



Ontex reports sequential improvement across key financial indicators in Q3

- > Revenue of €445 million, 3.8% lower LFL year on year due to softer market demand, and 3.7% up versus Q2 on volume growth driven by contract gains;
- > Adj. EBITDA margin at 11.4%, 0.6pp lower year on year, and 3.0pp up versus Q2 on revenue recovery and cost optimization;
- > Full year outlook maintained.

CEO quote

Gustavo Calvo Paz, Ontex's CEO, said: *"The significant sequential improvement in profitability in the third quarter as a result of new contracts and strong execution of our transformation program, gives us confidence that we are on target to deliver a strong end to 2025 despite soft market conditions. Also, importantly, Ontex is becoming stronger and seeing significant opportunities which makes me excited as we look to the future."*

Q3 2025 results

- > **Revenue** was €445 million, a 3.8% like-for-like decrease versus the third quarter of 2024. Volumes were 3.9% lower, which is overall in line with softer consumer demand for retailer brands in the quarter. Ontex's volumes were up in adult care, and especially feminine care, while in baby care they were down both in Europe and in North America on softer demand despite contract gains in both regions. Sales prices, including mix, were stable year on year, as expected. Compared to the second quarter, revenue grew 3.7% on the contract gains.
- > **Adjusted EBITDA** was €51 million, resulting in a margin of 11.4%. The year-on-year decrease of €6 million is entirely attributable to the revenue drop. The cost transformation program delivered €16 million net savings, which fully offset higher raw material prices and mostly inflation-driven operating cost increases. Compared to the second quarter, adjusted EBITDA improved by €15 million and margin by 3.0 percentage point, thanks to the combined effect of revenue recovery and cost improvement.
- > **Operating profit** was €29 million, and included €2 million one-time restructuring costs.
- > **Net financial debt** for the Total Group was €543 million at the end of September compared to €552 million at the end of June. The €9 million improvement over the quarter is attributable to positive free cash flow generation. The leverage ratio remained stable at 2.7x.

2025 outlook

Although market conditions remained soft in the third quarter, Ontex maintains its full year outlook, as shared in July, with cost efficiencies and volume gains as main drivers:

- > **Revenue** to reduce by low single digit like for like;
- > **Adjusted EBITDA** to be in a range of €200 million to €210 million;
- > **Free cash flow** to be around zero;
- > **Leverage to end** up at around 2.5x by year end.

Unless otherwise stated, all comments in this document are on a year-on-year basis and for revenue also on a like-for-like (LFL) basis (at constant currencies and scope and excluding hyperinflation effects). Definitions of Alternative Performance Measures (APMs) can be found on page 4.

Key business and financial indicators

Business results in € million	Q3				9 months			
	2025	2024	%	% LFL	2025	2024	%	% LFL
Revenue	445.4	468.0	-4.8%	-3.8%	1,325.7	1,384.0	-4.2%	-3.9%
Adult Care	201.3	200.2	+0.5%	+0.8%	607.4	594.8	+2.1%	+2.0%
Baby Care	176.2	201.3	-12.5%	-10.7%	528.1	592.0	-10.8%	-10.1%
Feminine Care	59.7	56.6	+5.4%	+6.1%	173.7	177.2	-1.9%	-1.8%
Operating expenses (excl. DA)	(394.8)	(411.9)	+4.1%		(1,188.9)	(1,218.2)	+2.4%	
Adj. EBITDA	50.6	56.1	-9.8%		136.8	165.8	-17.5%	
Adj. EBITDA margin	11.4%	12.0%	-0.6pp		10.3%	12.0%	-1.7pp	
(EBITDA adjustments)	(2.0)	(29.1)	+93.2%		(7.3)	(71.3)	+89.8%	
Depreciation & amortization	(19.3)	(18.7)	-3.2%		(57.4)	(55.1)	-4.2%	
Operating profit	29.3	8.3			72.1	39.4	+83%	
Net financial debt [1]					543.1	612.0	-11.3%	
Leverage ratio [1]					2.70x	2.46x	+0.23x	

Revenue in € million	2024	Volume	Price /mix	2025 LFL	Forex	2025
Q3	468.0	-18.3	+0.3	450.0	-4.7	445.4
		-3.9%	+0.1%	-3.8%	-1.0%	-4.8%
9 months	1,384.0	-56.5	+1.9	1,329.5	-3.8	1,325.7
		-4.1%	+0.1%	-3.9%	-0.3%	-4.2%

Adj. EBITDA in € million	2024	Reve- nue	Raw mat'ls	Operat. costs	Operat. savings	SG&A/ Other	Forex	2025
Q3	56.1	-6.3	-10.3	-8.7	+16.4	+3.3	+0.2	50.6
		-11.3%	-18.5%	-15.5%	+29.2%	+5.9%	+0.3%	-9.8%
9 months	165.8	-26.1	-29.2	-31.2	+50.5	+7.3	-0.4	136.8
		-15.7%	-17.6%	-18.8%	+30.5%	+4.4%	-0.3%	-17.5%

[1] Balance sheet data reflect the end of the period and compare to the start of the period, i.e. 31/12/2024.

Q3 2025 business review

Revenue

Revenue was €445 million, a 3.8% like-for-like decrease versus 2024. While sales prices, including mix, were stable, volumes were lower, in line with softer consumer demand for retailer brands in the quarter. Compared to the second quarter revenue grew 3.7% thanks to new contracts in baby care.

Volumes were down 3.9%. Baby care volumes were 11% lower, which was overall in line with softer demand in the quarter, especially for retailer brands, which continue to be affected by intense promotional activities by A-brands in certain countries. While Ontex's volumes in North America were down, they outperformed market demand due to the start-up of new contract gains in the retail channel. Contract manufacturing dropped significantly, however. In Europe, baby care volumes were also lower, except for baby pants. Positively, in contrast to the second quarter, customer destocking and supply chain disruptions did not have an impact, as these came to an end. Feminine care sales volumes were up by 5%, outperforming stable market demand for retailer brands. Adult care volumes were up slightly, by 1%, which is less than the continuing demographic-driven growth for adult care in Europe, due to Ontex's large exposure to the healthcare channel, where demand is more stable and the phasing of new capacity is delayed. Ontex is ramping up, with new capacity becoming operational gradually in the fourth quarter and beyond.

Sales prices, including a slightly positive mix effect, were flat year on year across regions and categories. Prices have been largely stable since mid-2024.

Forex fluctuations had a 1% adverse effect, mainly due to the depreciation of the British pound, Australian dollar and especially the US dollar versus the same period in 2024.

Adjusted EBITDA

Adjusted EBITDA was €51 million, €6 million lower than in 2024, which is fully attributable to the €6 million negative impact from the revenue decrease, while delivery on the cost transformation program fully offset higher raw material prices and operating costs. Compared to the second quarter, adjusted EBITDA improved by €15 million, as a result of the combined effect of revenue recovery and cost optimization.

The **cost transformation program** delivered €16 million net operating savings, leading to an improvement of the operating efficiency by close to 5% year on year. This was the result of optimization efforts in purchasing, supply chain, product innovation and manufacturing, including the transformation of Ontex's production footprint in Belgium.

Raw materials had a €10 million negative impact in the quarter, which was mainly due to year-on-year higher prices for fluff and packaging materials, exacerbated by transient inventory effects.

Other operating and SG&A costs were up by €5 million year on year, largely due to inflation of wages and service costs, as well as the costs related to the ramp-up in North America. These were partly offset by efforts made to curtail SG&A costs.

Forex fluctuations had a no material net impact.

The **adjusted EBITDA margin** was 11.4%, 0.6 percentage point lower compared to the third quarter in 2024, and 3.0 percentage point higher compared to the second quarter of 2025.

Q3 2025 financial review

P&L

Operating profit from continuing operations was €29 million, compared to €8 million in 2024. While adjusted EBITDA was €6 million lower and depreciation was stable, restructuring charges were only €2 million in the period, consisting primarily of impairment of some old equipment, which compares to €29 million in 2024, when restructuring charges for the Belgian footprint transformation were provisioned.

Discontinued operations, consisting of the Turkish business activities, generated a revenue of €23 million and adjusted EBITDA of €2 million. The operating profit from discontinued operations amounted to €1 million, after deduction of divestment-related costs.

Balance sheet

Net financial debt for the Total Group reduced by €9 million over the quarter from €552 million to €543 million, as a result of positive free cash flow generation. The latter was based on solid EBITDA contribution and capex optimisation efforts, in the absence of significant restructuring cash-out.

The **leverage ratio** remained at 2.7x, reflecting the net debt decrease and the slightly lower last-twelve-months adjusted EBITDA.

Alternative performance measures

Alternative performance measures (non-GAAP) are used in this press release since management believes that they are widely used by certain investors, securities analysts and other interested parties as supplemental measure of performance and liquidity. The alternative performance measures may not be comparable to similarly titled measures of other companies, have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of operating results, performance or liquidity under IFRS.

Net financial debt and leverage ratio

Net financial debt is calculated by adding short-term and long-term debt and deducting cash and cash equivalents. The leverage ratio is calculated by dividing the net financial debt by the adjusted EBITDA for the last twelve months (LTM). It excludes the contribution of businesses divested since, i.e. the Algerian and Pakistani businesses in 2024, and the Brazilian business in 2025.

Reconciliation of net financial debt		30/09/2025			31/12/2024		
in € million		Cont.	Discont.	Total	Cont.	Discont.	Total
Non-current interest-bearing debts	A	485.8	0.1	485.9	667.1	10.9	678.0
Current interest-bearing debts	B	167.6	0.8	168.4	53.1	5.2	58.3
Gross financial debt	C = A+B	653.4	0.9	654.3	720.2	16.1	736.3
Cash & cash equivalents	D	67.4	43.8	111.3	56.9	67.3	124.2
Net financial debt	E = C-D	586.0	(42.9)	543.1	663.3	(51.2)	612.0
Adj. EBITDA (LTM)	F	193.5	7.8	201.4	222.6	25.7	248.3
<i>Leverage ratio</i>	G = E/F			2.70x			2.46x

Like-For-Like (LFL) revenue and growth

Like-for-like revenue is defined as revenue at constant currency excluding change in scope of consolidation or M&A and hyperinflation impacts. The reconciliation of like-for-like revenue can be found on page 2. Like-for-like growth compares the like-for-like revenue with the revenue of the previous year.

Adjusted EBITDA and adjusted EBITDA margin

Adjusted EBITDA is defined as earnings before net finance cost, income taxes, depreciations and amortizations (commonly defined as EBITDA) plus EBITDA adjustments. The adjusted EBITDA margin is the adjusted EBITDA divided by revenue.

EBITDA adjustments are made for income and expenses that are considered by management not to relate to transactions, projects and adjustments to the value of assets and liabilities taking place in the ordinary course of activities of the Group. These income and expenses are presented separately, due to their size or nature, so as to allow users of the consolidated financial statements of the Company to get a better understanding of the normalized performance of the Company, and relate to:

- > acquisition- and divestment-related expenses;
- > changes to the measurement of contingent considerations in the context of business combinations;
- > changes to the Group structure, business restructuring costs, including costs related to the liquidation of subsidiaries and the closure, opening or relocations of factories;
- > impairment of assets and major litigations.

In the consolidated income statement these EBITDA adjustments are composed of the following items:

- > income/(expenses) related to changes to Group structure; and
- > income/(expenses) related to impairments and major litigations.

Reconciliation of income statement <i>in € million</i>		2025			2024		
		Cont.	Discont.	Total	Cont.	Discont.	Total
Q3							
Revenue	a	445.4	22.8	468.1	468.0	68.3	536.2
Operating profit	b	29.3	0.7	30.0	8.3	13.5	21.9
Depreciation & amortization	c	(19.3)	(0.0)	(19.3)	(18.7)	0.0	(18.7)
EBITDA	d = b-c	48.6	0.7	49.3	27.0	13.5	40.5
EBITDA adjustments	g	2.0	1.1	3.1	29.1	(8.4)	20.7
Adj. EBITDA	h = d+g	50.6	1.8	52.4	56.1	5.2	61.2
<i>Adj. EBITDA margin</i>	i = h/a	<i>11.4%</i>	<i>7.9%</i>	11.2%	<i>12.0%</i>	<i>7.6%</i>	11.4%
9 months							
Revenue	a	1,325.7	104.7	1,430.4	1,384.0	234.2	1,618.2
Operating profit/(loss)	b	72.1	(108.7)	(36.6)	39.4	6.7	46.2
Depreciation & amortization	c	(57.4)	(0.0)	(57.4)	(55.1)	(0.0)	(55.1)
EBITDA	d = b-c	129.5	(108.7)	20.8	94.5	6.7	101.3
EBITDA adjustments	g	7.3	117.0	124.3	71.3	18.5	89.8
Adj. EBITDA	h = d+g	136.8	8.3	145.0	165.8	25.2	191.0
<i>Adj. EBITDA margin</i>	i = h/a	<i>10.3%</i>	<i>7.9%</i>	10.1%	<i>12.0%</i>	<i>10.8%</i>	11.8%

More information on the EBITDA adjustments can be found on page 4.

Practical information

Disclaimer

This report may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management's current intentions, beliefs or expectations relating to, among other things, Ontex's future results of operations, financial condition, liquidity, prospects, growth, strategies or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this report regarding trends or current activities should not be taken as a report that such trends or activities will continue in the future. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this report.

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Corporate information

The financial information in this document of Ontex Group NV for the nine months ended September 30, 2025 was authorized for issue in accordance with a resolution of the Board on October 29, 2025.

Audio webcast

Management will host an audio webcast for investors and analysts on October 30, 2025 at 12:00 CEST / 11:00 BST. To attend, click on https://ontexgroup.engagestream.companywebcast.com/25q3_results_call. A replay will be available on the same link shortly after the live presentation. A copy of the presentation slides will be made available beforehand on <https://ontex.com/investors/results-reports>.

Financial calendar

> February 12, 2026	Q4 & full year 2025 results publication
> April 29, 2026	Q1 2026 results publication
> May 5, 2026	2026 Annual general meeting of shareholders
> July 30, 2026	Q2 & H1 2026 results publication
> October 28, 2026	Q3 2026 results publication

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About Ontex

Ontex is a leading international developer and producer of baby care, feminine care and adult care products, for retailer and healthcare brands across Europe and North America. It employs about 5,500 people with plants and offices in 12 countries, and its innovative products are distributed in around 100 countries. The company is headquartered in Aalst, Belgium and is listed on [Euronext Brussels](https://www.euronext.com/brussels), where it is a constituent of the [Bel Mid®](https://www.belmid.be) index. To keep up with the latest news, visit ontex.com or follow Ontex on [LinkedIn](https://www.linkedin.com/company/ontex).