EBITDA to Foreign Currency (Non-GAAP)	<u>\$ 197,003</u>	<u>\$ 247,845</u>	<u>\$ 559,510</u>	<u>\$ 797,814</u>
DGD Joint Venture Adjusted EBITDA (Darling's share) (Non-GAAP)	<u>\$ 39,085</u>	<u>\$ 86,450</u>	<u>\$ 230,787</u>	<u>\$ 463,171</u>
Combined Adjusted EBITDA (Non-GAAP)	<u>\$ 236,689</u>	<u>\$ 334,295</u>	<u>\$ 790,373</u>	<u>\$ 1,260,985</u>

(1) The average rates for the three months ended September 28, 2024 were €1.00:\$1.10, R\$1.00:\$0.18 and C\$1.00:\$0.73 as compared to the average rate for the three months ended September 30, 2023 of €1.00:\$1.09, R\$1.00:\$0.21 and C\$1.00:\$0.75, respectively.

(2) The average rates for the nine months ended September 28, 2024 were €1.00:\$1.09, R\$1.00:\$0.19 and C\$1.00:\$0.74 as compared to the average rate for the nine months ended September 30, 2023 of €1.00:\$1.08, R\$1.00:\$0.20 and C\$1.00:\$0.74, respectively.

# Non-U.S. GAAP Measures

**Segment EBITDA** is not a recognized accounting measurement under GAAP; it should not be considered as an alternative to segment income (loss), as a measure of operating results, or as an alternative to cash flow as a measure of liquidity. It is presented here not as an alternative to segment income (loss), but rather as a measure of the segment's operating performance. Segment EBITDA consists of segment income (loss), less equity in net income from unconsolidated subsidiaries, less equity in net income of Diamond Green Diesel, plus depreciation and amortization, acquisition and integration costs, restructuring and asset impairment charges, change in fair value of contingent consideration, plus Darling's share of DGD Adjusted EBITDA. Management believes that Segment EBITDA is useful in evaluating the segment's operating performance because the calculation of Segment EBITDA generally eliminates non-cash and certain other items for reasons unrelated to overall operating performance and also believes this information is useful to investors.

**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. It 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 expense, taxes, depreciation and amortization) is not calculated identically by all companies, the presentation in this report may not be comparable to EBITDA or Adjusted EBITDA presentations disclosed by other companies. Adjusted EBITDA is calculated above and represents for any relevant period, net income/(loss) plus depreciation and amortization, restructuring and asset impairment charges, acquisition and integration costs, change in fair value of contingent consideration, foreign currency loss (gain), net income/(loss) attributable to non-controlling interests, interest expense, income tax provision, other income/(expense) and equity in net (income)/loss of unconsolidated subsidiaries. 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, non-cash and certain other items that may vary for different companies for reasons unrelated to overall operating performance and also believes this information is useful to investors.

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, 6% Notes, 5.25% Notes and 3.625% Notes that were outstanding at September 28, 2024. However, the amounts shown above for Adjusted EBITDA differ from the amounts calculated under similarly titled definitions in the Company's Senior Secured Credit Facilities, 6% Notes, 5.25% Notes and 3.625% Notes, as those definitions permit further adjustments to reflect certain other nonrecurring costs, non-cash charges and cash dividends from the DGD Joint Venture. Additionally, the Company evaluates the impact of foreign exchange on operating cash flow, which is defined as segment operating income (loss) plus depreciation and amortization.

**Pro forma Adjusted EBITDA to Foreign Currency** 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. It is presented here not as an alternative to net income, but rather as a measure of the Company's operating performance. Management believes Pro forma Adjusted EBITDA to Foreign Currency is useful in evaluating the Company's operating performance on a constant currency basis and also believes this information is useful to investors.

# Non-U.S. GAAP Measures (cont.)

**DGD Joint Venture Adjusted EBITDA (Darling's share)** is not reflected in the Adjusted EBITDA or the Pro forma Adjusted EBITDA to Foreign Currency. DGD Joint Venture Adjusted EBITDA (Darling's share) is not a recognized accounting measure under GAAP; it should not be considered as an alternative to net income or equity in net income of Diamond Green Diesel, 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. The Company calculates DGD Joint Venture Adjusted EBITDA (Darling's share) by taking DGD's operating income plus DGD's depreciation, amortization and accretion expense and then multiplying by 50% to get Darling's share of DGD's EBITDA. Management believes that DGD Joint Venture Adjusted EBITDA (Darling's share) is useful in evaluating the Company's operating performance because the calculation of DGD Joint Venture Adjusted EBITDA (Darling's share) generally eliminates non-cash and certain other items at DGD unrelated to overall operating performance and also believes this information is useful to investors.

**Combined 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. It is presented here not as an alternative to net income, but rather as a measure of the Company's operating performance. Combined Adjusted EBITDA consists of Adjusted EBITDA plus DGD Joint Venture Adjusted EBITDA (Darling's share). Management believes that Combined 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, non-cash and certain other items that may vary for different companies for reasons unrelated to overall operating performance and also believes this information is useful to investors.

Information reconciling forward-looking Combined Adjusted EBITDA to net income is unavailable to the Company without unreasonable effort. The Company is not able to provide reconciliations of Combined Adjusted EBITDA to net income because certain items required for such reconciliations are outside of the Company's control and/or cannot be reasonably predicted, such as the impact of volatile commodity prices on the Company's operations, impact of foreign currency exchange fluctuations, depreciation and amortization and the provision for income taxes. Preparation of such reconciliations for Darling Ingredients Inc. and the Company's joint venture, Diamond Green Diesel, would require a forward-looking balance sheet, statement of operations and statement of cash flows, prepared in accordance with GAAP for each entity, and such forward-looking financial statements are unavailable to the Company without unreasonable effort. The Company at times provides guidance for its Combined Adjusted EBITDA outlook that it believes will be achieved; however, it cannot accurately predict all the components of the Combined Adjusted EBITDA calculation.

**EBITDA per gallon** is not a recognized accounting measurement under GAAP; it should not be considered as an alternative to net income or equity in income of Diamond Green Diesel, 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. EBITDA per gallon is presented here not as an alternative to net income or equity in income of Diamond Green Diesel, but rather as a measure of Diamond Green Diesel's operating performance. Since EBITDA per gallon (generally, net income plus interest expense, taxes, depreciation and amortization divided by total gallons sold) is not calculated identically by all companies, this presentation may not be comparable to EBITDA per gallon presentations disclosed by other companies. Management believes that EBITDA per gallon is useful in evaluating Diamond Green Diesel's operating performance compared to that of other companies in its industry because the calculation of EBITDA per gallon generally eliminates the effects of financing, income taxes and certain non-cash and other items presented on a per gallon basis that may vary for different companies for reasons unrelated to overall operating performance.



# Financial Results Q3 2024

October 24, 2024