COTY
INVESTOR PRESENTATION

DEUTSCHE BANK GLOBAL CONSUMER CONFERENCE

JUNE 10, 2021

COTY
SINCE 1904



INVESTMENT THESIS

1 ONE OF THE MOST BEAUTIFUL PORTFOLIOS, WITH TWO COMPLEMENTARY BRAND PORTFOLIOS

- ONE OF THE MOST BEAUTIFUL & COMPREHENSIVE BRAND PORTFOLIOS IN THE INDUSTRY, AND THE ONLY GROUP AT THIS LEVEL TO OPERATE TWO COMPLEMENTARY BRAND PORTFOLIOS

2 RAPIDLY EXECUTING ON ALL KEY STRATEGIC GROWTH PILLARS

- GREEN SHOOTS IN EVERY STRATEGIC PILLAR, WITH STRONG CADENCE OF PORTFOLIO MILESTONES PLANNED THROUGH CY21

3 GROSS MARGIN AND COST REDUCTIONS WILL FUEL OUR GROWTH PLANS

- CLEAR OPPORTUNITY TO DRIVE INCREASED PROFITABILITY THROUGH GROSS MARGIN EXPANSION AND COST REDUCTIONS, WHILE STILL INVESTING BEHIND OUR FOCUS BRANDS

4 MULTIPLE LEVERS TO DELEVERAGE

- OPPORTUNITIES TO IMPROVE FCF AND LEVERAGE THROUGH EBITDA GROWTH, WORKING CAPITAL ENHANCEMENTS, AND ASSET MONETIZATION, INCLUDING STAKE IN WELLA

COTY OVERVIEW

COTY
SINCE 1904



WHO WE ARE TODAY...

A GLOBAL LEADER IN FRAGRANCE AND COLOR COSMETICS

STRONG POSITIONS IN KEY MARKETS WITH A DIVERSE BRAND PORTFOLIO

#1 in fragrances

$4.2B CY20 Net Revenues

#4 in color cosmetics



#2 in Prestige Fragrances
#2 in Mass Cosmetics



#2 in Prestige Fragrances
#1 in Mass Cosmetics



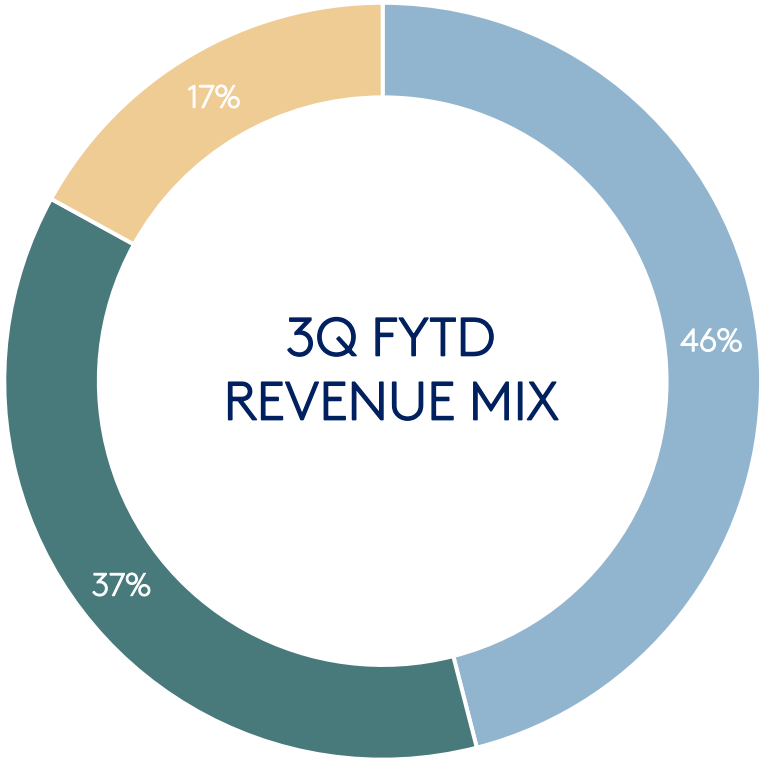
#1 in Prestige Fragrances
#4 in Mass Cosmetics

GUCCI · BOSS HUGO BOSS · CALVIN KLEIN · BURBERRY LONDON ENGLAND · KYLIE KYLIE JENNER

COVERGIRL · RIMMEL LONDON · MAX FACTOR X · adidas · Sally Hansen

Source: Rank in Global Fragrances and Color Cosmetics – Greenbook CY19
US, UK, DE Prestige Rankings NPD Sell-Out data (TMM for US) CY20
US, UK, DE Mass Cosmetics Rankings Nielsen Sell-Out data CY20

SALES DIVERSIFIED ACROSS CHANNELS

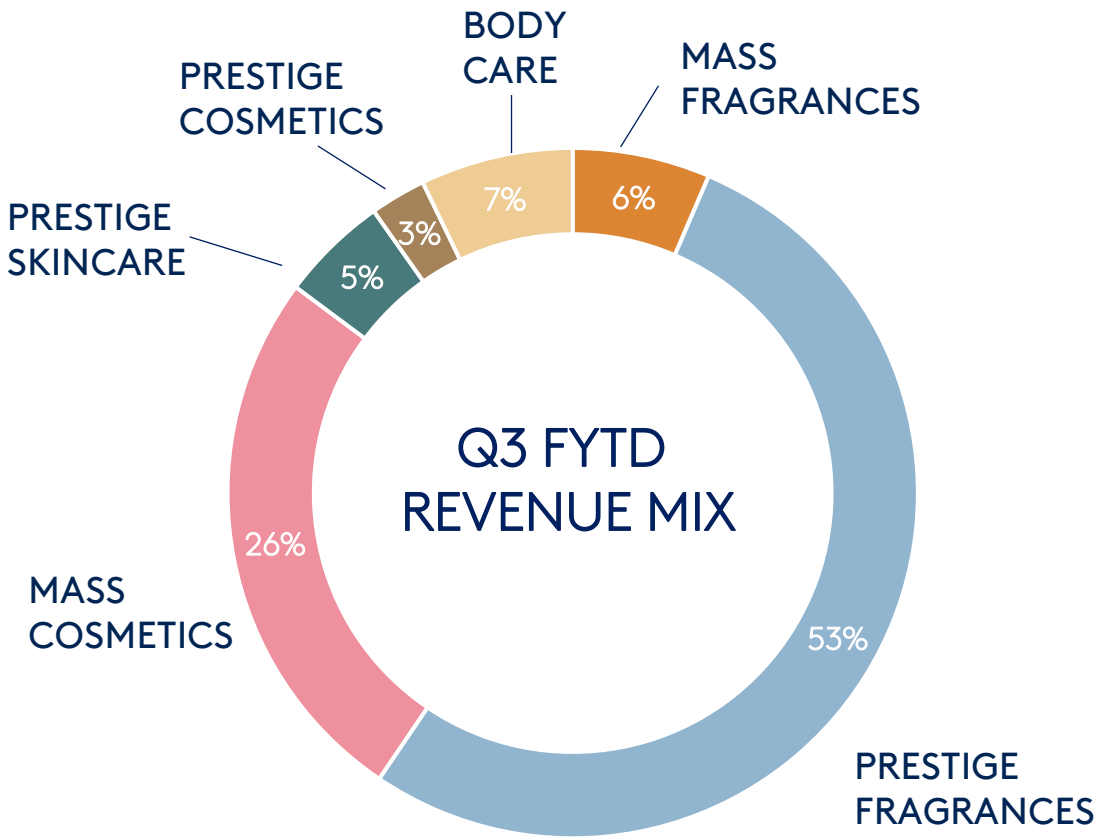


- LUXURY B&M
- MASS B&M
- E-COMMERCE



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SALES DIVERSIFIED ACROSS CATEGORIES





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SALES DIVERSIFIED ACROSS GEOGRAPHIES

3Q FYTD REVENUE MIX



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A PORTFOLIO OF ICONIC BRANDS ACROSS KEY PRICE TIERS



COTY'S STRATEGY

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SINCE 1904



OUR STRATEGIC PRIORITIES

#1	**STABILIZE CONSUMER BEAUTY MAKE-UP BRANDS & MASS FRAGRANCES**
#2	**ACCELERATE LUXURY FRAGRANCES** & BECOME A KEY PLAYER IN **PRESTIGE MAKE UP**
#3	**BUILD SKINCARE PORTFOLIO** ACROSS BOTH DIVISIONS
#4	**BUILD E-COMMERCE AND DIRECT-TO-CONSUMER EXPERTISE AND CAPABILITIES**
#5	**EXPAND IN CHINA** ON LUXURY AND SELECT CONSUMER BEAUTY BRANDS
#6	**BECOME A BEAUTY LEADER IN SUSTAINABILITY**

KEY CONSUMER TRENDS AS MARKETS EMERGE POST-COVID

EMERGING CONSUMER BEHAVIOR

TRUSTED BRANDS

#1 FACTOR INFLUENCING BEAUTY PURCHASES

WELLNESS & MENTAL HEALTH

#2 FACTOR INFLUENCING BEAUTY PURCHASES

FANTASY & ESCAPISM

BEAUTY AS ANTIDOTE TO ANXIETY, BOREDOM & FATIGUE

COTY'S STRATEGIC ALIGNMENT

CORE BRANDS

RE-ANIMATING KEY BRANDS WITHIN PRESTIGE AND CONSUMER BEAUTY

CLEAN; SKINCARE

LEANING INTO CLEAN / SUSTAINABLE INNOVATION; BUILDING SKINCARE & SKINIFICATION OF MAKEUP

FRAGRANCES & MAKEUP

FRAGRANCES AS "FEEL GOOD" CATEGORY;
MAKEUP AS CREATIVE EXPRESSION & EXPLORATION

(1) STABILIZING CONSUMER BEAUTY

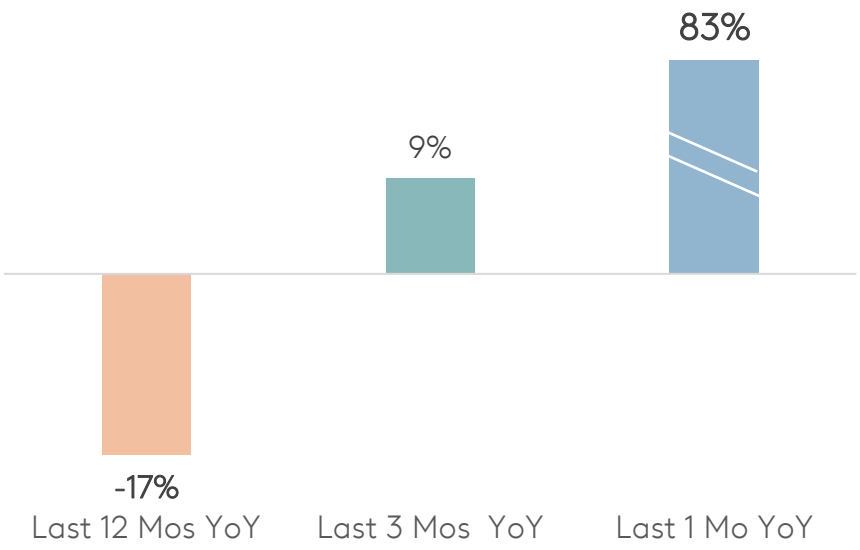
COTY
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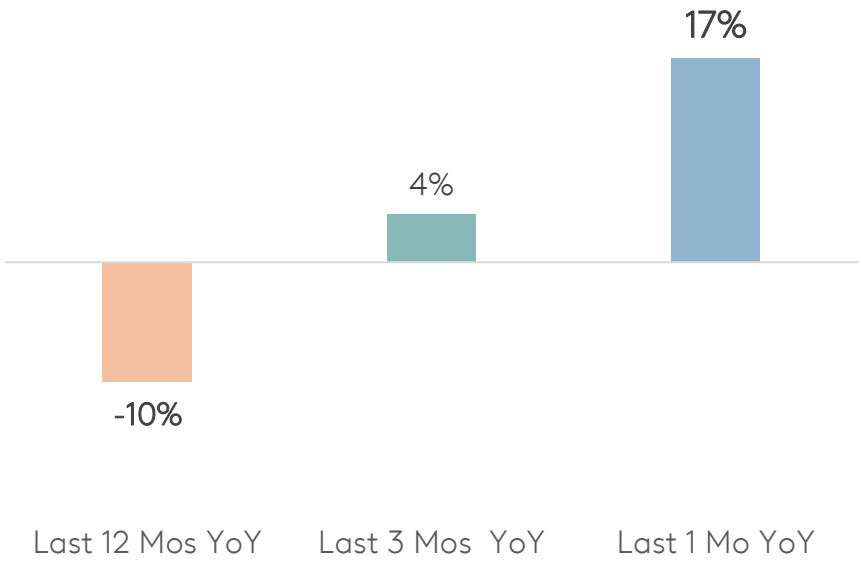
1 COSMETICS DEMAND ACCELERATING AS MARKETS RE-OPEN

COSMETICS DEMAND TRENDS IN KEY MARKETS IMPROVING ON A 1-YR AND 2-YR BASIS

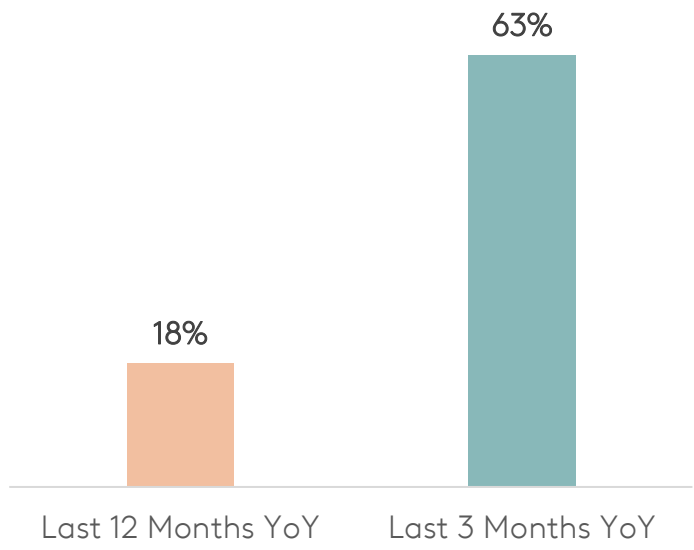
U.K. Mass Cosmetics Sell-out Growth



U.S. Mass Cosmetics Sell-out Growth



China Lux Cosmetics Sell-out



Source: U.K. and U.S. Nielsen + Amazon Profitero data through end of April 2021; China make-up data from Beaute Research through March 2021 (B&M + e-commerce)

1 EACH CB BRAND NOW HAS A DISTINCTIVE SENSE OF PURPOSE

COVERGIRL

THE UPLIFTING POWER OF MAKE UP



RIMMEL LONDON

THE FREEING POWER OF MAKE UP



MAX FACTOR

FROM ORDINARY TO EXTRAORDINARY





ONCE A COVERGIRL, ALWAYS A COVERGIRL

Niki Taylor is back! Our Covergirl from 1998 returns, Thanks to Simply Ageless. America's #1 anti-aging foundation brand.



SIMPLY AGELESS RESULTS

757M IMPRESSIONS FOR PR CAMPAIGN

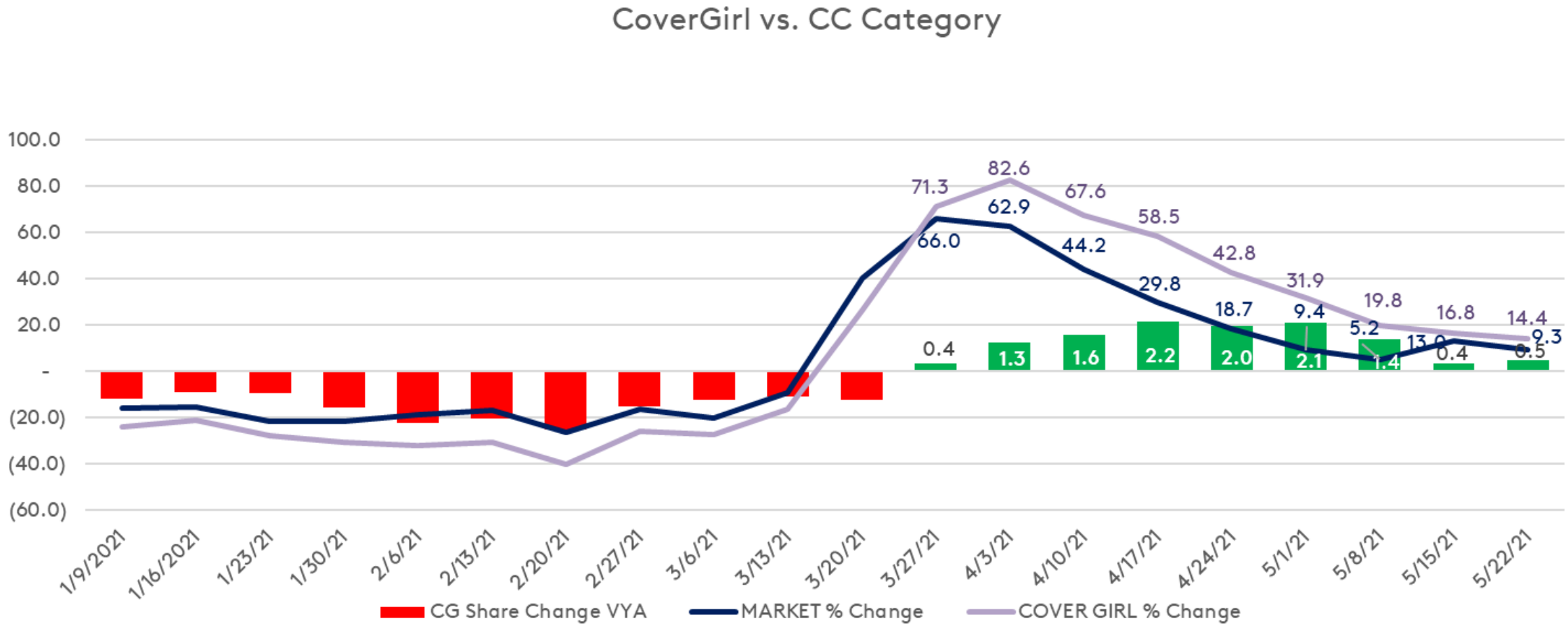
+45% WKLY SALES AVG MAY VS. JAN

+2.4P MARKET SHARE MAY VS. JAN

Source: Nielsen Data w/e 5/8

1 COVERGIRL RECORDS SUSTAINED MARKET SHARE GAINS FOR THE FIRST TIME IN 4 YEARS

9 STRAIGHT WEEKS OF MARKET SHARE GAINS



Source: U.S. Nielsen through May 22, 2021

(2) ACCELERATE IN LUXURY FRAGRANCES & BUILD PRESTIGE MAKEUP PORTFOLIO

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2 FOCUSED APPROACH TO PRESTIGE FRAGRANCE PORTFOLIO

CONCENTRATED BRAND PORTFOLIO

TOP 6 BRANDS

~80%

OF PRESTIGE FRAGRANCE SALES

CALVIN KLEIN

BOSS HUGO BOSS

GUCCI

BURBERRY LONDON ENGLAND

MARC JACOBS

Chloé

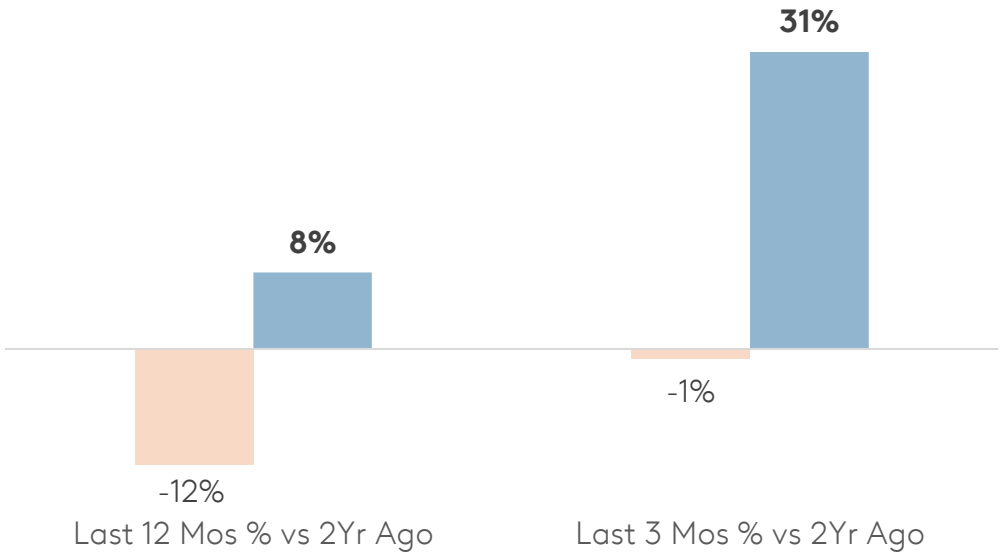
KEY STRATEGIC CRITERIA

- ✓ FASHION-DRIVEN BRANDS THAT CAN BECOME FRAGRANCE POWERHOUSES
- ✓ MULTI-CATEGORY POTENTIAL
- ✓ RESONATE IN KEY FOCUS MARKETS LIKE CHINA

2 PRESTIGE FRAGRANCE GROWTH OUTPACING BEAUTY CATEGORY IN U.S. AND CHINA

BOTH U.S. AND CHINA SEEING **DOUBLE DIGIT GROWTH IN PRESTIGE FRAGRANCE DEMAND ON A 2-YR BASIS,** OUTPACING SKINCARE & COSMETICS

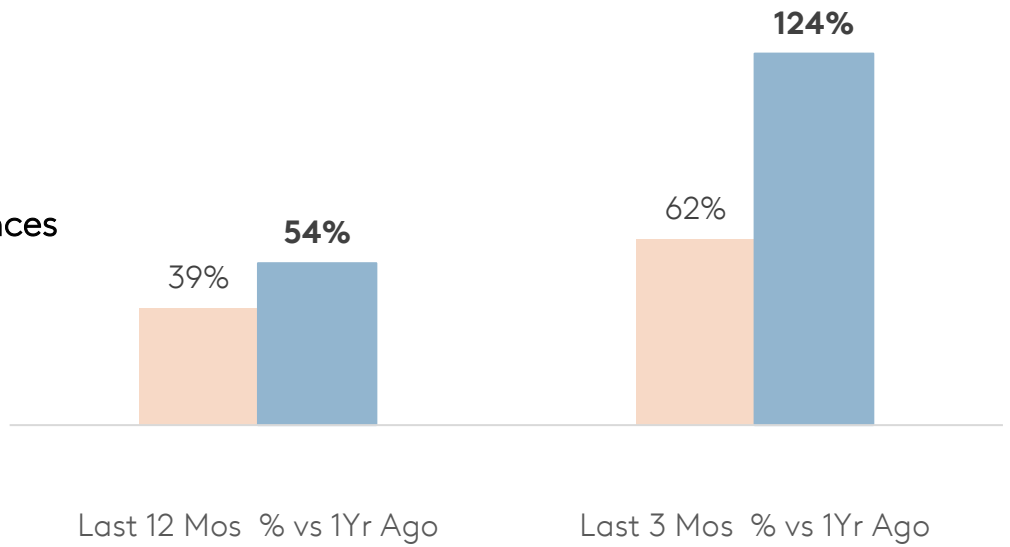
U.S. Prestige Beauty Growth vs. 2 Yrs Ago



Prestige Beauty

Prestige Fragrances

China Prestige Beauty Growth vs. 1 Yr Ago



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Source: U.S. NPD data through end of April 2021 (B&M + e-com); China beauty data from Beaute Research through March 2021 (B&M + e-commerce)

2 STRONG COTY PRESTIGE LAUNCH CALENDAR FOR 1HFY22

GUCCI

- REVAMPED FEMALE FRAGRANCE PILLAR

BURBERRY
LONDON ENGLAND

- NEW MALE FRAGRANCE PILLAR

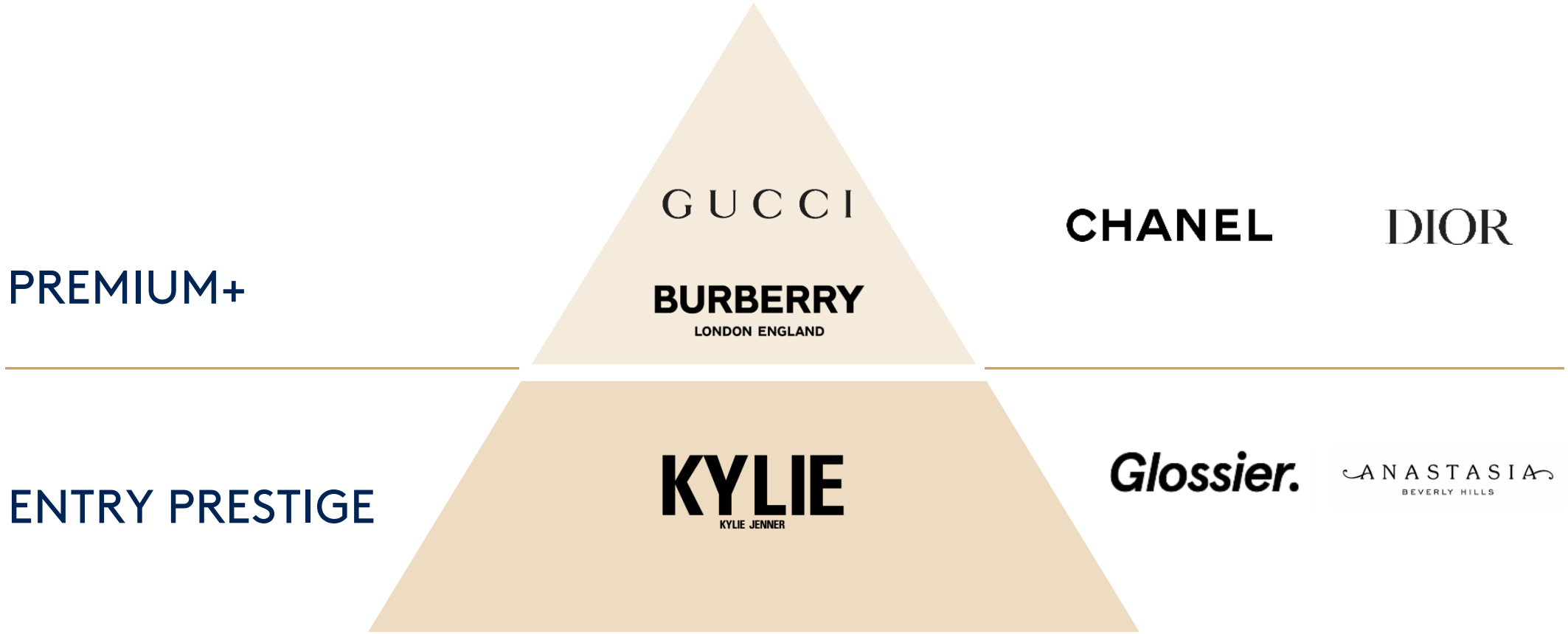
KYLIE
KYLIE JENNER

- REFRESHED COSMETIC PRODUCT PORTFOLIO & INTEGRATED DTC WEBSITE

CALVIN KLEIN

- NEW MALE FRAGRANCE PILLAR

2 STARTING TO BUILD PRESTIGE COSMETICS PORTFOLIO



2 EXPANDING PRESTIGE MAKEUP

VERY STRONG PERFORMANCE OF GUCCI AND BURBERRY MAKEUP ACROSS THE GLOBE

IN THE U.S., GUCCI MAKE-UP SELL-OUT IS UP TRIPLE DIGITS IN FYTD, WITH STRONG SUPPORT FROM BRONZING POWDER & SHINY LIPSTICK

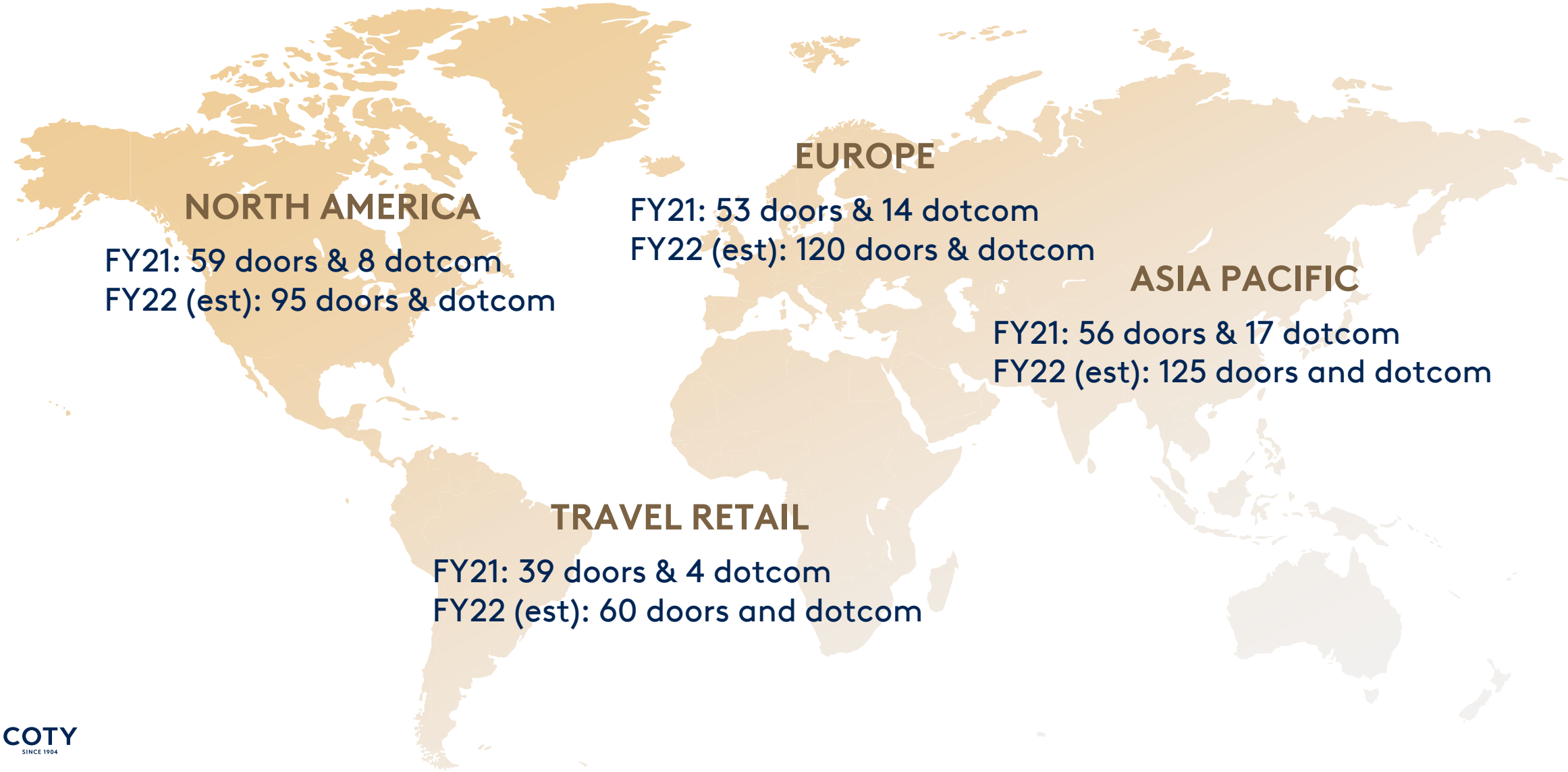
IN APAC, BOTH GUCCI AND BURBERRY MAKEUP SELL-OUT GREW TRIPLE DIGITS IN 3Q, LED BY CHINA AND FACE PRODUCTS

IN EUROPE, GUCCI MAKEUP RANKING IN THE TOP 10 PRESTIGE MAKEUP BRANDS IN SEPHORA STORES WHERE IT'S PRESENT



2 STRONG GUCCI MAKEUP EXPANSION PLANS

OF DOORS



NORTH AMERICA

FY21: 59 doors & 8 dotcom
FY22 (est): 95 doors & dotcom

EUROPE

FY21: 53 doors & 14 dotcom
FY22 (est): 120 doors & dotcom

ASIA PACIFIC

FY21: 56 doors & 17 dotcom
FY22 (est): 125 doors and dotcom

TRAVEL RETAIL

FY21: 39 doors & 4 dotcom
FY22 (est): 60 doors and dotcom

2 CONSUMER ENGAGEMENT WITH KYLIE REMAINS EXCEPTIONAL

RELAUNCHED KYLIE LIP BALM SET (ASP $35) ON JUNE 2ND

- IN FIRST HOUR SAW **300 ORDERS PER MINUTE**
- BALANCED MIX OF NEW AND RETURNING CUSTOMERS

RESULTS REINFORCE THE **CONTINUED CONSUMER EXCITEMENT** AROUND KYLIE AND HER BEAUTY BRAND, HEADING INTO THE **LAUNCH OF THE REFRESHED KYLIE COSMETICS PRODUCT ASSORTMENT THIS SUMMER**



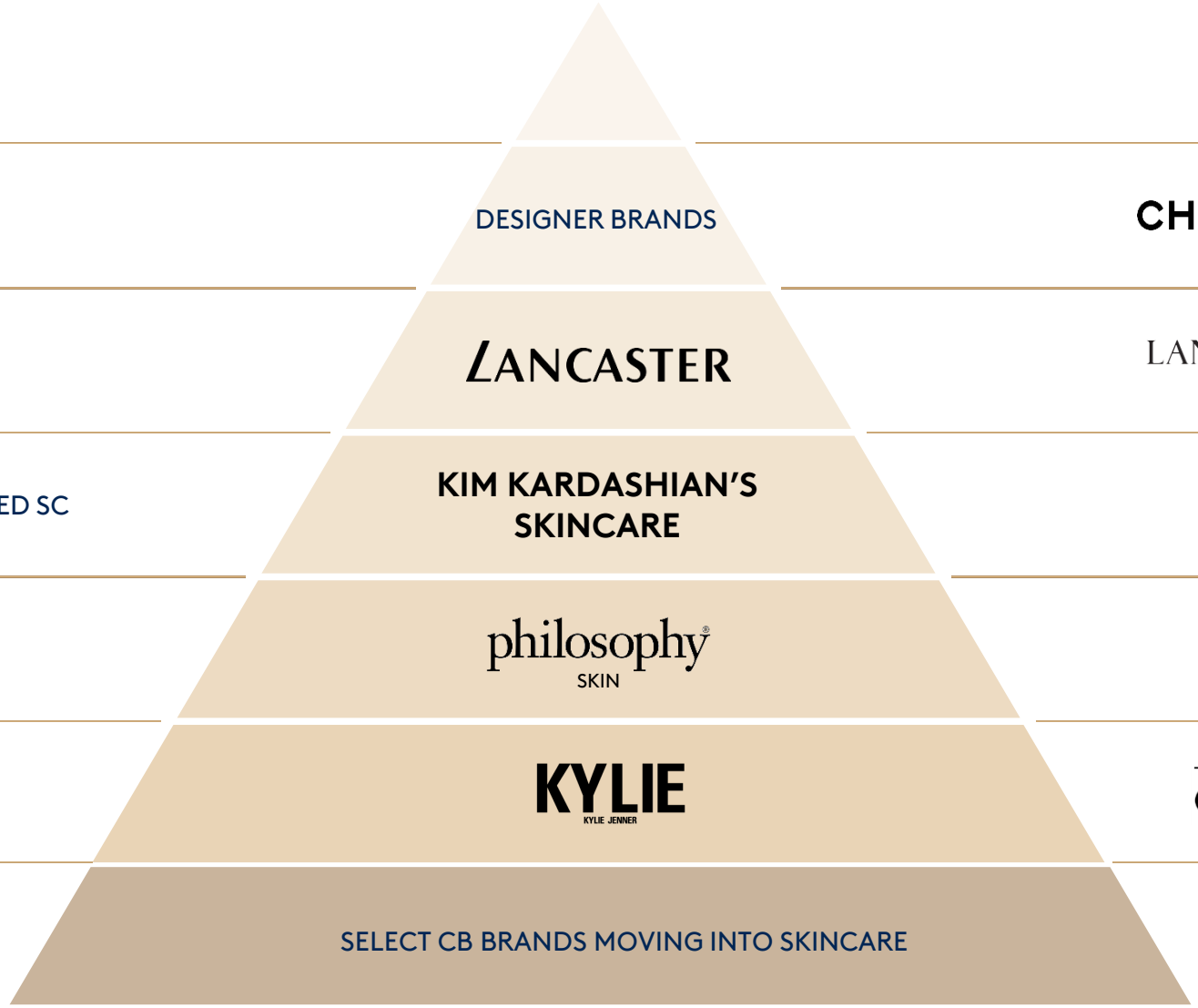
LIP BALM 5-PIECE SET

(3) BUILD SKINCARE PORTFOLIO IN BOTH DIVISIONS

COTY
SINCE 1904



3 WE CAN BUILD A COMPREHENSIVE SKINCARE PORTFOLIO



3 BUILDING SKINCARE PORTFOLIO – ELEVATING LANCASTER IN CHINA

LANCASTER SALES IN HAINAN DUFRY ON PAR WITH **TOP 20 SKINCARE BRANDS** IN MARCH AND **INCREASED 2X** IN APRIL, DESPITE INITIAL GENERIC FIXTURES AND NO MEDIA SUPPORT

BEAUTIFUL COUNTER WITH PERMANENT FIXTURES **OPENED IN HAINAN IN JUNE**

4 DEDICATED LANCASTER COUNTERS TO OPEN IN HAINAN IN CY21



3 BUILDING SKINCARE PORTFOLIO - STRENGTHENING PHILOSOPHY

PHILOSOPHY IS NOW THE **#2 LUXURY SKINCARE BRAND** ON AMAZON, WITH TRIPLE-DIGIT SELL-OUT GROWTH IN MARCH, AHEAD OF LEADING INDIE BRANDS

PHILOSOPHY'S 'PURITY' REMAINS THE **#1 CLEANSER** IN THE U.S.

IN THE U.S., COTY SKINCARE SELL-OUT **GREW 2X THE MARKET** IN MARCH, AND **INCREASED NEARLY 10%** VS. MARCH 2019



(4) BUILD E-COMMERCE AND DTC

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4 E-COMMERCE CONTINUES STRONG GROWTH

	3Q21 YoY	FYTD % OF REVENUES
LUXURY	+21% YoY	MID TWENTIES %
CONSUMER BEAUTY	+56% YoY	HIGH SINGLE DIGIT %
COTY	**+28% YoY**	**HIGH TEENS %**

4 DRIVING HUGE REACH THROUGH A HOLISTIC SOCIAL ECOSYSTEM

COTY BRANDS

KYLIESKIN BY KYLIE JENNER
5M IG FOLLOWERS

COVERGIRL
3M IG FOLLOWERS

MAX FACTOR X
1M IG FOLLOWERS

GUCCI beauty
2M IG FOLLOWERS

RIMMEL LONDON
2.4M IG FOLLOWERS

BOURJOIS PARIS
800K IG FOLLOWERS

TOTAL - 16M IG FOLLOWERS

FASHION HOUSES

GUCCI
44M IG FOLLOWERS

MARC JACOBS
10M IG FOLLOWERS

BOSS HUGO BOSS
10M IG FOLLOWERS

CALVIN KLEIN
21M IG FOLLOWERS

BURBERRY
18M IG FOLLOWERS

adidas
26M IG FOLLOWERS

TOTAL - 127M IG FOLLOWERS

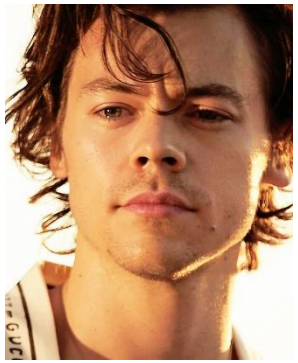
CORE TALENTS



KIM KARDASHIAN
226M IG FOLLOWERS



PRIYANKA CHOPRA JONAS
64M IG FOLLOWERS



HARRY STYLES
39M IG FOLLOWERS



KYLIE JENNER
237M IG FOLLOWERS



CHRIS HEMSWORTH
49M IG FOLLOWERS



LILI REINHART
29M IG FOLLOWERS

TOTAL - 844M IG FOLLOWERS

(5) EXPAND IN CHINA

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5 STRENGTHENING PRESTIGE FRAGRANCES IN CHINA

COTY FRAGRANCE SELL-OUT IN Q3
OUTPACING THE MARKET IN CHINA

THE ROBUST SELL-OUT GROWTH HAS BEEN DRIVEN BY:

- GUCCI SELL-OUT UP TRIPLE DIGITS
- BURBERRY SELL-OUT UP TRIPLE DIGITS
- CALVIN KLEIN SELL-OUT UP DOUBLE DIGITS
- CHLOÉ ATELIER DES FLEURS #1 PRODUCTIVITY IN CHINA SEPHORA AMONGST ARTISANAL FRAGRANCES



Source: Beaute Research data through March 2021

5 BUILDING PRESTIGE MAKEUP PRESENCE IN CHINA

GUCCI BEAUTY LAUNCH ON TMALL, **TOP 4** LUXURY BEAUTY BRAND LAUNCH SINCE 2018

TREMENDOUS RESPONSE TO GUCCI BEAUTY BAR IN SHANGHAI:

- 7 DAYS
- >15 KEY OPINION LEADERS
- FULL GUCCI BEAUTY ASSORTMENT, HIGHLIGHTING RECENTLY LAUNCHED 'BRILLIANT' LIPSTICK
- ATTENDED BY **~3K PEOPLE**



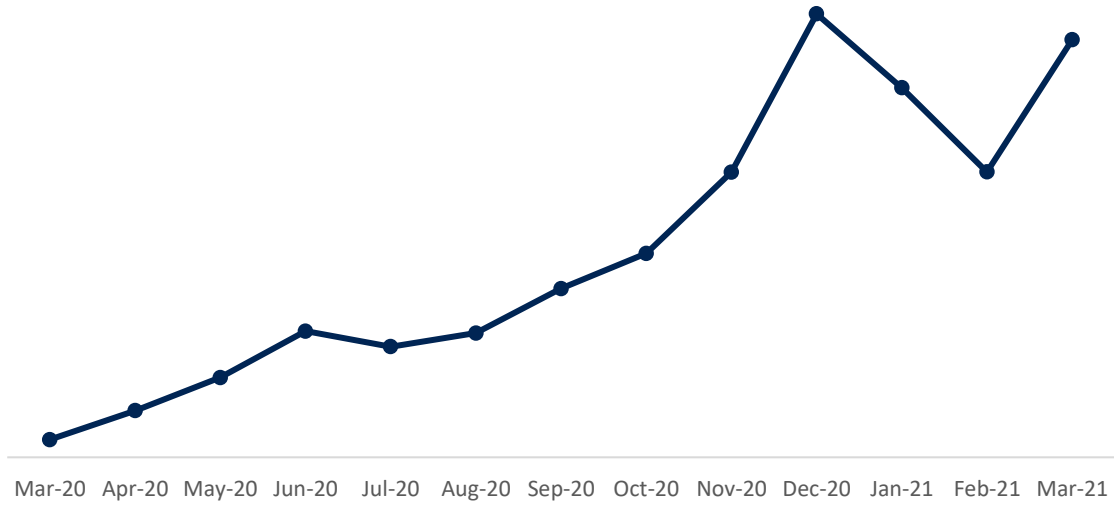
5 CONTINUING TO EXPAND FOOTPRINT IN HAINAN

RAPIDLY EXPANDING STORE FOOTPRINT AND E-COMMERCE PRESENCE IN HAINAN

GUCCI AND BURBERRY MAKEUP >20% OF SALES

FRAGRANCE SALES LED BY GUCCI, BURBERRY, CHLOÉ, AND MIU MIU

COTY REVENUES IN CHINA TRAVEL RETAIL

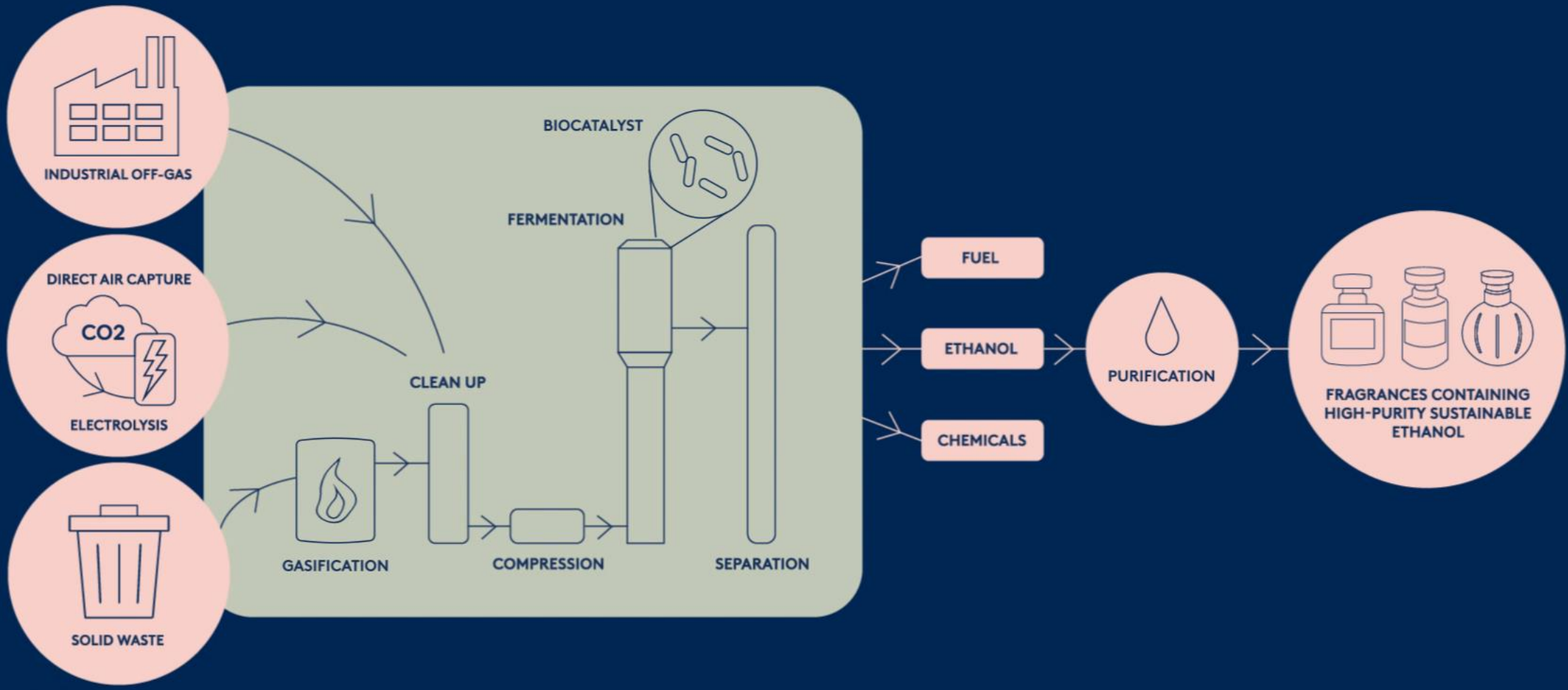


(6) BECOME A BEAUTY LEADER IN SUSTAINABILITY

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UPCYCLING CARBON EMISSION INTO SUSTAINABLE ETHANOL FOR OUR FRAGRANCES



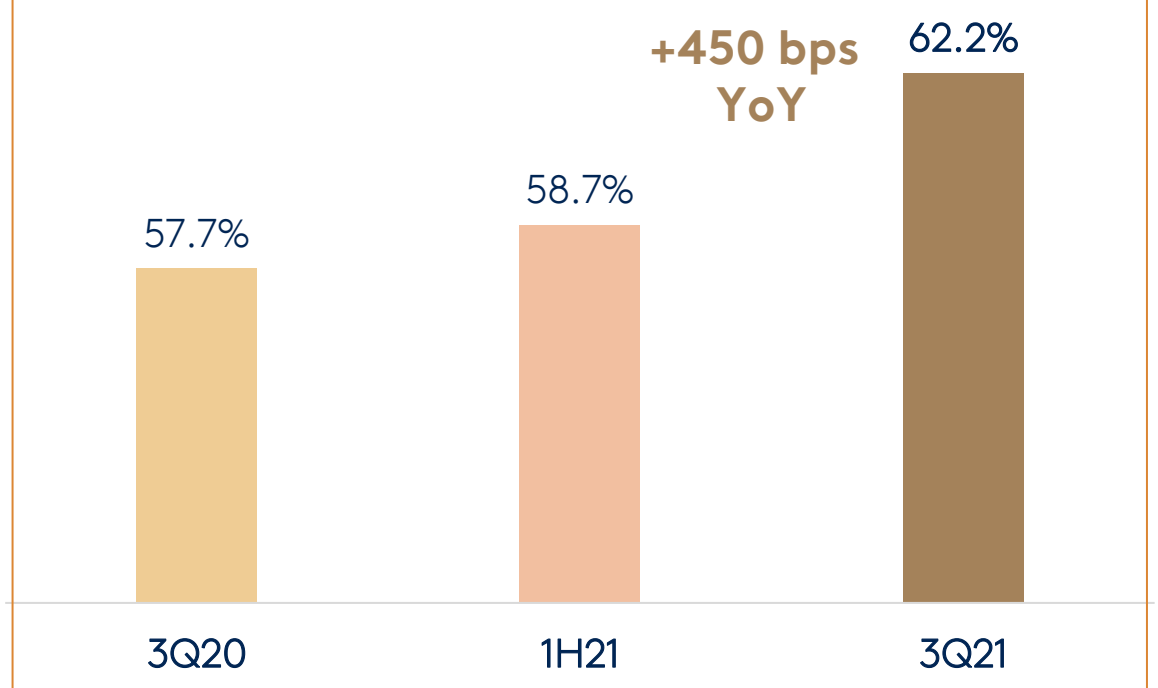
FINANCIAL CYCLE IN MOTION

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OUTSTANDING GROSS MARGIN DELIVERY

ADJUSTED GROSS MARGIN



GROSS MARGINS REACHED **ABOVE 60%,** DELIVERING ON STRATEGIC FRAMEWORK

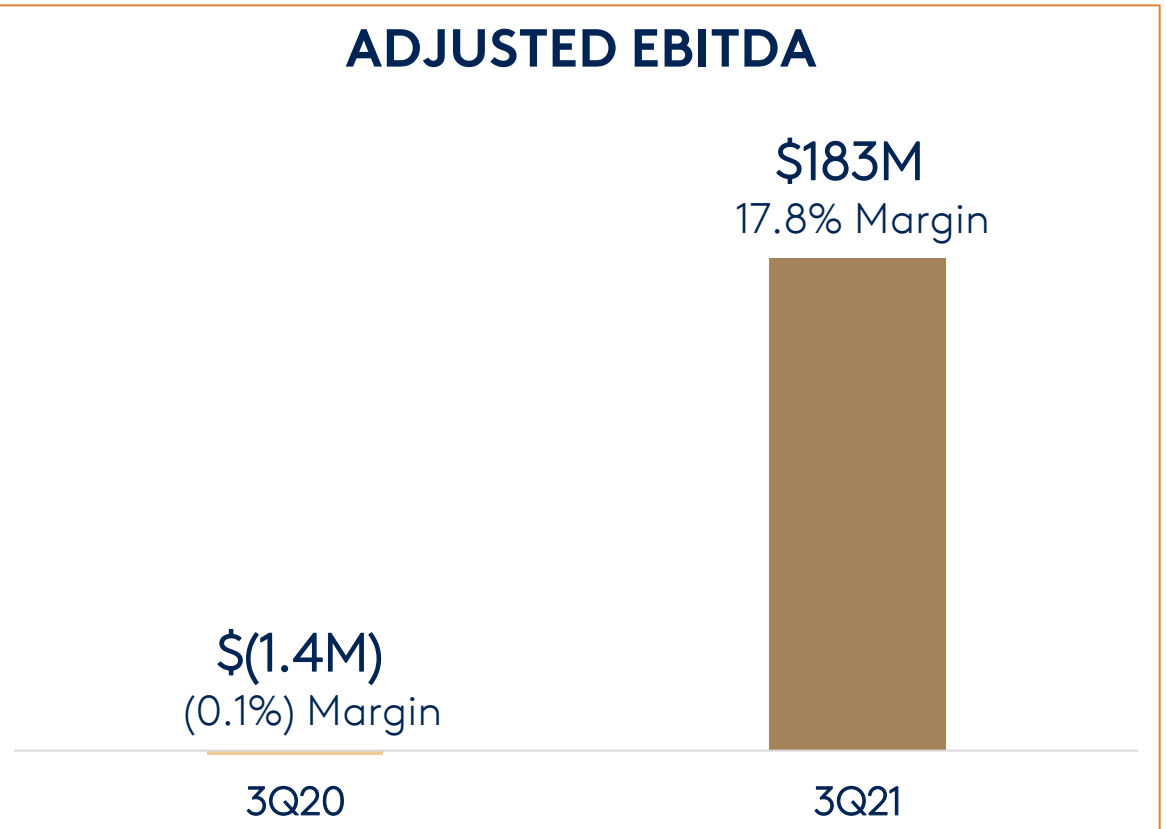
YEAR-OVER-YEAR GROSS MARGIN IMPROVEMENT OF **450BPS** DRIVEN BY:

- ~40% MIX & REVENUE MANAGEMENT
- ~60% SUPPLY CHAIN IMPROVEMENT THROUGH BETTER DEMAND PLANNING AND LOWER E&O

APPROXIMATELY HALF OF IMPROVEMENT IS **STRUCTURAL,** HALF **TEMPORARY**

ROBUST PROFIT GROWTH

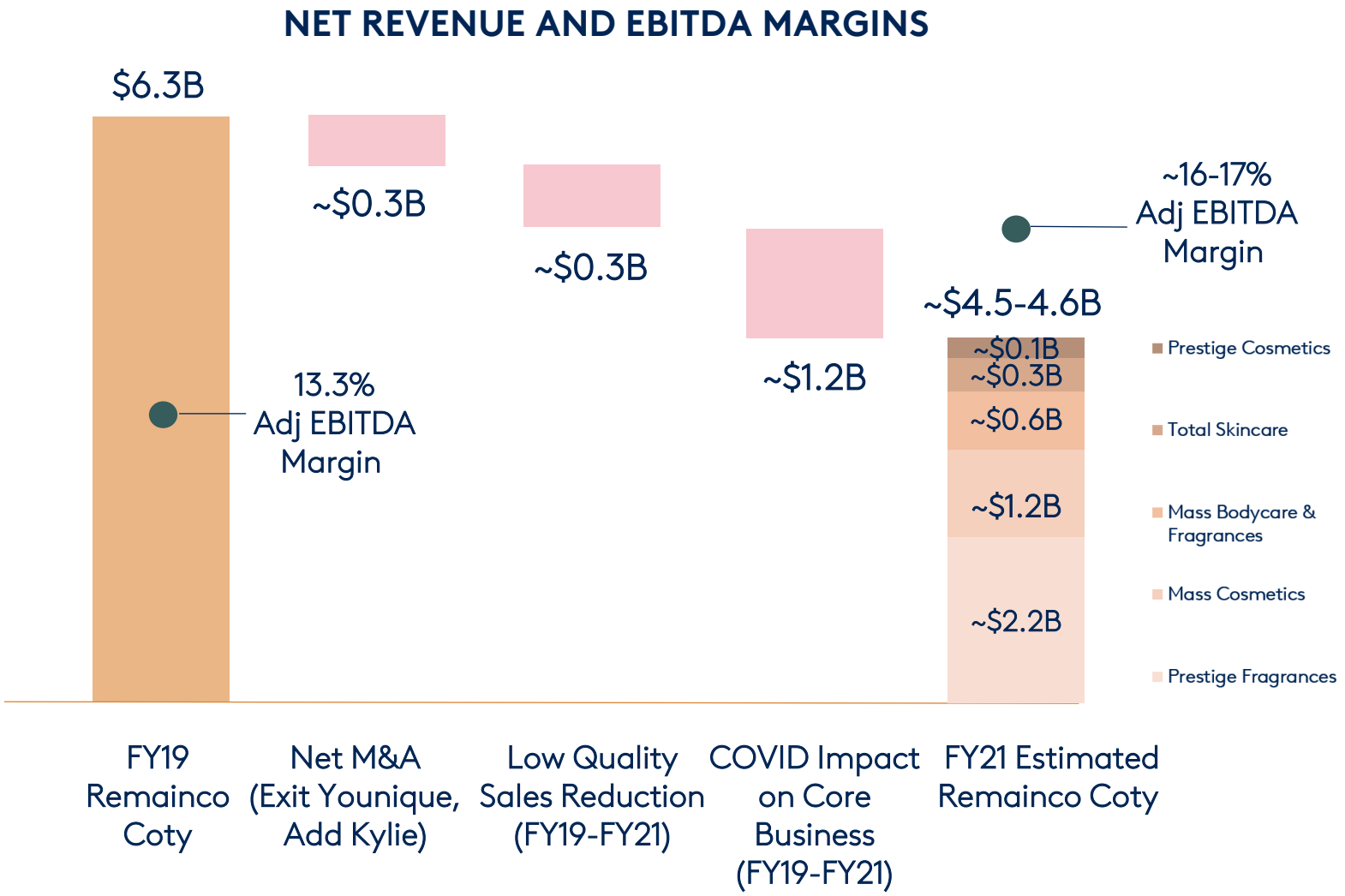
- 3Q21 ADJUSTED EBITDA OF $183M, INCREASING >$180M YOY
- EBITDA MARGIN UP 18PPS TO 17.8%
- DESPITE SALES DECLINE, SIGNIFICANT YOY PROFIT GROWTH
- YEAR-TO-DATE ACHIEVED OVER $270M OF SAVINGS
- ON TRACK TO REACH FY21 TARGET OF $300M OF COST SAVINGS AND FY23 TARGET OF $600M



FY21 IS THE BASELINE FOR COTY'S SALES & PROFIT ACCELERATION

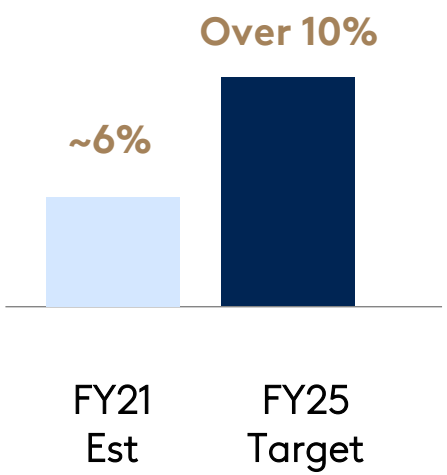
Confirming near term targets:

- On track to end FY21 with net revenues of **~$4.5-4.6B**
- Confirming FY21 adjusted EBITDA target of **~$750M,** reflecting **over 300bps** of margin improvement from FY19 through strong profit protection efforts
- Committed to exiting calendar 2021 with a leverage ratio moving **towards 5x**

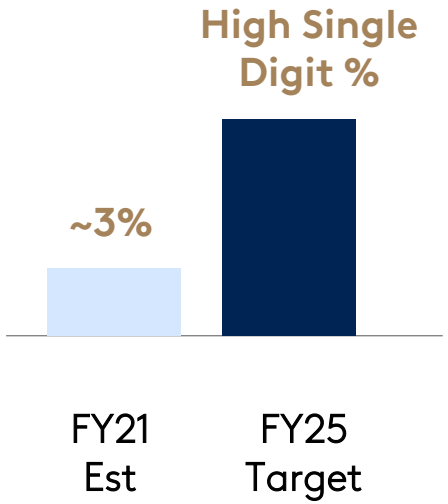


LUXURY BUSINESS TO DRIVE FUTURE REVENUE & PROFIT GROWTH

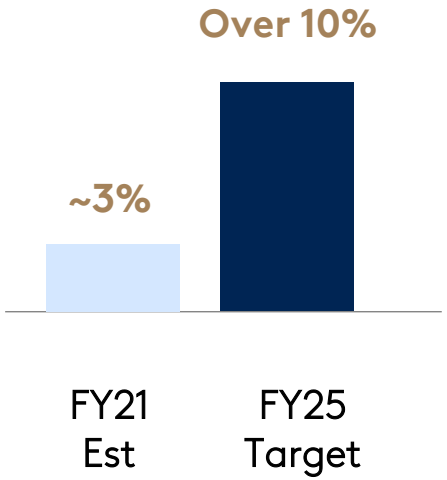
SKINCARE
(Prestige + Mass;
% of Total Net Revenues)



PRESTIGE COSMETICS
(% of Total Net Revenues)



CHINA
(% of Total Net Revenues)



CONCLUSION

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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, changes in operating cash flows and cash flows from operating activities and investing activities, and expected drivers of sales and profitability in future periods), 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, expected shelf space trends, 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), plans with respect to joint ventures (including Wella), the Company's capital allocation strategy and payment of dividends (including suspension of dividend payments and the duration thereof, and any plans to resume cash dividends), 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, digital and direct-to-consumer 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 May 10, 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 May 10, 2021

