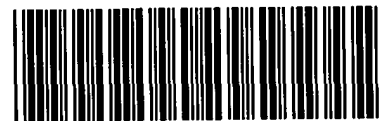


Registered number:
10611715

SNOWFLAKE COMPUTING U.K. LIMITED

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

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SNOWFLAKE COMPUTING U.K. LIMITED

COMPANY INFORMATION

Directors	Michael P. Scarpelli Derk Lupinek Erika Payne
Company secretary	Fieldfisher Secretaries Limited
Registered number	10611715
Trading Address	5th Floor, One Crown Place 3 Crown Place London EC2A 4EF
Registered office	C/O Fieldfisher Riverbank House 2 Swan Lane London United Kingdom EC4R 3TT
Independent auditors	Byrd Link Audit and Accountancy Services Limited Honeybourne Place Jessop Avenue Cheltenham Gloucestershire GL50 3SH United Kingdom

SNOWFLAKE COMPUTING U.K. LIMITED

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SNOWFLAKE COMPUTING U.K. LIMITED

STRATEGIC REPORT FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

Introduction

Snowflake Computing U.K. Limited (the "Company") presents its Strategic Report together with the audited financial statements for the financial year ended January 31, 2024. The Company has chosen to present the financial statements in accordance with the FRS 101 'Reduced Disclosure Framework', a framework for the entities who apply the presentation, recognition, measurement, and disclosure requirements of the International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006 (the "Act"), but also ensures compliance with any relevant legal requirements applicable to it.

The Company is a private limited liability company and part of the Snowflake Group of which, Snowflake Inc. (the "Ultimate Holding Company"), having its principal executive office in Bozeman, Montana, United States, is the ultimate parent and is listed on the New York Stock Exchange under the ticker symbol, "SNOW". The Company is a wholly owned subsidiary of Snowflake International Holdings Inc. (the "Parent Company").

During the year, the Ultimate Holding Company transferred its equity interest in the Company to the Parent Company, pursuant to an Interest Contribution Agreement, effective September 21, 2023 (the "Transaction"). The Parent Company is a wholly owned subsidiary of the Ultimate Holding Company. The board of directors (the "Board") approved the Transaction via written resolutions dated September 21, 2023.

Principal activities

The Company acts as a non-exclusive sub-distributor of the Snowflake Offerings in the United Kingdom. The Company provides a cloud-based data platform, which enables customers to consolidate data into a single source of truth to drive meaningful insights, apply AI to solve business problems, build data applications, and share data and data products. The Company provides its platform through a customer-centric, consumption-based business model, only charging customers for the resources they use. Through its platform, the Company delivers the AI Data Cloud, a network where Snowflake customers, partners, developers, data providers, and data consumers can break down data silos and derive value from rapidly growing data sets in secure, governed, and compliant ways. Prior to November 28, 2022, the Company provided pre-sales and marketing support services, technical support services and professional services to the Ultimate Holding Company.

Business review and key financial performance indicators

The directors are pleased with the overall performance of the Company, the directors believe that the Company is in good financial health and will continue to prosper. The Company has continued to grow during the financial year ended January 31, 2024, attributed to the increase in the average headcount during the year from 245 to 301. The Company is positioned to continue to expand in the future. The Company's future growth depends on the ability of the Ultimate Holding Company to introduce new products and services on a timely basis and achieve market acceptance of these new products and services.

The Company has recorded profits for the financial year ended January 31, 2024 of £4,536,332 (January 31, 2023: £7,457,645). The Company's revenue has increased from £82,523,053 to £99,869,408.

The Company has bank balances of £33,351,494 as at January 31, 2024, and the Company expects to continue to generate sufficient cash flows to cover the operating needs for the financial year ending January 31, 2025, as the terms of the sub-distributor arrangement with Snowflake Computing Netherlands B.V. (referred to as "Fellow Subsidiary" hereinafter) facilitates the Company to maintain liquidity under the agreed upon transfer pricing consideration. There are currently no indicators that the Company will be unable to meet its financial obligations as and when they are due.

Principal risks and uncertainties

The Company has entered into a sub-distribution agreement with the Fellow Subsidiary to act as a non-exclusive distributor of the Snowflake Offerings in the United Kingdom and earns an arm's length return for its activities. Therefore, the Company has limited exposure to operational and financial risk.

We are exposed to certain risks and uncertainties that may have a material adverse effect on the business, financial condition, results of operations and future prospects. The principal risks and uncertainties are integrated with the principal risks of the Ultimate Holding Company. Such risks and uncertainties are disclosed in the consolidated annual report of the Ultimate Holding Company filed with the United States Securities and Exchange Commission (the "SEC").

Our operating results may vary significantly from period to period as a result of various factors, some of which are beyond our control. The key known risks and uncertainties include:

SNOWFLAKE COMPUTING U.K. LIMITED

STRATEGIC REPORT FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

Principal risks and uncertainties (continued)

(a) Strategic risks:

- we operate in highly competitive markets, and if we do not compete effectively, our business and operating results could be harmed;
- if we fail to innovate in response to changing customer needs, new technologies, or other market requirements, our business, financial condition, and operating results could be harmed;
- if we are not successful in executing our investments in artificial intelligence and machine learning technology, including generative AI technology, our business, financial condition, and results of operations could be harmed.
- sales efforts to large customers involve risks that may not be present or that are present to a lesser extent with respect to sales to smaller customers.

(b) Operational risks:

- we could suffer disruptions, outages, defects, and other performance and quality problems with our platform or with the public cloud and internet infrastructure on which it relies;
- because we generally recognise revenues from our capacity services based on the consumption by the customers, a decrease in consumption patterns or renewals of contracts by customers may impact our operating results;
- failure to effectively develop and expand our sales and marketing capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our products and platform;
- if we or our third-party service providers experience an actual or perceived security breach or unauthorised parties otherwise obtain access to our customers' data, our data, or our platform, our platform may be perceived as not being secure, our reputation may be harmed, demand for our platform may be reduced, and we may incur significant liabilities;
- our growth depends on the development, expansion, and success of our partner relationships;
- if we lose key members of our management team or are unable to attract and retain the executives and employees we need to support our operations and growth, our business and future growth prospects may be harmed;
- if the availability of our platform does not meet our service-level commitments to our customers, our current and future revenue may be negatively impacted;
- Natural disasters, pandemics, and other catastrophic events could have an adverse impact on our business, operations, and the markets and communities in which we, our partners, and our customers operate. Our platform and the public cloud infrastructure on which our platform relies are vulnerable to damage or interruption from catastrophic events, such as earthquakes, floods, fires, power loss, telecommunication failures, military conflict or war, terrorist attacks, criminal acts, sabotage, other intentional acts of vandalism and misconduct, geopolitical events, and epidemics or pandemics, such as the COVID-19 pandemic. Some of our United States corporate offices in which we operate and certain of the public cloud data centres on which our platform runs are located in the San Francisco Bay Area and Pacific Northwest, regions known for seismic activity. Despite any precautions we may take, the occurrence of a natural disaster or other unanticipated problems at our facilities or the facilities of our public cloud providers could result in disruptions, outages, and other performance and quality problems. If we are unable to develop and maintain adequate plans to ensure that our business functions continue to operate during and after a catastrophic event and to execute successfully on those plans if such an event occurs, our business could be seriously harmed.

(c) Legal risks:

- we are subject to stringent and changing obligations related to data privacy and security, and the failure or perceived failure to comply with these obligations could result in significant fines and liability or otherwise result in substantial harm to our business and prospects;
- we are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to criminal or civil liability and harm our business, financial condition, and result of operations;
- we may assume liability for data breaches, intellectual property infringement, and other claims, which exposes us to substantial potential liability.

(d) Financial statements and financial management risks:

- we are exposed to fluctuations in currency exchange rates, which could negatively affect our results of operations and our ability to invest and hold our cash;
- there are no other significant financial instrument risks in relation to price, credit or liquidity risks;
- if our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.

SNOWFLAKE COMPUTING U.K. LIMITED

**STRATEGIC REPORT
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Directors' statement of compliance with duty to promote the success of the Company

In accordance with the matters set out in section 172(1)(a) to (f) of the Act, the directors have engaged with and considered the interests of the Company's stakeholders, including the Company's employees, suppliers, customers and those in a principal business relationship with the Company.

The Board of the Company, being a part of Snowflake Group, is conscious of the Company's purpose, namely, to generate value for its shareholders and to ensure the sound and prudent management of the Company.

This report was approved by the Board of Directors and signed on its behalf.

DocuSigned by:

Michael P. Scarpelli

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Michael P. Scarpelli

Director

Date: October 23, 2024

SNOWFLAKE COMPUTING U.K. LIMITED

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

The board of directors (the "Board") presents their report together with the audited financial statements of Snowflake Computing U.K. Limited (the "Company") which is comprised of the Statement of financial position as at January 31, 2024, the Statement of profit and loss and other comprehensive income, the Statement of changes in equity and the Notes to the financial statements for the financial year then ended.

Principal activity

The Company acts as a non-exclusive sub-distributor of the Snowflake Offerings in the United Kingdom. The Company provides a cloud-based data platform, which enables customers to consolidate data into a single source of truth to drive meaningful insights, apply AI to solve business problems, build data applications, and share data and data products. The Company provides its platform through a customer-centric, consumption-based business model, only charging customers for the resources they use. Through its platform, the Company delivers the AI Data Cloud, a network where Snowflake customers, partners, developers, data providers, and data consumers can break down data silos and derive value from rapidly growing data sets in secure, governed, and compliant ways. Prior to November 28, 2022, the Company provided pre-sales and marketing support services, technical support services and professional services to the Ultimate Holding Company.

Directors

The names of the directors in office at any time during the financial year and as at the date of this report are as follows:

Michael P. Scarpelli

Derk Lupinek

Erika Payne (From February 17, 2024)

Leslie Topham (Until February 17, 2024)

Company's results

The results of operations are set out on page 10. The Company has recorded a profit after tax for the financial years ended January 31, 2024 and 2023, of £4,536,332 and £7,457,645 respectively. The Company's revenue increased from £82,523,053 for the financial year ended January 31, 2023, to £99,869,408 for the financial year ended January 31, 2024.

Group structure:

The Company is a part of the Snowflake Group of which, Snowflake Inc. (the "Ultimate Holding Company"), having its principal executive office in Bozeman, Montana, United States, is the ultimate parent and is listed on the New York Stock Exchange under the ticker symbol, "SNOW". The Company is a wholly owned subsidiary of Snowflake International Holdings Inc. (the "Parent Company").

During the year, the Ultimate Holding Company transferred its equity interest in the Company pursuant to an Interest Contribution Agreement, effective September 21, 2023 ("the Transaction") to the Parent Company. The Parent Company is a wholly owned subsidiary of the Ultimate Holding Company. The board of directors approved the Transaction via written resolutions dated September 21, 2023.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the financial year ended January 31, 2024.

Events subsequent to the end of the reporting period

On October 21, 2024, the board of directors and shareholders approved a final dividend of £ 30,728,560 to the sole shareholder of the Company, Snowflake International Holdings Inc. As the dividend was declared after the reporting date, but before the approval of the financial statements, it is treated as a non-adjusting event in accordance with FRS 101.

Qualifying third party indemnity provisions

Each of the Company's directors is indemnified for certain events or occurrences, subject to certain limits, while the director is or was serving at the Company's request in such capacity.

Political donations

The Company does not make any donations to Political parties, and none were made during the year.

Dividends

No dividends were paid or declared during the financial year ended January 31, 2024 (January 31, 2023: Nil).

Principal risks and uncertainties

The board and the management of the Ultimate Holding Company meet regularly to address the risks mentioned in the Strategic report as well as to discuss the additional risks that might arise at a group level.

SNOWFLAKE COMPUTING U.K. LIMITED

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

Principal risks and uncertainties (continued)

The Group's management implements global policies and procedures to mitigate these risks as needed and has developed an internal control framework to identify and address areas of risk. See the "Principal Risks and Uncertainties" section of the Strategic report for additional details on our risk management.

Matters covered in the Strategic report

Matters concerning engagement with suppliers, customers, financial risk management, and exposure to risk have been covered in the Strategic report, as permitted under Section 414C(11) of Companies Act, 2006.

Streamlined energy and carbon reporting (SECR)

Snowflake is focused on minimizing our environmental footprint. We aspire to be responsible in environmental sustainability. We are mindful that companies and individuals need to do their part and take action to mitigate climate change and protect our planet.

The following table illustrates Snowflake UK's energy use and associated gross greenhouse gas (GHG) emissions during the financial years ended January 31, 2024 and January 31, 2023:

Metrics	2024	2023
Energy Consumption Used to Calculate Emissions		
Total Energy Consumption (kWh)	617,870.24 ^{1,2}	345,817.19 ¹
Scope 1 Emissions		
Gas (t CO ₂ e)	6.23	26.47
Fugitive Emissions from A/C equipment (estimated)	-	0.04
Owned Transport (t CO ₂ e)	-	-
Scope 2 Emissions		
Purchased Electricity - Location-Based (t CO ₂ e)	105.30 ³	28.58
Purchased Electricity - Market-Based (t CO ₂ e)	- ⁴	-
Scope 3 Emissions		
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) (t CO ₂ e)	18.25 ⁵	12.44
Total gross CO₂e based on above		
Total Location-Based Emissions (t CO ₂ e)	129.78	67.23
Total Market-Based Emissions (t CO ₂ e)	24.48	38.95
Intensity ratio		
Location-Based Emission Intensity (t CO ₂ e / £100,000 Revenue)	0.13	0.08

¹ Total Energy Consumption includes energy associated with Snowflake's consumption of gas, purchased electricity and expensed mileage where Snowflake was responsible for purchasing the fuel in employee-owned vehicles. This figure does not include energy consumption related to rental cars as it was estimated to represent an insignificant proportion of Snowflake's Total Energy Consumption and the necessary information for such a figure to be accurately calculated was not practical to obtain.

² In the financial year ending January 31, 2024, Snowflake occupied two leases. We ceased occupation of one of those leases during the financial year ending January 31, 2024, and transitioned to a new location, which is nearly three times larger than the previous one. Due to data unavailability, figures were estimated based on square footage. This primarily explains the variation (increase) in financial years ending January 31, 2024 and 2023.

³ See note 2 above.

⁴ During the financial years ended January 31, 2024 and 2023, all electricity consumption from Snowflake's occupied leases were covered by a renewable energy contract, so our market-based emissions are reported as 0.

⁵ This figure does not include emissions related to rental cars as these emissions represent an insignificant proportion of Snowflake's emissions and were assessed not to exceed the materiality thresholds recommended by the UK Government's 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance' published March 2019.

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SNOWFLAKE COMPUTING U.K. LIMITED

**REPORT OF THE BOARD OF DIRECTORS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Streamlined energy and carbon reporting (SECR) (continued)

Methodologies used in calculations

GHG emissions have been reported in line with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and calculated based on the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (revised edition). We have also used the GHG Protocol Value Chain (Scope 3) Standard when calculating the Scope 3 GHG emissions disclosed. The boundaries of the GHG inventory are defined using the operational control approach. Data has been compiled based on the utility bills provided by our landlord for electricity and natural gas, and based on total spend on reimbursed mileage. GHG emission figures have been calculated using the UK Government GHG Conversion Factors 2023 for company reporting.

Information about energy efficiency action taken during the organization's financial year

Consistent with prior years, Snowflake has taken the following measures to increase its energy efficiency and reduce GHG footprint include:

- Targeting office spaces that source renewable energy
- Targeting offices that are accessible by public transportation
- Scheduling virtual meetings and events, when possible, to help reduce travel

Snowflake will continue to assess opportunities for energy efficiency.

Disclosure of information to auditors

Each of the persons who are directors at the time when this report of the Board of Directors is approved has confirmed that:

- so far as each of the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all the relevant steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Byrd Link Audit and Accountancy Services Limited, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the Board of Directors and signed on its behalf.

DocuSigned by:

Michael P. Scarpelli

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Michael P. Scarpelli

Director

Date: October 23, 2024

SNOWFLAKE COMPUTING U.K. LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

The board of directors are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006 and the applicable laws and regulations ("UK company law").

UK company law requires the directors to prepare the financial statements for each financial year. The directors have prepared the financial statements in accordance with the Companies Act, 2006 and Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under the Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities, and financial position of the Company for the financial year end date and of the profit and loss of the Company for that financial year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the UK company law. They are responsible for such internal control as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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SNOWFLAKE COMPUTING U.K. LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SNOWFLAKE COMPUTING U.K. LIMITED

Opinion

We have audited the financial statements of Snowflake Computing U.K. Limited for the financial year ended January 31, 2024, which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of changes in equity, and Notes to the financial statements, including a summary of significant accounting policies set out on pages 13-19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at January 31, 2024, and of its profit for the financial year then ended;
- have been properly prepared in accordance with IFRSs in conformity with requirements of the Companies Act, 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- a. A review of budgets and forecasts which includes the need to understand all future income streams and associated costs of the Company;
- b. Collation of evidence from communications and representation made by those charged with management throughout the audit process, in particular from discussions surrounding the viability of future performance of the business as it contains on its strategic growth path beyond 2024;
- c. Undertaking a review of the liquid reserves at the balance sheet date and assessing this with future profitability and cash inflows generated from profits or indeed support from the Parent Company; and
- d. Consideration of the ongoing support from the Parent Company itself.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report, other than the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Report of the Board of Directors have been prepared in accordance with applicable legal requirements.

SNOWFLAKE COMPUTING U.K. LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SNOWFLAKE COMPUTING U.K. LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Report of the Board of Directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

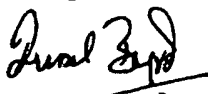
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the company and its financial operations we have considered the initial risks of non-compliance with the UK regulators, predominantly HM Revenue and Customs and Companies Act 2006. We have assessed the impact of any breaches in such laws and regulations and considered whether any such findings would have a material impact on these financial statements. We have considered the risk of those charged with management overriding internal controls and the opportunity for financial manipulation. We have considered the effect of any accounting estimates included within these accounts and the effect this may have on our audit opinion.

Our audit procedures together with our assessment of risks identified at planning were transparent to the company and we have communicated with the client throughout the audit as well as the audit engagement team, and this includes such matters as fraud and irregularity.

The above procedures do however have their limitations as we can only work on a sample of financial transactions. Ultimately it is the responsibility of those charged with management for the prevention and detection of fraud and other irregularities

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.



Russel Byrd FCA (Senior statutory auditor)

for and on behalf of

Byrd Link Audit and Accountancy Services Limited

Honeybourne Place

Jessop Avenue

Cheltenham

Gloucestershire

Cheltenham

United Kingdom

Date: October 23, 2024

SNOWFLAKE COMPUTING U.K. LIMITED

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Particulars	Note	For the financial year ended January 31,	
		2024 £	2023 £
Revenue	4	99,869,408	82,523,053
Gross profit		99,869,408	82,523,053
Administrative expenses		(98,646,051)	(78,052,880)
Operating profit		1,223,357	4,470,173
Finance income	8	168,628	15,896
Finance costs	8	(605,513)	(297,000)
Profit before income tax		786,472	4,189,069
Current tax expense	9	-	(24,396)
Deferred tax credit	9	3,754,180	3,013,863
- Adjustment of current tax expense related to earlier years	9	(4,320)	279,109
Profit for the financial year		4,536,332	7,457,645
Other comprehensive income		-	-
Total comprehensive income		4,536,332	7,457,645

The accompanying notes form an integral part of the financial statements.

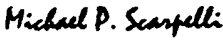
SNOWFLAKE COMPUTING U.K. LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT JANUARY 31, 2024

Particulars	Note	As at January 31,	
		2024	2023
		£	£
Assets			
Non-current assets			
Property, plant and equipment, net	10	13,060,986	8,882,249
Capital work in progress		-	3,600,350
Investment in subsidiary	11	1,386,386	446,367
Trade and other receivables	13	4,163,683	3,875,535
Deferred tax assets, net	9	32,811,999	29,057,819
Other non-current assets	12	<u>3,748,050</u>	<u>747,174</u>
		55,171,104	46,609,494
Current assets			
Trade and other receivables	13	66,725,083	33,995,481
Cash and cash equivalents	14	33,351,494	7,339,013
Other current assets	15	<u>1,114,739</u>	<u>206,959</u>
		101,191,316	41,541,453
Total assets		<u>156,362,420</u>	<u>88,150,947</u>
Liabilities			
Non-current liabilities			
Provisions	18	782,560	520,010
Loans and borrowings	19	<u>5,785,015</u>	<u>8,156,819</u>
		6,567,575	8,676,829
Current liabilities			
Provisions	18	-	86,222
Loans and borrowings	19	2,808,129	693,787
Trade and other payables	16	27,778,927	10,236,641
Contract liabilities	17	<u>51,045,297</u>	<u>10,197,484</u>
		81,632,353	21,214,134
Total liabilities		<u>88,199,928</u>	<u>29,890,963</u>
Net Assets		<u>68,162,492</u>	<u>58,259,984</u>
Issued capital and reserves			
Share capital	20	2,000	2,000
Share premium account	21	5,416,002	5,416,002
Share-based payment reserve	21	17,078,743	11,712,567
Retained earnings	21	<u>45,665,747</u>	<u>41,129,415</u>
Total Equity		<u>68,162,492</u>	<u>58,259,984</u>

The accompanying notes form an integral part of the financial statements.

The financial statements on pages 10 to 29 were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

DocuSigned by:

 F05FD7FC836047C...
 Michael P. Scarpelli
 Director
 Date: October 23, 2024

SNOWFLAKE COMPUTING U.K. LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Particulars	Share capital	Share premium	Share-based payment reserve	Retained earnings	Total equity
	£	£	£	£	£
Balance as at February 1, 2022	2,000	5,416,002	5,124,695	33,671,770	44,214,467
Comprehensive income for the year					
Profit for the year	-	-	-	7,457,645	7,457,645
Total comprehensive income for the year	-	-	-	7,457,645	7,457,645
Compensation cost related to employee share-based payments expenses	-	-	23,127,490	-	23,127,490
Cross charge from the Ultimate Holding Company for employee share-based payments	-	-	(16,539,618)	-	(16,539,618)
Balance as at January 31, 2023	2,000	5,416,002	11,712,567	41,129,415	58,259,984
Balance as at February 1, 2023	2,000	5,416,002	11,712,567	41,129,415	58,259,984
Comprehensive income for the year					
Profit for the year	-	-	-	4,536,332	4,536,332
Total comprehensive income for the year	-	-	-	4,536,332	4,536,332
Compensation cost related to employee share-based payments expenses	-	-	24,061,051	-	24,061,051
Cross charge from the Ultimate Holding Company for employee share-based payments	-	-	(18,694,875)	-	(18,694,875)
Balance as at January 31, 2024	2,000	5,416,002	17,078,743	45,665,747	68,162,492

The accompanying notes form an integral part of the financial statements.

SNOWFLAKE COMPUTING U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

Note 1. Corporate information

Snowflake Computing U.K. Limited ("the Company") is a private company, limited by shares, incorporated and domiciled in England under Companies Act 2006 (the "Act") on February 9, 2017. The Company's registered office is at c/o Fieldfisher Riverbank House, 2 Swan Lane, London, United Kingdom, EC4R 3TT.

The Company is part of the Snowflake Group of which, Snowflake Inc. (the "Ultimate Holding Company"), having its principal executive office in Bozeman, Montana, United States, is the ultimate parent and is listed on the New York Stock Exchange under the ticker symbol, "SNOW". The Company is a wholly owned subsidiary of Snowflake International Holdings Inc. (the "Parent Company"). During the year, the Ultimate Holding Company transferred its equity interest in the Company pursuant to an Interest Contribution Agreement, effective September 21, 2023 ("the Transaction") to the Parent Company. The Parent Company is a wholly owned subsidiary of the Ultimate Holding Company. The board of directors of the Company approved the Transaction via written resolutions dated September 21, 2023.

The Company functions as a non-exclusive sub-distributor of Snowflake Inc.'s products (the "Snowflake Offerings") in the United Kingdom pursuant to a sub-distribution agreement entered into with Snowflake Computing Netherlands B.V. (referred to as "Fellow Subsidiary" hereinafter). Prior to November 28, 2022, the Company provided pre-sales and marketing support services, technical support services and professional services to the Ultimate Holding Company.

Note 2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Act, as applicable to companies using Financial Reporting Standard 101 'Reduced disclosure framework' ("FRS 101").

The following relevant exemptions from requirements of International Financial Reporting Standards ("IFRS") have been applied in preparation of these financial statements in accordance with FRS 101:

- (i) IFRS 7 Financial Instruments: Disclosures;
- (ii) paragraphs 91 to 99 of IFRS 13 'Fair value measurement' in relation to the disclosure of valuation techniques and inputs used for fair value measurements of assets and liabilities;
- (iii) The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- (iv) The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- (v) Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of certain assets (including intangible assets and property, plant and equipment);
- (vi) IAS 7 Statement of Cash Flows;
- (vii) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (viii) The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- (ix) The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly-owned by such a member; and
- (x) paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment.

The Company has taken an exemption provided in section 401 of the Act for preparing and presenting consolidated financial statement. The financial statements of the Company are consolidated in the financial statements of the Ultimate Holding Company which is available at <https://investors.snowflake.com/financials/sec-filings/sec-filings-details/default.aspx>.

Details of the Company's accounting policies are included in Note 2.3. In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses, which are included in Note 3. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The areas where judgements and estimates have been made in preparing the financial statements and their effects are disclosed in Note 3. The financial statements have been prepared on the historical cost basis except as stated otherwise.

2.2 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate, and there is a reasonable expectation that the Company will be able to continue the operational existence for a period of at least twelve months from the date when the financial statements are authorised for issue.

SNOWFLAKE COMPUTING U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

2.3 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Foreign currency transactions and balances

The Company's financial statements are presented in pound sterling, which is also the Company's functional and presentation currency. All the amounts have been rounded to the nearest pound, unless otherwise indicated.

Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rates on the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in currencies other than the functional currency are remeasured in the functional currency at the reporting date exchange rates. Foreign currency transaction gains and losses resulting from remeasurement are recognized as other income or other expenses respectively in the Statement of profit and loss and other comprehensive income.

Non-monetary items measured in terms of historical cost in a foreign currency are translated into the functional currency using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value and denominated in a foreign currency are translated into the functional currency using the exchange rates at the date when the fair value is determined.

(b) Revenue from contracts with customers

Third party revenue (product, professional and educational services revenue)

The Company delivers its platform over the internet as a service. Customers choose to consume the platform under either capacity arrangements, in which customers commit to a certain amount of consumption at specified prices, or under on-demand arrangements, in which the Company charges for use of the platform monthly in arrears. Under capacity arrangements, from which a majority of revenue is derived, the Company typically bills its customers annually in advance of their consumption. Revenue from on-demand arrangements typically relates to customers with lower usage levels or overage consumption beyond a customer's contracted usage amount or following the expiration of a customer's contract. The Company recognizes revenue as customers consume compute, storage, and data transfer resources under either of these arrangements.

Customers do not have the contractual right to take possession of the Company's platform. Pricing for the platform includes embedded support services, data backup and disaster recovery services, as well as future updates, when and if available, offered during the contract term.

Customer contracts for capacity typically have a term of one to four years. To the extent customers enter into such contracts and either consume the platform in excess of their capacity commitments or continue to use the platform after expiration of the contract term, they are charged for their incremental consumption. In many cases, customer contracts permit customers to roll over any unused capacity to a subsequent contract, generally on the purchase of additional capacity. Customer contracts are generally non-cancellable during the contract term, although customers can terminate for breach if the Company materially fails to perform. For those customers who do not have a capacity arrangement, the Company's on-demand arrangements generally have a monthly stated contract term and can be terminated at any time by either the customer or the Company.

For compute resources, consumption is based on the type of compute resource used and the duration of use or, for some features, the volume of data processed. For storage resources, consumption for a given customer is based on the average terabytes per month of all of such customer's data stored in the platform. For data transfer resources, consumption is based on terabytes of data transferred, the public cloud provider used, and the region to and from which the transfer is executed.

The Company's revenue also includes professional services and other revenue, which consists primarily of consulting, technical solution services, and training related to the platform. Professional services revenue is recognized over time based on input measures, including time and materials costs incurred relative to total costs, with consideration given to output measures, such as contract deliverables, when applicable. Other revenue consists primarily of fees from customer training delivered on-site or through publicly available classes.

The Company determines revenue recognition in accordance with IFRS 15 through the following five steps:

1) *Identify the contract with a customer:* The Company considers the terms and conditions of the contracts and the Company's customary business practices in identifying its contracts under IFRS 15. The Company determines it has a contract with a customer when the contract has been approved by both parties, it can identify each party's rights regarding the services to be transferred and the payment terms for the services, it has determined the customer to have the ability and intent to pay, and the contract has commercial substance. At contract inception, the Company evaluates whether two or more contracts should be combined and accounted for as a single contract and whether the combined or single contract includes more than one performance obligation. The Company applies judgment in determining the customer's ability and intent to pay, which is based on a variety of factors, including the customer's payment history or, in the case of a new customer, credit and financial information pertaining to the customer.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024****2.3 Summary of significant accounting policies (continued)****(b) Revenue from contracts with customers (continued)***Third party revenue (product, professional and educational services revenue) (continued)*

2) *Identify the performance obligations in the contract:* Performance obligations promised in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract. The Company treats consumption of its platform for compute, storage, and data transfer resources as one single performance obligation because they are consumed by customers as a single, integrated offering. The Company does not make any one of these resources available for consumption without the others. Instead, each of compute, storage, and data transfer work together to drive consumption on the Company's platform. The Company treats its virtual private deployments for customers, professional services, technical solution services, and training each as a separate and distinct performance obligation. Some customers have negotiated an option to purchase additional capacity at a stated discount. These options generally do not provide a material right as they are priced at the Company's stand-alone selling price ("SSP"), as described below, as the stated discounts are not incremental to the range of discounts typically given.

3) *Determine the transaction price:* The transaction price is determined based on the consideration the Company expects to receive in exchange for transferring services to the customer. The Company's contracts with customers typically do not contain a significant financing component. Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental entities.

4) *Allocate the transaction price to the performance obligations in the contract:* If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation on a relative SSP basis. The determination of a relative SSP for each distinct performance obligation requires judgment. The Company determines SSP for performance obligations based on an observable standalone selling price when it is available, as well as other factors, including the overall pricing objectives, which take into consideration market conditions and customer-specific factors, including a review of internal discounting tables, the services being sold, the volume of capacity commitments, and other factors. The observable standalone selling price is established based on the price at which products and services are sold separately. If an SSP is not observable through past transactions, the Company estimates it using available information including, but not limited to, market data and other observable inputs.

5) *Recognize revenue when or as the Company satisfies a performance obligation:* Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised service to a customer. Revenue is recognized when control of the services is transferred to the customers, in an amount that reflects the consideration that the Company expects to receive in exchange for those services. The Company determined an output method to be the most appropriate measure of progress because it most faithfully represents when the value of the services is simultaneously received and consumed by the customer, and control is transferred.

Intercompany revenue (Professional and distributor fee)

Prior to November 28, 2022, the Company was engaged in providing pre-sales, marketing, technical support, and professional services to the Ultimate Holding Company at an agreed upon consideration. From November 28, 2022, the Company was appointed as a non-exclusive sub-distributor of the Snowflake Offerings in United Kingdom, pursuant to a Sub-Distribution Agreement entered into with the Fellow Subsidiary at an agreed upon consideration. The revenue is recognized at a point in time when the risks and rewards are transferred. The recognition of revenue from the provision of services is carried out in accounting period in which services are provided.

Contract balances*Contract liabilities*

Contract liabilities refer to deferred revenue. The Company records deferred revenue when the Company receives customer payments in advance of satisfying the performance obligations on the Company's contracts. Capacity arrangements are generally billed and paid in advance of satisfaction of performance obligations. Deferred revenue also includes amounts that have been invoiced but not yet collected, classified as accounts receivable, when the Company has an enforceable right to consideration for capacity arrangements. Deferred revenue relating to the Company's capacity arrangements that have a contractual expiration date of less than 12 months are classified as current. For capacity arrangements that have a contractual expiration date of greater than 12 months, the Company apportions deferred revenue between current and non-current based upon an assumed ratable consumption of these capacity arrangements over the entire term of the arrangement, even though it does not recognize revenue ratably over the term of the contract as customers have flexibility in their consumption and revenue is generally recognized on consumption. In addition, in many cases, the Company's customer contracts also permit customers to roll over any unused capacity to a subsequent order, generally on the purchase of additional capacity. As such, the current or non-current classification of deferred revenue may not reflect the actual timing of revenue recognition.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024****2.3 Summary of significant accounting policies (continued)****(b) Revenue from contracts with customers (continued)***Intercompany revenue (Professional and distributor fee) (continued)***Deferred commissions**

The Company capitalizes incremental costs of obtaining a contract with a customer if such costs are recoverable. Such costs consist primarily of (i) sales commissions tied to new customers or customer expansion contracts earned by the Company's sales force and the associated payroll taxes and fringe benefits, and (ii) certain referral fees earned by third parties. These costs are capitalized and then amortized over a period of benefit that is determined to be five years. The Company determined the period of benefit by taking into consideration the length of terms in its customer contracts, life of the technology, and other factors. Amounts expected to be recognized within one year of the reporting date are recorded as deferred commissions, current, and the remaining portion is recorded as deferred commissions, non-current, on the Statement of financial position. Amortization expense is included in administrative expenses in the Statement of profit and loss and other comprehensive income. A portion of the sales commissions paid to the sales force is earned based on the level of the customers' consumption of the Company's platform, and a portion of the commissions paid to the sales force is earned upon the origination of the customer contracts. Sales commissions tied to customers' consumption are not considered incremental costs and are expensed in the same period as they are earned. Deferred commissions are periodically analyzed for impairment. There were no impairment losses relating to the deferred commissions for all periods presented.

Trade receivables

Trade receivable includes the Company's right to an amount of consideration in exchange for rendering the services, net of provision for doubtful debts or credit losses. Trade receivables are recorded at invoiced amounts and do not bear interest. The provision for doubtful debts or credit losses is estimated based on the Company's assessment of the collectability of trade receivable by considering various factors, including the age of each outstanding invoice, the collection history of each customer, historical write-off experience, current economic conditions, and reasonable and supportable forecasts of future economic conditions over the life of the receivable. The Company assesses collectability by reviewing trade receivables on an aggregate basis when similar characteristics exist and on an individual basis when specific customers with collectability issues are identified. Trade receivables deemed uncollectible are charged against the provision for doubtful debts or credit losses when identified.

(c) Tax

Tax expense for the year, comprising current and deferred tax is recognized in the Statement of profit and loss and other comprehensive income.

Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws that are enacted or substantially enacted, at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred tax

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts for financial reporting purposes and the tax bases of assets and liabilities, as well as for loss and tax credit carry forwards. The deferred tax assets and liabilities are measured using the statutorily enacted tax rates anticipated to be in effect when those tax assets and liabilities are expected to be realized or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

A net deferred tax asset is regarded as recoverable and therefore recognized only when, based on all available evidence, it is probable that there will be future taxable profits against which they can be utilized. Deferred tax assets and deferred tax liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(d) Finance income

Finance income comprises interest income on bank balances and lease deposits. Interest income is recorded in the Statement of profit and loss and other comprehensive income, using the effective interest method.

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

2.3 Summary of significant accounting policies (continued)

(e) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for asset retirement obligation (ARO)

The Company records a provision for reinstatement costs of the lease premises with ARO clause included in the lease contracts. Reinstatement costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the reinstatement liability. The unwinding of the discount is expensed as incurred and recognized in the income statement as a finance cost. The estimated future costs of reinstatement are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. The company does not have any asset retirement obligations.

(f) Financial assets

Financial assets at amortised cost

At initial recognition

Financial assets are recognized at fair value on initial recognition, except for trade and other receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value on initial recognition.

At subsequent measurement

After initial recognition, these financial assets are recorded at amortized cost using the effective interest method, net of allowance for credit losses. Gains or losses from the derecognition or impairment of financial assets, as well as the amortization of financial assets, are recognized in the Statement of profit and loss account and other comprehensive income.

The Company's financial assets measured at amortized cost include deposits, trade and other receivables and cash and cash equivalents.

For trade and other receivables, the Company applies a simplified approach in calculating expected credit loss ("ECLs"). Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on various factors, including the age of each outstanding invoice, the collection history of each customer, historical write-off experience, current economic conditions, and reasonable and supportable forecasts of future economic conditions over the life of the receivable.

For cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on the 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, the lifetime expected credit loss will be calculated and recognized.

(g) Value added tax ("VAT")

Revenue, expenses and assets are recognized net of the amount of VAT, except for the following:

- When the VAT incurred on a sale or purchase of assets or services is not payable to or recoverable from the Her Majesty's Revenue and Customs ("HMRC"), it is recognized in the Statement of profit or loss and other comprehensive income or as part of the cost of acquisition of the asset, as applicable.
- Receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the HMRC is included as a current asset or liability in the Statement of financial position. Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the HMRC.

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SNOWFLAKE COMPUTING U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

2.3 Summary of significant accounting policies (continued)

(h) Share-based payments

Employees of the Company receive remuneration in the form of share-based payments from the Ultimate Holding Company, whereby employees render services as consideration for equity awards (equity-settled transactions).

The Company has entered into an Equity Incentive Recharge Agreement (“the Recharge Agreement”) with the Ultimate Holding Company, effective February 9, 2017, wherein the Company will reimburse and pay to its Ultimate Holding Company, the recharge amount associated with such equity awards provided to the Company's employees, pursuant to the terms and conditions in the Recharge Agreement.

Equity-settled transactions

The Company's equity awards include restricted stock units (“RSUs”) and performance restricted stock unit awards (“PRSUs”) granted to employees under the Ultimate Holding Company's 2012 Equity Incentive Plan and 2020 Equity Incentive Plan (collectively, the “Equity Incentive Plans”) and stock purchase rights (“ESPP Rights”) granted under the Ultimate Holding Company's 2020 Employee Stock Purchase Plan (“ESPP Plan”) to employees.

Compensation cost related to employee share-based payments is measured based on the estimated fair value of the awards on the date of grant and is generally recognized over the requisite service period. The fair value of each RSU and PRSU is based on the fair value of the Ultimate Holding Company's Class A common stock (“Ultimate Parent Stock”) on the date of grant. PRSUs will vest when both service-based and performance-based conditions are satisfied. The ultimate number of PRSUs eligible to vest is contingent on the achievement of certain performance metric over the twelve-month period ending January 31, 2027. The fair value of ESPP Rights is estimated using the Black-Scholes option-pricing model.

The cost of equity awards is recognized, together with a corresponding increase in Share based compensation reserves in equity, over the period in which the performance and / or service conditions are fulfilled. Recharge from the Ultimate Holding Company for the equity awards granted to the employees of the Company is recognised against the Share based compensation reserve as per the terms of the Recharge Agreement entered. The cumulative compensation cost related to employee share-based payment is recognised through each reporting date until the vesting date reflects the extent to which the vesting period has elapsed and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative compensation cost related to employee share-based payments recognised as at the beginning and end of that period and is recognised as employee benefits expense in the Statement of profit and loss and other comprehensive income.

(i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Right-of-use assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make payments arising from the lease.

(i) Right-of-use asset

The Company recognizes right-of-use assets at the commencement date of the lease. The cost of right-of-use asset includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset are measured at cost, less accumulated amortization and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use asset are amortized on a straight-line basis over the lease term.

The Right-of-use assets are included under 'Property, plant and equipment' in the Statement of financial position. The Company applies IAS 36 to determine whether a right-of-use asset to be impaired and account for any impairment loss.

(ii) Lease liabilities

The Company recognizes lease liabilities at the lease commencement date based on the present value of lease payments over the lease term. The lease payments include fixed payments under the agreement, less any lease incentives. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

SNOWFLAKE COMPUTING U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

2.3 Summary of significant accounting policies (continued)

(i) Leases (continued)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The lease liability is included under 'Loans and borrowings' in the Statement of financial position.

(iii) Short-term leases and leases of low-value assets

The Company does not recognize right-of-use asset and lease liabilities for short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and lease of low-value assets. The lease payments are recognized as an expense on a straight-line basis over the lease term.

(j) Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and impairment. Costs of maintenance or repairs that do not extend the lives of the respective assets are charged to expenses in the Statement of profit and loss and other comprehensive income as incurred. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is calculated using the straight-line method, over the estimated useful lives of the following assets.

Leasehold improvements	- Lease Term
Fixtures and fittings	- 7 years
Office equipment	- 3 years
Computer equipment	- 3 years

Depreciation commences once the assets are ready for their intended use.

(k) Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Impairment losses are recognized in the Statement of profit or loss and other comprehensive income.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

(l) Investments in subsidiaries, associates and joint ventures

The Company has a made strategic investment in Cloudlet Information Technology (Beijing) Co., Ltd. ("Snowflake China"). It is carried at cost as adjusted for any changes in value due to impairments or adjustments.

(m) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expenses in the Statement of profit and loss and other comprehensive income in the periods during which services are rendered by employees.

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SNOWFLAKE COMPUTING U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

Note 3. Significant accounting estimates and assumptions

(a) Share-based payments

The Company measures and recognizes compensation costs related to all equity awards, including options, RSUs, PRSUs and ESPP Rights granted to the Company's employees, based on the estimated fair value of the awards on the date of grant. The fair value of each option granted and ESPP Right is estimated using the Black-Scholes option-pricing model.

The determination of the grant date fair value using an option-pricing model is affected by the estimated fair value of the Ultimate Parent Stock as well as assumptions regarding a number of other complex and subjective variables. These variables include expected stock price volatility over an expected term, actual and projected employee stock option exercise behavior, the risk-free interest rate for an expected term, and expected dividends. These estimates involve inherent uncertainties and the application of judgment. If factors change and different assumptions are used, the share-based compensation expense could be materially different in the future.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 23.

(b) Provision for impairment of trade receivables

The Company determines the provision for doubtful debts or credit losses based on factors such as historical loss experience, credit quality, age of accounts receivable balances, industries the Company deals with and the countries where it operates, adjusted to reflect current and estimated future economic conditions. A significant, unanticipated downturn in the economy or negative industry trends could require an increase in the estimated level of loss that will not be collected, which would negatively impact the operating results. The level of provision required is reviewed on an ongoing basis.

(c) Revenue from contracts with customers

The Company enters into contracts with customers which include multiple performance obligations. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation on a relative standalone selling price ("SSP") basis. The Company considers its evaluation of SSP to be a critical accounting estimate. An observable SSP is established based on the price at which a service is sold separately. If an SSP is not observable through past transactions, the Company estimates it by maximizing the use of observable inputs, including the overall pricing strategy, market data, internally approved pricing guidelines related to the performance obligations, and other observable inputs. As the Company's business and offerings evolve over time, modifications to its pricing and discounting methodologies, changes in the scope and nature of its offerings, and/or changes in customer segmentation may result in a lack of consistency, making it difficult to establish and/or maintain SSP. Changes in SSP could result in different and unanticipated allocations of revenue in contracts with multiple performance obligations. These factors, among others, may adversely impact the amount of revenue and resultant profits for a given period.

The Company acts as a principal with regard to revenue from contracts with customers and accordingly recognizes revenue. It enters into contracts with its customers and performs its obligations in its own name. The sub-distribution agreement does not create an agency between the Company and the Ultimate Holding Company.

(d) Leases - estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses an estimate of its incremental borrowing rate ("IBR") based on the information available at the lease commencement date in determining the present value of lease payments. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. In determining the appropriate IBR, the Company considers various factors, including, but not limited to, its credit rating, the lease term, and the currency in which the arrangement is denominated.

(e) Determining the lease term of contracts with renewal and termination options - Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to renew the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company's lease arrangements include renewal and termination options. The Company applied judgement in evaluating whether it is reasonably certain that it will exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 3. Significant accounting estimates and assumptions (continued)

(f) Taxes

Determining income tax provisions involves judgment on the tax treatment of certain transactions.

Deferred tax is recognized on tax losses not yet utilized and on temporary differences where it is probable that there will be taxable income against which these can be offset. Management has made judgements as to the probability of future taxable profits being generated against which tax losses will be available for offset based on budgets, current and future expected conditions. Income tax benefits are based on the assumption that no adverse change will occur in the income tax legislation.

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SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 4. Revenue

The following is an analysis of the Company's revenue for the financial year from continuing operations:

	2024	2023
	£	£
Revenue from contracts with third party customers	20,599,994	422,997
Revenue from contracts with related parties	79,269,414	82,100,056
Total	99,869,408	82,523,053

(A) Disaggregation of revenue

Revenue consists of the following:

(i) Type of customers and nature of services

	2024	2023
	£	£
Product revenue	19,637,711	400,620
Professional services and other revenue	962,283	22,377
Distribution fee from the Ultimate Holding Company	79,269,414	14,240,121
Service fee from the Ultimate Holding Company	-	67,859,935
	99,869,408	82,523,053

(ii) Timing of revenue recognition

	2024	2023
	£	£
Service transferred at a point of time	99,869,408	82,523,053
	99,869,408	82,523,053

(B) Contract balances

	2024	2023
	£	£
Trade receivables (Refer Note 13)	65,127,481	30,872,159
Contract liabilities (Refer Note 17)	51,045,297	10,197,484

(C) Performance obligations

The Company recognizes revenue when (or as) a performance obligation is satisfied by transferring the promised service to a customer. The service is considered as transferred when the customers gain control over the service. Receivables are non-interest bearing and are generally due within 30 to 60 days from the respective dates of billing.

Note 5. Expenses by nature

Where the Company has chosen to classify its expenses by function, it has disclosed additional information set out below on the nature of its expenses.

	2024	2023
	£	£
Employee benefit expenses (Refer Note 7)	82,541,647	68,192,239
Depreciation on property, plant and equipment	3,522,396	1,898,653
Cloud hosting fees	3,377,749	72,504
Advertisement and marketing expenses	3,144,681	3,426,168
Travel expenses	2,561,141	1,911,161
Expenses towards variable lease payments and short-term leases	792,497	499,457
Foreign exchange loss / (gain)	310,099	(625,784)
Professional services	161,102	488,732
Auditor's remuneration (Refer Note 6)	28,175	17,800
Other expenses	2,206,564	2,171,950
	98,646,051	78,052,880

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 6. Auditor's Remuneration

During the year, the Company obtained the following services from the Company's auditors and their associates:

	2024	2023
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	28,175	17,800

Note 7. Employee benefit expenses

	2024	2023
	£	£
Wages and salaries	47,765,680	37,223,856
Share-based payments (Refer Note 23)	24,061,051	23,127,491
Social security costs	7,687,814	5,779,802
Other pension costs	2,513,486	1,919,756
Other employee benefit expense	513,616	141,334
	<u>82,541,647</u>	<u>68,192,239</u>

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the directors of the Company listed on page 4.

During the year the directors were remunerated by the Ultimate Holding Company and no remuneration was paid from the Company.

The average monthly number of employees, during the year was as follows:

	2024	2023
	Number	Number
United Kingdom	301	241
Italy	-	2
Denmark	-	2
	<u>301</u>	<u>245</u>

Note 8. Finance income and expense

	2024	2023
	£	£
Finance income		
Interest on lease deposit	156,413	8,780
Others	12,215	7,116
	<u>168,628</u>	<u>15,896</u>
Finance costs		
Interest on lease liabilities	587,272	260,656
Others	18,241	36,344
	<u>605,513</u>	<u>297,000</u>
Net finance expense recognised in profit or loss	<u>(436,885)</u>	<u>(281,104)</u>

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SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 9. Tax expense

9.1 Income tax recognised in profit or loss

	2024	2023
	£	£
<i>Current tax:</i>		
Current year	-	24,396
Adjustments in respect of current tax pertaining to previous year	4,320	(279,109)
	<u>4,320</u>	<u>(254,713)</u>
<i>Deferred tax expense:</i>		
Current year	(3,754,180)	(3,013,863)
Adjustments in respect of deferred tax pertaining to previous year	-	-
	<u>(3,754,180)</u>	<u>(3,013,863)</u>
Total tax expense for the year	<u>(3,749,860)</u>	<u>(3,268,576)</u>

The reasons for the difference between the actual tax charge for the financial year and the standard rate of corporation tax in the United Kingdom applied to profits for the financial year are as follows:

	2024	2023
	£	£
Profit before tax	786,472	4,189,069
Prima facie income tax expense using the Company's domestic tax rate of 24.03% (January 31, 2023:19%)	188,989	795,923
Expenses not deductible for tax purposes	55,637	(12,785)
Adjustments in respect of current tax pertaining to previous year	4,320	(279,109)
Tax charge in respect of other countries	-	24,396
Share-based payments	(3,853,142)	(3,073,674)
Remeasurement of deferred tax for changes in tax rates	(145,662)	(723,327)
Total tax expense	<u>(3,749,860)</u>	<u>(3,268,576)</u>

9.2 Changes in tax rates and factors affecting the future tax charges

The following is the analysis of deferred tax assets/(liabilities) presented in the statement of financial position:

	2024	2023
	£	£
Deferred tax assets	32,811,999	29,057,819

Significant components of Company's deferred tax asset are shown below:

2024	Opening balance	Recognized in profit and loss	Closing balance
	£	£	£
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(6,514)	6,025	(489)
Employee benefits	77,825	(131,567)	(53,742)
Losses and other deductions	28,986,508	3,879,722	32,866,230
	<u>29,057,819</u>	<u>3,754,180</u>	<u>32,811,999</u>
2023	Opening balance	Recognized in profit and loss	Closing balance
	£	£	£
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(33,957)	27,443	(6,514)
Employee benefits	148,483	(70,658)	77,825
Losses and other deductions	25,929,430	3,057,078	28,986,508
	<u>26,043,956</u>	<u>3,013,863</u>	<u>29,057,819</u>

SNOWFLAKE COMPUTING U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024

Note 10. Property, plant and equipment, net

Particulars	Leasehold improvements	Fixtures and fittings	Office Equipment	Computer equipment	Right of use assets	Total
	£	£	£	£	£	£
At cost						
As at January 31, 2022	245,115	24,334	79,480	79,711	3,696,137	4,124,777
Additions during the year	-	77,962	-	31,342	8,353,110	8,462,414
As at January 31, 2023	245,115	102,296	79,480	111,053	12,049,247	12,587,191
Additions during the year	5,120,978	1,171,460	336,406	755,286	293,217	7,677,347
Adjustment during the year	-	-	-	-	94,679	94,679
Deletions	(245,125)	(24,334)	-	(14,094)	(2,641,992)	(2,925,545)
As at January 31, 2024	5,120,968	1,249,422	415,886	852,245	9,795,151	17,433,672
Accumulated depreciation						
As at January 31, 2022	89,194	5,600	58,051	51,781	1,601,659	1,806,285
Depreciation expense for the year	151,789	19,680	21,429	42,053	1,663,706	1,898,657
As at January 31, 2023	240,983	25,280	79,480	93,834	3,265,365	3,704,942
Depreciation expense for the year	915,265	149,054	84,101	198,533	2,234,869	3,581,822
Adjustment during the year	-	-	-	-	(59,427)	(59,427)
Deletions	(244,885)	(13,155)	-	(14,094)	(2,582,517)	(2,854,651)
As at January 31, 2024	911,363	161,179	163,581	278,273	2,858,290	4,372,686
Net book value						
As at January 31, 2024	4,209,604	1,088,244	252,304	573,972	6,936,862	13,060,986
As at January 31, 2023	4,132	77,016	-	17,219	8,783,882	8,882,249

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 10. Property, plant and equipment (continued)

10.1 Assets held analysis

The net book value of owned and leased assets included as "Property, plant and equipment" in the Statement of financial position is as follows:

	2024	2023
	£	£
Property, plant and equipment owned	6,124,124	98,367
Right-of-use assets - leased office premises	6,936,862	8,783,882
Total	13,060,986	8,882,249

10.2 Assets pledged as security

There are no tangible assets whose titles are restricted or pledged as security for liabilities.

Note 11. Investment in subsidiary

	2024	2023
	£	£
Investment in Cloudlet Information Technology (Beijing) Co., Ltd.	1,386,386	446,367
	1,386,386	446,367

The Company owns 100% of shares in Cloudlet Information Technology (Beijing) Co., Ltd. ("Snowflake China"). In the previous year, the Company made an initial investment of \$0.5 million (£0.4 million) followed by an additional investment of \$1.2 million (£0.9 million) in the current year.

Note 12. Other non-current assets

	2024	2023
	£	£
Deferred commission	3,748,050	746,802
Other investment	-	372
	3,748,050	747,174

Other investments

The Company owned a 0.06% shareholding in Snowflake Computing India LLP ("Snowflake India") which is a body corporate incorporated in India, within the Snowflake Group. The Company does not either hold the shareholding required to constitute as an associate of the Company, nor does the Company have significant influence over the financial and operating policy decisions of Snowflake India to consider it as a subsidiary of the Company. During the financial year ended January 31, 2024, Snowflake India made an application to local authorities for winding up and the investment has been repatriated back to the Company during the year.

Note 13. Trade and other receivables

	Non-current 2024	Non-current 2023	Current 2024	Current 2023
	£	£	£	£
Trade receivables				
Receivable from third-party customers	-	-	30,401,566	10,453,047
Provision for doubtful debt or credit losses	-	-	(30,401)	(11,361)
Net receivable from third-party customers	-	-	30,371,165	10,441,686
Receivable from related parties	-	-	34,756,316	20,430,473
Total financial assets other than cash and cash equivalents	-	-	65,127,481	30,872,159
Prepayments	-	-	1,553,792	1,002,033
Lease deposits	4,163,683	3,875,535	10,532	909,581
Other receivables	-	-	33,278	1,211,708
	4,163,683	3,875,535	66,725,083	33,995,481

Note 14. Cash and cash equivalents

	2024	2023
	£	£
Cash at bank available on demand	33,351,494	7,339,013
	33,351,494	7,339,013

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 15. Other current assets

	2024	2023
	£	£
Deferred commission	1,114,739	206,959
	<u>1,114,739</u>	<u>206,959</u>

Note 16. Trade and other payables

	2024	2023
	£	£
Trade payables	425,750	796,117
Payable to related parties	100,201	152,331
Other payables	449,720	912,835
Accrued expense and other current liabilities	12,188,946	7,752,793
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	<u>13,164,617</u>	<u>9,614,076</u>
Other payables - taxes and social security obligations	14,614,310	622,565
	<u>27,778,927</u>	<u>10,236,641</u>

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value. Trade payables are non-interest bearing and normally settled in 0-60 days.

There were no trade and other payables classified as non-current.

Note 17. Contract liabilities

	2024	2023
	£	£
Deferred revenue	51,045,297	10,197,484
	<u>51,045,297</u>	<u>10,197,484</u>

Note 18. Provisions

	Non-current 2024	Non-current 2023	Current 2024	Current 2023
	£	£	£	£
Asset retirement obligation	782,560	520,010	-	86,222
	<u>782,560</u>	<u>520,010</u>	<u>-</u>	<u>86,222</u>

Note 19. Loans and borrowings

	Non-current 2024	Non-current 2023	Current 2024	Current 2023
	£	£	£	£
Lease liabilities	5,785,015	8,156,819	2,808,129	693,787
	<u>5,785,015</u>	<u>8,156,819</u>	<u>2,808,129</u>	<u>693,787</u>

Note 20. Share capital**Authorized, issued and fully paid**

	2024 Number	2024 £	2023 Number	2023 £
Shares treated as equity				
Ordinary shares of £1.00 each	2,000	2,000	2,000	2,000
	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>

The share capital of the Company consists of fully paid ordinary shares with a par value of £ 1 per share.

All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholder meetings of the Company.

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SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 21. Reserves**Share premium**

Represents the amounts paid for shares in excess of the nominal amount.

Capital contribution

The Capital contribution balance represents the cumulative compensation cost related to employee share-based payments as adjusted by the cross charge from the Ultimate Holding Company as per the terms of the recharge agreement. Refer Note 23 for further details of these plans.

Retained earnings

Represents the accumulated profits of the Company

Note 22. Leases**Leases as a lessee**

The following amounts in respect of leases have been recognised in the Statement of profit or loss and other comprehensive income:

	2024	2023
	£	£
Amortisation of right of use asset (Refer Note 10)	2,175,442	1,663,706
Interest expense on lease liabilities (Refer Note 8)	587,272	260,656
Expenses relating to short term leases	82,656	107,538

Lease liabilities are due as follows:

	2024	2023
	£	£
Contractual undiscounted cash flows due		
<i>Not later than one year</i>	2,808,129	1,245,664
<i>Between one year and five years</i>	6,733,739	9,071,524
	<u>9,541,868</u>	<u>10,317,188</u>

Note 23. Share-based payments**23.1 Options**

Pursuant to the Equity Incentive Plans, the Ultimate Holding Company granted stock options to employees of the Company. These stock options generally vest based on continued service over four years and expire ten years from the date of grant. No share options were exercised during the financial year, as well as the previous year. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

	2024	2023
	USD	USD
Weighted average exercise price of Option exercised	7.08	7.36
Weighted average exercise price of Option outstanding	10.81	8.94
Expected term (in years)	6	6

23.2 RSUs

Pursuant to the Equity Incentive Plans, employees are awarded RSUs by the Ultimate Holding Company which typically vest over a four-year period depending on the terms and conditions of each grant. Until vested, RSU's do not have the voting and dividend participation right of common stock and the shares underlying the awards are not considered issued and outstanding. The fair value of RSUs is determined based by the closing price on the date of the grant, of the Ultimate Parent Stock, which is traded on the New York Stock Exchange adjusted by the present value of the expected dividend. The exercise price for RSUs are Nil.

23.3 ESPP Rights

Under the Ultimate Holding Company's ESPP plan, eligible employees will be able to purchase Ultimate Parent Stock through payroll deductions. Employees can elect to have up to 15% of their eligible earnings withheld to purchase Ultimate Parent Stock. The price at which the Ultimate Parent Stock is purchased under the ESPP Plan is equal to 85% of the fair market value of a share of the Ultimate Parent Stock on the first or last day of each six-month offering period, whichever is lower.

Total compensation cost relating to the ESPP Rights recognised for the financial year ended January 31, 2024, was £ 742,131 (January 31, 2023: £ 654,285).

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SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED JANUARY 31, 2024**

Note 23. Share-based payments (continued)

23.4 Performance-based restricted stock units (PRSU)

PRSUs granted to the Company's employees contain both service-based and performance-based vesting conditions. The service-based vesting condition for these PRSUs is satisfied over four years with a cliff vesting period of one year and continued vesting quarterly thereafter. The performance-based vesting condition is contingent on the achievement of certain performance metric over the twelve-month period ending January 31, 2027. The number of PRSUs granted represents the maximum number of shares that may be eligible to vest with respect to these awards over their full term. The ultimate number of PRSUs eligible to vest is determined based on the actual achievement of the performance metrics. The fair value of each PRSU is based on the fair value of the Ultimate Parent Stock on the date of grant. Stock-based compensation associated with these PRSUs is recognized based on the Ultimate Holding Company's periodic assessment of probable outcome of the performance condition, estimated using the Monte Carlo simulation model, over the requisite service period. A cumulative catch-up adjustment is recognized in the Company's Statement of profit and loss and other comprehensive income for changes in the estimated probable outcome of the performance condition at each reporting date until the number of these awards eligible to vest is fixed.

Weighted average fair value per share (in USD) of PRSUs granted during the financial year ended March 31, 2024 is \$ 199.08 (March 31, 2023: NA)

23.5 Share-based payment reserve

	2024	2023
	£	£
Opening balance	11,712,567	5,124,695
Compensation costs related to employees share-based payment	24,061,051	23,127,490
Cross charge from Ultimate Holding Company for employee share-based payment	<u>(18,694,875)</u>	<u>(16,539,618)</u>
Closing balance	<u>17,078,743</u>	<u>11,712,567</u>

Note 24. Controlling party

The smallest and largest group in which the results of the Company are consolidated is Snowflake Inc., the Ultimate Holding Company.

Note 25. Events after reporting period

On October 21, 2024, the board of directors and shareholders approved a final dividend of £ 30,728,560 to the sole shareholder of the Company, Snowflake International Holdings Inc. As the dividend was declared after the reporting date, but before the approval of the financial statements, it is treated as a non-adjusting event in accordance with FRS 101.

Note 26. Commitments and contingencies

The Company did not have any contingencies and commitments as at January 31, 2024 (January 31, 2023: Nil).

Note 27. The previous year's figures have been regrouped/reclassified, wherever necessary to conform to the current year's presentation.