



Q3 2019 Trading Update

November 6, 2019



Forward-looking statements



This Presentation 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.

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Notes which apply to this document

Unless otherwise indicated, all comments in this document on changes in revenue are on a like-for-like basis (at constant currencies).

Unaudited Q3 and 9M 2018 financial data have been provided on a pro forma basis for IFRS 16 Leases following adoption of this accounting standard since January 2019. This additional information has been provided to facilitate comparisons and understanding of the Group's underlying performance.

Definitions of Alternative Performance Measures (APMs) in this document can be found in the appendix.

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Q3 2019 Highlights

Progress update

- ✓ Q3 performance shows we are turning a corner and gradually gathering momentum
- ✓ First quarter in 2019 in which both Group LFL revenue and Adjusted EBITDA at constant currencies grew compared with the same period in 2018
- ✓ Strict management of working capital drove further decrease of net debt compared with H1 2019
- ✓ Transform to Grow (T2G): Implementation of operational and commercial workstreams fully underway

Key financials

Q3 2019

Group revenue: €574.4 million, up 0.2% LFL

- Positive price/mix and lower volumes
- Higher revenue of Ontex local brands
- Reported revenue increased 1.4%

+0.2%
LFL

Adjusted EBITDA: €65.8 million at constant currencies, up 0.5%*

- Adjusted EBITDA margin of 11.6% at constant currencies, highest quarter of the year
- Price/mix and savings benefits
- FX headwinds continued at same level as Q2
- Reported Adjusted EBITDA of €61.4 million for a margin of 10.7%

Adj. EBITDA
Margin @CC
11.6%

Further reduction of net debt: down 2.6% versus June 30, 2019

- Continued strong free cash flow generation
- Net debt of €875.7 million at end of September 2019, down €23 million compared with end of June 2019
- Leverage at 3.68x LTM Adjusted EBITDA*

Net debt
€875.7
million

*Taking into account IFRS 16 impact, effective January 1, 2019. Adjusted EBITDA comparison is versus Q3 2018 pro forma for IFRS 16
Note: see "Alternative Performance Measures" in the appendix of this presentation for more information on the key metrics used

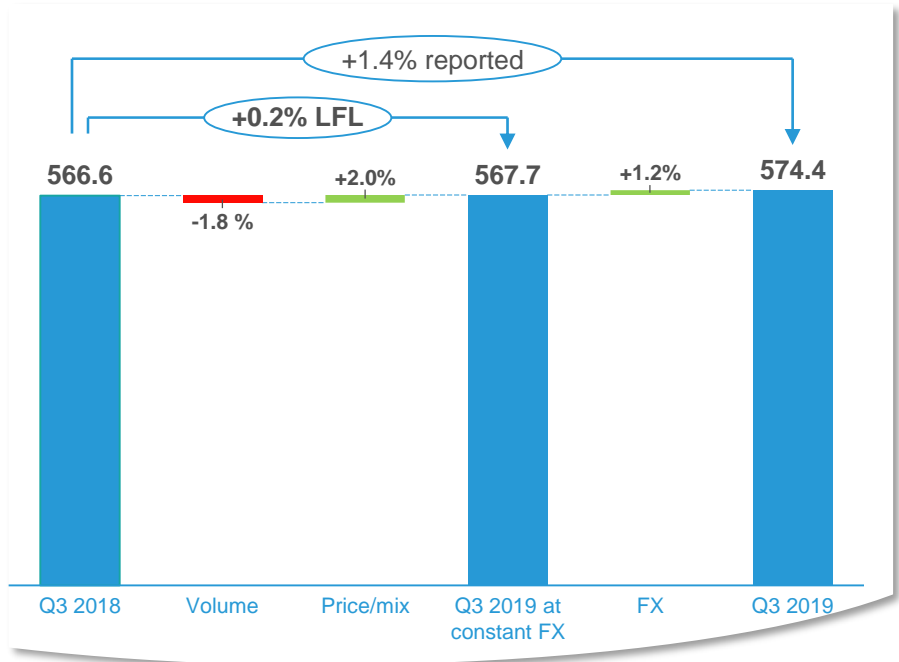


Q3 2019 Trading review

Group revenue review

- **Q3 2019 LFL revenue: €567.6 million, +0.2%**
 - Further sequential LFL improvement trend (Q1 LFL: -1.5%, Q2 LFL: -1.1%)
- Top-line drivers
 - Volumes decreased in Europe, increased in AMEAA and Healthcare
 - Price/mix positive across all categories
- Currency impact: +€6.8 million, +1.2%
 - Q3 2019 reported revenue: €574.4 million, up 1.4%

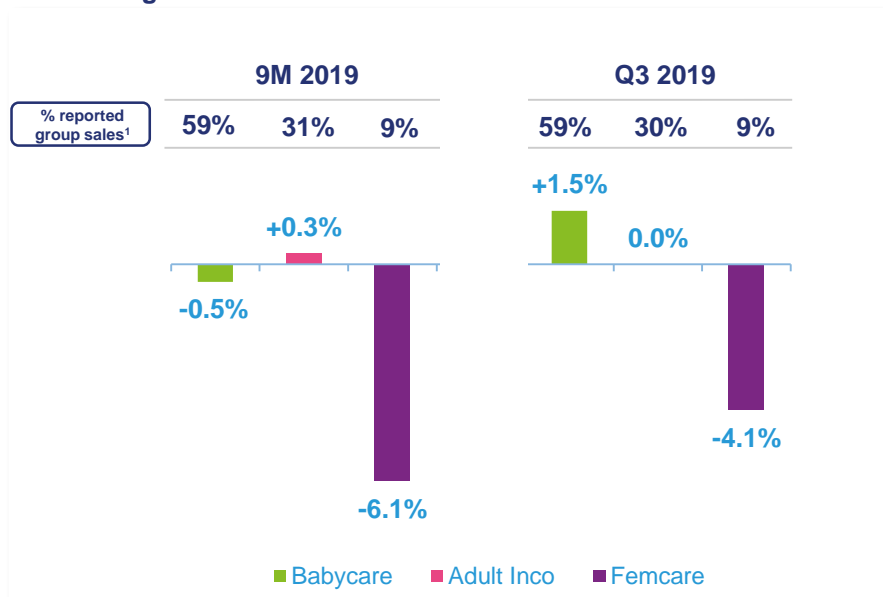
Q3 2019 Sales bridge (€m)



Higher revenue in Babycare drove Group LFL growth

- Q3 2019 Babycare revenue: €340.9 million, +1.5% LFL**
 - Solid revenue performance of Ontex brands in AMEAA
 - Lower sales of retailer brands in Europe, but clear improvement in trends versus H1 thanks to higher Baby pants revenue
- Q3 2019 Adult Inco revenue: €171.9 million, stable LFL**
 - Revenue growth in institutional channels
 - Sales in retail channels 2% lower
 - Higher sales of Ontex brands in AMEAA
 - Increased Adult pants revenue
- Q3 2019 Femcare revenue: €53.2 million, -4.1% LFL**
 - Lower volumes of retailer brands
 - Strong growth of organic cotton tampon sales

LFL sales growth



Note 1: Category split excludes 1% of "Other" in 9M and Q3, respectively.

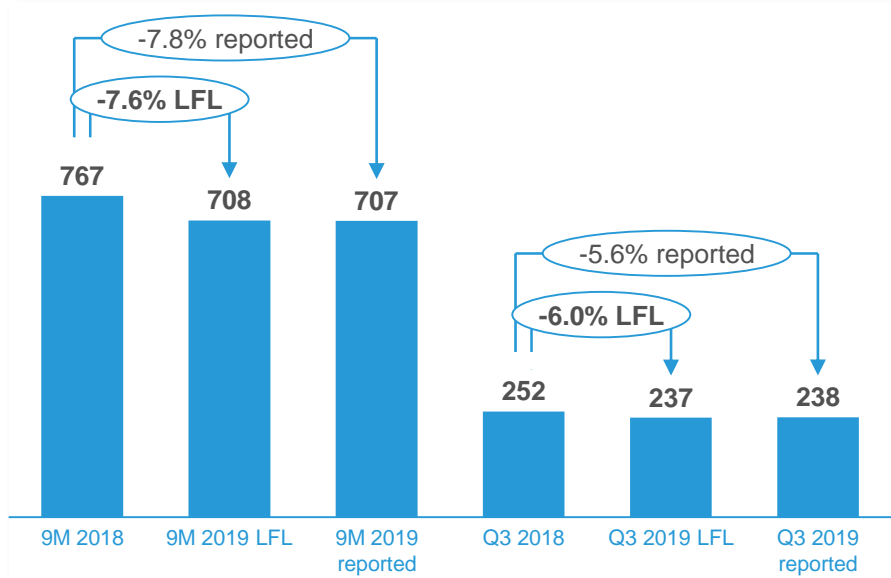
Europe: Q3 LFL revenue evolution trend improving as expected



Lower volumes, stable price/mix

- **Q3 2019 LFL revenue: €237.0 million**
 - More favorable LFL trend than in previous 2 quarters: (Q1: -6.7%, Q2: -10.0%, Q3 -6.0%)
 - Trend expected to continue in Q4 based on organic growth of large customer base and as impact of contract losses lessens
 - Sales impacted by lower volumes due to retailer brand contract losses over the past year
- Baby diaper subscription offering launched in the Benelux
- T2G actions to enhance support for retail customers to grow their own brands, solidifying our leading supplier position
- Q3 2019 reported revenue: €238.0 million, -5.6%

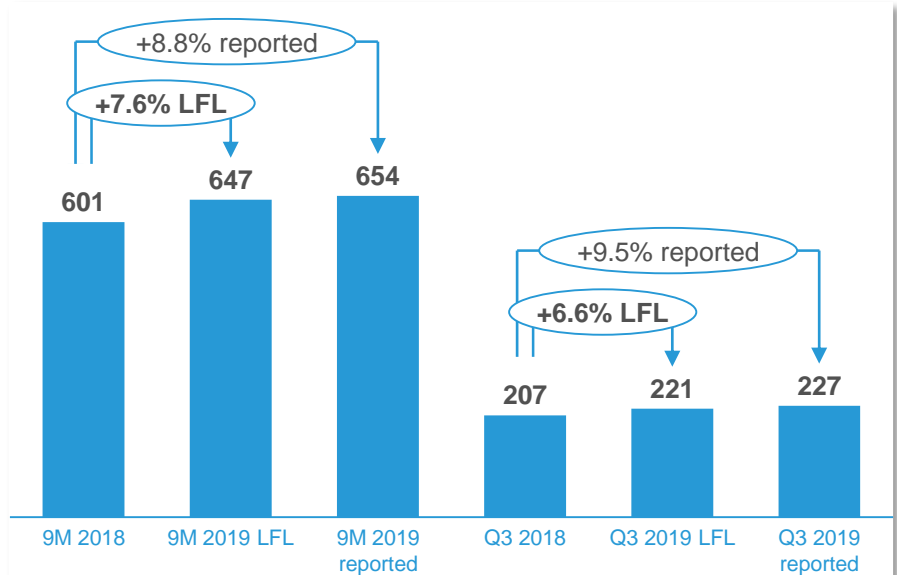
Europe (42% of Group revenue)
Revenue (€m) and LFL evolution



Sales up in all categories

- **Q3 2019 LFL revenue: €220.9 million, +6.6%**
- Americas sales increased: Volumes, price and mix higher
 - Led by Brazil and Mexico
 - US sales nearly equaling strong comparable base from last year
- MEAA posted revenue growth despite challenging environment in several markets
 - Babycare and Adult Inco sales grew
- Tailored approach to meet consumer needs:
 - Strengthen local Ontex brands in developing markets
 - Lifestyle and retailer brands in North America
- Q3 2019 reported revenue: €226.8 million, +9.5%

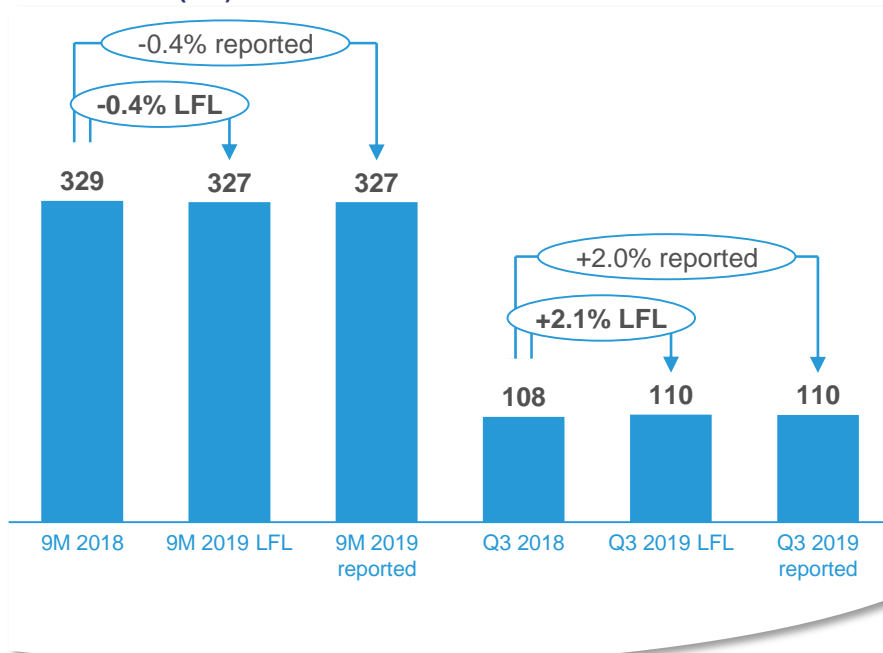
**AMEAA (39% of Group revenue)
LFL revenue (€m) and evolution**



Volumes up with stable price/mix

- **Q3 2019 LFL revenue: €109.8 million, +2.1%**
 - YTD evolution in line with market dynamics
- Increasing demand for Adult pants confirmed as sales rose further
- Higher sales in self-pay channels, disciplined approach in institutional channels
- Q3 2019 reported revenue: €109.6 million, +2.0%

Healthcare (19% of Group revenue)
LFL revenue (€m) and evolution



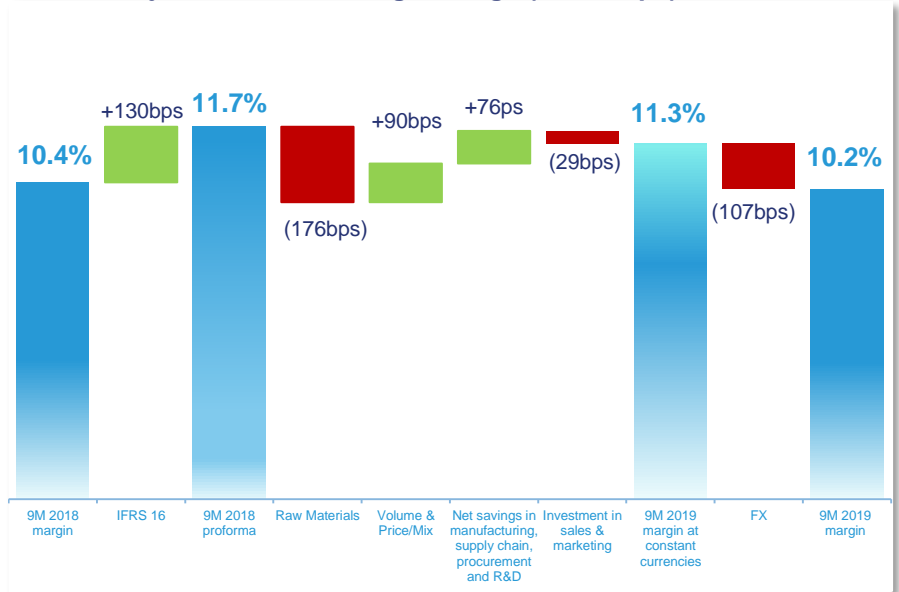
9M 2019 Adjusted EBITDA margin



Higher price/mix and savings nearly offset increased raw material costs

- Q3 2019 Adjusted EBITDA: €65.8 million at constant currencies, and margin at 11.6% of LFL sales
- 9M 2019 Adjusted EBITDA: €189.7 million at constant currencies; Adj. EBITDA margin at 11.3% of LFL sales**
- Raw materials still weighing vs. last year despite recent slight decreasing trend
 - Better price/mix more than offset lower volumes
 - Solid net savings delivery
 - Continued investment in sales and marketing to drive profitable growth
- Strong currency headwinds**
 - €17.3 million mainly due to US Dollar and Turkish Lira: 107 bps unfavourable impact on Adjusted EBITDA margin
 - > 9M 2019 Adjusted EBITDA: €172.4 million, margin: 10.2%*

9M2019 Adjusted EBITDA margin bridge (% and bps)



*Taking into account the impact from application of IFRS 16 as of January 1, 2019

The logo for Ontex, featuring the word "Ontex" in a dark blue, italicized serif font. A light blue swoosh underline is positioned beneath the letters, starting under the 'O' and ending under the 'x'.

Outlook

A large, abstract graphic on the right side of the page. It consists of several overlapping, curved bands of blue, ranging from light to dark, that sweep upwards and to the right, creating a sense of motion and depth.

Current levels of price indices show a decreasing trend for most raw materials. Pricing, mix improvement and cost savings actions are producing increasing effects in the second half of the year, leading to revenue and Adjusted EBITDA improvements in H2 versus H1 2019.

As a result, Ontex confirms its full-year 2019 outlook of:

- Broadly stable sales at constant currencies, with top-line growth in developing markets and lower revenue in developed markets;
- Stable Adjusted EBITDA at constant currencies;
- Capex of 4.5% to 5.0% of revenue including T2G-specific Capex*

* The previous outlook provided for Capex of 4.5% to 5.0% of revenue excluding T2G-specific Capex. Lower 2019 Capex outlook primarily reflects the revised phasing of capital expenditure between 2019 and 2020.



Q&A



Appendix



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

- **Like-for-like revenue (LFL):** Like-for-like revenue is defined as revenue at constant currencies excluding change in perimeter of consolidation or M&A.
- **EBITDA and Adjusted EBITDA and related margins:** **EBITDA** is defined as earnings before net finance cost, income taxes, depreciation and amortisation. **Adjusted EBITDA** is defined as EBITDA plus non-recurring income and expenses. **EBITDA and Adjusted EBITDA margins** are EBITDA and Adjusted EBITDA divided by revenue.
- **Net financial debt/LTM Adjusted EBITDA ratio (Leverage):** **Net financial debt** is calculated by adding short-term and long-term debt and deducting cash and cash equivalents. **LTM adjusted EBITDA** is defined as EBITDA plus non-recurring income and expenses for the last 12 months (LTM).
- **Non-recurring Income and expenses:** Non-recurring income and expenses are defined as those items that are considered to be non-recurring or unusual because of their nature. The non-recurring income and expenses relate to:
 - acquisition-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.



Thank you

