

# Ontex Reaches an Important Milestone in Its Strategy With an Agreement to Sell Its Mexican Business to Softys

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AALST, Belgium--([BUSINESS WIRE](#))--Regulatory News:

Ontex Group NV (Euronext: Ontex) (BSE:ONTEX), a leading international supplier of personal care products announces that it has entered into a binding agreement to sell its Mexican business activities for approximately €285 million to [Softys S.A.](#), a personal hygiene company with operations across Latin America. Softys is a wholly owned subsidiary of Empresas [CMPC S.A.](#), headquartered in Chile.

The transaction includes Ontex's business in Mexico and related exports to regional markets as well as its manufacturing facility in Puebla, Mexico. The plant in Tijuana, Mexico remains within the Ontex portfolio as an integral part of Ontex's North American supply chain footprint.

Today's transaction is an important milestone in Ontex's new strategy announced in December 2021 to focus on its Partner Brands and Healthcare Business, and accordingly to explore strategic alternatives for its branded business in Emerging Markets.

**Esther Berrozpe Galindo**, CEO, Ontex, said: *"This divestment represents a major milestone in our strategy to reshape our portfolio. The proceeds from the sale will contribute to reducing our net debt and strengthening our balance sheet. I am convinced that Softys, with its 40 years of experience in the personal hygiene market in Latin America, is well placed to take the business forward, benefiting from the talent and expertise of our team in Mexico."*

Ontex's Mexican business is being sold at an enterprise value of MXN \$5,950 million (or approximately €285 million at current exchange rate). This includes a deferred payment of MXN \$500 million, spread over a maximum of five years. Aggregate net cash proceeds, after the impact of taxes, transaction expenses and balance sheet adjustments are estimated at approximately €250 million, and will be exclusively applied to reduce debt.

The business being sold develops, manufactures and distributes baby diapers, baby pants, adult diapers and feminine hygiene products, marketed through the brands [BBTips®](#), [Chicolastic®](#), [Kiddies®](#), [BioBaby®](#) and others. It has approximately 1,300 employees and generated sales of MXN \$7.4 billion in 2021.

Ontex and Softys aim to close the transaction, which is subject to the customary conditions, including the applicable merger clearance approvals, by early 2023.

## About Ontex

Ontex is a leading international provider of personal hygiene solutions, with expertise in baby care, feminine care and adult care. Ontex's innovative products are distributed in more than 110 countries through leading retailer brands, lifestyle brands and Ontex brands. Employing some 9,000 people all over the world, Ontex has a presence in 21 countries, with its headquarters in Aalst, Belgium. Ontex is listed on Euronext Brussels and is part of the Bel Mid®. To keep up with the latest news, visit [ontex.com](https://ontex.com) or follow Ontex on [LinkedIn](#), [Facebook](#), [Instagram](#) and [YouTube](#).

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