

**CHEWY, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share and per share data)

	As of	
	February 2, 2020	February 3, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 212,088	\$ 88,331
Accounts receivable	80,478	48,738
Inventories	317,808	220,855
Due from Parent, net	626	78,712
Prepaid expenses and other current assets	18,789	11,949
Total current assets	629,789	448,585
Property and equipment, net	118,731	91,691
Operating lease right-of-use assets	179,052	—
Other non-current assets	4,749	1,346
Total assets	\$ 932,321	\$ 541,622
<b>Liabilities and stockholders' deficit</b>		
Current liabilities:		
Trade accounts payable	\$ 683,049	\$ 502,880
Accrued expenses and other current liabilities	417,489	311,150
Total current liabilities	1,100,538	814,030
Operating lease liabilities	200,439	—
Other long-term liabilities	35,318	63,534
Total liabilities	1,336,295	877,564
Commitments and contingencies (Note 4)		
Stockholders' deficit:		
Preferred stock, \$0.01 par value per share, 5,000,000 shares authorized, no shares issued and outstanding as of February 2, 2020; no shares authorized, issued or outstanding as of February 3, 2019	—	—
Class A common stock, 0.01 par value per share, 1,500,000,000 shares authorized, 66,445,422 shares issued and outstanding as of February 2, 2020; no shares authorized, issued or outstanding as of February 3, 2019	665	—
Class B common stock, 0.01 par value per share, 395,000,000 shares authorized, 334,922,454 shares issued and outstanding as of February 2, 2020; no shares authorized, issued or outstanding as of February 3, 2019	3,349	—
Voting common stock, \$0.01 par value per share, no shares authorized, issued or outstanding as of February 2, 2020; 1,000 shares authorized, 100 shares issued and outstanding as of February 3, 2019	—	—
Additional paid-in capital	1,436,484	1,256,160
Accumulated deficit	(1,844,472)	(1,592,102)
Total stockholders' deficit	(403,974)	(335,942)
Total liabilities and stockholders' deficit	\$ 932,321	\$ 541,622

See accompanying Notes to Consolidated Financial Statements.

**CHEWY, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per share data)

	Fiscal Year		
	2019	2018	2017
Net sales	\$ 4,846,743	\$ 3,532,837	\$ 2,104,287
Cost of goods sold	3,702,683	2,818,032	1,736,737
Gross profit	1,144,060	714,805	367,550
Operating expenses:			
Selling, general and administrative	969,890	589,507	451,673
Advertising and marketing	426,896	393,064	253,728
Total operating expenses	1,396,786	982,571	705,401
Loss from operations	(252,726)	(267,766)	(337,851)
Interest income (expense), net	356	(124)	(206)
Loss before income tax provision	(252,370)	(267,890)	(338,057)
Income tax provision	—	—	—
Net loss	\$ (252,370)	\$ (267,890)	\$ (338,057)
Net loss per share attributable to common Class A and Class B stockholders, basic and diluted	\$ (0.63)	\$ (0.68)	\$ (2.67)
Weighted average common shares used in computing net loss per share attributable to common Class A and Class B stockholders, basic and diluted	398,256	393,000	262,200

See accompanying Notes to Consolidated Financial Statements.

**CHEWY, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Fiscal Year		
	2019	2018	2017
<b>Cash flows from operating activities</b>			
Net loss	\$ (252,370)	\$ (267,890)	\$ (338,057)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	30,645	23,210	12,536
Share-based compensation expense	134,926	14,351	11,209
Non-cash lease expense	18,208	—	—
Amortization of deferred rent	—	9,872	6,377
Other	2,511	670	1,446
Net change in operating assets and liabilities:			
Accounts receivable	(31,740)	(12,208)	(19,759)
Inventories	(96,953)	(54,851)	(68,876)
Prepaid expenses and other current assets	(10,134)	(5,530)	(522)
Other non-current assets	(2,125)	797	(308)
Trade accounts payable	180,169	167,453	164,173
Accrued expenses and other current liabilities	80,824	102,041	125,428
Operating lease liabilities	(10,304)	—	—
Other long-term liabilities	2,924	8,670	26,606
Net cash provided by (used in) operating activities	46,581	(13,415)	(79,747)
<b>Cash flows from investing activities</b>			
Capital expenditures	(48,636)	(44,160)	(40,282)
Cash advances provided to Parent, net of reimbursements	(1,225)	75,998	(155,522)
Net cash (used in) provided by investing activities	(49,861)	31,838	(195,804)
<b>Cash flows from financing activities</b>			
Proceeds from initial public offering, net of underwriting discounts, commissions and offering costs	110,349	—	—
Proceeds from tax sharing agreement with Parent	17,300	—	—
Proceeds from issuance of Series F convertible redeemable preferred stock	—	—	125,000
Contribution from Parent	1,300	1,300	62,859
Payment of debt issuance costs	(1,459)	—	(10)
Principal repayments of finance lease obligations	(229)	(159)	—
Other	(224)	—	—
Net cash provided by financing activities	127,037	1,141	187,849
Net increase (decrease) in cash and cash equivalents	123,757	19,564	(87,702)
Cash and cash equivalents, as of beginning of period	88,331	68,767	156,469
Cash and cash equivalents, as of end of period	\$ 212,088	\$ 88,331	\$ 68,767
<b>Supplemental disclosure of cash flow information</b>			
Cash paid for interest	\$ 375	\$ 34	\$ 55

See accompanying Notes to Consolidated Financial Statements.