



# HONEST<sup>®</sup>

## Q3 2025 Earnings Investor Update

November 2025

# Forward Looking Statements

This presentation contains certain forward-looking statements within the meaning of the federal securities laws, including statements about the outlook of our business and industry and other matters referenced in our earnings release and SEC filings. All statements other than statements of historical fact contained in this presentation, including statements on our business strategy, plans, objectives, financial results, operating results, potential market and growth opportunities, or competitive position, are forward-looking statements. These forward-looking statements involve a number of risks and uncertainties, some of which management cannot predict, that could cause actual results to differ materially. Please refer to our SEC filings and earnings releases for a more detailed description of the risk factors that may affect our results.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this presentation primarily on our current expectations and projections about future events and trends that we believe may impact our business, financial condition and operating results. Please note that these forward-looking statements reflect our opinions only as of the date of this presentation and we undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements in light of new information, future events, or the occurrence of unanticipated events, except as required by law.

Market data and industry information used through this presentation are based on management's knowledge of the industry and the good faith estimates of management. We also relied upon management's review of independent industry surveys and publications and other available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data, information, and estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified the information provided by these or any other third-party sources referred to in this presentation. We make no representations or warranties as to the accuracy of any such statements, data, information, or estimates. Projections, assumptions, and estimates of our and our industry's future performance are subject to a high degree of uncertainty and risk. These uncertainties and risks, as well as other factors, could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by third-parties.

# Our Team

Wednesday, November 5, 2025

**Carla Vernón**

Chief Executive Officer

**Curtiss Bruce**

Chief Financial Officer

**Elizabeth Bouquard**

Head of Investor Relations

# Cleanly-formulated Sustainably-designed personal care



# Q3 2025 Key Messages

## Q3 Earnings Results Mixed

Apparel and diaper revenue short of expectations  
Positive net income and adjusted EBITDA

## Launches Transformation 2.0 Powering Honest Growth

1) Focus on core categories and exiting certain lower margin, non-strategic categories and channels 2) Optimize cost structure

## Updates FY 2025 Revenue and Adjusted EBITDA Outlook

Reflects strategic exits and dynamic macroeconomic environment

## Healthy Balance Sheet

Q3 ending cash \$71MM. No debt



# Transformation 2.0 Powering Honest Growth

Focus on Most Strategic and More Profitable Categories

**Exit** low margin, non-strategic categories and channels

## Honest.com

End DTC fulfillment  
Highlight product education  
Shift sales to eComm retailers

## Canada

End direct sales to retailers

## Apparel

Exit partnership as fully-owned product category

**Optimize** cost structure

## Supply Chain

Optimize footprint and inventory

## Technology & Operations

Improve systems

## SG&A

Right size  
Align with strategic focus

**Drive** higher margin, right to win categories

**Wipes • Personal Care • Diapers**



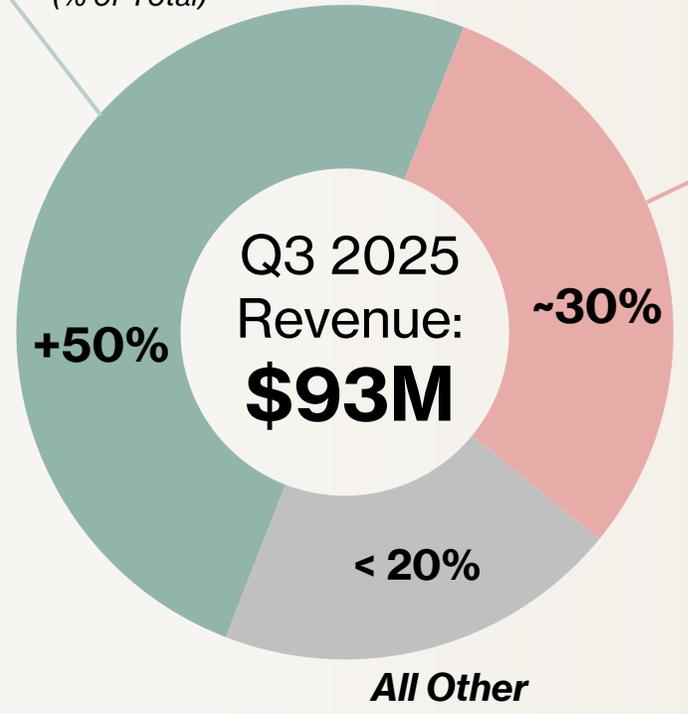
# Core Product Categories

Streamlined Focus: Wipes, Personal Care, Diapers

## Wipes & Personal Care



Q3 2025 Revenue Distribution  
(% of Total)



## Diapers



# Wipes: Expanded Distribution

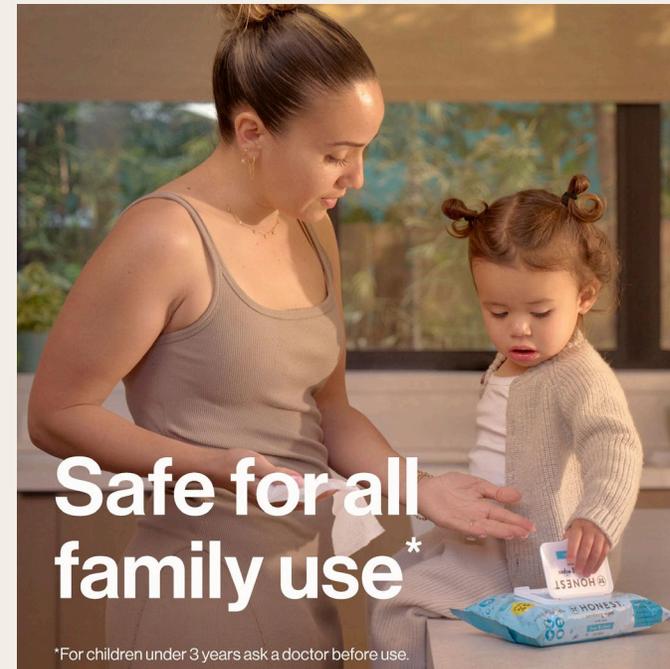
Launch of **Adult Flushable Wipes** in high-traffic brick-and-mortar aisles

**Sanitizing Wipes** expanded distribution to Walmart



**+160%**

YTD Honest Consumption Growth vs. +2% Category Growth<sup>1</sup>



**+700**

Points of Distribution<sup>2</sup>

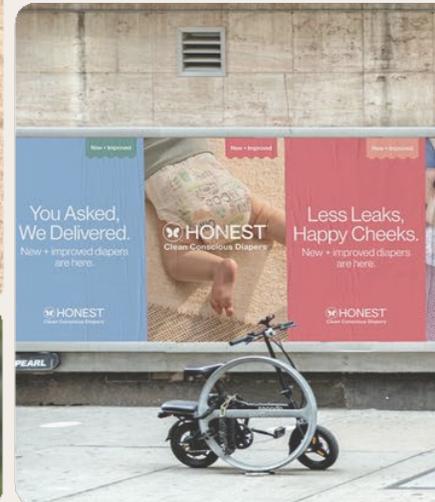
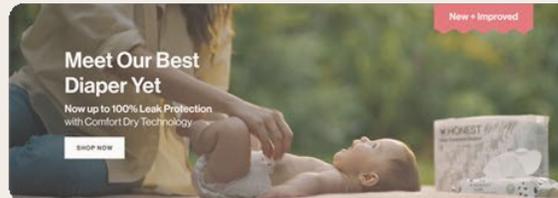
# Personal Care: Disney Collaboration

- Disney is a leading revenue global licensor
- Disney characters rank as most recognizable for families & children 2-5
- Collaboration across **Baby Personal Care** collection
  - Honest's first use of licensed characters in Personal Care
  - Available in scented & fragrance free



# Diapers: New Innovation

Introduced significantly improved diaper with superior design in Q2 '25



- Enhanced Comfort Dry technology for up to **100% leak protection**
- **Softer layers**
- **Better fit** with comfort stretch across the waist tabs and legs

# Q3 2025 Financial Highlights

	<u>Q3 2025</u>	<u>vs. LY</u>
Revenue	<b>\$93M</b>	<b>-7%</b>
Organic Revenue <sup>1</sup>	<b>\$73M</b>	<b>-5%</b>
Gross Margin	<b>37.3%</b>	<b>-140 bps</b>
Net Income	<b>\$1M</b>	<b>+\$1M</b>
Adj. EBITDA	<b>\$4M</b>	<b>-\$4M</b>
Debt	<b>\$0</b>	<b>Flat</b>



# Year-to-Date 2025 Financial Highlights

	<u>YTD 2025</u>	<u>vs. LY</u>
Revenue	<b>\$283M</b>	<b>+2%</b>
Organic Revenue <sup>1</sup>	<b>\$224M</b>	<b>+6%</b>
Gross Margin	<b>38.8%</b>	<b>+80 bps</b>
Net Income	<b>\$8M</b>	<b>+\$13M</b>
Adj. EBITDA	<b>\$18M</b>	<b>+\$1M</b>
Debt	<b>\$0</b>	<b>Flat</b>

Notes: 1. Represents revenue excluding (1) product revenue from our baby apparel line; (2) revenue from our Honest.com website as a fulfillment center; and (3) revenue from sales to Canadian retailers or channels.  
Source: Q3 2025 Company Financials & 10-Q





# Financial Impact: Transformation 2.0 Powering Honest Growth

**Exit low margin, non-strategic categories**

**Optimize cost structure**

Annual recurring cost savings

**\$8-15M**

Up-front costs

**\$25-35M**

# 2025 Updated Financial Outlook

	Updated Outlook	Prior Outlook
Revenue	-3% to Flat	4% - 6%
Organic Revenue <sup>1</sup>	4% - 6%	N/A
Adjusted EBITDA <sup>2</sup>	\$21M - \$23M	\$27M - \$30M

**Revenue:** Potential risks to revenue related to the wind down of strategic exits, declines in diaper revenue during the year and anticipated in the fourth quarter, and uncertainty in a dynamic macroeconomic environment

**Adj. EBITDA:** Lower revenue and volume deleverage

Notes: 1. Represents the current outlook excluding (1) product revenue from our baby apparel line; (2) revenue from our Honest.com website as a fulfillment center; and (3) revenue from sales to Canadian retailers or channels.  
 2. We do not provide guidance for the most directly comparable GAAP measure, net income (loss), and similarly cannot provide a reconciliation between our Adjusted EBITDA outlook and net income (loss) without unreasonable effort due to the unavailability of reliable estimates for certain components of net income (loss), including interest and other (income) expense, net, and the respective reconciliations. These items are not within our control and may vary greatly between periods and could significantly impact our financial results calculated in accordance with GAAP.  
 Source: Q3 2025 Company Financials & 10-Q

# Appendix



# Reconciliation of Revenue to Organic Revenue

(\$M)	For Three Months Ended Sept. 30		For Nine Months Ended Sept. 30	
	2025	2024	2025	2024
Revenue	\$92.6	\$99.2	\$283.3	\$278.5
Less revenue from:				
Apparel	(\$10.4)	(\$11.3)	(\$28.7)	(\$29.6)
Honest.com	(\$8.8)	(\$11.5)	(\$29.0)	(\$37.0)
Canada	(\$0.8)	(\$0.3)	(\$1.9)	(\$1.3)
Organic Revenue	\$72.6	\$76.1	\$223.8	\$210.6
<i>Organic Rev Growth</i>	<i>-5%</i>			<i>+6%</i>



# Reconciliation of Revenue to Organic Revenue Outlook

(\$M)	Full Year 2025			
	Low End of Outlook Range		High End of Outlook Range	
Revenue	\$367	(3)%	\$378	0%
<i>Adjustments from: Category &amp; Channel exits</i>	(75)	7%	(80)	6%
<b>Organic Revenue<sup>1</sup></b>	<b>\$292</b>	<b>4%</b>	<b>\$298</b>	<b>6%</b>



# Reconciliation of GAAP and Non-GAAP Financial Measures

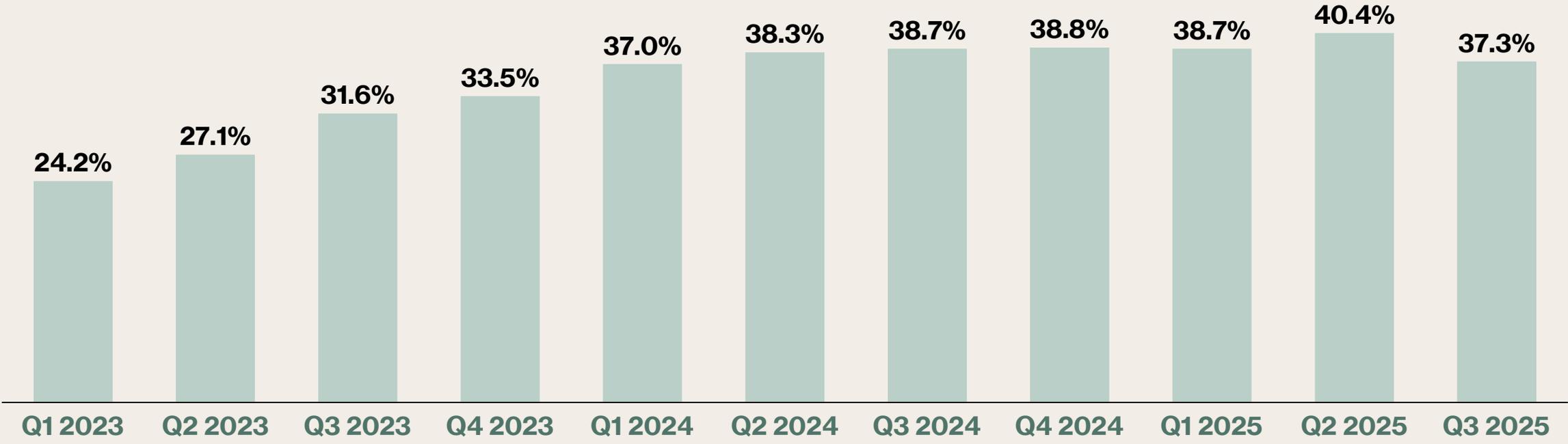
Adjusted EBITDA (\$ millions)

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024	Q1 2025	Q2 2025	Q3 2025
Net income (loss)	(\$18.9)	(\$13.4)	(\$8.1)	\$1.1	(\$39.2)	(\$1.4)	(\$4.1)	\$0.2	(\$0.8)	(\$6.1)	3.3	3.9	\$0.8
Interest and other (income) expense, net	0.2	0.0	0.1	(0.0)	0.3	0.0	0.0	(0.1)	(0.2)	(0.3)	(0.8)	(1.0)	(0.6)
Income tax provision	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1
Depreciation and amortization	0.7	0.7	0.7	0.7	2.7	0.7	0.7	0.7	0.7	2.8	0.7	0.7	0.7
Stock-based compensation	3.8	6.4	3.7	1.9	15.8	2.5	8.9	2.2	2.1	15.7	2.4	2.7	2.4
Securities litigation expense	1.2	1.8	1.4	0.4	4.7	0.4	1.3	4.1	6.7	12.4	1.0	0.1	0.0
Executive officer transition expense	1.3	0.0	0.8	0.0	2.1	0.2	0.7	0.0	0.0	0.9	0.0	1.1	0.0
Restructuring costs	1.4	0.4	0.4	0.1	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payroll tax expense related to stock-based compensation	0.1	0.0	0.0	0.0	0.1	0.2	0.1	0.1	0.1	0.4	0.3	0.1	0.1
<b>Adj. EBITDA</b>	<b>(\$10.3)</b>	<b>(\$4.1)</b>	<b>(\$1.1)</b>	<b>\$4.3</b>	<b>(\$11.2)</b>	<b>\$2.6</b>	<b>\$7.6</b>	<b>\$7.1</b>	<b>\$8.5</b>	<b>\$25.9</b>	<b>\$6.9</b>	<b>\$7.6</b>	<b>\$3.5</b>

Steady Improvement Since Transformation Initiative

# Quarterly Gross Margin

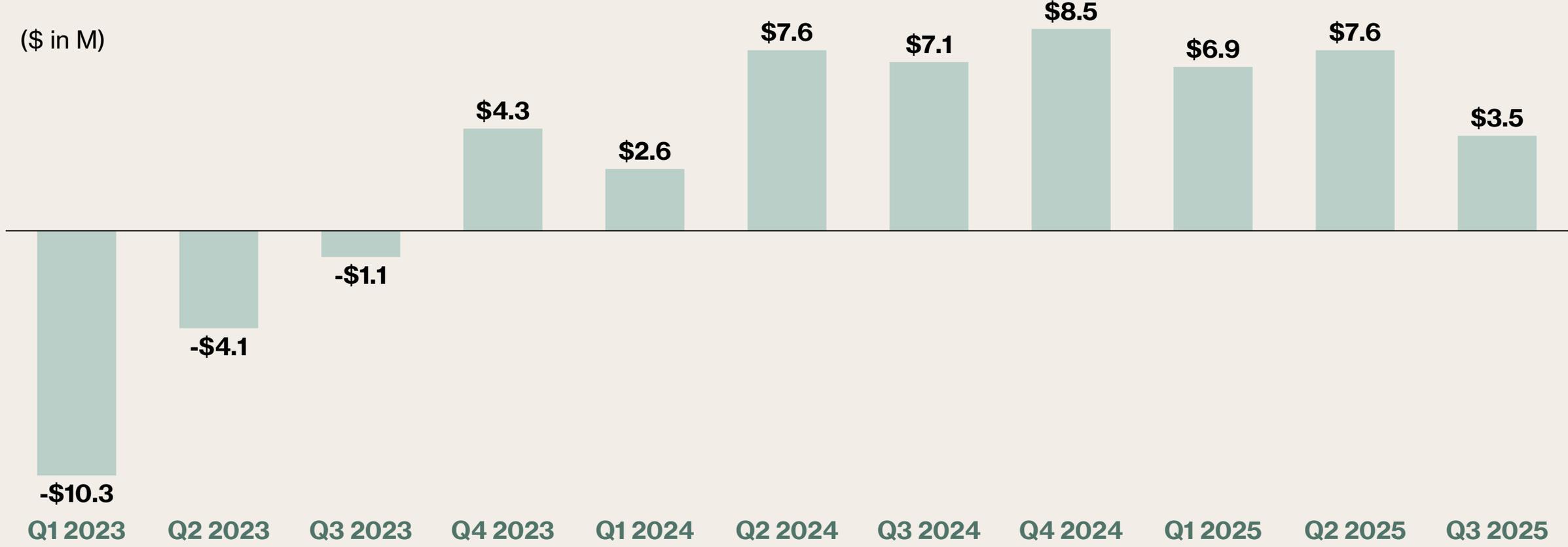
(% of Revenue)



Steady Improvement Since Transformation Initiative

# Quarterly Adjusted EBITDA

(\$ in M)



Steady Improvement Since Transformation Initiative

# Quarterly Cash Balance

(\$ in M)

