

NEWS RELEASE



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For immediate release

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Except where otherwise noted, all currency amounts are stated in United States dollars.

METHANEX REPORTS STRONG FIRST QUARTER 2021 RESULTS

- Net income attributable to Methanex shareholders rose to \$105 million, supported by higher methanol prices.
- Adjusted EBITDA rose to \$242 million, the highest quarterly result since the third quarter of 2018.
- Completed a planned turnaround at the Geismar 2 plant and we expect to complete the Geismar 2 debottlenecking project by mid-2021.
- Strong liquidity position and financial flexibility with over \$850 million in cash, a \$300 million undrawn credit facility and no debt maturities until the end of 2024.

VANCOUVER, BRITISH COLUMBIA - For the first quarter of 2021, Methanex (TSX:MX) (NASDAQ:MEOH) reported net income attributable to Methanex shareholders of \$105 million (\$1.19 net income per common share on a diluted basis) compared to a net loss of \$27 million (\$0.35 net loss per common share on a diluted basis) in the fourth quarter of 2020. Adjusted EBITDA for the first quarter of 2021 was \$242 million and Adjusted net income was \$82 million (\$1.07 Adjusted net income per common share). This compares with Adjusted EBITDA of \$136 million and Adjusted net income of \$12 million (\$0.15 Adjusted net income per common share) for the fourth quarter of 2020.

We increased our average realized price in the first quarter of 2021 by \$81 per tonne, to \$363 per tonne, compared to the fourth quarter of 2020. Steady methanol demand recovery and lower industry operating rates supported higher methanol prices. Strong methanol demand combined with low global inventory levels and ongoing industry supply challenges continue to drive tight market conditions into the second quarter of 2021.

Our production in the first quarter of 2021 was similar to the fourth quarter of 2020. Higher production at the Atlas and Medicine Hat facilities offset lower production at the New Zealand and Geismar facilities. We completed a planned turnaround at our Geismar 2 plant in the quarter. The debottlenecking project at our Geismar 1 plant (completed in 2020) and our Geismar 2 plant (to be completed by mid-2021) will increase the annual operating capacity at our Geismar facilities to 2.2 million tonnes, a 10% increase over our 2020 annual operating capacity.

Our Adjusted EBITDA of \$242 million increased by \$106 million over the fourth quarter of 2020. These results highlight our earnings leverage to higher methanol prices and demonstrate the value of our business model. We ended the quarter with \$856 million in cash, a \$300 million undrawn revolving credit facility and no debt maturities until the end of 2024.

We expect to spend approximately \$60 million on our Geismar 3 project, during the care and maintenance period, over the next six months. We have a robust decision-making process for evaluating the project. Before deciding whether to restart construction, management and our Board will carefully consider many factors including the global economic recovery, methanol industry outlook, the Company's financial position and our ability to execute on the project.

John Floren, President and CEO of Methanex, commented, "We are pleased to see favorable industry conditions continue through the first quarter with positive momentum leading into the second quarter. We are cautiously optimistic that manufacturing activity will rebound and the economy will fully recover in the medium term as vaccine rollouts accelerate and as governments announce

additional fiscal support measures. For now, we continue to prioritize liquidity and financial flexibility to best position ourselves to deliver long-term shareholder value.”

FURTHER INFORMATION

The information set forth in this news release summarizes Methanex's key financial and operational data for the first quarter of 2021. It is not a complete source of information for readers and is not in any way a substitute for reading the first quarter 2021 Management's Discussion and Analysis ("MD&A") dated April 28, 2021 and the unaudited condensed consolidated interim financial statements for the period ended March 31, 2021, both of which are available from the Investor Relations section of our website at www.methanex.com. The MD&A and the unaudited condensed consolidated interim financial statements for the period ended March 31, 2021 are also available on the Canadian Securities Administrators' SEDAR website at www.sedar.com and on the United States Securities and Exchange Commission's EDGAR website at www.sec.gov.

FINANCIAL AND OPERATIONAL DATA

	Three Months Ended		
	Mar 31 2021	Dec 31 2020	Mar 31 2020
<i>(\$ millions except per share amounts and where noted)</i>			
Production (thousands of tonnes) (attributable to Methanex shareholders) ¹	1,596	1,607	2,007
Sales volume (thousands of tonnes)			
Methanex-produced methanol	1,518	1,480	1,976
Purchased methanol	1,014	1,192	548
Commission sales	261	196	264
Total sales volume ¹	2,793	2,868	2,788
Methanex average non-discounted posted price (\$ per tonne) ²	447	334	325
Average realized price (\$ per tonne) ³	363	282	267
Revenue	1,016	811	745
Adjusted revenue	922	755	676
Net income (loss) (attributable to Methanex shareholders)	105	(27)	23
Adjusted net income	82	12	8
Adjusted EBITDA	242	136	138
Cash flows from operating activities	167	98	142
Basic net income (loss) per common share	1.37	(0.35)	0.30
Diluted net income (loss) per common share	1.19	(0.35)	0.21
Adjusted net income per common share	1.07	0.15	0.10
Common share information (millions of shares)			
Weighted average number of common shares	76	76	76
Diluted weighted average number of common shares	76	76	76
Number of common shares outstanding, end of period	76	76	76

¹ Methanex-produced methanol represents our equity share of volume produced at our facilities and excludes volume marketed on a commission basis related to the 36.9% of the Atlas facility and 50% of the Egypt facility that we do not own.

² Methanex average non-discounted posted price represents the average of our non-discounted posted prices in North America, Europe and Asia Pacific weighted by sales volume. Current and historical pricing information is available at www.methanex.com.

³ Average realized price is calculated as revenue, excluding commissions earned and the Egypt non-controlling interest share of revenue, but including an amount representing our share of Atlas revenue, divided by the total sales volume of Methanex-produced and purchased methanol.

A reconciliation from net income (loss) attributable to Methanex shareholders to Adjusted net income and the calculation of Adjusted net income per common share is as follows:

	Three Months Ended		
	Mar 31 2021	Dec 31 2020	Mar 31 2020
<i>(\$ millions except number of shares and per share amounts)</i>			
Net income (loss) (attributable to Methanex shareholders)	\$ 105	\$ (27)	\$ 23
Mark-to-market impact of share-based compensation, net of tax	(23)	39	(15)
Adjusted net income	\$ 82	\$ 12	\$ 8
Diluted weighted average shares outstanding (millions)	76	76	76
Adjusted net income per common share	\$ 1.07	\$ 0.15	\$ 0.10

- We recorded net income attributable to Methanex shareholders of \$105 million during the first quarter of 2021 compared to a net loss of \$27 million in the fourth quarter of 2020. The increase in net income is primarily due to an increase in our average

realized methanol price during the first quarter and the change in the mark-to-market impact of share-based compensation. We recorded Adjusted EBITDA of \$242 million for the first quarter of 2021 compared with \$136 million for the fourth quarter of 2020.

- We recognized Adjusted net income of \$82 million for the first quarter of 2021 compared to Adjusted net income of \$12 million for the fourth quarter of 2020. Adjusted EBITDA and Adjusted net income for the first quarter of 2021 are higher than the fourth quarter of 2020 primarily due to the increase in our average realized methanol price to \$363 per tonne from \$282 per tonne.
- We sold 2,793,000 tonnes in the first quarter of 2021 compared to 2,868,000 tonnes for the fourth quarter of 2020. Sales of Methanex-produced methanol were 1,518,000 tonnes in the first quarter of 2021 compared with 1,480,000 tonnes in the fourth quarter of 2020.
- Production for the first quarter of 2021 was 1,596,000 tonnes compared with 1,607,000 tonnes for the fourth quarter of 2020. Production is comparable between the two quarters as higher production at the Atlas and Medicine Hat facilities offset lower production in New Zealand and Geismar.
- We continue to maintain a strong balance sheet, with a cash balance of \$856 million and an undrawn revolving credit facility.
- During the first quarter of 2021 we paid a \$0.0375 per common share quarterly dividend to shareholders for a total of \$3 million.

PRODUCTION HIGHLIGHTS

<i>(thousands of tonnes)</i>	Q1 2021		Q4 2020	Q1 2020
	Operating Capacity ¹	Production	Production	Production
New Zealand ²	550	369	439	443
USA (Geismar) ³	550	422	556	530
Trinidad (Methanex interest) ⁴	490	275	161	429
Chile	425	221	195	319
Egypt (50% interest)	158	148	145	133
Canada (Medicine Hat)	160	161	111	153
	2,333	1,596	1,607	2,007

¹ Operating capacity includes only those facilities which are currently capable of operating, but excludes any portion of an asset that is underutilized due to a lack of natural gas feedstock over a prolonged period of time. The operating capacity of our production facilities may be higher than original nameplate capacity as, over time, these figures have been adjusted to reflect ongoing operating efficiencies at these facilities. Actual production for a facility in any given year may be higher or lower than operating capacity due to a number of factors, including natural gas composition or the age of the facility's catalyst. We review and update the operating capacity of our production facilities on a regular basis based on historical performance.

² The operating capacity of New Zealand is made up of the two Motunui facilities and the Waitara Valley facility. The New Zealand facilities are capable of producing up to 2.4 million tonnes annually, depending on natural gas composition and availability. Annual Operating Capacity is currently 2.2 million tonnes based on the natural gas composition expected for the foreseeable future. The Waitara Valley plant is currently idled indefinitely due to insufficient natural gas availability.

³ For the comparative 2020 periods presented, our operating capacity in Geismar was 2.0 million tonnes. In the fourth quarter of 2020, we completed the debottlenecking project at our Geismar 1 facility and in 2021 we plan to complete the debottlenecking project, to be completed by mid-2021 at our Geismar 2 facility. As a result, we have increased our operating capacity for 2021 by 0.2 million tonnes to 2.2 million tonnes.

⁴ The operating capacity of Trinidad is made up of the Titan (100% interest) and Atlas (63.1% interest) facilities. The Titan plant is currently idled indefinitely.

Key production and operational highlights during the first quarter and production outlook for 2021 include:

- New Zealand produced 369,000 tonnes compared with 439,000 tonnes in the fourth quarter of 2020. In New Zealand, our production levels were lower in the first quarter of 2021 as we received lower gas deliveries compared to the fourth quarter of 2020.
- As a result of lower expected gas deliveries in 2021, we consolidated production at our two larger Motunui plants, which have a combined operating capacity of 1.7 million tonnes, and indefinitely idled our smaller Waitara Valley plant. We estimate production in 2021 of 1.5 million tonnes compared to our production of 1.7 million tonnes in 2020. The upstream gas sector will be completing several field development projects that are expected to improve gas availability over the coming years.
- Geismar produced 422,000 tonnes during the first quarter of 2021 compared to 556,000 tonnes during the fourth quarter of 2020. Production for Geismar is lower in the first quarter of 2021 compared to the fourth quarter of 2020 due to a planned turnaround for Geismar 2 completed during the first quarter. When operating, both plants achieved high operating rates.
- Trinidad produced 275,000 tonnes (Methanex interest) during the first quarter of 2021 compared with 161,000 tonnes in the fourth quarter of 2020. Production levels in Trinidad were higher in the first quarter of 2021 compared to the fourth quarter of 2020 as the planned turnaround at our Atlas facility impacted production in the fourth quarter of 2020. Based on current gas deliveries, we estimate Trinidad production in 2021 of approximately 1.1 million tonnes (Methanex interest). Titan remains idled indefinitely.
- Chile produced 221,000 tonnes during the first quarter of 2021 compared to 195,000 tonnes during the fourth quarter of 2020. Production for the first quarter of 2021 is higher compared to the fourth quarter of 2020 as our Chile I plant has operated at higher rates during the first quarter of 2021. Our Chile IV plant remains idle due to low gas availability resulting from upstream production declines in Argentina and it remains uncertain how long these low gas deliveries will persist. We estimate production in 2021 of 0.8 to 0.9 million tonnes.
- Egypt produced 296,000 tonnes (Methanex interest - 148,000 tonnes) in the first quarter of 2021 compared to 290,000 tonnes (Methanex interest - 145,000 tonnes) in the fourth quarter of 2020. We expect to receive 100% of our contracted gas supply for the foreseeable future in Egypt.
- Medicine Hat produced 161,000 tonnes during the first quarter of 2021 compared to 111,000 tonnes during the fourth quarter of 2020. Production for the first quarter of 2021 is higher compared to the fourth quarter of 2020 as production in the fourth quarter of 2020 was impacted by the turnaround completed in October 2020.

CONFERENCE CALL

A conference call is scheduled for April 29, 2021 at 11:00 am ET (8:00 am PT) to review these first quarter results. To access the call, dial the conferencing operator fifteen minutes prior to the start of the call at (416) 340-2217, or toll free at (800) 806-5484. The passcode for the call is 9396607#. A simultaneous audio-only webcast of the conference call can be accessed from our website at www.methanex.com and will also be available following the call. A playback version of the conference call will be available until May 29, 2021 at (905) 694-9451, or toll free at (800) 408-3053. The passcode for the playback version is 1363108#.

ABOUT METHANEX

Methanex is a Vancouver-based, publicly traded company and is the world's largest producer and supplier of methanol to major international markets. Methanex shares are listed for trading on the Toronto Stock Exchange in Canada under the trading symbol "MX" and on the NASDAQ Global Market in the United States under the trading symbol "MEOH".

FORWARD-LOOKING INFORMATION WARNING

This first quarter 2021 press release contains forward-looking statements with respect to us and the chemical industry. By its nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control. Readers are cautioned that undue reliance should not be placed on forward-looking information as actual results may vary materially from the forward-looking information. Methanex does not undertake to update, correct or revise any forward-looking information as a result of any new information, future events or otherwise, except as may be required by applicable law. Refer to *Forward-Looking Information Warning* in the first quarter 2021 Management's Discussion and Analysis for more information which is available from the Investor Relations section of our website at www.methanex.com, the Canadian Securities Administrators' SEDAR website at www.sedar.com and on the United States Securities and Exchange Commission's EDGAR website at www.sec.gov.

NON-GAAP MEASURES

The Company has used the terms Adjusted EBITDA, Adjusted net income (loss), Adjusted net income (loss) per common share, Adjusted revenue and operating income (loss) throughout this document. These items are non-GAAP measures that do not have any standardized meaning prescribed by GAAP. These measures represent the amounts that are attributable to Methanex Corporation shareholders and are calculated by excluding the mark-to-market impact of share-based compensation as a result of changes in our share price and the impact of certain items associated with specific identified events. Refer to *Additional Information - Supplemental Non-GAAP Measures* on page 11 of the Company's MD&A for the period ended March 31, 2021 for reconciliations to the most comparable GAAP measures. Unless otherwise indicated, the financial information presented in this release is prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

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