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

($ in thousands, except percentages)	13 Weeks Ended May 1, 2022	13 Weeks Ended May 2, 2021	$ Change	% Change
Consolidated Reconciliation of GAAP Net Income to Adjusted Net Income [1]				
Net income	$ 18,472	$ 38,719	$ (20,247)	(52.3)%
Add:				
Share-based compensation expense and related taxes, net of income tax [2]	27,194	24,772	2,422	9.8 %
Adjusted net income	$ 45,666	$ 63,491	$ (17,825)	(28.1)%
Net sales	$ 2,428,327	$ 2,135,178	$ 293,149	13.7 %
Net margin	*0.8 %*	*1.8 %*		
Adjusted net margin	*1.9 %*	*3.0 %*		

($ per share, except percentages)	13 Weeks Ended May 1, 2022	13 Weeks Ended May 2, 2021	$ Change	% Change
Consolidated Reconciliation of GAAP Net Income Per Share to Adjusted Net Income Per Share [1]				
Net income per share attributable to common Class A and Class B stockholders, basic and diluted	$ 0.04	$ 0.09	$ (0.05)	(55.6)%
Add:				
Share-based compensation expense and related taxes, net of income tax [2]	0.07	0.06	0.01	16.7 %
Adjusted net income per share attributable to common Class A and Class B stockholders, basic and diluted	$ 0.11	$ 0.15	$ (0.04)	(26.7)%

[1] To provide investors with additional information regarding our financial results, we have disclosed consolidated adjusted net income and adjusted net margin, non-GAAP financial measures that we calculate as net income excluding share-based compensation expense and related taxes and adjusted net income divided by net sales, respectively. In addition, we have disclosed adjusted net income per share, which we calculate as net income per share excluding the impact of share-based compensation expense and related taxes. We have included adjusted net income, adjusted net margin, and adjusted net 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 income, adjusted net margin, and adjusted net income per share differently, which reduces their usefulness as comparative measures. Because of these limitations, you should consider consolidated adjusted net income, adjusted net margin, and adjusted net 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.