Reconciliation of Non-GAAP Measures
Chewy, Inc.
(Unaudited)

($ in thousands, except percentages)	13 Weeks Ended				39 Weeks Ended			
	October 31, 2021	November 1, 2020	$ Change	% Change	October 31, 2021	November 1, 2020	$ Change	% Change
Consolidated Reconciliation of GAAP Net Loss to Adjusted Net (Loss) Income [1]								
Net loss	$ (32,241)	$ (32,847)	$ 606	1.8 %	$ (10,208)	$ (113,534)	$ 103,326	91.0 %
Add:								
Share-based compensation expense and related taxes, net of income tax [2]	19,116	25,090	(5,974)	(23.8)%	69,477	105,228	(35,751)	(34.0)%
Adjusted net (loss) income	$ (13,125)	$ (7,757)	$ (5,368)	(69.2)%	$ 59,269	$ (8,306)	$ 67,575	n/m
Net sales	$ 2,212,161	$ 1,782,000	$ 430,161	24.1 %	$ 6,502,375	$ 5,103,252	$1,399,123	27.4 %
Net margin	*(1.5)%*	*(1.8)%*			(0.2)%	(2.2)%		
Adjusted net margin	*(0.6)%*	*(0.4)%*			0.9 %	(0.2)%		

($ per share, except percentages)	13 Weeks Ended				39 Weeks Ended			
Consolidated Reconciliation of GAAP Net Loss Per Share to Adjusted Net (Loss) Income Per Share [1]	October 31, 2021	November 1, 2020	$ Change	% Change	October 31, 2021	November 1, 2020	$ Change	% Change
Net (loss) per share attributable to common Class A and Class B stockholders, basic and diluted	$ (0.08)	$ (0.08)	$ —	0.0 %	$ (0.02)	$ (0.28)	$ 0.26	92.9 %
Add:								
Share-based compensation expense and related taxes, net of income tax [2]	0.05	0.06	(0.01)	(16.7)%	0.16	0.26	(0.10)	(38.5)%
Adjusted net (loss) income per share attributable to common Class A and Class B stockholders, basic and diluted [3]	$ (0.03)	$ (0.02)	$ (0.01)	(50.0)%	$ 0.14	$ (0.02)	$ 0.16	n/m

[1] To provide investors with additional information regarding our financial results, we have disclosed consolidated adjusted net (loss) income and adjusted net margin, non-GAAP financial measures that we calculate as net (loss) income excluding share-based compensation expense and related taxes and adjusted net (loss) income divided by net sales, respectively. In addition, we have disclosed adjusted net (loss) income per share, which we calculate as net (loss) income per share excluding the impact of share-based compensation expense and related taxes. We have included adjusted net (loss) income, adjusted net margin, and adjusted net (loss) income per share as they are key measures used by our management and board of directors to evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. Other companies may calculate consolidated adjusted net (loss) income, adjusted net margin, and adjusted net (loss) income per share differently, which reduces their usefulness as comparative measures. Because of these limitations, you should consider consolidated adjusted net (loss) income, adjusted net margin, and adjusted net (loss) income per share alongside other financial performance measures.

[2] The Company maintains a deferred tax valuation allowance; no income tax benefit associated with any period presented.

[3] Basic and diluted adjusted net (loss) income per share is calculated by dividing adjusted net (loss) income attributable to common stockholders by the weighted-average shares outstanding during the period. For the thirty-nine weeks ended October 31, 2021, our calculation of adjusted diluted net income per share attributable to common Class A and Class B stockholders includes the dilutive weighted-average effect of 10.5 million potential common shares from stock-based awards, resulting in 427.1 million adjusted weighted average common shares used in computing adjusted diluted net income per share.

n/m - not meaningful