COTY 2Q21 EARNINGS

FEBRUARY 9, 2021

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COTY MAINTAINS MOMENTUM IN 2Q

PROFIT AND NET DEBT AHEAD OF EXPECTATIONS

Continued execution on fixed cost savings program;
Raised savings target for FY21 to ~$300M

Q2 REVENUES INLINE WITH EXPECTATIONS

LFL trends improved by 1pp vs. Q1 despite COVID resurgence and related lockdowns

TANGIBLE PROGRESS ON STRATEGIC PRIORITIES

(1) E-com / digital
(2) China
(3) Prestige cosmetics and skincare
(4) Leading innovation
(5) Accelerating fragrances and stabilizing market share in mass

NEW COTY FULLY IN PLACE

Expanded Leadership Team and strong, diverse Board of Directors;

Coty to continue to build profitable growth

REVENUE IMPROVEMENT & STRATEGIC PROGRESS

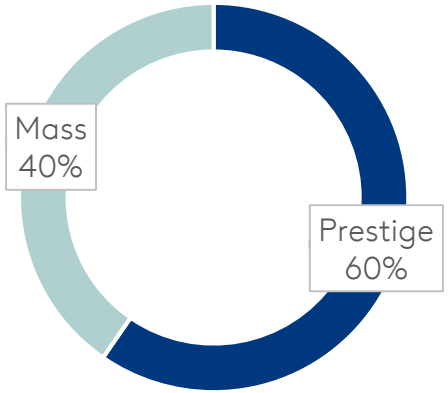
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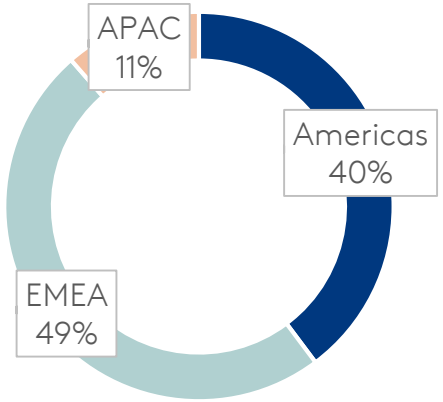
SALES TRENDS IN LINE WITH EXPECTATIONS IN A DISRUPTED ENVIRONMENT

1H21 Net Revenues by Channel

Q1 LFL: -19% → Q2 LFL: -18%



1H21 Net Revenues by Region



MASS

- Weakening LFL trends (-10% in Q1, -22% in Q2)
- Weakening cosmetics demand as COVID resurgence drives fewer usage occasions

PRESTIGE

- Improving LFL trends (-25% in Q1, -16% in Q2 / -9% excluding Travel Retail)
- Fragrance category back to growth in U.S., China, Australia, Singapore and Thailand
- Growing contribution from Gucci & Burberry cosmetics

REGIONAL Q2 LFL

- **Americas** -7%: Prestige business back to growth; mass pressured by category weakness
- **EMEA** -25%: COVID Wave 2, though prestige outperforming mass
- **Asia Pacific** -17%: Half of decline from Travel Retail; strong prestige sell-out while sell-in weighed by cuts to low quality distribution

(1) STRONG E-COMMERCE MOMENTUM, WITH ENHANCED DIGITAL STRATEGY ATTRACTING NEW CONSUMERS

Q2 E-Commerce Net Revenues

+40% *
(penetration 19%)

– Americas –

+51%

(penetration >10%)

– EMEA –

+30%

(penetration >20%)

– Prestige –

+45%

(penetration mid 20s)

– Mass –

+20%

(penetration high single digits)

New E-Com & Digital Activations

- Co-located UK warehousing reduced **delivery lead times from 7 days to 3 days**
- 1st time Spanish language Amazon media campaign => 70% new-to-brand
- Coty market share **doubled in Q2**

- Best-in-class **Marc Jacobs Perfect** and **CoverGirl Clean Fresh** Snap ads
- Sales significantly over-indexed to Gen Z
- Strong consumer engagement with **Sally Hansen / Snap Nailpolish Try-On Lens**

- **10bn views** for Marc Jacobs Perfect campaign
- **8bn views** for CoverGirl Clean Fresh campaign

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* Based on Coty Inc and third-party data; includes contribution from Kylie

(2) EXPANDING OUR FOOTPRINT IN CHINA

Strong growth in Coty Prestige business sell-out, with **Gucci and Burberry growing strong double digits**

Gucci make-up is the #3 amongst all beauty brands and **#2 amongst make-up brands in social buzz (Wechat)**

Significant opportunity on Tmall, with Gucci Beauty flagship store soft-opening this week and grand opening in March, **bringing Gucci Beauty to over 700 million Chinese consumers**

Coty has opened **3 doors in Hainan Sanya, with 3 more planned for 2H21**, with Gucci make-up already accounting for >50% of Coty sell-out



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(3) STRONG PUSH INTO PRESTIGE COSMETICS AND SKINCARE, NOW 8% OF SALES IN 1H21, UP FROM 6% IN FY20

Prestige Cosmetics

- Gucci make-up showing huge potential:
  - Q2 make-up retail sales **5x China, 2x in the U.S., 3x in Thailand, 3x in Singapore** vs. last year
  - Tremendous momentum with new foundation launch, >35K units sold in first month globally
- Burberry make-up retail sales **+48% in China**



(3) STRONG PUSH INTO PRESTIGE COSMETICS AND SKINCARE, NOW 8% OF SALES IN 1H21, UP FROM 6% IN FY20

Skincare

- Philosophy growing, thanks to strong momentum on DTC and e-commerce
- Kylie Skin **Advent Calendar** sold out in ~30 minutes; **Bath Collection** had >$1M sales in one day



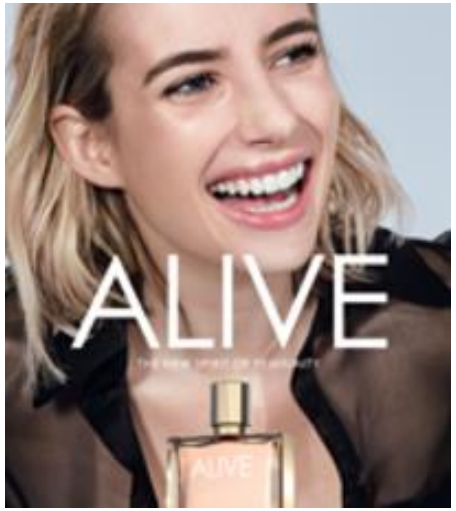
(4) BUILDING MARKET-LEADING INNOVATION



PERFECT - MARC JACOBS

The **#1 Fragrance Launch** in CY20 across U.S., U.K., Canada and Australia

Tracking to be the **largest Coty U.S. launch in 15 years**



ALIVE – HUGO BOSS

The **#1 Fragrance Launch** in CY20 in Germany

Drove **30% growth** in UK Hugo Boss female fragrances



LASH BLAST CLEAN – COVER GIRL

Already a **Top 3 Cover Girl SKU** at key retailers

10% lift to Lash Blast franchise on Amazon



LASTING FINISH 25H – RIMMEL

Regained spot as **#1 foundation in the UK**

Sales +94% in Australia

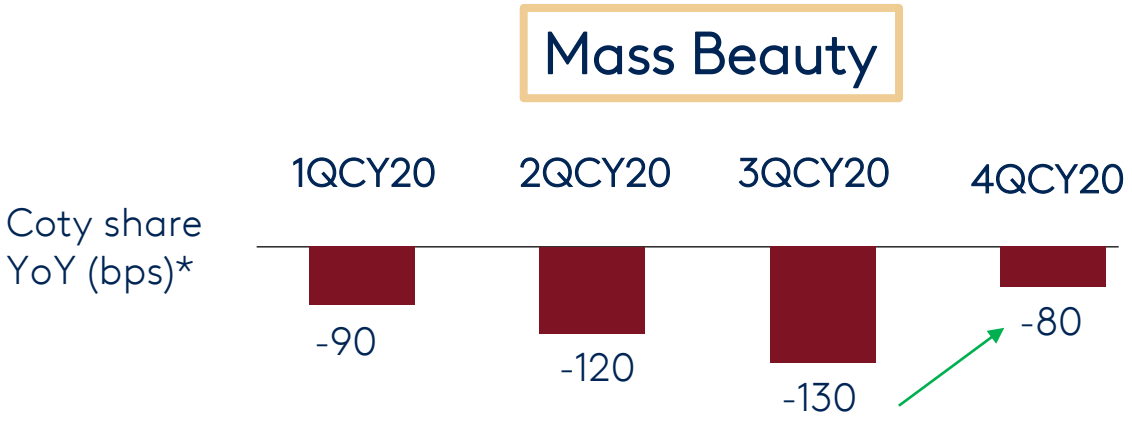
(5) ACCELERATING CORE PRESTIGE FRAGRANCE PORTFOLIO…

- Prestige fragrance category back to growth in several markets:
  - ➢ U.S., China, Australia, Singapore and Thailand
- In these markets, leading Coty brands seeing strong momentum – with high single digit to double digit sell-out growth:
  - ➢ Gucci, Burberry, Marc Jacobs



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(5) ...WHILE MASS BRANDS MARKET SHARE MOVING TOWARD STABILIZATION



- North America and Europe mass beauty, particularly cosmetics, pressured by resurgence of COVID
- Coty brands' market share **moving toward stabilization,** aided by strong e-commerce momentum
- Equity and strategy for each brand have been defined / moving into implementation

* Source: Nielsen data plus Amazon data for U.S., U.K., and Germany

FINANCIAL UPDATE & OUTLOOK

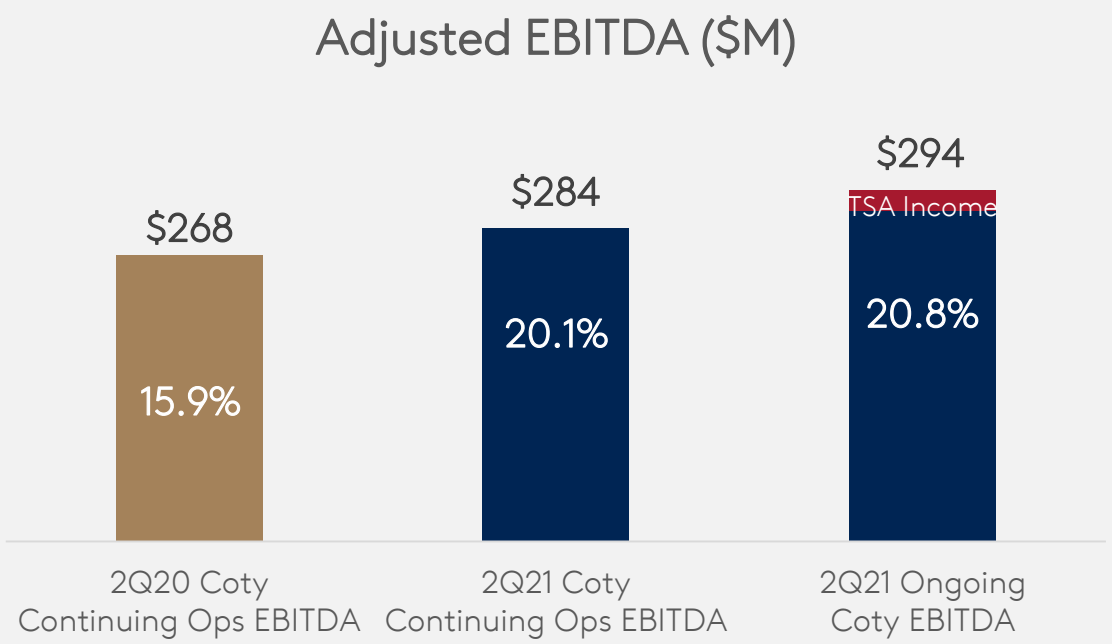
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CONTINUED ROBUST PROFIT DELIVERY

PROFIT

- Gross margin of 58.7% stable with 1Q21 and inline with FY20 average
- **2Q21 Adj Operating Income of $188M** for Continuing Ops
- **2Q21 Adj EBITDA of $284M** for Continuing Ops or $294M inclusive of Wella cost reimbursement
- 6% profit growth YoY despite double-digit sales decline and stranded costs supported by combination of:
  - ➢ Very **focused Marketing investment**
  - ➢ Strong **Fixed Cost reduction**



CONTINUED FIXED COST REDUCTIONS

- In 2Q21, Fixed Costs decreased **-12% YoY**
- Achieved approx. **$80M of savings in Q2**, consistent with Q1
- Year-to-date achieved **~$160M of savings**, primarily from headcount reduction and savings in business services
- Announced **consolidation of fragrance manufacturing** footprint, with closing of German plant to be completed by Summer 2022
- Increasing FY21 cost savings target to ~**$300M** in FY21 and on track for **$600M by end of FY23,** with several workstreams already locked-in for FY21



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EPS REFLECTS IMPROVEMENTS ACROSS THE BOARD

$ Millions	Q1	Q2	1H21
Adjusted EBITDA *(Continuing Ops)*	167	284	450
Depreciation & Non-Cash Stock Comp	(85)	(96)	(180)
Net Interest	(62)	(59)	(121)
Income Tax	(8)	(11)	(18)
Wella Net Income /Other	92	39	131
Diluted Share Count	917	938	927
Diluted Adjusted EPS * *(Total Coty)*	11 cents	17 cents	28 cents

- Wella contribution to be variation in Fair Market Value
- Share count to stabilize as coupon on Convertible Preferred Stock to be paid in cash, subject to Board approval

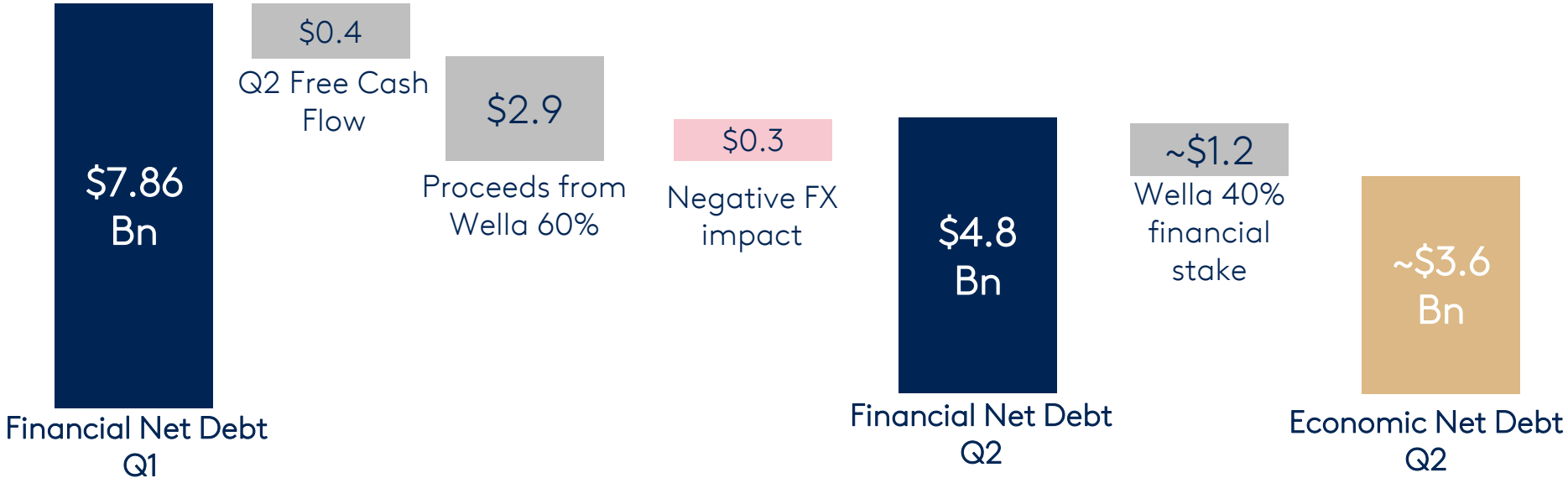
* Diluted adjusted EPS calculated under the "if-converted" method for the Convertible Preferred Stock

BETTER THAN EXPECTED FREE-CASH FLOW

$ Millions	Q2
Adjusted EBITDA *(Continuing Ops)*	284
Wella EBITDA *(2 months contribution)*	75
Capex, WC, one-offs	125
Interest and tax	(95)
FREE CASH FLOW	389

- SOLID FREE CASH FLOW
  - Strong Operating Income and EBITDA
  - Tight management of Capex and One-off costs
  - Strong overdue reduction
- WELLA CONTRIBUTION
  - 2 months of FCF
  - Temporary positive working capital linked to transaction

SUBSTANTIVELY IMPROVED CAPITAL STRUCTURE



RESET LEVERAGE

- Proceeds from disposal of 60% Wella $2.9 Bn, including $2.5B from disposal and $0.4B return of capital
- Remaining 40% Wella stake will be carried as **a fair value asset,** reflecting KKR's lead and role of stake for Coty's deleveraging

IMPROVED CAPITAL STRUCTURE

- 40% Financial stake in Wella
- **Debt maturity = 2023 & 2025**
- Attractive debt conditions – **interest rate < 4%** - ~46% fixed
- ~35% $ and ~65% € blend

FY21 OUTLOOK

- **Short term orders volatility** due to COVID
- Cost savings for FY21 now **targeted at $300M**
- Expecting **FY21 adjusted EBITDA of $750M**
- Continue to drive **leverage ratio towards 5x exiting CY21**



CONCLUSION: MAINTAINS MOMENTUM IN Q2

- The new team is in place
- Optimizing short-term revenues and sell-out in a volatile context
- Continue to control costs & debt, but focusing now on **accelerating topline**
- Added FY21 savings will enable guided profit delivery, while **increasing commercial investments in 2H21**
- Strategic priorities around accelerating growth to be shared in mid-April, with Investor Day planned for Fall 2021



DISCLAIMER

Forward-Looking Statements

Certain statements in this presentation are forward-looking statements. These forward-looking statements reflect the Company's current views with respect to, among other things, the impact of COVID-19 and potential recovery scenarios, the Company's comprehensive transformation agenda (the "Transformation Plan"), strategic planning, targets, segment reporting and outlook for future reporting periods (including the extent and timing of revenue, expense and profit trends and changes in operating cash flows and cash flows from operating activities and investing activities), the impact of the Wella Transaction and the related transition services (the "Wella TSA"), the Company's future operations and strategy including the expected implementation and related impact of its strategic priorities), allocation and amount of advertising and consumer promotion costs, allocation and amount of research and development investments, investments, licenses and portfolio changes, product launches and relaunches or rebranding (including their expected timing and impact), ongoing and future cost efficiency, optimization and restructuring initiatives and programs, strategic transactions (including their expected timing and impact), the Company's capital allocation strategy and payment of dividends (including suspension of dividend payments and the duration thereof), synergies, savings, performance, cost, timing and integration of acquisitions, including the strategic partnerships with Kylie Jenner and Kim Kardashian West, future cash flows, liquidity and borrowing capacity, timing and size of cash outflows and debt deleveraging, the availability of local government funding or reimbursement programs in connection with COVID-19 (including expected timing and amounts), the timing and extent of any future impairments, synergies, savings, impact, cost, timing and implementation of the Company's Transformation Plan (including operational and organizational structure changes, operational execution and simplification initiatives, fixed cost reductions and supply chain changes), e-commerce and digital initiatives, management changes, the priorities of senior management, and the Company's ability to support its planned business operations in the near-term and long-term basis. These forward-looking statements are generally identified by words or phrases, such as "anticipate", "are going to", "estimate", "plan", "project", "expect", "believe", "intend", "foresee", "forecast", "will", "may", "should", "outlook", "continue", "temporary", "target", "aim", "potential", "goal" and similar words or phrases. These statements are based on certain assumptions and estimates that we consider reasonable, but are subject to a number of risks and uncertainties, many of which are beyond the control of the Company, which could cause actual results to differ materially from such statements. Such risks and uncertainties are identified in the periodic reports Coty has filed and may file with the Securities and Exchange Commission (the "SEC") including, but not limited to: the impact of COVID-19 (or future similar events), including demand for the Company's products, illness, quarantines, government actions, facility closures, store closures or other restrictions in connection with the COVID-19 pandemic, and the extent and duration thereof, the availability and widespread distribution of a safe and effective vaccine, related impact on the Company's ability to meet customer needs and on the ability of third parties on which the Company relies, including its suppliers, customers, contract manufacturers, distributors, contractors, commercial bank and joint-venture partners, to meet their obligations to the Company, in particular, collections from customers, the extent that government funding and reimbursement programs in connection with COVID-19 are available to the Company, and the ability to successfully implement measures to respond to such impacts; the Company's ability successfully implement its multi-year Transformation Plan and to develop and achieve its global business strategies and strategic priorities, compete effectively in the beauty industry and achieve the benefits contemplated by its strategic initiatives within the expected time frame or at all; the timing, costs and impacts of future divestitures (and the amount and use of proceeds from any such transactions); the integration of acquisitions with the Company's business, operations, systems, financial data and culture and the ability to realize synergies, avoid future supply chain and other business disruptions, reduce costs and realize other potential efficiencies and benefits (including through its restructuring initiatives) at the levels and at the costs and within the time frames contemplated or at all; and managerial, integration, operational, regulatory, legal and financial risks, including diversion of management attention to and management of cash flows, expenses and costs associated with the Company's response to COVID-19 and multiple ongoing and future strategic initiatives (including the Wella TSA), internal reorganizations and restructuring activities, including the Transformation Plan, any unanticipated problems, liabilities or integration or other challenges associated with a past or future acquired business, joint ventures or strategic partnerships (including with Kylie Jenner and Kim Kardashian West) which could result in increased risk or new, unanticipated or unknown liabilities, including with respect to environmental, competition and other regulatory, compliance or legal matters and litigation or investigations by governmental authorities; the Company's ability to retain and attract key personnel and the impact of senior management transitions and organizational structure changes.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included elsewhere. More information about potential risks and uncertainties that could affect Coty's business and financial results is included under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Coty's Annual Report on Form 10-K for the fiscal year ended June 30, 2020, and other periodic reports Coty has filed and may file with the SEC from time to time. Any forward-looking statements made in this presentation are qualified in their entirety by these cautionary statements. All forward-looking statements are made only as of the date of this presentation, and, Coty undertakes no obligation, other than as may be required by applicable law, update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, or changes in future operating results over time or otherwise.

Non-GAAP Financial Measures

In this presentation, Coty presents certain non-GAAP financial measures that we believe enable management and investors to analyze and compare the underlying business results from period to period, including constant currency, organic like-for-like (LFL) and adjusted metrics, as well as adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), net debt or financial net debt, economic net debt, free cash flow and immediate liquidity. Constant currency information compares results between periods as if exchange rates had remained constant period-over-period, with the current period's results calculated at the prior-year period's rates. The term "like-for-like" describes the Coty's core operating performance, excluding the financial impact of (i) acquired brands or businesses in the current year period until Coty has twelve months of comparable financial results, (ii) divested brands or businesses or early terminated brands , generally, in the prior year non-comparable periods, to maintain comparable financial results with the current fiscal year period and (iii) foreign currency exchange translations to the extent applicable. Adjusted metrics exclude nonrecurring items, purchase price accounting related amortization, acquisition-related costs, restructuring costs and certain other information as noted within this presentation. Free cash flow is defined as net cash provided by operating activities, less capital expenditures, and net debt is defined as total debt less cash and cash equivalents. These non-GAAP financial measures should not be considered in isolation, or as a substitute for, or superior to, financial measures calculated in accordance with GAAP. To the extent that Coty provides guidance, it does so only on a non-GAAP basis and does not provide reconciliations of such forward-looking non-GAAP measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for restructuring, integration and acquisition-related expenses, amortization expenses, adjustments to inventory, and other charges reflected in our reconciliation of historic numbers, the amount of which, based on historical experience, could be significant. Reconciliation of these non-GAAP financial measures to the nearest comparable GAAP financial measures are contained in the press release attached as Exhibit 99.1 to the Form 8-K filed with the SEC on February 9, 2021.

Financial Presentation

In this presentation, discussions of "Total Coty" results reflect the current full scope of Coty's revenues and costs; "Continuing Operations" results reflect Total Coty results less the revenues and direct costs of the soon-to-be-divested Wella business; "Ongoing Coty" results reflect Continuing Operations plus additional cost recoveries expected under the Wella transitional service agreement (the "Wella TSA") which the company believes better reflect the balance of costs for the ongoing business.

Outlook Information

In this presentation, Coty presents outlook information as of February 9, 2021

