



# HONEST<sup>®</sup>

## Q4 & FY 2025 Earnings Update

February 25, 2026

# Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our financial outlook, business strategy, and growth initiatives. These statements involve risks and uncertainties that could cause actual results to differ materially. We undertake no obligation to update forward-looking statements except as required by law. Please refer to our SEC filings for a detailed description of 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.

This presentation also includes non-GAAP financial measures, including Organic Revenue, Adjusted EBITDA, and Adjusted Gross Margin. These measures are not prepared in accordance with GAAP and should be considered alongside, not as substitutes for, GAAP measures. Reconciliations to the most directly comparable GAAP measures are provided in the Appendix to this presentation and in our SEC filings.

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.

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# Our Team

**Carla Vernón**

Chief Executive Officer

**Curtiss Bruce**

Chief Financial Officer

# Cleanly-formulated, Sustainably-designed personal care



# Key Messages

- **Achieved Full Year 2025 Financial Outlook In Line with Updated Guidance**
- **2026 Plans to Win in Baby Categories, Accelerate Growth Beyond Baby, and Strengthen Financial Profile**
- **Announcing \$25 Million Inaugural Share Repurchase Authorization**
- **Provides Full Year 2026 Financial Outlook In Line with Long-term Algorithm**



# 2025 Highlights

Top line strength and margin momentum



**+5.3%**

FY Organic  
Revenue Growth<sup>1</sup>

In Line with  
LT Algorithm



**+5.0%**

FY Consumption  
Growth<sup>2</sup>

>2.5x vs. Category  
Average

Volume-led Growth



**7.6%**

Household  
Penetration<sup>3</sup>

All-time High  
(+1.7M New Households)



**+50bps**

Adj. Gross  
Margin Expansion<sup>1</sup>

Mix from Higher  
Margin, Higher Growth  
Wipes & Personal  
Care Portfolios



# Growth Priority #1: Winning in Baby

Scaling in our position as #1 Natural Wipes & Baby Personal Care Brand<sup>1</sup>

## Lead Baby Wipes Growth



**+25%**

2025 Consumption<sup>1</sup>  
Growth

Increasing investment and  
launching larger sizes

## Lead Baby Personal Care Growth



**+12%**

2025 Consumption  
Growth<sup>1</sup>

Continued innovation

## Strengthening Diaper Value



- Invest behind value
- Continue to deliver quality materials, fit and style

# Growth Priority #2: Accelerate Beyond Baby

Expanding the Honest Brand and Honest Standards from kids to adults

## Enter Kid Personal Care Category



©DisneyPixar

- First launch in “Big Kid” aisle
  - 6-item lineup
- Expanding partnership with Disney Pixar

## Support Flushable Wipes Distribution



**+175%**

2025 Consumption Growth<sup>1</sup>

Top 5 in Amazon personal cleansing  
Significant distribution expansion

## Innovate in Sanitizing Wipes



**+73%**

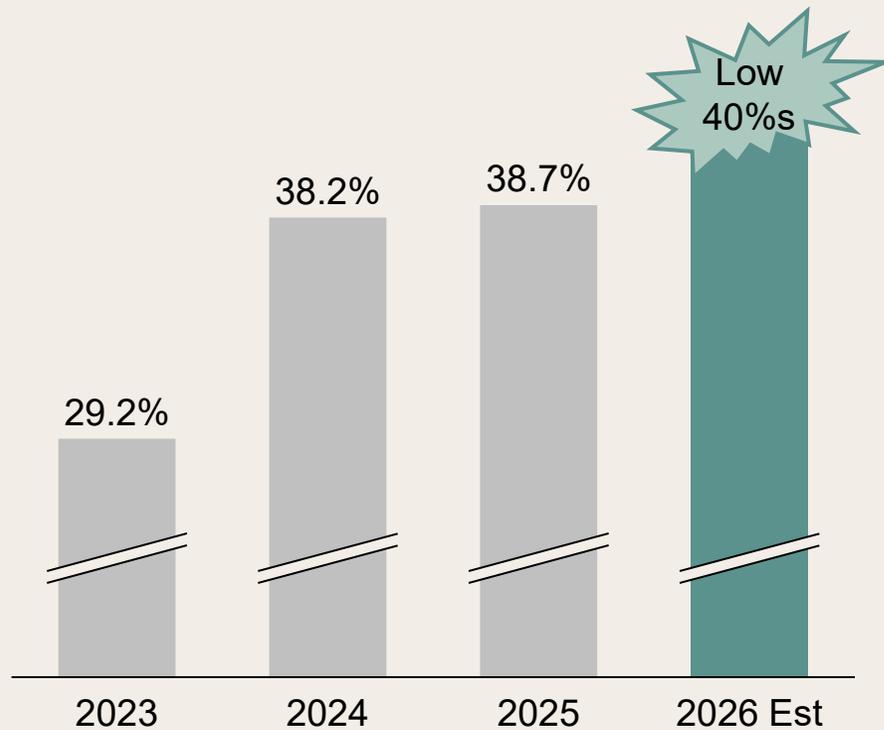
2025 Consumption Growth<sup>1</sup>

- Two new scents: grapefruit & lavender
  - New on-the-go format

# Growth Priority #3: Strengthen Financial Profile

Continue to improve margins and operational excellence

## Honest Adj. Gross Margin<sup>1</sup>



## Improvements in 2026

- Mix from strategic business exits
- Continued supply chain efficiencies
- Improved inventory management
- Reductions in SG&A



# Financials

# Executing Powering Honest Growth

Transformation 2.0 creates clear line of sight toward sustainable scale

## Completed Actions in 2025

- ✓ Exit: Honest.com direct fulfillment
- ✓ Exit: Apparel category
- ✓ Exit: Canadian business
- ✓ Action: Right-sized SG&A

## Remaining Actions in 2026

- Action: Focus on strategic categories
- Action: Optimize footprint and inventory
- Action: Improve operating systems

**Annual Cost Savings**

\$10-15M

**Up-front Costs**

\$30-35M

# Q4 2025 Financial Results

(In \$Millions)	<u>Q4 2025</u>	<u>vs. LY</u>
Revenue	\$88.0	-11.8%
Organic Revenue <sup>1</sup>	<b>\$71.3</b>	<b>+0.7%</b>
<i>Gross Margin</i>	15.7%	-23.1 pts
<i>Adj. Gross Margin<sup>1</sup></i>	<b>38.3%</b>	<b>-0.5 pts</b>
Net Income/(Loss)	(\$23.6M)	(\$22.8)
Adj. Net Income <sup>1</sup>	<b>\$0.4</b>	<b>\$1.2</b>
Adj. EBITDA <sup>1</sup>	<b>\$3.8</b>	<b>(\$4.8)</b>
<i>Adj. EBITDA Margin<sup>1</sup></i>	4.3%	-4.3 pts



# Annual 2025 Financial Results

(In \$Millions)	<u>2025</u>	<u>vs. LY</u>
Revenue	\$371.3	-1.9%
Organic Revenue <sup>1</sup>	<b>\$294.1</b>	<b>+5.3%</b>
<i>Gross Margin</i> Adj.	33.3%	-4.9 pts
<i>Gross Margin</i> <sup>1</sup>	<b>38.7%</b>	<b>+0.5 pts</b>
Net Income/(Loss)	(\$15.7)	(\$9.6)
Adj. Net Income <sup>1</sup>	<b>\$8.3</b>	<b>+\$14.4</b>
Adj. EBITDA <sup>1</sup>	<b>\$21.8</b>	<b>(\$4.0)</b>
<i>Adj. EBITDA Margin</i> <sup>1</sup>	5.9%	-0.9 pts

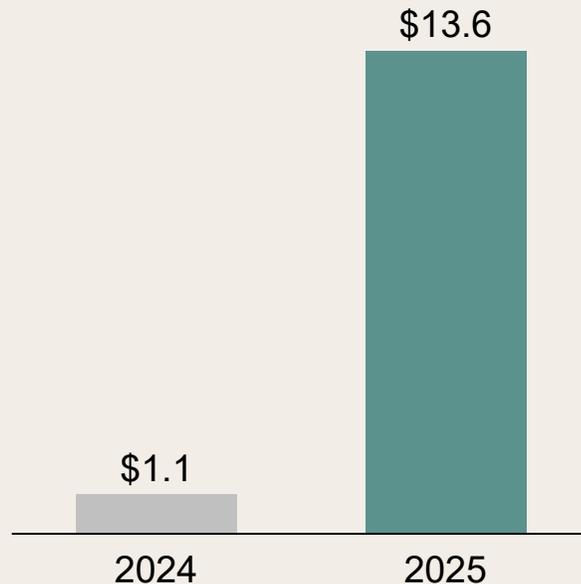


# 2025 Cash Flow

Working Capital Improvements and Disciplined Capital Allocation Strategy

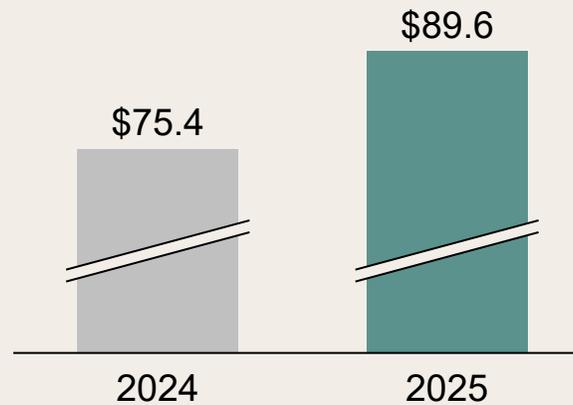
## Free Cash Flow

\$ Millions



## Cash and Cash Equivalents

\$ Millions



**\$0M**  
Debt

## Share Repurchase Program

Significant working capital improvements

**\$25M**

Board authorized inaugural share repurchase program

Balanced investment in growth initiatives with focus on returning value to shareholders

# FY 2026 Financial Outlook

	2026 Outlook	Key Assumptions
Revenue	<b>-18% to -16%</b> <i>(\$306M to \$312M)</i>	Strategic business exits in base through Q4 2026
Organic Revenue <sup>1</sup>	<b>4% - 6%</b>	Volume-led QoQ improvement throughout 2026
Adjusted Gross Margin <sup>1</sup>	<b>Low 40%<i>s</i></b>	Continued favorable mix and 2H weighted supply chain efficiencies
Adjusted EBITDA <sup>1</sup>	<b>\$20M - \$23M</b>	To mirror cadence of organic growth and adj. gross margin profile



# Appendix



# Reconciliation of Revenue to Organic Revenue

(\$Millions)	For Three Months Ended December 31, 2025		For Twelve Months Ended December 31, 2025	
	2025	2024	2025	2024
<b>Revenue</b>	<b>\$88.0</b>	<b>\$99.8</b>	<b>\$371.3</b>	<b>\$378.3</b>
Less revenue from:				
Apparel	(9.8)	(16.6)	(38.5)	(46.2)
Honest.com	(6.4)	(11.6)	(35.3)	(48.6)
Canada	(0.6)	(0.9)	(3.4)	(0.4)
<b>Organic Revenue</b>	<b>\$71.3</b>	<b>\$70.8</b>	<b>\$294.1</b>	<b>\$279.3</b>
<b>Organic Rev Growth</b>	<b>+0.7%</b>		<b>+5.3%</b>	

# Reconciliation of Revenue to Organic Revenue

(\$Millions)	For Three Months Ended			
	Mar 31, 2025	June 30, 2025	Sept 30, 2025	Dec 31, 2025
<b>Revenue</b>	<b>\$97.3</b>	<b>\$93.5</b>	<b>\$92.6</b>	<b>\$88.0</b>
Less revenue from:				
Apparel	(10.5)	(7.8)	(10.4)	(9.8)
Honest.com	(10.3)	(9.8)	(8.8)	(6.4)
Canada	(1.3)	(0.7)	(0.8)	(0.6)
<b>Organic Revenue</b>	<b>\$75.2</b>	<b>\$75.1</b>	<b>\$72.6</b>	<b>\$71.3</b>

# Reconciliation of Gross Margin to Adjusted Gross Margin

<i>(percent of revenue)</i>	For Three Months Ended December 31, 2025		For Twelve Months Ended December 31, 2025	
	2025	2024	2025	2024
<b>Gross Margin</b>	<b>15.7%</b>	<b>38.8%</b>	<b>33.3%</b>	<b>38.2%</b>
Restructuring-related costs	22.6%	--%	5.4%	--%
<b>Adjusted Gross Margin</b>	<b>38.3%</b>	<b>38.8%</b>	<b>38.7%</b>	<b>38.2%</b>

# Reconciliation of Net Loss to Adjusted Net Income

<i>(percent of revenue)</i>	For Three Months Ended December 31, 2025		For Twelve Months Ended December 31, 2025	
	2025	2024	2025	2024
<b>Net Loss</b>	<b>(\$23.6)</b>	<b>(\$0.8)</b>	<b>(\$15.7)</b>	<b>(\$6.1)</b>
Restructuring-related costs	24.0	--	24.0	--
<b>Adjusted Net Income</b>	<b>\$0.4</b>	<b>(\$0.8)</b>	<b>\$8.3</b>	<b>(\$6.1)</b>

# Reconciliation of Net Income/Loss to 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	Q4 2025	FY 2025
<b>Net income (loss)</b>	<b>(\$18.9)</b>	<b>(\$13.4)</b>	<b>(\$8.1)</b>	<b>\$1.1</b>	<b>(\$39.2)</b>	<b>(\$1.4)</b>	<b>(\$4.1)</b>	<b>\$0.2</b>	<b>(\$0.8)</b>	<b>(\$6.1)</b>	<b>\$3.3</b>	<b>\$3.9</b>	<b>\$0.8</b>	<b>(\$23.6)</b>	<b>(\$15.7)</b>
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)	(0.6)	(3.0)
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	0.0	0.2
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	0.7	2.9
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	3.0	10.5
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	0.0	1.3
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	0.0	1.2
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	24.0	24.0
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	0.0	0.4
<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>	<b>\$3.8</b>	<b>\$21.8</b>
Revenue									\$99.8	\$378.3				\$88.0	\$371.3
<b>Adj. EBITDA % Revenue</b>									<b>8.6%</b>	<b>6.8%</b>				<b>4.3%</b>	<b>5.9%</b>

Thank You

