INVESTOR UPDATE

15 December 2021
FORWARD-LOOKING STATEMENTS

This Presentation may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management’s current intentions, beliefs or expectations relating to, among other things, Ontex’s future results of operations, financial condition, liquidity, prospects, growth, strategies or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein.

Forward-looking statements contained in this Presentation regarding trends or current activities should not be taken as a representation that such trends or activities will continue in the future. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this Presentation.
STRATEGIC UPDATE

Esther Berrozpe
Chief Executive Officer
WHAT’S ON MANAGEMENT’S AGENDA TODAY

**Major steps taken in strategic priorities**

- Portfolio review finalized and execution started
- Savings program extended and accelerated

**Management focused on execution**

- Top-line stabilized
- Significant cost savings realized
- Strong cash discipline
FACING UNPRECEDENTED INPUT COST INFLATION

- Main raw material indices rose by 40-80% \(^{[2]}\) in 2021
- Other raw material price indicators, such as cardboard and plastic packaging, rose >50\% \(^{[2]}\)
- Other operating costs, such as energy and transport costs, are significantly up

Index evolution \(^{[1]}\)


Fluff LDPE PP C3

\[ \text{Data source: ICIS and company estimates} \]
\[ \text{Cost increases based on 2020 annual figures} \]
ADDRESSING THE HEADWINDS WITH EXTENDED COST PROGRAM AND PRICING

**Intensify & accelerate Cost savings program**
- Intensify delivery of savings plan with cross-functional organization and revised processes
  - To reach > €80M gross savings in 2022
  - To achieve run rate of around ~4% production cost reduction in following years
- Cash discipline maintained

**Pricing to mitigate inflation**
- Early positive signs in the market
  - A-brands in US have risen prices 5-10% in H2
  - Baby consumer prices in Europe starting to increase in several markets
- Pricing actions in all our businesses
- Developed highly customized approach with customers, including optimization of product portfolio and efficiencies in the value chain
MID-TERM TARGETS VALIDATED
TIMING OF SUCCESS INFLUENCED BY INPUT COSTS

- Revenue LFL CAGR[^1] 
  +2-3%
  vs -4% CAGR over 2017-2020

- Adj. EBITDA margin 
  12.5-13.5%
  vs 11.3% in 2020

- Leverage ratio 
  < 3x
  vs 3.6x end 2020

[^1] excluding forex and scope effects

- Our portfolio choices will change the scope by 2023
- Allowing to reach objectives by 2023 on the core assets
PORTFOLIO BUILT ON KEY STRENGTHS
FOCUS ON PARTNER & HEALTHCARE BRANDS

- Strengthen core competence of partner brand manufacturing
- Leverage on scale & one platform setup
- Invest in profitable growth opportunities
DEFINING CORE AND NON-CORE BUSINESSES

EUROPE & NORTH AMERICA

- Significant market segment for partner brands with future growth opportunities
- Synergies across plants, distribution and go-to market

2020
€1.43bn
Revenue 13%
Adj. EBITDA margin

REST OF WORLD

- Commercialization mainly through own brands
- Local-for-local approach

2020
€0.65bn
Revenue 8%
Adj. EBITDA margin

Drive growth & mix
Invest in product innovation, services and capabilities
Manage for value
Explore strategic options
Focus on Supporting Growth in Europe & North America

Turn around Europe

- Strengthen leadership position as partner of choice for retailer brands
- Drive market in fast-growing product segments, channels and customers
  - Baby pants and Eco solutions
  - Adult Care
  - Online channels

Sustain double-digit growth in North America

- Build on our strongholds in retailer and lifestyle brands
  - Complete product portfolio offer for retailers, building on European expertise
  - Differentiated value proposition for lifestyle brands
  - Contract manufacturing in for major Healthcare Distributors
- Industrial investments to strengthen competitiveness

€16bn
2020 market size
+1%
CAGR 2015-2020
21% retailer brands share in Retail in 2020

Higher growth segments
- Baby pants +2%
- Adult Care +3%
- Online channels +15%
- Eco solutions +11% [1]

€13bn
2020 market size
+2.5%
CAGR 2015-2020
18% retailer brands share in Retail in 2020

Higher growth segments
- Baby pants +5%
- Adult Care +6%
- Online channels +15%
- Eco solutions +40% [1]
RETAILER BRANDS
A UNIQUE BUSINESS MODEL

Contracts & tenders based
Product focused
Different levers
Customer specific
EXAMPLES OF OUR PARTNERSHIP MODEL

Fueling the virtuous circle
- Brand Building via powerful consumer activations, online and offline
- Leading innovation to win consumers
- Consistent share gains across all categories, including growth segments

Owning back the right to play
- Patiently rebuilding relationship and trust
- Demonstrating ability to win together
- Selectively investing to accelerate

- In 2017-2018, lost ~60% of our business and 4 out of 7 categories
- Over the last 2 years, rebuilt partnership, worked together to gain share in the retained categories
- As a result, have been granted new businesses, tripling our share of business

<table>
<thead>
<tr>
<th>SHARE GROWTH YOY</th>
<th>2018</th>
<th>2019</th>
<th>2022 Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>BABY PANTS</td>
<td>+11pts</td>
<td>+3pts</td>
<td>+1pts</td>
</tr>
<tr>
<td>PANTYLINERS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INCO</td>
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</tbody>
</table>

Ontex value share
- 2018: 35%
- 2019: 15%
- 2022 Outlook: 44%

YTD'20 YTD'21
Source: Volume share, Nielsen through Oct 2021

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**IDENTIFIED POOLS OF PROFITABLE GROWTH**

- Outperform in the fast-growing markets of **baby pants & natural materials**
- Outperform in **adult care**, especially in **pants & light inco**
- Improve **feminine care** performance through innovation & simplification

Step-change **online presence**, supporting **omni-channel** strategies and stepping up presence in pure plays
WE HAVE STRONG GROWTH AMBITIONS IN ADULT CARE

- Category expertise and proximity with consumer and customers
- Full product range and available capacity
- Innovative solutions: products & services
- Cost competitiveness & margin accretive
- Omnichannel go-to-market: retail, institutional, home delivery, on-line

Outgrow market by accelerating Retailer Brands while protecting our Healthcare leading positions

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NEW R&D / INNOVATION APPROACH WITH CATEGORY/PRODUCT PLATFORM APPROACH AS KEY ENABLER TO ACCELERATE PACE

Streamlined R&D Network

- Reorganized against global product & technology platforms and Local market adaptation teams
- Global platforms with intentional design for scale in strong collaboration with engineering & suppliers
- Access to development lines
- Evolved innovation process and interconnected priority setting for greater efficiency and speed in deployment
INDUSTRIAL TRANSFORMATION

Vincent Crepy
Chief Supply Chain Officer
SOLID SAVINGS POTENTIAL IN COST BASE

- €1.85bn total cost base
  - 60% raw materials
    - of which 40% linked to commodity indices
  - 20% fixed costs
- Proximity to our customers, 19 production sites globally
- Wide and diversified product offering, >6,000 SKUs across our three categories
### 3 Goals with Clear KPIs to Measure Success

<table>
<thead>
<tr>
<th>Goals</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive cost, lower capex &amp; inventories</td>
<td>~4% of cost base reduction / year[^1]</td>
</tr>
<tr>
<td>A-brands quality</td>
<td>Product performance and Quality perceived by consumers at par with global brands</td>
</tr>
<tr>
<td>Top tier customer service</td>
<td>Service level in top quartile as measured by customers</td>
</tr>
<tr>
<td>Sustainable business</td>
<td>Safety first &amp; reduced carbon footprint</td>
</tr>
</tbody>
</table>

[^1]: Capex as % sales
### 5 KEY LEVERS TO DRIVE INDUSTRIAL TRANSFORMATION

#### Performance Mindset & Behaviors

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Footprint Optimization</strong></td>
<td><strong>Processes</strong></td>
</tr>
<tr>
<td>Balanced total delivered cost and customer proximity</td>
<td>Embed accountabilities across our end-to-end supply chain</td>
</tr>
<tr>
<td>‘Fit for purpose’ operations in Europe</td>
<td>Drive simplification</td>
</tr>
<tr>
<td>Agile ‘coast-to-coast’ operations in North America</td>
<td>Reduce waste</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Asset Optimization</strong></th>
<th><strong>Sourcing &amp; Design Excellence</strong></th>
<th><strong>Operations Excellence</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer, better utilized assets to reduce transformation cost and Capex</td>
<td>Step-up core capabilities</td>
<td><strong>Scrap reduction</strong></td>
</tr>
<tr>
<td>Increase speed to market with better quality and service</td>
<td>Cross-functional approach to optimize materials cost</td>
<td>2021 ambition</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th># lines</th>
<th>Asset utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>-20%</td>
<td>&gt; +10pts</td>
</tr>
</tbody>
</table>

**OEE = Overall Equipment Effectiveness**

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[1] OEE = Overall Equipment Effectiveness
DELIVERING RESULTS AND STEPPING UP THE PACE

Gross cost savings → ~4%/year on cost base

<table>
<thead>
<tr>
<th>Driven by key levers</th>
<th>Raw materials</th>
<th>Transformation cost</th>
<th>Transport &amp; logistics</th>
<th>SG&amp;A</th>
<th>Cash conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Footprint optimization</td>
<td>+</td>
<td>++++</td>
<td>+++</td>
<td>++</td>
<td>+</td>
</tr>
<tr>
<td>Asset optimization</td>
<td>+</td>
<td>+++</td>
<td>+</td>
<td>++</td>
<td>+</td>
</tr>
<tr>
<td>Sourcing &amp; design excellence</td>
<td>++++</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Operations excellence</td>
<td>++</td>
<td>++++</td>
<td>+++</td>
<td>++</td>
<td>++</td>
</tr>
</tbody>
</table>

Cash conversion

- NWC/sales → ~5%
- Capex/sales → 4-4.5%

€52M cost reduction[^1] delivered in 1st 9 months of 2021

[^1]: €42M net savings, net of non-index based raw materials inflation

Number of +’s shows impact of levers on specific goals

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Peter Vanneste
Chief Financial Officer
THE SUPPLY CRISIS IMPACTS SHORT-TERM MARGINS
MITIGATING MEASURES ARE BEING DEPLOYED

Historically unprecedented input cost levels

Weighted average index evolution [1]

- 15-20% estimated inflation vs 2020
- Short-term margin pressure through inflation & supply disruption
  - Starting in H2 2021, with high inflation impact (€28M Q3), partly offset by strong savings (€15M in Q3)
  - Slower than expected recovery in supply lowers Q4 Outlook
- Pricing & intensified cost saving programs to allow for gradual margin recovery

[1] Main indices of fluff, LDPE, PP and C3 weighted according to cost weight
TOP-LINE BACK TO GROWTH

Turn around Europe

- From -3.5% in 2017-2020 to +1-2% growth
- Net customer gain-losses flat in H2 2021 and positive in 2022

Sustain Double digit growth in North America

- Based on solid track record

Gains/losses (in €M)

2019 H1 2019 H2 2020 H1 2020 H2 2021 H1 2021 H2 2022 H1

Current performance demonstrates turning trend
- Overall stabilization in H2
- US on growth track
- Europe gains/losses momentum

Delivering 2-3% growth mid-term on core portfolio

Higher growth rate short term due to pricing impact

Revenue (in €M)

2017 2018 2019 2020

+11% CAGR double digit continued
COST SAVINGS STEPPED UP TO MITIGATE INFLATION AND DRIVE MARGIN GROWTH

Stepping up savings

- Already delivered €52M \(^{[1]}\) in 1st 9 months of 2021, or 70% of targeted €75M \(^{[2]}\) for 2021

- Acceleration and extension of savings
  - At least €80M gross savings expected in 2022 (>4% of cost base)
  - Annual productivity gains, reducing the cost base by ~4%/year in following years on Core Ontex (Europe + US)

Requiring one-off cost

- Total associated cost of ~€170M for the full program
  - ~€(130)M cash outflow, of which ~€(50)M in 2021
  - Total benefit ~300M€ over 5 years
  - Average payback of ~3 years

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\(^{[1]}\) Corresponds to €42M net savings, netted with €(10)M inflation on non-index-related operating costs

\(^{[2]}\) Corresponds to €60M net savings, netted with €(15)M expected inflation on non-index-related operating costs
PRICING, SAVINGS & DIVESTMENTS BRING MID-TERM MARGIN TARGET WITHIN REACH BY 2023

Adj. EBITDA margin

2020 2023 2025

11.3% 12.5-13.5% > 15%

-0.5-1pts 1.5-2.5pts savings & growth
inflation, pricing, savings & growth

1.5-2.5pts divestment

savings & growth

Portfolio projects already started with advisors engaged
1.5-2.5pts margin upside through divestments

<10% SG&A
Mid-term targets within reach by 2023 on core
> 15% margin potential on core

Assuming no relief on current peak inflation

New Ontex

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**NWC AND CAPEX DISCIPLINE LEAD TO MID-TERM CASH CONVERSION > 60%**

- Keep NWC/sales towards ~5%
- Radical simplification
- Cash is King program

- Capex/sales return to 4-4.5%
- Maintaining growth drive with capex > DA
- Majority growth capex

**Net working capital (in €M)**

<table>
<thead>
<tr>
<th>Year</th>
<th>NWC</th>
<th>NWC/sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>200</td>
<td>10.0%</td>
</tr>
<tr>
<td>2017</td>
<td>224</td>
<td>8.6%</td>
</tr>
<tr>
<td>2018</td>
<td>220</td>
<td>7.8%</td>
</tr>
<tr>
<td>2019</td>
<td>177</td>
<td>8.6%</td>
</tr>
<tr>
<td>2020</td>
<td>128</td>
<td>6.2%</td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td>~5%</td>
</tr>
</tbody>
</table>

**Capex (in €M)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex/sales</th>
<th>Capex/depreciation [1]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.1x</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1.8x</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>1.8x</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>1.7x</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>1.0x</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Cash conversion [2]**

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>60%</td>
</tr>
<tr>
<td>2017</td>
<td>49%</td>
</tr>
<tr>
<td>2018</td>
<td>47%</td>
</tr>
<tr>
<td>2019</td>
<td>47%</td>
</tr>
<tr>
<td>2020</td>
<td>44%</td>
</tr>
<tr>
<td>2025</td>
<td>&gt;60%</td>
</tr>
</tbody>
</table>

[1] Depreciation adjusted for leases
[2] Cash conversion defined as (Adj. EBITDA + capex) / Adj. EBITDA
LEADING TO A HEALTHY BALANCE SHEET

Financial debt (in €M)

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross debt</th>
<th>Other debt</th>
<th>Leases</th>
<th>Bond</th>
<th>Debt under covenant</th>
<th>Net debt</th>
<th>Leverage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>(989)</td>
<td>(741)</td>
<td>3.5x</td>
<td></td>
<td></td>
<td>(989)</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>(1,278)</td>
<td>(1,044)</td>
<td>3.6x</td>
<td></td>
<td></td>
<td>(1,278)</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>(1,032)</td>
<td>(580)</td>
<td>4.3x</td>
<td></td>
<td></td>
<td>(1,032)</td>
<td></td>
</tr>
<tr>
<td>2021 9M</td>
<td></td>
<td>(220)</td>
<td></td>
<td></td>
<td></td>
<td>(220)</td>
<td></td>
</tr>
</tbody>
</table>

Derisking balance sheet

- Net Debt reduction in last 3 years, to be continued
- Funding diversified
  - 20% Facilities agreement [1]
  - 56% Bond [1]
- Maturities extended to 2024-2026
- Solid liquidity
  - ~€200M cash [1]
  - Unutilized RCF of €270M

Leverage to be brought to <2.0x after divestments
- <3x by 2023
- <2x by 2025
- by Adj. EBITDA growth
- by cash inflow following divestments

[1] Situation in September 2021
SET FOR SUCCESS

Esther Berrozpe
Chief Executive Officer
ONTEX SET FOR SUCCESS

01 Strategic review finalized
Clear strategic choices and alignment of resources

02 Addressing exceptional cost inflation environment
With intensified savings program, pricing initiatives and cash discipline

03 Mid-term targets remain valid on the new Ontex scope

04 Ontex to become more focused, leaner, agile and profitable
Leading to a >15% margin business and a healthy balance sheet with leverage <2x by 2025
THANK YOU