

BLUE APRON HOLDINGS, INC.
Consolidated Balance Sheets
(In thousands, except share and per-share data)

	December 31, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 95,615	\$ 228,514
Accounts receivable, net	494	1,945
Inventories, net	33,634	41,927
Prepaid expenses and other current assets	11,116	7,824
Other receivables	1,143	2,539
Total current assets	142,002	282,749
Restricted cash	1,692	2,371
Property and equipment, net	209,515	230,828
Other noncurrent assets	1,690	1,761
TOTAL ASSETS	\$ 354,899	\$ 517,709
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable	\$ 22,573	\$ 30,448
Accrued expenses and other current liabilities	32,594	32,615
Deferred revenue	12,372	27,646
Total current liabilities	67,539	90,709
Long-term debt	82,603	124,687
Facility financing obligation	71,696	70,347
Other noncurrent liabilities	13,759	8,116
TOTAL LIABILITIES	235,597	293,859
Commitments and contingencies (Note 9)		
STOCKHOLDERS' EQUITY (DEFICIT):		
Class A common stock, par value of \$0.0001 per share — 1,500,000,000 shares authorized as of December 31, 2018 and December 31, 2017; 78,601,089 and 37,657,649 shares issued and outstanding as of December 31, 2018 and December 31, 2017, respectively	8	4
Class B common stock, par value of \$0.0001 per share — 175,000,000 shares authorized as of December 31, 2018 and December 31, 2017; 115,710,547 and 153,727,228 shares issued and outstanding as of December 31, 2018 and December 31, 2017, respectively	11	15
Class C common stock, par value of \$0.0001 per share — 500,000,000 shares authorized as of December 31, 2018 and December 31, 2017; 0 shares issued and outstanding as of December 31, 2018 and December 31, 2017	—	—
Additional paid-in capital	590,521	572,528
Accumulated deficit	(471,238)	(348,697)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	119,302	223,850
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 354,899	\$ 517,709

The accompanying notes are an integral part of these Consolidated Financial Statements.

BLUE APRON HOLDINGS, INC.

Consolidated Statements of Operations

(In thousands, except share and per-share data)

	Year Ended December 31,		
	2018	2017	2016
Net revenue	\$ 667,600	\$ 881,191	\$ 795,416
Operating expenses:			
Cost of goods sold, excluding depreciation and amortization	433,496	627,964	532,682
Marketing	117,455	154,529	144,141
Product, technology, general, and administrative	194,340	247,907	165,179
Depreciation and amortization	34,517	26,838	8,217
Other operating expense	2,170	12,713	—
Total operating expenses	781,978	1,069,951	850,219
Income (loss) from operations	(114,378)	(188,760)	(54,803)
Interest income (expense), net	(7,683)	(6,384)	25
Other income (expense), net	—	(14,984)	—
Income (loss) before income taxes	(122,061)	(210,128)	(54,778)
Benefit (provision) for income taxes	(88)	(15)	(108)
Net income (loss)	\$ (122,149)	\$ (210,143)	\$ (54,886)
Net income (loss) per share attributable to Class A, Class B, and Class C common stockholders:			
Basic	\$ (0.63)	\$ (1.64)	\$ (0.84)
Diluted	\$ (0.63)	\$ (1.64)	\$ (0.84)
Weighted-average shares used to compute net income (loss) per share attributable to Class A, Class B, and Class C common stockholders:			
Basic	192,678,914	128,057,330	65,425,609
Diluted	192,678,914	128,057,330	65,425,609

The accompanying notes are an integral part of these Consolidated Financial Statements.

BLUE APRON HOLDINGS, INC.
Consolidated Statements of Cash Flows
(In thousands)

	Year Ended December 31,		
	2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	\$ (122,149)	\$ (210,143)	\$ (54,886)
Adjustments to reconcile net income (loss) to net cash from (used in) operating activities:			
Depreciation and amortization of property and equipment	34,517	26,838	8,217
Loss (gain) on disposal of property and equipment	1,624	(25)	3
Loss on impairment	—	9,456	—
Changes in reserves and allowances	(1,247)	1,870	151
Share-based compensation	16,320	11,270	2,965
Non-cash interest expense	1,595	2,719	62
Loss (gain) on convertible notes	—	14,984	—
Changes in operating assets and liabilities:			
Receivables	1,812	(123)	(449)
Inventories	9,786	451	(25,686)
Prepaid expenses and other current assets	(3,194)	(125)	(3,598)
Accounts payable	(6,605)	(4,770)	3,713
Accrued expenses and other current liabilities	(2)	(7,923)	26,821
Deferred revenue	(15,274)	3,368	18,026
Other noncurrent assets and liabilities	5,917	(289)	1,116
Net cash from (used in) operating activities	(76,900)	(152,442)	(23,545)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash paid for acquisition	(250)	(1,177)	—
Decrease (increase) in restricted cash	679	1,595	(3,629)
Purchases of property and equipment	(15,022)	(124,242)	(62,827)
Proceeds from sale of property and equipment	983	137	—
Net cash from (used in) investing activities	(13,610)	(123,687)	(66,456)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net proceeds from debt issuances	—	144,349	44,471
Repayments of debt	(41,422)	—	—
Payments of debt issuance costs	(908)	—	—
Proceeds from exercise of stock options	215	1,010	402
Principal payments on capital lease obligations	(274)	(194)	(264)
Net proceeds from public offering	—	283,500	—
Payments of public offering costs	—	(5,490)	—
Net cash from (used in) financing activities	(42,389)	423,175	44,609
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(132,899)	147,046	(45,392)
CASH AND CASH EQUIVALENTS — Beginning of period	228,514	81,468	126,860
CASH AND CASH EQUIVALENTS — End of period	\$ 95,615	\$ 228,514	\$ 81,468
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid for income taxes, net of refunds	\$ 110	\$ 70	\$ 355
Cash paid for interest, net of amounts capitalized	\$ 8,317	\$ 4,675	\$ 96
SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING INFORMATION:			
Acquisition (disposal) of property and equipment financed under capital lease obligations	\$ 184	\$ 39	\$ 256
Non-cash additions to property and equipment	\$ 1,065	\$ 20,458	\$ 46,085
Purchases of property and equipment in Accounts payable and Accrued expenses and other current liabilities	\$ 582	\$ 1,950	\$ 15,713

The accompanying notes are an integral part of these Consolidated Financial Statements.