

March 14, 2025

Fourth Quarter and Full-Year 2024 Results



natura & co



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<https://ri.naturaeco.com/en/>

Main Highlights

2024

Consolidated Net Revenue

R\$ 24.1 billion
+12.4% YoY in CC*

Recurring EBITDA Margin

12.2%
+100 bps YoY

Q424

Consolidated Net Revenue

R\$ 7.7 billion
+16.1% YoY in CC*

Recurring EBITDA Margin

9.1%
-70 bps YoY

Natura &Co

Another milestone year in the simplification strategy announced in July/22:

- **2023:** Sale of Aesop and TBS, company deleveraging and launch of Onda 2
- **2024:** Wave 2 successfully completed in Brazil, further reduction of the Holding structure and completion of API's CHP11

Avon International

- Acquisition of ex-US operations for a credit offer of USD 125 million
- Operating results continue to be impacted by the revenue decline and resulting deleveraging

Natura &Co Latin America

- Acceleration in revenue, especially in the gift category
- Profitability was impacted by investments, which act as key drivers for the resumption of expansion observed over the past 7 quarters
- Natura recognized for the 11th consecutive year as the company with the best reputation in Brazil by Merco

* Change in CC: Latam only, since the reconsolidation of Avon International in Dec/24 prevents a fair comparison.

Quarter Results

João Paulo Ferreira,
CEO Latin America

Guilherme Castellan,
CFO



Wave 2 | update

Brazil

- Level of service back to pre-Wave 2 implementation
- Cross Sell continues upward trend with single checkout and logistics consolidation (3Q-24)
- Logistics efficiencies will be reflected in the P&L as the learning curve develops throughout 2025
- Efficiencies enabled Natura to invest more and gain market share

Hispanic America

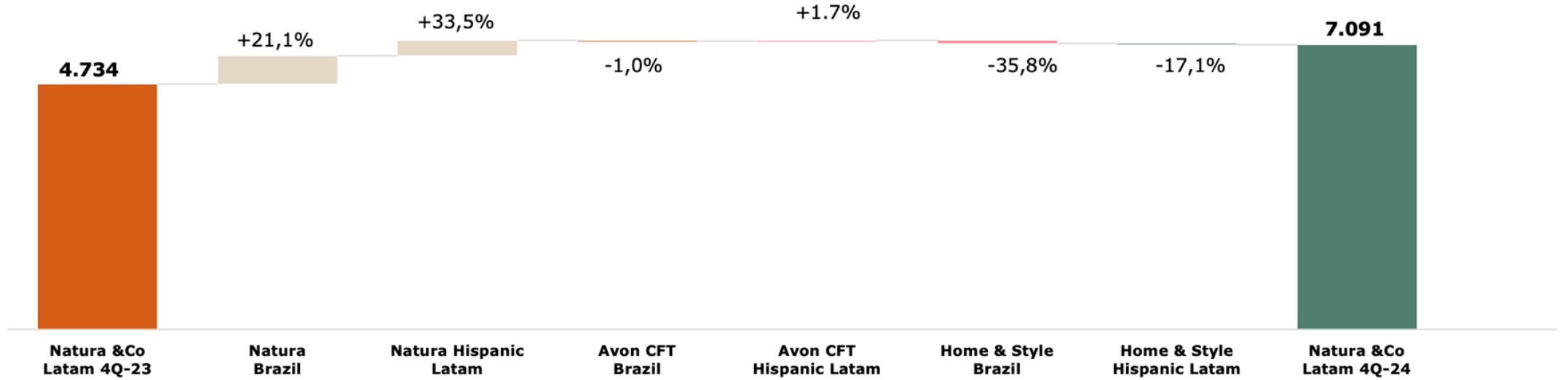
- Mexico advances in Wave 2, ending Natura's multilevel model (4Q-24)
- Bilevel model effective in 2025, unifying Natura and Avon channels (Avon already operated this way since 2023)
- Argentina began implementation, closing Avon's DC and consolidating logistics
- Peru, Colombia and Chile grew revenue YoY, with efficiencies impacting the P&L and being reinvested in structural projects



Net revenue + 16.1% YoY in constant currency, driven by Natura's performance

Net revenue in R\$ million with annual variation in constant currency (%)

Net revenue (R\$ million)



Natura CFT

Brazil

- Productivity and volume gains through increased cross-selling
- Investments in marketing and innovation

Hispanic

- Accelerated YoY revenue growth in Mexico
- Improving trends in countries where Wave 2 has been implemented

Avon CFT

Brazil

- Make-up and skincare with encouraging results
- Positive initial trends for the relaunch of Far Away fragrance

Hispanic

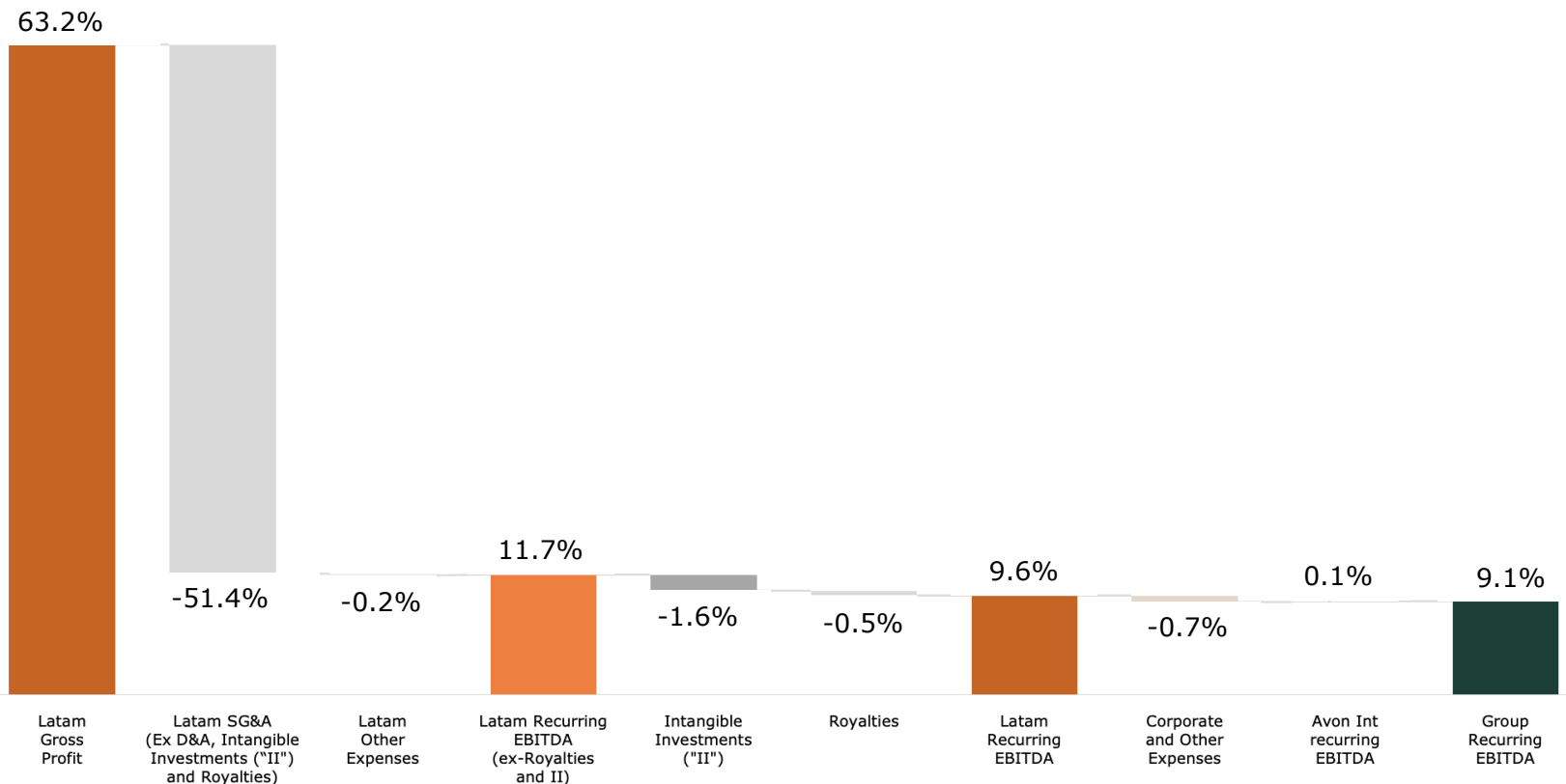
- Wave 2 countries showed smaller decline vs 3Q-24
- Mexico and Argentina impacted by Wave 2 implementation

Home & Style

- Stability in the sequential comparison with a sharp drop in the annual comparison

Recurrent EBITDA, impacted by higher investment concentration

Bridge Gross Profit to Consolidated Recurrent EBITDA (%)



Highlights

+10 bps | Latam's recurring EBITDA margin (Ex II and Royalties)

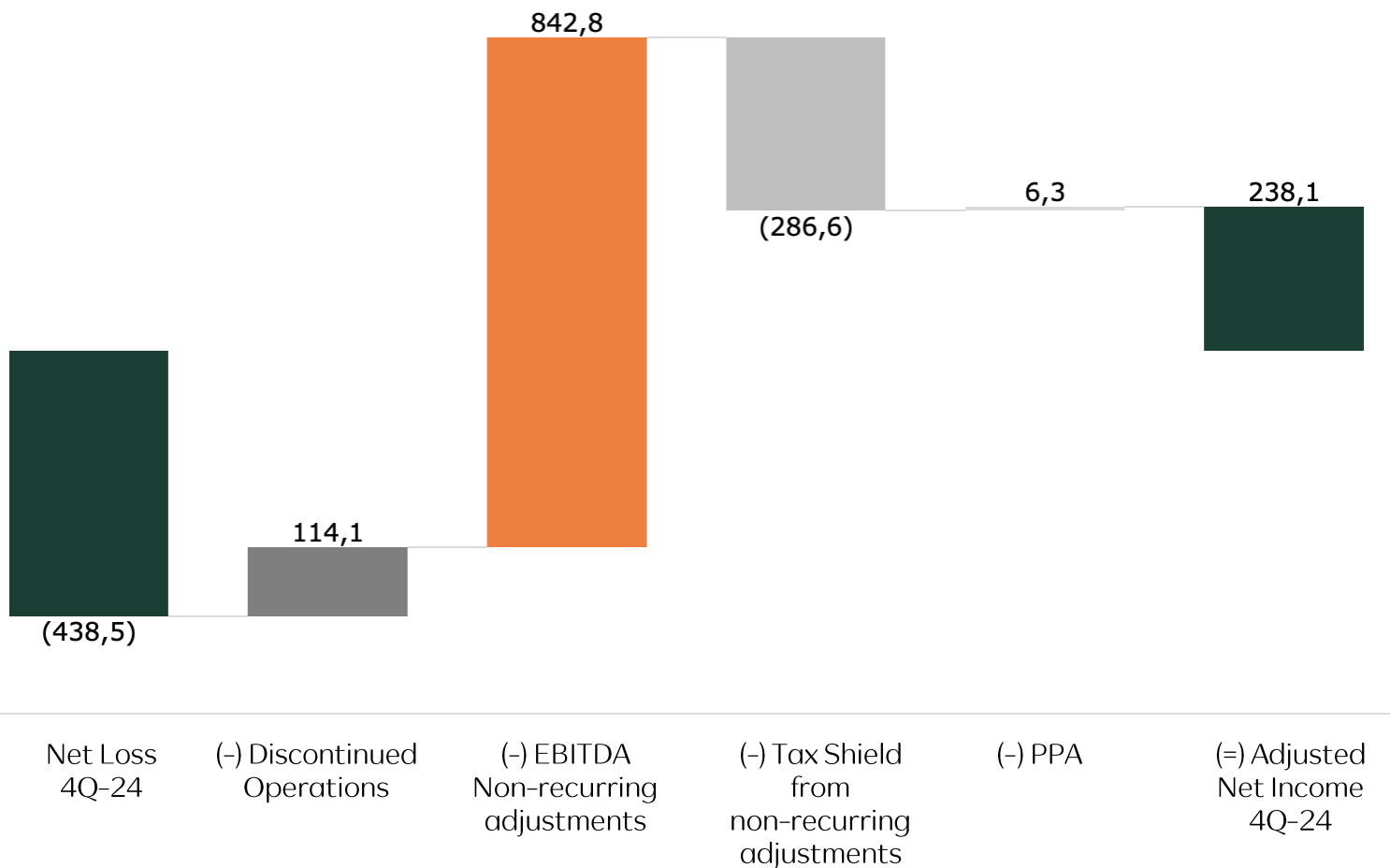
- Gross Margin reflects:
 - solid gift sales performance, with lower margins and tactical commercial incentives
 - Ex-Argentina margin evolves YoY
- Increased G&A due to investments in structuring projects, mainly in omnichannel and R&D

-70 bps | Recurrent EBITDA margin Natura & Co

- Higher investments in intangibles and royalty payments at Latam
- 36% YoY reduction in corporate expenses
- Avon International's recurring EBITDA impact in December

Adjusted Net Income and Net Income

(R\$ million)

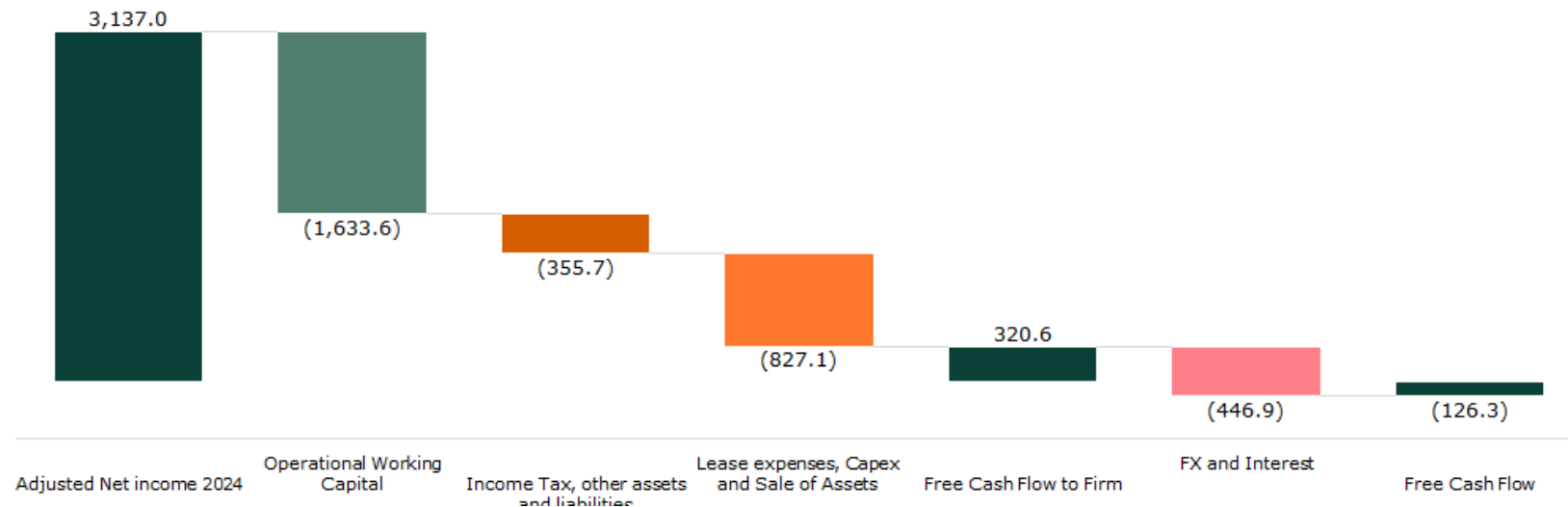


Highlights

- BRL +236 million improvement in Recurring EBITDA YoY
- R\$ 219 million improvement in net financial results YoY
- Reduction in income tax and social contribution expenses, even after excluding the tax benefit from the non-recurring adjustments of 4Q-24

Cash Flow – FY24

(R\$ million)



Highlights Free Cash Flow to Firm

- Improved adjusted net income:
 - Excluding the non-recurring effects of the Holding's strategic projects
 - Despite higher investments in intangibles
- Lower Capex due to the abovementioned investments

Partially offset by:

- Higher consumption of operating working capital, mainly impacted by receivables and higher tax payments

Highlights Free Cash Flow

- Less use of cash to pay interest on debt

Gross Debt: R\$ 6,848 million | Net Debt: R\$2.389 million

EBITDA impacts:

- R\$ -560 million related to Chapter 11 non-operating expenses and non-cash effects of Avon International reconsolidation

Net Debt Impacts

- US\$ 420 million in hedge derivatives to mitigate exchange rate risks
- Derivatives generated positive impact of R\$ +286 million

Net Debt / Adjusted EBITDA ratio considering hedge: 0.86x at the end of 2024

Indebtedness

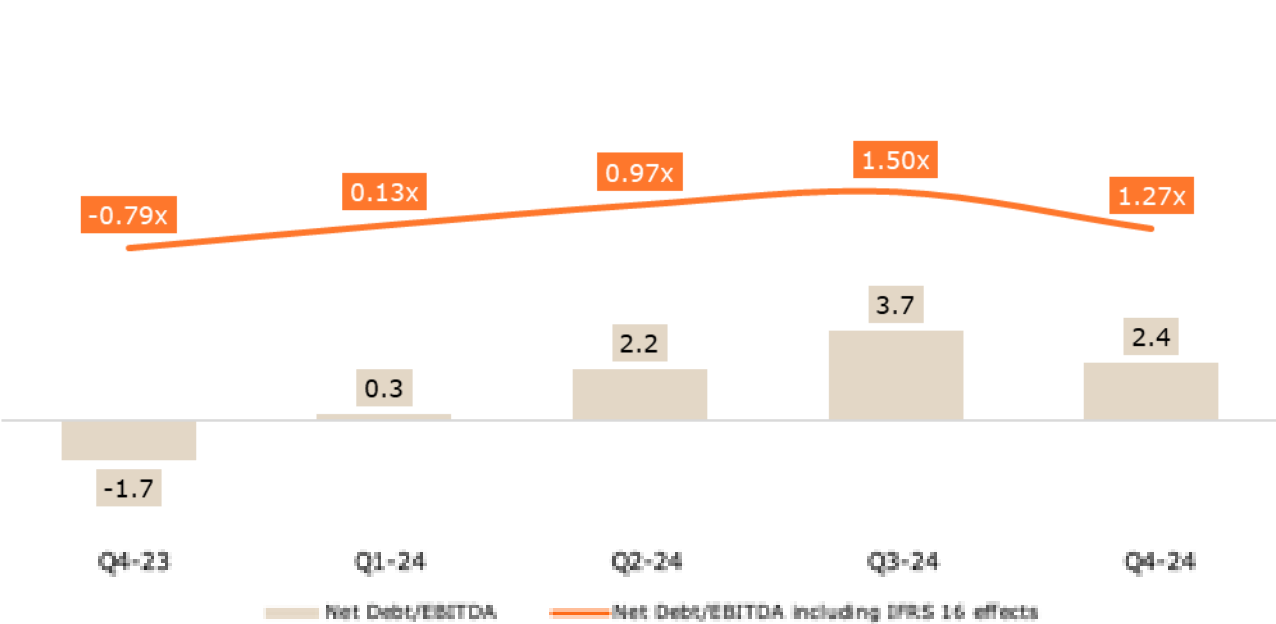
R\$ 4,5 billion

Cash balance at the end of period

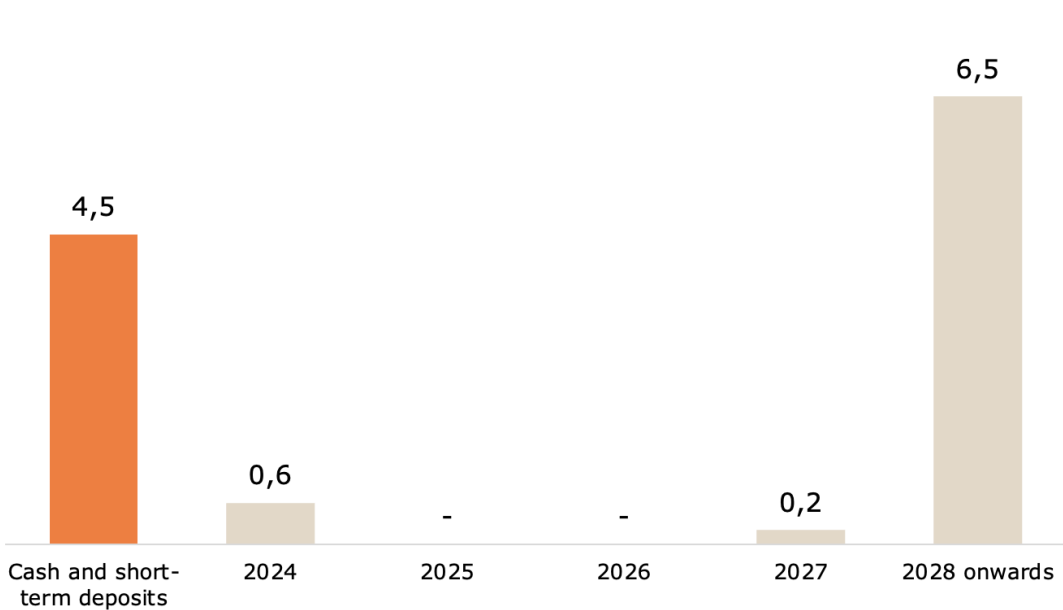
1,27x

Net debt/EBITDA ratio

Net debt (R\$ billion) and net debt/EBITDA ratio (x)



Amortization schedule (R\$ billion)



Closing *Remarks*

Fábio Barbosa,
CEO



Key Takeaways

Latam

- Latam continues to improve margins and free cash flow while investing in strategic projects for sustainable growth
- Wave 2 is expected to be completed by the end of 2025, with implementation in Mexico and Argentina

Unlocking sustainable shareholder value...

Simplification Process

- Simplification is progressing, and we will continue implementing additional mapped opportunities
- Resuming studies on strategic alternatives for Avon International while accelerating the business unit's restructuring

Capital Structure

- We remain laser-focused on capital allocation, striving for an optimal structure that supports sustainable, ROIC-driven investments while delivers returns to shareholders

...through our triple-bottom-line agenda



Thank You

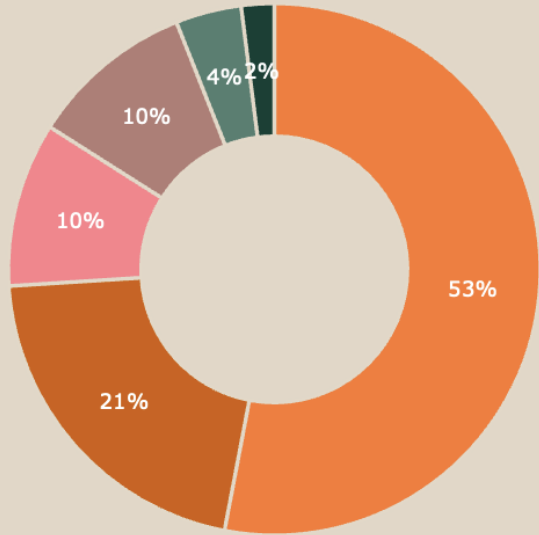
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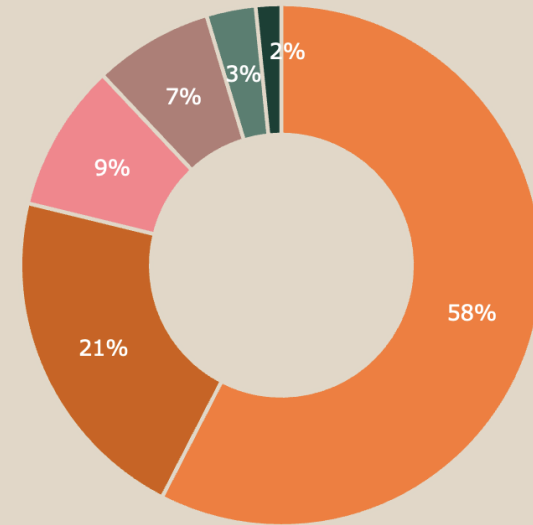
Segment Breakdown

4Q-23



■ Natura CFT Brazil ■ Natura CFT Hisp. Latam ■ Avon CFT Brazil
■ Avon CFT Hisp. Latam ■ Home & Style Latam ■ Home & Style Brazil

4Q-24

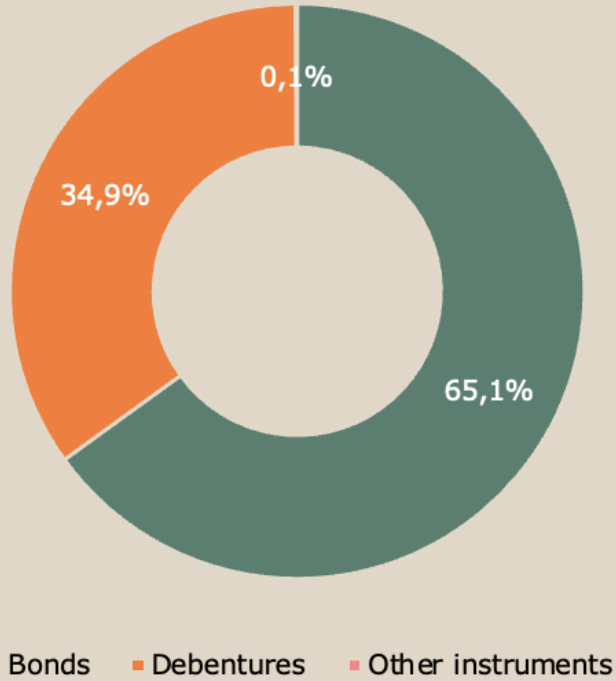


■ Natura CFT Brazil ■ Natura CFT Hisp. Latam ■ Avon CFT Brazil
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*Percentages are calculated based on invoicing values in constant currency

Debt Profile

Q4-24 by type



Q4-24 by currency

