



HONEST[®]

Investor Strategic Update 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.

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A modern CPG company poised for growth



Strengthened financial foundation



Modern brand



Dynamic leadership and culture



Scalable growth



Our story

- Launched in 2012 with the goal to create a **new personal care company with clean ingredients and sustainability at its core**
- The portfolio resonated with a new generation of families



Our story

The Honest Company is a personal care company **on a mission to challenge ingredients, ideals and industries so people can protect who they love.**



A higher standard of Clean that we call The Honest Standard

- 1 Clean ingredients**
We ban 3,500+ ingredients
- 2 In-house labs**
Innovative, proprietary formulas
- 3 Toxicologist audited**
Rigorous research and testing

Number of ingredients not permitted in products

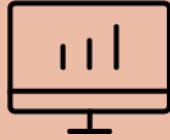
- No parabens
- No sulfates
- No phthalates
- No synthetic fragrances
- No petro-derived emollients
- No PEGs
- No mineral oil
- No PFAS



Our portfolio

#1

natural brand in baby personal care¹



Honest baby wipes, baby personal care, and apparel all growing share²

#1

natural brand in baby wipes⁶



7%

household penetration

+20%

Since 2021³

#1

climate-pledge friendly mascara on Amazon⁴



Oprah's Favorite Things⁵:
"Fam Jams"
4 years in a row



Strengthened financial foundation



Honest is on a transformation journey focused on three Pillars:

● 2023

Transform

● 2024 – 2025

Strengthen

● 2026+

Grow & Scale

Brand Maximization – *leverage brand to drive growth through innovation & improved marketing*

Margin Enhancement – *expand margins through mix and cost savings activities*

Operating Discipline – *build a culture of executional excellence*

Transformation Pillars delivering strong results

Brand Maximization

+10%

YoY revenue growth¹

7%

Household penetration²

Margin Enhancement

+900 bps

YoY gross margin¹

+\$37M

YoY Adj. EBITDA¹

Operating Discipline

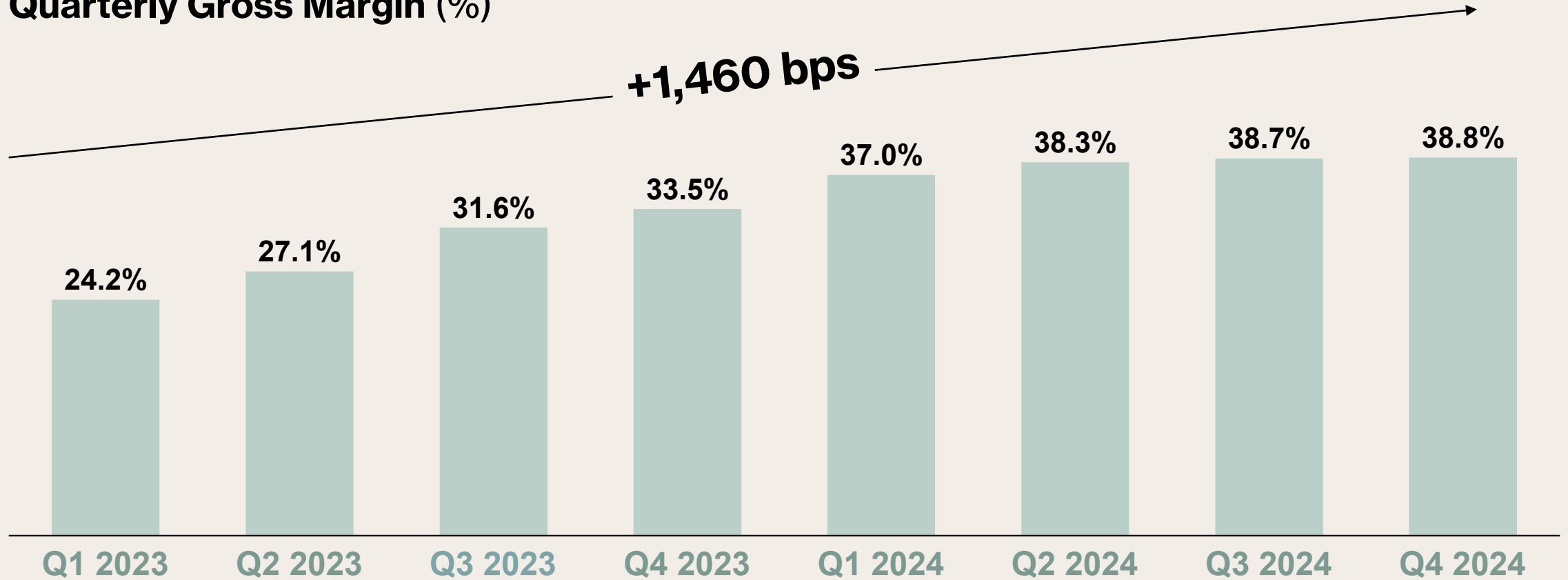
\$75M Cash

\$0 Debt¹

High-performing practices from leading CPG, Tech and Retail

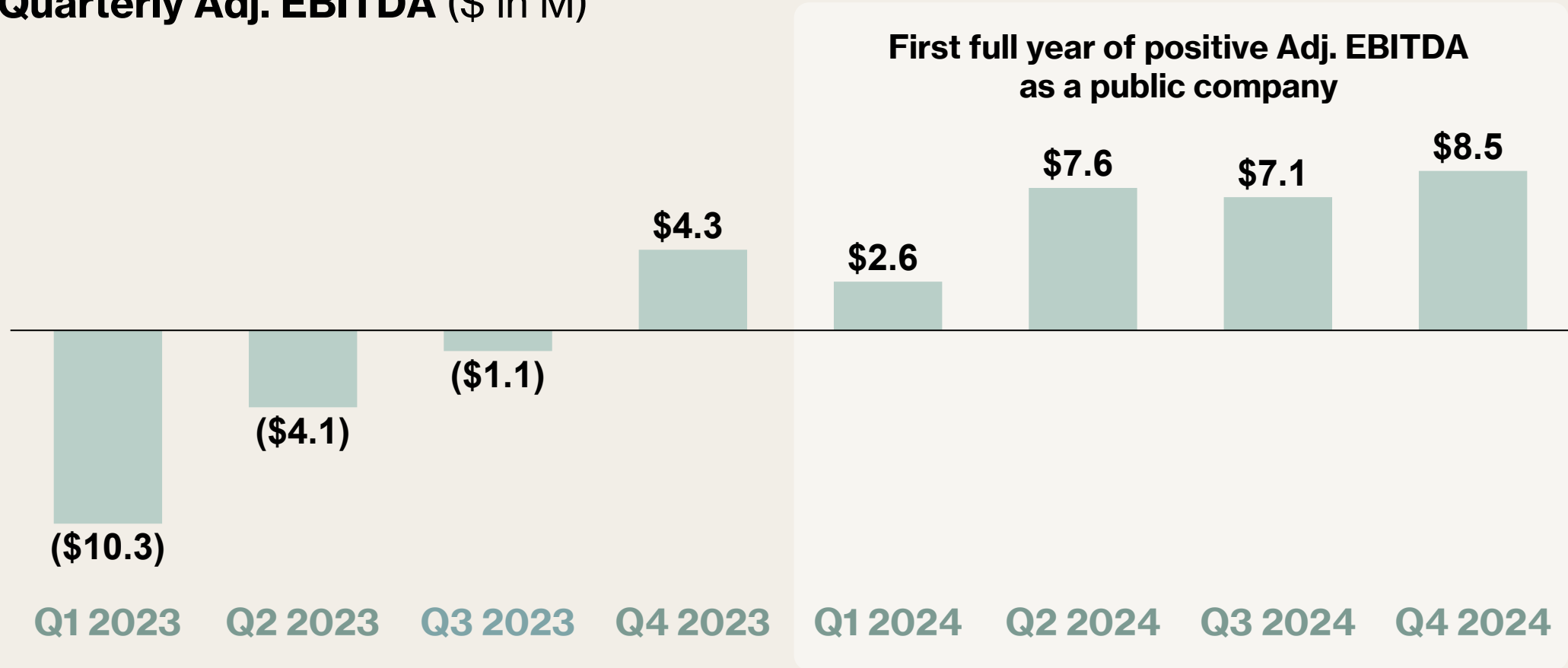
Sequential gross margin improvement through 2024

Quarterly Gross Margin (%)



Achieved Adj. EBITDA profitability

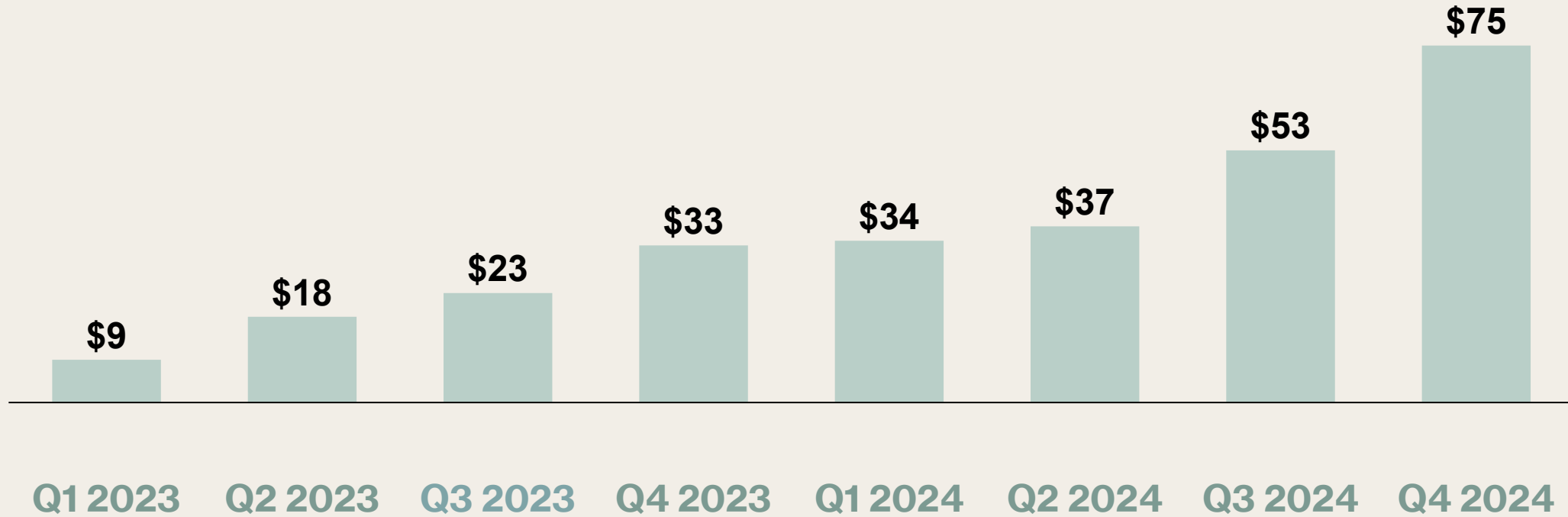
Quarterly Adj. EBITDA (\$ in M)



Strengthened financial foundation

Improved cash position

Quarterly Cash Balance (\$ in M)



Strengthened financial foundation

2024 financial summary

Revenue	\$378M	+10% vs. LY
Gross Margin %	38%	+900 bps vs. LY
Adj. EBITDA	\$26M	+\$37M vs. LY
Debt	\$0	Flat vs. LY



Strengthened financial foundation

Q1 2025 Results

Revenue	\$97M	+13% vs. LY
Gross Margin %	39%	+170 bps vs. LY
Adj. EBITDA	\$7M	+\$4M vs. LY
Debt	\$0	Flat vs. LY



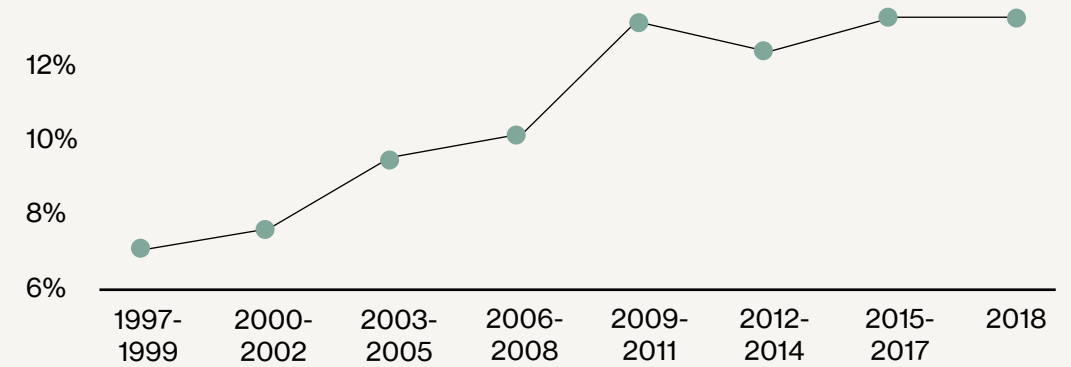
Modern brand



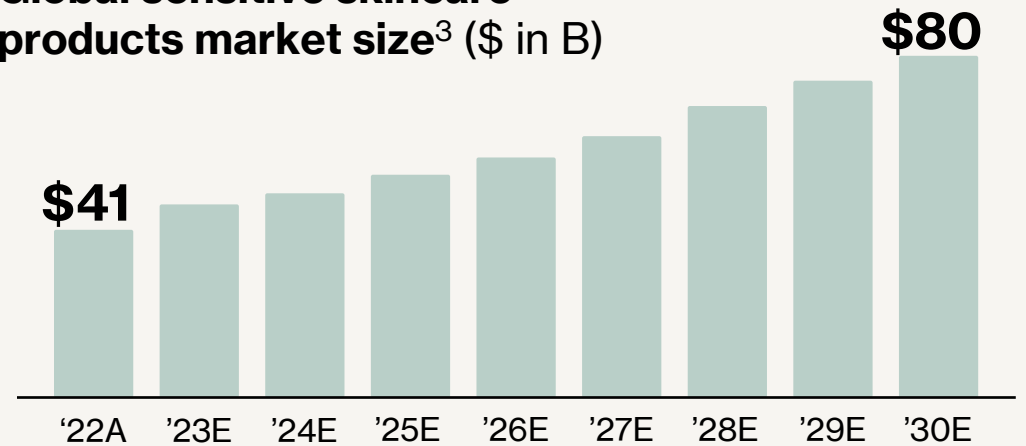
Consumers have new needs

- Growing focus on **ingredients and safety**
 - **Skin allergies** among children have nearly doubled since 1997
 - 72% of consumers are concerned about the **long-term effects of certain chemicals**²
- Market for **sensitive skin products** expected to nearly double by 2030³
- **Natural Personal Care** expected to grow 3x faster than conventional⁴

Children (0-17) with a skin allergy the past 12 months over 3 year period¹ (%)



Global sensitive skincare products market size³ (\$ in B)

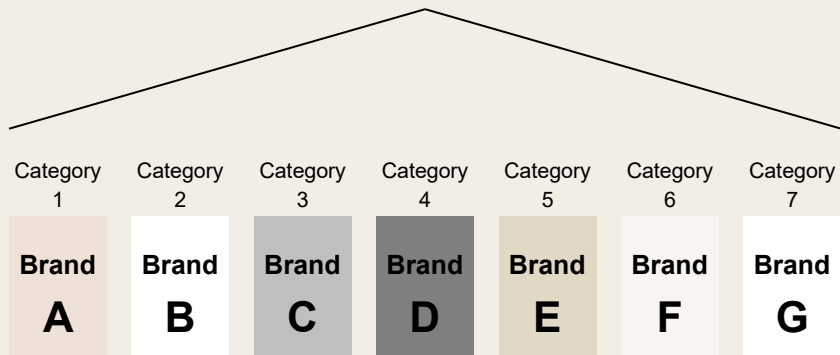


Modern brand

Single powerful brand across aisles

Conventional CPGs

Many Brands • Multiple Categories



Honest is a Branded House

One Brand • Many Categories



Modern brand

Revolutionized Baby Care



Brought modern designs to diaper category



Launched organic apparel to match diapers



Created baby spa moments



Baby gifting



Online community

Scalable growth



Distribution expansion a focal point of growth

- 1 Increasing Total Distribution Points reflects the most significant growth opportunity
- 2 Distribution remains underpenetrated relative to competition
- 3 Innovation supports our objective of increased availability

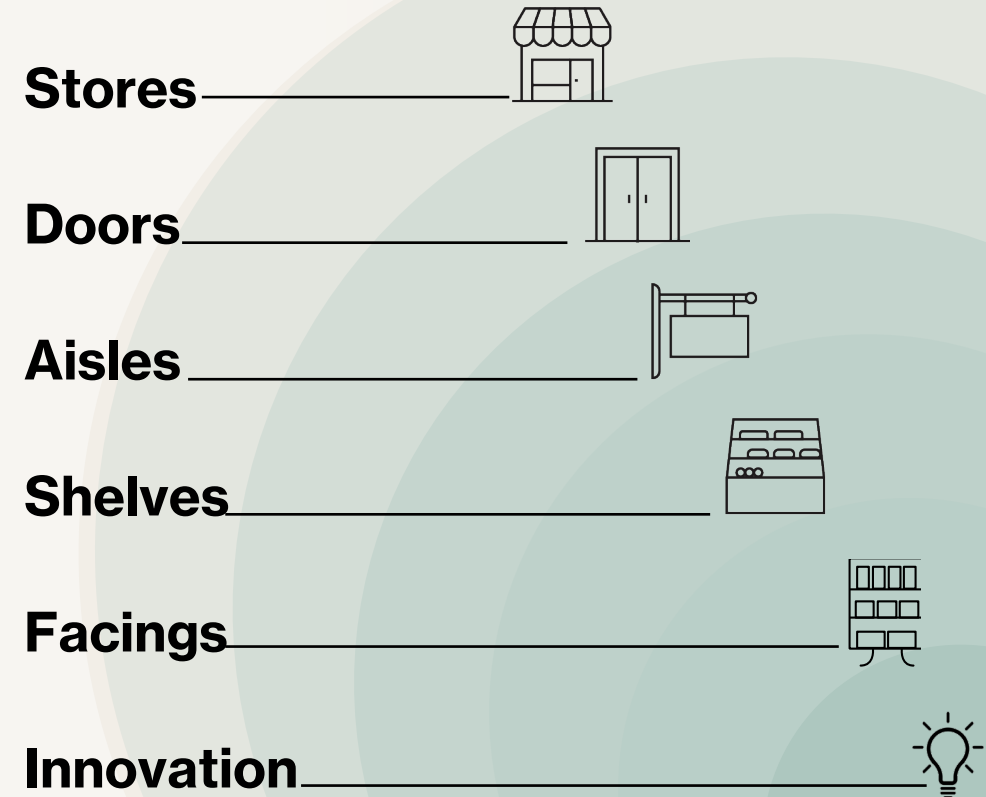


Widely available with room to grow

Our retail partners today



Multiple levels of opportunity

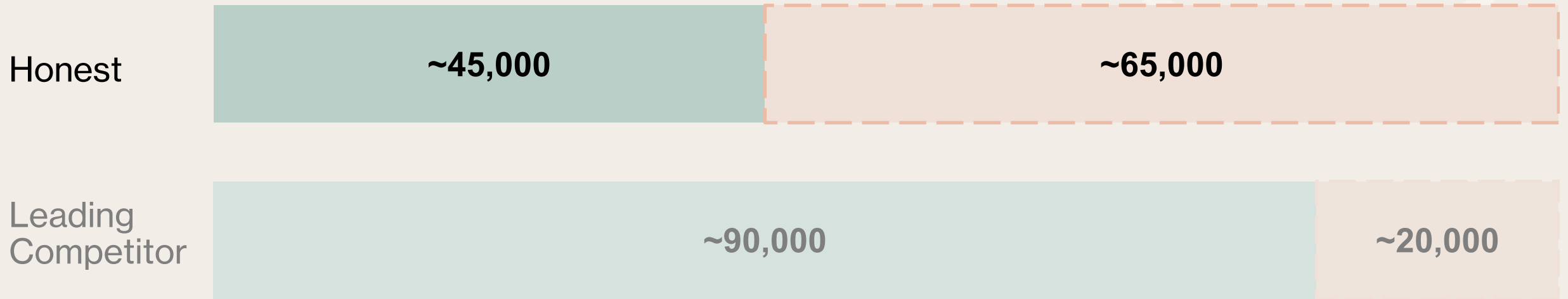


Large runway for growth into more doors





2024 year-end total doors selling

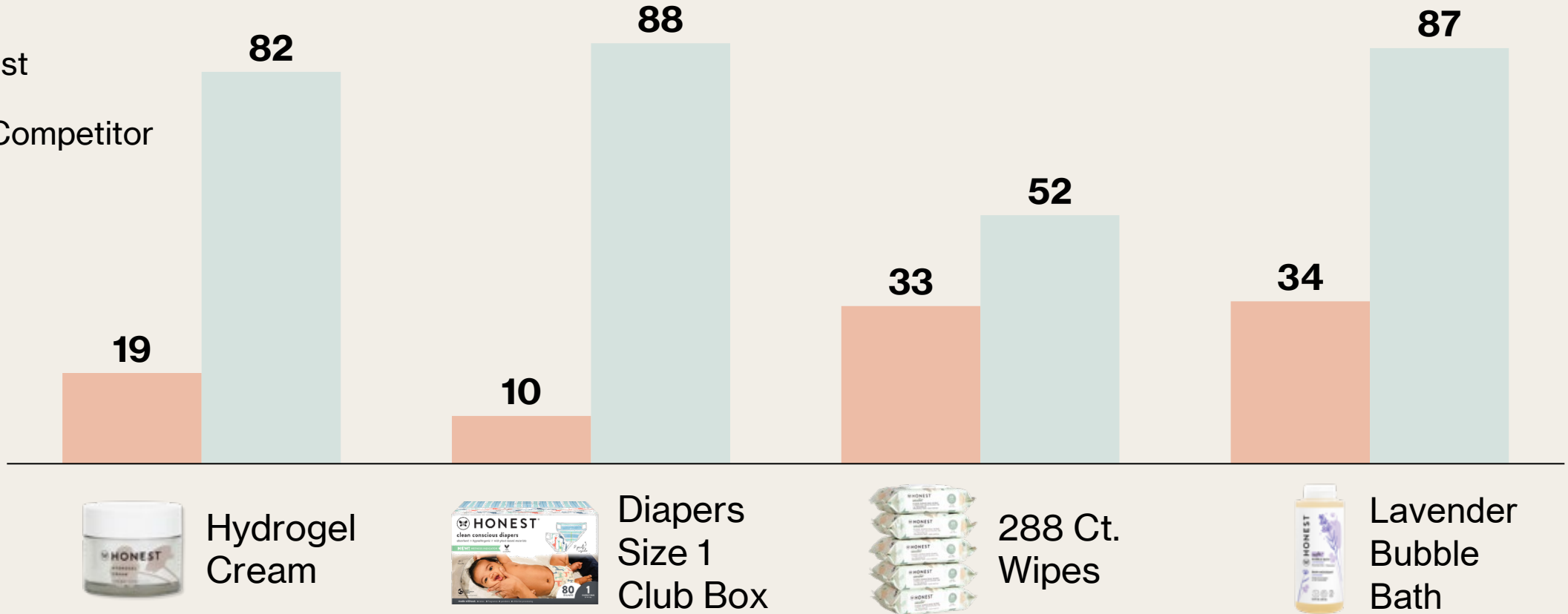
- Year-end doors selling
- Remaining doors available



Hero products under-distributed

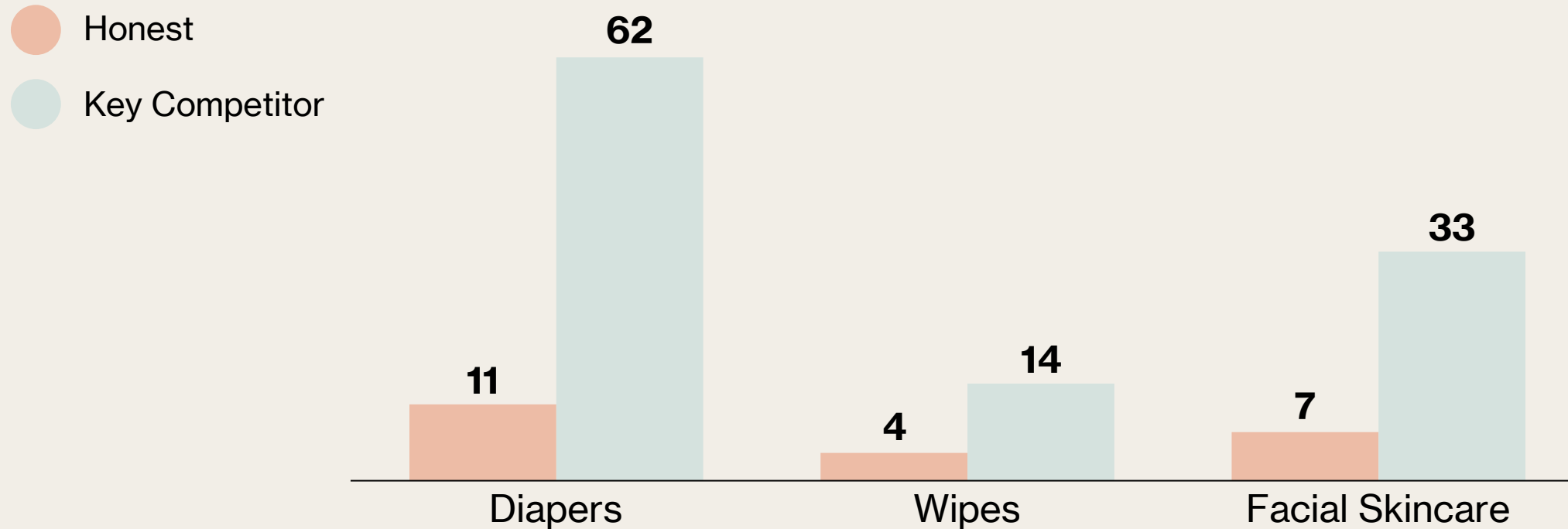
Max ACV % by SKU

-  Honest
-  Key Competitor



Opportunity for larger presence on shelf

Average products on shelf per store selling



Dynamic leadership & culture

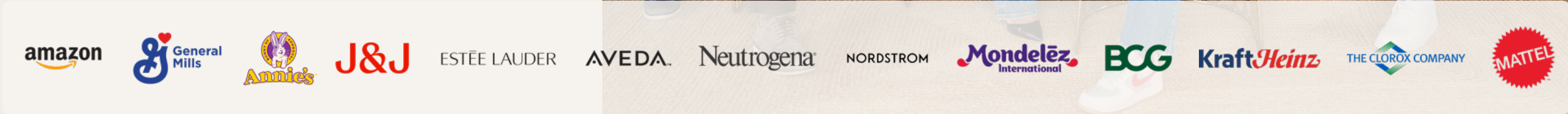
The right leaders for the mission



Dave Loretta
Chief Financial Officer

Carla Vernón
Chief Executive Officer

Broadly experienced leadership team:



2025 and long-term outlook



2025 Financial Outlook



Revenue Growth

2025 Outlook

4% - 6%

Long-Term Algorithm

4% - 6% annually

Adjusted EBITDA

**\$27 million - \$30 million
range**

**Continued Adj. EBITDA
margin expansion**

**Q1 2025 Earnings:
Reaffirmed FY 2025 Outlook**



Reasons to invest

- 🦋 Business model transformed for profitability
- 🦋 Leadership team with broad CPG industry expertise
- 🦋 Strong runway for growth
- 🦋 Growing consumer need, large market potential
- 🦋 Vibrant brand built for today's family needs
- 🦋 Proven success in omnichannel



Appendix



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
Net income (loss)	(\$18.9)	(\$13.4)	(\$8.1)	\$1.1	(\$39.2)	(\$1.4)	(\$4.1)	\$0.2	(\$0.8)	(\$6.1)
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)
Income tax provision	0.0	0.0	0.0	0.0	0.1	0.0	0.0	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
Stock-based compensation	3.8	6.4	3.7	1.9	15.8	2.5	8.9	2.2	2.1	15.7
Securities Litigation expense	1.2	1.8	1.4	0.4	4.7	0.4	1.3	4.1	6.7	12.4
CEO and CFO transition expense	1.3	0.0	0.8	0.0	2.1	0.2	0.7	0.0	0.0	0.9
Restructuring costs	1.4	0.4	0.4	0.1	2.2	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
Adj. EBITDA	(\$10.3)	(\$4.1)	(\$1.1)	\$4.3	(\$11.2)	\$2.6	\$7.6	\$7.1	\$8.5	\$25.9