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Q1 2026 Financial Results
June 10, 2026

Forward-Looking Statements

This communication contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this communication, including statements regarding our share repurchase program, our future results of operations or financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will” or “would” or the negative of these words or other similar terms or expressions, although not all forward-looking statements contain these identifying words.

Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could cause actual results to differ materially from those in such forward-looking statements, including but not limited to, our ability to: sustain our recent growth rates and successfully manage challenges to our future growth, including introducing new products or services, improving existing products and services, and expanding into new jurisdictions and offerings; successfully respond to business disruptions; successfully manage risks related to the macroeconomic environment, including any adverse impacts on our business operations, financial performance, supply chain, workforce, facilities, customer services and operations; acquire and retain new customers in a cost-effective manner and increase our net sales, improve margins, and maintain profitability; manage our growth effectively; maintain positive perceptions of the Company and preserve, grow, and leverage the value of our reputation and our brand; limit operating losses as we continue to expand our business; forecast net sales and appropriately plan our expenses in the future; estimate our market share; strengthen our current supplier relationships, retain key suppliers and source additional suppliers; negotiate acceptable pricing and other terms with third-party service providers, suppliers and outsourcing partners and maintain our relationships with such parties; mitigate changes in, or disruptions to, our shipping arrangements and operations; optimize, operate, and manage the expansion of the capacity of our fulfillment centers; provide our customers with a cost-effective platform that is able to respond and adapt to rapid changes in technology; limit our losses related to online payment methods; maintain and scale our technology, the reliability of our websites, mobile applications, and network infrastructure, including through the use of artificial intelligence; maintain adequate cybersecurity with respect to our systems and retain third-party service providers that do the same with respect to their systems; maintain consumer confidence in the safety, quality, and health of our products; limit risks associated with our suppliers and our outsourcing partners; comply with existing or future laws and regulations in a cost-efficient manner; utilize net operating loss and tax credit carryforwards, and other tax attributes; adequately protect our intellectual property rights; successfully defend ourselves against any allegations or claims that we may be subject to; attract, develop, motivate and retain highly-qualified and skilled employees; respond to economic conditions, industry trends, and market conditions, and their impact on the pet products market; reduce merchandise returns or refunds; respond to severe weather and limit disruption to normal business operations; manage new acquisitions, investments or alliances, and integrate them into our existing business; successfully compete in new offerings; manage challenges presented by international markets; successfully compete in the pet products and services health and retail industry, especially in the e-commerce sector; comply with the terms of our credit facility; raise capital as needed; and maintain effective internal control over financial reporting.

You should not rely on forward-looking statements as predictions of future events, and you should understand that these statements are not guarantees of performance or results, and our actual results could differ materially from those expressed in the forward-looking statements due to a variety of factors. We have based the forward-looking statements contained in this communication primarily on our current assumptions, expectations, and projections about future events and trends that we believe may affect our business, financial condition, and results of operations. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described in the section titled “Risk Factors” included under Part I, Item 1A in our Annual Report on Form 10-K for the fiscal year ended February 1, 2026, in our other filings with the Securities and Exchange Commission, our subsequent quarterly reports, and elsewhere in this communication. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this communication. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this communication. While we believe that such information provides a reasonable basis for these statements, this information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this communication relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this communication to reflect events or circumstances after the date of this communication or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

Key Recent Highlights



170K

**Net Sequential Active
Customer Adds**



\$200 million

**Capital Returned to
Shareholders in Q1 26¹**

Financial Metrics

\$597

**Net Sales Per
Active Customer²**

84.4%

**Autoship Customer Sales
as a % of Net Sales³**

\$253.1 M

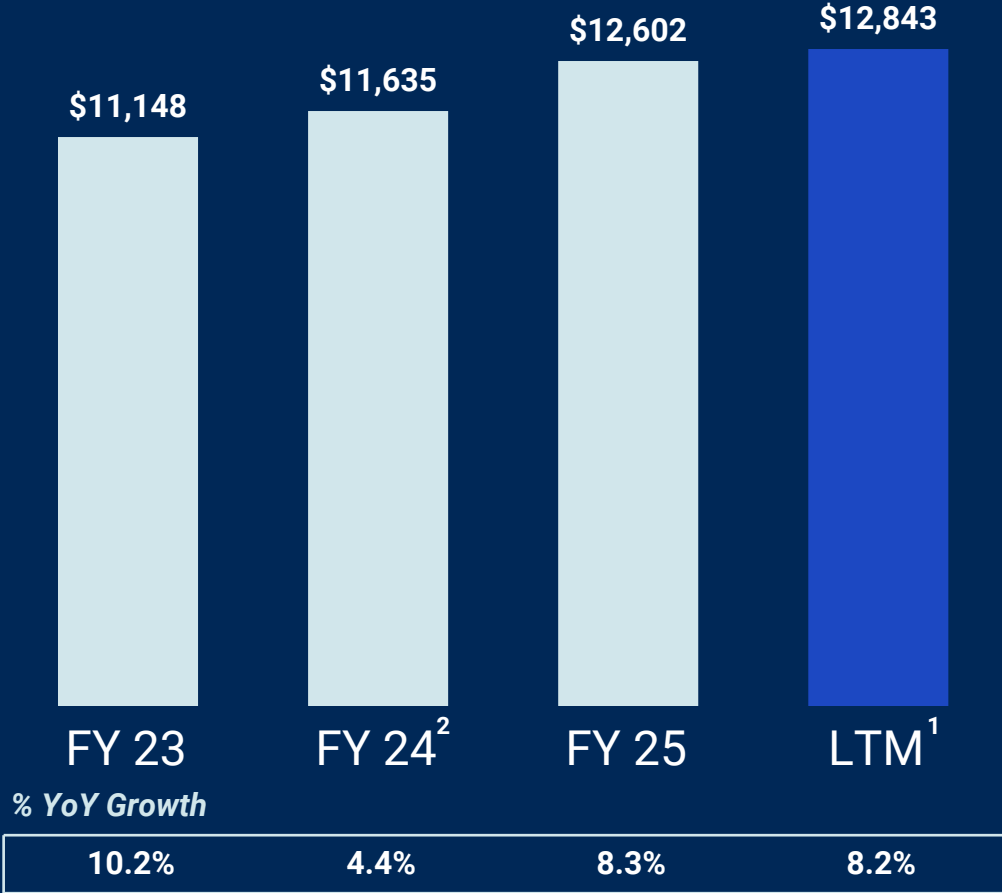
**Q1 26 Adj. EBITDA
7.5% Margin⁴
(+130 bps YoY)⁵**

(1) Represents executed share repurchases during the thirteen weeks ended May 3, 2026.
(2) Net sales per active customer defined as the aggregate net sales for the preceding four fiscal quarters, divided by the total number of active customers at the end of that fiscal quarter.
(3) Autoship customers defined as customers in a given fiscal quarter for whom an order has shipped through our Autoship subscription program during the preceding 364-day period. We define Autoship customer sales as a percentage of net sales as the Autoship customer sales in a given reporting period divided by the net sales from all orders in that period.
(4) Adjusted ("Adj.") EBITDA and adjusted EBITDA margin are non-GAAP financial measures. See "Non-GAAP Financial Measures" for additional information on non-GAAP financial measures and a reconciliation to the most comparable GAAP measures.
(5) "Bps" refers to basis points and "YoY" refers to year over year.

Net Sales

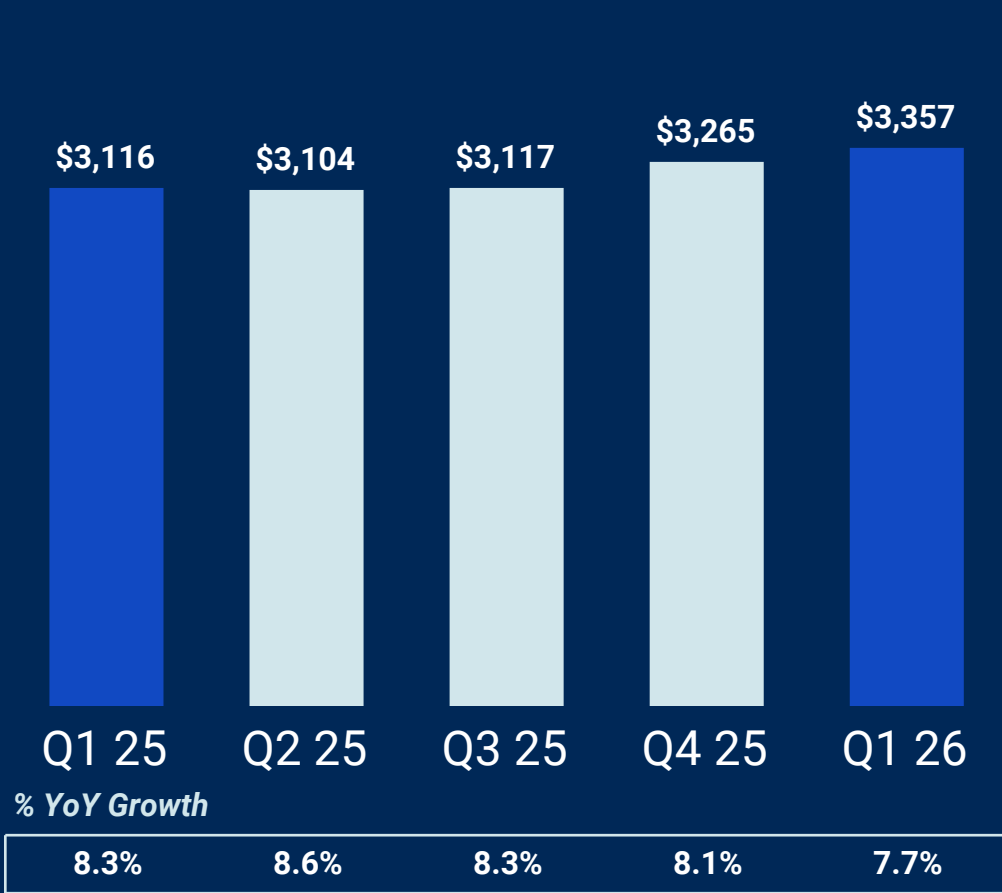
Full Year

(\$ Millions)



Quarterly

(\$ Millions)

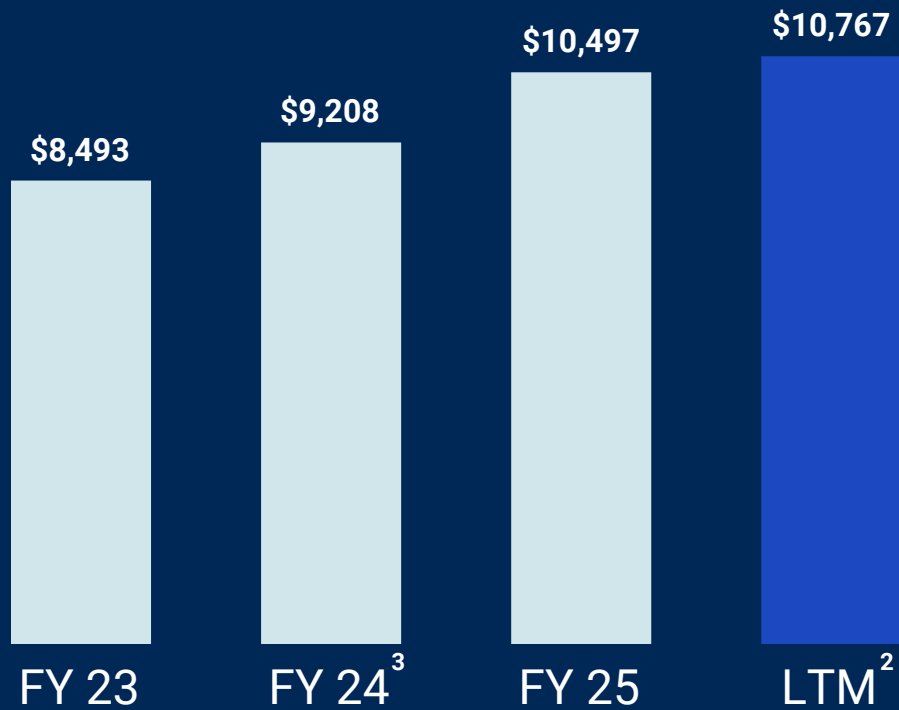


(1) "LTM" is defined as Last Twelve Months and reflects the preceding 12 month period as of the end of the current quarter (Q1 26).
 (2) Excludes the impact of the 53rd week in Fiscal Year 2024.

Autoship Customer Sales¹

Full Year

(\$ Millions)

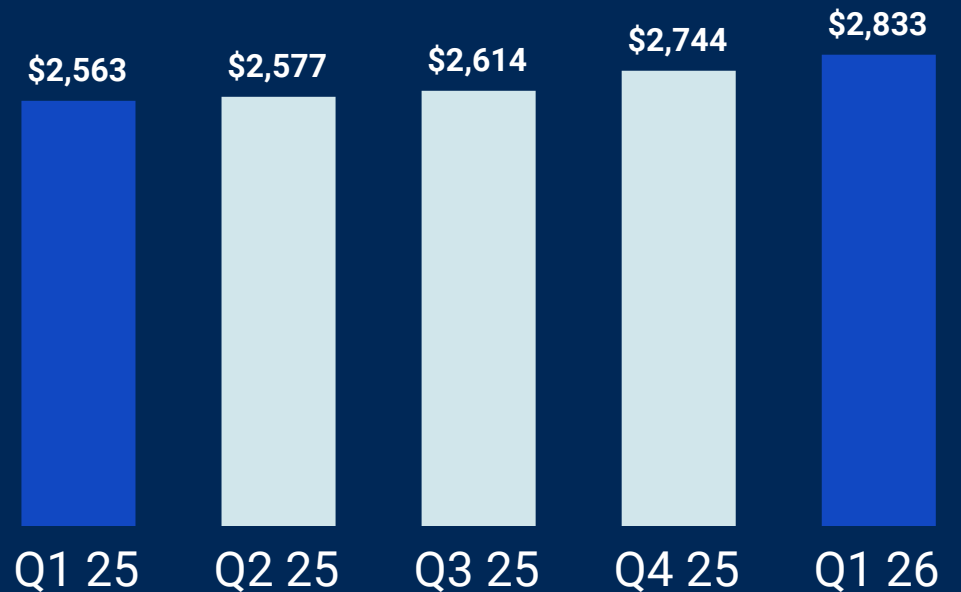


% YoY Growth



Quarterly

(\$ Millions)

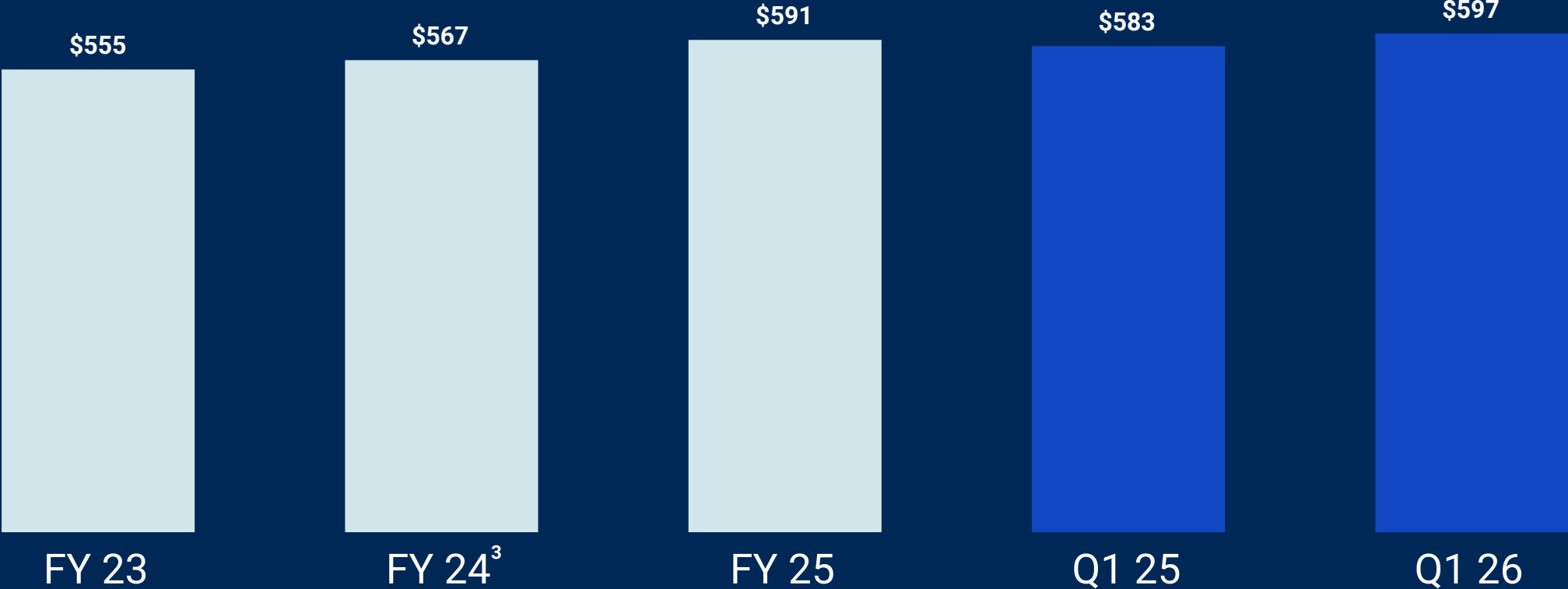


% YoY Growth



(1) We define Autoship customers as customers in a given fiscal quarter for whom an order has shipped through our Autoship subscription program during the preceding 364-day period.
 (2) "LTM" is defined as Last Twelve Months and reflects the preceding 12 month period as of the end of the current quarter (Q1 26).
 (3) Excludes the impact of the 53rd week in Fiscal Year 2024.

Net Sales Per Active Customer (“NSPAC”)¹



Active Customers² (Millions)

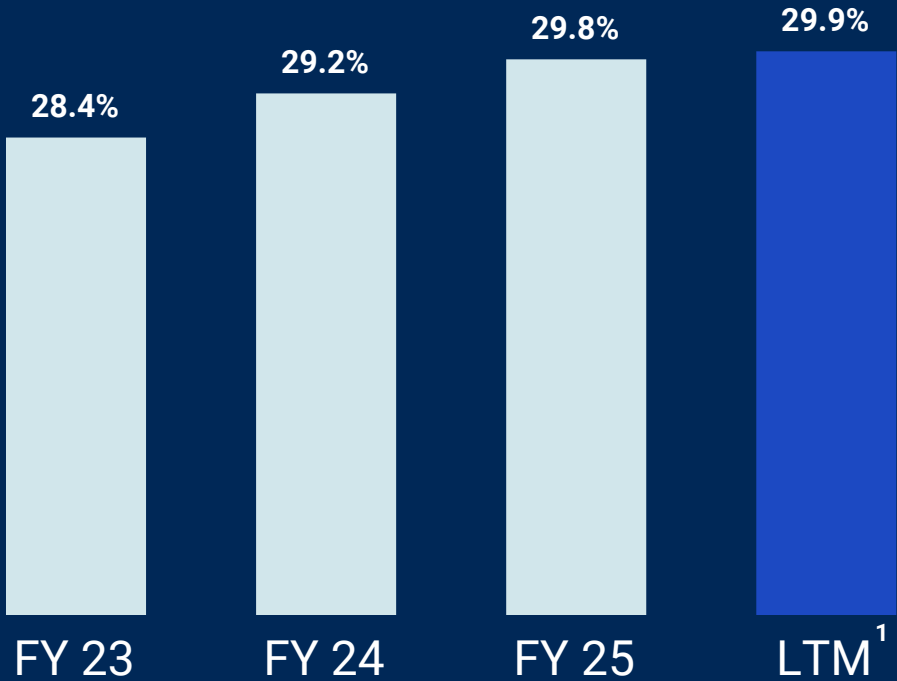
20.1	20.5	21.3	20.8	21.5
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(1) We define net sales per active customer (“NSPAC”) as the aggregate net sales for the preceding four fiscal quarters, divided by the total number of active customers at the end of that fiscal quarter.
 (2) We define active customers as the total number of customers who have ordered a product or service, and for whom a product has shipped or for whom a service has been provided, at least once during the preceding 364-day period.
 (3) Excludes the impact of the 53rd week in Fiscal Year 2024.

Gross Margin

Full Year

(%)

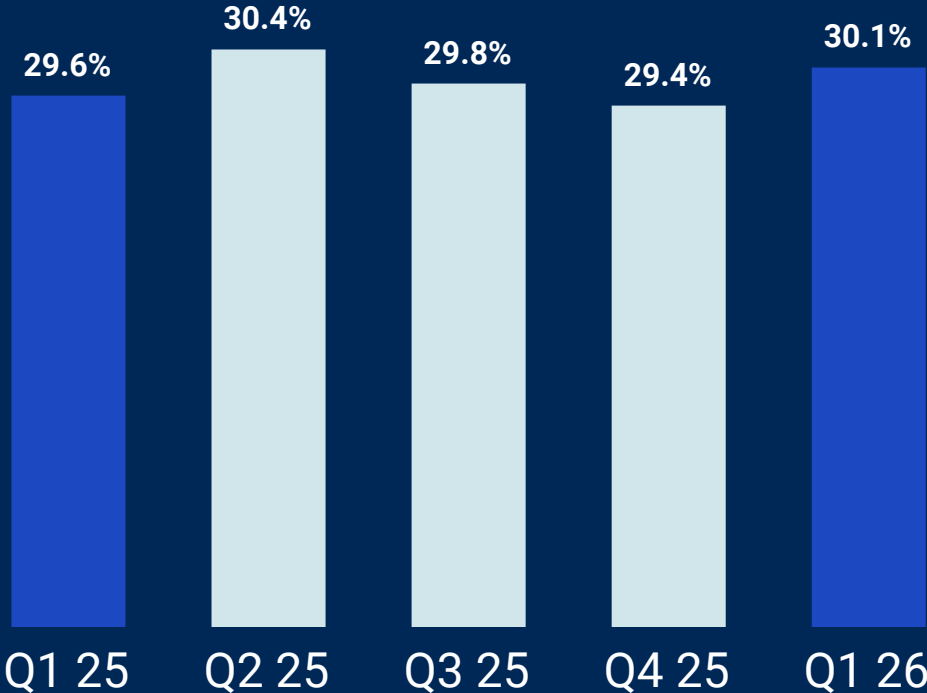


Gross Profit (\$ Millions)

\$3,162	\$3,468	\$3,754	\$3,842
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Quarterly

(%)



Gross Profit (\$ Millions)

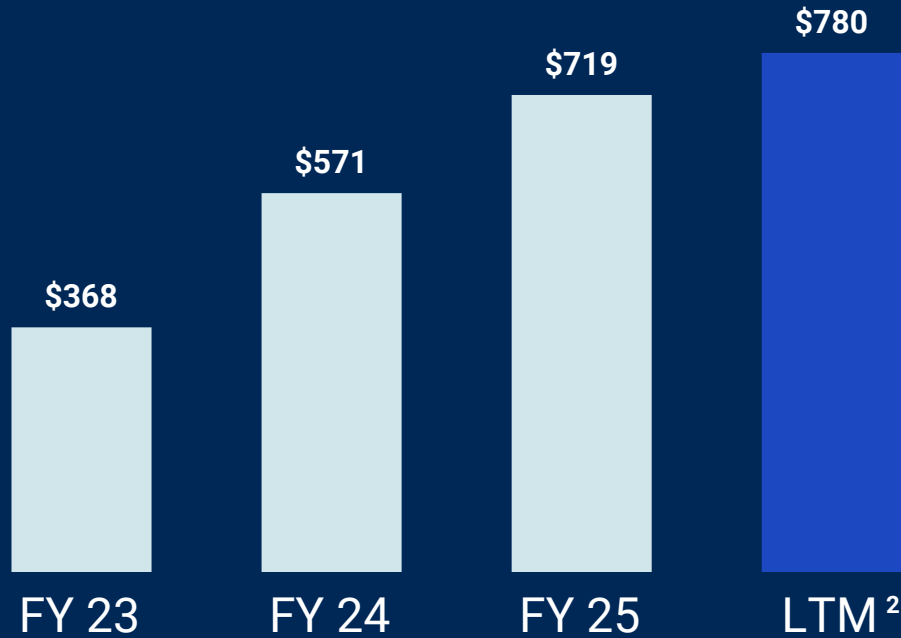
\$924	\$942	\$928	\$960	\$1,011
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(1) "LTM" is defined as Last Twelve Months and reflects the preceding 12 month period as of the end of the current quarter (Q1 26).

Adjusted EBITDA¹

Full Year

(\$ Millions)



% Margin¹



Quarterly

(\$ Millions)



% Margin¹

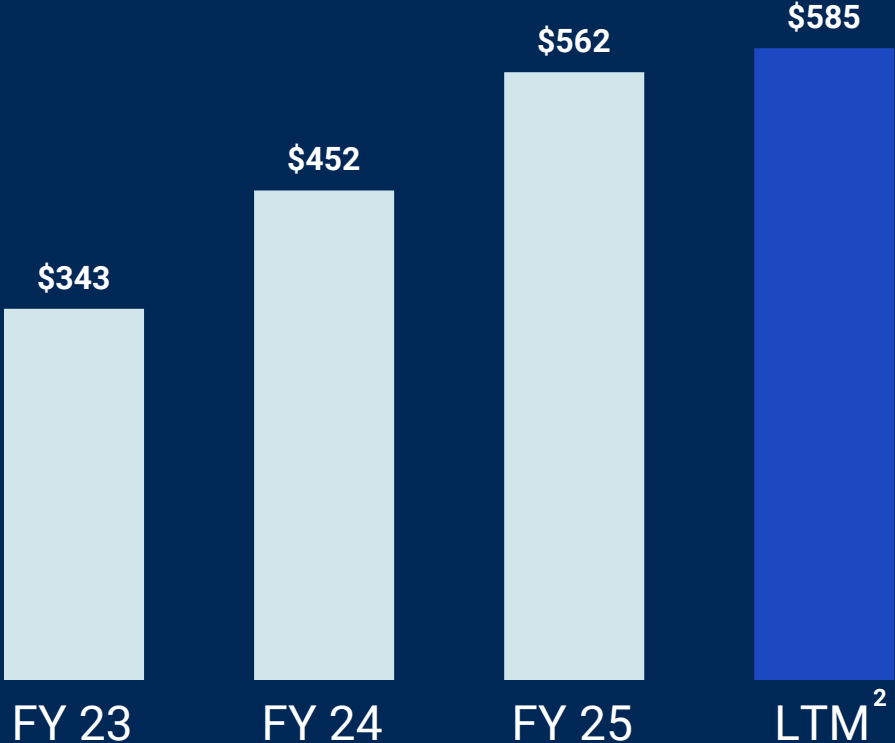


(1) Adjusted ("Adj.") EBITDA and adjusted EBITDA margin are non-GAAP financial measures. See "Non-GAAP Financial Measures" for additional information on non-GAAP financial measures and a reconciliation to the most comparable GAAP measures.

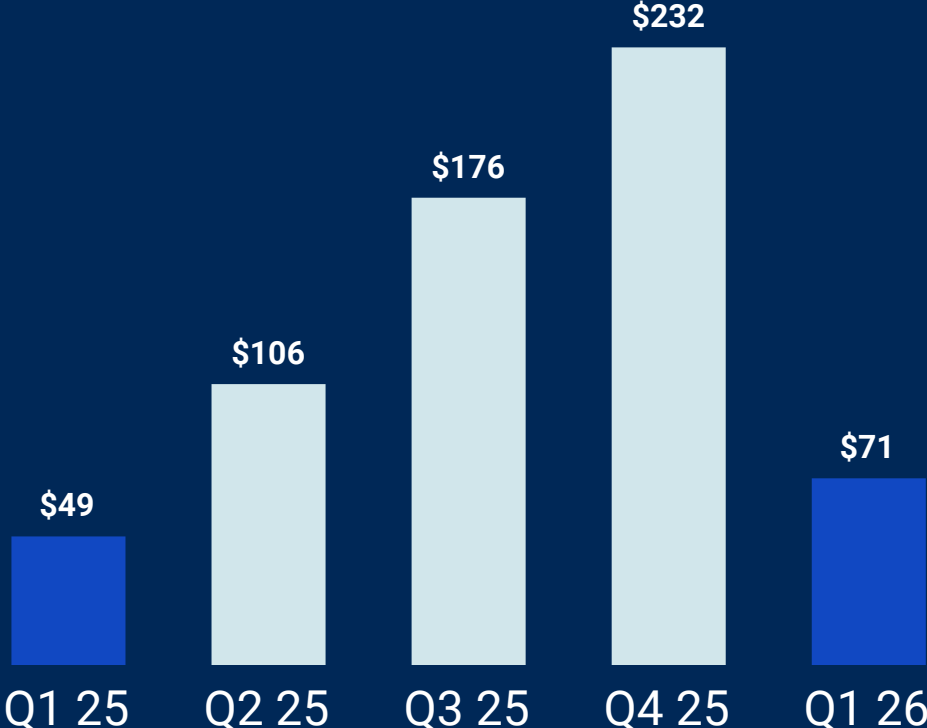
(2) "LTM" is defined as Last Twelve Months and reflects the preceding 12 month period as of the end of the current quarter (Q1 26).

Free Cash Flow¹

Full Year
(\$ Millions)



Quarterly
(\$ Millions)



Q1 FY26 Cash Balance: \$520M³

(1) Free cash flow ("FCF") is a non-GAAP financial measure. See "Non-GAAP Financial Measures" for additional information on non-GAAP financial measures and a reconciliation to the most comparable GAAP measures.
(2) "LTM" is defined as Last Twelve Months and reflects the preceding 12 month period as of the end of the current quarter (Q1 26).
(3) Reflects total cash and cash equivalents plus marketable securities.

Guidance



Fiscal Year 2026

Net Sales

\$13.40 billion - \$13.55 billion

Adj. EBITDA Margin¹

6.6% - 6.8%

Fiscal Second Quarter 2026

Net Sales

\$3.30 billion - \$3.33 billion

Adj. Diluted EPS¹

Approximately \$0.36

(1) Adjusted ("Adj.") EBITDA Margin and adjusted ("Adj.") is a non-GAAP financial measures. See "Non-GAAP Financial Measures" for additional information on non-GAAP financial measures.

Our guidance is based on certain assumptions, including current expectations regarding the impact of general economic conditions, and is subject to various risks and uncertainties applicable to all forward-looking statements in this presentation. See "Forward-Looking Statements" for more information. We have not reconciled our outlook for adjusted EBITDA margin to net margin because we do not provide an outlook for GAAP net income due to the uncertainty and potential variability of other income, net, and provision for income taxes, which are reconciling items between adjusted EBITDA and GAAP net income. Because such items cannot be reasonably predicted, we are unable to provide a reconciliation of the non-GAAP financial measure outlook to the corresponding GAAP measure. However, such items could have a significant impact on GAAP net income and net margin.

Non-GAAP Financial Measures

To supplement our GAAP results, we present certain non-GAAP financial measures that management uses to evaluate operating performance, assess liquidity, and inform capital allocation decisions. These measures include Adjusted EBITDA and Adjusted EBITDA margin, Adjusted net income and Adjusted earnings per share, and Free cash flow.

Adjusted EBITDA excludes depreciation and amortization, share-based compensation and related taxes, income tax provision (benefit), interest income (expense), transaction-related costs, changes in the fair value of equity warrants, severance and exit costs, and other items not considered indicative of our core operations. Adjusted EBITDA margin represents Adjusted EBITDA as a percentage of net sales.

Adjusted net income and Adjusted earnings per share exclude certain non-cash and non-recurring items, including share-based compensation and related taxes, releases of valuation allowances associated with deferred tax assets, transaction-related costs, changes in the fair value of equity warrants, and severance and exit costs.

Free cash flow represents net cash provided by operating activities less capital expenditures.

We believe these measures provide additional insight into the underlying trends in our business and facilitate comparisons across reporting periods. Reconciliations to the most directly comparable GAAP measures are provided below.

These non-GAAP measures have limitations and should not be considered in isolation or as a substitute for GAAP results. For example, Adjusted EBITDA does not reflect capital expenditures, working capital requirements, interest income (expense), income taxes, or share-based compensation, which remains a recurring component of our compensation structure. In addition, other companies may calculate non-GAAP measures differently, which may limit their comparability. Accordingly, these measures should be considered together with our GAAP financial statements and related disclosures.

Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA Margin

The following table presents a reconciliation of net income to adjusted EBITDA, as well as the calculation of net margin and adjusted EBITDA margin, for each of the periods indicated:

(in millions, except percentages)

	Fiscal Quarter Ended					LTM ⁽¹⁾	Fiscal Year		
	May 3, 2026	February 1, 2026	November 2, 2025	August 3, 2025	May 4, 2025	May 3, 2026	2025	2024	2023
Reconciliation of Net Income to Adjusted EBITDA									
Net income	\$ 94.8	\$ 39.2	\$ 59.2	\$ 62.0	\$ 62.4	\$ 255.2	\$ 222.8	\$ 392.7	\$ 39.6
Add (deduct):									
Depreciation and amortization	37.0	34.4	32.8	32.1	30.0	136.3	129.3	114.6	109.7
Share-based compensation expense and related taxes	73.4	77.6	76.5	79.1	78.0	306.6	311.2	332.1	248.5
Interest income, net	(2.8)	(4.6)	(3.5)	(3.9)	(3.2)	(14.8)	(15.2)	(35.1)	(58.5)
Change in fair value of equity warrants	—	—	—	—	2.6	—	2.6	(2.3)	(13.1)
Income tax provision (benefit)	36.5	2.9	10.1	12.0	15.5	61.5	40.5	(241.0)	8.7
Severance costs	—	0.4	—	—	5.9	0.4	6.3	—	14.4
Exit costs	1.9	—	—	—	—	1.9	—	—	6.8
Transaction related costs	9.8	9.8	2.7	0.6	0.1	22.9	13.2	1.6	7.8
Other	2.5	2.6	3.1	1.4	1.4	9.6	8.5	7.9	4.2
Adjusted EBITDA	\$ 253.1	\$ 162.3	\$ 180.9	\$ 183.3	\$ 192.7	\$ 779.6	\$ 719.2	\$ 570.5	\$ 368.1
Net sales	\$ 3,357.2	\$ 3,264.7	\$ 3,116.6	\$ 3,104.2	\$ 3,116.0	\$ 12,842.7	\$ 12,601.5	\$ 11,861.3	\$ 11,147.7
Net margin	2.8 %	1.2 %	1.9 %	2.0 %	2.0 %	2.0 %	1.8 %	3.3 %	0.4 %
Adjusted EBITDA margin	7.5 %	5.0 %	5.8 %	5.9 %	6.2 %	6.1 %	5.7 %	4.8 %	3.3 %

We define net margin as net income divided by net sales and adjusted EBITDA margin as adjusted EBITDA divided by net sales.

Non-GAAP Financial Measures

Adjusted Net Income and Adjusted Basic and Diluted Earnings per Share

The following table presents a reconciliation of net income to adjusted net income, as well as the calculation of adjusted basic and diluted earnings per share, for each of the periods indicated:

(in millions, except per share data)

Reconciliation of Net Income to Adjusted Net Income	Fiscal Quarter Ended					Fiscal Year		
	May 3, 2026	February 1, 2026	November 2, 2025	August 3, 2025	May 4, 2025	2025	2024	2023
Net income	\$ 94.8	\$ 39.2	\$ 59.2	\$ 62.0	\$ 62.4	\$ 222.8	\$ 392.7	\$ 39.6
Add (deduct):								
Share-based compensation expense and related taxes	73.4	77.6	76.5	79.1	78.0	311.2	332.1	248.5
Change in fair value of unvested equity warrants	—	—	—	—	2.6	2.6	(2.3)	(13.1)
Deferred tax asset valuation allowance release	—	(2.4)	—	—	—	(2.4)	(275.7)	—
Transaction related costs ¹	9.8	—	—	—	—	—	—	—
Severance costs	—	0.4	—	—	5.9	6.3	—	14.4
Exit costs	1.9	—	—	—	—	—	—	6.8
Adjusted net income	<u>\$ 179.9</u>	<u>\$ 114.8</u>	<u>\$ 135.7</u>	<u>\$ 141.1</u>	<u>\$ 148.9</u>	<u>\$ 540.5</u>	<u>\$ 446.8</u>	<u>\$ 296.2</u>
Weighted-average common shares used in computing adjusted earnings per share:								
Basic	413.8	414.4	414.2	414.2	413.7	414.1	421.4	429.4
Effect of dilutive share-based awards	5.3	9.7	11.3	14.2	11.6	11.7	9.6	2.6
Diluted	<u>419.1</u>	<u>424.1</u>	<u>425.5</u>	<u>428.4</u>	<u>425.3</u>	<u>425.8</u>	<u>431.0</u>	<u>432.0</u>
Earnings per share attributable to common Class A and Class B stockholders								
Basic	\$ 0.23	\$ 0.09	\$ 0.14	\$ 0.15	\$ 0.15	\$ 0.54	\$ 0.93	\$ 0.09
Diluted	\$ 0.23	\$ 0.09	\$ 0.14	\$ 0.14	\$ 0.15	\$ 0.52	\$ 0.91	\$ 0.09
Adjusted basic	\$ 0.43	\$ 0.28	\$ 0.33	\$ 0.34	\$ 0.36	\$ 1.31	\$ 1.06	\$ 0.69
Adjusted diluted	\$ 0.43	\$ 0.27	\$ 0.32	\$ 0.33	\$ 0.35	\$ 1.27	\$ 1.04	\$ 0.69

(1) Beginning in the first quarter of 2026, Adjusted net income excludes transaction-related costs prospectively.

Non-GAAP Financial Measures

Free Cash Flow

The following table presents a reconciliation of net cash provided by operating activities to free cash flow for each of the periods indicated:

(in millions)

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow	Fiscal Quarter Ended					LTM ⁽¹⁾	Fiscal Year		
	May 3, 2026	February 1, 2026	November 2, 2025	August 3, 2025	May 4, 2025	May 3, 2026	2025	2024	2023
Net cash provided by operating activities	\$ 108.5	\$ 263.4	\$ 207.9	\$ 133.9	\$ 86.4	\$ 713.7	\$ 691.6	\$ 596.3	\$ 486.2
Deduct:									
Capital expenditures	(37.7)	(31.4)	(32.1)	(28.0)	(37.7)	(129.2)	(129.2)	(143.8)	(143.3)
Free Cash Flow	\$ 70.8	\$ 232.0	\$ 175.8	\$ 105.9	\$ 48.7	\$ 584.5	\$ 562.4	\$ 452.5	\$ 342.9

Free cash flow may be affected in the near to medium term by the timing of capital investments (such as the launch of new fulfillment centers, pharmacy facilities, veterinary clinics, customer service infrastructure, and corporate offices and purchases of IT and other equipment), fluctuations in our growth and the effect of such fluctuations on working capital, and changes in our cash conversion cycle due to increases or decreases of vendor payment terms as well as inventory turnover.

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