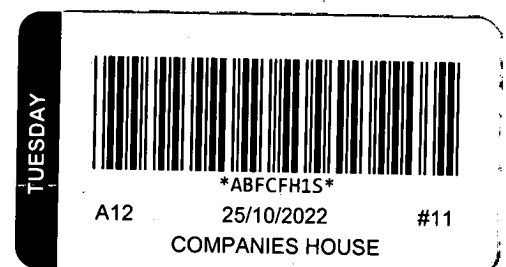


Registered number:
10611715

SNOWFLAKE COMPUTING U.K. LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**



SNOWFLAKE COMPUTING U.K. LIMITED

COMPANY INFORMATION

Directors	Michael P. Scarpelli Derk Nicolaas Lupinek Leslie Topham
Company secretary	Fieldfisher Secretaries Limited
Registered number	10611715
Trading Address	14th Floor, The Tower The Bower Old Street London EC1V9NR
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 YEAR ENDED 31 JANUARY 2022****Introduction**

Snowflake Computing U.K. Limited (the "Company"), presents their strategic report together with the audited accounts for the fiscal year ended to 31 January 2022. The Company has chosen to present the financial statements in accordance with FRS 101 'Reduced Disclosure Framework', a framework for entities who apply the presentation, recognition, measurement and disclosure requirements of International Financial reporting standards (IFRS) in conformity with the requirements of the Companies Act 2006, but also ensure compliance with any relevant legal requirements applicable to it.

The principal activity of the Company is to provide pre-sales, marketing and customer support services that support the sale of the group's products in the United Kingdom. We are a private limited liability company and a wholly-owned subsidiary of Snowflake Inc., (the "Ultimate Parent Company") headquartered at 106 E. Bobcock Street, Suite 3A, Bozeman, Montana 59715, United States of America.

Business review

The Company has continued to grow during the year, the average headcount increased during the year from 119 to 163. The Company is positioned to continue to expand in the future. The Company's future growth depends on the ability of its Ultimate Parent Company, to introduce new products and services on a timely basis and achieve market acceptance of these new products and services.

The net result for the year 2022 was a profit after tax of £24,793,515 (2021: profit after tax of £5,254,399).

The directors are pleased with the overall performance of the Company and believe that the Company is in good financial health and will continue to prosper. We ended the 2022 year with £7,222,768 in cash. We expect to continue to generate sufficient cash flows to meet operating needs for 2023 as the nature of the intercompany agreements with the Ultimate Parent Company maintains liquidity under a cost-plus arrangement.

Financial key performance indicators

The results for the financial period are set out in the Statement of Comprehensive Income and Statement of Financial position on pages 10 and 11 respectively. Revenue is a key financial indicator and is focused on by management. Revenues were £55,106,744 and £36,929,650 for the years 2022 and 2021 respectively.

Principal risks and uncertainties

The Company's principal activities are to perform pre-sales, marketing and customer support that support the sales of the group's products in the United Kingdom. Income is earned from a mark-up on certain costs of providing these activities. Therefore, the Company has limited exposure for operational and financial risk.

Some of our more significant challenges include foreign currency risk, operational risk, credit risk, data security risk, market risk and liquidity risk due to the Company's inability to meet its obligations on time.

The Company has limited foreign currency risk, as the majority of the Company's transactions are in the functional currency of the Company.

SNOWFLAKE COMPUTING U.K. LIMITED**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2022****Principal risks and uncertainties (continued)**

The Company faces operational risks as the market for our products is competitive. If we fail to innovate in response to changing customer needs and new technologies and other market requirements, our business, financial condition, and results of operations could be harmed. Additionally, failure to effectively develop and expand our sales and marketing capabilities could harm our ability to increase our group customer base and achieve broader market acceptance of our products and platform. The Ultimate Parent Company continues to innovate its products and sales strategies to ensure that we remain competitive and monitor developments in the market to manage this risk.

Credit risk arises from the possibility of counterparties failing to comply with contractual obligations to the Company which is also mitigated as most of this risk remains with the Ultimate Parent entity.

Data security breaches could also present risk to the Company. If we or our third-party service providers experience a security breach or unauthorized 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 or there could be significant penalties. This risk is mitigated as most of this risk remains with the Ultimate Parent Company.

The Company also faces market risk as changes in international policies, such as Brexit, may have an impact on the overall economy of the UK, of which could have an impact on our financial results. Additionally, the COVID-19 pandemic and Ukraine crisis could have an adverse impact on our business, operations, and the markets and communities in which we, our partners, and customers operate. We have not seen significant adverse effects on our business from these events, and our directors continue to monitor these closely in case changes to our business or strategy is needed to mitigate this risk.

Liquidity risk is mitigated as management ensures that the Company maintains adequate levels of cash and cash equivalents needed to finance the Company's operations. The nature of the intercompany agreements with the Ultimate Parent Company mitigate this risk as costs are recharged under a cost-plus arrangement.

Other key performance indicators

The Company is a wholly-owned subsidiary of Snowflake Inc., which is the parent company in the Snowflake group of companies ('the Group'). The directors of the Company manage the Group's operations at the parent company level. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business.

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

The paragraphs below provide an explanation for how Directors have had regard for the matters set out in section 172(1)(a) to (f) of the Act when performing their duties, including how Directors have engaged with and considered the interests of stakeholders including UK employees, suppliers, customers and those in a principal business relationship with the Company.

As part of the Group, the Board is conscious of the Group's purpose, namely, to generate value for its sole shareholder and to ensure the sound and prudent management of the Company, with due regard for the interests of the Company's other stakeholders, including clients, employees, suppliers and the wider community.

SNOWFLAKE COMPUTING U.K. LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2022**

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

Shareholder

The Board duly considers the views of its sole shareholder, and the interests of the Group as part of any major decisions and transactions undertaken by the Company.

Distributions to the Company's sole shareholder is only considered after a full assessment of capital adequacy. The Global Code of Conduct and Ethics Policy (the "Code"), applies to all directors and employees of the Company and it embodies the Group's commitment to maintaining the highest level of ethical conduct and professional standards. These non-negotiable standards are outlined in the Code, which emphasizes the importance of building trust with colleagues, clients and the wider community.

Clients

The Company's principal activities are to perform pre-sales, marketing and customer support to its sole shareholder, Snowflake Inc. to support the sales of the group's products in the United Kingdom. There is no other customer with which the Company has engaged with during the year.

Employees

The Board recognizes that, employees are key to the Company's strength and success. Throughout 2022, the average headcount has increased from 119 to 163 during the year.

Suppliers

The Company reports on its supplier payment practices on a regular basis.

This report was approved by the board and signed on its behalf.

DocuSigned by:
Michael P. Scarpelli
5D5FD7FC836047C
Michael P. Scarpelli
Director

Date: 19 Oct 2022

SNOWFLAKE COMPUTING U.K. LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2022**

The directors present their report and the financial statements for the year ended 31 January 2022.

Principal activity

The principal activity of the Company is to provide sales, marketing and customer support services that support the sale of the group's products in the United Kingdom. We are a private limited liability subsidiary of Snowflake Inc., (the "ultimate parent company") headquartered in suite 3A, 106 East Bobcock Street, Bozeman, Montana, 59715, United States of America.

Results and dividends

The profit for the year, after taxation, amounted to £24,793,515 (2021 - £5,254,399).

The directors do not recommend that a dividend be paid, and no dividends were paid or proposed during the year (2021: nil).

Directors

The directors who served during the year were:

Derk Nicolaas Lupinek (appointed 12 June 2020)
Michael P. Scarpelli (appointed 27 September 2019)
Leslie Topham (appointed 12 June 2020)

Qualifying third party indemnity provisions

Each of the Company's directors are 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.

Future developments

The activities of the Company are expected to continue for the foreseeable future.

Political donations

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

Principal risks and uncertainties

Our board of directors as well as the Ultimate Parent Company's board of directors and management meet regularly to address the risks previously mentioned, as well as to discuss additional risks that might arise.

The group implements global and local policies and procedures to mitigate these risks as needed, and have developed an internal control framework to identify and address areas of risk. See "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 supplier, 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.

SNOWFLAKE COMPUTING U.K. LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2022**

Greenhouse gas emissions and energy consumption

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 level of gas and electricity CO2 emissions for the year relating to activities undertaken at Snowflake Computing UK Limited's London office was 340 tonnes of CO2. This is a total of 75,131 kWh and is the equivalent of 0.62 tonnes per £100k of revenue.

Greenhouse gas emissions have been reported in line with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Data has been compiled based on mileage reports and bills provided by landlords, based on business travel mileage recorded by the Company. Greenhouse gas emission figures have been calculated using the UK Government emission conversion factors for company reporting.

Disclosure of information to auditors

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

- so far as each of the director is 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.

This confirmation is given and should be interpreted in accordance with the provision for Section 418 of the Companies Act 2006.

Post year end events

There have been no significant events affecting the Company since the year end.

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 and signed on its behalf.

DocuSigned by:
Michael P. Scarpelli
.....ED5FD7FC8360A7C.....
Michael P. Scarpelli
Director

Date: 19 Oct 2022

SNOWFLAKE COMPUTING U.K. LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2022**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with IFRS as specified under Companies Act, 2006 complying with FRS 101 "Reduced Disclosure Framework" and applicable laws.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with adopted IFRS comprising FRS 101 have been followed in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 Companies Act 2006. They are responsible for such internal control as they determine is 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.

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 year ended 31 January 2022, which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies set out on pages 15-20. 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 31 January 2022 and of its profit for the 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 2022;
- 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.

SNOWFLAKE COMPUTING U.K. LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SNOWFLAKE COMPUTING U.K. LIMITED
(CONTINUED)****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 the Directors' report have been prepared in accordance with applicable legal requirements.

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 Directors' report.

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 8, 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.

SNOWFLAKE COMPUTING U.K. LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SNOWFLAKE COMPUTING U.K. LIMITED
(CONTINUED)**

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.

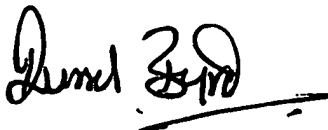
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting 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 FCCA (Senior statutory auditor)

for and on behalf of
Byrd Link Audit and Accountancy Services Limited

Honeybourne Place
Jessop Avenue
Cheltenham
Gloucestershire
GL50 3SH
United Kingdom
Date: 19 Oct 2022

SNOWFLAKE COMPUTING U.K. LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2022**

	Note	2022 £	2021 £
Turnover	6	55,106,744	36,929,650
Gross profit		55,106,744	36,929,650
Administrative expenses		(52,018,894)	(34,859,866)
Operating profit		3,087,850	2,069,784
Finance Income	10	—	1,654
Finance Expense	10	(70,976)	(56,139)
Profit before tax		3,016,874	2,015,299
Tax (Expense) / Credit	11	21,776,641	3,239,100
Profit for the financial year		24,793,515	5,254,399
Other comprehensive Income		—	—
Total comprehensive income		24,793,515	5,254,399

The notes on pages 15 to 35 form part of these financial statements.

All activities derive from continuing operations.

SNOWFLAKE COMPUTING U.K. LIMITED
Registered number: 10611715

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2022

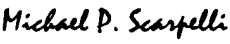
	Note	2022 £	2021 £
Assets			
Non-current assets			
Property, plant and equipment	12	2,318,492	3,101,270
Capital work in progress		6,722	—
Other non-current investments	13	372	372
Trade and other receivables	14	898,482	12,013,618
Deferred tax assets	11	26,043,956	4,246,981
		29,268,024	19,362,241
Current assets			
Trade and other receivables	14	15,444,526	15,789,087
Cash at bank and in hand	22	7,222,768	6,411,580
		22,667,294	22,200,667
Total assets		51,935,318	41,562,908
Liabilities			
Non-current liabilities			
Loans and borrowings	16	1,313,710	1,985,580
		1,313,710	1,985,580
Current liabilities			
Trade and other payables	15	5,735,271	15,285,962
Loans and borrowings	16	671,870	759,295
		6,407,141	16,045,257
Total liabilities		7,720,851	18,030,837
Net Assets		44,214,467	23,532,071

SNOWFLAKE COMPUTING U.K. LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JANUARY 2022

	Note	2022 £	2021 £
Issued capital and reserves			
Share Capital	17	2,000	2,000
Share premium account	18	5,416,002	5,416,002
Foreign exchange reserve	18	—	727
Capital contribution	20	5,124,695	9,235,814
Retained earnings	18	33,671,770	8,877,528
Total Equity		44,214,467	23,532,071

The financial statements on pages 10 to 35 were approved and authorised for issue by the board of directors and were signed on its behalf by:

DocuSigned by:

FD5FD7FC836047C...
Michael P. Scarpelli
 Director
 Date: 19 Oct 2022

The notes on pages 15 to 35 form part of these financial statements.

SNOWFLAKE COMPUTING U.K. LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022

	Share Capital £	Share premium £	Foreign exchange reserve £	Capital Contribution £	Retained earnings £	Total equity £
At 31 January 2021	2,000	5,416,002	727	9,235,814	8,877,528	23,532,071
Comprehensive income for the year						—
Profit for the year	—	—	—	—	24,793,515	24,793,515
Total comprehensive income for the year	—	—	—	—	24,793,515	24,793,515
Contributions by and distributions to owners						
Foreign exchange reserve transfer	—	—	(727)	—	727	—
Compensation cost related to employees share based payment (SBP) plan	—	—	—	15,263,474	—	15,263,474
Cross charge from Ultimate holding company for employee SBP plan	—	—	—	(11,686,104)	—	(11,686,104)
Adjustment (Refer Note 20)	—	—	—	(7,688,489)	—	(7,688,489)
Total contributions by and distributions to owners	—	—	(727)	(4,111,119)	727	(4,111,119)
At 31 January 2022	2,000	5,416,002	—	5,124,695	33,671,770	44,214,467

The notes on pages 15 to 35 form part of these financial statements.

SNOWFLAKE COMPUTING U.K. LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2021

	Share Capital £	Share premium £	Foreign exchange reserve £	Capital Contribution £	Retained earnings £	Total equity £
At 31 January 2020	2,000	5,416,002	727	1,879,448	3,623,129	10,921,306
Comprehensive income for the year						—
Profit for the year	—	—	—	—	5,254,399	5,254,399
Total comprehensive income for the year	—	—	—	—	5,254,399	5,254,399
Contributions by and distributions to owners						
Capital contribution for equity settled shares based payments	—	—	—	7,356,366	—	7,356,366
Total contributions by and distributions to owners	—	—	—	7,356,366	—	7,356,366
At 31 January 2021	2,000	5,416,002	727	9,235,814	8,877,528	23,532,071

The notes on pages 15 to 35 form part of these financial statements.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****1. Accounting policies****1.1 Going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

1.2 Investments in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company owns a 0.06% shareholding in Snowflake India which is a fellow subsidiary within the group of which it is a member. The Company does not either hold the shareholding required for the fellow subsidiary 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.

Given that the shareholding by the Company does not meet the requirements of an associate, and the low value of the shareholding the Company has decided to treat the shareholding as an other non-current investment and to recognise its shareholding in Snowflake India at cost

1.3 Revenue

Revenue comprises revenue recognised by the Company in respect of services provided during the year, excluding discounts, rebates, value added tax and other sales taxes

Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered.

The Company is contracted by its parent company Snowflake Inc. to deliver sales and marketing services under a transfer pricing agreement.

Revenue in respect of services provided to the parent company is calculated as attributable costs plus a mark up percentage in accordance with the transfer pricing agreement.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****1. Accounting policies (continued)****1.4 Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. 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. The Company estimates the IBR to be 1.70% using observable inputs (such as market interest rates).

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in the 'Loans and borrowings' line in the Statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****1. Accounting policies (continued)****1.4 Leasing (continued)****The Company as a lessee (continued)**

The right-of-use assets are included in the 'Property, Plant and Equipment' and 'Investment Property' lines, as applicable, in the Statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

1.5 Foreign currency

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these financial statements, the assets and liabilities of the Company's foreign operations are translated into pounds using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****1. Accounting policies (continued)****1.6 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.7 Employee benefits**Short-term and other long-term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.8 Share-based payments**Share-based payment transactions of the Company**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 20.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the capital contribution in balance sheet.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****1. Accounting policies (continued)****1.9 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.10 Intangible assets**Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****1. Accounting policies (continued)****1.11 Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following range:

Leasehold improvements	- 5 years
Fixtures and fittings	- 7 years
Office equipment	- 3 years
Computer equipment	- 3 years

1.12 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.13 Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the statement of comprehensive income in the year to which they relate.

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****2. Reporting entity**

Snowflake Computing U.K. Limited (the 'Company') is a private company, limited by shares incorporated and domiciled in England under Companies Act 2006 on 9 February 2017. The Company's registered office is at C/O Fieldfisher Riverbank House, 2 Swan Lane, London, United Kingdom, EC4R 3TT. The Company's principal activity is to provide sales, marketing and customer support services that support the sale of the group's products in the United Kingdom.

3. Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 'Reduced disclosure framework'.

The following relevant exemptions from requirements of 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) 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);
- (iv) IAS 7 Statement of Cash Flows;
- (v) IAS 8, 'Accounting policies, changes in accounting estimates and errors' in relation to the disclosure of standards not yet effective;
- (vi) IAS 24, 'Related party disclosures' requirements to disclose key management compensation and to disclose related party transactions with Snowflake group companies; and
- (vii) paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment.

The financial statement of the Company gets consolidated in the financial statement of Snowflake Inc. (Parent company which is listed in United states of America). These consolidated financial statements are available from <https://investors.snowflake.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=15696235>.

Details of the Company's accounting policies, are included in Note 1. In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 5.

For years ended on 31 January 2021, the Company had prepared its first financial statements under IFRS as issued by International Accounting Standards Board (IASB). However, for the year ended 31 January 2022, the Company has adopted FRS 101 "Reduced Disclosure Framework" in accordance with the Companies Act, 2006.

The financial statements have been prepared on the historical cost basis with no exceptions on any items.

4. Functional and presentation currency

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

SNOWFLAKE COMPUTING U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022****5. Accounting estimates and judgements****5.1. Judgements**

In applying the accounting policies, the Directors may at times be required to make critical accounting judgements and estimates about the carrying amount of assets and liabilities. These estimates and assumptions, when made, are based on historical experience and other factors that the Directors consider are relevant.

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are stated below.

5.2. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Share-based payments

The Company initially measures the cost of equity-settled transactions with employees using a Black Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period.

Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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

The Company determines the lease term as the non-cancelable term of the lease, together with any periods covered by an option to extend 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.

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

5. Accounting estimates and judgements (Continued)

5.2. Estimates and assumptions (Continued)

Useful life of assets considered for depreciation of Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end. The lives are based on technical advice, prior asset usage experience and the risk of technological obsolescence.

Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

6. Revenue

The Company derives revenue only from sales and marketing support services provided to its parent company.

The performance obligation is satisfied when the services are rendered and payment is generally due within 30 to 60 days from the date of billing and are non-interest bearing.

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

	2022	2021
	£	£
Provision of sales and marketing support services	55,106,744	36,929,650
	55,106,744	36,929,650

Analysis of revenue by country of destination:

	2022	2021
	£	£
United States	55,106,744	36,929,650
	55,106,744	36,929,650

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

7. 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 some of its expenses.

	2022	2021
	£	£
Employee costs (Note 9)	37,907,035	23,624,542
Foreign exchange (gain)/loss	(309,351)	18,812
Operation lease expenses - property	24,932	196,735
Legal and professional fees	151,378	76,941
Auditors remuneration (Note 8)	12,000	10,650
Travel expenses	169,780	500,933
Depreciation of property, plant and equipment (Note 12)	836,802	832,373
Amortisation of intangible assets	—	3,608

Amortisation and depreciation charges are recognised in the administrative expenses line item in the statement of comprehensive income.

8. Auditors' remuneration

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

	2022	2021
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	12,000	10,650

The Company has not incurred or paid for any non-audited related services to the Company's auditors and their associates (2021: none).

9. Employee benefit expenses

Staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	17,181,349	13,418,580
National Insurance	3,851,279	1,854,791
Defined contribution pension cost	1,610,932	994,804
Share based payment expenses	15,263,475	7,356,367
	<u>37,907,035</u>	<u>23,624,542</u>

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

9. Employee benefit expenses (continued)**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 Snowflake, Inc. and no remuneration was received from Snowflake Computing U.K. Limited.

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

	2022 No.	2021 No.
UK	153	115
Italy	5	1
Denmark	5	3
	163	119

10. Finance income and expense**Recognised in profit or loss**

	2022 £	2021 £
Finance income		
Interest on:		
-Bank deposits	—	1,654
Total finance income	—	1,654
Finance expense		
Interest on lease liabilities	39,634	56,139
Bank interest and charges	3,283	—
Total finance expense	42,917	56,139
Net finance expense recognised in profit or loss	(42,917)	(54,485)

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

11. Tax expense

11.1. Income tax recognised in profit or loss

	2022	2021
	£	£
Current tax		
Current tax on profits for the year	20,334	—
Total current tax	<u>20,334</u>	<u>—</u>
Deferred tax expense		
Origination and reversal of timing differences	(23,340,283)	(3,447,168)
Adjustments in respect of prior years	1,543,308	208,068
Total deferred tax	<u>(21,796,975)</u>	<u>(3,239,100)</u>
Total tax expense	<u>(21,776,641)</u>	<u>(3,239,100)</u>

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

	2022	2021
	£	£
Profit for the year	24,793,515	5,254,399
Income tax credit	(21,776,641)	(3,239,100)
Profit before income taxes	<u>3,016,874</u>	<u>2,015,299</u>
Tax using the Company's domestic tax rate of 19% (2021:19%)	573,206	382,907
Fixed asset differences	(5,943)	148,889
Expenses not deductible for tax purposes	2,916,720	1,401,741
Adjustments to brought forward values	—	(1,173,323)
Adjustments to current tax charge in respect of other countries	20,334	—
Adjustments to deferred tax charge in respect of prior periods	1,543,308	208,068
Deferred tax on carried forward tax losses	(20,573,716)	(4,613,808)
Remeasurement of deferred tax for changes in tax rates	(6,250,550)	—
Movement in Deferred tax not recognised	—	406,426
Total Tax expense	<u>(21,776,641)</u>	<u>(3,239,100)</u>

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

11. Tax expense (continued)

11.1. Income tax recognised in profit or loss (continued)

Changes in tax rates and factors affecting the future tax charges

Main tax changes:

Tax rate

The Finance (No.2) Act 2015 was enacted in October 2015 and reduced the main rate of corporation tax from 20% to 19% from 1 April 2017. In March 2020 the government announced that the main rate of corporation tax would remain at 19% for years starting 1 April 2020 and 2021. In March 2021, the government announced that the main rate would be increasing to 25% in 2023.

Trading losses

There is a temporary extension to the carry back of trading losses from one year to three years, with the carry back being against later years first. The extension applies to losses which arose in the accounting periods ending between 1 April 2020 and 31 March 2021, and 1 April 2021 and 31 March 2022. There is no restriction on the carry back that can be made to the immediately preceding tax year, although carry back to the two earlier years is subject to a maximum carry back claim of £2 million. Each of the above two periods has a separate £2 million carry back limit. There are apportionment rules to this limit for groups.

Capital allowances - super deduction

From 1 April 2021 - 31 March 2023, a super deduction is available which provides allowances of 130% on most new plant and machinery expenditure, that would ordinarily qualify for 18% main rate writing down allowances, will be available. Some plant and machinery will not qualify, including second hand assets, assets held for leasing and assets purchased from connected parties.

Furthermore, a new first year allowance of 50% will be available for most new plant and machinery investments that would ordinarily qualify for 6% special rate writing down allowances. Similar to the super deduction, some plant and machinery will not qualify, including second hand assets, assets held for leasing and assets purchased from connected parties.

For businesses established in Freeport zones they will also be entitled to claim enhanced capital allowances of 100% for qualifying plant and machinery spend up to 30 September 2026. However, with the 'super deduction' of 130% available for all businesses on qualifying plant & machinery in the short term, the benefit of this relief will only be felt for qualifying expenditure after March 2023.

Annual investment allowance

The Annual Investment Allowance (AIA) will remain at £1 million until 31 March 2022, when it will revert back £200,000. It was previously proposed that the rate would fall to £200,000 from 1 January 2021

11.2. Deferred tax balances

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

	2022	2021
	£	£
Deferred tax assets	<u>26,043,956</u>	<u>4,246,981</u>
	<u>26,043,956</u>	<u>4,246,981</u>

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

11. Tax expense (continued)**11.2. Deferred tax balances (continued)**

The deferred tax assets set out above relate to fixed asset timing differences and unrealised benefit of future tax deductions in relation to share based awards.

2022

	Opening balance	Recognised in profit or loss	Closing balance
	£	£	£
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(14,075)	(19,882)	(33,957)
Equity settled share based payments and other short term timing differences	1,568,781	(1,568,781)	—
Employee benefits	8,136	140,347	148,483
Losses and other deductions	2,684,139	23,245,291	25,929,430
	<u>4,246,981</u>	<u>21,796,975</u>	<u>26,043,956</u>

2021

	Opening balance	Recognised in profit or loss	Closing balance
	£	£	£
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(13,127)	(948)	(14,075)
Equity settled share based payments and other short term timing differences	808,537	760,244	1,568,781
Employee benefits	—	8,136	8,136
Losses and other deductions	212,472	2,471,667	2,684,139
	<u>1,007,882</u>	<u>3,239,099</u>	<u>4,246,981</u>

SNOWFLAKE COMPUTING U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022

12. Property, plant and equipment

	Leasehold improvements	Fixtures and fittings	Office Equipment	Computer equipment	Right of use assets	Total
	£	£	£	£	£	£
Cost as at 31 January 2021	200,354	24,334	79,480	70,449	3,696,137	4,070,754
Additions	44,761	—	—	9,262	—	54,023
Cost as at 31 January 2022	245,115	24,334	79,480	79,711	3,696,137	4,124,777
Depreciation as on 31 January 2021	45,596	2,124	31,558	27,774	862,432	969,484
Charge for the year	43,598	3,476	26,493	24,007	739,227	836,801
Depreciation as at 31 January 2022	89,194	5,600	58,051	51,781	1,601,659	1,806,285
Net book value						
At 31 January 2022	155,921	18,734	21,429	27,930	2,094,478	2,318,492
<i>At 31 January 2021</i>	<i>154,758</i>	<i>22,210</i>	<i>47,922</i>	<i>42,675</i>	<i>2,833,705</i>	<i>3,101,270</i>

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

12. Property, plant and equipment (continued)**12.1. 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:

	31 January 2022	<i>31 January 2021</i>
	£	£
Property, plant and equipment owned	224,014	267,565
Right-of-use assets, excluding investment property	2,094,478	2,833,705
	2,318,492	<i>3,101,270</i>

Information about right-of-use assets is summarised below:

Net book value

	31 January 2022	<i>31 January 2021</i>
	£	£
Leased property	2,094,478	2,833,705
	2,094,478	<i>2,833,705</i>

12.2. Assets pledged as security

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

13. Other non-current investments

	2022	<i>2021</i>
	£	£
Other fixed asset investments	372	372
	372	<i>372</i>

The Company owns a 0.06% shareholding in Snowflake India which is a fellow subsidiary within the group of which it is a member. The Company does not either hold the shareholding required for the fellow subsidiary 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.

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

14. Trade and other receivables

	Non-current 2022 £	<i>Non-current</i> 2021 £	Current 2022 £	<i>Current</i> 2021 £
Trade receivables	—	—	—	(733)
Balances receivable from related parties	—	11,106,501	14,322,384	14,965,905
Total financial assets other than cash and cash equivalents classified as loans and receivables	—	11,106,501	14,322,384	14,965,172
Prepayments and accrued income	—	—	391,305	555,573
Other receivables	898,482	907,117	730,837	268,342
	<u>898,482</u>	<u>12,013,618</u>	<u>15,444,526</u>	<u>15,789,087</u>

The carrying value of trade and other receivables classified as loans and receivables approximates fair value.

The company does not hold any collateral as security.

15. Trade and other payables

	2022 £	<i>2021 £</i>
Trade payables	55,661	146,487
Balances payable to related parties	63,732	11,890,975
Other payables	96,285	294,472
Accruals	4,930,510	2,110,586
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	<u>5,146,188</u>	<u>14,442,520</u>
Other payables - tax and social security payments	589,083	843,442
	<u>5,735,271</u>	<u>15,285,962</u>

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

16. Loans and borrowings

	2022	2021
	£	£
Non-current		
Lease liabilities	1,313,710	1,985,580
	1,313,710	1,985,580
Current		
Lease liabilities	671,871	759,295
	671,871	759,295
 Total loans and borrowings	 1,985,581	 2,744,875

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

17. Share capital**Authorised, issued and fully paid**

	2022	2022	2021	2021
	Number	£	Number	£
Shares treated as equity				
Ordinary shares of £1.00 each	2,000	2,000	2,000	2,000
	2,000	2,000	2,000	2,000

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 shareholders' meetings of the Company.

18. Reserves**Share premium**

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

Foreign exchange reserve

Represents the accumulated foreign exchange difference on translation of the foreign currency denominated branch ledger.

Capital contribution

Represents the accumulated share-based payments reserve.

Retained earnings

Represents the accumulated profits and losses.

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19. Leases**(i) Leases as a lessee**

The Company adopted IFRS 16 upon transition to IFRS on 1 February 2019.

On transition the Company capitalised its rented office premises on the statement of financial position by recognising the office space as a "right of use" asset and its corresponding lease liability for the present value of future lease payments.

Under previous accounting requirements the Company did not recognise related assets or liabilities, and instead spread the lease payments on a straight line basis over the lease term, disclosing in its annual financial statements the total commitment.

In respect of the lease liability, the remaining payments payable under lease arrangements are discounted using an appropriate incremental borrowing rate and recognised as lease liabilities.

Right of use assets are recognised equivalent to the lease liability.

The Company has recognised interest on its lease liability and amortisation on its right of use asset in the profit or loss.

Lease liabilities are due as follows:

	2022	2021
	£	£
Contractual undiscounted cash flows due		
Not later than one year	699,062	798,928
Between one year and five years	1,331,547	<u>2,030,609</u>
	2,030,609	<u>2,829,537</u>
	2022	2021
	£	£
Lease liabilities included in the Statement of Financial Position at 31 January	1,985,580	<u>2,744,875</u>
Non current	1,313,710	1,985,580
Current	671,870	<u>759,295</u>

The following amounts in respect of leases have been recognised in profit or loss:

	2021	2021
	£	£
Interest expense on lease liabilities	39,634	52,892
Expenses relating to short term leases	24,932	<u>18,694</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Share based payments**20.1. Employee share option plan****Details of the employee share options**

The Company's ultimate parent company, Snowflake Inc. operates a share based payment scheme for all the employees of the Company.

Pursuant to the Snowflake Inc. Equity Incentive Plan, the ultimate and immediate holding corporation granted share options to employees who are in service at the date of grant.

The vesting schedule for the share options is as follows:

25% on the first anniversary of the vesting commencement date; and

1/36th will vest in monthly instalments from the first anniversary of the vesting commencement date.

The options are exercisable in the following period:

25% on the first anniversary of the grant date; and

75% on maturity of the vesting period, which is four years from grant date.

Fair value

The fair value of the share-based awards were determined using the Black-Scholes model, which incorporated subjective assumptions including expected volatility, expected term and interest rates.

The expected volatility was based on the historical volatility and trading history of the shares of comparable companies in similar industry over the most recent years that commensurate with the estimated expected term of the share options. Estimates of fair value are not intended to predict actual future events or the value ultimately realized by persons who receive equity awards.

Expected terms for the above options were determined by the simplified method.

The assumptions used for the estimation of fair value of the share-based awards at grant date are as follows:

	2022	2021
<u>Stock Options</u>		
Weighted average exercise price of Option exercised	USD 6.61	USD 5.09
Weighted average exercise price of Option outstanding	USD 8.95	USD 7.80
Expected term (in years)	6	6
Weighted average volatility	40.23%	36.73%

20.2. Restricted Stock Units

Pursuant to the Snowflake Inc. Equity Incentive Plan, employees may be awarded shares of restricted stock units, which generally vest over a four-year period.

The vesting schedule for restricted stock units are as follows:

25% on the First anniversary of the Vesting Commencement Date;

and 1/16th will vest in quarterly instalments from the first anniversary of the Vesting Commencement date.

SNOWFLAKE COMPUTING U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

20. Share based payments (Continued)

20.3. Employee stock purchase plan

Under Snowflake Inc.'s employee share purchase plan, Snowflake Employee Stock Purchase Plan ("ESPP"), eligible employees will be able to purchase Snowflake Inc. stock through payroll deductions. Employees can elect to have up to 15% of their salaries withheld to purchase the stock. The provisions of the ESPP allow shares to be purchased at a price that is no less than the lower of 85% of the closing price at the beginning or end of each semi-annual stock purchase period.

Compensation expense relating to the ESPP was £1,118,079 (2021: £1,179,059).

20.4. Share option reserve

	2022	2021
	£	£
Beginning of financial year	9,235,814	1,879,448
Compensation cost related to employees SBP plan	15,263,474	7,356,366
Cross charge from Ultimate holding company for employee SBP plan	(11,686,104)	—
Adjustment (Refer Note below)	(7,688,489)	—
End of financial year	<u>5,124,695</u>	<u>9,235,814</u>

Note: Adjustment amounting to GBP 7,688,489 pertains to cross charge from ultimate holding company (Snowflake Inc.) for Employee Share Based Payment for prior years which was not reduced from share option reserve. The corresponding effect for the same is routed through trade receivables.

21. Controlling party

The Company is a wholly owned subsidiary of Snowflake Inc., a company incorporated in the United States of America.

Snowflake Inc. is also the ultimate parent company.

There is no ultimate controlling party.

The smallest and largest group in which the results of the company are consolidated is that headed by Snowflake Inc. The consolidated financial statements may be obtained from Snowflake Inc. suite 3A, 106 East Bobcock Street, Bozeman, Montana, 59715, United States of America.

22. Note on cash and bank

	2022	2021
	£	£
Cash at bank available on demand	<u>7,222,768</u>	<u>6,411,580</u>
Cash and cash equivalent in the statement of financial position	<u>7,222,768</u>	<u>6,411,580</u>

23. Events after the reporting date

There have been no significant events affecting the Company since the year end.