Crystal Clean®

23rd Annual Needham
Virtual Growth Conference
January 11, 2021

Safe Harbor Statement

All references to the “Company,” “we,” “our,” and “us” refer to Heritage-Crystal Clean, Inc., and its subsidiaries.

This release contains forward-looking statements that are based upon current management expectations. Generally, the words "aim," "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "project," "should," "will be," "will continue," "will likely result," "would" and similar expressions identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements or industry results to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. These risks, uncertainties and other important factors include, among others: developments in the COVID-19 pandemic and the resulting impact on our business and operations, future financial and operating results, future disclosures of historical financial and operating results, general economic conditions and downturns in the business cycles of automotive repair shops, industrial manufacturing businesses and small businesses in general; increased solvent, fuel and energy costs and volatility in the price of crude oil, the selling price of lubricating base oil, solvent, fuel, energy, and commodity costs; our ability to successfully integrate businesses we acquire; our ability to enforce our rights under the FCC Environmental purchase agreement; our ability to pay our debt when due and comply with our debt covenants; our ability to successfully operate our used oil re-refinery and to cost effectively collect or purchase used oil or generate operating results; increased market supply or decreased demand for base oil; further consolidation and/or declines in the United States automotive repair and manufacturing industries; the impact of extensive environmental, health and safety and employment laws and regulations on our business; legislative or regulatory requirements or changes adversely affecting our business; competition in the industrial and hazardous waste services industries and from other used oil processing facilities including other re-refineries; claims and involuntary shutdowns relating to our handling of hazardous substances; the value of our used solvents and oil inventory, which may fluctuate significantly; our dependency on key employees; our level of indebtedness, which could affect our ability to fulfill our obligations, impede the implementation of our strategy, and expose us to interest rate risk; our ability to effectively manage our extended network of branch locations; the control of The Heritage Group over the Company; and the risks identified in our Annual Report on Form 10-K filed with the SEC on March 3, 2020 and subsequent filings with the SEC. Given these uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. We assume no obligation to update or revise them or provide reasons why actual results may differ. The information in this release should be read in light of such risks and in conjunction with the consolidated financial statements and the notes thereto included elsewhere in this release.

HCCI Introduction

HCCI Strengths & Opportunities

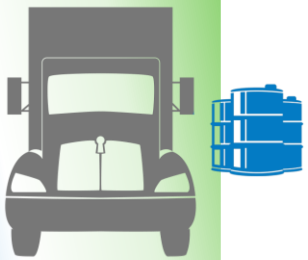
Demonstrated Strengths

- Excellent Customer Service
- Integrated Sales & Service Approach
- Large Branch Network – 89 Branches
  - Efficient Rollout Model
- Large and Highly Diverse Customer Base
- Experienced Management Team

Numerous Growth Avenues

- Same-Branch Sales Growth
- Expanded Service Offerings
- Geographic Expansion
- Focused on Pursuing Acquisition Opportunities

HCCI Business Segments



Environmental Services

- Primary Services: parts cleaning, drummed waste, vacuum services
- Provider of industrial and hazardous waste services to small and mid-sized customers
  - Focus on small-to medium sized industrial businesses (e.g. manufacturers, industrial service providers, etc.) and vehicle maintenance providers (e.g., car dealerships and automotive repair shops)
- Parts Cleaning Services:
  - 2nd largest full-service provider in the U.S.
  - Reduce the volume of hazardous waste generated and associated regulatory burden for our customers
  - Strong recurring revenue business with substantial majority of revenues under automatically renewing service contracts
- Customers outsource their parts cleaning service needs and the disposal of containerized waste to HCCI; allows them to focus on their core business

Oil Business

- Includes used oil collection, oil filter disposal, RFO sales, re-refining and the sale of base oil and related by-products
- Complementary to Environmental Services segment; leverages branch infrastructure
- 2nd largest used oil collector and re-refiner in North America
- Integrated business from used oil collection to marketing and sale of re-refined base oil
- Annual base oil capacity of 49 million gallons

Environmental, Social & Governance

Environmental

- Our goal is to be an environmentally responsible member of the communities we operate in
- Through the various service offers, we provide our customers several ways to preserve and reuse natural resources

Social

- We strive to provide a safe, rewarding and developmental workplace
- We aim to positively impact the community via various forms of outreach and philanthropic activities

Governance

- We strive to operate our business with a high ethical standard and the utmost integrity
- HCCI accepted the Board Challenge to hire a Black Director during 2021

Environmental Highlights Preserving Natural Resources

Oil

48.5M
Gallons
Re-Refined base oil produced

24.4M
Gallons
Other recycled oil products and by-products produced from used oil

Parts Cleaning Solvent

2.6M
Gallons
Used solvent processed

2.3M
Gallons
Recycled solvent produced

830K
Gallons
Solvent reused as a manufacturing ingredient

Wastewater

39.7M
Gallons
Treatment of wastewater

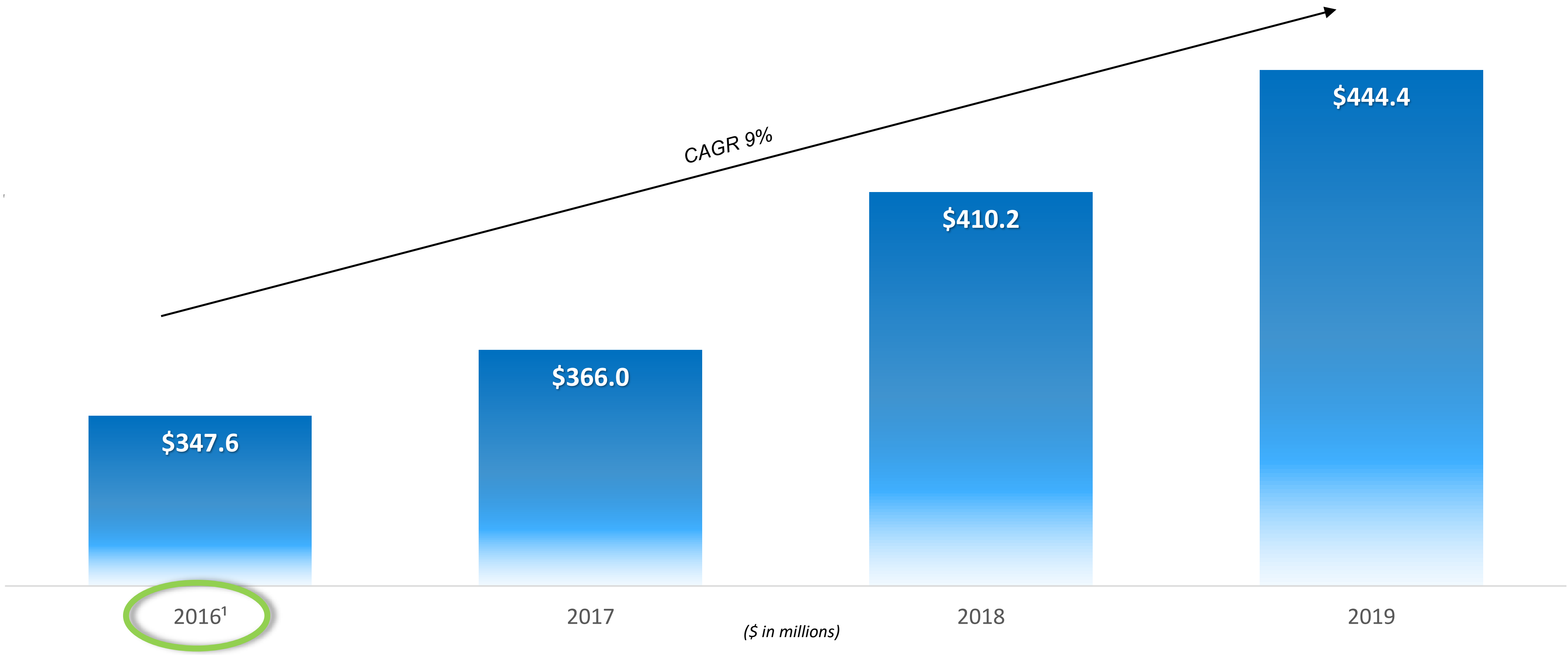
Antifreeze

5.1M
Gallons
Spent antifreeze collected

3.6M
Gallons
Remanufactured antifreeze produced

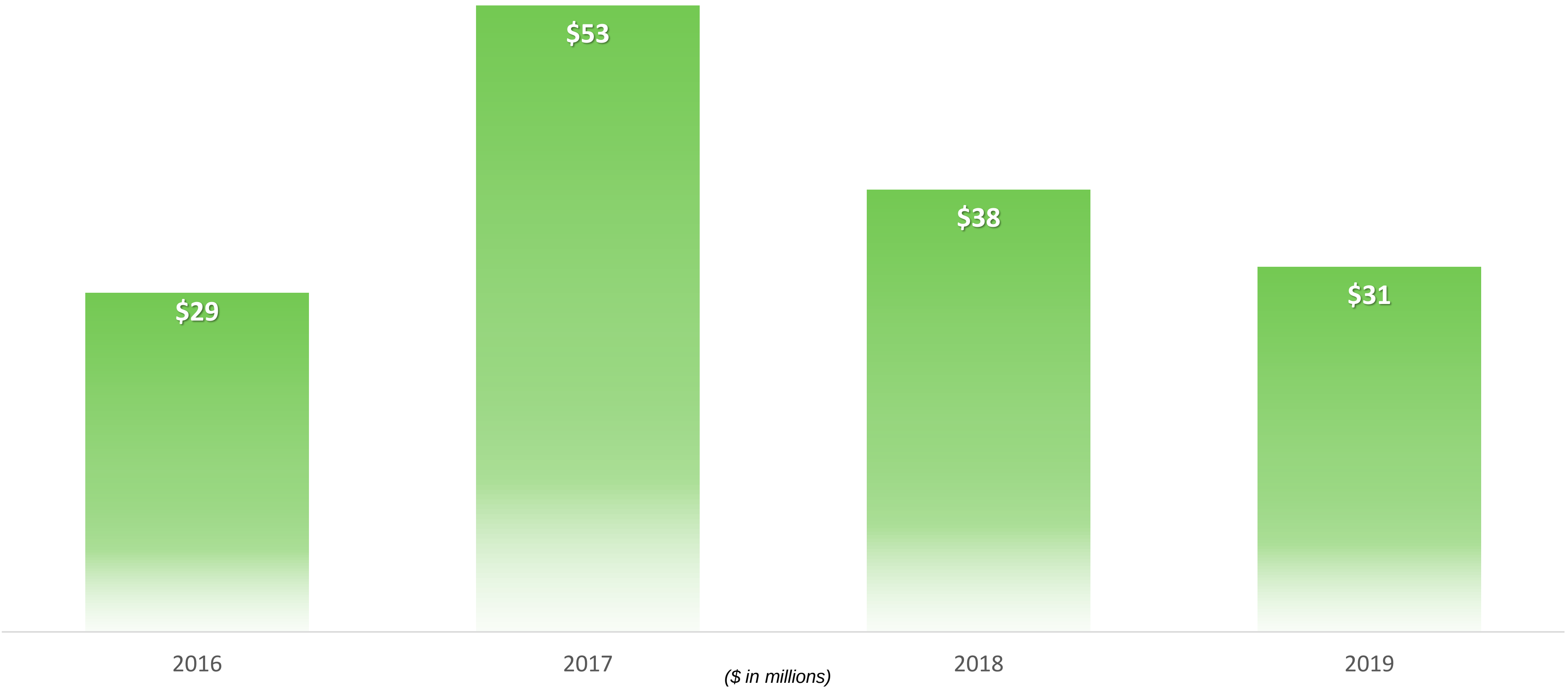
* Figures are as of 2019 YE

Historical Sales Growth



(1) Revenue negatively impacted by dramatic decline in commodity prices

EBITDA Trend

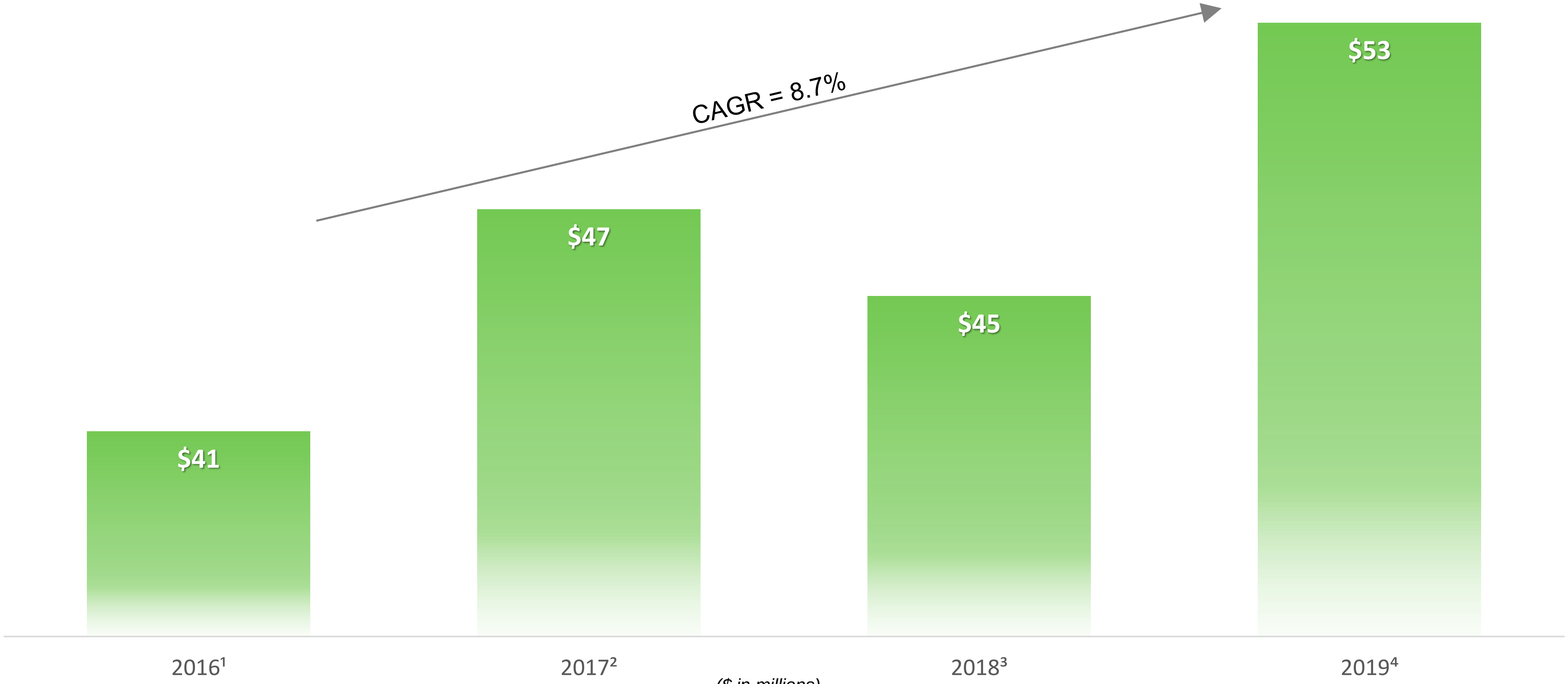


($ in millions)

Note – All years exclude non-cash compensation

There is a reconciliation between Net Income and EBITDA and the end of this presentation

Adjusted EBITDA Trend



($ in millions)

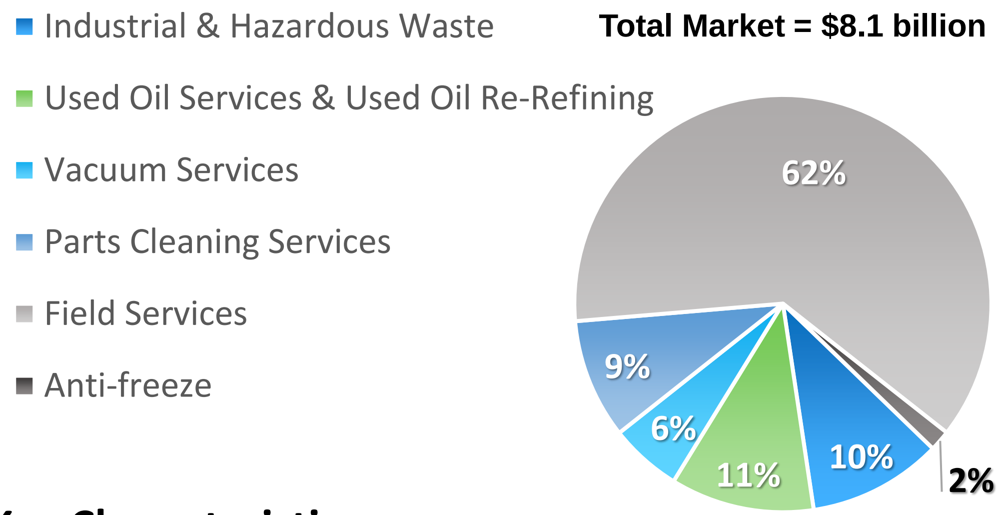
(1)- Includes add-backs for Legal Fees ($5.6MM), inventory write-down ($1.7MM), fines & restitution ($1.6 MM) and severance ($1.2MM)
(2)- Includes add-backs for Legal Fees ($0.7MM), severance ($1.2MM) and site closure costs ($0.6MM)
(3)- Includes add-backs for severance ($0.7MM), and site closure costs ($1.0MM)
(4)- Includes add-backs for a lawsuit settlement ($11.0MM), severance ($0.8MM), site closure costs ($2.7MM), lease accounting standard ($2.2MM) and 842 implementation costs ($.04MM)

Note – All years exclude non-cash compensation
There is a reconciliation between Net Income and AEBITDA and the end of this presentation

Industry

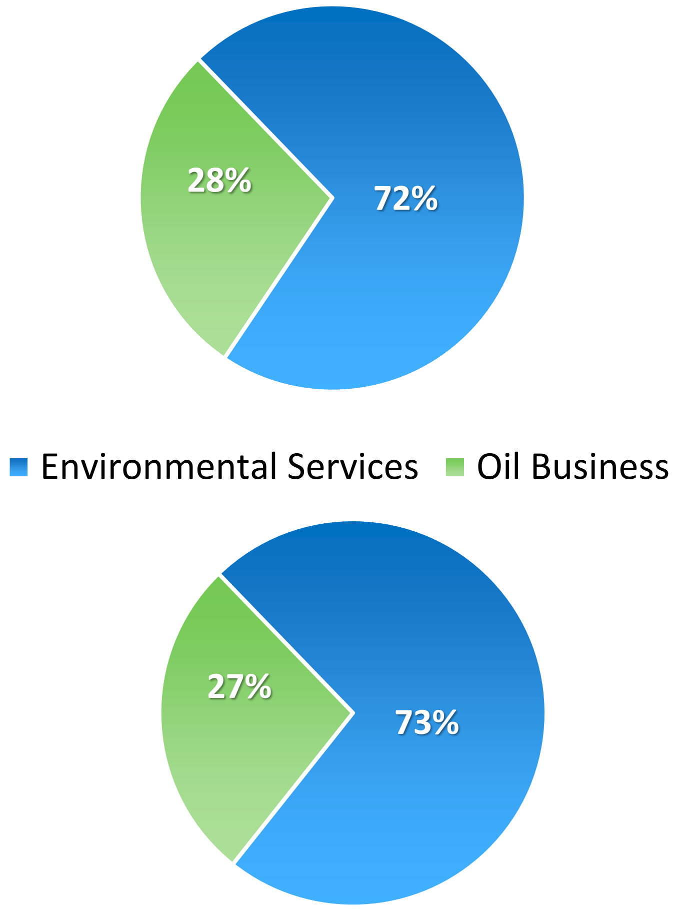
Large, Attractive Market

Market Addressed by HCCI[1]



HCCI Revenue by Segment

Q3 2020 Total Revenue = **$87.1 Million**



YTD 2020 Total Revenue = **$273.9 Million**

Key Characteristics

- Approximately 810,000 establishments in the U.S. engaged in manufacturing or vehicle maintenance [2]
- Establishments need to remove grease and dirt from parts with industrial cleaning solutions
- Establishments generate used oil, waste paint, etc. which cannot be poured down the drain
- For small- and medium-sized generators, it is far more cost-effective to outsource to HCCI than manage themselves

(1) Source: Management estimates. (2) Source: U.S. Census Bureau 2017.

Competitive Landscape

Highly fragmented

- Competitors typically include smaller regional firms or companies operating in a single city

Significant barriers to entry

- Route density is needed before profitability can be achieved
- Significant capital is required to provide parts cleaning equipment for customer use
- A used oil re-refining plant of significant scale can cost $100 million or more to build
- Obtaining permits for transportation and operating sites is time consuming and expensive
- Extensive branch service and supporting transportation network is costly and may take a long time to develop

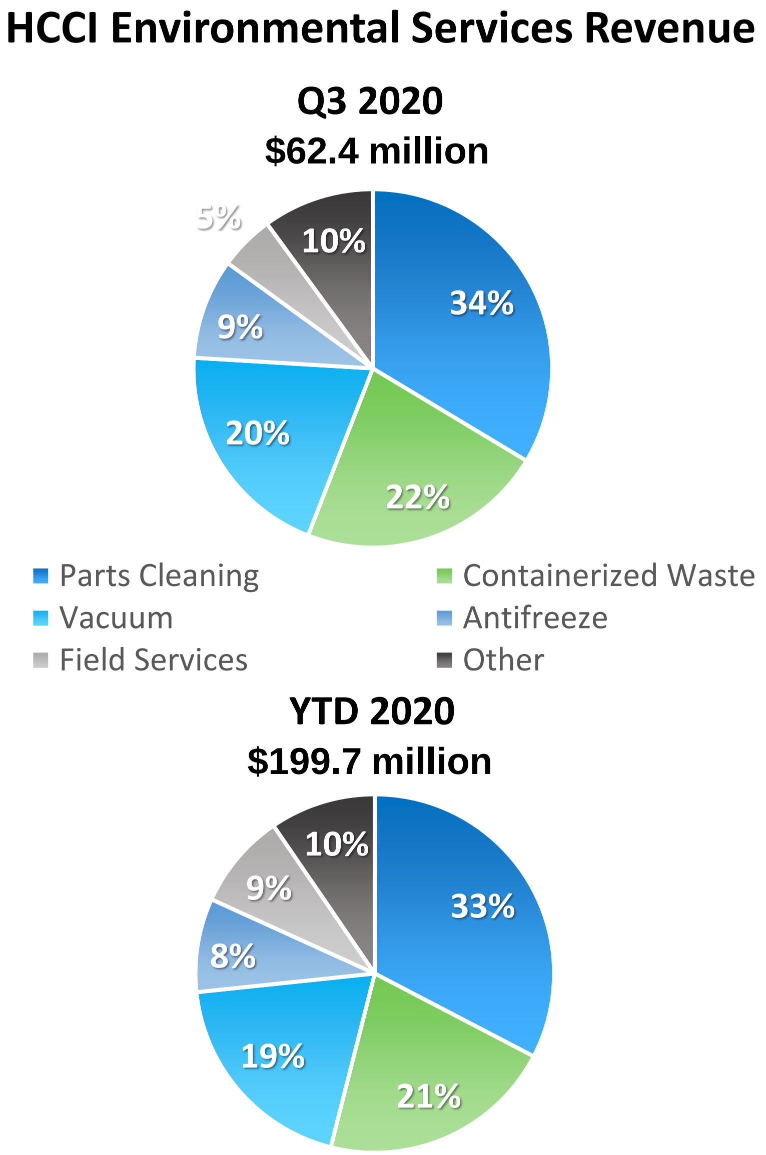
Clean Harbors/ Safety-Kleen is a competitor in parts cleaning, containerized waste management, used oil collection & re-refining, vacuum truck services, antifreeze recycling and field services businesses

- HCCI believes that it competes favorably based on customer service and a broad service offering, and HCCI can depend on the depth of experience of its management team

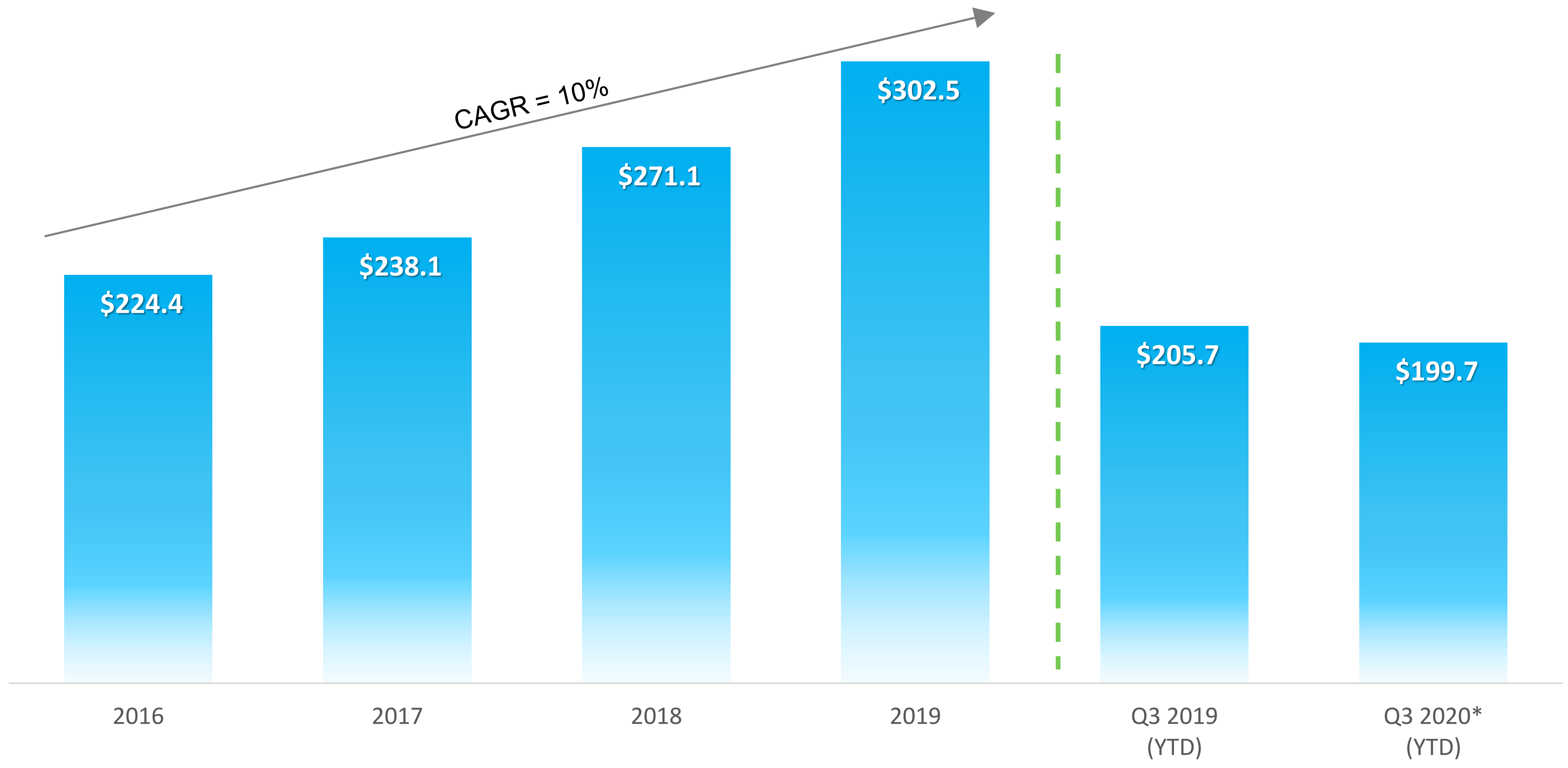
Environmental Services

Environmental Services Offer

- Majority of Revenue from Three Businesses
  - Parts Cleaning
  - Containerized Waste
  - Vacuum Services
- Expanding Businesses
  - Antifreeze
  - Field Services
- ES Businesses Leverage
  - Common customer set
  - Facilities (i.e. branches)
  - Branch management

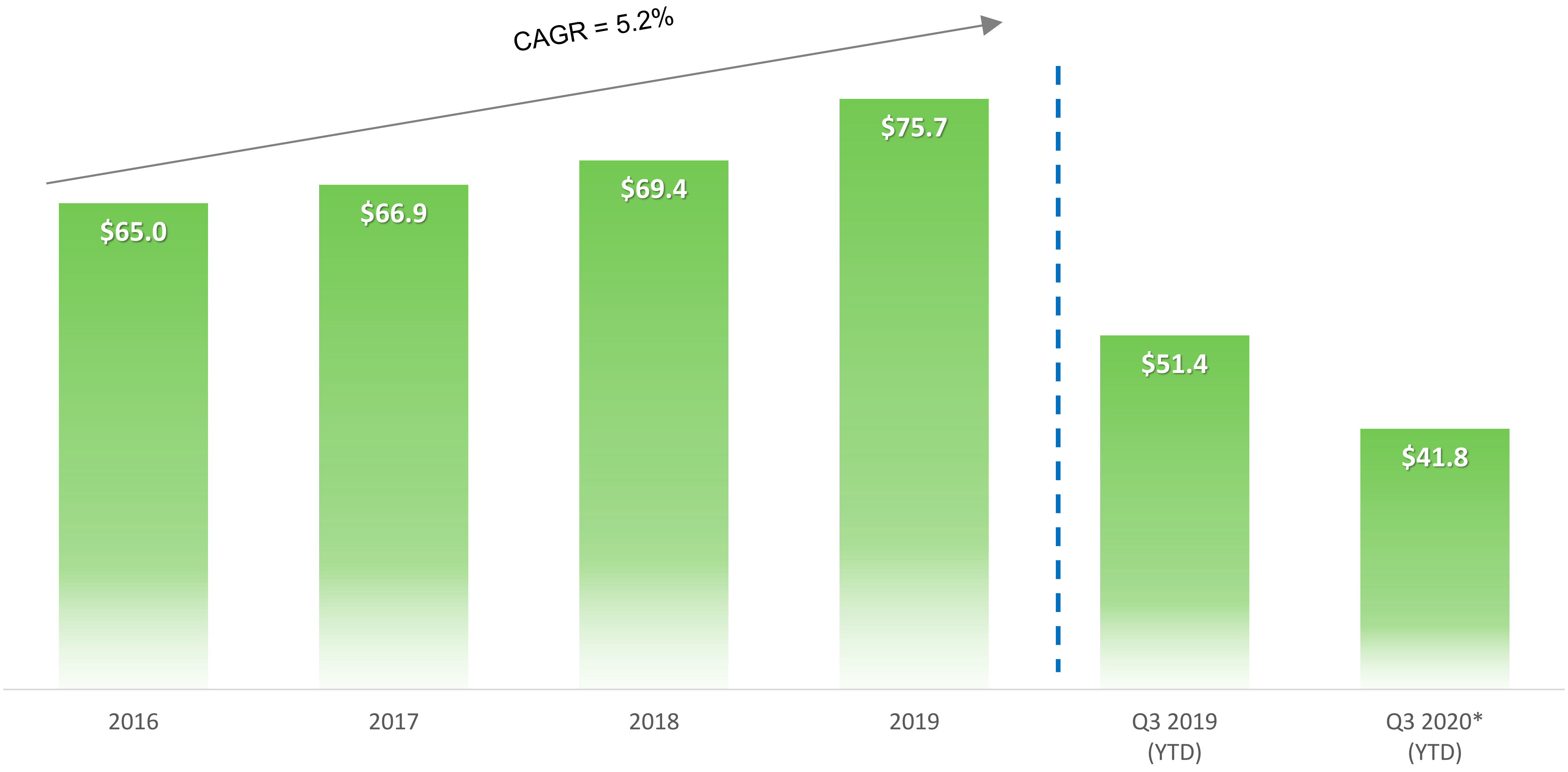


Environmental Services Sales Growth



*** Results negatively impacted by COVID-19**

Environmental Services Operating Margin



*** Results negatively impacted by COVID-19**

Parts Cleaning Service Offer

- Provide customers the ability to remove oil, dirt, grease and other contaminants from parts
- Differentiators
  - Aqueous parts cleaning
    - Patented equipment technology
    - Proprietary chemistry formulations
  - Reuse & non-Hazardous program
- Automatically renewing service agreements
- Strong revenue growth for almost two decades

Containerized Waste & Vacuum Service Offer

- Containerized Waste Service
  - Manage hazardous and industrial waste
  - Full Service
    - Waste profiling, analysis and regulatory support
    - Loading & labeling of containers
    - Provide proper shipping documentation
  - Peace of mind

- Vacuum Service
  - Remove and dispose of non-hazardous waste liquid and solid-liquid mixtures
  - Capabilities to service small & large volume customers
  - Wastewater treatment capabilities in some markets
  - Peace of mind

Expanding Businesses

- Antifreeze
  - Complete closed-loop antifreeze service
    - Remove waste antifreeze
    - Recycle waste via distillation process
    - Create re-manufactured product using high quality inhibitors/additives
  - Light Duty
    - Conventional Plus HD Green
    - Global Extended Life LD (OAT)
    - Dex Cool Extended Life (OAT)
  - Heavy Duty
    - Conventional Plus HD Green
    - Global MAX Extended Life HD (OAT)
    - Global POWER Extended Life (NOAT)
  - Heat Transfer Fluids
  - Windshield Wiper Fluid
  - Market approach
    - Dedicated route sales & service reps in some markets
    - Add-on service for existing parts cleaning/waste drum service reps in other markets

CLOSED LOOP

Expanding Businesses (cont.)

ESP

ENVIRONMENTAL SOLUTIONS PARTNERS

- ESP
  - Offered to potential customers on the large-end of our target market
  - Provide sole-source environmental program covering all environmental activities at target companies
  - Leverage several services lines simultaneous which drives:
    - Greater average revenue per customer – AND-
    - Improved margins
  - Currently offered in ~25% of HCC branches

- Field Services
  - Types of services offered
    - Tank cleaning
    - Lab Packs
    - Remediation
  - Asset light – Primarily use subcontractors to perform service work
  - Focused on existing HCC customers

Customers and Operations

Customers & Value Proposition

- Large and highly diversified base
  - Conducted over 306,000 machine service calls in 2019
  - During 2019, top ten Environmental Services customers represented 4.6% of total revenue
- Focus on small to medium-sized waste generators
  - Model structured for successful cross-selling of additional services
  - Of the size and scale where internal capabilities not effective or cost efficient
  - Generally less price sensitive than larger customers
  - Services reduce regulatory burden
  - Allow customers to focus on their business

Operations

- Route-based economic model
  - Route density is a significant profit driver
- The same HCCI representative provides both sales and service functions for each customer
  - Entrenched relationships with customers
  - Highly incentivized to provide excellent customer service and cross-sell additional products / services
- Cost efficient branch model
  - Operate a network of 89 branches; 4 hubs located in Indianapolis, Shreveport, Philadelphia, Atlanta
  - Consolidation of administrative and other functions that are not critical to sales / service

Growth Strategies – Environmental Services

Same-Branch Sales Growth

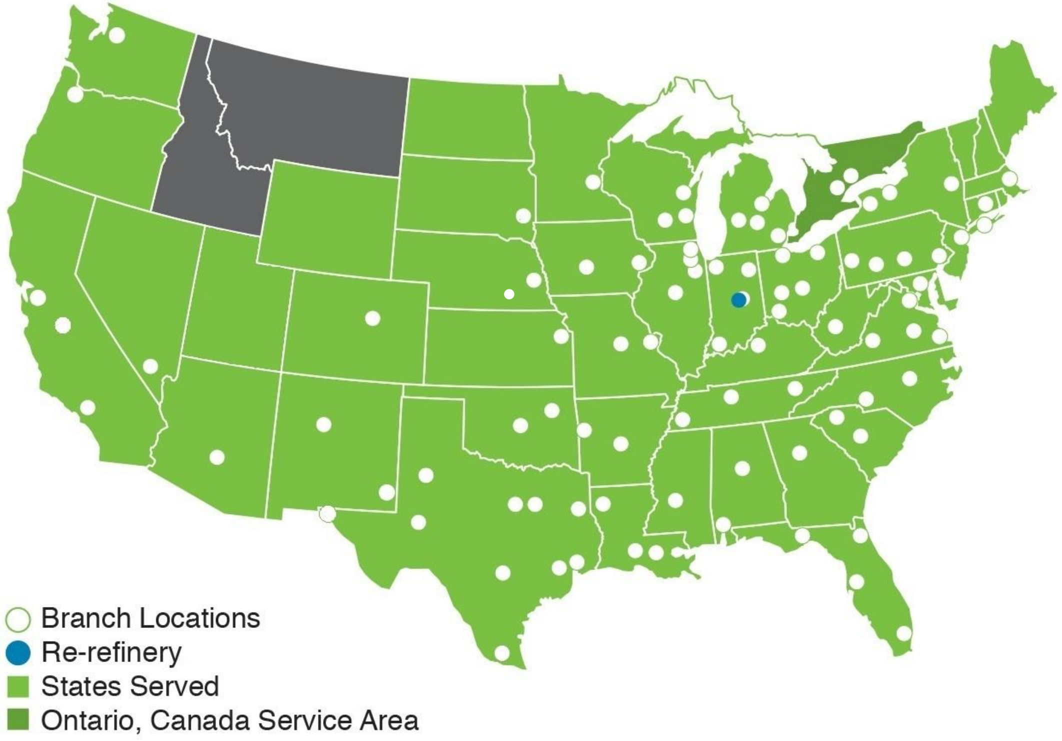
- Adding Branch Sales Managers
- Obtain new customers in existing markets
- Cross-sell multiple services to existing customers
- Increase route density to further expand operating margins
- Continue growth through integrated sales and service approach and cross-selling; utilize incentives, such as commission and awards to drive sales

Expanded Service Offerings

- All branches offer parts cleaning and containerized waste services
- Only about two-thirds of branches offer vacuum truck services, presenting significant opportunity for further market penetration
  - Adding Vacuum Sales and Service Representatives
- Expanding businesses to be offered in additional branches.
  - Antifreeze Sales & Service Representatives
  - ESP Specialist
  - Field Services Representatives

Growth Strategies – Environmental Services (cont'd)

- Operate from 89 branches servicing 46 states and parts of Canada
- Some opportunities for expansion within the Northeastern and Southeastern U.S.
- Larger opportunities exist in Western U.S. and Eastern Canada.
- Additional acquisition opportunities exist
  - Tuck-in and Bolt-ons
  - Leverage our network and relationships
- Growth plans don't depend on acquisitions; more than 90% of historic revenue growth before FCCE acquisition was organic



Environmental Services Segment Update Q3 2020

Revenue

Revenue – Decline of 9.5% from Q3 2019 to Q3 2020 due to impact of Covid-19 pandemic

Same Branch Sales Growth – Declined 9.2% on a year-over-year basis during the second quarter also due to the impact of the Covid-19 pandemic

Margin

Operating margin percentage was 23.4% in Q3 2020 compared to 25.7% in Q3 2019

Operating margin decrease was driven by the impact of the Covid-19 pandemic which led to reduced leverage of fixed and semi-fixed costs such as labor and depreciation.

Operating margin improved by $6.3M or 75% compared to Q2 2020 as the business began to recover from pandemic lows

Outlook

Early in Q4 2020 we have seen stability and incremental improvement in our business activity as our customers find ways to operate more effectively in a pandemic environment. Unfortunately, we have seen an increase Covid-19 infection rates early in Q4 which has tempered our outlook for significant improvement in the near term.

For Q4 2020 we expect an incremental increase in revenue (on a normalized basis) and an operation margin percentage in the same range as Q3 2020.

Oil Business

Oil Business Components

- Used Oil Collection
  - Volumes affected by seasonality (lower in winter months)
  - Volume loss is expected during periods of reduction of pay-for-oil (PFO)/increase in charge-for-oil program
  - If collections volumes decrease beyond normal seasonality, used oil collection fleet size is adjusted to maintain route efficiency
  - Growth opportunity – results in increased route efficiency

- Re-Refining
  - Nameplate capacity of 75 MM gpy; Base oil capacity of 49 MM gpy; Produces primarily Group II base oil
  - Production of top-quality lubricant base oil requires hydrotreating, a process practiced at major refineries that adds significant complexity and capital cost
  - Focused on reducing operating costs

- Product Sales
  - Our re-refinery has been sold-out since inception
  - Used oil collected far from re-refinery sold as RFO
  - Longer term opportunities to go downstream and sell blended and packaged lubricants

Oil Business – Managing The Spreads Are Key

- The Oil Business is a Spread Business
- Profitability is dependent on managing the difference between the cost to obtain feedstock and the price at which we sell our oil products
- As the price of crude oil moves, so does the price of the oil products we sell (typically)
  - Lubricating Base Oil
  - RFO
  - Etc.
- We are price takers when selling our oil products
- Managing what we charge or pay for used oil feedstock largely determines our spread
  - We have limited control; markets are very competitive
  - Price for feedstock varies regionally and sometimes even locally
  - Moving from pay-for-oil to charging for oil collection is a slow process

IMO 2020 Regulation & Its Impact

New Regulation

- International Maritime Organization (IMO) lowered the upper limit for sulfur content in marine fuels from 3.5% down to 0.5%
- Effective Date: January 1, 2020
- As a result, the demand for high sulfur fuel is expected to decrease significantly

Refining Impacts

- The demand for heavier, sour crude which is typically higher is sulfur is expected to decline relative to light, sweet crude which has a lower sulfur content
- Since many virgin base oil producers use the light, sweet crude to produce Group II base oil, the cost for their feedstock will increase
- Higher feedstock cost for virgin refiners should force them to raise their prices (to avoid lower spreads)

Base Oil

- Since HCCI and all other re-refiners are price takers, we should see rising prices (relative to crude) for our Group II base oil

Used Oil Collection

- Used oil collectors who are not vertically integrated (i.e. no re-refinery) sell their used oil as Recycled Fuel Oil (RFO)
- High sulfur fuel oil (e.g. No. 6 Oil, etc.) is often used as an index on which Recycled Fuel Oil (RFO) is sold
- The price for which non-vertically integrated used oil collectors will be able to sell their RFO is expected to plummet (relative to the price for crude oil).
- With a lower selling price for their RFO, non-vertically integrated used oil collectors will then be forced to reduce the price they pay/increase the price they charge generators to collect their used oil.
- HCCI should expect lower feedstock costs

Oil Business Segment Update Q3 2020

Revenue

Revenue decreased by 31.1% compared to Q3 2019

Decreased economic activity due to the Covid-19 pandemic limited demand for finished lubricants which continued to put pressure on the demand for base oil and pricing for this product compared to 2019.

Re-refinery

Production volume was 11.4MM gallons; in-line with Q3 2019

Coming off the pandemic induced shutdown during Q2 2020, production volume increased 76% compared to the previous (Q2 2020) quarter

Base Oil

Base oil netback decreased \$0.62/gal compared to Q3 2019 but increased \$0.08/gal compared to Q2 2020

While economic activity increased throughout Q3, base oil pricing is still far below 2019 levels as lower vehicle miles traveled continues to limit demand for finished lubricants.

Early in Q4 2020, base oil pricing has begun propped up by the impacts of hurricane season on the gulf coast production capacity

Used Oil Collection

Charge-For-Oil (CFO) increased by \$0.32/gal during Q3 compared to Q3 2019

Collection volume was down over 13% during Q3 compared to Q3 2019, but increased almost 30% compare to Q2 2020.

Covid-19 Pandemic

Covid-19 Customer Impacts

Some customers are closed

- HCC unable/not allowed to perform services
- These customers cannot pay HCC for past services performed

Some customers have reduced activity

- Lower sales volume for HCC customers = Less need for HCC services
- Slow-down reduces their ability to pay for our service

Other customers requiring HCC to alter service approach

- Customer representatives are no longer allowed to sign our iPhones
- Customers are asking our service personnel to complete questionnaires, temperature checks prior to entry into their facilities

Covid-19 Pandemic – HCC Employee Impacts

Remote Work Strategy

- Closing of Schools/Daycare Facilities – Employees with non-adult children unable to maintain pre-pandemic work schedule
- Employees/Family Members at Risk – Employees who have increased health risks or care for those at risk unable to maintain pre-pandemic work schedule
- Implemented Work-From-Home Strategy for positions when and where it was feasible
- **Current**
  - Corporate Office – Management in the office daily; non-management on rotating work schedule
  - Field Locations – Following staggered start/end times

Wage Reductions

- Non-Sales & Service Employees
  - Implemented wage reductions beginning mid-second quarter
  - All levels of management with increasing higher reductions for more senior levels of management
  - **Current**
    - Wages are being returned to pre-pandemic levels at various times during Q4
- Field Sales & Service Employees
  - Incentive-based compensation reductions happened automatically with reduced activity
  - Mitigated a portion of commission decline to reduce absenteeism risk and retain positive morale
  - **Current**
    - Rolling back temporary commission adjustments as activity increases

Furlough & Reduction-In-Force

- Implemented furlough program mid-second quarter for 10-15% of workforce
- Selectively eliminated some positions/personnel
- **Current**
  - Most employees who were on furlough, and did not have their position eliminated, have been reinstated to their pre-pandemic work schedule (but may be working remotely)

Hiring Freeze

- Implemented company-wide hiring freeze
- **Current**
  - Selectively filling open positions

Covid-19 Pandemic – Business Changes

New Service	Launched a new Covid-19 cleaning service to help our customers continue operations and allow for implementation of return-to-work strategies. We continue to offer this service although demand decreased for this service during Q3
New Products	Began selling cleaning and disinfectant products which are proven to kill the coronavirus/Covid-19. These products allow customers to maintain a safe work environment using their own employees or augment our new cleaning service
Used Oil Collection	Implemented an aggressive Charge-For-Oil program Increased net charge for oil by $0.32/gal during Q3 2020 compared to Q3 2019

Covid–19 Pandemic – Other Responses

- Mergers and Acquisitions
  - Suspended M&A activity beginning in April
  - Current Situation –
    - M&A activities have materially increased from Q2 2020 activity levels;
    - Contingent consideration part of many current M&A discussions
- Capital Expenditures
  - Drastically reduced all non-essential capital expenditures
  - Current Situation – Selectively reviewing non-essential capital expenditure requests
- Vendor Management – Conducted continuity assessment of key vendors and addressed any concerns

Financial

Financial Highlights & Information

Demonstrated strong revenue growth from 2006 to 2019 sales CAGR of 11.8%

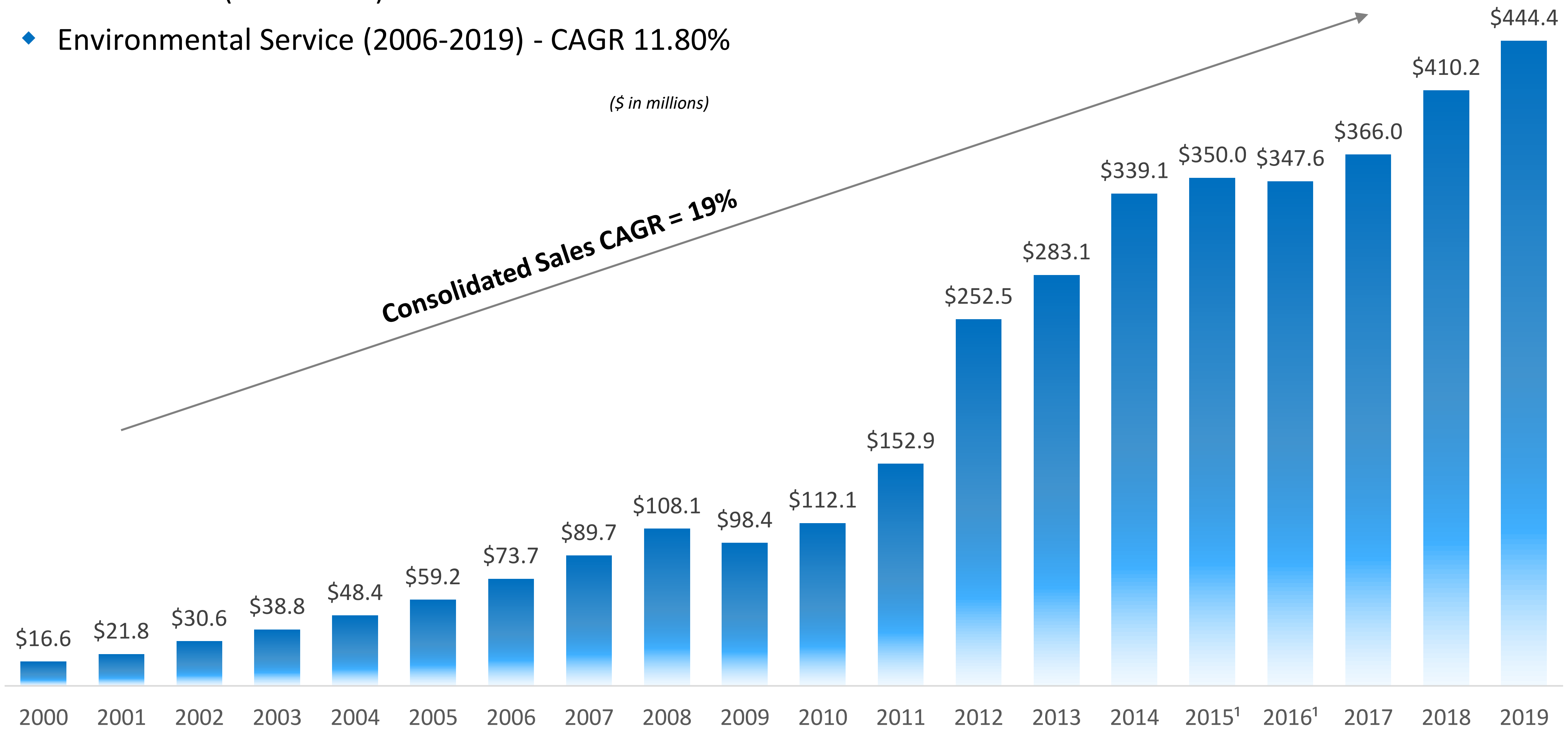
After new branch developed, target breakeven within 36 months and free cash flow after Year 3

Profitability enhancements over time include leveraging SG&A and other fixed costs and implementing price increases

First 3 quarters consist of 12 weeks; fourth quarter consists of 16 or 17 weeks

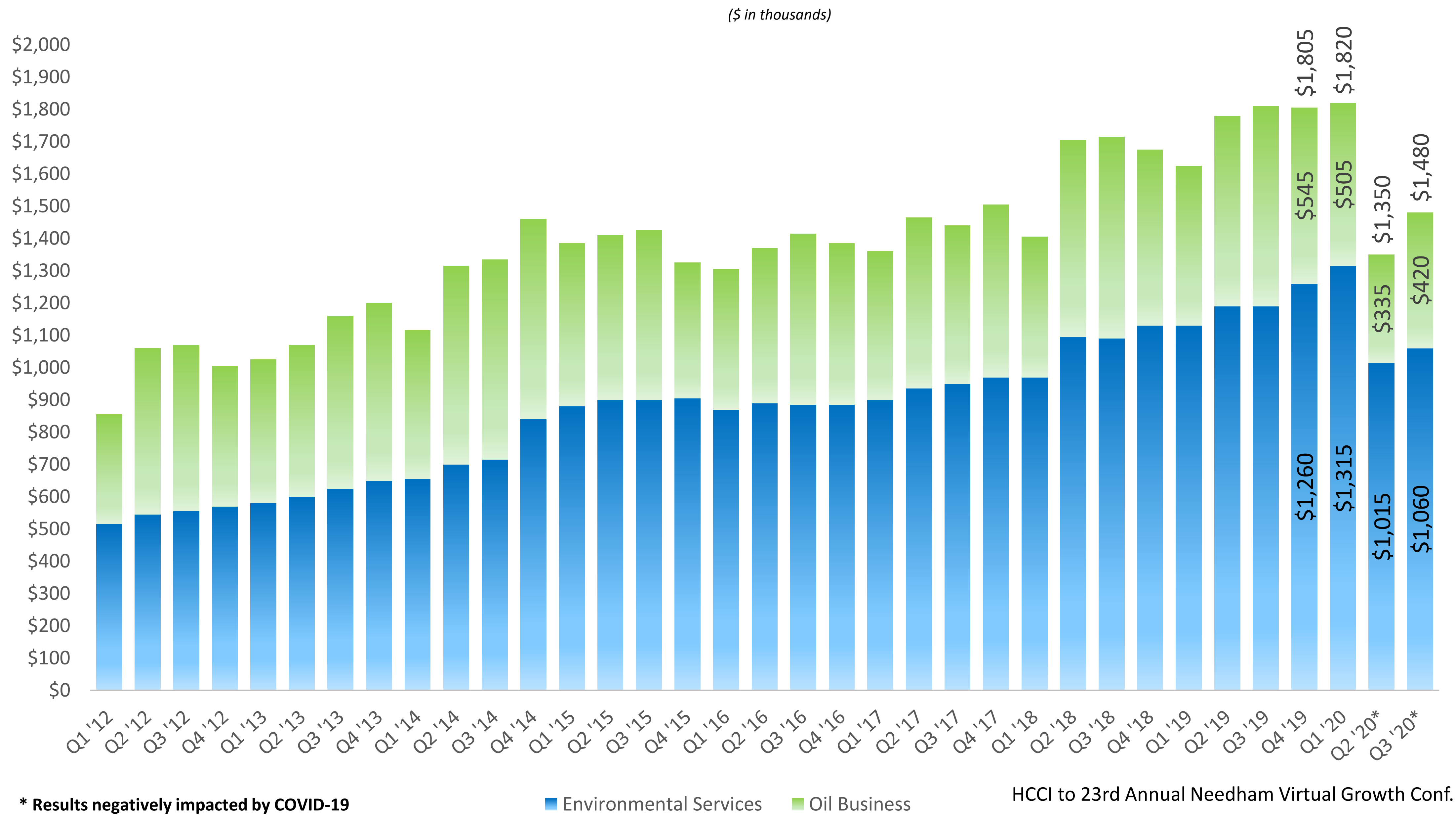
Long History of Strong Revenue Growth

- Oil Business (2006-2019) - CAGR 35.38%
- Environmental Service (2006-2019) - CAGR 11.80%



(1) Revenue negatively impacted by dramatic decline in commodity prices

Average Sales Per Working Day



*** Results negatively impacted by COVID-19**

Appendix

EBITDA & Adjusted EBITDA Reconciliation

($ in millions)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Net Income (loss)	$ 1.4	$ 6.0	$ 28.4	$ 15.0	$ 8.7
Interest Expense - net	$ 1.9	$ 2.1	$ 1.1	$ 1.1	$ 0.9
Provision for (benefit of) Income Taxes	$ 0.9	$ 2.8	$ 5.9	$ 5.5	$ 3.2
Depreciation & Amortization	$ 17.2	$ 18.0	$ 18.0	$ 16.2	$ 18.2
EBITDA	$ 21.4	$ 28.9	$ 53.4	$ 37.7	$ 31.1
Non-Cash Compensation	$ 1.1	$ 1.9	$ 3.0	$ 4.4	$ 4.0
EBITDA + Non-Cash Compensation	$ 22.5	$ 30.8	$ 56.4	$ 42.1	$ 35.1
Legal Fees	$ 1.5	$ 5.6	$ 0.7	$ -	$ 11.3
Fines & Restitution	$ -	$ 1.6	$ -	$ -	$ -
Inventory write down	$ 9.2	$ 1.7	$ -	$ -	$ -
Severance	$ -	$ 1.2	$ 1.2	$ 0.7	$ 0.8
Gain on Sale of Property	$ -	$ -	$ (3.1)	$ -	$ -
Gain from Arbitration award and FCC Settlement	$ -	$ -	$ (8.7)	$ -	$ -
Site Closure Costs	$ -	$ -	$ 0.6	$ 1.0	$ 2.7
Impairment of Goodwill	$ 4.0	$ -	$ -	$ -	$ -
Acquisition & Integration Costs	$ 1.8	$ -	$ -	$ -	$ -
Adoption of ASC 842 lease accounting s	$ -	$ -	$ -	$ -	$ 2.2
Implementation cost of 842	$ -	$ -	$ -	$ -	$ 0.4
Adjusted EBITDA	**39.0**	**40.9**	**47.2**	**43.8**	**52.5**

EBITDA & Adjusted EBITDA Reconciliation – Q3 2020

($ in millions)

	Q3 2020
Net Income	$ 4.0
Interest Expense - Net	$ 0.3
(Benefit from) provision for Income Taxes	$ 1.2
Depreciation & Amortization	$ 5.6
EBITDA	$ 11.0
Non-cash Compensation	$ 0.7
Severance and related costs	$ 0.4
Costs and asset write-offs associated with site closures	$ 0.02
Adjusted EBITDA	$ 12.2

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