



COTY 2Q24 EARNINGS CALL

February 7, 2024

COTY
SINCE 1904

KEY MESSAGES

1

CONTINUED MOMENTUM IN Q2, FUELED BY CATEGORY STRENGTH & TOP NOTCH INNOVATION

- Q2 LFL REVENUE GROWTH OF +11% AND 1H24 +14%, AHEAD OF 1H24 UPDATED LFL GUIDANCE OF +11-13%, FUELED BY BOTH DIVISIONS WITH PARTICULAR STRENGTH IN PRESTIGE; VOLUME, PRICE AND MIX ALL CONTRIBUTING TO BALANCED GROWTH AGENDA

2

STRONG PROFIT DELIVERY AND MARGIN EXPANSION

- Q2 ADJ OP INCOME GREW +18% YOY AND ADJ EBITDA GREW +15%, WITH EBITDA MARGIN +40BPS; SEASONALLY STRONG FCF GENERATION OF ~\$360M; LEVERAGE OF ~3X EXITING CY23 IN-LINE WITH GUIDANCE

3

PROGRESS ACROSS EACH STRATEGIC PILLAR

- STRONG EXECUTION ACROSS ALL OF OUR STRATEGIC PILLARS; FURTHER STRENGTHENING OF THE PORTFOLIO WITH A NEW LUXURY LICENSE ADDED AND 2 LICENSE RENEWALS

4

REITERATING FY24 OUTLOOK SUPPORTED BY THE VERY STRONG 1H DELIVERY

- FY24 LFL SALES TO GROW AT +9-11%, WITH OUTPERFORMANCE BY PRESTIGE; MODEST GROSS MARGIN EXPANSION; 10-30 BPS ADJ EBITDA MARGIN GROWTH TO \$1,080-1,090M; AND +16-25% ADJ EPS GROWTH (EX SWAP)

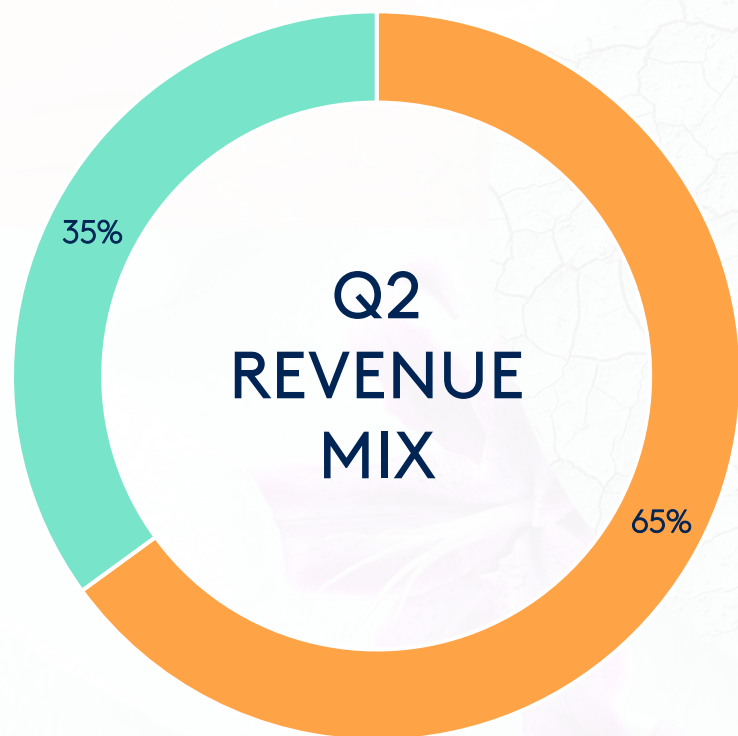
SIGNIFICANT SALES GROWTH



2Q24 LFL GROWTH OF **+11%** AND 1H24 LFL GROWTH OF **+14%**, AHEAD OF RAISED GUIDANCE OF **+11-13%** IN 1H24

CB **+5% LFL**

PRESTIGE **+15% LFL**



LFL REVENUE **+11% LFL** IN Q2 AND **+14% LFL** IN 1H24, AHEAD OF 1H24 GUIDANCE

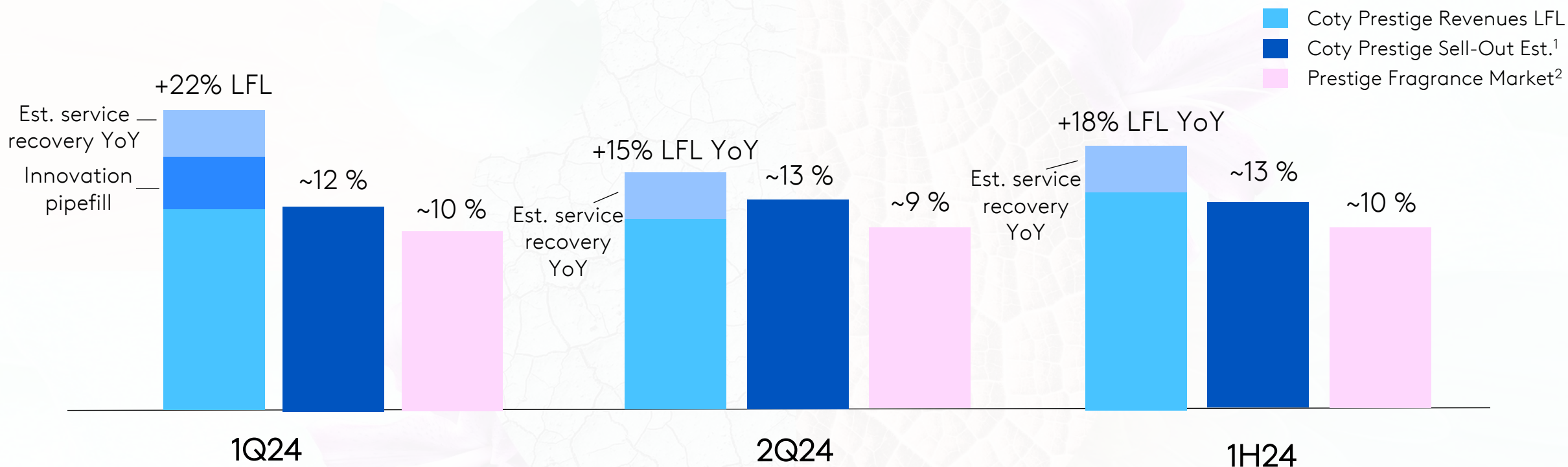
PRESTIGE LFL +15% IN Q2 AND **+18%** IN 1H24

- LFL GROWTH ACROSS ALL CATEGORIES, PARTICULARLY IN FRAGRANCES
- DOUBLE-DIGIT % GROWTH ACROSS ALL REGIONS, WITH ESPECIALLY STRONG GROWTH IN APAC, AMERICAS AND GLOBAL TRAVEL RETAIL
- RETAILER INVENTORIES IN KEY MARKETS AT HEALTHY LEVELS

CONSUMER BEAUTY LFL +5% IN Q2 AND **+7%** IN 1H24

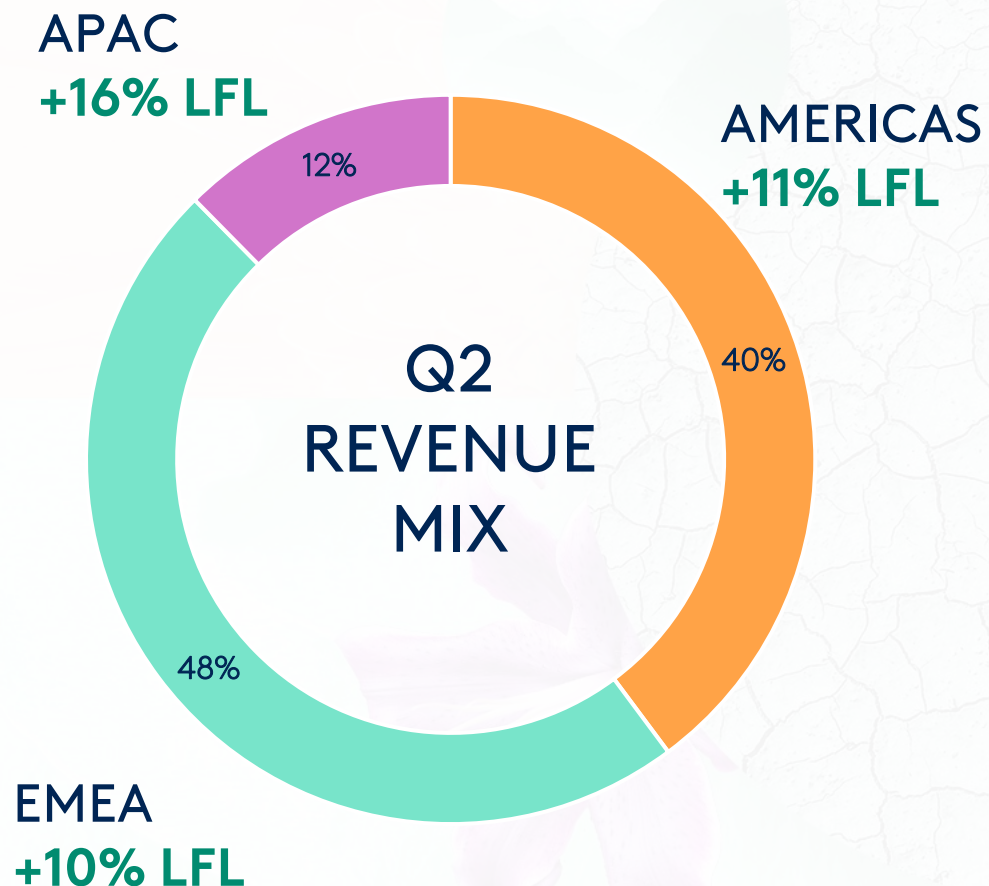
- GROWTH ACROSS ALL CATEGORIES
- MOMENTUM IN AMERICAS, EMEA AND ASIA EX. CHINA

COTY PRESTIGE OUTPERFORMING IN A CONTINUED STRONG MARKET BACKDROP



- COTY PRESTIGE SALES GROWTH AND SELL-OUT **CONTINUING TO OUTPERFORM** STRONG PRESTIGE FRAGRANCE MARKET
- Q1 AND Q2 REVENUE GROWTH INCLUDES ~LSD-MSD % SERVICE RECOVERY YOY
- **RETAILER INVENTORIES REMAIN AT HEALTHY LEVELS** EXITING THE HOLIDAYS
- EXPECT PRESTIGE FRAGRANCE MARKET TO TREND TOWARDS MEDIUM TERM OUTLOOK OF MSD-HSD% GROWTH, WITH COTY'S 2H FY24 PRESTIGE LFL SALES TRENDS IMPACTED BY LAST YEAR'S ~LSD-MSD% BENEFIT FROM RESTOCKING

GROWTH ACROSS ALL REGIONS



AMERICAS LFL +11% IN Q2 AND **+14%** IN 1H24 DRIVEN BY ROBUST DOUBLE-DIGIT % GROWTH IN LATIN AMERICA AND MSD % GROWTH IN NORTH AMERICA

EMEA LFL +10% IN Q2 AND **+14%** IN 1H24 SUPPORTED BY STRONG GROWTH ACROSS MOST MARKETS AND TRAVEL RETAIL

ASIA PACIFIC LFL +16% IN Q2 AND **+17%** IN 1H24 FUELED BY STRONG GROWTH ACROSS MOST MARKETS. IN CHINA, PRESTIGE SALES GREW STRONGLY, WHILE CONSUMER BEAUTY SALES WERE LOWER

GROWTH FUELED BY BOTH **VOLUMES** AND **PRICE & MIX**

Q2 & 1H24

Volume

+ LSD %

Price

+ HSD %

Mix & Other

+ LSD %

MSD – HSD % VOLUME GROWTH IN PRESTIGE FUELED BY BOTH CORE BUSINESS AND NEW LAUNCHES

STABLE VOLUMES IN CONSUMER BEAUTY SUPPORTED BY FRAGRANCE AND BRAZIL

LIMITED AND TARGETED PRICING ACTIONS GOING FORWARD

SOLID PROFIT PERFORMANCE



STRONG SERVICE LEVELS & EASING INFLATION

- PRESTIGE AND CONSUMER BEAUTY SERVICE LEVELS EXCEEDED EXPECTATIONS, **~96% IN Q2**
- COGS **INFLATION MODERATED Q/Q**, IN-LINE WITH EXPECTATIONS
 - BENEFITTING FROM STABILIZATION IN COMMODITIES AND TRANSPORTATION INFLATION
 - COTY BALANCING INFLATIONARY IMPACTS THROUGH PREMIUMIZATION, MIX MANAGEMENT, AND PRODUCTIVITY EFFORTS, COMPLEMENTED WITH PRICE INCREASES
- CURRENTLY SEE LIMITED RISK FROM RED SEA CONFLICT

COTY



INCREASED FY24 SAVINGS OUTLOOK, WITH FY25 TARGET ON TRACK

- Q2 SAVINGS DELIVERED OF **~\$30M**, WITH FYTD TOTAL OF **~\$65M**
- INCREASING **FY24 SAVINGS TARGET TO \$110-120M FROM PREVIOUS >\$100M**
 - DRIVEN BY MATERIAL COSTS, STRUCTURAL A&CP SAVINGS AND TRADE INVESTMENT
 - INCREASED SAVINGS FUELING REINVESTMENT IN STRUCTURAL GROWTH CAPABILITIES AND TEAMS, PARTICULARLY DIGITAL AND SKINCARE
- **FY25 SAVINGS TARGET OF ~\$75M** REAFFIRMED

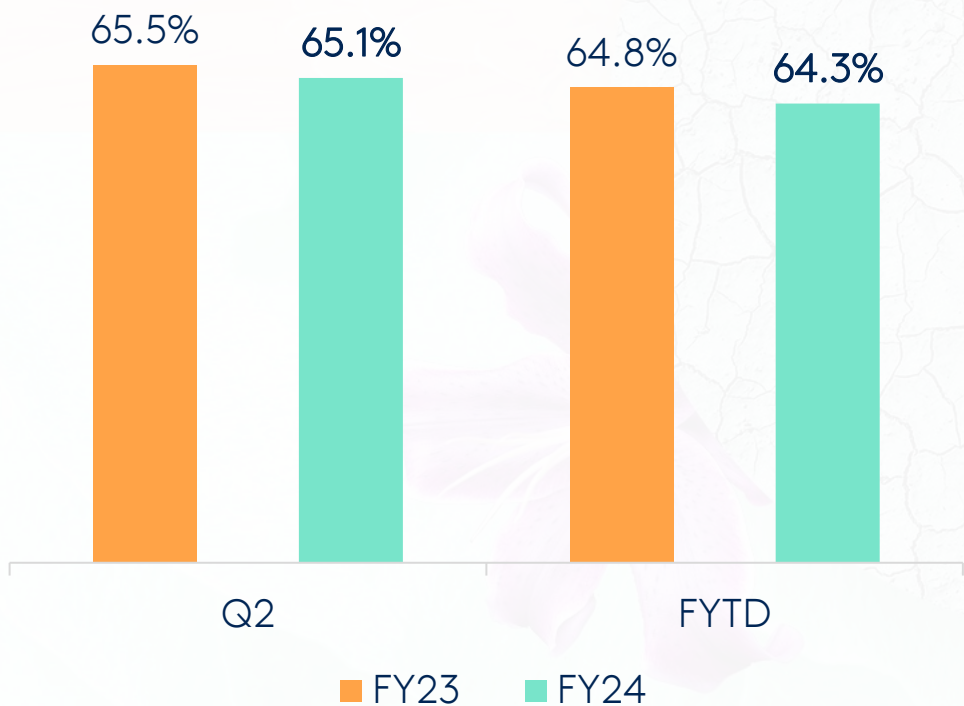


Q2 GROSS MARGIN SLIGHTLY LOWER, WITH EASING INFLATION TO AID GROSS MARGINS IN 2H24

ADJUSTED GROSS MARGIN

-40 bps YoY

-50 bps YoY



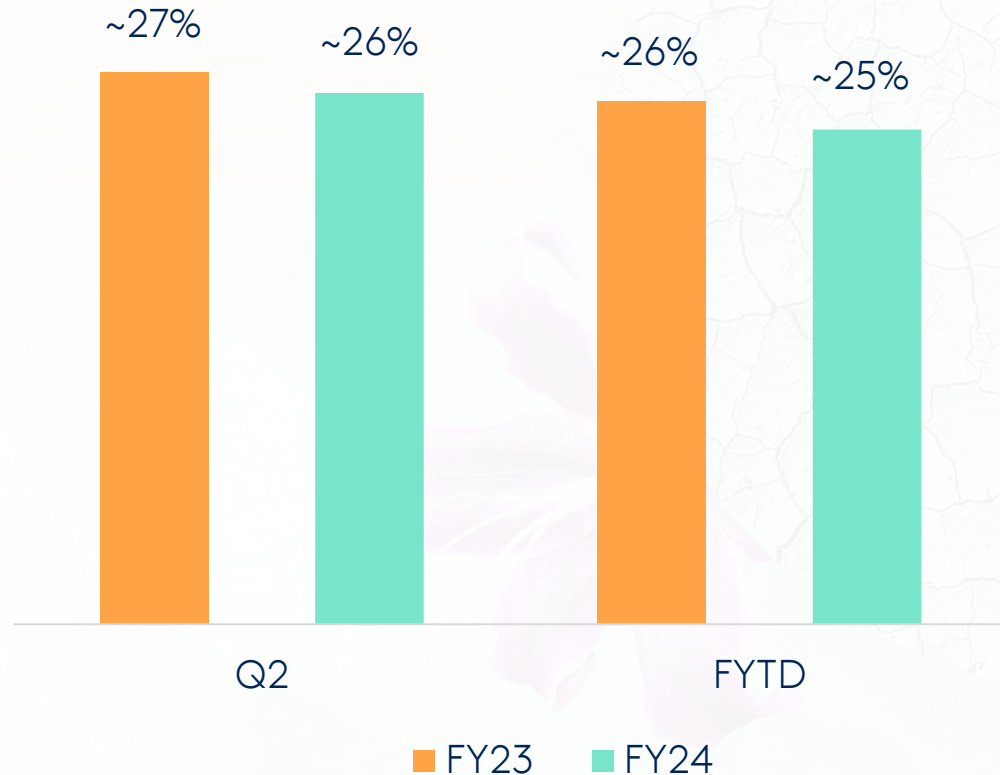
GROSS MARGIN **40 BPS LOWER YOY** IN Q2, DRIVEN BY:

- INCREASED **EXCESS & OBSOLESCENCE** TIED TO THE INVENTORY BUILD-UP IN THE PRESTIGE BUSINESS TO SUPPORT STRONG SERVICE LEVELS
- GROSS MARGIN BENEFITS IN THE PRIOR YEAR WHICH DID NOT RECUR
- THE **INFLATIONARY IMPACT** IN THE QUARTER WAS SEQUENTIALLY LOWER
- PARTIALLY OFFSET BY **SUPPLY CHAIN PRODUCTIVITY SAVINGS** AND **PRICING**

EXPECT SIGNIFICANT EASING OF COGS INFLATION IN H2 AND BEYOND, **SUPPORTING 2H AND FY24 GROSS MARGIN EXPANSION**

MAINTAINING STRONG MARKETING INVESTMENTS

A&CP AS PERCENT OF SALES



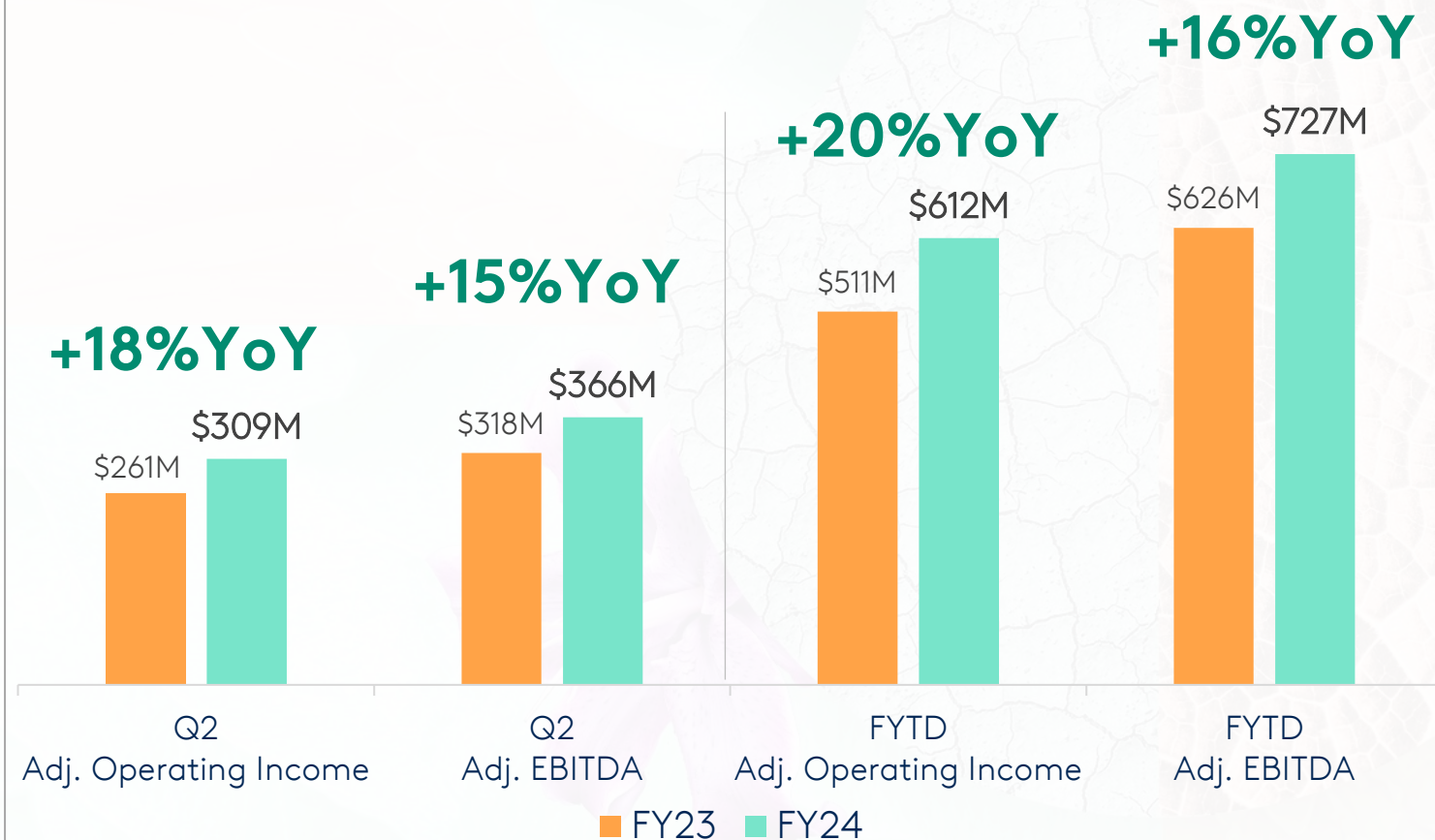
A&CP AT **~26%** DURING Q2, DOWN **~1 PPS** YOY, IN-LINE WITH EXPECTATIONS

SHIFTING SOME INVESTMENT INTO GROWTH CAPABILITIES AROUND DIGITAL, SKINCARE AND DTC

CONTINUE TO EXPECT A&CP TO BE IN THE **HIGH 20%** LEVEL OF SALES

Q2 AND 1H24 OPERATING INCOME AND EBITDA GROWTH

ADJUSTED PROFIT



- ADJ OP INCOME **+18%** YOY IN Q2 AND **+20%** YOY IN 1H24
- ADJ OP MARGIN OF **17.9%** IN Q2 AND **+18.2%** IN 1H24 **INCREASED 70 BPS** YOY
- ADJ EBITDA **+15%** YOY IN Q2 AND **+16%** YOY IN 1H24
- ADJ EBITDA MARGIN OF **21.2%** IN Q2 **INCREASED 40 BPS** YOY. ADJ EBITDA MARGIN OF **21.6%** IN 1H24 **INCREASED 10 BPS** YOY

STRONG 2Q24 ADJUSTED EPS DELIVERY

\$ Millions	Q1	Q2	1H24
Adjusted EBITDA	360	366	727
Depreciation	(58)	(57)	(115)
Net Interest	(70)	(60)	(130)
Income Tax	(68)	(78)	(146)
Other	(87)	61	(26)
Adj Preferred Dividend	(3.3)	(3.3)	(6.6)
Diluted Share Count	867M	923M	907M
Diluted Adjusted EPS *	0.09	0.25	0.34
Diluted Adj EPS excl. equity swap	0.15	0.19	0.34

- Q2 ADJ EPS EXCLUDING EQUITY SWAP OF **\$0.19**, **+12% YOY**
- Q2 ADJ EPS INCLUDES A **BENEFIT** FROM TOTAL RETURN SWAP MARK-TO-MARKET OF **~\$55M** OR **6 CENTS** IN EPS DUE TO STOCK PRICE INCREASE IN Q2
- 1H24 ADJ EPS EXCLUDING EQUITY SWAP OF **\$0.34**, **+6% YOY**
- 1H24 IMPACT FROM THE MARK-TO-MARKET ON THE EQUITY SWAP WAS **0 CENTS**

2Q24 FREE CASH FLOW IN-LINE WITH EXPECTATIONS

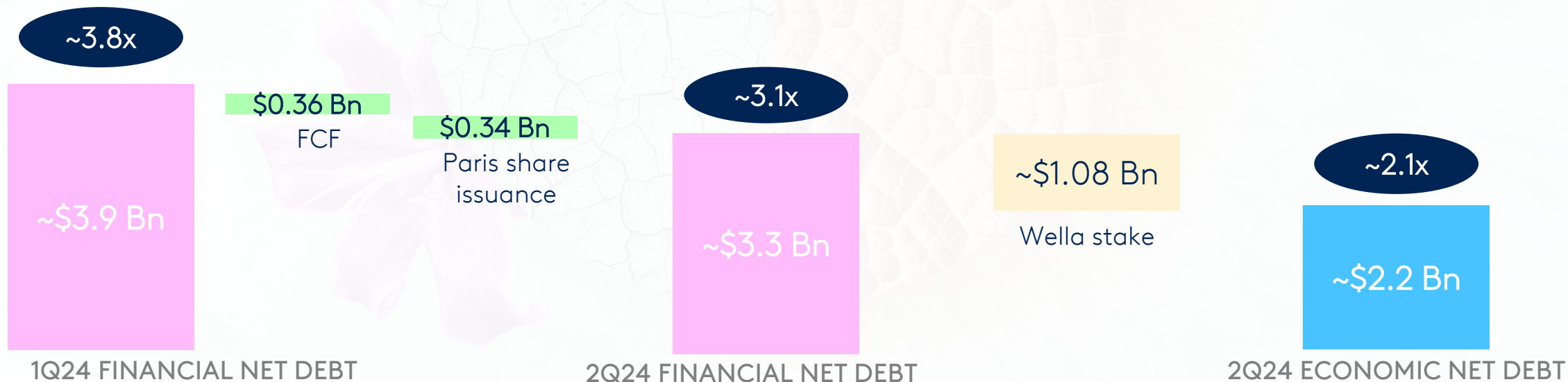
\$ Millions	Q2	1H24
Adjusted EBITDA	366	727
Capex, WC, one-offs	80	(106)
Interest and tax	(83)	(134)
FREE CASH FLOW	363	487

FREE CASH FLOW

- 2Q24 **FCF OF \$363M**
- EXPECTING SOLID FY24 FCF, BROADLY CONSISTENT WITH FY23

MET TARGET TO END CY23 WITH LEVERAGE OF ~3X

- LEVERAGE EXITING 2Q24 OF **~3.1X**, WITH FIXED RATE DEBT NOW **100%**
- ENTERED A **3RD EQUITY SWAP** TO HEDGE A TARGETED SHARE BUYBACK PROGRAM OF **~25M SHARES IN FY26**
- REMAIN ON TRACK TO EXECUTE THE FIRST TRANCHE OF EQUITY SWAP AGREEMENT BY THE END OF FEB. 2024, **RESULTING IN SHARE COUNT REDUCTION OF 27M** AT A CASH COST OF \$200 MILLION AND SHARE PRICE OF \$7.40
- COMPLETED A **TENDER TO RETIRE UP TO \$400M** OF OUTSTANDING 2026 USD BONDS
- COTY REMAINS COMMITTED TO REACHING **INVESTMENT GRADE PROFILE**, TARGETING LEVERAGE OF **~2.5X** EXITING CY24 AND **~2X** EXITING CY25, AND CONTINUES TO TARGET WELLA SALE BY END OF CY25



EXECUTING ON STRATEGIC PILLARS



CONTINUED MOMENTUM IN CONSUMER BEAUTY



Coty's Consumer Beauty grew **5% LFL**, in-line with **MSD%** market growth

Solid sales growth across Color Cosmetics, Lifestyle Fragrances and Mass Skin and Bodycare

Leading color cosmetics brands **gaining market share in e-commerce**

COVERGIRL ESSENCE FOUNDATION: VERY ENCOURAGING EARLY RESULTS FROM INFLUENCER-LED COMMUNICATION STRATEGY



Engaged with **>5K influencers**
around CoverGirl Simply Ageless
Essence foundation launch

CoverGirl Essence already
#1 New Makeup Release on Amazon
Only 1 month into launch

CONTINUING TO STRENGTHEN OUR CONSUMER BEAUTY PORTFOLIO: RECENT **LONG-TERM RENEWALS** OF BRUNO BANANI AND MEXX LICENSES



Bruno Banani **#1 lifestyle fragrance brand** in Germany



Mexx **#3 lifestyle fragrance brand** in Germany

Both licenses extended by **> 20 years**

COTY'S TOP 7 BRANDS ALL GREW DOUBLE-DIGIT % LFL IN 1H24



Prestige Fragrance
Market Grew
~9% YoY in Q2

Coty Prestige Fragrance Revenue Grew
~15% LFL YoY in Q2
fueled by existing icons and new launches



“Fragrance Index”
remains in
full effect

RECORD SETTING BURBERRY GODDESS LAUNCH CONTINUES



#1 Female Fragrance
Launch in
Key Markets

Biggest Coty
fragrance launch
EVER

Burberry enters
Top 10 brand in
N.A. and Europe

Overall Burberry
fragrance revenues
>60% higher in 1H24



CONTINUING TO STRENGTHEN OUR PORTFOLIO: ENTERED **NEW LICENSE AGREEMENT WITH M A R N I**



Italian
fashion brand
founded in 1994

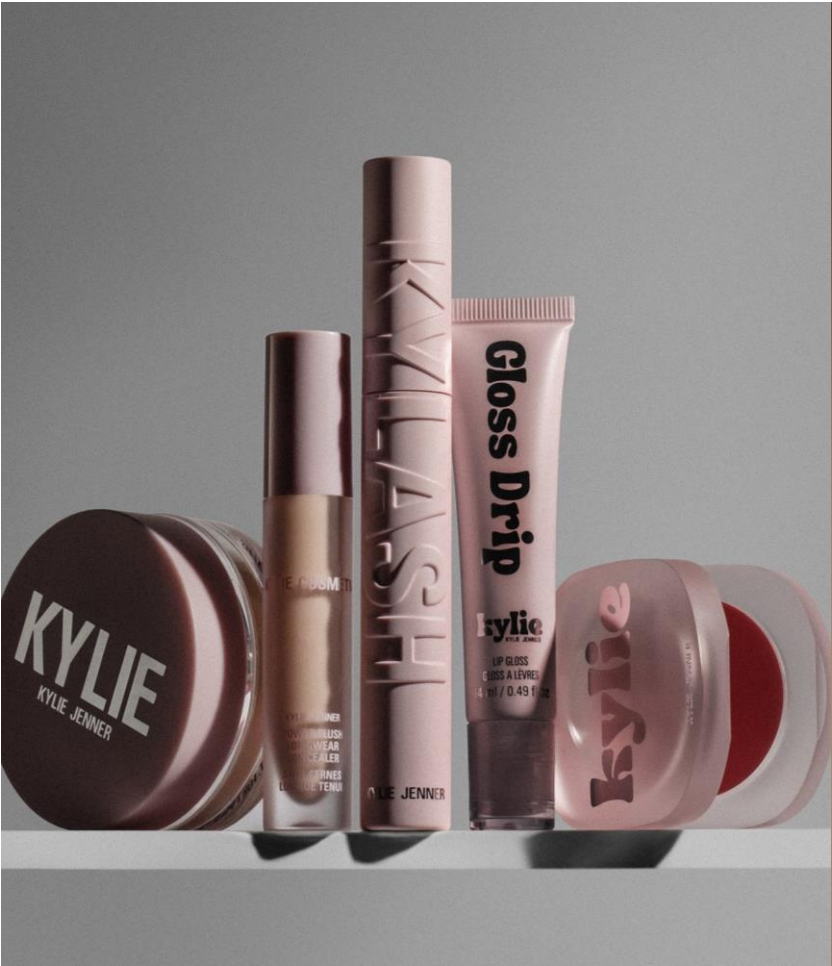


Premium/Premium+
with strength in Asia & EU
amongst younger consumers



License agreement
extends
beyond 2040

STEADILY EXPANSION IN PRESTIGE MAKEUP



Double digit % growth
LFL in Coty Prestige
makeup sales in Q2

All brands
growing
in Q2 and 1H24

SKKN by Kim makeup
launched on Jan. 26 on DTC,
with promising initial results

BUILDING MOMENTUM IN SKINCARE



Lancaster **growing DD % LFL** in Q2, supported by core skincare franchises and the new Ligne Princiere line

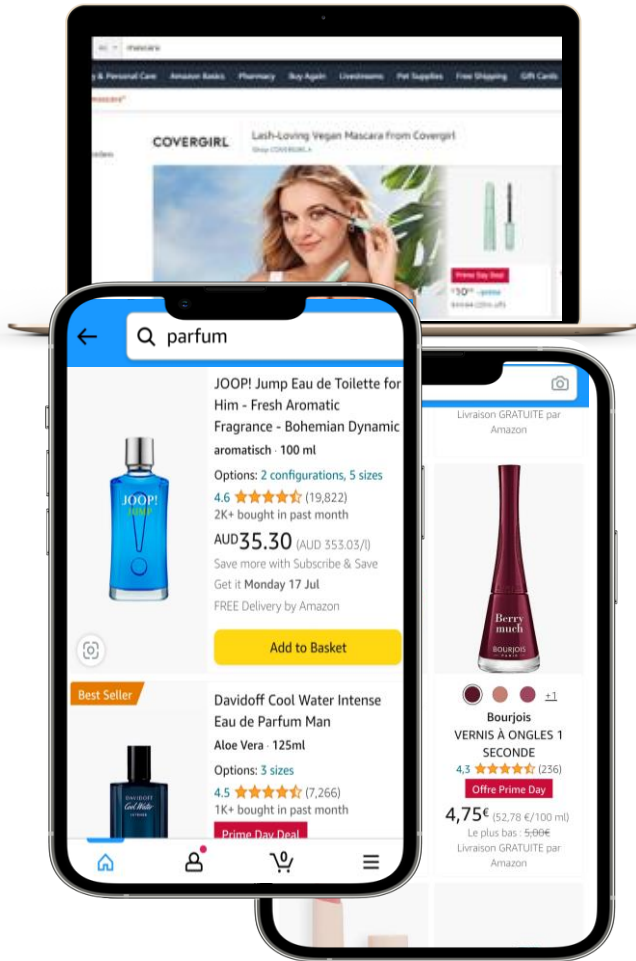


Philosophy **growing YoY for 3rd consecutive quarter**, fueled by skincare icons

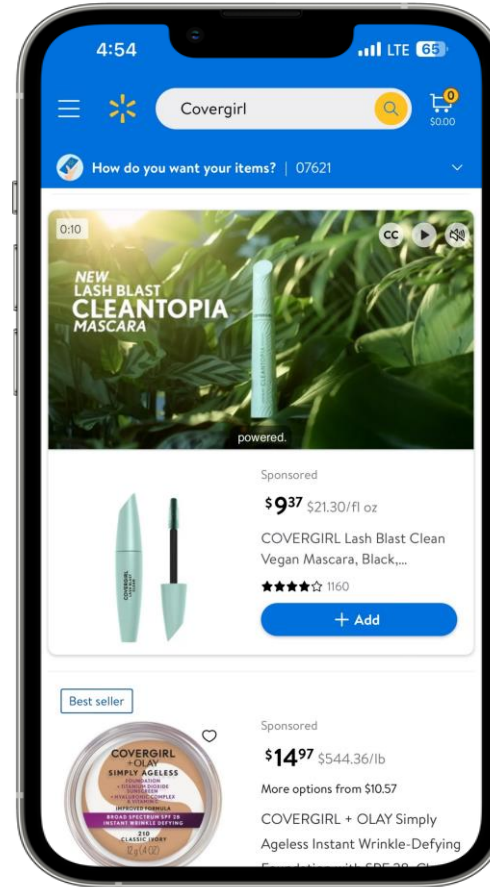


Orveda brand buzz fueling **>2x productivity** growth in key doors

BROAD-BASED DIGITAL MOMENTUM



Q2 e-com revenue LFL growth **>20% YoY** driving penetration to **low 20s % (+180bps YoY)**



E-commerce driving **~40%** of Coty's Q2 LFL sales growth



Both Prestige and Consumer Beauty **growing market share online**

COTY'S CHINA PRESTIGE SALES EXPANDING AND OUTPACING MARKET



Coty Prestige China sales grew **strong double digits % LFL** in Q2, while Consumer Beauty sales lower

In Q2, Coty Prestige significantly outgrew the market at **+27%** vs. prestige beauty **-3%**

Opened **first Orveda Maison in Shanghai**, marking major milestone for the brand

OUTSTANDING GROWTH IN TRAVEL RETAIL BUSINESS



Coty's Travel Retail revenues grew **>20% YoY in Q2 and 1H**

Double digit % sales growth in Europe, Americas and APAC

Coty Travel Retail **gaining market share** in all 3 regions

KEY ESG UPDATES FROM OUR FY23 SUSTAINABILITY REPORT

PROGRESS ACROSS OUR THREE PILLARS

COMMITTS TO SETTING
EMISSIONS REDUCTION
TARGETS IN LINE WITH
SCIENCE-BASED
NET-ZERO



EXCEEDS 2030 GOALS
ON SCOPE 1 & 2 EMISSIONS, ENERGY
REDUCTION, AND RECYCLING
WITHIN FACTORIES
& DISTRIBUTION
CENTERS



14-WEEK
GLOBAL
MINIMUM



GENDER NEUTRAL PARENTAL
LEAVE BY END FY24



TOWARDS
A GENDER BALANCED
LEADERSHIP
47% OF LEADERS,
AND MAJORITY OF BOARD
AND EC ARE WOMEN

BEAUTY MARKET GROWTH TRENDS NORMALIZING



- PRESTIGE AND MASS BEAUTY MARKETS HAVE BEEN **GROWING ABOVE HISTORICAL AVERAGES** FOR THE LAST ~3 YEARS
- ENTERING CY24, MARKET GROWTH IS NORMALIZING CLOSER TO HISTORICAL LEVELS – ESTIMATES **MSD-HSD%** FOR PRESTIGE FRAGRANCES AND **LSD-MSD%** FOR MASS BEAUTY
- COTY'S PRESTIGE BUSINESS OUTPACED THE MARKET IN **1H24** DRIVEN BY SELL-OUT OUTPERFORMANCE AND **~LSD-MSD% BENEFIT** FROM YOY SERVICE RECOVERY; IN **2H24**, EXPECTING **~LSD-MSD% HEADWIND** FROM RETAILER RESTOCKING LAST YEAR AS SERVICE LEVELS IMPROVED
- EXPECT CONSUMER BEAUTY SALES TO BE BROADLY IN-LINE WITH THE UNDERLYING MARKET

2H24 FRAMEWORK

REVENUE LFL

EXPECTING +6-8%, IN-LINE WITH MEDIUM-TERM ALGORITHM, WITH OUTPERFORMANCE BY PRESTIGE

REPORTED REVENUE IMPACTS

1-2% HEADWIND FROM FX, AND ~2% HEADWIND FROM THE DIVESTITURE OF LACOSTE LICENSE

ADJ GROSS MARGIN

STRONG IMPROVEMENT YOY

ADJ EPS (EXCL. SWAP)

\$0.10-0.13

FY24 GUIDANCE

REVENUE LFL

FY24 REVENUES OF +9-11% LFL, WITH OUTPERFORMANCE BY PRESTIGE

REPORTED REVENUE IMPACTS

NEUTRAL TO 2% BENEFIT FROM FX PRIMARILY IN 1H24, AND 1-2% HEADWIND FROM THE DIVESTITURE OF LACOSTE LICENSE PRIMARILY IN 2H24

ADJ GROSS MARGIN

MODEST EXPANSION YOY

ADJ EBITDA MARGIN

ADJ EBITDA MARGIN EXPANSION OF +10-30BPS, IMPLYING ADJ EBITDA OF \$1,080-1,090M BASED ON CURRENT FX RATES

ADJ EPS (EXCL. SWAP)

\$0.44-0.47 (+16-25% YOY)

LEVERAGE

~2.5X EXITING CY24 AND ~2X EXITING CY25 FUELED BY CASH GENERATION

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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, strategic planning, targets and outlook for future reporting periods (including the extent, timing and concentration of revenue, expense and profit trends, gross margin trends, changes in operating cash flows and cash flows from operating activities and investing activities, expected drivers of sales and profitability in future periods, expected future tax rates, the impact of currency exchange rate volatility, the impact of inflationary pressures, and the expected timing and impact of pricing and other measures to offset inflationary pressures), 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, plans with respect to research and development and innovation pipeline, allocation and amount of research and development investments, allocation and amount of investments in growth capabilities and teams (including skincare, digital and DTC), 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 and related savings targets, strategic transactions (including their expected timing and impact), and synergies, savings, performance, cost, timing and integration of acquisitions and investments, plans with respect to opportunities to leverage assets including through public offerings, expectations and/or plans with respect to joint ventures (including Wella, any potential future divestiture, and the timing and size of any related divestiture, distribution or return of capital), 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 on common stock or continue to pay dividends in cash on preferred stock), future share repurchases and costs thereof and timing and amount of expected future outstanding share count reductions, future cash flows, liquidity and borrowing capacity (including any debt refinancing or deleveraging activities), timing and size of cash outflows and debt deleveraging, the timing and extent of any future impairments, synergies, savings, impact, cost, timing and implementation of the Company's ongoing transformation agenda (including operational execution and simplification initiatives, cost reductions and supply chain changes), expected impact, cost, timing and implementation of e-commerce and digital initiatives, expected impact, cost, timing and implementation of sustainability initiatives (including progress, plans and goals), the wind down of the Company's operations in Russia (including timing and expected impact), the expected impact of geopolitical risks including the ongoing war in Ukraine and/or the armed conflict in the Middle East on our business operations, sales outlook and strategy, the expected impact of global supply chain challenges and/or inflationary pressures (including as a result of COVID-19 and/or the war in Ukraine and/or armed conflict in the Middle East) and expectations regarding future service levels and inventory levels, expectations regarding economic recovery in Asia, the timing and impact of the application for dual-listing on Euronext Paris, 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 Company's ability successfully implement its multi-year strategic transformation agenda 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; disruptions in the availability and distribution of raw materials and components needed to manufacture the Company's products or disruptions in the international flow of goods; managerial, operational, regulatory, legal and financial risks, including diversion of management attention to and management of cash flows, expenses and costs associated with multiple ongoing and future strategic initiatives, internal reorganizations and restructuring activities, including its transformation agenda; any unanticipated problems, liabilities or integration or other challenges associated with a past or future acquired business, joint ventures or strategic partnerships 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; currency exchange rate volatility and currency devaluation and/or inflation; changes in the demand for the Company's products due to declining or depressed global or regional economic conditions, and declines in consumer confidence or spending; the impact of COVID-19 (or future similar events); global political and/or economic uncertainties, disruptions or major regulatory or policy changes, and/or the enforcement thereof that affect the Company's business, financial performance, operations or products, including the impact of the war in Ukraine and/or armed conflict in the Middle East and any related escalation or expansion thereof; the Company's ability to retain and attract key personnel; the Company's ability to adapt its business to address climate change concerns and to respond to increasing governmental and regulatory measures relating to ESG matters; 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 year ended June 30, 2023 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, adjusted operating income, adjusted gross margin, as well as adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), adjusted EPS, 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, stock-based compensation, costs related to market exit, loss on early extinguishment of debt, asset impairment charges, 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. "Immediate liquidity" is defined as the sum of available cash and cash equivalents and available borrowings under Coty's Revolving Credit Facility. 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 February 7, 2024.

Outlook Information

In this presentation, Coty presents outlook information as of February 7, 2024.