ONTEX GROUP NV

Statutory auditor's report to the general shareholders' meeting on the annual accounts for the year ended 31 December 2017

4 April 2018

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF THE COMPANY ONTEX GROUP NV ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

We present to you our statutory auditor's report in the context of our statutory audit of the annual accounts of Ontex Group NV (the "Company"). This report includes our report on the audit of the annual accounts, as well as the report on other legal and regulatory requirements. These reports form part of an integrated whole and are indivisible.

We have been appointed as statutory auditor by the general meeting *d.d.* 24 May 2017, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2019. We have performed the statutory audit of the annual accounts of Ontex Group NV for four consecutive years.

Report on the audit of the annual accounts

Unqualified opinion

We have performed the statutory audit of the annual accounts of the Company, which comprise the balance sheet as at 31 December 2017 and the profit and loss account for the year then ended, and the notes to the annual accounts, characterised by a balance sheet total of EUR 3,231,771,652 and a profit and loss account showing a profit for the year of EUR 4,005,774.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2017 and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the annual accounts*" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PwC Bedrijfsrevisoren cvba, burgerlijke vennootschap met handelsvorm - PwC Reviseurs d'Entreprises scrl, société civile à forme commerciale - Financial Assurance Services
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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing on participations in affiliated companies

Description of the key audit matter

The participations in affiliated companies of Ontex Group NV as at 31 December 2017 consist of a participation in Ontex BVBA for an amount of EUR 1,908 million.

We consider the impairment testing on participations in affiliated companies as most significant to our audit because of the fact that they represent a substantial amount of the total assets. Additionally, such impairment assessment involves significant judgement by management, in case of a permanent reduction in value, with respect to the future results and cash flow generation of the underlying entity.

How our audit addressed the key audit matter

For the evaluation of the impairment testing on the participation in Ontex BVBA, we have obtained management's assessment whereby the value in use has been considered.

In evaluating management's impairment assessment, we focused on the reasonableness and impact of key assumptions including cash flow forecasts of Ontex BVBA and its subsidiaries, discount rate, long term growth rate of revenue and EBITDA margin.

In assessing the reasonableness of the assumptions used by management we involved our internal valuation experts. Additionally, we have assessed whether the valuation models used have been consistently applied as part of the overall financial closing process.

Whilst recognizing that cash flow forecasting and impairment assessment are all inherently judgmental, we found that the assumptions used by management, in evaluating whether a permanent reduction in value exists, are reasonable.

Responsibilities of the board of directors for the annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors and with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors and the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors and with the audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the director's report and of the documents required to be deposited by virtue of the legal and regulatory requirements as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Companies' Code and with the Company's articles of association.

Statutory auditor's responsibilities

In the context of our mandate and in accordance with the Belgian standard (Revised) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report certain documents required to be deposited by virtue of legal and regulatory requirements, as well as compliance with the articles of association and certain requirements of the Companies' Code and to report on these matters.

Aspects related to the directors' report

In our opinion, after having performed specific procedures in relation to the directors' report, this report is consistent with the annual accounts for the year under audit, and it is prepared in accordance with the articles 95 and 96 of the Companies' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you. We do not express any form of assurance conclusion on the directors' report.

Statement related to the social balance sheet

The social balance sheet, to be deposited in accordance with article 100, § 1, 6°/2 of the Companies' Code, includes, both in terms of form and content, the information required by virtue of the Companies' Code and does not present any material inconsistencies with the information we have at our disposition in our audit file.

Statement related to independence

- We did not provide services which are incompatible with the statutory audit of the annual accounts and we remained independent of the Company in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the annual accounts referred to in article 134 of the Companies' Code are correctly disclosed and itemized in the notes to the annual accounts.

Other statements

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.
- There are no transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' Code that we have to report to you.
- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.
- As explained in the directors' report, the procedure in respect of a conflict of interests (in the context of section 523 of the Belgian Companies Code) has been applied three times. The decisions have the following property effects:

  - <u>Remuneration of the members of the Executive Management Team/Management Committee - 5 March 2017</u>

    This conflict of interest results from the fact that Charles Bouaziz, Jacques Purnode and Thierry Navarre are, either in personal name or via their management company, both Directors of the Company and members of the Executive Committee. Therefore they are beneficiaries of the bonus and remuneration to be approved. The property effect of the approved bonus and remuneration is described in paragraph 15 of the annual report.

  - <u>LTIP plan 2017 and LTIP vesting conditions - 9 May 2017</u>

    This conflict of interest results from the fact that Charles Bouaziz, Jacques Purnode and Thierry Navarre are, either in personal name or via their management company, both Directors of the Company and members of the Executive Committee. Therefore they are possible beneficiaries of LTIP plan 2017 to be approved. Furthermore it was proposed to give Jacques Purnode an exception to the general policy of 3 year cliff vesting for the 2016 and 2017 grant.

    The property effect of the approved LTIP plan 2017 consists of the fact that, after the end of the three year vesting period, Ontex Group NV will grant shares of the Company tot the beneficiaries for no consideration (RSU's) or will have to obligation to sell treasury shares, during a predetermined timeframe, at predetermined exercise price, which might be lower than the market price at that moment (options) when the beneficiaries exercise the options. More information of the granted RSU's and options is described in paragraph 15.5 of the annual report.

    Furthermore, the Board of Directors also decided on 9 May 2017 to give Jacques Purnode an exception to the general policy of 3 year cliff vesting for the 2016 and 2017 grant of options and RSU's.

  - <u>Deferred consideration 2015/2016 regarding acquisition of Grupo Mabe - 4 April 2017</u>

    This conflict of interest results from the fact that Juan Gilberto Marin Quintero is both Director of the Company and beneficiary, among other sellers, of the 2015 and 2016 deferred consideration with respect to the acquisition of Grupo Mabe payable by the Company (through its subsidiaries).

The property effect of to the decision, is that the Company, through its subsidiaries, agrees to pay a total amount of MXN 965,888,000 to Sellers, in full and final settlement of any and all claims, disputes or discussions with respect to the 2015 and 2016 deferred consideration. This settlement amount is reduced with certain transaction costs due by the Sellers to the Buyers pursuant to the Master Purchase Agreement, amounting to a total of MXN 3,231,762.20.

Ghent, 4 April 2018

The statutory auditor
PwC Bedrijfsrevisoren bcvba
Represented by

Peter Opsomer
Bedrijfsrevisor

NAT.	Filing date	Nr.	P.	U.	D.
40				1	EUR

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ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE FILED UNDER BELGIAN COMPANY LAW

IDENTIFICATION DETAILS

NAME: *ONTEX GROUP*

Legal form: *Public limited company*

Address: *Korte Keppestraat* Nr.: *21* Box:

Postal code: *9320* Municipality: *Erembodegem*

Country: *Belgium*

Register of legal persons – commercial court *Gent, Division Dendermonde*

Website address[1]:

Company identification number *BE 0550.880.915*

DATE *02 / 06 / 2016* of filing the memorandum of association OR of the most recent document mentioning the date of publication of the memorandum of association and of the act amending the articles of association.

ANNUAL ACCOUNTS | ANNUAL ACCOUNTS IN EUROS |

approved by the general meeting of *25 / 05 / 2018*

Regarding the financial year from *01 / 01 / 2017* to *31 / 12 / 2017*

Preceding financial year from *01 / 01 / 2016* to *31 / 12 / 2016*

The amounts for the preceding period **are** / ~~**are not**~~[2] identical to the ones previously published.

Total number of pages filed: *50* Numbers of sections of the standard form not filed because they serve no useful purpose: *6.2.1, 6.2.2, 6.2.5, 6.3.4, 6.4.2, 6.5.2, 6.7.2, 6.17, 6.18.2, 6.20, 8, 9*

Signature (name and position)	Signature (name and position)
Charles Bouaziz CEO	Artipa Bvba, represented by Thierry Navarre, COO

1 Optional information.

2 Strike out what is not applicable.

OCR9002

LIST OF DIRECTORS, BUSINESS MANAGERS AND AUDITORS AND DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

Revalue BVBA *Nr.: BE 0839.566.573* *Slijkstraat 67, 3212 Pellenberg, Belgium*	*Chairman of the board of directors* *10/04/2015 - 25/05/2018*
Represented by:	
Luc Missorten *(Representative)* *Slijkstraat 67, 3212 Pellenberg, Belgium*	
Charles David Bouaziz *avenue Wolvendael 65, 1180 Uccle, Belgium*	*Director* *24/04/2014 - 25/05/2018*
Cepholli bvba *Nr.: BE 0538.753.143* *Winston Churchillaan 49 box B5, 1180 Uccle, Belgium*	*Director* *24/04/2014 - 25/05/2018*
Represented by:	
Jacques Purnode *(Representative)* *Winston Churchillaan 49 box B5, 1180 Uccle, Belgium*	
Artipa Bvba *Nr.: BE 0887.645.416* *Jean Van Gijsellaan 75, 1780 Wemmel, Belgium*	*Director* *24/04/2014 - 25/05/2018*
Represented by:	
Thierry Navarre *(Representative)* *Jean Van Gijsellaan 75, 1780 Wemmel, Belgium*	
Inge Boets BVBA *Nr.: BE 0458.838.011* *Onderheide 28, 2930 Brasschaat, Belgium*	*Director* *02/06/2014 - 25/05/2018*
Represented by:	
Inge Boets *(Representative)* *Onderheide 28, 2930 Brasschaat, Belgium*	
Tegacon AS *Sonja Henies vei 1, 1394 Nesbru, Norway*	*Director* *01/10/2014 - 24/05/2017*
Represented by:	
Gunnar Johansson *(Representative)* *Sonja Henies vei 1, 1394 Nesbru, Norway*	

LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS (CONTINUED)

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

Uwe Krüger *Pfannenstilstrasse 9, 8835 Feusisberg, Switzerland*	*Director* *02/06/2014 - 25/05/2018*
Juan Gilberto Marin Quintero *Cda. Buena Vista 17-4, 72154 Puebla, Mexico*	*Director* *25/05/2016 - 25/05/2020*
Michael Bredael *Groeselenbergstraat 158, 1180 Uccle, Belgium*	*Director* *24/05/2017 - 25/05/2021*
Regi Aalstad *Ch. Des Fontaines 20, 1297 Founex, Switzerland*	*Director* *24/05/2017 - 25/05/2021*
Tegacon Suisse GmbH *Nr.: CHE135958424* *Rietbrunnen 28, , Switzerland* *Represented by:* *Gunnar Johansson* *Rietbrunnen 28, , Switzerland*	*Director* *24/05/2017 - 25/05/2018*
Bcvba PricewaterhouseCoopers Bedrijfsrevisoren *Nr.: BE 0429.501.944* *Woluwegarden Woluwedal 18, 1932 Sint-Stevens-Woluwe, Belgium* *Membership nr.: B00009* *Represented by:* *Peter Opsomer* *(Auditor)* *Rattepoelstraat 7, 9680 Maarkedal, Belgium* *Membership nr.: B00748*	*Auditor* *25/05/2017 - 25/05/2020*

DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

The managing board declares that no audit or correction assignment has been given to a person who was not authorised to do so by law, pursuant to art. 34 and 37 of the law of 22th April 1999 concerning accounting and tax professions.

The annual accounts ~~were~~ / **were not*** audited or corrected by an external accountant or by a company auditor who is not the statutory auditor.

If affirmative, mention hereafter: surname, first names, profession and address of each external accountant or company auditor and his membership number with his Institute as well as the nature of his assignment:

A. Bookkeeping of the enterprise **,
B. Preparing the annual accounts **,
C. Auditing the annual accounts and/or
D. Correcting the annual accounts.

If the tasks mentioned under A. or B. are executed by certified accountants or certified bookkeepers - tax specialists, you can mention hereafter: surname, first names, profession and address of each certified accountant or certified bookkeeper - tax specialist and his/her affiliation number with the Institute of Accounting Professional and Tax Experts and the nature of his/her assignment.

Surname, first names, profession and address	Affiliation number	Nature of the assignment (A, B, C and/or D)

* Strike out what is not applicable.
** Optional information.

ANNUAL ACCOUNTS

BALANCE SHEET AFTER APPROPRIATION

	Discl.	Codes	Period	Preceding period
ASSETS				
Formation expenses	6.1	20	2.194.975	3.772.230
FIXED ASSETS		21/28	3.033.963.901	2.864.194.156
Intangible fixed assets	6.2	21	71.969.479	98.985.846
Tangible fixed assets	6.3	22/27	2.553.418	1.571.373
Land and buildings		22	1.041	1.202
Plant, machinery and equipment		23	2.472.158	1.517.316
Furniture and vehicles		24		
Leasing and similar rights		25		
Other tangible fixed assets		26		
Assets under construction and advance payments		27	80.219	52.855
Financial fixed assets	6.4/6.5.1	28	2.959.441.004	2.763.636.937
Affiliated enterprises	6.15	280/1	2.959.290.107	2.763.486.040
Participating interests		280	1.907.965.289	1.907.965.289
Amounts receivable		281	1.051.324.818	855.520.751
Enterprises linked by participating interests	6.15	282/3		
Participating interests		282		
Amounts receivable		283		
Other financial assets		284/8	150.897	150.897
Shares		284		
Amounts receivable and cash guarantees		285/8	150.897	150.897

	Discl.	Codes	Period	Preceding period
CURRENT ASSETS		29/58	195.612.776	284.471.271
Amounts receivable after more than one year		29		
Trade debtors		290		
Other amounts receivable		291		
Stocks and contracts in progress		3		
Stocks		30/36		
Raw materials and consumables		30/31		
Work in progress		32		
Finished goods		33		
Goods purchased for resale		34		
Immovable property intended for sale		35		
Advance payments		36		
Contracts in progress		37		
Amounts receivable within one year		40/41	119.417.938	94.282.905
Trade debtors		40	67.301.961	79.676.108
Other amounts receivable		41	52.115.977	14.606.797
Current investments	6.5.1/6.6	50/53	29.254.624	22.335.195
Own shares		50	29.254.624	22.335.195
Other investments		51/53		
Cash at bank and in hand		54/58	43.439.823	162.492.335
Deferred charges and accrued income	6.6	490/1	3.500.391	5.360.836
TOTAL ASSETS		20/58	3.231.771.652	3.152.437.657

	Discl.	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	*2.032.406.383*	*1.856.968.694*
Capital	6.7.1	10	*823.587.466*	*748.715.886*
Issued capital		100	*823.587.466*	*748.715.886*
Uncalled capital		101		
Share premium account		11	*412.742.142*	*266.773.477*
Revaluation surpluses		12		
Reserves		13	*321.329.248*	*359.167.744*
Legal reserve		130	*29.660.184*	*29.490.184*
Reserves not available		131	*29.254.624*	*22.335.195*
In respect of own shares held		1310	*29.254.624*	*22.335.195*
Other		1311		
Untaxed reserves		132	*675.443*	
Available reserves		133	*261.738.997*	*307.342.365*
Accumulated profits (losses) (+)/(-)		14	*474.747.527*	*482.311.587*
Investment grants		15		
Advance to associates on the sharing out of the assets		19		
PROVISIONS AND DEFERRED TAXES		16	*7.057.148*	*6.958.159*
Provisions for liabilities and charges		160/5	*7.057.148*	*6.958.159*
Pensions and similar obligations		160		
Taxation		161		
Major repairs and maintenance		162		
Environmental obligations		163		
Other liabilities and charges	6.8	164/5	*7.057.148*	*6.958.159*
Deferred taxes		168		

	Discl.	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	1.192.308.121	1.288.510.804
Amounts payable after more than one year	6.9	17	793.630.523	834.171.545
Financial debts		170/4	793.630.523	834.171.545
Subordinated loans		170		
Unsubordinated debentures		171		250.000.000
Leasing and other similar obligations		172		
Credit institutions		173	775.630.523	527.335.195
Other loans		174	18.000.000	56.836.350
Trade debts		175		
Suppliers		1750		
Bills of exchange payable		1751		
Advances received on contracts in progress		176		
Other amounts payable		178/9		
Amounts payable within one year	6.9	42/48	397.628.697	451.883.926
Current portion of amounts payable after more than one year falling due within one year		42		
Financial debts		43	184.066.931	150.435.348
Credit institutions		430/8	30.000.000	
Other loans		439	154.066.931	150.435.348
Trade debts		44	6.284.543	5.239.347
Suppliers		440/4	6.284.543	5.239.347
Bills of exchange payable		441		
Advances received on contracts in progress		46		
Taxes, remuneration and social security	6.9	45	3.467.110	4.621.867
Taxes		450/3	1.069.672	690.147
Remuneration and social security		454/9	2.397.438	3.931.720
Other amounts payable		47/48	203.810.113	291.587.364
Accruals and deferred income	6.9	492/3	1.048.901	2.455.333
TOTAL LIABILITIES		10/49	3.231.771.652	3.152.437.657

INCOME STATEMENT

	Discl.	Codes	Period	Preceding period
Operating income		70/76A	46.385.760	30.649.618
Turnover	6.10	70		
Stocks of finished goods and work and contracts in progress: increase (decrease) (+)/(-)		71		
Own work capitalised		72		
Other operating income	6.10	74	45.791.166	30.649.618
Non-recurring operating income	6.12	76A	594.594	
Operating charges		60/66A	68.770.257	61.204.968
Raw materials, consumables		60		
Purchases		600/8		
Stocks: decrease (increase) (+)/(-)		609		
Services and other goods		61	21.364.596	16.954.011
Remuneration, social security costs and pensions (+)/(-)	6.10	62	9.972.909	9.571.258
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets		630	34.026.719	32.550.249
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs) (+)/(-)	6.10	631/4		
Provisions for liabilities and charges: Appropriations (uses and write-backs) (+)/(-)	6.10	635/8	98.989	1.876.724
Other operating charges	6.10	640/8	15.881	1.999
Operating charges carried to assets as restructuring costs (-)		649		
Non-recurring operating charges	6.12	66A	3.291.163	250.727
Operating profit (loss) (+)/(-)		9901	-22.384.497	-30.555.350

	Discl.	Codes	Period	Preceding period
Financial income		75/76B	77.965.340	65.044.126
Recurring financial income		75	77.965.340	65.044.126
Income from financial fixed assets		750	29.933.183	20.222.753
Income from current assets		751	34.201.587	29.046.940
Other financial income	6.11	752/9	13.830.570	15.774.433
Non-recurring financial income	6.12	76B		
Financial charges		65/66B	50.460.183	39.711.890
Recurring financial charges	6.11	65	50.452.683	39.688.815
Debt charges		650	26.624.926	25.179.152
Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs) (+)/(-)		651	2.014.336	
Other financial charges		652/9	21.813.421	14.509.663
Non-recurring financial charges	6.12	66B	7.500	23.075
Gain (loss) for the period before taxes (+)/(-)		9903	5.120.660	-5.223.114
Transfer from deferred taxes		780		
Transfer to deferred taxes		680		
Income taxes (+)/(-)	6.13	67/77	1.114.886	790.237
Taxes		670/3	1.114.886	790.334
Adjustment of income taxes and write-back of tax provisions		77		97
Gain (loss) of the period (+)/(-)		9904	4.005.774	-6.013.351
Transfer from untaxed reserves		789		
Transfer to untaxed reserves		689	675.443	
Gain (loss) of the period available for appropriation (+)/(-)		9905	3.330.331	-6.013.351

APPROPRIATION ACCOUNT

	Codes	Period	Preceding period
Profit (loss) to be appropriated (+)/(-)	9906	485.641.918	491.538.243
Gain (loss) of the period available for appropriation (+)/(-)	(9905)	3.330.331	-6.013.351
Profit (loss) brought forward (+)/(-)	14P	482.311.587	497.551.594
Withdrawals from capital and reserves	791/2	49.408.331	45.290.970
from capital and share premium account	791		
from reserves	792	49.408.331	45.290.970
Transfer to capital and reserves	691/2	10.894.391	9.226.656
to capital and share premium account	691		
to legal reserve	6920	170.000	
to other reserves	6921	10.724.391	9.226.656
Accumulated profits (losses) (+)/(-)	(14)	474.747.527	482.311.587
Owners' contribution in respect of losses	794		
Profit to be distributed	694/7	49.408.331	45.290.970
Dividends	694	49.408.331	45.290.970
Directors' or managers' entitlements	695		
Employees	696		
Other beneficiaries	697		

EXPLANATORY DISCLOSURES

STATEMENT OF FORMATION EXPENSES

	Codes	Period	Preceding period
Net book value at the end of the period	20P	xxxxxxxxxxxxxxx	3.772.230
Movements during the period			
New expenses incurred	8002	1.681.499	
Depreciation	8003	528.134	
Other (+)/(-)	8004	-2.730.620	
Net book value at the end of the period	(20)	2.194.975	
Of which			
Formation or capital increase expenses, loan issue expenses and other formation expenses	200/2	2.194.975	
Restructuring costs	204	....	

	Codes	Period	Preceding period
CONCESSIONS, PATENTS, LICENCES, KNOW-HOW, BRANDS AND SIMILAR RIGHTS			
Acquisition value at the end of the period	8052P	xxxxxxxxxxxxxxx	*16.272.051*
Movements during the period			
Acquisitions, including produced fixed assets	8022	*5.715.023*	
Sales and disposals	8032		
Transfers from one heading to another (+)/(-)	8042	*186.406*	
Acquisition value at the end of the period	8052	*22.173.480*	
Depreciations and amounts written down at the end of the period	8122P	xxxxxxxxxxxxxxx	*6.385.388*
Movements during the period			
Recorded	8072	*3.218.068*	
Written back	8082		
Acquisitions from third parties	8092		
Cancelled owing to sales and disposals	8102		
Transferred from one heading to another (+)/(-)	8112		
Depreciations and amounts written down at the end of the period	8122	*9.603.456*	
NET BOOK VALUE AT THE END OF THE PERIOD	211	*12.570.024*	

GOODWILL	Codes	Period	Preceding period
Acquisition value at the end of the period	8053P	xxxxxxxxxxxxxxx	148.498.638
Movements during the period			
Acquisitions, including produced fixed assets	8023	....	
Sales and disposals	8033	....	
Transfers from one heading to another (+)/(-)	8043	....	
Acquisition value at the end of the period	8053	148.498.638	
Depreciations and amounts written down at the end of the period	8123P	xxxxxxxxxxxxxxx	59.399.455
Movements during the period			
Recorded	8073	29.699.728	
Written back	8083	....	
Acquisitions from third parties	8093	....	
Cancelled owing to sales and disposals	8103	....	
Transferred from one heading to another (+)/(-)	8113	....	
Depreciations and amounts written down at the end of the period	8123	89.099.183	
NET BOOK VALUE AT THE END OF THE PERIOD	212	59.399.455	

STATEMENT OF TANGIBLE FIXED ASSETS

	Codes	Period	Preceding period
LAND AND BUILDINGS			
Acquisition value at the end of the period	8191P	xxxxxxxxxxxxxxx	3.214
Movements during the period			
Acquisitions, including produced fixed assets	8161	....	
Sales and disposals	8171	....	
Transfers from one heading to another (+)/(-)	8181	....	
Acquisition value at the end of the period	8191	3.214	
Revaluation surpluses at the end of the period	8251P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8211	....	
Acquisitions from third parties	8221	....	
Cancelled	8231	....	
Transferred from one heading to another (+)/(-)	8241	....	
Revaluation surpluses at the end of the period	8251	....	
Depreciations and amounts written down at the end of the period	8321P	xxxxxxxxxxxxxxx	2.012
Movements during the period			
Recorded	8271	161	
Written back	8281	....	
Acquisitions from third parties	8291	....	
Cancelled owing to sales and disposals	8301	....	
Transferred from one heading to another (+)/(-)	8311	....	
Depreciations and amounts written down at the end of the period	8321	2.173	
NET BOOK VALUE AT THE END OF THE PERIOD	(22)	1.041	

	Codes	Period	Preceding period
PLANT, MACHINERY AND EQUIPMENT			
Acquisition value at the end of the period	8192P	xxxxxxxxxxxxxxx	2.931.890
Movements during the period			
Acquisitions, including produced fixed assets	8162	1.549.681	
Sales and disposals	8172	18.442	
Transfers from one heading to another (+)/(-)	8182		
Acquisition value at the end of the period	8192	4.463.129	
Revaluation surpluses at the end of the period	8252P	xxxxxxxxxxxxxxx	
Movements during the period			
Recorded	8212		
Acquisitions from third parties	8222		
Cancelled	8232		
Transferred from one heading to another (+)/(-)	8242		
Revaluation surpluses at the end of the period	8252		
Depreciations and amounts written down at the end of the period	8322P	xxxxxxxxxxxxxxx	1.414.574
Movements during the period			
Recorded	8272	580.628	
Written back	8282		
Acquisitions from third parties	8292		
Cancelled owing to sales and disposals	8302	4.231	
Transferred from one heading to another (+)/(-)	8312		
Depreciations and amounts written down at the end of the period	8322	1.990.971	
NET BOOK VALUE AT THE END OF THE PERIOD	(23)	2.472.158	

	Codes	Period	Preceding period
FURNITURE AND VEHICLES			
Acquisition value at the end of the period	8193P	xxxxxxxxxxxxxxx	6.842
Movements during the period			
Acquisitions, including produced fixed assets	8163	....	
Sales and disposals	8173	....	
Transfers from one heading to another (+)/(-)	8183	....	
Acquisition value at the end of the period	8193	6.842	
Revaluation surpluses at the end of the period	8253P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8213	....	
Acquisitions from third parties	8223	....	
Cancelled	8233	....	
Transferred from one heading to another (+)/(-)	8243	....	
Revaluation surpluses at the end of the period	8253	....	
Depreciations and amounts written down at the end of the period	8323P	xxxxxxxxxxxxxxx	6.842
Movements during the period			
Recorded	8273	....	
Written back	8283	....	
Acquisitions from third parties	8293	....	
Cancelled owing to sales and disposals	8303	....	
Transferred from one heading to another (+)/(-)	8313	....	
Depreciations and amounts written down at the end of the period	8323	6.842	
NET BOOK VALUE AT THE END OF THE PERIOD	(24)	....	

	Codes	Period	Preceding period
OTHER TANGIBLE FIXED ASSETS			
Acquisition value at the end of the period	8195P	xxxxxxxxxxxxxxx	36.564
Movements during the period			
Acquisitions, including produced fixed assets	8165	....	
Sales and disposals	8175	....	
Transfers from one heading to another (+)/(-)	8185	....	
Acquisition value at the end of the period	8195	36.564	
Revaluation surpluses at the end of the period	8255P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8215	....	
Acquisitions from third parties	8225	....	
Cancelled	8235	....	
Transferred from one heading to another (+)/(-)	8245	....	
Revaluation surpluses at the end of the period	8255	....	
Depreciations and amounts written down at the end of the period	8325P	xxxxxxxxxxxxxxx	36.564
Movements during the period			
Recorded	8275	....	
Written back	8285	....	
Acquisitions from third parties	8295	....	
Cancelled owing to sales and disposals	8305	....	
Transferred from one heading to another (+)/(-)	8315	....	
Depreciations and amounts written down at the end of the period	8325	36.564	
NET BOOK VALUE AT THE END OF THE PERIOD	(26)	....	

	Codes	Period	Preceding period
ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS			
Acquisition value at the end of the period	8196P	xxxxxxxxxxxxxxx	52.855
Movements during the period			
Acquisitions, including produced fixed assets	8166	213.770	
Sales and disposals	8176		
Transfers from one heading to another (+)/(-)	8186	-186.406	
Acquisition value at the end of the period	8196	80.219	
Revaluation surpluses at the end of the period	8256P	xxxxxxxxxxxxxxx	
Movements during the period			
Recorded	8216		
Acquisitions from third parties	8226		
Cancelled	8236		
Transferred from one heading to another (+)/(-)	8246		
Revaluation surpluses at the end of the period	8256		
Depreciations and amounts written down at the end of the period	8326P	xxxxxxxxxxxxxxx	
Movements during the period			
Recorded	8276		
Written back	8286		
Acquisitions from third parties	8296		
Cancelled owing to sales and disposals	8306		
Transferred from one heading to another (+)/(-)	8316		
Depreciations and amounts written down at the end of the period	8326		
NET BOOK VALUE AT THE END OF THE PERIOD	(27)	80.219	

STATEMENT OF FINANCIAL FIXED ASSETS

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8391P	xxxxxxxxxxxxxxx	738.753.766
Movements during the period			
Acquisitions	8361	....	
Sales and disposals	8371	....	
Transfers from one heading to another (+)/(-)	8381	....	
Acquisition value at the end of the period	8391	738.753.766	
Revaluation surpluses at the end of the period	8451P	xxxxxxxxxxxxxxx	1.169.211.523
Movements during the period			
Recorded	8411	....	
Acquisitions from third parties	8421	....	
Cancelled	8431	....	
Transferred from one heading to another (+)/(-)	8441	....	
Revaluation surpluses at the end of the period	8451	1.169.211.523	
Amounts written down at the end of the period	8521P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8471	....	
Written back	8481	....	
Acquisitions from third parties	8491	....	
Cancelled owing to sales and disposals	8501	....	
Transferred from one heading to another (+)/(-)	8511	....	
Amounts written down at the end of the period	8521	....	
Uncalled amounts at the end of the period	8551P	xxxxxxxxxxxxxxx	....
Movements during the period (+)/(-)	8541	....	
Uncalled amounts at the end of the period	8551	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(280)	1.907.965.289	
AFFILIATED ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	281P	xxxxxxxxxxxxxxx	855.520.751
Movements during the period			
Additions	8581	195.804.067	
Repayments	8591	....	
Amounts written down	8601	....	
Amounts written back	8611	....	
Exchange differences (+)/(-)	8621	....	
Other movements (+)/(-)	8631	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(281)	1.051.324.818	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8651	....	

	Codes	Period	Preceding period
OTHER ENTERPRISES - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8393P	xxxxxxxxxxxxxxx	....
Movements during the period			
Acquisitions	8363	....	
Sales and disposals	8373	....	
Transfers from one heading to another (+)/(-)	8383	....	
Acquisition value at the end of the period	8393	....	
Revaluation surpluses at the end of the period	8453P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8413	....	
Acquisitions from third parties	8423	....	
Cancelled	8433	....	
Transferred from one heading to another (+)/(-)	8443	....	
Revaluation surpluses at the end of the period	8453	....	
Amounts written down at the end of the period	8523P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8473	....	
Written back	8483	....	
Acquisitions from third parties	8493	....	
Cancelled owing to sales and disposals	8503	....	
Transferred from one heading to another (+)/(-)	8513	....	
Amounts written down at the end of the period	8523	....	
Uncalled amounts at the end of the period	8553P	xxxxxxxxxxxxxxx	....
Movements during the period (+)/(-)	8543	....	
Uncalled amounts at the end of the period	8553	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(284)	....	
OTHERS ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	285/8P	xxxxxxxxxxxxxxx	150.897
Movements during the period			
Additions	8583	....	
Repayments	8593	....	
Amounts written down	8603	....	
Amounts written back	8613	....	
Exchange differences (+)/(-)	8623	....	
Other movements (+)/(-)	8633	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(285/8)	150.897	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8653	....	

PARTICIPATING INTERESTS INFORMATION

PARTICIPATING INTERESTS AND SHARES IN OTHER ENTERPRISES

List of the enterprises in which the enterprise holds a participating interest, (recorded in heading 280 and 282 of assets) and the other enterprises in which the enterprise holds rights (recorded in headings 284 and 51/53 of assets) for an amount of at least 10 % of the capital issued.

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	Rights held				Data extracted from the most recent annual accounts			
	Nature	directly		subsidiaries	Annual accounts as per	Currency code	Capita land reserves	Net result
		Number	%	%			(+) or (-) (in units)	
Ontex bvba *BE 0419.457.296* *Private company with limited liability* *Genthof 5* *9255 Buggenhout* *Belgium*					*31/12/2017*	*EUR*	*455.933.235*	*21.734.331*
	Capital shares	*371.481.132*	*99,99*	*0,0*				

OTHER INVESTMENTS AND DEPOSITS, ALLOCATION DEFERRED CHARGES AND ACCRUED INCOME

	Codes	Period	Preceding period
INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS			
Shares and current investments other than fixed income investments	51		
Shares - Book value increased with the uncalled amount	8681		
Shares - Uncalled amount	8682		
Precious metals and works of art	8683		
Fixed income securities	52		
Fixed income securities issued by credit institutions	8684		
Fixed term accounts with credit institutions	53		
With residual term or notice of withdrawal			
up to one month	8686		
between one month and one year	8687		
over one year	8688		
Other investments not mentioned above	8689		

	Period
DEFERRED CHARGES AND ACCRUED INCOME	
Allocation of heading 490/1 of assets if the amount is significant	
Accrued interests	*3.065.406*
Other	*434.985*

STATEMENT OF CAPITAL AND SHAREHOLDING STRUCTURE

	Codes	Period	Preceding period
STATEMENT OF CAPITAL			
Social capital			
Issued capital at the end of the period	100P	xxxxxxxxxxxxxxx	748.715.886
Issued capital at the end of the period	(100)	823.587.466	

	Codes	Value	Number of shares
Changes during the period			
Capital increase of 22.03.2017		74.871.581	7.486.110
....		....	....
....		....	....
....		....	....
Structure of the capital			
Different categories of shares			
Shares without nominal value		823.587.466	82.347.218
....		....	....
....		....	....
....		....	....
Registered shares	8702	xxxxxxxxxxxxxx	....
Shares dematerialized	8703	xxxxxxxxxxxxxx	82.347.218

	Codes	Uncalled amount	Capital called but not paid
Capital not paid			
Uncalled capital	(101)	....	xxxxxxxxxxxxxx
Called up capital, unpaid	8712	xxxxxxxxxxxxxx	....
Shareholders having yet to pay up in full			
....		....	....
....		....	....
....		....	....
....		....	....

	Codes	Period
Own shares		
Held by the company itself		
Amount of capital held	8721	29.254.624
Corresponding number of shares	8722	1.068.686
Held by the subsidiaries		
Amount of capital held	8731	....
Corresponding number of shares	8732	....
Commitments to issue shares		
Owing to the exercise of conversion rights		
Amount of outstanding convertible loans	8740	....
Amount of capital to be subscribed	8741	....
Corresponding maximum number of shares to be issued	8742	....
Owing to the exercise of subscription rights		
Number of outstanding subscription rights	8745	....
Amount of capital to be subscribed	8746	....
Corresponding maximum number of shares to be issued	8747	....
Authorized capital not issued	8751	197.388.776

	Codes	Period
Shares issued, non representing capital		
Distribution		
Number of shares	8761	....
Number of voting rights attached thereto	8762	....
Allocation by shareholder		
Number of shares held by the company itself	8771	....
Number of shares held by its subsidiaries	8781	....

PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Period
ANALYSIS OF THE HEADING 164/5 OF LIABILITIES IF THE AMOUNT IS SIGNIFICANT	
Share based payments	7.057.148

STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME

	Codes	Period
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
Current portion of amounts payable after more than one year falling due within one year		
Financial debts	8801	....
Subordinated loans	8811	....
Unsubordinated debentures	8821	....
Leasing and other similar obligations	8831	....
Credit institutions	8841	....
Other loans	8851	....
Trade debts	8861	....
Suppliers	8871	....
Bills of exchange payable	8881	....
Advance payments received on contract in progress	8891	....
Other amounts payable	8901	....
Total current portion of amounts payable after more than one year falling due within one year	(42)	....
Amounts payable with a remaining term of more than one but not more than five years		
Financial debts	8802	*643.630.523*
Subordinated loans	8812	....
Unsubordinated debentures	8822	....
Leasing and other similar obligations	8832	....
Credit institutions	8842	*625.630.523*
Other loans	8852	*18.000.000*
Trade debts	8862	....
Suppliers	8872	....
Bills of exchange payable	8882	....
Advance payments received on contracts in progress	8892	....
Other amounts payable	8902	....
Total amounts payable with a remaining term of more than one but not more than five years	8912	*643.630.523*
Amounts payable with a remaining term of more than five years		
Financial debts	8803	*150.000.000*
Subordinated loans	8813	....
Unsubordinated debentures	8823	....
Leasing and other similar obligations	8833	....
Credit institutions	8843	*150.000.000*
Other loans	8853	....
Trade debts	8863	....
Suppliers	8873	....
Bills of exchange payable	8883	....
Advance payments received on contracts in progress	8893	....
Other amounts payable	8903	....
Total amounts payable with a remaining term of more than five years	8913	*150.000.000*

	Codes	Period
GUARANTEED AMOUNTS PAYABLE *(included in headings 17 and 42/48 of the liabilities)*		
Amounts payable guaranteed by Belgian public authorities		
Financial debts	8921	....
Subordinated loans	8931	....
Unsubordinated debentures	8941	....
Leasing and similar obligations	8951	....
Credit institutions	8961	....
Other loans	8971	....
Trade debts	8981	....
Suppliers	8991	....
Bills of exchange payable	9001	....
Advance payments received on contracts in progress	9011	....
Remuneration and social security	9021	....
Other amounts payable	9051	....
Total amounts payable guaranteed by Belgian public authorities	9061	....
Amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets		
Financial debts	8922	*823.630.523*
Subordinated loans	8932	....
Unsubordinated debentures	8942	....
Leasing and similar obligations	8952	....
Credit institutions	8962	*805.630.523*
Other loans	8972	*18.000.000*
Trade debts	8982	....
Suppliers	8992	....
Bills of exchange payable	9002	....
Advance payments received on contracts in progress	9012	....
Taxes, remuneration and social security	9022	....
Taxes	9032	....
Remuneration and social security	9042	....
Other amounts payable	9052	....
Total amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets	9062	*823.630.523*

	Codes	Period
TAXES, REMUNERATION AND SOCIAL SECURITY		
Taxes *(heading 450/3 of the liabilities)*		
Outstanding tax debts	9072	....
Accruing taxes payable	9073	*101.027*
Estimated taxes payable	450	*968.645*
Remuneration and social security *(heading 454/9 of the liabilities)*		
Amounts due to the National Social Security Office	9076	....
Other amounts payable in respect of remuneration and social security	9077	*2.397.438*

ACCRUALS AND DEFERRED INCOME

Allocation of heading 492/3 of liabilities if the amount is significant

	Period
Accrued interests	*839.127*
Commitment Fee	*262.352*
....	....
....	....

OPERATING RESULTS

	Codes	Period	Preceding period
OPERATING INCOME			
Net turnover			
Allocation by categories of activity			
....		....	....
....		....	....
....		....	....
....		....	....
Allocation into geographical markets			
....		....	....
....		....	....
....		....	....
....		....	....
Other operating income			
Operating subsidies and compensatory amounts received from public authorities	740	....	....
OPERATING CHARGES			
Employees for whom the enterprise submitted a DIMONA declaration or who are recorded in the general personnel register			
Total number at the closing date	9086	*66*	*62*
Average number of employees calculated in full-time equivalents	9087	*65,6*	*54,3*
Number of actual worked hours	9088	*111.734*	*91.669*
Personnel costs			
Remuneration and direct social benefits	620	*6.900.147*	*7.638.805*
Employers' contribution for social security	621	*1.752.541*	*1.424.710*
Employers' premiums for extra statutory insurance	622	*630.582*	*184.643*
Other personnel costs (+)/(-)	623	*689.640*	*323.100*
Retirement and survivors' pensions	624	....	....

	Codes	Period	Preceding period
Provisions for pensions and other similar rights			
Appropriations (uses and write-backs) (+)/(-)	635		
Amounts written off			
Stocks and contracts in progress			
Recorded	9110		
Written back	9111		
Trade debts			
Recorded	9112		
Written back	9113		
Provisions for liabilities and charges			
Additions	9115	98.989	1.876.724
Uses and write-backs	9116		
Other operating charges			
Taxes related to operation	640	15.881	1.999
Other costs	641/8		
Hired temporary staff and personnel placed at the enterprise's disposal			
Total number at the closing date	9096	2	2
Average number calculated in full-time equivalents	9097	1,1	1,4
Number of actual worked hours	9098	2.069	2.778
Costs to the enterprise	617	138.432	184.682

FINANCIAL RESULTS

	Codes	Period	Preceding period
RECURRING FINANCIAL INCOME			
Other financial income			
Subsidies granted by public authorities and recorded as income for the period			
Capital subsidies	9125	....	....
Interest subsidies	9126	....	....
Allocation of other financial income			
Exchange differences		*9.501.489*	*15.774.433*
Realized gain hedging purchasing		*4.036*	*0*
Early Redemption Premium		*4.007.874*	*0*
IRS varation fee		*317.171*	*0*
RECURRING FINANCIAL CHARGES			
Depreciation of loan issue expenses	6501	....	*435.295*
Capitalized Interests	6503	....	....
Amounts written off current assets			
Recorded	6510	*2.014.336*	....
Written back	6511	....	....
Other financial charges			
Amount of the discount borne by the enterprise, as a result of negotiating amounts receivable	653	....	....
Provisions of a financial nature			
Appropriations	6560	....	....
Uses and write-backs	6561	....	....
Allocation of other financial charges			
Exchangerate differences (+)/(-)		*12.996.298*	*13.685.901*
Early Redemption fee (+)/(-)		*5.937.500*	*0*
IRS varation fee (+)/(-)		*805.755*	*0*
Factor fee (+)/(-)		*343.074*	*688.750*
Agency fee (+)/(-)		*205.110*	*0*
Other financial costs (+)/(-)		*163.583*	*135.012*

INCOME AND CHARGE OF EXCEPTIONAL SIZE OR INCIDENCE

	Codes	Period	Preceding period
NON RECURRING INCOME	76	594.594	
Non-recurring operating income	(76A)	594.594	
Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760		
Write-back of provisions for extraordinary operating liabilities and charges	7620		
Capital gains on disposal of intangible and tangible fixed asset	7630		
Other non-recurring operating income	764/8	594.594	
Non-recurring financial income	(76B)		
Write-back of amounts written down financial fixed assets	761		
Write-back of provisions for extraordinary financial liabilities and charges	7621		
Capital gains on disposal of financial fixed assets	7631		
Other non-recurring financial income	769		
NON-RECURRING EXPENSES	66	3.298.663	273.802
Non-recurring operating charges	(66A)	3.291.163	250.727
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	660		
Provisions for extraordinary operating liabilities and charges: Appropriations (uses) (+)/(-)	6620		
Capital losses on disposal of intangible and tangible fixed assets	6630		
Other non-recurring operating charges	664/7	3.291.163	250.727
Non-recurring operating charges carried to assets as restructuring costs .(-)	6690		
Non-recurring financial charges	(66B)	7.500	23.075
Amounts written off financial fixed assets	661		
Provisions for extraordinary financial liabilities and charges - Appropriations (uses) (+)/(-)	6621		
Capital losses on disposal of financial fixed assets	6631		
Other non-recurring financial charges	668	7.500	23.075
Non-recurring financial charges carried to assets as restructuring costs ...(-)	6691		

INCOME TAXES AND OTHER TAXES

	Codes	Period
INCOME TAXES		
Income taxes on the result of the period	9134	1.114.886
Income taxes paid and withholding taxes due or paid	9135	1.114.886
Excess of income tax prepayments and withholding taxes paid recorded under assets	9136	....
Estimated additional taxes	9137	....
Income taxes on the result of prior periods	9138	....
Additional income taxes due or paid	9139	....
Additional income taxes estimated or provided for	9140	....
In so far as taxes of the period are materially affected by differences between the profit before taxes as stated in annual accounts and the estimated taxable profit		
Disallowed expenses (+)/(-)		1.573.806
Goodwill depreciation (+)/(-)		29.699.728
Use of fiscal loss (+)/(-)		-11.002.934
Deduction for innovation (+)/(-)		-470.843
DRD or Dividends Received Deduction (+)/(-)		-28.436.524

	Period
Impact of non recurring results on the amount of the income taxes relating to the current period	
....	....
....	....
....	....
....	....

	Codes	Period
Status of deferred taxes		
Deferred taxes representing assets	9141	119.857.395
Accumulated tax losses deductible from future taxable profits	9142	119.857.395
Other deferred taxes representing assets		
....		....
....		....
....		....
Deferred taxes representing liabilities	9144	....
Allocation of deferred taxes representing liabilities		
....		....
....		....
....		....

	Codes	Period	Preceding period
VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES			
Value added taxes charged			
To the enterprise (deductible)	9145	4.921.441	4.061.164
By the enterprise	9146	787.415	538.530
Amounts withheld on behalf of third party			
For payroll withholding taxes	9147	4.466.210	2.686.265
For withholding taxes on investment income	9148	14.822.499	11.322.473

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

	Codes	Period
PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE ENTERPRISE AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES	9149	*1.727.545.426*
Of which		
Bills of exchange in circulation endorsed by the enterprise	9150	
Bills of exchange in circulation drawn or guaranteed by the enterprise	9151	
Maximum amount for which other debts or commitments of third parties are guaranteed by the enterprise	9153	
REAL GUARANTEES		
Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of the enterprise		
Mortgages		
Book value of the immovable properties mortgaged	9161	
Amount of registration	9171	
Pledging of goodwill - Amount of the registration	9181	
Pledging of other assets - Book value of other assets pledged	9191	
Guarantees provided on future assets - Amount of assets involved	9201	
Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of third parties		
Mortgages		
Book value of the immovable properties mortgaged	9162	
Amount of registration	9172	
Pledging of goodwill - Amount of the registration	9182	
Pledging of other assets - Book value of other assets pledged	9192	
Guarantees provided on future assets - Amount of assets involved	9202	

	Codes	Period
GOODS AND VALUES, NOT DISCLOSED IN THE BALANCE SHEET, HELD BY THIRD PARTIES IN THEIR OWN NAME BUT AT RISK TO AND FOR THE BENEFIT OF THE ENTERPRISE		
....		....
....		....
....		....
SUBSTANTIAL COMMITMENTS TO ACQUIRE FIXED ASSETS		
....		....
....		....
....		....
SUBSTANTIAL COMMITMENTS TO DISPOSE OF FIXED ASSETS		
....		....
....		....
....		....
FORWARD TRANSACTIONS		
Goods purchased (to be received)	9213	....
Goods sold (to be delivered)	9214	....
Currencies purchased (to be received)	9215	*119.818.871*
Currencies sold (to be delivered)	9216	*119.818.871*

	Period
COMMITMENTS RELATING TO TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES	
....	....
....	....
....	....
....	....

	Period
AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS	
....	....
....	....
....	....
....	....

SUPPLEMENT RETIREMENTS OR SURVIVORS PENSION PLANS IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE

Brief description

There is a defined contribution plan, covered by a group insurance, in place for employees for which the premiums paid are expensed in the respective accounting year.

Measures taken by the enterprise to cover the resulting charges

	Codes	Period
PENSIONS FUNDED BY THE ENTERPRISE		
Estimated amount of the commitments resulting from past services	9220	....
Methods of estimation		
....		
....		
....		
....		

	Period
NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS AFTER THE CLOSING DATE NOT INCLUDED IN THE BALANCE SHEET OR THE INCOME STATEMENT	
....	....
....	....
....	....
....	....

	Period
COMMITMENTS TO PURCHASE OR SALE AVAILABLE TO THE COMPANY AS ISSUER OF OPTIONS FOR SALE OR PURCHASE	
Stock Options	*25.240.909*

	Period
NATURE, COMMERCIAL OBJECTIVE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET	
Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the company	
Ontex Group NV has a factoring agreement with a financial institution for an amount of EUR 120.000.000 per December 31, 2017	*0*
Due to the new refinancing, the structure and content of the guarantees have changed. The old real guarantees were cleared by a general release agreement fulfilling all local formalities. The new guarantees, included under code 9149, 9381 and 9391, are determined in accordance with the syndicate credit facilities agreement and were calculated on the equity of the Guarantor (Ontex Group NV) and the Co-guarantors (listed below) *Guarantors SFA* *Ontex Group NV (Belgium)* *Ontex BVBA (Belgium)* *Ontex CZ (Czech Republic)* *Ontex Mayen GmbH (Germany)* *Ontex Hygiëneartikel GmbH (Germany)* *Ontex Vertrieb Gmbh (Germany)* *Ontex Manufacturing (Italy* *Serenity Spa (Italy)* *Ontex Peninsular SA (Spain)* *Ontex ID SA (Spain)* *Ontex Retail UK Ltd (United Kingdom)* *Ontex Healthcare UK (United Kingdom)* *Grupo P.I. Mabe, S.A. de C.V.I. (Mexico)* *Productos Internationales Mabe, S.A. de C.V. (Mexico)* *Falcon Distribuiçao, Armazenamento e Transporte SA (Brazil)* *Active Industria de Cosméticos SA (Brazil)*	*0*

	Period
OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those which can not be quantified)	

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES			
Financial fixed assets	(280/1)	2.959.290.107	2.763.486.040
Participating interests	(280)	1.907.965.289	1.907.965.289
Subordinated amounts receivable	9271		
Other amounts receivable	9281	1.051.324.818	855.520.751
Amounts receivable	9291	74.869.705	31.701.283
Over one year	9301		
Within one year	9311	74.869.705	31.701.283
Current investments	9321		
Shares	9331		
Amounts receivable	9341		
Amounts payable	9351	172.602.157	453.541.079
Over one year	9361	18.000.000	56.836.350
Within one year	9371	154.602.157	396.704.729
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises	9381	1.727.545.426	2.795.338.220
Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise	9391	1.523.031.663	2.449.000.000
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421	29.933.183	20.222.753
Income from current assets	9431	34.201.587	29.004.199
Other financial income	9441		
Debt charges	9461	1.270.358	1.721.946
Other financial charges	9471		
Disposal of fixed assets			
Capital gains obtained	9481		
Capital losses suffered	9491		

	Codes	Period	Preceding period
ASSOCIATED ENTERPRISES			
Financial fixed assets	9253		
Participating interests	9263		
Subordinated amounts receivable	9273		
Other amounts receivable	9283		
Amounts receivable	9293		
Over one year	9303		
Within one year	9313		
Amounts payable	9353		
Over one year	9363		
Within one year	9373		
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of associated enterprises	9383		
Provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise	9393		
Other significant financial commitments	9403		
OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS			
Financial fixed assets	9252		
Participating interests	9262		
Subordinated amounts receivable	9272		
Other amounts receivable	9282		
Amounts receivable	9292		
Over one year	9302		
Within one year	9312		
Amounts payable	9352		
Over one year	9362		
Within one year	9372		

	Period
TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET CONDITIONS	
Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions which should be necessary to get a better understanding of the situation of the company	
NIHIL	*0*

FINANCIAL RELATIONSHIPS WITH

DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS

	Codes	Period
Amounts receivable from these persons	9500	....
Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts		
....		
....		
Guarantees provided in their favour	9501	....
Other significant commitments undertaken in their favour	9502	....
Amount of direct and indirect remunerations and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person		
To directors and managers	9503	717.500
To former directors and former managers	9504	....

AUDITORS OR PEOPLE THEY ARE LINKED TO

	Codes	Period
Auditor's fees	9505	198.050
Fees for exceptional services or special missions executed in the company by the auditor		
Other attestation missions	95061	9.900
Tax consultancy	95062	....
Other missions external to the audit	95063	12.000
Fees for exceptional services or special missions executed in the company by people they are linked to		
Other attestation missions	95081	....
Tax consultancy	95082	14.000
Other missions external to the audit	95083	....

Mentions related to article 133, paragraph 6 from the Companies Code

INFORMATION RELATING TO CONSOLIDATED ACCOUNTS

INFORMATION TO DISCLOSE BY EACH ENTERPRISE THAT IS SUBJECT TO COMPANY LAW ON THE CONSOLIDATED ACCOUNTS OF ENTERPRISES

The enterprise has prepared and published consolidated accounts and a consolidated report

VALUATION RULES

BE 0550.880.915
Summary Accounting policies
"naamloze vennootschap" Ontex Group , Korte Keppestraat 21, 9320 Erembodegem

The accounting policies have been set in accordance with the Royal Decree of 30 January 2001 in execution of the Companies Act. These are applicable for the valuation of the whole set of receivables, liabilities and obligations, of whatever nature, related to Ontex Group NV and the own funds provided to this Company.

The accounting policies are in particular applicable for the determination and adjustment of depreciations, amortizations and provisions for liabilities and charges as well as revaluations.
1.General Accounting Policies
a) Individual valuation of each asset component
Every component of the assets is valued individually. The depreciations, amortizations and revaluations are specific to the related asset components. The provisions for liabilities and charges are valued individually.

b) Prudence, sincerity and good faith
The amortizations, depreciations, valuations and provisions for liabilities and charges meet the requirements of prudence, sincerity and good faith.
The depreciations, amortizations and provisions for liabilities and charges are systematically recorded and don't depend on the result of the year.
c) Acquisition value - nominal value - revaluation
As a general rule, each component of the assets is valued at its acquisition cost and shown in the balance sheet for that amount, minus any depreciation or write-downs.
However :
- The amounts receivable are shown, in principle, at their nominal value.
- The tangible assets as well as the investments and shares reported under the financial assets can be valued according to the cases indicated in article 57 of the abovementioned Royal Decree.
2.Specific Accounting Policies
Formation expenses
These expenses are shown at their acquisition value and are amortized using the straight-line method over 5 years as from the year of acquisition on a prorated daily basis.
The capitalized issuance costs relating to the borrowings are amortized over the term of the loan.

Restructuring costs are recognized in the section "Formation expenses" from the balance sheet and amortized using the straight-line method over a period of 5years on a prorated basis.

Tangible and intangible fixed assets
a) Valuation gross value
Tangible assets are carried at acquisition value and recorded for that amount in the balance sheet less any accumulated depreciation and impairment loss.
The acquisition value represents the acquisition cost or where appropriate, the manufacturing price.
The acquisition cost includes the acquisition price and any directly attributable costs.
The manufacturing price includes in addition to the acquisition cost of the raw materials, consumables and supplies also the production costs.

b) Depreciations
Tangible assets with finite useful lives are depreciated spreading the related cost over the probable useful life of the asset. The tax regulations concerning declining balance depreciations and other methods of accelerated depreciations can be used .
An exceptional depreciation is applied to disposed assets or assets that are no longer useful for the Company's activities in order to align their book value with their likely realization value.
The intangible assets are amortized as follows:

-Research and development costs 20 % straight-line
-Concessions, patents and licenses 20 % straight-line
-Goodwill 20 % straight-line
-Prepayments /

The tangible assets are depreciated as follows:
-Land and buildings 5 % straight-line 5 % declining balance
-Additional building costs 5 % straight-line 5 % declining balance
- Installation, machinery and equipment 20 % straigth-line - 20 % declining balance - 33 % straight-line (second hand and small equipment)
-Furniture and vehicles 20 % straight-line - 20 % declining balance - 25 % straight-line 33 % straight-line (second hand)
-Leasing and similar rights 20 % straight-line - 20 % declining balance
-Other tangible assets 3 % straight-line - 33 % straight-line
-Assets under construction /

The assets are depreciated as from the year of acquisition on a prorata daily basis.
The accounting year ending as per 31 december 2014 represents the Company's first accounting year.

Financial assets
Investments are recorded at their acquisition price or contribution value without supplementary costs.
Receivables and guarantees are recorded at their nominal value.
An impairment loss is accounted for in case of permanent capital loss or decline in value.

Amounts receivable within one year
Amounts receivable are recorded on the balance sheet at their nominal value.
An appropriate write-down will be made if part or all of the payment on the due date is uncertain, or if the recoverable amount on the balance sheet date is lower than the book value.

Cash investments
Cash investments are valued at their nominal value.
Repurchased own shares are valued at the acquisition value as calculated using the LIFO method.

Cash and cash equivalents
Balances held with financial institutions are valued at their nominal value.
Both positive and negative translation differences for cash and cash equivalents in foreign currency are recorded in the financial results.

Provisions for liabilities and charges
Management determines with prudence and good faith the provisions to be recorded for any pending disputes, charges and risks.

Amounts payable after more than 1 year and within 1 year
Amounts payable are shown in the balance sheet at their nominal value.

Receivables and payables in foreign currency
Receivables and payables are converted using the exchange rate on the last trading day of the accounting year where both the positive and negative translation results totalized per currency are recorded in the income statement.

Accruals and deferrals
Accruals and deferrals are valued at their acquisition cost and recorded in the balance sheet for the part that refers to the next accounting year or years.

3. Free disclosure
On November 14, 2014 Ontex Group NV closed the offering of 250,0 € million Senior Secured Notes due November 15, 2021 for an issue price of 100%. On November 15, 2017 the Group has redeemed all

outstanding Notes. As a result of this early redemption, the Group incurred a redemption expense of 5,9 € million, which is presented in 'Net finance cost' in the consolidated income statement.
At year-end 2016, the Group had a senior facilities agreement, consisting of a Senior Term Loan Facility (Facility A loan 2014) in an amount of 380,0 € million and a Senior Revolving Facility (Facility B loan 2014) in an amount of up to 100,0 € million.
Furthermore the Group has also closed a Senior Term Loan Facility C in an amount of 125,0 € million in 2016. On March 1, 2017 the Group entered into a Senior Term Loan Facility D in an amount of 125,0 €.
All these facilities have been refinanced through the 2017 syndicate facilities agreements mentioned below.
On September 26, 2017 the Group entered into a syndicate credit facilities agreement in an amount of 600,0 million (Syndicated Term Loan A) and a revolving credit facility (Syndicated Term Loan B) in an amount of up to 300,0 €. At December 31, 2017 30,0 € million of the senior revolving facility was drawn.
Furthermore the Group has also closed a term loan of 150,0 € million due 2024. This agreement also includes an accordion option of 100,0 €.

Due to the new refinancing, the structure and content of the guarantees have changed.
The old real guaranties were cleared by a general release agreement fulfilling all local formalities.
The new guarantees, included under code 9149, 9381 and 9391, are determined in accordance with the syndicate credit facilities agreement and were calculated on the equity of the Guarantor (Ontex Group NV) and the Co-guarantors (listed below)

Guarantors SFA
Ontex Group NV (Belgium)
Ontex BVBA (Belgium)
Ontex CZ (Czech Republic)
Ontex Mayen GmbH (Germany)
Ontex Hygiëneartikel GmbH (Germany)
Ontex Vertrieb Gmbh (Germany)
Ontex Manufacturing (Italy
Serenity Spa (Italy)
Ontex Peninsular SA (Spain)
Ontex ID SA (Spain)
Ontex Retail UK Ltd (United Kingdom)
Ontex Healthcare UK (United Kingdom)
Grupo P.I. Mabe, S.A. de C.V.I. (Mexico)
Productos Internationales Mabe, S.A. de C.V. (Mexico)
Falcon Distribuiçao, Armazenamento e Transporte SA (Brazil)
Active Industria de Cosméticos SA (Brazil)

The company is part of a VAT unit that was established within the Ontex Group and of which the following companies are part of

- Ontex BVBA
- Eutima BVBA
- Ontema BVBA

As a consequence, the company is liable for the VAT debts of all the above mentioned companies.

With regard to note 6.16 of the annual report, code 9503 shows the amount that is in line with the remuneration report.

OTHER DOCUMENTS TO BE FILED UNDER BELGIAN COMPANY LAW

MANAGEMENT REPORT

FREE TRANSLATION FOR INFORMATIONAL PURPOSES

Ontex Group
Public limited Company
Korte Keppestraat 21
9320 Erembodegem
BTW BE 0550 880 915
RPR Dendermonde
(the "Company")

BOARD OF DIRECTORS REPORT OF NV ONTEX GROUP TO THE ORDINARY SHAREHOLDERS MEETING OF MAY 25, 2018

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1. General

The Board of Directors presents you the separate annual accounts and reports to you in respect of its management during the financial year started on January 1, 2017 and ended on December 31, 2017.

2. Introduction

The Group - Ontex Group NV

Our teams delivered a strong LFL revenue in 2017, ahead of our markets despite very competitive conditions. This growth is across all 3 categories, and we gained share in most of our markets, including our leading position in European retailer brands. Our Mature Market Retail had a particularly strong performance, and confirmed the strengths we have built over decades in these markets after some temporary challenges faced in 2016.
Our efforts to drive this strong revenue growth to adjusted EBITDA largely mitigated significant input cost and FX headwinds and capacity constraints. However, the Brazilian business acquired last year impacted overall group profitability. While disappointing, we have taken appropriate actions and will continue to do so, and remain confident in the long-term opportunity for Ontex from this foothold in a major personal hygiene market. Going forward, we will have significant recurring benefits to earnings and cash flows from a successful debt refinancing.

3. Comments to the statutory accounts per December 31, 2017

3.1 Financial year

The financial year started on January 1, 2017 and ended on December 31, 2017, which is a period of 12 months.

3.2 Balance Sheet

The most important sections are disclosed here below

The section 'Formation expenses' amounts to € 2,194,975 and consist out of the issuance costs of the new shares issued in view of the capital increases realized in 2015 for an amount of € 771,327 and 2017 for a total amount of € 1,423,648.

The section 'Intangible fixed assets' mainly consists of a merger goodwill resulting from the simplification of the company structure in 2015 for an amount of € 59,399,455. Aside from the merger goodwill, this section also includes the concessions and licenses for the SAP and Microsoft software for an amount of € 12,570,024.

The section 'Tangible fixed assets' amounts to € 2,553,418 and mainly consists out of IT servers and IT related material (€ 2,472,158).

The section 'Financial fixed assets' includes the participation of Ontex Group NV in Ontex BVBA for an amount of € 1,907,965,289. The section 'Financial fixed assets' also includes receivable positions on affiliated companies for an amount of € 1,051,324,818 and guarantees for an amount of € 150,897 per December 31, 2017.

The section 'Amounts receivable within one year – trade debtors' amounts to € 67,301,961 and consists mainly of factored trade receivables.

The section 'Amounts receivable within one year - Other amounts receivable' amounts to € 52,115,977 per December 31, 2017 and consists mainly of current accounts with other members of the Ontex Group, which are managed on a daily basis and on which monthly interests are charged.

The accrual accounts of the assets mainly include accrued interests of the above mentioned loans.

The section 'Current investments – Own shares' consists out of an amount of € 29,254,624 of own shares. The group implemented a full hedging program through a total return swap on June 1, 2015 for the share bases payments LTIP 2014, LTIP 2015, LTIP 2016 and LTIP 2017. This was extended per June 1, 2017. As a consequence Ontex Group recognized treasury shares for the above mentioned amount.

De section 'Capital' amounts to € 823,587,466, represented by 82,347,218 shares without nominal value.

On March 22, 2017, the Board of Directors decided to increase the capital through a contribution in kind , by the issuance of 7,486,110 new ordinary shares at a share price of €29.5 per share. As a consequence the Board of Directors confirmed a capital increase by contribution in cash for an amount of € 74,871,581 (excluding a share premium amounting to € 145,968,664) from €748,715,886 to €823,587,466 represented by 82,347,218 shares.

The 'Share premium' amounts to € 412,742,142 per December 31, 2017 which is an increase compared to December 31, 2016 as a result of the capital increase described above.

The section 'Reserves' amounts to € 321,329,248 per December 31,2017 and consists out of the following reserves:

- Legal Reserve for an amount of € 29,660,184.

This reserve was established based on art. 616 of the Belgian company code. Each year, the annual shareholders should allocate at least 5% of the net result to a legal reserve. The obligation to provide for this reserve ends when 10% of the issued capital is reached.

- Unavailable reserves for own shares for an amount of € 29,254,624

  In view of the recognition of own shares, the company formed an unavailable reserve in accordance with art. 623 of the Belgian company code. An unavailable reserve should be formed equal to the value of the own shares included on the balance sheet of the company.

  Untaxed reserve for an amount of € 675,443
- Available reserves for an amount of € 261,738,997

The section 'Provisions for other liabilities and charges' amounts to € 7,057,148 and consists of the provision in view of the Long Term Incentive Plan (LTIP), based on a combination of stock options and restricted stock units. For more information on this incentive plan, we refer to chapter 15.5 of this report.

The section 'Amounts payable after more than one year' amounts to € 793,630,523 per December 31, 2017 and is composed of Senior Term Loan Facilities (€ 600,000,000 and € 150,000,000); loans received from members of the Ontex Group (€ 18,000,000) and a loan issued by ING in view of the total return swap (€ 25,630,523) for share based payments.

The section 'Amounts payable within one year' amounts to € 397,628,697 and mainly consists out of the outstanding debt in view of the factoring agreements in place of all the members of Ontex Group (€ 154,066,931), revolving credit facility (€ 30,000,000) trade debt (€ 6,284,543), tax payables (€ 1,069,672) and payables with regard to remuneration and social security (€ 2,397,438).

The section 'other amounts payable' amounts to € 203,810,113 and mainly consists out of current accounts with other members of the Ontex Group (€ 154,333,451) and the dividend to be paid (€49,408,331).

The accruals and deferred income consists mainly of the accrued interests on the mentioned loans.

3.3 Income Statement

The operational loss amounts to € 22,384,497 at the end of 2017 , aside from the management costs of the group in 2017, it is mainly composed of the depreciation expenses on the merger goodwill for an amount of € 29,699,728.

The financial result at the end of 2017 amounts to a gain of € 27,505,157. This is mainly the result of the receipt of a dividend from Ontex BVBA (€29,933,183) and interests calculated on loans issues to different members of the group (€33,014,618).This gain was partially compensated by the interest charge on the mentioned debt, costs for bond early redemption and current account positions with the different members of the Ontex group.

The company closes the year 2017 with a gain of € 3,330,331.

4. Reporting & Analysis required by Article 96 § 1, 1° Belgian Companies Code.

With regard to the analysis & reporting requirement as stated in Article 96 §1, 1° of the Belgian Companies Code, the following can be stated:

Considering the activity of the company, rendering of services within the Ontex group, the company stand alone is not exposed to operational risks other than those applicable for the Ontex Group. For an overview of the risks and uncertainties of the Ontex Group, we refer to chapter 19 of this report.

5. Events after the end of the reporting period ended December 31, 2017 (Article 96 § 1 ,2° Belgian Companies Code)

There are no significant events after the reporting period that could have a significant impact on the annual accounts per December 31, 2017, presented in this report.

6. Circumstances that may have a material impact on the development of the company (Article 96 § 1,3° Belgian Companies Code)

Unless mentioned otherwise in this report, no circumstances have occurred that could affect the company's development considerably.

7. Research and Development expenses (Article 96 § 1, 4° Belgian Companies Code)

Given the holding activity of the company, there were no significant expenses related to research and development in 2017.

8. Information in relation to branch offices (Article 96 § 1, 5 Belgian Companies Code)

The company does not have any branches.

9. Financial Instruments (Article 96 § 1, 8° Belgian Companies Code)

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate-, foreign exchange rate- and commodity price risks. Therefore interest rate CAP contracts are used to limit the interest charges on the long term loans with variable interest rate.
During 2017, the group decided to enter into interest rate SWAP's and commodity hedging contracts for the raw material prices. The policy related to the currency risk hedging was followed appropriately.

The group also entered into a full hedging program for the share based payments through a total return swap. The purpose of this financial instrument is to effectively hedge the risk that a price increase of the Ontex shares would negatively impact future cash flows related to the share-based payments.

10. Acquisition own shares

The company has own shares per December 31,2017 for an amount of €29.254.624 and were obtained in view of the full hedging of the share based payments. We refer to paragraph 3.2 of this report.

11. Compliance with the 2009 Belgian Code on Corporate Governance (Article 96 §2, 1°& 2° Belgian Companies Code)

The Company is committed to high standards of corporate governance and relies on the Corporate Governance Code as a reference code. The Corporate Governance Code is based on a "comply or explain" approach. Belgian listed companies must comply with the Corporat Governance Code but may deviate from those provisions which are not otherwise contained in the Belgian Companies Code, and provided they disclose the justification for any such deviations in their corporate governance statement included in the Annual Report in accordance with Article 96 §2, 2°, of the Belgian Companies Code. The Company complies with all provisions of the Corporate Governance Code, except in respect of the following:

- The Company's Articles of Association allow the Company to deviate from all provisions of Article 520ter of the Belgian Companies Code and hence to grant shares, stock options and other share-based incentives vesting earlier than three years after their grant. However, the Company has not yet made use of such authorization and the LTIP, the LTIP 2014, LTIP 2015 as well as the LTIP 2016 and 2017, as described within the Remuneration Report, provides for a vesting period of three years for the stock options and RSUs;
- The CEO and certain other members of the Management Committee are entitled, in certain circumstances, to a severance pay which is higher than 12 or 18 months of remuneration if the Company decides to apply the non-competition clauses in their respective agreements to the fullest extent provided by such agreements (see Remuneration Report for a detailed description thereof). In accordance with Article 554, 4th indent, of the Belgian Companies Code, with respect to Charles Bouaziz and Artipa BVBA, with Thierry Navarre as its permanent representative, the annual shareholders' meeting of May 26, 2015 approved a severance payment exceeding 18 months, in certain circumstances. The Company deems such deviations from the Corporate Governance Code necessary to attract and retain competent executive directors and managers in the competitive environment in which the Company operates.

12. Capital and Shareholders

12.1 Capital and capital evolutions during 2017

As at December 31, 2017, the capital of Ontex Group NV amounted to €823.587.466,38 and was represented by 82.347.218 shares without nominal value. Each share represents 1/82.347.218th of the capital and carries one vote. The shares are listed on Euronext Brussels.

On March 22, 2017, the Board resolved to increase the share capital in the framework and within the limits of the authorized capital, through a capital increase in kind as described below..

The Company has entered into a transaction (the "Ontex Brazil Transaction") whereby it, through Ontex BVBA, a wholly-owned subsidiary of the Company, and certain subsidiaries of Ontex BVBA, has directly or indirectly acquired all outstanding shares of Falcon Distribuidora Armazenamento E Transporte, a Brazilian company which manufactures disposable hygienic products ("Falcon").

As a consequence of the above, on March 22, 2017, the Board confirmed the realization of a capital increase in kind in an amount of €74,871,580.58 (excluding issue premium in an amount of €145,968,664.42), from €748,715,885.80 to €823,587,466.38, represented by a total number of 82,347,218 shares.

In addition, the Board approved in 2017 a new grant under the Long Term Incentive Plan (as defined below) (the 2017 grant being referred to as the "LTIP 2017"). In 2014, the Company adopted a Long Term Incentive Plan approved by the Board and the Shareholder Meeting on June 3, 2014 and June 10, 2014 respectively (the "Long Term Incentive Plan") which consists of a combination of stock options and restricted stock units (hereafter "RSUs"). The Board has previously approved grants under the Long Term Incentive Plan, in 2014, 2015, 2016 and 2017 (respectively the "LTIP 2014", the "LTIP 2015", the "LTIP 2016", the "LTIP 2017", and the Long Term Incentive Plan including the LTIP 2014, the LTIP 2015, the LTIP 2016 and the LTIP 2017 being referred to as the "LTIP"). The stock options and RSUs granted under the LTIP do not confer any shareholder rights, and the shares to be delivered to participants upon exercise of their stock options or upon vesting of their RSUs are existing shares of the Company with all rights and benefits attached to such shares. A more detailed description of the LTIP and the LTIP 2017 is set out in the Remuneration Report.

The grants made by Ontex under its LTIP provide for a three-year vesting period. Accordingly, the grants that were made in 2014 vested as from 31 July 2017. In order to meet its obligations thereunder, Ontex has partially exercised a forward purchase agreement with the following characteristics:

Date	Number of shares	Strike price	Highest price	Lowest price
Originally entered into on 21 July 2015	274,439	€ 29.070	28.685*	€ 25.800*

* The highest price and lowest price, respectively, reflects the highest price and lowest price of Ontex shares on Euronext Brussels during the period 1 July 2015 until 21 July 2015 during which underlying Ontex shares were bought by its counterparty under the forward purchase agreement and on the basis of which the strike price of € 27.070 was determined.

More details about the vested Stock Options and RSUs can be found in the remuneration report.

More details about the forwards purchase agreement can be found in the financial statements, note 7.4.6.

Pursuant to the above, on December 31 2017, 208,291 shares of the Company were held by the Company. On December 31 2017, 11,185,038 shares of the Company were registered shares (aandelen op naam).

12.2 Shareholder evolutions

Pursuant to the Company's Articles of Association and the Corporate Governance Charter, the applicable successive thresholds as regards the application of the Law of May 2, 2007 on the disclosure of significant shareholdings in issuers whose shares are admitted to trading on a regulated market and other provisions (hereafter the "Law of May 2, 2007") and the Royal Decree of February 14, 2008 on the disclosure of significant shareholdings, are set at 3%, 5%, 7.5%, 10% and any subsequent multiples of 5%.

In the course of 2017, the Company received the following transparency declarations:

On January 25, 2017, the Company received a transparency declaration from Allianz Global Investors GmbH stating that, on January 20, 2017, it crossed below the threshold of 3% of the total number of voting rights in the Company.

On February 9, 2017 BlackRock, Inc., and its affiliated entities, notified the Company that BlackRock, Inc. and Blackrock Investment Management (UK) Limited had, as a result of sales of shares, crossed below the threshold of 5% and 3% respectively, of the total number of voting rights in Ontex.

On March 2, 2017, BlackRock, Inc., and its affiliated entities, notified the Company that BlackRock, Inc. had, as a result of sales of shares, crossed below the threshold of 3% of the total number of voting rights in Ontex, excluding equivalent financial instruments.

On June 20, 2017, Allianz Global Investors GmbH notified the Company that it had acquired 2,521,427 shares in Ontex and so had crossed the threshold of 3% of the total number of voting rights in Ontex to 3,06%.

On June 22, 2017, Norges Bank notified the Company that it had, as a result of sales of shares, crossed below the threshold of 3% of the total number of voting rights in Ontex.

On June 30, 2017, Black Creek Investment Management Inc. notified the Company that it holds, as a result of the acquisition of voting securities or voting rights, 2,612,528 shares in Ontex and so had crossed the threshold of 3% of the total number of voting rights in Ontex to 3.17%.

On October 3, 2017, Aviva plc, and its affiliated entities, notified the Company that Aviva plc had, as a result of sales of shares, crossed below the threshold of 3% of the total number of voting rights in Ontex, excluding equivalent financial instruments.

We refer to our website for transparency declarations received after December 2017[1]

[1] http://www.ontexglobal.com/ShareInformation

Shareholder structure

Based on the transparency declarations received by the Company, the shareholder structure of the Company as at December 31, 2017, was as follows:

Shareholders	Shares	%[2]	Date threshold crossed
Groupe Bruxelles Lambert SA[3]	11,239,897	15,01%	17 May 2016
Janus Capital Management LCC	3,424,055	4.75%	10 November 2015
The Pamajugo Irrevocable Trust	2,722,221	3.64%	29 February 2016
Black Creek Investment Management Inc.	2,612,528	3.17%	27 June 2017
Allianz Global Investors GmbH	2,521,427	3.06%	16 June 2017
AXA Investment Managers SA	2,053,236	3.02%	7 August 2014

13. Dealing and disclosure code

On June 3, 2014, the Board approved the Ontex Dealing and Disclosure Code (the "Dealing and Disclosure Code") in accordance with provision 3.7 of the Corporate Governance Code. The Dealing and Disclosure Code was subsequently amended on April 2, 2015 and most recently on June 28, 2016. The Dealing and Disclosure Code restricts transactions in Ontex Group NV securities by members of the Board and of the Management Committee, and by certain senior employees of the Ontex Group during closed and prohibited periods. The Dealing and Disclosure Code also contains rules concerning the internal approval of intended transactions, as well as the disclosure of executed transactions through a notification to the Belgian Financial Services and Markets Authority, and disclosure of inside information. The Corporate Legal Counsel is the Compliance Officer for purposes of the Dealing and Disclosure Code.

[2] Percentage based on the number of outstanding shares in the capital of the Company at the time of the declaration

[3] The actual percentage of GBL per 31 December 2017 is equal to 19,98%

14. Risk management and internal control framework (Article 96 § 2, 13° Belgian Companies Code)

14.1 Introduction

The Ontex Group operates a risk management and control framework in accordance with the Belgian Companies Code and the Corporate Governance Code. The Ontex Group is exposed to a wide variety of risks within the context of its business operations that can result in its objectives being affected or not achieved. Controlling those risks is a core task of the Board (including the Audit and Risk Committee), the Management Committee and all other employees with managerial responsibilities.

The risk management and control system has been set up to reach the following goals:

- Achievement of the Ontex Group objectives;
- Achieving operational excellence;
- Ensuring correct and timely financial reporting; and
- Compliance with all applicable laws and regulations.

14.2 Control Environment

14.2.1 Three lines of defense

The Ontex Group applies the "three lines of defense model" to clarify roles, responsibilities and accountabilities, and to enhance communication within the area of risk and control. Within this model, the lines of defense to respond to risks are:

- First line of defense: line management is the first responsible for assessing risks on a day-to-day basis and implementing controls in response of these risks.
- Second line of defense: the oversight functions like Finance and Controlling, Quality, Compliance, Tax and Legal oversee and challenge risk management as executed by the first line of defense. The second line of defense actors provide guidance and direction and develop a risk management framework.
- Third line of defense: independent assurance providers like internal audit and external audit challenge the risk management processes as executed by the first and second line of defense.

14.2.2 Policies, procedures and processes

The Ontex Group fosters an environment in which its business objectives and strategy are pursued in a controlled manner. This environment is created through the implementation of different company-wide policies, procedures and processes such as the Ontex values, Ontex Code of Ethics, the Anti-Bribery Policy, the Antitrust Policy, the Quality Management System and the Delegation of Authorities ruleset. The Management Committee fully endorses these initiatives. The employees are regularly informed and trained on these subjects in order to develop sufficient risk management and control at all levels and in all areas of the organization.

14.2.3 Group-wide ERP system

The main portion of the Group entities operate the same group-wide ERP systems which are managed centrally. These systems embed the roles and responsibilities defined at the Ontex Group level. Through these systems, the main flows are standardized and key controls are enforced. The systems also allow detailed monitoring of activities and direct access to data.

14.2.4 Risk management

Sound risk management starts with identifying and assessing the risks associated with the Company's business and external factors. Once the relevant risks are identified, the Company strives to prudently manage and minimize such risks, acknowledging that certain calculated risks are necessary to ensure that the Ontex Group achieves its objectives and continues to create value for its stakeholders.
All employees of the Ontex Group are accountable for the timely identification and qualitative assessment of the risks within their area of responsibility.

The Ontex Group has identified and analyzed its key corporate risks as disclosed under the Strategic Report of this Annual Report. These corporate risks are communicated to the various levels of management.

14.2.5 Control activities

Control measures are in place to minimize the effect of risk on the Ontex Group's ability to achieve its objectives. These control activities are embedded in the Ontex Group's key processes and systems to assure that the risk responses and the Ontex Group's overall objectives are carried out as designed. Control activities are conducted throughout the organization, at all levels and within all departments.

In 2016, an Internal Controls Manager was appointed to facilitate the further development of control activities in a structured way. Key legal compliance areas are monitored for the entire Ontex Group by Local Compliance Coordinators, the Head of Compliance, the Legal Compliance Manager and the Compliance Steering Committee. The Legal Compliance function supports the adoption of clear processes and procedures with respect to (i) the Code of Conduct and the Anti-Bribery Policy (ii) Antitrust Policy, and (iii) insider trading, the Dealing and Disclosure Code, and other listing obligations. The Compliance Steering Committee is composed of the COO, the CFO, the Group HR Director, the Group General Counsel and the Head of Compliance and meets regularly to discuss and decide on legal compliance issues and action plans. The Compliance Steering Committee reports on its activities to the Management Committee.

In addition to these control activities, an insurance program is being implemented for selected risk categories that cannot be absorbed without material effect on the Company's balance sheet.

14.2.6 Information and communication

The Ontex Group recognizes the importance of timely, complete and accurate communication and information both top-down as well as bottom-up. The Ontex Group therefore put several measures in place to assure amongst others:

- Security of confidential information;
- Clear communication about roles and responsibilities; and
- Timely communication to all stakeholders about external and internal changes impacting their areas of responsibility.

14.2.7 Monitoring of control mechanisms

Monitoring helps to ensure that internal control systems operate effectively.

The quality of the Ontex Group's risk management and control framework is assessed by the following actors:

- Internal Audit. The tasks and responsibilities assigned to Internal Audit are defined in the Internal Audit Charter, which has been approved by the Audit and Risk Committee. The key mission of Internal Audit as defined in the Internal Audit Charter is "to add value to the organization by applying a systematic, disciplined approach to evaluating the internal control system and providing recommendations to improve it".
- External Audit. In the context of its review of the annual accounts, the statutory auditor focuses on the design and effectiveness of internal controls and systems relevant for the preparation of the financial statements. The outcome of the audits, including work on internal controls, is reported to management and the Audit and Risk Committee and shared with Internal Audit.
- Audit and Risk Committee. The Board and the Audit and Risk Committee have the ultimate responsibility with respect to internal control and risk management. For more detailed information on the composition and functioning of the Audit and Risk Committee, see chapter 15.5.1 of this Corporate Governance Statement.

14.2.8 Risk management and internal control with regard to the process of financial reporting

The accurate and consistent application of accounting rules throughout the Ontex Group is assured by means of a Finance and Accounting Manual.

On a quarterly basis, a bottom-up risk analysis is conducted to identify risk factors. Action plans are defined for all key risks. Specific identification procedures for financial risks are in place to assure the completeness of financial accruals.

The accounting teams are responsible for producing the accounting figures, whereas the controlling teams check the validity of these figures. These checks include coherence tests by comparison with historical and budget figures, as well as sample checks of transactions according to their materiality.

Specific internal control activities with respect to financial reporting are in place, including the use of a periodic closing and reporting checklist. This checklist assures clear communication of timelines, completeness of tasks, and clear assignment of responsibilities.

Uniform reporting of financial information throughout the Ontex Group ensures a consistent flow of information, which allows the detection of potential anomalies. The group-wide ERP systems and management information tools allow the central controlling team direct access to disaggregated financial and non-financial information.

An external financial calendar is planned in consultation with the Board and the Management Committee, and this calendar is announced to the external stakeholders. The objective of this external financial reporting is to provide Ontex stakeholders with the information necessary for making sound business decisions. The financial calendar can be consulted on www.ontexglobal.com/calendar.

15. Remuneration Report

15.1 Remuneration policy and procedure for the Board of Directors

The remuneration of the Non-Executive members of the Board was amended by approval of the shareholders' meeting of May 25, 2016 as proposed by the Board of Directors, upon recommendation of the Remuneration and Nomination Committee. It took into account the responsibilities and the commitment of the Board members to develop the Ontex Group and was intended to attract and retain individuals who have the necessary experience and competencies for this role.

Pursuant to this shareholders' resolution the following remuneration policy was approved:

- Non-Executive Board member retainer: €60,000 paid out annually to each Non-Executive member of the Board of Directors, other than the Chairperson of the Board of Directors;
- Non-Executive Board member attendance fee: €2,500 paid out to each Non-Executive member of the Board of Directors, other than the Chairperson of the Board of Directors, for each Board meeting attended;
- Board Chairperson retainer: €120,000 paid out annually to the Chairperson of the Board of Directors;
- Board Chairperson attendance fee: €5,000 paid out to the Chairperson of the Board of Directors for each Board meeting attended;
- Committee member attendance fee (with respect to the Remuneration and Nomination Committee respectively Audit and Risk Committee): €2,500 paid out to each Non-Executive Committee member, other than the Chairperson of the relevant Committee, for each Committee meeting attended;
- Committee Chairperson retainer (with respect to the Remuneration and Nomination Committee respectively Audit and Risk Committee): €10,000 paid out annually to the Chairperson of each Committee; and
- Committee Chairperson attendance fee (with respect to the Remuneration and Nomination Committee respectively Audit and Risk Committee): €4,000 paid out to the Chairperson of each Committee for each Committee meeting attended in his or her capacity of Chairperson of such Committee.

These amounts are excluding any applicable VAT.

In addition, Non-Executive Directors benefit from the D&O Policy, described under chapter 15.6 of this Corporate Governance Statement.

The remuneration of the Executive Directors is described below under chapter 15.6 of this Corporate Governance Statement. None of the Executive Directors received any director fee.

Going forward, the remuneration policy will be reviewed on a regular basis by the Remuneration and Nomination Committee in line with prevailing market conditions for listed companies in Belgium and
companies of similar size in an equivalent FMCG market.

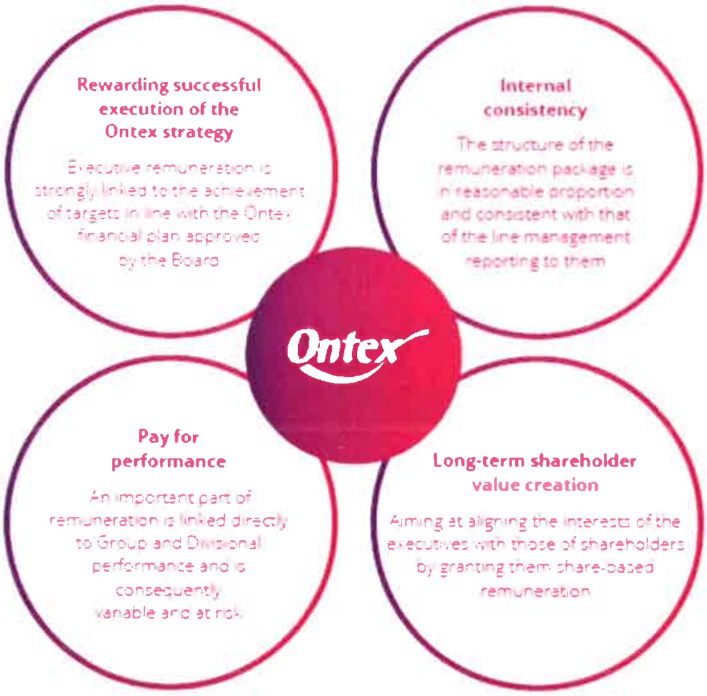
2017 Non-Executive Director remuneration overview (by member, in Euros)

Name	Function	Paid Fee
Revalue BVBA, represented by Luc Missorten	Chairman of the Board Independent Director	200,000 €
Inge Boets BVBA, represented by Inge Boets	Chairman of the Audit and Risk Committee Independent Director	131,500 €
Tegacon Suisse GmbH, represented by Gunnar Johansson	Chairman of the Remuneration and Nomination Committee Independent Director	128,500 €
Uwe Kruger	Independent director	85,000 €
Juan Gilberto Marín Quintero	Non-Executive Director	87,500 €
Regi Aalstad	Independent Director	42,500 €
Michael Bredael	Non-Executive Director	42,500 €

15.2 Remuneration policy and procedure for the Executive Management Team

The Company's remuneration policy for the Management Committee was developed in order to attract, motivate and retain talent executives, who have the necessary drive to deliver results toward our growth ambitions. The remuneration policy aims at creating high performance culture to achieve long-term profitable growth. Growth is defined by financial growth, but also in terms of organizational transformation and people development. To achieve this goal, the Management Committee members are evaluate against business objectives and people development objectives

The structure of the executive remuneration package is based upon the following principles:



Base salaries for the members of the Management Committee are reviewed annually by the Remuneration and Nomination Committee. The salary adjustments, following approval by the Board, become effective as of January 1 each year. As part of this annual exercise, the Remuneration and Nomination Committee considers:

- The average salary increase in the country in which the executive is employed;
- The market positioning of the executive's compensation package;
- The different tenure and experience of each executive;
- Changes in the scope and responsibility of the executive; and
- The executive's individual performance.

The target short term variable remuneration ("bonus") of the members of the Executive Management Team is at least 50% of their fixed base salary. The target percentage is based on the level of each executive. An important part of the bonus is linked to the group performance and the divisional performance and achievement of the growth targets. The shareholders' meeting has granted the Company the authority to deviate from the requirements in relation to variable remuneration included in Article 520ter of the Belgian Companies Code, as recorded in Article 30 of the Articles of Association and as further described within section 7 of this Corporate Governance Statement.

The composition of the bonus is as follows:

• A 70% (or 80% for the CEO) collective part determined by financial objectives that are required to achieve the Company's long term plan and growth ambition. For the General Managers of divisions, the 70% is split into 35% group and 35% divisional objectives. In 2017, the targets were revenue, EBITDA and free cash flow. These targets are decided by the Board. The payout of this part of the bonus is based on the achievements of the business targets. Below 90% of the achievements of the targets, no bonus is paid out. In addition, this part of the bonus is capped at a maximum of 150%.

• A 30% (or 20% for the CEO) individual part determined by the achievement of the individual business and people development objectives. Every member of the Management Committee agrees these objectives with the CEO and the Chairman of the Board at the start of the performance year. The objectives for the CEO are agreed with the Chairman of the Board. This part of the bonus is calculated based on the performance evaluation of each executive at the end of the year. The evaluation scores are recommended by the CEO and approved by the Board, upon recommendation of the Remuneration and Nomination Committee. The performance score for the CEO is recommended by the Chairman, upon consultation with the Remuneration and Nomination Committee and approved by the Board. The payout of this part of the bonus is also capped at 150%.

15.3 Fixed and short term variable remuneration 2017 of the CEO (total cost)

Fixed base remuneration: 915.456€.
- 2017 short term variable remuneration (paid out in 2018): 357.028 €.
- Aggregate other elements of remuneration (medical insurances, car perks): 64.794 €.

There are no pension contributions or other elements of remuneration within the meaning of Article 96, §3, 6°, c) and d), of the Belgian Companies Code, except for the Long Term Incentives Plan grant described under chapter 15.5 of this Corporate Governance Statement and the D&O Policy described under chapter 15.6 of this Corporate Governance Statement.

The assessment of performance is based on audited results and the evaluation of the Board of the individual performance of the CEO. There is no deferral with respect to the variable remuneration or claw back provision in case such variable remuneration would have been granted on the basis of inaccurate financial data. The decrease of the CEO's remuneration for 2017 compared to 2016 is due to the reduction of the short term variable remuneration.

15.4 Fixed and short-term variable remuneration 2017 for the members of the Management Committee (excluding the CEO)

- Aggregate fixed base remuneration: 4.265.756€
- Aggregate 2017 short term variable remuneration (paid out in 2018): 1.186.902€.
- Aggregate pension entitlements (defined contribution plan structure) and life and disability insurance contributions: 352.315€.
- Aggregate other elements of remuneration (medical insurance, company cars, a.o.): 235.603€.

In addition, the members of the Management Committee benefit from the D&O Policy, described under chapter 15.6 of this Corporate Governance Statement.

The assessment of performance is based on audited results and the recommendation of the CEO with respect to his evaluation of the individual performance of the Management Committee members. There is no claw back provision or deferral with respect to the variable remuneration in case such variable remuneration has been granted on the basis of inaccurate financial data. The figures are based on real remuneration paid, taking into account entry date in the company. The decrease of the remuneration for 2017 compared to 2016 is due to the reduction of the short term variable remuneration.

15.5 Long Term Incentives

In 2017 the Company implemented the LTIP 2017, which consists of a combination of stock options and RSUs.

A RSU is the right to receive from the Company one share in the Company per vested restricted stock unit, for no consideration. The RSUs vest not less than three years after the grant date. A stock option gives the right to purchase from the Company one share in the Company per vested stock option, during a predetermined timeframe, by paying a predetermined exercise price. A stock option can only be exercised not less than three years after the grant date, in accordance with the principle set out in Article 520ter of the Belgian Companies Code. The vesting of the stock options and RSUs is subject to certain conditions, such as the participant remaining in service until the vesting date. The evolution of the share price between grant and vesting or exercise has been considered to be the relevant performance indicator and the vesting of the LTIP 2016 award is thus not subject to specific performance conditions. The number of RSUs and stock options granted to the members of the members of the Executive Management Team/Management Committee in 2017 and the aggregate amount of outstanding options and RSUs for the LTIP can be summarized as follows:

	# RSU's		# Stock Options	
	Granted in 2017	Vested in 2017	Granted in 2017	Vested in 2017
Charles Bouaziz	10.368	7.868	45.052	38.930
Philippe Agostini	3.098	1.484	13.463	7.343
Özgür Akyildiz	2.716	1.822	11.801	9.018
Amselem, Armando	3.425	0	14.882	0
Laurent Bonnard	2.443	1.491	10.616	7.379
Astrid De Lathauwer	2.430	1.399	10.559	6.922
Annick De Poorter	2.144	1.329	9.316	6.576
Martin Gärtner	1.891	1.124	8.218	5.561
Xavier Lambrecht	2.711	1.498	11.779	7.414
Thierry Navarre	4.828	3.359	20.979	16.620
Oriane Perreaux	1.705	980	7.408	4.849
Jacques Purnode	4.327	2.980	18.802	14.747
Mauricio Troncoso	3.322	0	14.436	0
Thierry Viale	1.942	1.427	8.440	7.061

15.6 D&O Policy

Ontex Group NV has entered into a Directors and officers insurance policy (the "D&O Policy") covering claims that would be made against any of the insured persons, subject to certain exceptions. Insured persons are, among others, natural persons who qualify as (i) a director or officer or (ii) an employee while acting in a managerial or supervisory capacity, of Ontex Group NV and/or of any of its subsidiaries.

15.7 Termination Provisions

Charles Bouaziz, Artipa BVBA (Thierry Navarre) and Cepholli BVBA (Jacques Purnode) may claim a termination indemnity in lieu of notice of up to 12 (3 for Cepholli) months fixed remuneration plus bonus and a non-compete (and/or additional termination) indemnity of up to 12 months fixed remuneration.

The other members of the Management Committee have different contractual termination provisions depending on their personal situation and (where applicable) employment location, whereby contractual termination compensation is however (contractually) capped within the limits of article 554 of the Belgian Company Code. The maximum total contractual non-compete provision combined with applicable contractual termination indemnit(y)(ies) is 18 months. Hence all contractual termination provisions, as set out below are fully in line with Belgian corporate governance regulations.

Name	Contractual notice entitlement	Contractual non-compete and/or additional termination indemnity
Astrid De Lathauwer, Laurent Bonnard, Marex BVBA (Xavier Lambrecht), Oriane Perreaux, Philippe Agostini, Thierry Viale, Mauricio Troncoso, Özgür Akyildiz	3 months	12 months
Annick De Poorter	3 months	15 months
Martin Gärtner	12 months	6 months
Armando Amselem	90 calendar days	9 months

15.8 Information about the remuneration policy in the coming two years

In 2015 and 2016, the Remuneration and Nomination Committee reviewed the competitiveness of the total remuneration for the different levels in the organization.

The Committee reviewed and discussed an extensive benchmark study by Mercer, a global benefits consulting firm, with respect to medical, death & disability and pension benefits for all employees and all countries in the Ontex group. Based on the results of this study, a roadmap was developed for those countries where our current benefits coverage is below the median of the local market.

In 2017, the Remuneration and Nomination Committee also contracted with Willis Towers Watson, a global advisory for executive reward, to benchmark the Ontex remuneration practices. This study reviewed the competitiveness of the total remuneration levels of the members of the Management Committee at Ontex, in comparison to:

- A sample of companies which are active within the FMCG sector and which are comparable in size (measured in terms of revenues and number of employees) for total direct compensation (total target cash compensation plus the expected value of long term incentives).
- BEL20 as a validation of the market levels resulting from the international peer comparison group and as a frame of reference for the main perquisites and retirement & related risk benefits.

On a total compensation basis this benchmarking study showed that Ontex was lagging behind the benchmark for some Management Committee members. The Committee therefore has decided to recommend an enhancement of the remuneration package of some Management Committee members, in order to align the remuneration levels with the median of the market. This adaptation may be implemented over a multi-year period.
The Remuneration Committee has also initiated discussions on a potential change of the LTIP as from 2019 onwards. The current LTIP has been approved for a 5 year period, ending in 2018. In the course of 2018, the Remuneration Committee will make a recommendation for a new LTIP plan. In this context, the Committee will investigate the optimal way of linking the output of the LTIP to the long-term performance of the company.

16. Board and Board Committees (Article 96 §2, 5° Belgian Companies Code)

16.1 Board composition

Pursuant to the Corporate Governance Code, at least half of the directors should be non-executive and at least three directors should be independent in accordance with the criteria set out in Article 526ter of the Belgian Companies Code and the Corporate Governance Code. The composition of the Board as at December 31, 2017 complies with these recommendations.

On December 31, 2017, the Board was composed as follows:

Name	Mandate	Other mandates per 31/12/2017	Mandaat since	Mandaat expires
Revalue BVBA, represented by Luc Missorten	Chairman, independent director	Barco NV, Corelio NV, GIMV, Recticel NV, Scandinavian Tobacco Group	2014	2018
Regi Aalstad	Independent Director	A Drop in the Ocean	2017	2021
Inge Boets BVBA, represented by Inge Boets	Independent Director	Euroclear plc, Econopolis Wealth Management NV, QRF Management NV, La Scoperta BVBA, VZW	2014	2018

		Altijd Vrouw, Van Breda Risk & Benefits		
Charles Bouaziz	Chief Executive Officer	ESSEC Business School Alumni, Les Amis de Vaulserre et du Trieves, PAI partners	2014	2018
Michael Bredael	Non-Executive Director		2017	2021
Tegacon Suisse GmbH, represented by Gunnar Johansson	Independent Director	Laeringsverkstedet AS	2014	2018
Uwe Krüger	Independent Director	SUSI Partners, Aggreko plc, Swiss Nuclear Commission	2014	2018
Artipa BVBA, represented by Thierry Navarre	Chief Operating Officer		2014	2018
Cepholli BVBA, represented by Jacques Purnode	Chief Financial Officer	John Martin's Breweries	2014	2018
Juan Gilberto Marin Quintero	Non-executive Director	Member of the World Economic Forum	2016	2020

Jonas Deroo was appointed as corporate secretary by the Board on May 8, 2015.

The following paragraphs set out the biographical information of the current members of the Board, including information on other director mandates held by these members.

Luc Missorten, Independent Director, Chairman. Luc Missorten was appointed as Independent Director of Ontex Group NV as of June 30, 2014. On April 10, 2015, Luc Missorten was appointed Chairman, in replacement of Paul Walsh. On May 26, 2015, Revalue BVBA, with Luc Missorten as its permanent representative, was appointed as Independent Director to replace Luc Missorten who resigned. Luc Missorten holds a law degree from the Catholic University of Leuven, a Certificate of Advanced European Studies from the College of Europe, Bruges and an LL.M from the University of California,

Berkeley. In the past, Luc Missorten served as a Vice President of Citibank from 1981 to 1990 and held the function of Corporate Finance Director for Interbrew from 1990 to 1995. From 1995 to 1999, he served as CFO for Labatt Brewing Company. Afterwards, Luc Missorten held the function of CFO at Interbrew (now AB InBev) from 1999 until 2003, and of CFO at UCB from 2003 to 2007. Luc Missorten has been the Chief Executive Officer and a board member of Corelio from 2007. As from September 2014, he resigned as Chief Executive Officer from Corelio but remains a board member of Corelio to date. Currently, Luc Missorten is also an Independent

Director of Barco, chairs its audit committee and is a member of its remuneration committee. In addition, he is an Independent Director of GIMV, where he chairs the audit committee. Further, Luc Missorten is an Independent Director at Recticel, where he chairs the audit committee and is a member of its remuneration committee. Luc Missorten is also an Independent Director at Scandinavian Tobacco Group. He is as well an independent board member at Mateco.

Inge Boets, Independent Director. Inge Boets BVBA, with Ms. Boets as its permanent representative, was appointed as Independent Director of Ontex Group NV as of June 30, 2014. Ms. Boets currently also serves as Chairman of the Audit and Risk Committee. She holds a master degree in applied economics from the University of Antwerp, Belgium. Ms. Boets was a partner with Ernst & Young from 1996 through 2011 where she was the Global Risk leader and held several other roles in audit and advisory. Currently, Ms. Boets is also an Independent Director at Euroclear, Econopolis Wealth Management, VZW Altijd Vrouw, and and Chairs the Board of Triginta and QRF. Finally, Inge Boets BVBA, with Ms. Boets as its permanent representative, is director of Van Breda Risk & Benefits and La Scoperta BVBA .

Regi Aalstad. Regi Aalstad has over 25 years of experience in global fast moving consumer goods. Ms.
Aalstad has held Regional General Manager and Vice President positions with Procter & Gamble in Asia, Europe, Middle East and Africa. She joined P&G in the Nordics in 1988 and from 1996 to 2014 held leadership roles in emerging markets. Ms. Aalstad chairs the humanitarian organization 'A Drop
in the Ocean', supporting refugees in Greece. She advises and help found digital start-ups from Switzerland, where she resides. Ms. Aalstad has Non-Executive Director experience with public industry-leading companies operating globally in telecom, digital services and sanitary sector. She holds a Master of Business Administration in International Business from University of Michigan, USA.

Michael Bredael. Michael Bredael is Investment Officer at Groupe Bruxelles Lambert (GBL) since 2016. He started his career at Towers Watson as a consultant in the United States (Atlanta and New York) in 2003 before joining the BNP Paribas Group in 2007. Mr. Bredael held various Investment Banking positions at BNP Paribas, across different offices (New York, Paris, Brussels and London), particularly focusing on cross-border M&A transactions. From 2014 to 2016, he was Head of the M&A Execution Group of BNP Paribas London. Mr. Bredael holds a masters degree in applied economics from EHSAL (today KU Leuven)

Charles Bouaziz, Chief Executive Officer. Charles Bouaziz joined the Ontex Group in January 2013, and was appointed as an Executive Director of Ontex Group NV as of April 24, 2014.
Charles Bouaziz graduated from École Supérieure des Sciences Economiques et Commerciales (ESSEC). Prior to joining the Ontex Group, Charles Bouaziz held a number of
senior positions during his 25 years in the consumer goods industry. He spent his early career at Michelin (in Canada) and Procter & Gamble before joining PepsiCo in 1991. Charles Bouaziz joined PepsiCo as Marketing Director of France & Belgium and in 1996 became General Manager for France. In 2006, he became General Manager of a group of countries including France, Germany, Italy, Switzerland and Austria. In 2008, Charles Bouaziz was appointed President of

PepsiCo Western Europe. In 2010, he left PepsiCo and became CEO of Monoprix. Charles Bouaziz joined PAI Partners in 2010 as member of the Food & Consumer Goods sector team and later as head of the Portfolio Performance Group. In addition, Charles Bouaziz is President of the ESSEC Business School Alumni and also holds a position at Les Amis de Vaulserre et du Trieves.

Gunnar Johansson, Independent Director. Gunnar Johansson was appointed as Independent Director of Ontex Group NV as of June 30, 2014. Gunnar Johansson was appointed Chairman of the Remuneration and Nomination Committee on April 10, 2015, replacing Luc Missorten. On May 26, 2015, Tegacon AS, with Gunnar Johansson as its permanent representative, was appointed as Independent Director to replace Gunnar Johansson who resigned. He holds an MBA from Norges Handelshøyskole in Bergen, Norway. Gunnar Johansson has vast experience in emerging markets, business-to-business and fast moving consumer goods ("FMCG"). Prior to starting Tegacon Suisse GmbH, he held a number of positions within SCA AB, a global company in the tissue, feminine care, baby diaper and incontinence care industries. Gunnar Johansson worked with SCA from 1981 to 2009, the last years as Global President of the Hygiene Category. He was also a member of the board of Orkla Brands, the largest FMCG company in Norway. Currently, Gunnar Johansson works as a Senior Executive Advisor at his own company, Tegacon Suisse GmbH. He is also Non-Executive Chairman of Laeringsverkstedet, Norway and a member of the board of Hilding Anders in Sweden, and Askona Vek in Russia.

Uwe Krüger, Independent Director. Prof. Dr. Krüger was appointed as Non-Executive Director of Ontex Group NV as of June 2, 2014. The appointment of Uwe Krüger as Independent Director was approved by the Annual Shareholders' Meeting held on May 25, 2016. As from 1 January 2018, Uwe Krueger is Head of Business Services and Senior Managing Director at Temasek INTL., Singapore. Temasek is a leading globally diversified investment company headquartered in Singapore with a net portfolio of S$275 billion. Uwe Krüger has been Chief Executive Officer of WS Atkins plc (Atkins) since August 2011. He is a physicist who graduated from the University of Frankfurt, Germany, with a PhD in complex system theory. He also studied at Columbia University (New York, USA), the Ecole Normale Supérieure (Paris, France) and at Harvard (Boston, USA). Uwe Krüger has spent the majority of his career leading engineering and consulting organisations globally. He began his career at AT Kearney, followed by leadership positions at Hochtief AG in central and eastern Europe and at Turner International in Dallas, USA. More recently he was Chief Executive Officer of Swiss company, Oerlikon. He joined Atkins from Texas Pacific Group and Cleantech Switzerland. Currently, Uwe Krüger is also on the board of Aggreko plc (Glasgow, UK), SUSI Partners (Zurich, Switzerland) and the Swiss Nuclear Commission (Zurich, Switzerland). As an honorary professor of physics he lectures at the University of Frankfurt, Germany.

Thierry Navarre, Chief Operating Officer. Thierry Navarre joined the Ontex Group in May 2006 as the Group Supply Chain Director and was appointed Chief Operating Officer in February 2009. Artipa BVBA, with Thierry Navarre as its permanent representative, was appointed as an Executive Director of Ontex Group NV as of April 24, 2014.

Thierry Navarre holds a degree in Business Administration from École Supérieure de Commerce de Nantes (AUDENCIA), France, and also has a master's degree in Industrial Logistics from the Institut Supérieur de Logistique Industrielle (Groupe École Supérieure de

Commerce), Bordeaux, France. Before joining the Ontex Group, he was Director of Strategy & Development at InBev in France (now AB InBev), between July 2005 and May 2006, and held other senior management positions in supply and distribution at InBev, between 2001 and 2005. Prior to that, he held various roles in logistics and distribution at Fort James (now Georgia Pacific), between 1997 and 2001, and at Jamont (now Georgia Pacific) between 1991 and 1997.

Jacques Purnode, Chief Financial Officer. Jacques Purnode joined the Ontex Group in August 2013, and Cepholli BVBA, with Jacques Purnode as its permanent representative, was appointed as an Executive Director of Ontex Group NV as of April 24, 2014. Jacques Purnode holds a degree of Civil Engineer in metallurgy and a Master of Business Administration from the Université de Liège, Belgium. Prior to joining the Ontex Group, Jacques Purnode held a number of senior positions at AB InBev in various roles in finance as well as in information technology. From 2007, he worked for Coca Cola Enterprises, Inc. in London, where he most recently held the position of CFO for Europe. Currently, Jacques Purnode also holds a position at John Martin's Breweries.

Juan Gilberto Marín Quintero, non-executive director. Juan Gilberto Marin Quintero has been appointed as Non-Executive Directors of Ontex Group NV as from 25 May 2016. Juan Gilberto Marín Quintero is the founder and former chairman of Grupo Mabe. He holds a degree in Business Administration from Universidad Iberoamericana, Mexico City, Mexico, an MBA from Instituto Panamericano de Alta Direccion, Mexico City and a postgraduate in International Business from the British Columbia University, Vancouver, Canada as well as a diploma in Mergers and Acquisitions from Stanford University. Formerly, Juan Gilberto Marín Quintero has been the President of the National Council of Foreign Trade, Conacex, former President of the Advisory Board of Citibanamex in Puebla, and former President of the Advisory Board of NAFINSA in Puebla and Tlaxcala, member of the Advisory Board of Telmex and Bancomext. In addition, Juan Gilberto Marín Quintero is member of the World Economic Forum and has been president at the Latin America Entrepreneur Council, and has been president of the board of Universidad de las Americas. Furthermore, Juan Gilberto Marín Quintero currently also develops Eolic Energy, consumer products, restaurants, textile industry and Real Estate in Mexico.

16.2 Board: evolutions in composition during 2017

On December 31, 2017, the Board of the Company was composed of ten members. With the exception of the CEO, COO and CFO, all Board members are Non-Executive Directors. There are currently 5 Independent Directors within the meaning of Article 526ter of the Belgian Companies Code: Revalue BVBA (with Luc Missorten as its permanent representative), Tegacon Suisse GmbH (with Gunnar Johansson as its permanent representative), Inge Boets BVBA (with Inge Boets as its permanent representative), Uwe Krüger and Regi Aalstad. Further there are currently two non-executive non-independent directors: Gilberto Marin Quintero and Michael Bredael. The annual shareholders' meeting held on May 24, 2017 appointed Regi Aalstad as independent director and Michael Bredael as non-executive director of the Company upon recommendation of the Board and the Remuneration and Nomination Committee.

16.3 Diversity (Article 96 §2, 6° Belgian Companies Code)

Ontex has adopted a diversity policy.

In terms of aims, with respect to all employees, including the board, the management committee and the senior management, Ontex recognizes the benefits of having a diverse Board and Leadership Team to enhance the quality of its performance. Secondly, increasing diversity at the Board, Management Committee and senior management is an essential element in supporting the attainment of our strategic objectives and our sustainable development.

In designing the Board's, Management Committee's and senior management composition, diversity is considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board, Management Committee or Extended Leadership Team.

As at December 31, 2017, the Company had two female Board members, ie, Inge Boets, as permanent representative of Inge Boets BVBA, and Regi Aalstad, representing 20% of the Board members. Since its establishment, the Remuneration and Nomination Committee evaluates the composition of the Board on a yearly basis and formulates suggestions to the Board, among other things taking into account the gender composition, in order to obtain that by January 1, 2020 at least one-third of the members of the Board is of the opposite gender as the gender of the majority of the Board in accordance with Article 518bis, §3, of the Belgian Companies Code (stating that companies whose securities are admitted for the first time for offering for negotiation on a regulated market should meet the quota from the first day of the sixth financial year beginning after this admission).

16.4 Functioning of the Board

During 2017, the Board met 15 times. The attendance rate was as follows:

Name	Board attendance	Attendance rate
Revalue BVBA, represented by Luc Missorten	15/15	100%
Charles Bouaziz	15/15	100%
Cepholli BVBA, represented by Jacques Purnode	14/15	93,33%
Artipa BVBA, represented by Thierry Navarre	15/15	100%
Inge Boets BVBA, represented by Inge Boets	15/15	100%
Tegacon Suisse GmbH, represented by Gunnar Johansson	15/15	100%
Uwe Krüger	13/15	86,66%
Juan Gilberto Marin Quintero	14/15	93,33%
Regi Aalstad	6/6[1]	100%
Michael Bredael	6/6[1]	100%

(1) 6 meetings of the Board were held since the appointment of Michael Bredael and Regi Aalstad on May 24, 2017.

On June 28, 2016 the Board established a management committee (the "Management Committee") to which it has delegated all its management powers, except (i) those powers expressly reserved to
the Board of Directors by law, (ii) matters belonging to the general policy of the Company, and (iii) the supervision of the Management Committee, such powers being further described under chapter 16.5.3. of this Corporate Governance Statement.

Major matters reviewed by the Board during 2017 include, among others:
• The integration of Ontex Brazil;
• Refinancing;
• The approval of the half-year and quarterly financial statements
and corresponding financial reports;
• The financial and overall performance of the Ontex group;
• Various investments and M&A projects; and
• General strategic, financial and operational matters of the Company.

16.5 Board Committees

16.5.1 Audit and Risk Committee

In compliance with Article 526bis,§2 of the Belgian Companies Code and the Corporate Governance Code, all members of the Audit and Risk Committee are non-executive and at least one Director is
independent in accordance with the criteria set out in Article 526ter of the Belgian Companies Code and the Corporate Governance Code.

On December 31, 2017, the Audit and Risk Committee was composed as follows:

Name	Mandate A&R Committee	Mandate since	Mandate expires
Inge Boets BVBA, represented by Inge Boets	Chairman of the Committee, Independent Director	2014	2018
Revalue BVBA, represented by Luc Missorten	Member, Independent Director	2014	2018
Tegacon Suisse GmbH, represented by Gunnar Johansson	Member, Independent Director	2014	2018

During 2017, the Audit and Risk Committee met eight times. The attendance rate was as follows:

Name	A&R Committee meetings attended	Attendance Rate A&R Committee
Inge Boets BVBA, represented by Inge Boets	8/8	100%

Revalue BVBA, represented by Luc Missorten	8/8	100%
Tegacon Suisse GmbH, represented by Gunnar Johansson	8/8	100%

All members attended all meetings. Marc Gallet, Corporate Finance Director, is appointed as Secretary of the Audit and Risk Committee.

The Audit and Risk Committee is entrusted with the tasks set out in Article 526bis, 4, of the Belgian Companies Code. It decided on the agenda, frequency and topics of its meetings, and reviewed the external and internal audit plan, the half year financial statements and the external review on the half-year financial statements, the quarterly financial information contained in the Q1 and Q3 trading updates, the key risks, and their role and responsibility.

As required by the Belgian Companies Code, Ontex Group NV confirms that (i) the Audit and Risk Committee is composed of Non-Executive Directors only and (ii) the Audit and Risk Committee possesses the adequate expertise and experience in the field of the activities of the Company and (iii) Inge Boets, as permanent representative of Inge Boets BVBA, Chairman of the Audit and Risk Committee, is an Independent Director and possesses the adequate expertise and experience in the field of accounting and audit. Reference is made to her biography under chapter 16.1. of this Corporate Governance Statement.

The mandate of PricewaterhouseCoopers Bedrijfsrevisoren BV CVBA ("PwC") as statutory auditor of the Company has been renewed in 2017, on May 24, 2017.

16.5.2 Remuneration and Nomination Committee

In compliance with Article 526quater, §2 of the Belgian Companies Code and the Corporate Governance Code, all members of the Remuneration and Nomination Committee are non-executive and the majority of the members are independent in accordance with the criteria set out in Article 526ter of the Belgian Companies Code and the Corporate Governance Code.

On December 31, 2017, the Remuneration and Nomination Committee was composed as follows:

Name	Position	Mandate since	Mandate expires
Tegacon Suisse GmbH, represented by Gunnar Johansson	Current Chairman of the Committee, Independent Director	2014	2018
Revalue BVBA, represented by Luc Missorten	Independent Director, former Chairman of the Committee	2014	2018
Inge Boets BVBA, represented by Inge Boets	Independent Director	2014	2018

During 2017, the Remuneration and Nomination Committee met six times. The attendance rate was as follows:

Name	N&R Committee meetings attended	Attendance Rate N&R Committee
Tegacon Suisse GmbH, represented by Gunnar Johansson	6/6	100%
Revalue BVBA, represented by Luc Missorten	6/6	100%
Inge Boets BVBA, represented by Inge Boets	6/6	100%

All members attended all meetings. Astrid De Lathauwer, Group HR Director is appointed as Secretary of the Remuneration and Nomination Committee. Charles Bouaziz attended all meetings.

The Remuneration and Nomination Committee is entrusted with the tasks set out in Article 526quater, §5, of the Belgian Companies Code. It decided on the agenda, frequency and topics of the meetings, and reviewed the context and history with respect to Board composition, executive remuneration and terms and conditions of employment. The Remuneration and Nomination Committee also reviewed the performance of the Ontex Group against the key performance indicators ("KPI's") and targets determined for the 2017 performance year.

As required by the Belgian Companies Code, Ontex Group NV confirms that (i) the Remuneration and Nomination Committee is composed of Non-Executive Directors only and a majority of Independent Directors, all its members being Independent Directors, and (ii) Luc Missorten, Gunnar Johansson and Inge Boets possess the adequate expertise and experience in the field of remuneration. Reference is made to their biography under chapter 16.1 of this Corporate Governance Statement.

16.5.3 Management Committee

On June 28, 2016, the Board has decided to establish a Management Committee) within the meaning of Article 524bis of the Belgian Companies Code to be effective as of July 1, 2016 which has the power to perform all actions that are necessary or useful for the realization of the Company's purpose, except for those actions that are, by law or pursuant to the Articles of Association or the Corporate Governance Charter, reserved to the shareholders' meeting or to the Board, including (i) matters belonging to the general policy of the Company, and (ii) the supervision of the Management Committee, or to other management bodies.

Accordingly, the powers of the Management Committee include, without limitation, the operational management and organization of the Company, developing or updating on a yearly basis the overall strategy and business plan of the Company and submitting it to the Board for approval, monitoring the implementation of the overall strategy and business plan of the Company, supporting the CEO in the daily management of the Company and the exercise of his responsibilities, preparing the Company's financial statements and presenting accurate and balanced evaluations of the Company's financial situation to the Board and providing the Board with the information it needs in order to properly fulfil its duties, setting up and maintaining policies related to the risk profile of the Company and systems to identify, assess, manage and monitor financial and other risks within the framework set out by the Board and the Audit and Risk Committee.

The size and composition of the Management Committee is determined by the Board acting on a proposal of the CEO, who chairs the Management Committee. Members of the Management Committee are appointed by the Board based on a proposal of the CEO and upon recommendation of the Remuneration and Nomination Committee. Members of the Management Committee are appointed for an indefinite period and can be dismissed by the Board at any time or cease to be a member of the Management Committee if their management agreement with the Company terminates.

The CEO leads and chairs the Management Committee and decides on the allocation of responsibilities among the members of the Management Committee. The CEO is vested with the day-to-day management of the Company and the execution of the resolutions of the Board and the resolutions of the Management Committee, unless decided otherwise by the Management Committee. In addition, he exercises the special and limited powers assigned to him by the Board or the Management Committee. The CEO reports regularly to the Board, including on the actions taken by the Management Committee.

On December 31, 2017, the Management Committee, consisted of the following members:

Name	**Position**	**Member of the Management Committee since**	**Member of the Management Committee until**
Charles Bouaziz	Chairman of the Management Committee — Chief Executive Officer	2013	2016
Philippe Agostini	Group Chief Procurement and Supply Chain Officer	2013	2016
Özgür Akyıldız	General Manager — Middle East and North Africa Division	2008	2016
Armando Amselem	President van de Americas Retail Division	2016	2016
Laurent Bonnard	Group Sales Director	2013	2016
Astrid De Lathauwer	Group HR Director	2014	2016
Annick De Poorter	Group R&D en Quality Director	2009	2016
Arlipase BVBA, met Arnauld	General Manager — Mature Market Retail Division	2013	2016

Demoulin als vast vertegenwoordiger [4]			
Martin Gärtner	Group Manufacturing Director	2009	2016
Marex BVBA, met Xavier Lambrecht als vast vertegenwoordiger	General Manager — Healthcare Division	2013	2016
Artipa BVBA, met Thierry Navarre als vast vertegenwoordiger	Executive Director — Chief Operating Officer	2009	2016
Oriane Perreaux	Group Marketing Director	2013	2016
Cepholli BVBA, met Jacques Purnode als vast vertegenwoordiger	Executive Director — Chief Financial Officer	2013	2016
Mauricio Troncoso	General Manager – Mature Market Retail Division	2017	1 september 2017
Thierry Viale	General Manager — Growth Markets Division and Strategic Development	2013	2016

During 2017, the Management Committee met monthly and discussed strategic, business, financial and operating matters and Group projects.

The following page sets out the biographical information of the current members of the Management Committee, including information on other Director mandates held by these members.

Charles Bouaziz, Chief Executive Officer. We refer to chapter 16.1 of this report.

Philippe Agostini, Group Chief Procurement & Supply Chain Officer
Appointed 2013. Philippe Agostini previously held various senior positions in Purchasing and Supply Chain for 30 years, at Mars, McDonald's, Lactalis, Pechiney-Alcan, JohnsonDiversey, and most recently Famar, where he held the position of Group Purchasing VP. Philippe holds a degree from the Engineer School École Nationale Supérieure des Arts et Métiers and a degree of Purchasing Master Management des Achats Industriels.

[4] *Mauricio Troncoso has been appointed as General Manager of the Mature Market Retail Divisie, as replacement of Arlipase BVBA.*

Armando Amselem, President of the Americas Retail Division
He joined the Ontex group from Vita Coco where he served as Global Chief Financial Officer. Prior to Vita Coco, Armando Amselem held various management positions in Europe and the US during his 20-year career with PepsiCo, including General Manager of Tropicana North America and General Manager of PepsiCo France. He also worked for Santander Investment Bank, and Alella Vinicola. Armando holds an MBA from New York University Leonard Stern School of Business, USA, and a master's degree in Enology and a bachelor's degree in Agronomic Engineering and Food Sciences from Universidad Politecnica de Barcelona in Spain.

Özgür Akyıldız General Manager of the Middle East North Africa Division Appointed 2008 Özgür Akyıldız joined the Ontex Group in 2002 as an Assistant Sales and Marketing Manager and was appointed General Manager of the Middle East North Africa Division in May 2008. Before joining the Ontex Group, Özgür was Product Manager at Digiturk A.S in Istanbul, between May 2001 and August 2002, and Sales Supervisor, between October 1999 and May 2001. Özgür holds a degree in Business Administration from Boğaziçi University, Istanbul, Turkey.

Laurent Bonnard, Group Sales Director. Appointed 2013. Laurent Bonnard was appointed Group Sales Director for the Ontex Group on September 9, 2013. He has previously held various senior positions within Sales and Marketing in Mars and Quaker. Subsequently he joined PepsiCo as Sales Director for France, and last held the function as VP Business Development for Europe.

Annick De Poorter, Group R&D & Quality Director. Appointed 2009, Annick De Poorter joined the Ontex Group in 2003 as the R&D Manager of Feminine Hygiene and was promoted to R&D and Quality Director in 2009. Before joining the Group, she worked at Libeltex NV in Belgium, and prior to that, she was a Scientific Researcher at the University of Ghent, Belgium. Annick holds a master's degree in Civil Engineering in Textiles from the University of Ghent, Belgium.

Astrid De Lathauwer Group Human Resources Director
Appointed 2014 .Astrid De Lathauwer joined the Ontex Group after holding a number of leading human resources functions. Astrid held international HR leadership roles at AT&T in Europe, at their US headquarters and at Monsanto. For 10 years, Astrid was the Chief HR Officer of Belgacom. Before joining the Ontex Group, she was Managing Director of Acerta Consult. Astrid holds degrees in Political & Social Science and History of Art.

Martin Gärtner Group Manufacturing Director. Appointed 2009 Martin Gärtner joined the Ontex Group in 1997 as an Assistant Production Manager and was promoted to Group Manufacturing Director in 2009. Before becoming Group Manufacturing Director, Martin held the positions of Production Manager, Plant Manager and General Manager of the Ontex Group. Prior to joining the Ontex Group, Martin spent two years as a trainee at Wirths J. Hygiene GmbH in Germany. Martin holds a Diploma–Kfm. In Production Technique and Industrial Controlling from the Technical University in Aachen, Germany.

Xavier Lambrecht General Manager of the Healthcare Division
Appointed 2014 Xavier Lambrecht, permanent representative of Marex BVBA, joined the Ontex Group in early 2009 as Sales & Marketing Director of the Healthcare Division. Prior to that, he

held different roles within Sales Development, Marketing and Business Planning at Imperial Tobacco. Xavier holds a master's degree in Commercial Engineering from the University Leuven, Belgium.

Thierry Navarre, Chief Operating Officer. We refer to chapter 16.1 of this report.

Oriane Perreaux, Group Marketing Director. Appointed 2013 Prior to joining the the Ontex Group, Oriane Perreaux was Brand Building Director at Carrefour Group, in charge of Baby & Kids Retailer brands for Western Europe. From 1998 to 2010, she held a number of Marketing positions at Procter & Gamble, in France first, and as of 2005 in Switzerland, working on Central Eastern Europe and Middle East and Africa regions. Oriane graduated in 1998 from ESCP Europe Business School, Paris, France.

Jacques Purnode, Chief Financial Officer. We refer to chapter 16.1 of this report.

Mauricio Troncoso, General Manager of the Mature Markets Retail Division
Mauricio joined Ontex in 2017 as General Manager of the Mature Markets Retail Division. Before joining the Group, he was Vice President and Managing Director for Western Europe at Kimberly Clark. Prior to that, he worked at Mead Johnson in Latin America. He started his career at Procter and Gamble where he held a number of different roles for 18 years, initially in Mexico and afterwards in various countries of Latin America, to finish in the P&G headquarters in Cincinnati working in the Personal Health Care division. Mauricio holds a bachelor's degree in Actuarial Sciences (Applied Math) from the Universidad Anahuac del Sur in Mexico.

Thierry Viale General Manager of the Growth Market Division and Strategic Development
Appointed 2013 Thierry Viale was appointed as General Manager of the Growth Markets Division and Strategic Development on October 1, 2013. Prior to joining the Ontex Group, Thierry held a number of senior positions at Procter & Gamble in Western Europe, Russia, Nigeria/ West Africa, Greater China, the Balkans and in India. Thierry holds a degree of the Saint Cyr Military Academy, a degree from the Neoma Business School, and a degree from ESCP Europe.

17. Relevant information in the event of a takeover bid

Article 34 of the Royal Decree of November 14, 2007 on the obligations of issuers of securities which have been admitted to trading on a regulated market, requires that listed companies disclose certain items that may have an impact in the event of a take-over bid.

17.1 Capital Structure

A comprehensive overview of our capital structure as at December 31, 2016 can be found in chapter 12 of this report.

17.2 Restrictions on transfers of securities

The Company's Articles of Association do not impose any restrictions on the transfer of shares in the Company. Furthermore, the Company is not aware of any restrictions imposed by Belgian law except in the framework of market abuse rules.

17.3 Holders of securities with special control rights

There are no holders of securities with special control rights

17.4 Employee share plans where the control rights are not exercised directly by the employees

The Company's shares to be delivered to participants upon exercise of the stock options or vesting of the RSUs in the framework of the LTIP are existing ordinary shares in the Company with all rights and benefits attached to such shares. A more detailed description of the LTIP's set out in the Remuneration Report.

The Company has not set up employee share plans where control rights over the shares are not exercised directly by the employees.

17.5 Restriction on voting rights

The Articles of Association of the Company do not contain any restrictions on the exercise of voting rights by the shareholders, provided that the shareholders concerned comply with all formalities to be admitted to the shareholders' meeting and their voting rights are not suspended in one of the events set out in the Articles of Association or the Belgian Companies Code. Pursuant to Article 11 of the Articles of Association, the Board is entitled to suspend the exercise of rights attaching to shares belonging to several owners.

The Company is not aware of any restrictions imposed by Belgian law on the exercise of voting rights by the shareholders.

17.6 Rules on appointment and replacement of members of the Board and amendments to the Articles of Association

The term of office of directors under Belgian law is limited to six years (renewable) but the Corporate Governance Code recommends that it be limited to four years. The appointment and renewal of directors is proposed by the Board, based on a recommendation of the Remuneration and Nomination Committee and is subject to approval by the shareholders' meeting.

17.7 Rules on amendments to the Articles of Association

Save for capital increases decided by the Board within the limits of the authorized capital or a change of the registered office of the Company (such change not triggering the application of different rules on the use of languages by companies than those that currently apply to the Company), only an extraordinary shareholders' meeting is authorized to amend the Company's Articles of Association. A shareholders' meeting may only deliberate on amendments to the Articles of Association if at least 50% of the capital is represented. If the above attendance quorum is not reached, a new extraordinary shareholders' meeting must be convened, which will validly deliberate regardless of the portion of the capital represented at the shareholders' meeting. As a general rule, amendments to the Articles of Association are only adopted if approved by at least 75% of the votes cast. The Belgian Companies Code provides for more stringent majority requirements in specific instances, such as for modifications of the Company's corporate purpose clause.

17.8 Authorized capital – Acquisition of own shares

Authorized capital

On June 10, 2014, the extraordinary shareholders' meeting authorized the Board, subject to and with effect as from the closing of the IPO, to increase the capital of the Company in one or several times by an (aggregate) amount of maximum 50% of the amount of the registered capital (€340,325,414) as such amount was recorded immediately after the closing of the IPO. Within the framework of the authorized capital, the Board is authorized to proceed with a capital increase in any form, including, but not limited to, a capital increase in cash or in kind and by issuance of shares, convertible bonds, warrants or other securities.

The Board is authorized to limit or cancel the preferential subscription rights of the shareholders within the limits and in accordance with the provisions set out in the Articles of Association and the Belgian Companies Code.

This authorization includes the limitation or cancellation of the preferential subscription rights for the benefit of one or more specific persons and in connection with capital increases in the event of a public takeover bid.

The authorization is valid for a term of five years as from the date of the publication of the authorization in the Annexes to the Belgian State Gazette ("Belgisch Staatsblad"), i.e., five years from July 9, 2014. On November 9, 2015, the Company recorded the realization of a capital increase in cash, within the limits of the authorized capital, resulting in a capital increase of €40,839,036.68 (excluding issue premium in an amount of €73,902,592.52), from €680,650,828 to €721,489,864.68 as described in chapter 11. of this report.

On February 29, 2016, the Company recorded the realization of a capital increase in kind, within the limits of the authorized capital, resulting in a capital increase of €27,226,021.12 (excluding issue premium in an amount of €48,451,722.68), from €721,489,864.68 to €748,715,885.80 as described in chapter 11 of this report.

on March 22, 2017, the Board confirmed the realization of a capital increase in kind in an amount of €74,871,580.58 (excluding issue premium in an amount of €145,968,664.42), from €748,715,885.80 to €823,587,466.38, represented by a total number of 82,347,218 shares, as described in chapter 11 of this report.

17.9 Acquisition of own shares

On June 10, 2014, the extraordinary shareholders' meeting authorized the Board, in accordance with Article 620 and following of the Belgian Companies Code and within the limits set out in that article, to purchase, on or outside the stock market, up to 20% of the Company's own shares, profit-sharing certificates or associated certificates, for a price not more than 10% below the lowest closing price in the last 30 trading days preceding the transaction and not more than 5% above the highest closing price during the last 30 trading days preceding the transaction. This authorization is valid for five years from June 10, 2014.

This authorization is also valid if the acquisition is made by one of the subsidiaries directly controlled by the Company, as set out in Article 627 of the Belgian Companies Code.

On June 22 2017, the Company bought 247,439 own shares, as further described above, cfr. chapter "capital and capital evolutions during 2017.

17.10 Material agreements to which Ontex is a party containing change of control provisions

17.10.1 SFA 2014 and the Senior Secured Notes

The Company and certain of its subsidiaries entered into a five-year multicurrency credit facilities agreement dated November 10, 2014 as amended and/or restated from time to time (the "Senior Facilities Agreement") with, among others, the Original Lenders as set out therein and Wilmington Trust (London) Limited as Security Agent, for an initial amount of €480,000,000.

The Company also issued €250,000,000 4.75% senior secured notes due 2021 (the "Senior Secured Notes") pursuant to a senior secured notes indenture dated November 14, 2014 (the "Senior Secured Notes Indenture").

The Senior Facilities Agreement, as well as the Senior Secured Notes Indenture, contain provisions that may be triggered in the event of a change of control of the Company.

The relevant clauses in the Senior Facilities Agreement, among other things, provide that, in case any person or group of persons acting in concert (other than the Initial Investors and Management defined therein) acquiring, directly or indirectly, beneficial ownership of the issued capital of the Company having the right to cast more than 50% of the votes capable of being cast at a shareholders' meeting of the Company, this may lead to a mandatory prepayment and cancellation under the Senior Facilities Agreement.

The relevant clauses in the Senior Secured Notes Indenture, among other things, grant the holders of the notes the right to require the repurchase of all or any part of the notes at a purchase price in cash in an amount equal to 101% of the principal amount thereof, plus accrued and unpaid interest, in the event of a change of control of the Company as defined in the offering memorandum.

The relevant change of control provisions have been approved by the shareholders' meeting of May 26, 2015, in accordance with Article 556 of the Belgian Companies Code.

The Senior Facilities Agreement was amended and restated pursuant to an amendment and restatement agreement dated February 25, 2016 to provide for an additional amount of €125,000,000 (or the equivalent thereof in any other currency) and for certain other amendments to the Senior Facilities Agreement. The Senior Facilities Agreement has been supplemented by means of an additional facility notice from the Company dated January 25, 2017 to establish a new additional bridge facility for an additional aggregate amount equal to €125,000,000.

The Company, and certain of its subsidiaries as guarantors, entered into a new five-year multicurrency credit facilities agreement dated November 26, 2017 (the 'Senior Facilities Agreement 2017') for an amount of €900,000,000, comprising a term loan of €600,000,000 and a revolving credit facility of €300,000,000, for the purpose of among others repaying the Senior Facilities Agreement 2014 as amended and/or restated from time to time, and for general corporate purposes.

The Senior Facilities Agreement 2017 contains provisions that may be triggered in the event of a change of control over the Company. More specifically, the Senior Facilities Agreement provides, among others, that any person or group of persons acting in concert acquiring, directly or indirectly, beneficial ownership of the issued capital of the Company having the right to cast more than 50% of the votes capable of being cast at a shareholders' meeting ('Change of Control') may lead to a mandatory prepayment and cancellation under the Senior Facilities Agreement.

17.10.2 Facilities Agreement

The Company, and certain of its subsidiaries as guarantors, entered into a new seven-year multicurrency credit facilities agreement dated December 4, 2017 (the 'Facilities Agreement 2017') for an amount of €250,000,000, comprising a term loan of €150,000,000 and an accordion of €100,000,000, for the purpose of among others repaying the Senior Secured Notes, and for general corporate purposes. The Facilities Agreement 2017 contains provisions that may be triggered in the event of a change of control over the Company. More specifically, the Senior Facilities Agreement provides, among others, that any person or group of persons acting in concert acquiring, directly or indirectly, beneficial ownership of the issued capital of the Company having the right to cast more than 50% of the votes capable of being cast at a shareholders' meeting ('Change of Control') may lead to a mandatory prepayment and cancellation under the Facilities Agreement.

17.10.3 Factoring Agreement

The Company, entered into a Factoring Agreement dated February 21, 2018 with BNP Paribas Fortis Factor N.V. and KBC Commercial Finance N.V. ('Factoring Agreement'); The Factoring Agreement contains provisions, that may be triggered in the event of a change of control over the Company. More specifically, the Factoring Agreement provides, among others, that in the event the effective control of any party is transferred to others, the other party has the right to terminate the Factoring Agreement.

17.10.4 Hedging Agreement

The Company, entered into a ISDA FX Hedging Agreement dated March 12, 2018 with Crédit Agricole Corporate and Investment Bank ('CACIB') ('Hedging Agreement'). The Hedging Agreement contains provisions that may be triggered in the event of a change of control over the Company. More specifically, the Hedging Agreement, provides, among others, a change of control, defined as any person or group of persons acting in concert acquiring, directly or indirectly, beneficial ownership of the issued share capital of the Company, having the right to cast more than 50% of the votes, capable of being cast at the shareholders' meeting of the Company ('Change of Control'), provides CACIB the right to terminate the Hedging Agreement.

All Change of Control provisions as listed above are subject to shareholders' consent in accordance with article 556 of the Belgian Companies Code, and such approval shall be requested during the upcoming shareholders' meeting on May 25, 2018.

17.11 Severance pay pursuant to termination of contract of Board members or employees pursuant to a take-over bid

The Company has not concluded any agreement with its Board members or employees which would result in the payment of a specific severance pay if, pursuant to a takeover bid, the Board members or employees resign, are dismissed or their employment agreements are terminated.

Please see chapter 15.7 of this report on termination provisions of the members of the Board and the Management Committee in general.

18. Conflicts of interests (Article 523 Belgian Companies Code)

Each Board member should arrange his or her personal and business affairs in such a way as to avoid any conflict of interests of a personal, professional or financial nature with the Company, directly or through relatives (including spouse or life companion, or other relatives (by blood or marriage) up to the second degree and foster children).

In accordance with Article 523 of the Belgian Companies Code, if a Board member has a direct or indirect patrimonial interest in a decision or transaction which is the responsibility of the Board, he/she must inform the other Board members before any decision by the Board is taken and the statutory auditor must also be notified. For companies that are making or have made a public call on savings (such as Ontex Group NV), the conflicted Board member cannot be present during the deliberations of the Board relating to these transactions or decisions and cannot vote.

Conflict of interests within the meaning of Article 523 of the Belgian Companies Code arose on the following occasion in 2017, and the provisions of Article 523 Belgian Companies Code were complied with:

18.1 Remuneration of the member of the Executive Management Team/Management Committee

On March 5, 2017, respectively May 9, 2017, the Board resolved on the remuneration (incl. LTIP 2016) for the members of the Executive Team/Management Committee. Prior to discussing this item, Charles Bouaziz, Cepholli BVBA, with Jacques Purnode as its permanent representative, and Artipa BVBA, with Thierry Navarre as its permanent representative, declared to have a conflict of interest in accordance with Article 523 of the Belgian Companies Code. The relevant section of the minutes can be found below in its entirety:
"Prior to discussing this item on the agenda, Charles Bouaziz, Director, Jacques Purnode and Thierry Navarre, permanent representatives of their respective management companies, Cepholli BVBA and Artipa BVBA, Directors of the Company, declared to have an interest of a patrimonial nature which is conflicting with the decisions that fall within the scope of powers of the Board of Directors. This conflict of interest results from the fact that Charles Bouaziz, Jacques Purnode and Thierry Navarre are, either in personal name or via their management company, both Directors of the Company and members of the Executive Committee.
The remuneration proposals will have financial consequences for the Company that have been set out in the file submitted to the Remuneration and Nomination Committee.

In accordance with Article 523 of the Companies Code, Charles Bouaziz, Cepholli BVBA (represented by its permanent representative Jacques Purnode) and Artipa BVBA (represented by its permanent representative Thierry Navarre) refrained from taking part in the deliberations and from voting on the resolutions. In accordance with Article 523 of the Companies Code, the auditor of the Company, PricewaterhouseCoopers Bedrijfsrevisoren BV CVBA, permanently represented by Peter Opsomer BV BVBA, in turn represented by its permanent representative Peter Opsomer, has been informed of the existence of the conflicts of interest.
Furthermore, the relevant sections of these minutes will be included in the Annual Report of the Board of Directors.

On March 5, 2017, the Board approved the bonus and merit of the CEO, and of the Management Committee in aggregate, as set out below in the remuneration report.
On May 9, 2017, the Board approved the LTIP as set out in the remuneration report. In that framework the Board also decided to give Jacques Purnode an exception to the general policy of 3 year cliff vesting for the 2016 and 2017 grant.

18.2 Deferred consideration 2015/2016 regarding acquisition of Grupo Mabe

On April 4, 2017, the Board resolved on the deferred consideration 2015-2016 regarding the Grupo Mabe acquisition by the Company (through its subsidiaries). Prior to discussing this item, Juan Gilberto Marin Quintero declared to have a conflict of interest in accordance with Article 523 of the Belgian Company Code. The relevant section of the minutes can be found below in its entirety:

"Prior to discussing the concerned agenda item, the Chairman informed the members that Mr. Juan Gilberto Marin Quintero had prior to the meeting declared a personal conflict of interest of a financial nature, within the meaning of Article 523 of the Belgian Companies Code, in respect of the sole agenda item, which relates to the amounts of 2015 and 2016 deferred consideration payable to him, among other sellers, with respect to the acquisition of Grupo Mabe by the Company (through its subsidiaries). In light of this conflict of interest Mr. Juan Gilberto Marin Quintero did not participate in the meeting. He will inform the Company's auditor of his conflict of interest, in accordance with Article 523 of the Belgian Companies Code, and a copy of the relevant extract of these minutes will be included in the relevant annual report. The Chairman reminded the Board that Sellers and Buyers, subsidiaries of the Company (as defined in the Amended and Restated Master Purchase Agreement for Project Spiral dated February 28, 2016, as further amended on April 29, 2016, the "Master Purchase Agreement", have engaged in discussions regarding the amounts of deferred consideration due with respect to the years 2015 and 2016. The parties have now been able to reach an agreement with respect to the deferred consideration for the years 2015 and 2016 (the 'Proposed Agreement'). Pursuant to the Proposed Agreement, the Company, through its subsidiaries, will agree to pay a total amount of MXN 965,888,000 to Sellers, in full and final settlement of any and all claims, disputes or discussions with respect to the 2015 and 2016 deferred consideration. This settlement amount shall be reduced with certain transaction costs due by Sellers to Buyers pursuant to the Master Purchase Agreement, amounting to a total of MXN 3,231,762.20. Upon discussion and deliberation; the Board considers the entry into the Proposed Agreement to be in the interest of the Company and its subsidiaries, and unanimously approves the execution thereof in the form of the draft submitted to the Board".

19. Risks and uncertainties

We view managing risk with various stakeholders, in order to satisfy consumer and customer expectations, as an inherent part of doing business. The following summary provides the main risks we have identified and manage; however, this is not an exhaustive list, and there may be additional risks which we are not aware of.

Although for most of these risks we have set up mitigating efforts, these efforts are no guarantee that risks will not materialize. The order in which these risks are listed is not an indication of their importance or probability.
For more information about our risk management framework and internal control framework, please refer to section 14 of the Corporate Governance report.

Environment

All Divisions face competition from branded product manufacturers and retailer brand manufacturers. We also face competition from competing manufacturers in production innovation. Rapid time-to-market is key to our competitiveness.

The fact that we would fail to deliver our value proposition and/or to adapt to the customer's needs could affect our performance, and could entail price and volume pressure, loss of market share or margin erosion.

Reputation and stakeholder management

As a public company, Ontex has stakeholders with various needs, and Ontex is subject to high transparency standard and periodic reporting obligations. Ontex may be subject to adverse publicity.

Such adverse publicity may adversely impact our reputation, and indirectly our business and financial condition.

Product quality and safety

Our reputation as a business partner relies heavily on our ability to supply quality.

In case of quality issues, this may lead to adverse effects on consumer health, loss of market share, financial costs and loss of turnover as well as to Company reputation at stake.

Intellectual Property

Although we are monitoring changes in intellectual property rights, we may inadvertently infringe intellectual property rights owned by others. Secondly, the Company may fail to register intellectual property rights in a timely manner As a potential consequence thereof the company may face legal claims or have to pay royalties which erode our profit margins.

Manufacturing and Logistics

Our ability to serve our customers depends on the operation of our 19 manufacturing sites. We may experience disruptions at our production facilities or in extreme cases, our production facilities may shut down. Such temporary shortfalls in production could affect our on-time delivery record, which could in turn adversely effect on our ability to meet new customers and retain existing customers.

Sourcing and supply chain

We are dependent upon the availability of raw materials for the manufacture of our products. On average the main raw materials and packaging costs account for between 75% and 80% of our cost of sales. Our raw materials are subject to price volatility due to a number of factors that are beyond our control, including but not limited to, the availability of supply, general economic conditions, commodity price fluctuations and market demand.

The price volatility of the underlying commodities can affect the cost and availability of our products. We may not always succeed to pass these costs to the customer/ consumer through pricing.

Acquisitions

From time to time, we evaluate possible acquisitions that would complement our existing operations and enable us to grow our business. The success of any acquisition depends on our ability to integrate acquired businesses effectively. The integration of acquired businesses may be complex and expensive and may present a number of risks and challenges. Furthermore, there can be no assurance that we will realize any or all of the anticipated benefits of any future acquisitions, including the expected business growth opportunities, revenue benefits, cost synergies and other operational efficiencies In case we would not be able to realise the objectives of the acquisition, the integration may lead to additional unforeseen difficulties or liabilities, failure to deliver on financial goals and internal disruption.

Information technology, data security and cyber attack

We are increasingly reliant on IT systems and information management to run our business. There is a risk of disruption of our IT systems and that sensitive data may be compromised by malicious cyber-attack or technology failure. A disruption of our IT systems could affect our sales, production and cash flows, ultimately impacting our results. Unauthorized access and misuse of sensitive information could interrupt our business and/or lead to loss of assets. It could also lead to negative reputational impact.

Legal and regulatory

Ontex is subject to applicable laws and regulations in the global jurisdictions in which it operates. Failure to comply with laws and regulations could expose us to civil and/or criminal actions, and changes to laws and egulations could have an impact on the cost of doing business.

Economic and political instability

Ontex operates around the globe, and as a result is subject to risks associated with operating internationally. Recent and ongoing instability in some of the countries in which we operate may adversely affect our business. Any such conditions or instability could impact our operations and result in additional expenditure and other commercial and financial impacts incurred in order to comply or adapt to such conditions and consequently have a material adverse effect on our business.

Recruitment and retention

A skilled workforce and agile organization are essential for the continued success of our business. Failure to identify, attract, develop and retain talents to satisfy current and future needs of the business may affect our ability to compete and grow effectively. In case of failure to recruit and retain adequately, this may result in a decline in business performance.

Financial Risk

As detailed in section 7.4 of the consolidated financial statements, the Group's activities expose it to a variety of financial risks including currency risk, interest rate risk and liquidity risk as well as counterparty default. These risks may have a material adverse effect on our business, financial condition and results of operations.

Occupational health & safety

As Ontex is operating around the globe, it may fail to provide for the personal safety of employees in the production and other facilities and during travel to high-risk locations, which can cause reputational damage and difficulties to hire people.

Climate change

Ontex is subject to applicable laws and regulations in the global jurisdictions in which it operates. Climate change continues to be a focus for government legislators working within the sustainability agenda.

Climate change legislation (eg the introduction of a carbon tax) could result in making our products less affordable or less available resulting in reduced growth and profitability.

20. Proposal for the resolution of the Ordinary Shareholders Meeting on May 25, 2018.

The Board of director proposes, amongst others, the following to the Ordinary shareholders meeting:

- Acknowledge the Board of Directors report and the report of the statutory auditor for the year ending December 31, 2017
- Approval of the separate annual accounts of December 31, 2017
- To appropriate the loss of the period as follows:

  The Board of directors proposes to carry forward the profit of the period amounting to € 3.330.331 to next year:

Profit (Loss) brought forward from last year	€ 482,311,587
Profit (Loss) to be appropriated	€ 3,330,331
	€485,641,918
Profit carried forward	€ 10,724,391
Allocation to reserves	
Allocation Legal Reserves	€ 170,000
Dividend through withdrawal available reserves	€ 49,408,331

- Discharge for the directors for their mandate exercised in the financial year ended December 31, 2017.

- Discharge for the auditor PwC Bedrijfsrevisoren BCVBA, represented by its liable partner Peter Opsomer BV BVBA, represented by Peter Opsomer for the financial year ended December 31, 2017.

Board of Directors, March 28, 2018

Erembodegem,

De Raad van Bestuur, 28 maart 2018

Erembodegem,

Artipa sprl
Bestuurder
Vertegenwoordigd door
Thierry Navarre

Cepholli bvba
Bestuurder
Vertegenwoordigd door
Jacques Purnode

Inge Boets BVBA
Bestuurder
Vertegenwoordigd door
Inge Boets

Tegacon SUISSE GMBH
Bestuurder
Vertegenwoordigd door
Gunnar Johansson

Charles David Bouaziz
Bestuurder

Gilberto Marín Quintero
Bestuurder

Revalue BVBA
Bestuurder
Vertegenwoordigd door
Luc Missorten

Uwe Krüger
Bestuurder

Regi Aalstad
Bestuurder

Michael Bredael
Bestuurder

SOCIAL BALANCE SHEET

Number of joint industrial committee: 200 ....

STATEMENT OF THE PERSONS EMPLOYED

EMPLOYEES FOR WHOM THE ENTERPRISE SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER

During the current period	Codes	Total	1. Men	2. Women
Average number of employees				
Full-time	1001	64,0	43,2	20,8
Part-time	1002	2,0	....	2,0
Total in full-time equivalents	1003	65,6	43,2	22,4
Number of hours actually worked				
Full-time	1011	108.958	74.209	34.749
Part-time	1012	2.776	....	2.776
Total	1013	111.734	74.209	37.525
Personnel costs				
Full-time	1021	9.725.135	6.623.585	3.101.550
Part-time	1022	247.774	....	247.774
Total	1023	9.972.909	6.623.585	3.349.324
Advantages in addition to wages	1033	88.872	60.072	28.800

During the preceding period	Codes	P. Total	1P. Men	2P. Women
Average number of employees in FTE	1003	54,3	35,3	19,0
Number of hours actually worked	1013	91.669	60.637	31.032
Personnel costs	1023	9.571.258	6.556.224	3.015.034
Advantages in addition to wages	1033	74.105	50.065	24.040

EMPLOYEES FOR WHOM THE ENTERPRISE SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER (continued)

At the closing date of the period	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees	105	64	2	65,6
By nature of the employment contract				
Contract for an indefinite period	110	64	2	65,6
Contract for a definite period	111			
Contract for the execution of a specifically assigned work	112			
Replacement contract	113			
According to gender and study level				
Men	120	42		42,0
primary education	1200			
secondary education	1201	2		2,0
higher non-university education	1202	15		15,0
university education	1203	25		25,0
Women	121	22	2	23,6
primary education	1210	1		1,0
secondary education	1211	2		2,0
higher non-university education	1212	5	1	5,8
university education	1213	14	1	14,8
By professional category				
Management staff	130			
Employees	134	64	2	65,6
Workers	132			
Others	133			

HIRED TEMPORARY STAFF AND PERSONNEL PLACED AT THE ENTERPRISE'S DISPOSAL

During the period	Codes	1. Hired temporary staff	2. Persons placed at the enterprise's disposal
Average number of persons employed	150	1,1	
Number of hours actually worked	151	2.069	
Costs for the enterprise	152	138.432	

LIST OF PERSONNEL MOVEMENTS DURING THE PERIOD

ENTRIES

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees for whom the entreprise submitted a DIMONA declaration or who have been recorded in the general personnel register during the financial year	205	16		16,0
By nature of employment contract				
Contract for an indefinite period	210	16		16,0
Contract for a definite period	211			
Contract for the execution of a specifically assigned work	212			
Replacement contract	213			

DEPARTURES

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees whose contract-termination date has been entered in DIMONA declaration or in the general personnel register during the financial year	305	12		12,0
By nature of employment contract				
Contract for an indefinite period	310	12		12,0
Contract for a definite period	311			
Contract for the execution of a specifically assigned work	312			
Replacement contract	313			
By reason of termination of contract				
Retirement	340			
Unemployment with extra allowance from enterprise	341			
Dismissal	342	1		1,0
Other reason	343	11		11,0
the number of persons who continue to render services to the enterprise at least half-time on a self-employed basis	350			

INFORMATION ON TRAINING PROVIDED TO EMPLOYEES DURING THE PERIOD

	Codes	Men	Codes	Women
Total of initiatives of formal professional training at the expense of the employer				
Number of employees involved	5801	6	5811	5
Number of actual training hours	5802	223	5812	184
Net costs for the enterprise	5803	12.889	5813	5.039
of which gross costs directly linked to training	58031	12.889	58131	5.039
of which fees paid and paiments to collective funds	58032		58132	
of which grants and other financial advantages received (to deduct)	58033		58133	
Total of initiatives of less formal or informal professional training at the expense of the employer				
Number of employees involved	5821		5831	
Number of actual training hours	5822		5832	
Net costs for the enterprise	5823		5833	
Total of initiatives of initial professional training at the expense of the employer				
Number of employees involved	5841		5851	
Number of actual training hours	5842		5852	
Net costs for the enterprise	5843		5853	