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PQ Group Holdings Provides Update on Second Quarter 2020 Outlook; Raising Adjusted EBITDA Estimate by ~9% with Adjusted EBITDA margin of ~27%, Reducing Sales Estimate by ~3%

MALVERN, Pa.--(BUSINESS WIRE)-- PQ Group Holdings Inc. (NYSE:PQG), a leading integrated and innovative global provider of specialty catalysts, materials, chemicals and services, announced today that it is updating its Sales and Adjusted EBITDA outlook for the second quarter 2020.

PQ is now projecting second quarter 2020 Sales to be in the range of \$350 to \$360 million, down from its original guidance of \$360 to \$375 million, on continued weaker demand in Europe. PQ is raising its guidance for Adjusted EBITDA to \$107 to \$112 million from its original guidance of \$95 to \$105 million, on better than expected demand for regeneration services, favorable mix in Catalysts and lower costs across the portfolio. Additionally, second quarter 2020 Adjusted EBITDA margin is anticipated to be approximately 27%.

“As stay-at-home restrictions are being lifted across North America, we are seeing gasoline demand recovering, leading to a faster improvement in our Refining Services sales,” said Belgacem Chariag, PQ Chairman, President and Chief Executive Officer. “At the same time, the effective and timely actions to improve our cost structure are driving our margins higher.”

PQ plans to provide a detailed review of results during the second quarter 2020 earnings call.

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About PQ Group Holdings Inc.

PQ Group Holdings Inc. and subsidiaries is a leading integrated and innovative global provider of specialty catalysts, materials, chemicals and services. We support customers globally through our strategically located network of manufacturing facilities. We believe that our products, which are predominantly inorganic, and services contribute to improving the sustainability of the environment.

We have four uniquely positioned specialty businesses: **Refining Services** provides sulfuric acid recycling to the North American refining industry; **Catalysts** serves the packaging and

engineering plastics and the global refining, petrochemical and emissions control industries; **Performance Materials** produces transportation reflective safety markings for roads and airports; and **Performance Chemicals** supplies diverse product end uses, including personal and industrial cleaning products, fuel-efficient tires, surface coatings, and food and beverage products.

We serve over 4,000 customers globally across many end uses and operate over 70 manufacturing facilities which are strategically located across six continents. For more information, see our website at <https://www.pgcorp.com>.

Presentation of Non-GAAP Financial Measures

The Company has provided certain non-GAAP financial measures in this press release, including Adjusted EBITDA and Adjusted EBITDA margin, which present results on a basis adjusted for certain items. The Company uses these non-GAAP financial measures for business planning purposes and in measuring its performance relative to that of its competitors. The Company believes that these non-GAAP financial measures are useful financial metrics to assess its operating performance from period-to-period by excluding certain items that the Company believes are not representative of its core business. These non-GAAP financial measures are not intended to replace, and should not be considered superior to, the presentation of the Company's financial results in accordance with GAAP. The use of the terms Adjusted EBITDA and Adjusted EBITDA margin may differ from similar measures reported by other companies and may not be comparable to other similarly titled measures.

The Company is not able to provide a reconciliation of the Company's non-GAAP financial guidance to the corresponding GAAP measures without unreasonable effort because of the inherent difficulty in forecasting and quantifying certain amounts necessary for such a reconciliation such as certain non-cash, nonrecurring or other items that are included in net income and EBITDA as well as the related tax impacts of these items, due to the uncertainty and variability of the nature and amount of these future charges and costs.

Note on Forward-Looking Statements

Some of the information contained in this press release constitutes "forward-looking statements." Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," "projects" and similar references to future periods. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Examples of forward-looking statements include, but are not limited to, statements regarding our 2020 second quarter financial outlook. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you, therefore, against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, regional, national or global political, economic, business, competitive, market and regulatory conditions, including the ongoing COVID-19 pandemic, tariffs and trade disputes, currency exchange rates and other factors, including those described in the

sections titled “Risk Factors” and “Management Discussion & Analysis of Financial Condition and Results of Operations” in our filings with the SEC, which are available on the SEC’s website at www.sec.gov. These forward-looking statements speak only as of the date of this release. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by applicable law.

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