



Press release
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Following weakness in baby care consumer demand, Ontex revises full-year outlook downward and accelerates a three-year efficiency improvement initiative

Aalst, Belgium, December 11, 2025 – Ontex Group NV, a leading international developer and producer of personal care products, revises its full year expectations for revenue growth downward, following a worsening of its baby care sales in October and November, as a result of weaker-than-expected consumer demand. This revision also impacts Ontex's adjusted EBITDA, free cash flow and leverage ratio expectations. The consumption of retailer brands dropped sequentially in the fourth quarter, both in Europe and North America, as consumer demand weakened further, and as promotional activity by A-brands remains intense.

Based on the lower-than-expected sales volumes, Ontex now anticipates a high-single digit like-for-like revenue drop in the fourth quarter compared to the fourth quarter of 2024, whereas a largely stable performance had been expected, with newly gained contracts offsetting the soft market conditions. Ontex had planned for continued quarter-on-quarter improvement, so the revenue decrease impacted margin negatively and thereby amplified the short-term effect on adjusted EBITDA and free cash flow delivery in the fourth quarter.

Importantly, the new contracts, which started delivery in the third quarter, are now fully operational both in Europe and North America, albeit at lower volumes than anticipated. While growth in these contracts was not sufficient to compensate for the overall decline in consumer demand, it demonstrates that Ontex is well positioned to continue gaining market share.

Ontex thereby revises its full year outlook, and now expects:

- > Revenue to reduce by mid-single digit like for like (previously by low single digit);
- > Adjusted EBITDA in a range of €175 to €180 million (previously €200 to €210 million), representing a margin of around 10%;
- > Free cash flow of around €(35) million (previously around zero);
- > Leverage ratio to end at around 3.2x (previously around 2.5x).

Given the evolving market environment and following the completion of the non-core business divestment, Ontex's management is now accelerating an efficiency improvement initiative across operations and SG&A of €200 million over the next three years. The required one-off implementation costs are expected to remain below €40 million. The aim of the initiative is to strengthen Ontex's competitiveness and support margin improvement and cash flow generation. More details will be shared in February with Ontex's full year results and 2026 outlook publication.

Gustavo Calvo Paz, Ontex's CEO, said: *"Consumer demand has softened throughout the year, in particular for baby diapers in our key markets, which has led us to revise our full-year outlook. This is disappointing, especially as we have made strong progress on our strategic portfolio and operational transformation, and have been gaining contracts over the period. Maintaining a double-digit margin for 2025, while facing strong market headwinds, demonstrates, however, that Ontex has strengthened its foundations in the last years. Nevertheless, the current market conditions and recent results call for action, and we are thereby accelerating a three-year efficiency improvement initiative across operations and SG&A."*

Management will host a Q&A session for investors and analysts today, December 11, 2025 at 12:00 CET, 11:00 BT. To attend, click <https://ontexgroup.engagestream.com/companywebcast.com/ontexcall-251211>. A replay will be available on the same link shortly after the live presentation. For active participation to the Q&A session, please contact investor.relations@ontexglobal.com.

Disclaimer

This press release includes 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 press release regarding trends or current activities should not be taken as a press release 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 press release.

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About Ontex

Ontex is a leading international developer and producer of baby care, feminine care and adult care products, both for retailers and healthcare, primarily in Europe and North America. The group employs about 5,100 people with plants and offices in 11 countries, and its innovative products are distributed in around 100 countries. Ontex is headquartered in Aalst, Belgium and is listed on [Euronext Brussels](#), where it is a constituent of the [Bel Mid®](#) index. To keep up with the latest news, visit ontex.com or follow Ontex on [LinkedIn](#).