

26Q1 Transcript

Presentation

Geoffroy Raskin, Investor Relations

Good morning, everyone and thank you for joining us today. I'm Geoffroy Raskin from investor relations. I'm pleased to have with us, Laurent Nielly, our CEO, and Geert Peeters, our CFO, to present the results of the first quarter of 2026.

Before that, let me remind you of the safe harbor regarding forward-looking statements. I will not read it out loud, but I will assume you will have duly noted it. With that cleared up, Laurent, over to you.

Laurent Nielly, CEO

Thanks Geoff. Good afternoon everyone. I will provide a few introductory comments on the quarter, Geert will cover the financial analysis and then I will come back to give you a few thoughts on what we see, and also on our strategic review progress.

Overall Q1 was a relatively soft quarter. Not a surprise, as we had indicated in February that our results this quarter would be in line with Q4 of last year, and thereby down versus a relatively strong first quarter in 2025. And importantly, we delivered on what we expected. Revenue was down 4% like for like compared to a year ago, because of weaker market demand in baby and feminine care, even if in retailer brands we slightly outperformed the market overall, and because of some lower sales in contract manufacturing, especially in the US, as we had expected. The adjusted EBITDA was in line with Q4, but lower than the previous year. Margin came down by 2 percentage points, due the impact of lower volumes, and higher net costs, which we partially mitigated through continued savings efforts in operations and in SG&A. The lower adjusted EBITDA this quarter, drove the last-twelve-months adjusted EBITDA down, which led to a slight increase in the leverage ratio despite the reduction in net debt.

Now, if one looks at the past 5 quarters, [with] reported revenue, on the left of this slide, and adjusted EBITDA, on the right of it, it is fair to say that our performance is still not where we expect it to be. Yet, we see a few encouraging signs on our journey to stabilize the business. Adult care, our largest category, continues to grow, and we are ramping up more capacity to fuel future growth, even if this quarter this growth was not enough to offset decline in baby and fem care demand. With this lower demand versus Q4 and the geopolitical instability, started early March, delivering stable adjusted EBITDA is a good sign of our resilience and an important consideration to face the rest of the year. I'll come back on that later, and will now pass over to Geert for more detailed financial analysis.

Geert Peeters, CFO

Thanks Laurent, and also from my side, good morning to everyone. In the following slides I will focus on the year-on-year evolution of revenue and adjusted EBITDA, and will, off course, also comment on the debt and leverage evolution over the quarter. But first, the revenue on the next slide.

The waterfall shows the evolution of revenue from Q1 2025 to Q1 2026. The combined price and mix impact was largely stable, meaning that the 4% like-for-like decrease is entirely linked to lower volumes. Let's then look at baby, feminine care and adult care. First the baby care volumes, they were down 11% versus a strong Q1 2025. You might remember that last year the Q1 sales were pushed up in the first quarter due to concerns on US tariffs, which then reversed in Q2. The market demand in baby care also decreased by mid-single digit in Europe and even by high single digit for retailer brands, and also that is the case in North America. Overall, we did somewhat better than the market in this market segment, thanks to growth in baby pants in Europe and also new and previously secured contracts that are ramping up in North America. And we could then say in North America that the baby care retailer sales, they were growing year on year. And then on contract manufacturing, you remember from February, that the sales in North America came down, and this is as we anticipated, and that is due to the mix of market share losses by our customers and some contract exits. Also, in our sales in overseas market, they were substantially lower, but this is largely because of planned contract exits. And then feminine care. Net volumes reduced by 4%. This is largely in line with the market evolution. And then, as Laurent said, adult care volumes were positive, they were growing again

2%, reflecting sustained growing demand in the retail channel and stable demand in healthcare in Europe, where we have a very strong position. Forex had a 1% adverse impact, mainly due to the US dollar depreciation of about 10% year on year. Let's now explore the evolution of the adjusted EBITDA versus last year.

On the next slide you find the bridge that shows the decrease of adjusted EBITDA from Q1 2025 to Q1 2026, which is a drop of more than 20%. The largest impact comes from the previously discussed lower revenue, which led to a decrease of 8 million €. Excluding this volume effect, the net costs increased by 5 million €, net of savings initiatives. And let me take each of them step by step. First of all the index. Although the index evolution had a positive impact on fluff, SAP and non-woven raw, backsheets and packaging materials were more expensive, and that [year] on year resulting in a slightly negative impact. If we then look at the other operating costs, they increased as well, linked to continued inflation of salaries and services, but we are making good progress on gradually improving the supply chain inefficiencies, which impacted Ontex from Q2 last year onwards, with still some limited left-over impact. And then of course the rising oil prices, they have resulted in higher transportation costs, which is a cost category where the cost pass-through occurs almost immediately, but I should say, in Q1 the impact was still very limited. Then we have the operating efficiency programs that we run, they continue, with the full year impact of initiatives launched last year and several new ones. Also this quarter, a large part of the cost increases were offset by initiatives in procurement, manufacturing, logistics and innovation. And then we started up a specific savings program to streamline the SG&A organization. The first results already materialize, and they offset the inflationary pressure on salaries and services. You will see in the bridge also the forex, there is a translational forex impact, but this is very limited and positive. That results in an adjusted EBITDA of ~~30~~ [39] million € which is identical to Q4 2025. The margin, thereby, stands at 9.1%, which is 2.2 percentage points lower than last year, reflecting less fixed cost absorption due to lower volumes and net inflation of costs. Let's now move from the P&L to the balance sheet on the next slide.

Our net financial debt reduced over the quarter from 577 to 550 million €. We finally managed to repatriate the cash that we held in Algeria following the divestment of our activities there in 2024. You remember, at the end of 2025, that cash amount had to be reclassified from cash to financial assets on the balance sheet, but they are now back to us and in the cash pool, and used to repay part of the RCF. Because this allowed us then to significantly reduce the [drawn] position of the RCF below 30%, while keeping an amount of cash of a bit more than 70 million €. Our Liquidity position, and we define it as the sum the cash and the undrawn part of the RCF, thereby strengthened further from 240 to 262 million € over the quarter. And then the leverage ratio ended at 3.36x. this is of course within the agreed covenant level, and as Laurent will explain in the outlook, we expect it to gradually decrease in the coming quarters. Laurent, now back to you.

Laurent Nielly, CEO

Thanks Geert. Let me know come back on some of the elements impacting our business and what we expect and will do in the coming months.

On the demand side, while slightly worse than expected in Q1, the assumptions are largely the continuity of what we discussed in the past few quarters. Adult care remains robust. Growth in the past 6 months is a bit lower than in recent years in both retail and healthcare institution channels, which indicates that the economic reality also has an impact on the category, but we do not think it changes the mid- to long-term attractiveness of it. On the other hand, demand in baby, it is to continue to be relatively weak in Europe and North America, the combination of demographics and lower-income consumer sentiment. We see high activity from branded players in baby, exacerbating the effect on the retailer brands, whether promotional pressure in Europe or new players growing fast in the US. Although it is fair to say that we do not see that worsening, and even in Europe we see even a bit less pressure as of April. Overall, Ontex's market share opportunities, which we had identified and already started to address last year, remain. On the cost side however, the geopolitical situation is likely to put temporary pressure on margins. The energy crisis drives oil, energy, transport and raw material prices up, partially from supply pressure on some materials, especially for oil derivatives, which are very present in our products. We have strong supply chain and strong procurement teams. We have protection through strategic suppliers' relations, long term contracts and we can count on a broad base of qualified suppliers. And like in 2022, we are taking actions to mitigate the impact of this new disruption. We have several levers, whether volume and mix where we can, cost-out initiatives, and also by working with our customers on pass-through pricing actions. We will fully recover the cost impact over time, yet with some timing delay. The situation is relatively fluid, [as] all of you can read

every day, with changes by the day, by the week. So, based on our current assumptions, and despite the adverse market events, we are maintaining our outlook at this stage, as presented on the next slide.

As I just mentioned, we are maintaining our outlook on the basis of our latest projections, which assume a gradual de-escalation of the energy crisis in the following months. Adjusted EBITDA to improve 10 percent for the full year, with an improvement expected quarter by quarter. We expect to turn free cash flow positive again. And the combination of both is to lead our leverage ratio down from the current about 3.4 times at the end of March, to a lower level, not to exceed 3 times by the end of the year.

Finally, before we take your questions, I want to spend a moment on our strategic review and some of the initiatives we are accelerating. As you remember, we launched a strategic review last January. The Board formed a strategic committee with clear objectives to drive sustained value creation. External advisors have been appointed to help review our businesses in North America and Europe. The diagnostic phase is mostly complete. It is helping solidify some of the elements we set in our three-year plan, yet is also identifying opportunities to accelerate execution, especially in cost improvement areas. We aim to finalize the strategic review in the coming months and we will share more by our next earning call. But in parallel, we are already moving in execution mode on several workstreams. First, we have accelerated the plan to streamline the organization, aligning it with the current scope of our business and the market perspective. We aim to reduce the number of positions in SG&A by 15%, and this within the next 12 to 18 months. Second, we are right-sizing our production capacity faster, adapting it to the new demand reality in both Europe and North America, including investing in training and set up, to increase flexibility of the workforce, allowing us to redeploy our staff where capacity is added, namely in adult and in baby pants. The right sizing includes our decision to cease baby diaper production in Australia by the end of the year. Third, we have launched a new set of initiatives to improve working capital management, aiming to drive the working capital percentage of revenue down by another 50 basis points, while preserving our service level to customers. As you can see, our clear focus is on the short-term priorities and challenges: the initiatives I just mentioned, our continuous efficiency improvements, the management of our supply and pricing actions. But we are also working to complete our strategic review in order to position our portfolio back to profitable growth in the years to come. You will hear more of that again by our Q2 results call. This closes our prepared remarks. Geert and I are now ready to take your questions.

Q&A

Geoffroy Raskin, Investor Relations

Thank you, Laurent and Geert. For the Q&A session, if you wish to ask a question, please dial the pound key followed by 5 to enter the queue. And if you wish to withdraw your question, please dial the pound key followed by 6. And please limit your questions to 2 at the time, please, that makes it easier for us to handle. And the first question comes from Karine Elias [from Barclays]. Karine, your line should be open.

Karine Elias, Barclays

Hi. Thanks a lot for the presentation and thanks for taking my question. I had two, but they are kind of linked in a way. I'm just looking at your guidance for the full year. And obviously, the EBITDA growth of 10% is based on largely stable sales volumes. I was wondering whether if you could comment on that for Q2. Is that what you're seeing at the moment? And maybe if you could provide a little bit more color on how you expect Q2 to shape up would be very helpful. Thank you.

Laurent Nielly, CEO

Thank you, Karine. This is Laurent here. Obviously, we cannot and we will not provide guidance for Q2 per se, but on your question on the top line, we see relatively stable sales in Europe. So we feel pretty confident on that side. And you remember as well that because of the phasing of some of the sales we have quarter by quarter, we also see good opportunity to have higher sales in Q2 in North America versus what we had in Q1. So overall, the statement of full-year stable revenue, we feel, is the right basis for the construction of our full-year outlook.

Karine Elias, Barclays

That's helpful. Thank you.

Geoffroy Raskin, Investor Relations

All right. Thank you Karine. The next question comes from Wim Hoste from KBC. Wim, your line should be open.

Wim Hoste, KBC

Yes, good morning. Two questions then from my side, please. First, on cost savings, I was wondering if you could provide a little bit more granularity on the dimensioning of 15% job cuts in SG&A. How much savings does that represent? How much positions will be cut? Will there be other savings beyond, additional savings beyond this SG&A exercise? If you can offer a little bit of clarity on that. And then another question would be on the evolution of the raw material basket and energy prices. If you can provide a bit of granularity on how we should expect that to evolve in Q2, Q3 specifically, and what kind of pricing increases have you announced in the market, or implemented in the market, and how fast will this come? If you can talk a little bit around that, that would be also helpful. Thank you.

Laurent Nielly, CEO

Okay. Wim, this is Laurent. I will address your first question on the SG&A, and then Geert will provide you more granularity on the cost side, on the [raw] materials. You know, our goal from an SG&A or an organization perspective is to adjust our organization to the new scope of our business after all the divestments that we've done, and also to reflect what we see in the market reality of where we have the growth and where we need to invest, and where we have less demand and maybe we have to streamline our organization. When we presented last December the ambition to generate a new total cost saving program over the next three years, we had indicated that it will be broadened from just cost of sales to also include SG&A. And so what you see here more is a little bit more transparency on what we aim at doing. But at this stage, you will understand that we are not going to translate that into a number of people, a number of positions, nor by country, because this is something that we deploy in our organization, and we

want to do it in a way that is respectful for all our employees. Now on the costs, Geert will provide some [explanation] now.

Geert Peeters, CFO

Hello Wim. On the raw material costs and the overall cost increases, a couple of elements. First of all, of course, mainly in raw materials, we will have quite some impact. We have a lot of the input materials that we use are oil derivatives. So that means they're based on polyethylene, polypropylene. And that means that the oil price impacts the indices. And as you know, the indices are the driver of our contracts. Of course, that always comes with a delay. Typically, it's a quarter delay. So that means timing is very important in the whole story. I come back to timing immediately because, apart from raw materials, there is, of course, other categories, like mainly transport costs. Of course, we're talking about much smaller amounts, because of the percentage of our cost of goods sold is much more limited, as compared to the raw materials. And then there might be some indirect impacts on salary, which is not yet, not at all clear at this moment. We added up all that, based on the latest visibility we have in the market, and made our new projections. The timing is very important. As I said, first of all, transport costs kick in immediately because you have immediately surcharges on your fuel. Raw materials, it's not yet an impact on Q1. We expect it will start having an impact from mid Q2, mainly also from having a more full impact in June- July. And, as you have seen in our outlook, which is important, we noticed that the market in general, and we follow that expectation, is that the crisis will ease, will de-escalate during the summer. That means that in Q4, and that's also what we see in the forecast we get on indices, that we see some easing of those indices, of course not to the normal level yet, but definitely not to the level of Q3. We took all that together and we mentioned about pricing actions we are going to take. We're not going to mention, of course, any percentages. For us, most important is that we align that increase with the size of the cost, and that means we have to be very agile, because that cost is constantly evolving on a weekly basis. So, we will adapt to that, so that we can keep the net impacts as low as possible. And the net impact will, of course, mainly be a time delay, which we try to keep as limited as possible. I hope that answers your question.

Wim Hoste, KBC

Okay. Yes, more or less. Thank you very much.

Geoffroy Raskin, Investor Relations

Thank you Wim. The next question comes from Rebecca Clements from J.P.Morgan. Rebecca, your line is open.

Rebecca Clements, J.P.Morgan

Hi there. Thanks for taking my question. Mine are kind of more cash flow related. How committed are you to your CapEx for the year, and would you be able to pull back on that if you felt like free cash flow was starting to look weak or pressured a bit around your leverage covenant? That's my first question. And the second question is around, you alluded to working capital improvements, I was wondering what levers you're going to be pulling or how you would be improving that working capital, what mechanism you'd be using for that?

Geert Peeters, CFO

Thanks, Rebecca, for that question. Cash flow is, for us, crucial, as you know. We put also guidance on it. our guidance is set to be above zero, and, of course, for the coming years, it should become positive again and create value. Short term, because of the pressure we have, we still believe we will be close to zero with the cash flow. Now, what are the levers we have, because that's more or less the question you're asking. Of course, in cash, in CapEx, we always have a lever, because we, as a management, we decide what's needed in CapEx or not. I should say, nevertheless, we, at the same time, we continue to ramp up capacity in adult, as Laurent explained during the presentation. So there are some commitments that we have taken which are important for the growth of the company, that we will continue. And there we might reduce CapEx a little bit, [but] we want to keep it limited. For us the more important lever is the one of the working capital, as you mentioned, because there we still see that we, mainly in inventory, we still have quite some room. Where does it come from? Different things. First of all, in North America, of course, we had the business

that we ramped up with two big contracts after summer last year. That came with quite some inventory, and we are now stabilizing the inventory level and going to a more normal level. We took already quite some correction in Q1, because we take it as an important action to bring the level of inventory in the US to a target level, which is for us in line with Europe. And now we have structural continuous improvement programs; for example, there are all different types of things on complexity of material, on phasing in of new products, and phasing out of old products. So there's a whole team working on it, and we have quite some working capital focus throughout the organization and a dedicated team to look at all the improvements we can do.

Rebecca Clements, J.P.Morgan

Thank you. Can I just clarify what your ... You had a footnote on your slide about your test for the covenant is 3.5 times leverage, but you have a note about 3.75 times at the bottom of that slide. What was the 3.75 note referring to, please?

Geert Peeters, CFO

So the covenant is 3.5, and we believe in our guidance, [which] is to be below the 3.5, from the position we have now, the 3.36, to gradually decrease further towards the end of the year. So covenant[-wise], based on the current information, [we are] comfortable on that. But what we mentioned is: in our contract we have a semi-annual test of covenant, so at half year and at the end of the year. And we have one possibility to breach the covenant until the level of 3.75. We don't believe we need it, but if it would happen, then it can go up one time to 3.75. So that's the meaning.

Rebecca Clements, J.P.Morgan

Was that always in your covenant, or was that something that you negotiated for this year? The 3.75 one time?

Geert Peeters, CFO

No, it's not separately negotiated. It was part of the refinancing. So the refinancing we did at [the] end of 2024 on the RCF, it was included in that contract. So it's not something we specifically negotiated for the current year. It's part of the overall contract.

Rebecca Clements, J.P.Morgan

Okay. Thank you for clarifying.

Geoffroy Raskin, Investor Relations

Thank you Rebecca. So as a reminder, if you wish to ask a question, please dial the pound key followed by 5. And the next person on the line is Maxime Stranart from ING. Maxime, over to you.

Maxime Stranart, ING

Hi. Good morning. Hope you can hear me well. Two questions from my side. First, looking at volume growth, I think it's the fifth quarter in a row now that volume growth is negative. How confident are you that you are now turning the tide? Obviously, baby care is still in the doldrums in Q2. ... So [I] just want to feel your confidence being back to volume growth in Q2. And secondly, I think, echoing some questions already, but just coming back on that, how confident are you in the phasing of the EBITDA guidance for the full year? Obviously, if I understand you correctly, you expect short-term margin pressure. So I guess Q2 will still be pressurized. So I just want to understand how back-end loaded the guidance is. That would be all for me. Thank you.

Laurent Nielly, CEO

All right, Maxime, Laurent [here]. Thank you for your questions. On the volume growth, there were 2 factors impacting it in the first quarter versus prior year. There was baby, as you mentioned, and which has been

declining for a number of quarters, you are absolutely correct, because of the overall category being in decline in Europe, as well as some lower sales in our contract manufacturing business in North America, that more than offset the growth that we had in retailer brands, right. So we are ending that cycling through the sharp decline in contract manufacturing ~~in Europe~~, we are going to be ..., in the US, sorry, so we are going to be now in a position where it was already in our base. And so therefore we should not see the same level of decline sequentially, from a baby perspective. And then, you know, the way we build our perspective is that the after that, the growing exposure to adult care, which is structurally exposed to growth, will allow us to offset maybe some structural decline in baby. In order to not decline in baby, you would have to go and be much more aggressive on share gains, which we have the plan [for], but we are very careful on how we look at it, because obviously we want to be careful about gaining profitable contracts and not contracts that don't lead to the good use of employed assets or capital. The second factor that impacted our volume specifically for Q1 is on feminine care. We exited some contracts in North America on the back half of last year. And so we still have this year-on-year decline based on contract manufacturing, right. So those are the two ones. So we're, based on those, we are confident that as the year progresses, the evolution of our volume will become more favorable. And that's one of the key factors behind our EBITDA progression as we progress in the year, because obviously when you can go back and produce more volume, and you have the set capacity, then you become much more efficient in the way you can absorb fixed cost. But you raise the point which is on Q2, [for] which we are not going to provide any specific guidance, because, frankly, you know, the cost evolution evolves. But if you listen to what Geert said, which is [that] there is usually a small gap in our pricing versus cost, then yes, you know, we think that there might be some margin pressure on Q2, and that's what we're working through. I hope I helped on your questions.

Maxime Stranart, ING

It does. Thank you.

Geoffroy Raskin, Investor Relations

Thank you, Maxime. The next question comes from Fernand de Boer from Degroof Petercam. Fernand, over to you.

Fernand de Boer, Degroof Petercam

Yes. Good morning. Thank you for taking my questions. I would like to come back on the cost [savings] acceleration, because you're mentioning 15%, which I think is more than something around €600 million. And if you then look at your cash out for this year, and you actually say an incremental 10 million. But that's then only for this year, and could you expect much more restructuring charges, and then the cash outflow in 2027 and 2028? And I'm a little bit puzzled about your remark on Australia to cease production, because I thought that, actually, all the production was produced for Australia, but produced in Europe and then exported to Australia. So could you elaborate a little bit on that one?

Laurent Nielly, CEO

Fernand let me take the Australia point, and then Geert will come back and clarify the other questions. In Australia, we were producing baby diapers, and only this category was produced locally. So it was a small operation, and we were no longer competitive from a cost side, versus some of the alternative sourcing for some of the customers. So what we've decided is to cease [the] production of baby diapers, but to continue with the business, absolutely. And that business is focused on growing categories where we have a right to win, and sourced from our European factories. So your understanding is correct on that front. Now I'm going to pass it on to Geert on your cost question.

Geert Peeters, CFO

On the restructuring charges, I don't know if I fully understood your question, but on restructuring, what I can say [is that] we, last time we explained that we have another €10 million [that] we expect as restructuring costs in 2026. I can go to 2027, 2028 afterwards, but for 2026 an extra €10 million, apart from the costs we still had related to the Belgian footprint, which had already an accrual two years before. In the summer of 2024, we took that accrual. So that extra €10 million, that I already explained a couple of months before, which is in our budgets, in our plans, that we maintain. And that also means that the streamlining

of the organization, as Laurent said, is something we were already working on. For us, it's becoming more concrete, and we give more information about it now, but it's part of that restructuring cost. Also, the other elements that Laurent mentioned on right-sizing of plants, it's included in that 10 million. For 2027-2028, we don't give any guidance, but what we mentioned before, on restructuring, what we see over a longer period, based on what we know now, we were talking about the same numbers. And we will see from the strategic review, on which we [will] give more information after Q2, if there is anything more specific we have to tell about that to clarify. Does it answer your question, Fernand?

Fernand de Boer, Degroof Petercam

Yes, partly, because if I understand correctly, you say to the end of this year of 2025, you had around 4,900 employees active, and now you say you're in the coming 18 months 15% will go, so let's say 750 employees for now.

Laurent Nielly, CEO

Fernand, the 15% is on SG&A. That's what we specified, right? So it's not on the total population. That's maybe where the misunderstanding is.

Fernand de Boer, Degroof Petercam

Okay, but [the] press release says number of SG&A positions. Okay, fine. Yes. All right, thank you.

Laurent Nielly, CEO

Yes. Yes. Very good. Otherwise it would be another magnitude. You are absolutely correct.

Geoffroy Raskin, Investor Relations

Okay, Fernand?

Fernand de Boer, Degroof Petercam

Yes, I'm fine. Thank you.

Geoffroy Raskin, Investor Relations

Okay. Then the last question comes from Charles Eden from UBS. Charles, over to you.

Charles Eden, UBS

Hi. Thanks for taking my question. It's just a bit of a clarification on the free cash flow and, more specifically, the net working capital comments. Obviously, there's going to be a sharp amount of inflation in the oil derivatives already coming through, and obviously, that will sit into the inventories at year-end. Are we right to assume what you're saying is you should be able to make improvements sufficient enough to mean that your absolute working capital is lower year on year, despite that inflation? Or is that not the correct way of interpreting the sort of slide 12, that shows the net working capital management contributing to positive free cash flow? I'm just trying to ... It seems quite ambitious in the context of the magnitude of oil-based inflation, which we may be seeing if the conflict is sustained. Thank you.

Geert Peeters, CFO

The 0.5% as compared to sales, you have to see it, you can translate it into an absolute impact. So that means that the current level we have of working capital, it amounts typically around €100 million. That, we believe, if you take that percentage as compared to sales, that we can reduce it with 0.5%. If you refer to the inflation, we took that assumption into account. So, if we look at how our working capital is organized, we also believe we can manage that within that percentage.

Laurent Nielly, CEO

So it's quite ambitious. You're right. But remember also that we're deploying pricing actions. And so what you see on inflation from an inventory perspective, you should see it captured into a sales uplift as well, right?

Charles Eden, UBS

Got it. Now, I just from previous cycles, sometimes the pricing is quite difficult, and the inflation in inventories is unavoidable. So, just trying to get a sense of where you're coming from. That was clear. Thank you.

Laurent Nielly, CEO

Yeah. Thank you.

Geoffroy Raskin, Investor Relations

All right. That ends up the questions. Laurent, over to you.

Laurent Nielly, CEO

All right. Well, thank you, everyone for attending our call and for your questions. I want to summarize a couple of key themes that were presented. We had a relatively soft quarter, as we expected. Importantly, we were able to deliver on what we had said, and a bit softer demand and some new geo-political disruptions didn't get in the way of our ability to deliver, which I take it as an encouraging sign. This gives us confidence that we will be able to navigate the coming few months of inflation and pass through pricing, with all the uncertainties that it entails, of course. But we have demonstrated that we could do it in 2022-2023, and I'm confident we will do it again. The strategic review is progressing with focus on cost, but also on completing our plans to return the portfolio to a profitable growth and to secure sustained value creation. And more of that will be shared in our Q2 [results publication]. Finally, I am thankful to our team for the hard work and the commitment that they show to our company. Have a great rest of the day. Thank you.