



Press release
Inside information
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Ontex announces intention to restructure its production and distribution activities in Belgium, with strategic investment in refocused activity

Aalst, Belgium, 13 June 2024 – Today, Ontex Group NV (Euronext: Ontex), a leading international developer and producer of personal care products, announces the intention to restructure its Belgian production and distribution activities, as part of its strategic transformation to strengthen its competitive position in the European market. This intended restructuring would entail the closure of the Eeklo site, as well as the transformation of the Buggenhout site into a Center of Excellence for research, development and production of medium & heavy incontinence care products, enabled by investments in the range of €40 million. The intended restructuring would lead to the reduction of 489 employees in Eeklo and Buggenhout, bringing the total workforce in Belgium to 569 positions, spread over the Buggenhout and Aalst sites.

Gustavo Calvo Paz, Chief Executive Officer at Ontex, confirms: *“The intended transformation of our Belgian operations is part of our transformation journey, with a clear ambition to strengthen our competitive position. Ultimately, it is our mission to continue to bring affordable care products to people of all generations. It is our firm belief that the site in Buggenhout can contribute to delivering on that promise by focusing on selected adult care categories. We are convinced that our substantial investment plan of around €40 million can enable our teams to build a strong future for the site in Buggenhout.”*

In response to the increasingly competitive personal care market, Ontex is implementing its global transformation plan to strengthen its competitiveness, with a strong focus on customer-centricity, sustainable innovation and organizational and operational cost-efficiency. Since the launch of the transformation plan, numerous initiatives have been implemented, enabling the Group to improve its financial results. These early results provide confidence to pursue the structural transformation to regain and strengthen competitiveness.

The intended optimization of Ontex’s Belgian production and distribution activities is an essential strategic initiative aimed at strengthening Ontex’s operational cost-efficiency across Europe. Consequently, Ontex today announced its intention to transform its Belgian operations footprint by exiting the Eeklo site and transforming the Buggenhout site into a center of excellence for medium and heavy incontinence products.

Ontex intends to invest an amount in the range of €40 million spread over the coming years into its Buggenhout centre of excellence, aiming to harmonize and modernize the infrastructure and production lines for medium & high incontinence, with high focus on automation. The R&D center and commercial activities, including sales and customer services, would remain in place.

The feminine and baby care products volumes produced in Eeklo and the light incontinence products produced in Buggenhout are intended to be relocated to other Ontex plants in Europe, aiming for an optimal cost model to serve the retail and healthcare markets.

The intended closure of the Eeklo site would have an impact on all current 349 production-related employees, and the intended reorganization of the Buggenhout site would impact 140 out of 528 employees. Today, the works councils in Eeklo and Buggenhout were informed in line with the legal information and consultation procedure. If – following consultation with the works councils - the intention would be confirmed, the legal procedure would be followed and Ontex would do its utmost best to offer support to all employees involved. In Belgium, Ontex would continue to employ 569 employees, based in Buggenhout and Aalst.

Jonas Deroo, Chief Human Resources Officer, confirms: *"We recognize that this is a difficult announcement for our employees in Eeklo and Buggenhout and their families. Our first priority now is to ensure they are well-informed and supported. Also, throughout the process we aim for a constructive and respectful dialogue with our social partners and, if the intention of the restructuring would be confirmed, we expect to be able to find appropriate supporting measures in the interest of all affected employees."*

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About Ontex

Ontex is a leading international developer and producer of personal care products for retailers and healthcare, with expertise in baby care, feminine care and adult care. Ontex's innovative products are distributed in around 100 countries through retailers and healthcare providers. Employing some 7,200

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people all over the world, Ontex has a presence in 17 countries, with its headquarters in Aalst, Belgium. Ontex is listed on Euronext Brussels and is part of the Bel Mid®.

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