



Ontex update on activity and COVID-19 impact

- **Ontex authorized to continue operations in all countries to ensure supply of vital products while preserving safety of our employees**
- **Q1 2020 LFL revenue up 6.8%, with Europe up 7.7%**
- **FY 2020 outlook suspended due to low visibility on future impacts of COVID-19 pandemic across our operations and markets**
- **Strong liquidity position with no near-term maturities and funding of operations strengthened**
- **Dividend payment suspended; to be revisited later in 2020**
- **AGM confirmed to take place as scheduled on May 25, 2020**

Aalst-Erembodegem, April 9, 2020 - Ontex Group NV (Euronext Brussels: ONTEX; 'Ontex,' 'the Group' or 'the Company') today provided an update on several topics including its sales for the three months ending March 31, 2020. The Q1 2020 trading update including the usual quarterly information will be published as scheduled on May 6, 2020.

Ontex's response to COVID-19

The world is facing an unprecedented public health crisis and we are helping to address it by capitalizing on our more than 40 years of experience in personal hygiene to provide products that are vital in daily use today.

Our 18 production facilities remain open and operating with limited disruptions so far thanks to the efforts of our people, our suppliers and supply chain partners to keep ensuring a steady, daily flow of millions of personal hygiene products to healthcare workers and consumers in all geographies where we operate. However, as the pandemic continues to spread across countries in which we operate, maintaining our current level of activity is increasingly challenging.

The health of our employees and business partners is our primary concern, and we are focused on their safety, that of their families and that of the communities in which we operate. We have taken and will continue to take the necessary measures to slow the spread of COVID-19 and protect our employees. This will remain our absolute priority throughout this difficult time.

We are also supporting communities where we live and work in different ways. A few examples include donations of adult pants to nurses and doctors in Wuhan (China); of purchased safety gloves to the Health Service of Castilla y León (Spain); and of adult diapers to a hospital in Karachi (Pakistan); each time helping caregivers and people in need. Support is also provided by connecting caregivers with our suppliers who can source critical products that we do not produce, such as facemasks and gloves.

Q1 2020 LFL revenue up 6.8%

Preliminary reported revenue in Q1 2020 stood at €574.2 million (+6.8% LFL), driven by growth in AMEAA (+10.7% LFL) and Europe (+7.7%), while activity in Healthcare decreased (-2.1% LFL).

The higher-than-expected Q1 2020 revenue is primarily attributable to a surge in customer and consumer purchases in Europe after the first week of March, anticipating governmental measures in most countries to limit the movement of people to combat the COVID-19 virus.

The impact of currencies on Q1 2020 sales was -€9.0 million, of which -€11.2 million was recorded in March alone as a result of currency depreciation mainly in the AMEAA Division (Mexican Peso, Brazilian Real, and to a lesser extent Turkish Lira); a weaker British Pound also had an unfavorable impact on sales of the Europe Division.

in € million	First Quarter			
	2020	2019 ¹	% Δ as reported	% Δ at LFL
Ontex Reported Revenue	574.2	546.2	+5.1%	+6.8%
Europe	250.1	233.7	+7.0%	+7.7%
AMEAA	213.5	199.5	+7.0%	+10.7%
Healthcare	110.6	113.0	-2.1%	-2.1%

¹Customer reshuffle from AMEAA to Healthcare of €2.1 million in Q1 2019

FY 2020 outlook

As a leading supplier of quality retail brand hygiene products, in particular in Europe, and as the operator of strong local brands in our other markets, we believe that we are well positioned to withstand the tougher economic environment ahead of us that will affect consumers' purchasing power.

However, despite the Q1 2020 revenue performance, considering the current uncertainties related to the duration of the pandemic and its impacts on our operations, supply chain partners and customers as well as the high volatility of currencies, we have decided as a matter of caution to suspend the 2020 outlook communicated in the 2019 Full Year results release of March 4, 2020 until visibility improves.

Strong liquidity position with no near-term maturities; funding of Ontex operations strengthened

In this period of unprecedented turmoil and uncertainties for economies around the world, Ontex remains focused on maintaining adequate liquidity and funding for its business and is taking all necessary measures to preserve cash.

No principal repayments are due until the €600 million syndicated term loan, fully drawn, and the €250 million bilateral term loan, of which €150 million is currently drawn, fall due respectively in November 2022 and November 2024.

The Group also has a fully committed €300 million syndicated revolving credit facility maturing in November 2022, of which €30 million was drawn at March 31, 2020.

Preliminary net debt at 31 March 2020 was €871 million compared with €940 million at 31 March 2019. Net debt at 31 March 2020 was only €10 million higher than net debt of €861 million at 31 December 2019, reflecting a less pronounced seasonal pattern than in past years, on the back of continued tight management of working capital and capital expenditure, which Management intends to pursue in the current context.

However, due to the many uncertainties arising from the COVID-19 pandemic exposed above, Management has decided to draw down the remaining €270 million of the revolving credit facility as a matter of caution, so as to provide financial flexibility if necessary.

Dividend payment suspended; to be revisited later in 2020

The Board of Directors has decided not to propose paying a dividend of €0.16 per share to the general meeting in May in support of Management's initiatives to preserve cash resources and financial flexibility in the present circumstances. The Board intends to revisit the possible payment of a dividend later this year as visibility on the impacts of the pandemic on our operations and markets improves.

Date of general meeting of shareholders confirmed

The general meeting of shareholders will take place as scheduled on May 25th, 2020. The necessary documents related to this meeting will be made available to shareholders by April 24th, 2020, and instructions will be provided in light of regulations issued by the relevant authorities governing shareholder meetings in the context of the COVID-19 crisis.

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In most of the tables of this report, amounts are shown in € million for reasons of transparency. This may give rise to rounding differences in the tables presented in the trading update.

This trading update has been prepared in Dutch and translated into English. In the case of discrepancies between the two versions, the Dutch version will prevail.