

Registered number: 09677925

SNYK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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SNYK LIMITED

COMPANY INFORMATION

Directors	P L A Botteri J Heppelmann (appointed 1 October 2024) P Li K A Murphy P C McKay G Podjarny (resigned 17 January 2025) M P Scarpelli T O Yehoshua (resigned 15 April 2024) S Poonen E Sim (appointed 16 April 2024)
Company secretary	D Morris (appointed 2 February 2024) K MacAskill (resigned 2 February 2024)
Registered number	09677925
Registered office	Suite 4 7th Floor 50 Broadway London United Kingdom SW1H 0DB
Independent auditors and chartered accountants	PricewaterhouseCoopers LLP 3 Forbury Place 23 Forbury Road Reading RG1 3JH

SNYK LIMITED

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SNYK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors present their Strategic Report for the year ended 31 December 2024.

Business review

Snyk Limited, (the 'Company') together with its subsidiaries (collectively 'Snyk' or the 'Group') is a leader and pioneer in developer security. Snyk is on a mission to enable every organization to build fast and stay secure. The Group's developer-first, AI Trust software as a service ("SaaS") platform is built to enable enterprises to increase developer productivity, and reduce software security risk, including those introduced by AI-tools and AI-generated code. Snyk aims to make development, security, and operations ("DevSecOps") a reality by helping software engineering teams build applications more efficiently and securely while supporting security teams in managing risk and improving code-to-cloud security in the AI era. The Group's customers use Snyk's platform for various use cases including scaling and shifting their application security programs left, securing software supply chains, and safely adopting AI code generation.

Snyk sells its software products through a subscription model. Subscriptions are offered on an annual and multi-year basis, typically up to three years, except for SaaS subscriptions sold directly through Snyk's website, these services are offered monthly in addition to annually. Customers are typically invoiced in advance in annual increments upon execution of the initial contract or subsequent renewal. The Group's revenue is distributed primarily between the United States and the United Kingdom, comprising an average of approximately 68% (2023: 72%) and 7% (2023: 7%) of revenue, respectively. Snyk ended the fiscal year with approximately 1,162 (2023: 1,028) employees, with main offices located in Boston, Massachusetts (United States of America); London, England; Cluj, Romania; Tel Aviv, Israel; Ottawa, Canada; and Zurich, Switzerland.

In the fiscal year 2024 Snyk grew its revenue 26% due to the increased customer adoption and expansion of its product platform. The Group's operating loss decreased year over year primarily due to increased revenue as total costs slightly increased year over year. The Group increased its employee base by 13% year over year. The Group focused on scaling its sales teams to accelerate adoption of its products and investing in enhancing its platform and product offering. The increase in headcount resulted in a 9% increase in wages and salaries. Snyk continued investing its cash balance into debt securities during the year, and increased its investments in debt securities with maturities greater than one year. The investments in debt securities contributed to the Group's decline in cash balances to \$126.4 million (compared to \$352.3 million at the end of the fiscal year 2023). As of 31 December 2024, the net current assets of the Group were \$415.0 million (compared to \$472.0 million at 31 December 2023) driven primarily by cash used in operations and to fund the business acquisition during the year.

Principal risks and uncertainties

From a product and development perspective, key risks include: failure to innovate and introduce new or enhanced features, products and services; failure to keep pace with new and evolving security risks or with new and existing competition; operational, legal, regulatory, ethical and other challenges resulting from the incorporation of AI technology into our products; inability to protect intellectual property; use of and/or reliance on third-party open-source software; product failure; the occurrence of cybersecurity incidents and reliance on public cloud and internet infrastructure. These risks could cause disruption, performance and quality issues, loss of reputation, and could impact Snyk's ability to compete and to protect and grow revenue. Snyk looks to mitigate these risks through various efforts such as its extensive quality assurance and compliance programs, and investments in engineering and research and development. From a go-to-market perspective, Snyk faces risks associated with global economic conditions and market volatility in the technology and financial services sectors, where the majority of its customers operate, and the development and expansion of sales and marketing capabilities in a highly competitive industry. Snyk continues to diversify its customer base to additional sectors to mitigate this risk. Snyk has identified loss of key development staff as a related principal risk and it reports internally on staff revenue as an indicator of progress in managing this risk.

SNYK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Group is subject to laws and regulations that affect every aspect of its operations, including laws and regulations related to data privacy and security, anti-corruption, anti-bribery and anti-money laundering. Non-compliance with laws and regulations could subject the Group to criminal or civil liability and harm its business, financial condition and operating results. In addition, compliance, detection, investigation and resolution can require significant time, expense and human resources. International operations and expansion may increase these risks. The Group has a compliance program in place and policies and procedures to mitigate compliance-related risks.

Snyk operates internationally and may enter new international markets where it has limited or no experience in marketing, selling and deploying its platform, products and services. Snyk is subject to a variety of risks inherent in doing business internationally, including:

- Political, social or economic instability related to the war in Ukraine and the Israel-Hamas conflict;
- Volatility of global markets and geopolitical conflicts, including but not limited to, fluctuating inflation and interest rates, financial and credit market fluctuations, changes in trade policies, and tariffs;
- Risks related to governmental regulations in foreign jurisdictions and unexpected changes in regulatory requirements and enforcement;
- Fluctuations in currency exchange rates;
- Higher levels of credit risk and payment fraud;
- Difficulties in staffing and managing international operations and the increased travel, infrastructure and legal compliance costs associated with multiple international locations and subsidiaries;
- Different regulations and practices with respect to employee/employer relationships, existence of workers' councils and labor unions, and other challenges caused by distance, language and cultural differences, making it harder to do business in certain international jurisdictions; and
- Management of tax consequences.

If Snyk is unable to manage the complexity of international operations successfully, financial performance and operating results could suffer. The uncertainty surrounding macroeconomic factors globally characterized by the supply chain environment, inflationary pressure, rising interest rates, changes in trade policies and tariffs, and bank failures could have a material adverse effect on Snyk's long-term business and could lead to further economic disruption and expose Snyk to greater risk as its current and potential customers may reduce or eliminate their overall spending on IT security. Snyk recognises the importance of financial risk management and the heightened need for effective internal monitoring. To internally manage financial risks, the Group continues to invest in its legal, compliance, and treasury functions. Team members are globally distributed, allowing the Group to monitor governance and risk from various geo-political angles.

In terms of industry risks, Snyk is subject to a number of risks common to emerging, technology-based companies, including a limited operating history; history of operating losses and dependence on proceeds from the sale of equity securities to finance operations; rapid technological changes; competition from substitute products and larger companies and the successful development, marketing, and third-party cloud-based hosting of Snyk's services. Competitors, many of whom are larger and have greater financial resources than Snyk does, may respond to challenging market conditions by lowering prices in an attempt to attract Snyk's customers and partners. The Group cannot predict the timing, strength or duration of any economic slowdown, instability or recovery, generally or within any particular industry. However, the Group routinely assesses market conditions and adjusts its strategy accordingly to determine whether additional financing is required and what the appropriate source of this financing should be.

SNYK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Financial key performance indicators

Snyk identifies revenue, revenue growth, operating loss, and total cash as key performance indicators. The Group reports on these metrics monthly, compares results to historical trends and re-forecasts as necessary to begin each reporting period. Refer to the 'Business review' section of this Strategic Report for the Group's commentary regarding these indicators.

	2024	2023
	\$	\$
	(in thousands)	
Revenue	278,386	220,122
Year-over-year revenue growth	58,264	73,115
Operating loss	(188,408)	(194,957)
Total cash ¹	412,426	455,435

¹ The total cash herein includes Cash and cash equivalents and investments.

Other key performance indicators

The Group counts the total number of customers at the end of each period. For purposes of determining the Group's customer count, an organization with multiple divisions, segments or subsidiaries is counted as a single customer. The Group includes monthly and self serve contracts in its customer count.

During 2024 the Group continued to focus on growth and diversification of its customer base. Snyk finished 2024 with 4,478 total customers. The total number of customers compared favorably to prior year (2023: 3,917).

Employee and human capital resources

As of 31 December 2024 Snyk had 1,162 (2023: 1,028) full-time employees. The Group has no collective bargaining agreements with its employees, and has not experienced any work stoppages. Snyk monitors employee engagement through an annual (or more frequent) survey and uses the results to develop a prioritized action plan to address areas Management believes to be in need of attention. Snyk's human capital objectives include, as applicable, identifying, recruiting, developing, retaining, and incentivising existing and prospective employees, as well as optimising the overall employee experience. The principal purposes of the Group's incentive plans are to attract, retain and motivate employees. The granting of share-based compensation awards is designed to reward selected employees for long-term shareholder value creation. The Group maintains an intranet that is used globally to provide employees with information on decisions taken, emerging developments, innovations, and future growth of the business. The Group also provides updates, at least quarterly, in relation to the financial and economic factors that affect the performance of the Group.

The Group's policies and procedures give full and fair consideration to the work-related needs of disabled employees (and employees who become disabled while working for the Group) and applicants to ensure that needs are adequately covered and to comply with applicable legislation; this consideration extends to the application process, employee training, the provision of adjustments and accommodations, and opportunities for promotion and career development.

Section 172(1) UK Companies Act 2006

The Board of Directors ('Directors' or 'Board') considers that during the year it has acted and made decisions, both as a whole and as individual members in a way that would be most likely to promote the success of the Group, for the benefit of its members as a whole, whilst having regard for the interests of its other stakeholders. The Directors confirm the meetings and considerations of the Board, which underpin its decisions, incorporate appropriate regard to the matters detailed in section 172 of the Companies Act 2006.

The Board considers the Group's key stakeholders to be its customers, its employees, its shareholders, its suppliers, and the communities in which it operates.

SNYK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

During the year, the Board considered information from across Snyk's business in the form of reports and presentations from Management and took part in discussions which considered, where relevant, the effect of Snyk's activities on its key stakeholders. These activities, together with direct engagement by the Board and individual Directors with Snyk's key stakeholders, helped to inform the Board in its decision-making processes.

As a Board, the collective role of the Directors is to act as responsible guardians and stewards of Snyk. In so doing, the Board seeks to optimally position Snyk to achieve its long-term sustainable goals and deliver value for its stakeholders. This stewardship requires balancing the needs and expectations of stakeholders by making difficult decisions based on competing priorities. The decision-making process has been structured to enable Directors to evaluate proposed business activities and the likely consequences of its decisions over the short, medium, and long term. At the center of each decision lies Snyk's core values: *One Team, Care Deeply, Customer Centric, and Forward Thinking*.

The table below, and the following pages of the Strategic Report, describe how the Board engages with its key stakeholders, and how it considers their interests when making its decisions. It also demonstrates how the Board takes into consideration the long-term impact of its decisions, and its desire to maintain a reputation of high standards related to business conduct and ethics.

Employees The Board and Management are committed to enhancing engagement with employees at all levels to ensure the Group communicates information on decisions taken, emerging developments, innovations, and future business growth opportunities.

The Board recognises the importance of using a variety of communication platforms and activities to maximise employee engagement. Management regularly engages with employees, answering questions in quarterly business updates or virtual and live AMA ('Ask Me Anything') sessions. Global, local, and department-specific communications channels share relevant information globally with Snyk employees on management decisions, emerging developments, innovations, and Snyk's future growth ambitions. While the Board does not directly consult with employees on its decisions, where deemed appropriate, it apprises itself of their opinions through meetings with Management.

The Board understands that any decisions it makes may impact employees' performance, engagement, and work satisfaction. The Group's remuneration programmes are designed to provide all Snykers with an opportunity to participate in the Group's long-term growth, including through the issuance of long-term equity.

Customers The Board receives regular feedback from Management on market trends and customer feedback. The Board encourages the business to focus on building deep, long-term relationships with the Group's customers. In November 2024, the Group acquired Probely - Soluções de Cibersegurança, S.A. and its subsidiaries ('Probely'). Probely is a modern Dynamic Application Security Testing ('DAST') provider based in Porto, Portugal, with coverage of Application Programming Interface ('API') security testing and web applications. In evaluating this transaction, the Board considered customer demands to further extend the breadth and depth of Snyk's platform. In April 2025, following the successful acquisition and integration of Probely, Snyk launched Snyk API & Web, delivering the next-generation DAST solution designed to meet the growing demands of modern and increasingly AI-powered software development.

The Board has particular regard for the long-term impact its decisions have on Snyk's customers. The Board considers the potential customer impact when approving material business transactions and key strategic changes.

SNYK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Shareholders The Board and Management have regular interaction with shareholders to understand their interests and any concerns they may have. This feeds into the Board's strategic discussions and opportunities, and is part to seeking to ensure alignment of strategy, operational performance, remuneration policy, capital structure and future expectations of investors.

Suppliers The Board approves and implements policies based on ethical and legal minimum standards, which it requires the business to adhere to when engaging suppliers. Snyk's Supplier Code of Conduct requires suppliers to commit to these standards, including in relation to anti-bribery and corruption, anti-money laundering, human rights and modern slavery and various other matters.

Communities It is important to the Board that the Group gives back to the communities in which it operates. The Board considers these communities in determining the corporate culture it wishes to promote. The Board takes into consideration the effect its decisions will have on the wider communities in which it operates as well as the environment. The Group's Snyk Impact programme is Snyk's commitment to social responsibility, aiming to leverage its technology, resources, and community to foster a more secure, inclusive, and sustainable technology sector. The programme focuses on addressing problems for our social and environmental stakeholders, positively impacting society, and building momentum for the entire Snyk community.

One of Snyk's core values, to Care Deeply, is woven into its culture. Because the Group cares deeply about this effort and mission, it is embedded into how the Group plans, builds, partners and goes to market. Snyk's civil society, employee, user and developer community stakeholders are its partners in producing social, environmental and financial returns.

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

DocuSigned by:

Peter McKay

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P C McKay

CEO and Director

Date: 9 June 2025

SNYK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors present their report and the audited financial statements of the Group and Company for the year ended 31 December 2024.

Results and dividends

The loss for the year amounted to \$166.5 million (2023: loss \$175.3 million). Revenue has grown by 26%, and total costs have only slightly increased, decreasing the overall loss for the year. Refer to the Strategic Report for further discussion. The Directors do not recommend the payment of a dividend during the financial year (2023: \$nil).

Directors

The Directors who served during the year and up to the date of signing the financial statements were P L A Botteri, J Heppelmann (appointed 1 October 2024), P C McKay, P Li, M P Scarpelli, E Sim (appointed 16 April 2024), S Poonen, and K A Murphy. The Directors who served during the year, but resigned from the Board prior to the signing of the financial statements were G Podjamy (resigned on 17 January 2025), and T O Yehoshua (resigned on 15 April 2024).

Future developments

The Group is focused on making significant investments in research and development to expand its platform (including AI capabilities) and cover additional security concerns via innovative developer-focused approaches.

Research and development activities

The Group's research and development organisation is responsible for the design, development, testing, and delivery of new technologies, features, and integrations of its platform, as well as the continued improvement and iteration of its existing products. The Group's most significant investments in research and development are to drive core technology innovation and to bring new products to market. In 2024, the research and development expenditure amounted to \$39.7 million (2023: \$47.1 million).

Engagement with employees

The Group has outlined key human capital disclosures in its Strategic Report on page 6 of this Annual Report.

Financial risk management

Interest rate risk

As of 31 December 2024, the Group had cash, cash equivalents, restricted cash, and short-term investments of \$330.7 million. The Group's exposure to interest rate sensitivity is impacted by changes in the underlying UK and U.S. bank interest rates. Surplus cash has been invested in corporate notes and bonds, commercial paper, U.S. government securities, and money market funds. The Group has not entered into investments for trading or speculative purposes. Due to the conservative nature of its investment portfolio, which is predicated on capital preservation of investments with maximum weighted average maturities of 1 year, the Group does not believe an immediate one percentage point change in interest rates would have a material effect on the fair market value of its portfolio, and therefore does not expect operating results or cash flows to be significantly affected by changes in market interest rates. As of 31 December 2024, the Group has no debt outstanding and as a result is not exposed to interest rate risk on debt.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, including trade receivables. The Group's maximum exposure to credit risk is limited to the carrying amount of the debtors recognised as of 31 December 2024. The Group monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls, including the onboarding of new customers and establishing an allowance against trade receivables. Where available at a reasonable cost, external credit ratings and

SNYK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

reports on customers and other counterparties are obtained and used. With respect to trade and other receivables, the Group is not exposed to any significant credit risk exposure with any single counterparty or any group of counterparties having similar characteristics. The Group's trade receivables are from a large number of clients in various industries and geographical areas. Based on historical information about client default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash, cash equivalents, and investments is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk

From its inception through 31 December 2024, the Group has incurred operating losses and negative cash flows from operations. The Group has financed its operations primarily with proceeds from the sale of convertible preferred shares. Over the last couple of years the Group has materially lowered its cash used in operations. As of 31 December 2024, the Group had cash, cash equivalents, restricted cash, and short-term investments of \$330.7 million. These liquidity sources are significantly greater than cash used in operations during the year and Management believes the Group's liquidity risk is low.

The Group currently has no ongoing material financing commitments, such as lines of credit or guarantees, that are expected to affect its liquidity over the next 12 months, other than lease commitments and obligations described in the Notes to the Consolidated Financial Statements.

Foreign exchange risk

The reporting currency of the Group is the U.S. dollar. The Group determined the functional currency of the parent and its subsidiaries is the U.S. dollar based on current and future cash inflows, including financing and cash receipts from customers, predominately being denominated in U.S. dollars. As such, the Group is not exposed to foreign currency translation risk. However, the Group is exposed to foreign currency transaction risk because it operates in multiple jurisdictions. Several other currencies in addition to the presentation currency of U.S. dollars are used in the Group's transactions, including the local currencies in the jurisdictions in which the Group operates. The Group recorded realised and unrealised foreign currency gains of \$0.6 million in the year ended 31 December 2024 (2023: gains of \$0.6 million). These foreign currency transaction gains are included in the Consolidated Statement of Comprehensive Loss. The Group typically pays its local expenses in local currency as a means to mitigate this risk.

Suppliers

All suppliers of the Group are presented with terms and conditions of trading at the commencement of the trading relationship. The Group's policy for supplier payments is to agree on payment terms in advance and to abide by such terms.

Customers

Information relating to the Group's engagement with customers has been included in Section 172 Statement in the Strategic Report.

Environment

As outlined in the Strategic Report, the Group is committed to operating in a carbon-neutral way and weaving sustainability practices into Snyk's planning, decision-making and business practices across the enterprise. The Group achieved CarbonNeutral Company certification for fiscal year 2024 in accordance with The CarbonNeutral Protocol. The CarbonNeutral Protocol developed by Natural Capital Partners ('NCP') is an additional layer on top of the Greenhouse Gas ('GHG') Protocol and describes the requirements for achieving specific CarbonNeutral compliant certifications.

Carbon Emission Reporting

The Group engaged Climate Impact Partners to complete its environmental reporting to reflect the requirements under

SNYK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Part 7 of the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013.

Snyk used the GHG Protocol Corporate Accounting and Reporting Standard methodology to identify its GHG inventory of Scope 1 (direct), Scope 2 (indirect) CO₂, and Scope 3 (other indirect). The Group has considered the Kyoto Protocol GHGs and report in CO₂ equivalent.

The Group's operations are primarily remote with some office locations across the globe. The Group does not own or operate any facilities. Snyk considered global carbon emissions from homeworking and daily office use, derived from electricity, natural gas consumption, and waste.

As part of the Group's continued efforts to enhancing its Carbon Emission Reporting, during the year ended 31 December 2024 the Group expanded the assessment for certain Scope 3 categories: Purchased goods and services and Business travel resulting in a significant increase to Total Scope 3 emissions. The Group's Scope 1, Scope 2, and Scope 3 GHG emissions and energy consumption estimates (in tonnes of CO₂ equivalent) for the years ended 31 December 2024 and 2023, based on the parameters below, are as follows:

Assessment parameters

Consolidation approach	Operational control
Boundary control	All entities and offices
Consistency with Financial Statements	No variation
Assessment methodology	GHG Protocol and CarbonNeutral Protocol

	2024 (tCO ₂ e)	2023 (tCO ₂ e)
Scope 1 - Direct emissions:		
Stationary sources	435	98
Mobile sources	—	—
Total Scope 1 - Direct emissions	435	98
Scope 2 - Indirect electricity emissions:		
Total Scope 2 - Indirect electricity emissions (market-based)	193	271
Total Scope 2 - Indirect electricity emissions (location-based)	187	267
Scope 3 - Other indirect emissions:		
Purchased goods and services	8,411	2
Capital goods	113	127
Fuel and energy activities not in Scope 1 or 2	139	103
Waste generated in operations	33	39
Business travel	5,073	2,931
Employee commuting and home office	771	330
Downstream transportation and distribution	—	—
Total Scope 3 - Other indirect emissions	14,540	3,532
Total GHG Emissions (market-based)	15,168	3,901
Total GHG Emissions (location-based)	15,162	3,897
Intensity Ratios:		
Intensity ratio (tCO ₂ e/ \$100,000 revenue) ¹	2.26	1.68
Intensity ratio based on emissions from Scope 1, 2 market-based, and 3 (tCO ₂ e/ \$100,000 revenue)	54.49	17.72

¹Intensity figure calculated based on GHG emissions from own operations (Scope 1 and 2, market-based).

SNYK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Group has identified the potential physical and transitional risks and opportunities presented by rising temperatures and climate change for its business and has also considered the scale of this risk to Snyk. Climate change is not a principal risk for the year ended 31 December 2024, but the Group has identified the climate transition as an emerging risk due to its intensifying importance to all stakeholders. Snyk concluded these risks do not have a material impact on the carrying value of its assets and liabilities as of 31 December 2024.

Qualifying third-party indemnity provisions

The Group has granted an indemnity to one or more of its Directors against liability concerning proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity provisions remain in force as of the date of approving the Directors' Report. The Group also maintains Directors' and Officers' liability insurance policies that provide coverage for Directors for certain claims arising out of decisions and/or actions made in the course of their duties for the Group.

Post balance sheet events

The Group's post balance sheet events are included in Note 28 of the Group financial statements.

Going concern

The Group and the Company have been in a loss position since incorporation, and the Group has incurred a loss for the year after tax of \$166.5 million and continues to incur losses after year end.

As of 31 December 2024, the Group had cash, cash equivalents, restricted cash, and short-term investments of \$330.7 million. These liquidity sources are deemed to be sufficient to fund the continued operations and ongoing research and development phase of the business for a period of at least 12 months from the date of approval of these consolidated and company financial statements.

Global economic and financial market uncertainty, driven by trade policy shifts like tariffs and restrictions, introduces potential but currently unknown effects on the business and its operations. Although Management considers the impact of these macroeconomic factors on current business and operational results to be limited, isolating specific effects is challenging, particularly indirect impacts such as how tariffs influence customer budgets and demand amidst broader economic uncertainty. Despite this, the Directors believe the Group will remain a going concern, mainly due to significant cash reserves. The Directors will continue to monitor the global economy and adjust strategies to manage risks and leverage opportunities.

After making enquiries and preparing Board approved cash flow forecasts for the period ending 31 December 2026, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence and meet their liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date these consolidated and company financial statements were approved. Accordingly, they have adopted the going concern basis in preparing these consolidated and company financial statements.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

SNYK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Under company law, 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 Group and Company and of the profit or loss of the Group for that period. In preparing the 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 102 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Group and Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

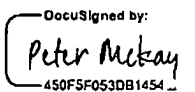
In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all reasonable steps to ascertain any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This statement of responsibilities was approved by the Board and signed on its behalf.

DocuSigned by:

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P C McKay
CEO and Director

Date: 9 June 2025

SNYK LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SNYK LIMITED**

Report on the audit of the financial statements

Opinion

In our opinion, Snyk Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2024 and of the group's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated Balance Sheet and the Company Balance Sheet, as at 31 December 2024; the Consolidated Statement of Comprehensive Loss, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, and the Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 group's and 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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

SNYK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SNYK LIMITED (CONTINUED)

the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or 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 group and industry, we identified that the principal risks of non-compliance with laws and regulations related to data protection and employment regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of

SNYK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SNYK LIMITED (CONTINUED)

override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate revenue and management bias in determining accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

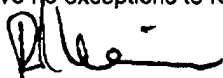
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Radek Vik (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
10 June 2025

SNYK LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands)**

	Note	2024 \$	2023 \$
Revenue	4	278,386	220,122
Cost of sales		(53,940)	(57,175)
Gross profit		224,446	162,947
Administrative expenses		(412,854)	(357,904)
Operating loss	5	(188,408)	(194,957)
Interest receivable and similar income	9	19,695	18,823
Loss before taxation		(168,713)	(176,134)
Taxation	10	2,242	827
Loss for the financial year		(166,471)	(175,307)
Loss for the year attributable to:			
Owners of the Parent Company		<u>(166,471)</u>	<u>(175,307)</u>
Other comprehensive (loss)/income:			
Net change in fair value of debt investments at fair value through other comprehensive (loss)/income		(228)	117
Other comprehensive (loss)/income for the financial year		(228)	117
Total comprehensive loss for the financial year		(166,699)	(175,190)
Total comprehensive loss for the year attributable to:			
Owners of the Parent Company		<u>(166,699)</u>	<u>(175,190)</u>

The notes on pages 23 to 58 form part of these consolidated financial statements.

SNYK LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024
(In thousands)**

Registered number: 09677925

	Note	2024 \$	2023 \$
Fixed assets			
Intangible assets	11	116,484	144,811
Tangible assets	12	3,138	4,169
		<u>119,622</u>	<u>148,980</u>
Current assets			
Other assets	14	479	479
Debtors: amounts falling due after more than one year	14	57,923	40,940
Debtors: amounts falling due within one year	14	107,690	118,982
Investments (including \$81,726 (2023: \$24,040) due after one year)	16	286,066	103,146
Cash and cash equivalents	15	126,360	352,289
		<u>578,518</u>	<u>615,836</u>
Creditors: amounts falling due within one year	17	(163,535)	(143,863)
Net current assets		<u>414,983</u>	<u>471,973</u>
Total assets less current liabilities		<u>534,605</u>	<u>620,953</u>
Creditors: amounts falling due after more than one year	18	(8,643)	(13,115)
Provisions for liabilities			
Deferred taxation	20	(1,692)	(2,925)
Net assets		<u>524,270</u>	<u>604,913</u>
Capital and reserves			
Called up share capital	21	1	1
Share premium account	22	249,401	245,893
Share-based compensation reserve	22	360,541	278,564
Merger relief reserve	22	25,060	25,060
Other equity reserve	22	73,826	73,255
Fair value reserve	22	(111)	117
Profit and loss account	22	(184,448)	(17,977)
Total equity		<u>524,270</u>	<u>604,913</u>

The financial statements on pages 17 to 22 were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

DocuSigned by:

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 P. C. McKay

CEO and Director

Date: 9 June 2025

The notes on pages 23 to 58 form part of these consolidated financial statements.

SNYK LIMITED

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2024
(In thousands)**

Registered number: 09677925

	Note	2024 \$	2023 \$
Fixed assets			
Intangible assets	11	8,244	2,847
Tangible assets	12	848	677
Investments in subsidiaries	13	209,766	209,766
		218,858	213,290
Current assets			
Other assets	14	479	479
Debtors: amounts falling due after more than one year	14	4,769	4,185
Debtors: amounts falling due within one year	14	166,386	118,863
Investments (including \$81,726 (2023: \$24,040) due after one year)	16	286,066	103,146
Cash and cash equivalents	15	54,043	324,331
		511,743	551,004
Creditors: amounts falling due within one year	17	(72,073)	(69,119)
Net current assets		439,670	481,885
Total assets less current liabilities		658,528	695,175
Creditors: amounts falling due after more than one year	18	(1,206)	(3,672)
Net assets		657,322	691,503
Capital and reserves			
Called up share capital	21	1	1
Share premium account	22	249,401	245,893
Share-based compensation reserve	22	380,541	278,564
Merger relief reserve	22	25,060	25,060
Other equity reserve	22	73,826	73,255
Fair value reserve	22	(111)	117
Profit and loss account	22	(51,396)	68,613
Total equity		657,322	691,503
Loss for the year attributable to owners		(120,009)	(135,398)

The financial statements on pages 17 to 22 were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

DocuSigned by:

Peter McKay

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CEO and Director

Date: 9 June 2025

The notes on pages 23 to 58 form part of these company financial statements.

SNYK LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands)**

	Note	Called up share capital	Deferred shares	Share premium account	Share-based compensation reserve	Merger relief reserve	Treasury shares reserve	Other equity reserve	Fair value reserve	Profit and loss account	Total equity
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 January 2023		1	632	715,390	223,536	24,029	(243)	74,036	—	(342,670)	694,711
Comprehensive loss for the year											
Loss for the year										(175,307)	(175,307)
Other comprehensive income									117		117
Contributions by and distributions to owners											
Shares issued during the year	21			24,985							24,985
Share capital reduction	22			(500,000)						500,000	
Issuance of ordinary shares related to business combination	24					1,031					1,031
Issuance of shares in connection with acquisitions subject to clawback reserve	24			1,546				(1,546)			
Vesting of ordinary shares subject to repurchase, including early exercise	17			1,659			243				1,902
Issuance of ordinary shares upon exercise of share options	23			2,446							2,446
Repurchase of deferred shares	21		(632)	632							
Share-based compensation	23			(765)	55,028			765			55,028
At 31 December 2023 and 1 January 2024		1		245,893	278,564	25,060		73,255	117	(17,977)	604,913
Comprehensive loss for the year											
Loss for the year										(166,471)	(166,471)
Other comprehensive loss									(228)		(228)
Contributions by and distributions to owners											
Vesting of ordinary shares subject to repurchase, including early exercise	17			1,232							1,232
Issuance of ordinary shares upon exercise of share options	23			2,847							2,847
Share-based compensation	23			(571)	81,977			571			81,977
At 31 December 2024		1		249,401	360,541	25,060		73,826	(111)	(184,448)	524,270

The notes on pages 23 to 58 form part of these consolidated financial statements.

SNYK LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands)**

	Note	Called up share capital	Deferred shares	Share premium account	Share-based compensation reserve	Merger relief reserve	Treasury shares reserve	Other equity reserve	Fair value reserve	Profit and loss account	Total equity
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 1 January 2023	1	632	715,390	223,536	24,029	(243)	74,036	—	—	(295,989)	741,392
Comprehensive loss for the year											
Loss for the year		—	—	—	—	—	—	—	—	(135,398)	(135,398)
Other comprehensive income		—	—	—	—	—	—	—	117	—	117
Contributions by and distributions to owners											
Shares issued during the year	21	—	24,985	—	—	—	—	—	—	—	24,985
Share capital reduction	22	—	(500,000)	—	—	—	—	—	—	500,000	—
Issuance of ordinary shares related to business combination	24	—	—	—	1,031	—	—	—	—	—	1,031
Issuance of shares in connection with acquisitions subject to clawback reserve	24	—	1,546	—	—	—	(1,546)	—	—	—	—
Vesting of ordinary shares subject to repurchase, including early exercise	17	—	1,659	—	—	243	—	—	—	—	1,902
Issuance of ordinary shares upon exercise of share options	23	—	2,446	—	—	—	—	—	—	—	2,446
Repurchase of deferred shares	21	—	(632)	632	—	—	—	—	—	—	—
Share-based compensation	23	—	(765)	55,028	—	—	765	—	—	—	55,028
At 31 December 2023 and 1 January 2024	1	—	245,893	278,564	25,060	—	73,255	117	—	68,613	691,503
Comprehensive loss for the year											
Loss for the year		—	—	—	—	—	—	—	—	(120,009)	(120,009)
Other comprehensive income		—	—	—	—	—	—	—	(228)	—	(228)
Contributions by and distributions to owners											
Vesting of ordinary shares subject to repurchase, including early exercise	17	—	1,232	—	—	—	—	—	—	—	1,232
Issuance of ordinary shares upon exercise of share options	23	—	2,847	—	—	—	—	—	—	—	2,847
Share-based compensation	23	—	(571)	81,977	—	—	571	—	—	—	81,977
At 31 December 2024	1	—	249,401	360,541	25,060	—	73,826	(111)	—	(51,396)	657,322

The notes on pages 23 to 58 form part of these company financial statements.

SNYK LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousands)**

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Loss for the financial year		(166,471)	(175,307)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>			
Amortisation of intangible assets	11	43,792	51,286
Depreciation of tangible assets	12	2,053	2,250
Loss on disposal of tangible assets	12	86	143
Share-based compensation	7	81,977	55,028
Interest income	9	(14,955)	(14,609)
Net accretion of discounts on investments	9	(4,316)	(2,143)
Bad debt expense		(381)	(242)
Tax on loss	10	(2,242)	(827)
Unrealised foreign exchange currency loss/(gain)		30	(505)
<i>Changes in operating assets and liabilities:</i>			
Decrease/(increase) in debtors		9,173	(16,931)
Decrease in research and development tax credit receivable, net of taxation		5,033	3,087
Increase in creditors		10,633	25,592
Taxation paid, net of refunds		(9,558)	(5,682)
Net cash used in operating activities		(45,146)	(78,860)
Cash flows from investing activities			
Purchase of subsidiaries (net of cash acquired)	24	(11,552)	(32,308)
Purchase of tangible fixed assets	12	(920)	(1,980)
Purchases of investments		(317,031)	(146,386)
Proceeds from maturities of investments		138,199	45,500
Interest received		8,629	13,729
Net cash used in investing activities		(182,675)	(121,445)
Cash flows from financing activities			
Issue of ordinary shares	21	—	24,985
Proceeds from exercise of share options	21	2,847	2,446
Repurchase of early exercised options		—	(1,238)
Net cash generated from financing activities		2,847	26,193
Exchange (loss)/gain on cash, cash equivalents, and restricted cash		(955)	816
Net decrease in cash, cash equivalents, and restricted cash		(225,929)	(173,296)
Cash, cash equivalents, and restricted cash at beginning of the year		352,289	525,585
Cash, cash equivalents, and restricted cash at the end of the year		126,360	352,289

The notes on pages 23 to 58 form part of these consolidated financial statements.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. General information

Snyk Limited is a private company, limited by shares, domiciled and incorporated in England and Wales, United Kingdom (registered number: 09677925) (the 'Company'). The registered office address is Suite 4, 7th Floor 50 Broadway, London, United Kingdom, SW1H 0DB.

The principal activity of Snyk Limited and its subsidiaries (collectively, the 'Group' or 'Snyk') is to provide developer security across a cloud native application stack to mitigate cyber risks. Refer to the Strategic Report for further details.

2. Accounting policies

2.1 Basis of preparation of financial statements

The Group and Company financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Loss in these financial statements.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions.

The Company has taken advantage of the following exemptions in its individual financial statements:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a) (iii), 11.48(a) (iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A, as the information is provided in the consolidated financial statement disclosures;
- from disclosing share-based compensation arrangements, as required under FRS 102 paragraphs 26.18(b), 26.19 to 26.23, concerning its own equity instruments, as the Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and
- from disclosing the Company key management personnel compensation, as required by FRS 102 under paragraph 33.7.

The following principal accounting policies have been applied consistently throughout the year:

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Consolidated Balance Sheet and the Company Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Loss from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The Group and the Company have been in a loss position since incorporation, and the Group has incurred a loss after tax for the year ended 31 December 2024 of \$166.5 million and continues to incur losses after year end.

As of 31 December 2024, the Group had cash, cash equivalents, restricted cash, and short-term investments of \$330.7 million. These liquidity sources are deemed to be sufficient to fund the continuing operations and ongoing research and development of the business for a period of at least 12 months from the date of approval of these consolidated and company financial statements.

Global economic and financial market uncertainty, driven by trade policy shifts like tariffs and restrictions, introduces potential but currently unknown effects on the business and its operations. Although Management considers the impact of these macroeconomic factors on current business and operational results to be limited, isolating specific effects is challenging, particularly indirect impacts such as how tariffs influence customer budgets and demand amidst broader economic uncertainty. Despite this, the Directors believe the Group will remain a going concern, mainly due to significant cash reserves. The Directors will continue to monitor the global economy and adjust strategies to manage risks and leverage opportunities.

After making enquiries and preparing Board approved cash flow forecasts for the period ending 31 December 2026, the Directors have a reasonable expectation the Group and the Company have adequate resources to continue in operational existence and to meet their liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date these consolidated and company financial statements were approved. Accordingly, they have adopted the going concern basis in preparing these consolidated and company financial statements.

2.4 Foreign currency translation

The functional currency for the Company and its subsidiaries, including those acquired in the current year, is the U.S. dollar. The Group's presentational currency is the U.S. dollar. Assets and liabilities denominated in other currencies are remeasured into the functional currencies of each entity at current exchange rates for monetary assets and liabilities and at historical exchange rates for non-monetary assets and liabilities. Billings and expenses in non-U.S. dollar currencies are remeasured into functional currencies of each entity when incurred. Remeasurement losses are included as a component of Administrative expenses.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2.5 Revenue

Revenue is comprised of the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. Revenue is shown net of sales tax, value added tax, returns, rebates and discounts.

Snyk recognises revenue when:

- The Group retains no continuing involvement or control over the goods;
- The amount of revenue can be reliably measured;
- It is probable that future economic benefits will flow to the entity and;
- Specific criteria have been met for each of the Group and Company's activities as described below.

Revenue is mainly derived from fees charged to customers for IT software solutions. Software contracts may be comprised of one or more components, including the provision of the software to the customer and, if purchased, support services. Revenue recognition requires an agreement with the client, which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable the consideration determined in the contract will be collected.

Revenue is recognised when the client is granted access to Snyk software and has the ability to use and obtain substantially all the benefits from the platform. The vast majority of contracts are invoiced in advance of providing the service, and then recognised as revenue across the term of the contract on a straight-line basis. Software as a Service ('SaaS') agreements give the right to use the software for a determined period of time, which can be extended at or near the end of the initial term.

2.6 Deferred revenue

The deferred revenue balance consists of subscriptions invoiced upfront or when the Company receives customer payments in advance of the revenue recognition criteria being met. The Company's subscription contracts are typically invoiced to its customers at the beginning of the term, or in some instances, such as in multi-year arrangements, in annual installments. Accordingly, the Company's deferred revenue balance does not represent the total contract value for multi-year non-cancellable contracts not yet billed. The Company recognises subscription revenue ratably over the contract term beginning on the commencement date of each contract, the date by which services are made available to customers.

2.7 Cost of sales

Cost of sales primarily consists of third-party cloud-related costs, such as hosting and managing costs, amortisation of acquired intangible assets, expenses related to providing support to the Group's customers, and allocated overheads.

2.8 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Loss on a straight-line basis over the lease term.

2.9 Research and development

Research and development costs include personnel-related expenses associated with the Group's engineering personnel responsible for the design, development and testing of its products, cost of development environments and tools, and allocated overheads, offset by United Kingdom research and development tax credits. Research and development costs are expensed as incurred within Administrative expenses on the Consolidated Statement of Comprehensive Loss.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2.10 Share-based payments

Share-based compensation is provided to employees via the 2020 Equity Incentive Plan (the '2020 Plan') and the 2015 Snyk Share Option Plan (the '2015 Plan').

Employee Options

The fair values of options granted under the 2020 Plan and 2015 Plan are recognised as an employee benefit expense, with a corresponding increase in the Share-based compensation reserve. The total amount to be expensed is determined by reference to the fair value of the options granted:

- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and maintaining employment with the entity over a specified time period); and
- including the impact of any non-vesting conditions (such as the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised straight-line over the vesting period, which is the period over which all specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to the Share-based-compensation-reserve.

Restricted Share Units ('RSUs')

After the adoption of the 2020 Plan, the Group and Company began granting RSUs with both service-based and performance-based vesting conditions. The service-based vesting condition for these awards is typically satisfied over four years. The service-based vesting generally either occurs quarterly over four years, or contains a cliff vesting period of one year and continued vesting quarterly thereafter for the remaining three years. The performance-based vesting condition is satisfied on the earlier of (i) the consummation of an initial public offering or (ii) immediately prior to the closing of a change in control of the Company. RSUs with both the service and performance-based vesting conditions do not vest until these conditions are satisfied, however, RSU holders are allowed to continue holding the time-vested portion of the awards following termination of employment until the award expiration date. RSUs granted to employees in Israel are not subject to the performance-based vesting condition.

Since the events described under the performance-based vesting condition are deemed probable, the Group and Company recognises share-based compensation expenses related to RSUs as the service-based condition is satisfied.

At the end of each period, the Group revises its estimate of the number of RSUs expected to vest based on the non-market vesting and service conditions. The Group recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to the Share-based compensation reserve.

There are no cash-settled share-based compensation arrangements.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2.11 Intangible assets

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

- The cost of a business combination is the fair value of consideration given, liabilities incurred or assumed, equity instruments issued, plus the costs directly attributable to the business combination.

Retention bonuses and equity clawbacks contingent on continued service are treated as a post-combination service and are excluded from the purchase consideration.

On the acquisition of a business, fair values are attributed to the identifiable assets, and liabilities. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired. Goodwill is amortised over its expected useful life and is assessed for impairment when there are indicators of impairment and any impairment is charged to the Consolidated Statement of Comprehensive Loss.

Other intangible assets

Intangible assets are initially recognised at acquired fair value. After recognition, intangible assets are measured at their original fair value less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed 10 years. Amortisation is calculated using the straight-line method and recognised over the estimated useful life.

The estimated useful lives range as follows:

Domain	-	3 years
Customer lists	-	3 years
Customer relationships	-	5 years
Goodwill	-	3-7 years
Software	-	3-7 years
Non-Compete agreement	-	3 years
Trade name	-	2 years

Where factors, such as technological advancement or changes in the Group's strategy, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

Founder cash holdbacks and equity clawbacks

Certain acquisitions include founder cash holdback and equity clawback provisions as part of the purchase agreement.

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**NOTES TO THE FINANCIAL STATEMENTS
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2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of tangible assets includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is charged using the straight-line method, allocating the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Long-term leasehold property	-	Shorter of remaining lease term or estimated useful life
Fixtures and fittings	-	3 years
Office equipment	-	3 years
Computer equipment	-	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change, such as an asset being physically damaged or obsolete, since the last reporting date.

Assets in progress are stated at cost. These assets are not depreciated until they are available for use. The assets are reviewed for impairment at each reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Loss.

2.13 Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment losses. The investments are assessed for indicators of impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss. Annually, the Company considers whether any events or circumstances have occurred which indicate the carrying value of fixed investments may not be recoverable. If such circumstances do exist, a full impairment review is undertaken to establish whether the carrying amount exceeds the recoverable amount, being the higher of fair value less costs of disposal or value in use. If this is the case, an impairment charge is recorded to reduce the carrying value of the related investment. The value in use is defined as the present value of the future cash flows expected to be derived.

2.14 Cash, cash equivalents, and restricted cash

Cash, cash equivalents, and restricted cash are comprised of cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. The Group considers all highly liquid investments purchased with original maturities of 90 days or less at the date of acquisition to be cash equivalents.

2.15 Investments

Investments consists of debt securities with original maturities greater than 90 days. The Group classifies its debt securities as either short-term or long-term at each balance sheet date based on each instrument's underlying contractual maturity date. Investments with original maturities greater than 90 days but less than 1 year at the time of purchase are classified as short-term. Purchase premiums and discounts are amortised or accreted using the effective interest method over the life of the related security and such amortisation and accretion are included in Interest receivable and similar income in the Consolidated Statement of Comprehensive Loss.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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Refer to Note 2.17 *Financial instruments*, for the Group's policies regarding the measurement of its investments.

2.16 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for certain of its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Loss when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated Balance Sheet and Company Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.17 Financial instruments

The Group financial instruments include trade and other receivables, trade and other payables, cash and cash equivalents, restricted cash, and investments. The Group elected to apply the recognition and measurement provisions of IFRS 9 and the disclosure requirements of FRS 102.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI'), and fair value through profit or loss ('FVTPL').

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ('SPPI') on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets that are not SPPI are classified and measured at FVTPL.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into four categories: (i) financial assets at amortised cost (debt instruments); (ii) financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments); (iii) financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or (iv) financial assets at FVTPL.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ('EIR') method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes cash at bank and in hand, trade and substantially all other receivables.

Financial assets at fair value through other comprehensive income

The Group measures financial assets at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income ('OCI'). Upon derecognition, the cumulative fair value change recognised in OCI is reclassified to profit or loss. The Group's financial assets at FVOCI includes investments in debt securities such as corporate notes and bonds, commercial paper, U.S. government treasury securities, and U.S. government agency securities.

Financial assets at fair value through profit or loss

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at FVTPL are carried in the balance sheet at fair value with net changes in fair value recognised in the Statement of Comprehensive Loss. The Group's financial assets at FVTPL include investments in institutional money market funds.

Derecognition

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

(ii) Financial liabilities

Initial recognition and measurement

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Subsequent measurement

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. The Group's financial liabilities at amortised cost include trade and other payables. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.18 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

In particular:

- Restructuring provisions are recognised when the company has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring.
- Provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.19 Share capital

Ordinary shares, deferred shares, and preference shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares, deferred shares, preference shares, or options are shown in equity as a deduction, net of tax, from the proceeds.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in Taxation, except that a charge attributable to an item of income and expense recognised as Other comprehensive (loss)/income or to an item recognised directly in equity is also recognised in Other comprehensive (loss)/income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed, if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences, in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.21 Research and development ('R&D') tax credits

As a company that carries out extensive research and development activities, the Group seeks to benefit from the Research and Development Expenditure program ('RDEC Program'). Qualifying expenditures largely comprise employment costs for research staff, consumables, subcontractor costs and certain internal overhead costs incurred as part of research projects for which the Group does not receive income. RDEC Program credits are included on the Consolidated Balance Sheet within debtors due within one year as well as an offset to Administrative expense.

2.22 Related party transactions

The Group discloses transactions with related parties which are not wholly-owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

2.23 Standards issued not yet effective

In March 2024, the Financial Reporting Council ('FRC') issued amendments to FRS 102. The amendments focus on updating accounting requirements to reflect changes in International Financial Reporting Standards, particularly with respect to revenue and leases, and making other incremental improvements and clarifications. The amendments are applicable for accounting periods beginning on or after 1 January 2026, with early application permitted. The Group is currently assessing the impact of these amendments on the Group and Company financial statements.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3. Judgements and estimates

The preparation of the financial statements requires Management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means those actual outcomes will seldom equal those estimates.

The following key sources of estimation uncertainty could result in significant changes to the carrying value of assets and liabilities in the next 12 months:

Intangible Assets

During 2024, the Group acquired Probely, of which the most significant components were the acquired intangibles. Critical accounting estimates include the estimated value of the acquired developed technology, the fair value measurement of the consideration, the useful lives assigned to the capitalised developed technology, and the goodwill related to the transaction.

Intangible assets are amortised over their estimated useful life on a straight-line basis. Estimated useful lives are determined considering the period the assets are expected to contribute to future cash flows. The Group evaluates the recoverability of its intangible assets periodically and take into account events or circumstances that warrant revised estimates of useful lives or indicate impairment exists.

Valuation of share-based compensation

The Group's employees have been granted share options and RSUs by the ultimate parent company, Snyk Limited. Share-based compensation expense related to share options and RSUs is recognised based on the fair value of the awards granted.

The fair value of each RSU award is estimated on the grant date using the fair value of the Parent Company's ordinary shares. The fair value of each option award is estimated on the grant date using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the fair value of the underlying ordinary shares, the expected term of the option, the expected volatility of the price of the ordinary shares, risk-free interest rates, and the expected dividend yield of ordinary shares. The assumptions used to determine the fair value of the option awards represent Management's best estimates. These estimates involve inherent uncertainties and the application of Management's judgement.

The fair value of the employee services received in exchange for these grants of options and RSUs is recognised as an expense over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options and RSUs granted. At each balance sheet date, the Group revises its estimates of the number of options and RSUs that are expected to vest. The Group recognises the impact of the forfeiture rate revision to original estimates, if any, in the Consolidated Statement of Comprehensive Loss.

SNYK LIMITED

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4. Revenue

The whole of the revenue is attributable to the principal activity of providing software and other services for the provisioned developer security software and related support.

Analysis of revenue by country of destination:

	2024	2023
	\$	\$
	(in thousands)	
United Kingdom	20,222	14,731
United States	189,895	157,552
Rest of world	68,269	47,839
	<u>278,386</u>	<u>220,122</u>

5. Operating loss

The operating loss is stated after charging/(crediting):

	2024	2023
	\$	\$
	(in thousands)	
Depreciation on tangible assets (note 12)	2,053	2,250
Loss on disposal of tangible assets (note 12)	86	143
Share-based compensation (note 23)	81,977	55,028
Amortisation of intangible assets (note 11)	43,792	51,286
Research & development charged as an expense	39,656	47,067
Rent expense	5,704	5,016
Foreign exchange losses/(gains)	634	(610)

6. Auditors' remuneration

	2024	2023
	\$	\$
	(in thousands)	
Fees payable to the Company's auditors and its associates for the audit of parent company and consolidated financial statements	<u>388</u>	<u>374</u>
Fees payable to the Company's auditors and its associates for other services:		
Audit of the financial statements of the Company's subsidiaries	1,181	1,211
Non-audit services	219	397
Other services	—	224
	<u>1,400</u>	<u>1,832</u>

SNYK LIMITED

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The Directors have agreed with the Group's auditors that the auditor's liability to damages for breach of duty in relation to the audit of the Group's financial statements for the year ended 31 December 2024 will be limited to the greater of £5 million or 5 times the auditor's fees for the statutory audit, and that, in any event, the auditor's liability for damages will be limited to that part of any loss suffered by the Group as is just and equitable having regard to the extent to which the auditor, the Group and any third parties are responsible for the loss in question. The shareholders of the Group approved this liability limitation agreement, as required by the Companies Act 2006, by a resolution dated 5 March 2025.

7. Employees

Staff costs, including Directors' remuneration, were as follows:

	Group 2024	Group 2023
	\$	\$
	(in thousands)	
Wages and salaries	223,353	204,834
Social security costs	6,739	7,458
Other pension costs	2,156	2,540
Share-based compensation	81,977	55,028
	<u>314,225</u>	<u>269,860</u>

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

	Group 2024	Group 2023	Company 2024	Company 2023
	No.	No.	No.	No.
Research and development	422	391	131	147
General and administrative	179	156	27	25
Sales	410	417	64	64
Marketing	75	78	12	13
	<u>1,086</u>	<u>1,042</u>	<u>234</u>	<u>249</u>

8. Directors' remuneration

	Group 2024	Group 2023	Company 2024	Company 2023
	\$	\$	\$	\$
	(in thousands)			
Directors' emoluments	926	1,040	20	146
Company contributions to defined contribution pension schemes	2	5	2	5
	<u>928</u>	<u>1,045</u>	<u>22</u>	<u>151</u>

During the year retirement benefits were accruing to one Director (2023: one) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of \$0.9 million (2023: \$0.9 million).

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director was \$nil (2023: \$nil).

No Directors (2023: nil) exercised share options during the year.

9. Interest receivable and similar income

	2024 \$	2023 \$
	(in thousands)	
Bank interest received	526	1,148
Interest income on debt securities measured at FVTPL	9,450	13,851
Interest income on debt securities measured at FVOCI	4,977	667
Accretion of discounts on investments	4,742	3,157
	<u>19,695</u>	<u>18,823</u>

10. Taxation

	2024 \$	2023 \$
	(in thousands)	
Corporation tax		
Current tax on losses for the year	1,970	1,985
Adjustments in respect of previous periods	(2,729)	(3,124)
Foreign tax on income for the year	13,571	12,926
Total current tax	<u>12,812</u>	<u>11,787</u>
Deferred tax		
Origination and reversal of timing differences	(14,194)	(13,954)
Tax rate change	240	491
Adjustments in respect of previous periods	(1,100)	849
	<u>(15,054)</u>	<u>(12,614)</u>
Tax credit on loss	<u>(2,242)</u>	<u>(827)</u>

Factors affecting tax credit for the year

The tax credit recorded for the year is lower (2023: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2024 of 25% (2023: 23.5%, prorated statutory rate of 25% enacted on 1 April 2023). The differences are explained below:

SNYK LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024 \$	2023 \$
	(in thousands)	
Loss before taxation	(168,713)	(176,134)
Loss before taxation multiplied by the blended standard rate of corporation tax in the UK of 25% (2023: 23.5%)	(42,178)	(41,427)
Effects of:		
Expenses not deductible for tax purposes	8,079	7,014
Adjustments in respect of previous periods	(3,829)	(2,275)
R&D tax credit	1,970	2,167
Effect of overseas tax rates	222	(817)
Deferred tax not recognised on losses	32,718	33,114
Adjustments in respect of share-based compensation	3,607	2,012
Deferred tax rate change	—	491
Other adjustments	(2,831)	(1,106)
Tax credit on loss	(2,242)	(827)

Factors that may affect future tax charges

At the balance sheet date the Group had deferred tax assets related to net operating losses of \$182.8 million (2023: \$160.4 million), of which \$172.9 million (2023: \$148.7 million) are not recognised for deferred tax purposes. The United Kingdom had tax-effected net operating losses ('NOLs') of \$179.0 million (2023: \$148.1 million). Losses do not expire in the United Kingdom. Additionally, Snyk, Inc (US) had \$8.4 million (2023: \$8.9 million) of tax-effected NOLs as of 31 December 2024. As the U.S. federal balance relates to NOLs incurred in tax years 2018 and after, they do not expire if unutilised but are limited in their usage to an annual deduction equal to 80% of annual taxable income. Remaining tax-effected NOLs at 31 December 2024 are recognized in Israel totalling \$1.4 million (2023: \$1.6 million) and Portugal totalling \$0.1 million (2023: \$0.2 million). The standard rate of tax applied to reported profit is 25% (2023: 23.5%, prorated based on 1 April 2023 enactment date).

The Group is under audit for its 2021 Swiss tax return. In October 2023, the Zurich Cantonal Tax Authorities in Switzerland issued an assessment of \$6.8 million. The Group is currently disputing the assessment and intends to vigorously defend its position. The Group believes that upon completion of a multi-level appeal process, it is more likely than not the Group's positions will be sustained on technical transfer pricing grounds. Accordingly, the Group has not recorded a tax reserve for this assessment.

At this time, the Group does not believe the outcome of any future or currently ongoing examination will have a material impact on its consolidated financial statements.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. Intangible assets

Group

	Non- Compete agreement \$	Software \$	Customer relationships \$	Trade name \$	Customer lists \$	Domain \$	Goodwill \$	Total \$
	(In thousands)							
Cost								
At 1 January 2024	2,013	36,000	9,000	100	484	50	180,557	228,204
Additions	—	5,000	700	—	—	—	9,765	15,465
At 31 December 2024	<u>2,013</u>	<u>41,000</u>	<u>9,700</u>	<u>100</u>	<u>484</u>	<u>50</u>	<u>190,322</u>	<u>243,669</u>
Accumulated amortisation								
At 1 January 2024	2,013	14,141	3,174	100	484	25	63,456	83,393
Amortisation expense	—	6,032	1,632	—	—	10	36,118	43,792
At 31 December 2024	<u>2,013</u>	<u>20,173</u>	<u>4,806</u>	<u>100</u>	<u>484</u>	<u>35</u>	<u>99,574</u>	<u>127,185</u>
Net book value								
At 31 December 2024	<u>—</u>	<u>20,827</u>	<u>4,894</u>	<u>—</u>	<u>—</u>	<u>15</u>	<u>90,748</u>	<u>116,484</u>
At 31 December 2023	<u>—</u>	<u>21,859</u>	<u>5,826</u>	<u>—</u>	<u>—</u>	<u>25</u>	<u>117,101</u>	<u>144,811</u>

Details of Software and Customer relationships acquired in the year can be found in Note 24 business combinations. Cost amounts above represent their respective fair value at the time of acquisition.

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Company

	Software \$	Customer relationships \$	Customer lists \$	Domain \$	Goodwill \$	Total \$
	(in thousands)					
Cost						
At 1 January 2024	1,400	—	484	50	1,464	3,398
Additions	—	—	—	—	—	—
Transfer in	6,400	700	—	—	—	7,100
At 31 December 2024	7,800	700	484	50	1,464	10,498
Accumulated amortisation						
At 1 January 2024	21	—	484	25	21	551
Amortisation expense	468	1	—	10	490	969
Transfer in	700	34	—	—	—	734
At 31 December 2024	1,189	35	484	35	511	2,254
Net book value						
At 31 December 2024	6,611	665	—	15	953	8,244
At 31 December 2023	1,379	—	—	25	1,443	2,847

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The individual intangible assets, excluding goodwill, which are material to the financial statements and are recognised in the Consolidated Balance Sheet are:

	2024	2023	2024	2023
	Carrying amount		Remaining amortisation period	
	\$	\$	(years)	(years)
	(in thousands)		(years)	
Software acquired from the following business combinations:				
DeepCode AG	4,626	6,257	3	4
FossilID AB	6,136	7,968	3	4
Enso Security, Ltd.	3,368	4,350	3	4
Probe.ly - Soluções de Cibersegurança, SA	4,847	N/A	5	N/A
Customer relationships acquired from the following business combinations:				
Fugue, Inc.	3,356	4,171	4	5

The Probe.ly - Soluções de Cibersegurança, SA ('Probely') software is the only intangible asset included in the table above that is also recognised in the Company Balance Sheet.

In December 2024, following the acquisition of Probely, the Company entered into an agreement in which Probely assigned all rights related to its existing intangibles including software and customer relationships. The Company recorded the carrying value of the software and customer relationships at the time of execution, \$5.0 million and \$0.7 million, respectively. Refer to Note 24 for further details around the Probely acquisition.

During the year ended 31 December 2024, the Company entered into separate agreements with certain subsidiaries by way of a one-off charge in order to properly compensate them for the additional value, derived from the services rendered up to the date of the agreement, in addition to the annual service fee under existing cost-plus agreements. This resulted in the intracompany transfer of software acquired in connection with the Explore Universe Lda. acquisition in 2023 whereby the Company recorded a net book value of \$0.9 million.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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12. Tangible assets

Group

	Long-term leasehold property \$	Fixtures and fittings \$	Office equipment \$	Computer equipment \$	Construction in progress \$	Total \$
	(In thousands)					
Cost						
At 1 January 2024	2,170	504	593	5,967	317	9,551
Additions	267	66	79	73	623	1,108
Disposals	—	(3)	(11)	(1,402)	(3)	(1,419)
Transfers	325	44	27	258	(654)	—
At 31 December 2024	<u>2,762</u>	<u>611</u>	<u>688</u>	<u>4,896</u>	<u>283</u>	<u>9,240</u>
Accumulated depreciation						
At 1 January 2024	711	175	406	4,090	—	5,382
Charge for the year	457	125	124	1,347	—	2,053
Disposals	—	—	(5)	(1,328)	—	(1,333)
At 31 December 2024	<u>1,168</u>	<u>300</u>	<u>525</u>	<u>4,109</u>	<u>—</u>	<u>6,102</u>
Net book value						
At 31 December 2024	<u>1,594</u>	<u>311</u>	<u>163</u>	<u>787</u>	<u>283</u>	<u>3,138</u>
At 31 December 2023	<u>1,459</u>	<u>329</u>	<u>187</u>	<u>1,877</u>	<u>317</u>	<u>4,169</u>

Company

	Long-term leasehold property \$	Fixtures and fittings \$	Office equipment \$	Computer equipment \$	Construction in progress \$	Total \$
	(In thousands)					
Cost						
At 1 January 2024	—	—	92	2,135	15	2,242
Additions	267	64	59	57	380	827
Disposals	—	(2)	(10)	(267)	—	(279)
Transfers	325	44	26	—	(395)	—
At 31 December 2024	<u>592</u>	<u>106</u>	<u>167</u>	<u>1,925</u>	<u>—</u>	<u>2,790</u>
Accumulated depreciation						
At 1 January 2024	—	—	78	1,487	—	1,565
Charge for the year	101	30	35	477	—	643
Disposals	—	(2)	(7)	(257)	—	(266)
At 31 December 2024	<u>101</u>	<u>28</u>	<u>106</u>	<u>1,707</u>	<u>—</u>	<u>1,942</u>
Net book value						
At 31 December 2024	<u>491</u>	<u>78</u>	<u>61</u>	<u>218</u>	<u>—</u>	<u>848</u>
At 31 December 2023	<u>—</u>	<u>—</u>	<u>14</u>	<u>648</u>	<u>15</u>	<u>677</u>

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13. Investments in Subsidiaries

Company

	Investments in subsidiary companies \$ (in thousands)
Cost and net book value	
At 1 January 2023	202,447
Additions	7,319
At 31 December 2023	<u>209,766</u>
Additions	—
At 31 December 2024	<u>209,766</u>

Investments in Subsidiaries

The following were subsidiary undertakings of the Company and are included in the consolidation:

Name	Address of the registered office	Principal activity	Class of shares	Holding
Snyk Israel Ltd	Recital Building (H Tower), 156 Menachem Begin Road, 16th FL, Tel Aviv, Israel	IT development	Ordinary	100%
Snyk, Inc	251 Little Falls Drive, Wilmington DE 19808	Market development	Ordinary	100%
Snyk Canada Inc	40 King Street West, Suite 5800, Toronto, ON M5H 3S1, Canada	IT development	Ordinary	100%
Snyk Switzerland AG	Schlossweg 5, Kreuzlingen Switzerland, CH-8280	IT development	Ordinary	100%
Snyk Sweden AB	Gåsgränd 3 11:1 27, Stockholm, Sweden	IT development	Ordinary	100%
Snyk Finland OY ^{1,2}	33 A, 01610 Vantaa, Finland	IT development	Ordinary	100%
Snyk Japan K.K.	11F Nihombashi 3-Chome Square, 3-9-1, Nihombashi, Chuo-ku, Tokyo	Market development	Ordinary	100%
Snyk France SAS	23-25 avenue Mac Mahon - 75017, Paris, France	IT development	Ordinary	100%

SNYK LIMITED

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Snyk Singapore Pte. Ltd.	9 Raffles Place, #26-01 Republic Plaza, Singapore, 048619	Market development	Ordinary	100%
Snyk Software Romania Srl ¹	Cluj-Napoca, Strada Alexandru Vaida Voevod Nr. 53B, birourile 101, 103 si 105, judetul Cluj, Romania	Market development	Ordinary	100%
Snyk Germany GmbH	Westendstraße 28, 60325 Frankfurt am Main	Market development	Ordinary	100%
Snyk Australia Pty Ltd ¹	Suite 902 Level 9, 146 Arthur Street, North Sydney, NSW 2060	Market development	Ordinary	100%
Enso Security Inc. ^{1,2}	251 Little Falls Drive, Wilmington DE 19808	Market development	Ordinary	100%
Explore Universe Lda.	Av. Antonio Augusto de Aguiar, 19, 4º Dto, Sala B, Lisbon, Lisbon, Avenidas Novas 1050 012, Portugal	IT development	Ordinary	100%
Snyk Portugal, Unipessoal Lda. ¹	Av. Antonio Augusto de Aguiar, 19, 4º Dto, Sala B, Lisbon, Lisbon, Avenidas Novas 1050 012, Portugal	IT development	Ordinary	100%
Probe.ly - Soluções de Cibersegurança SA ¹	Rua Alfredo Allen 455, Porto, Porto, Paranhos, 4200-135, PT	IT development	Ordinary	100%
Probely, Inc. ¹	651 N Broad St, Suite 206, Middletown, DE, 19709	Market development	Ordinary	100%
Probely Ltd ¹	71-75 Shelton Street, Covent Garden, London WC2H 9JQ	Market development	Ordinary	100%

¹ Represents indirect ownership by the Company.

² Enso Security Inc. was dissolved effective 30 June 2024. Snyk Finland OY was liquidated effective 31 December 2024.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. Cash, cash equivalents, and restricted cash

	Group 2024 \$	Group 2023 \$	Company 2024 \$	Company 2023 \$
			(in thousands)	
Cash at bank and in hand	59,589	82,964	29,227	55,961
Cash equivalents	65,711	268,265	24,711	268,265
Restricted cash	1,060	1,060	105	105
	<u>126,360</u>	<u>352,289</u>	<u>54,043</u>	<u>324,331</u>

Cash equivalents consist primarily of investments in institutional money market funds with original maturities of 90 days or less at the time of purchase.

16. Investments

	Group 2024 \$	Group 2023 \$	Company 2024 \$	Company 2023 \$
			(in thousands)	
Investments due within one year:				
Corporate notes and bonds	111,750	41,592	111,750	41,592
Commercial paper	8,254	25,740	8,254	25,740
U.S. government treasury securities	63,933	4,931	63,933	4,931
U.S. government agency securities	20,403	6,843	20,403	6,843
Total investments due within one year	<u>204,340</u>	<u>79,106</u>	<u>204,340</u>	<u>79,106</u>
Investments due after one year:				
Corporate notes and bonds	42,542	19,124	42,542	19,124
U.S. government treasury securities	30,254	—	30,254	—
U.S. government agency securities	8,930	4,916	8,930	4,916
Total investments due after one year	<u>81,726</u>	<u>24,040</u>	<u>81,726</u>	<u>24,040</u>
Total investments	<u>286,066</u>	<u>103,146</u>	<u>286,066</u>	<u>103,146</u>

Investments in corporate notes and bonds have fixed coupon rates at 0.6% - 5.9% (2023: 0.4% - 5.4%) and mature between 10 January 2025 and 16 December 2026 (2023: 12 January 2024 and 11 May 2025). Investments in commercial paper have fixed discount rates at 4.1% - 5.0% (2023: 4.8% - 5.5%) and mature between 6 January 2025 and 10 October 2025 (2023: 9 January 2024 and 17 December 2024). Investments in U.S. government treasury securities mature between 6 February 2025 and 15 October 2026 (2023: 15 February 2024 and 30 September 2024). Investments in U.S. government agency securities mature between 3 March 2025 and 4 December 2026 (2023: 5 April 2024 and 25 March 2025).

SNYK LIMITED

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17. Creditors: amounts falling due within one year

	Group 2024	Group 2023	Company 2024	Company 2023
	\$	\$	\$	\$
	(in thousands)			
Trade creditors	(2,840)	(3,622)	(2,495)	(3,232)
Amounts owed to group undertakings	—	—	(26,627)	(26,600)
Taxation and social security	(7,942)	(7,073)	(48)	(323)
Other creditors	(4,717)	(7,472)	(3,300)	(4,909)
Accruals and deferred income	(148,036)	(125,696)	(39,603)	(34,055)
	<u>(163,535)</u>	<u>(143,863)</u>	<u>(72,073)</u>	<u>(69,119)</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Other creditors relates primarily to deferred consideration for acquisitions completed in prior years, founder holdbacks, and early option exercises.

Accruals and deferred income represents \$121.6 million (2023: \$105.7 million) of deferred income and \$26.1 million (2023: \$20.0 million) of accruals.

18. Creditors: amounts falling due after more than one year

	Group 2024	Group 2023	Company 2024	Company 2023
	\$	\$	\$	\$
	(in thousands)			
Other creditors	(2,405)	(5,281)	(69)	(2,944)
Accruals and deferred income	(6,238)	(7,834)	(1,137)	(728)
	<u>(8,643)</u>	<u>(13,115)</u>	<u>(1,206)</u>	<u>(3,672)</u>

Other creditors relates primarily to founder holdbacks, and early option exercises.

Accruals and deferred income represents \$5.5 million (2023: \$7.1 million) of deferred income and \$0.7 million (2023: \$0.7 million) of accruals.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

19. Financial instruments

	Group 2024 \$	Group 2023 \$	Company 2024 \$	Company 2023 \$
	(in thousands)			
Financial assets measured at FVTPL:				
Investments in money market funds	65,711	268,265	24,711	268,265
	<u>65,711</u>	<u>268,265</u>	<u>24,711</u>	<u>268,265</u>
Financial assets measured at FVOCI:				
Investments in corporate notes and bonds	154,292	60,716	154,292	60,716
Investments in commercial paper	8,254	25,740	8,254	25,740
Investments in U.S. government treasury securities	94,187	4,931	94,187	4,931
Investments in U.S. government agency securities	29,333	11,759	29,333	11,759
	<u>286,066</u>	<u>103,146</u>	<u>286,066</u>	<u>103,146</u>
Financial assets measured at amortised cost:				
Cash at bank and in hand	59,589	82,964	29,227	55,961
Trade debtors	57,859	64,876	16,217	19,538
Amounts owed by group undertakings	—	—	126,854	70,893
R&D tax credit	5,839	12,753	5,839	12,753
Other debtors	5,197	2,805	3,050	3,239
	<u>128,484</u>	<u>163,398</u>	<u>181,187</u>	<u>162,384</u>
Financial liabilities measured at amortised cost:				
Trade creditors	(2,840)	(3,622)	(2,495)	(3,232)
Amounts owed to group undertakings	—	—	(26,627)	(26,600)
Accruals	(27,121)	(20,701)	(8,553)	(6,451)
Other creditors	(7,121)	(12,753)	(3,368)	(7,852)
	<u>(37,082)</u>	<u>(37,076)</u>	<u>(41,043)</u>	<u>(44,135)</u>

Financial assets that are debt instruments measured at amortised cost comprise deposits, trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, amounts owed to group undertakings and accruals.

Fair values of financial instruments

The Group has certain financial instruments measured at fair value. The following table shows the carrying amounts and fair value of these financial assets, including their levels in the fair value hierarchy. It does not include fair value for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value. The Group did not have any financial liabilities measured at fair value for the periods presented.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Group	Carrying Value Total \$	Fair Value Level 1 \$	Fair Value Level 2 \$	Fair Value Level 3 \$	Fair Value Total \$
31 December 2024					
Financial Assets:					
Cash equivalents (note 15):					
Money market funds	65,711	65,711	—	—	65,711
Investments due within one year (note 16):					
Corporate notes and bonds	111,750	—	111,750	—	111,750
Commercial paper	8,254	—	8,254	—	8,254
U.S. government treasury securities	63,933	—	63,933	—	63,933
U.S. government agency securities	20,403	—	20,403	—	20,403
Investments due after one year (note 16):					
Corporate notes and bonds	42,542	—	42,542	—	42,542
U.S. government treasury securities	30,254	—	30,254	—	30,254
U.S. government agency securities	8,930	—	8,930	—	8,930
Total financial assets	351,777	65,711	286,066	—	351,777
(In thousands)					
31 December 2023					
Financial Assets:					
Cash equivalents (note 15):					
Money market funds	268,265	268,265	—	—	268,265
Investments due within one year (note 16):					
Corporate notes and bonds	41,591	—	41,592	—	41,592
Commercial paper	25,720	—	25,740	—	25,740
U.S. government treasury securities	4,927	—	4,931	—	4,931
U.S. government agency securities	6,840	—	6,843	—	6,843
Investments due after one year (note 16):					
Corporate notes and bonds	19,053	—	19,124	—	19,124
U.S. government agency securities	4,898	—	4,916	—	4,916
Total financial assets	371,294	268,265	103,146	—	371,411

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Company	Carrying Value Total \$	Fair Value Level 1 \$	Fair Value Level 2 \$	Fair Value Level 3 \$	Fair Value Total \$
31 December 2024					
Financial Assets:					
Cash equivalents (note 15):					
Money market funds	24,711	24,711	—	—	24,711
Investments due within one year (note 16):					
Corporate notes and bonds	111,750	—	111,750	—	111,750
Commercial paper	8,254	—	8,254	—	8,254
U.S. government treasury securities	63,933	—	63,933	—	63,933
U.S. government agency securities	20,403	—	20,403	—	20,403
Investments due after one year (note 16):					
Corporate notes and bonds	42,542	—	42,542	—	42,542
U.S. government treasury securities	30,254	—	30,254	—	30,254
U.S. government agency securities	8,930	—	8,930	—	8,930
Total financial assets	<u>310,777</u>	<u>24,711</u>	<u>286,066</u>	<u>—</u>	<u>310,777</u>
	Carrying Value Total \$	Fair Value Level 1 \$	Fair Value Level 2 \$	Fair Value Level 3 \$	Fair Value Total \$
31 December 2023					
Financial Assets:					
Cash equivalents (note 15):					
Money market funds	268,265	268,265	—	—	268,265
Investments due within one year (note 16):					
Corporate notes and bonds	41,591	—	41,592	—	41,592
Commercial paper	25,720	—	25,740	—	25,740
U.S. government treasury securities	4,927	—	4,931	—	4,931
U.S. government agency securities	6,840	—	6,843	—	6,843
Investments due after one year (note 16):					
Corporate notes and bonds	19,053	—	19,124	—	19,124
U.S. government agency securities	4,898	—	4,916	—	4,916
Total financial assets	<u>371,294</u>	<u>268,265</u>	<u>103,146</u>	<u>—</u>	<u>371,411</u>

Fair values hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group evaluates transfers between levels at the end of each reporting period. There were no transfers between Level 1, Level 2, or Level 3 during the periods presented.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. Deferred taxation

Group

	2024 \$	2023 \$
	(in thousands)	
At beginning of year	(17,195)	(3,586)
Charged to profit or loss	(14,194)	(13,954)
Net deferred tax arising from acquisitions	(414)	(1,059)
Rate change	240	491
Prior period adjustment	(1,100)	849
Other adjustments	(79)	64
Deferred tax asset at end of year	(32,742)	(17,195)

	2024 \$	2023 \$
	(in thousands)	
Decelerated capital allowances	383	631
Intangible assets	3,239	4,975
Share-based compensation	(24,005)	(10,018)
Accruals and reserves	(1,090)	(49)
Net operating losses and credits	(9,695)	(11,706)
Other	(1,574)	(1,028)
Deferred tax asset at end of year	(32,742)	(17,195)

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Group.

The Group expects a net increase of \$1.7 million to its net deferred tax asset balance in the year ended 31 December 2025. The movement is expected to primarily comprise a reversal of deferred tax liabilities in respect of certain acquired intangibles in line with the book amortisation of those acquired intangibles.

Company

As Snyk Limited is not currently forecasting taxable income in the near future, the Company does not recognise the benefit of its deferred tax assets.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

21. Called up share capital

	2024 No.	2023 No.
Allotted, called up and fully paid		
Ordinary shares of £0.000001 each	153,190,085	148,880,802
Seed preferred shares of £0.000001 each	89,167,051	89,167,051
Preferred A shares of £0.000001 each	101,825,411	101,825,411
Preferred B shares of £0.000001 each	57,212,440	57,212,440
Preferred C shares of £0.000001 each	57,210,576	57,210,576
Preferred D shares of £0.000001 each	40,003,448	40,003,448
Preferred E shares of £0.000001 each	24,083,743	24,083,743
Preferred F shares of £0.000001 each	26,895,960	26,895,960
Preferred G shares of £0.000001 each	19,284,172	19,284,172
	<u>568,872,886</u>	<u>564,563,603</u>

Throughout the year, 3,286,705 ordinary shares (2023: 8,019,865) were issued for share options exercised under the 2020 Plan and 2015 Plan (see note 23). Proceeds of \$2.8 million (2023: \$2.4 million) were received for options exercised. For RSUs that vested during the year ended 31 December 2024, 1,022,578 ordinary shares (2023: 313,039) were issued.

The G, F, E, D, C, B, A, and Seed Preferred Shares are convertible to ordinary shares at the option of the holder of the preferred shares only and not at the option of the Group. The preferred shares are also convertible immediately upon a public offering, or with the consent of the investor majority prior to a public offering. Preferred shares cannot be redeemed for cash. As such, they are accounted for as equity.

Each ordinary and preferred share entitles the holder to one vote and each share is entitled *pari passu* to dividend payments.

On a liquidation event, the assets of the Group remaining after the payment of its liabilities shall be applied and distributed to G preferred shareholders first, then F preferred shareholders, then E preferred shareholders, D preferred shareholders, C preferred shareholders, B preferred shareholders, A preferred shareholders, Seed preferred shareholders, and then ordinary shareholders subsequently.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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A reconciliation of the opening share balances as at 1 January 2023 to 31 December 2024 is shown below in number of shares:

	Ordinary shares	Deferred shares	Seed preferred	Series A preferred	Series B preferred	Series C preferred	Series D preferred	Series E preferred	Series F preferred	Series G preferred
As of 1 January 2023	135,647,945	806,864	89,167,051	101,825,411	57,212,440	57,210,576	40,003,448	24,083,743	26,895,960	17,107,629
Issuances related to Series G shares	—	—	—	—	—	—	—	—	—	2,176,543
Issuances related to acquisitions	139,310	—	—	—	—	—	—	—	—	—
Issuance of ordinary shares subject to clawback	208,966	—	—	—	—	—	—	—	—	—
Vesting of early exercises	4,045,239	—	—	—	—	—	—	—	—	—
Vesting of restricted share units	313,039	—	—	—	—	—	—	—	—	—
Repurchase of deferred shares	—	(806,864)	—	—	—	—	—	—	—	—
Exercises	8,019,865	—	—	—	—	—	—	—	—	—
As of 31 December 2023	148,374,364	—	89,167,051	101,825,411	57,212,440	57,210,576	40,003,448	24,083,743	26,895,960	19,284,172
Vesting of early exercises	337,625	—	—	—	—	—	—	—	—	—
Vesting of restricted share units	1,022,578	—	—	—	—	—	—	—	—	—
Exercises	3,286,705	—	—	—	—	—	—	—	—	—
As of 31 December 2024	<u>153,021,272</u>	<u>—</u>	<u>89,167,051</u>	<u>101,825,411</u>	<u>57,212,440</u>	<u>57,210,576</u>	<u>40,003,448</u>	<u>24,083,743</u>	<u>26,895,960</u>	<u>19,284,172</u>
Outstanding and unvested Ordinary shares outstanding	168,813	—	—	—	—	—	—	—	—	—
	<u>153,190,085</u>	—	—	—	—	—	—	—	—	—

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

22. Reserves

Share premium account

The share premium account is used to record the aggregate amount or value of premiums paid when ordinary shares are issued at an amount in excess of nominal value, less any costs directly attributable to the issue of that share capital.

Share-based compensation reserve

Share-based compensation arises from transactions accounted for as equity-settled share-based compensation transactions.

Merger relief reserve

Merger relief reserve represents the fair value of the consideration given in excess of the nominal value of the ordinary shares issued in a business combination. For the year ended 31 December 2024, zero (2023: 139,310) ordinary shares were issued in business combinations for a fair value in excess of nominal value of \$nil (2023: \$1.0 million).

Other equity reserve

This reserve relates to shares issued to founders as part of business combinations that vest over time. Shares are reserved for at the time of issuance in this account and earned over time as share-based compensation.

Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of debt securities measured at fair value through Other comprehensive (loss)/Income.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders. No dividends have been proposed for the year ended 31 December 2024 (2023: \$nil) for either the Group or the Company.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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23. Share-based compensation

The Group operates a share option plan for the granting of non-transferable options to its employees, consultants, and Directors. All options are established under the 2020 Plan and 2015 Plan and are equity settled. RSUs are also issued and expensed under the 2020 Plan. The Group has no legal or constructive obligation to repurchase or settle any options or RSUs in cash. The total share-based compensation recognised in the Statement of Comprehensive Loss was \$82.0 million (2023: \$55.0 million), inclusive of the cost of RSUs. All options issued and outstanding at year end are related to Directors, employees and consultants of the Group. Vested options are exercisable while the grantee remains a Service Provider (as defined in the 2015 or 2020 Plan, as applicable) or (with limited exception) within three months after termination of service. Ordinary shares are issued upon the exercise of options.

The fair value of the services received in exchange for the grant of options is expensed on a straight-line basis, based on the Group's estimate of shares that will eventually vest and the value of the options as at the date of the grant.

Share options granted generally vest 25% one year from the date the requisite service period begins and continue to vest monthly or quarterly over the remaining three years of continued employment. The share options under the 2020 Plan and 2015 Plan generally expire seven years and ten years, respectively, from the date of the grant. The fair value of each option award on the date of the grant is determined using the Black-Scholes model which is internationally recognised as an appropriate model to value employee share options.

Share option activity during the years ended 31 December 2024 and 2023 was as follows:

	Weighted average exercise price (\$)	No. 2024	Weighted average exercise price (\$)	No. 2023
Outstanding at the beginning of the year	3.68	39,031,881	3.12	49,103,331
Granted during the year	6.66	275,000	7.39	1,383,000
Forfeited during the year	8.99	(6,241,537)	5.05	(3,434,585)
Exercised during the year	0.87	(3,286,705)	0.31	(8,019,865)
Outstanding at the end of the year	<u>2.90</u>	<u>29,778,639</u>	<u>3.68</u>	<u>39,031,881</u>

RSUs include both service-based and performance-based vesting conditions. The service-based vesting condition for these awards is typically satisfied over four years. The service-based vesting generally either occurs quarterly over four years, or contains a cliff vesting period of one year and continued vesting quarterly thereafter for the remaining three years. The performance-based vesting condition is satisfied on the earlier of (i) the consummation of an initial public offering or (ii) immediately prior to the closing of a change in control of the Company. RSUs with both the service and performance-based vesting conditions do not vest until these conditions are satisfied, however, RSU holders are allowed to continue holding the time-vested portion of the awards following termination of employment until the award expiration date. RSUs granted to employees in Israel are not subject to the performance-based vesting condition. Ordinary shares are issued when RSUs satisfy all vesting conditions.

Since the events described under the performance-based vesting condition are deemed probable, the Group recognises share-based compensation expense related to RSUs as the service-based condition is satisfied.

SNYK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

RSU activity during the years ended 31 December 2024 and 2023 was as follows:

	No.	Weighted- Average Grant Date Fair Value per Share
Unvested Balance—31 December 2022	13,892,478	\$ 7.57
Granted	17,223,897	\$ 7.03
Vested	(313,039)	\$ 8.15
Forfeited	(4,468,590)	\$ 7.47
Unvested Balance—31 December 2023	26,334,746	\$ 7.23
Granted	25,446,342	\$ 6.72
Vested	(1,022,578)	\$ 7.28
Forfeited	(6,867,394)	\$ 7.10
Unvested Balance—31 December 2024	43,891,116	\$ 6.95

24. Business combinations

Acquisition of Probely

On 5 November 2024, the Group completed the acquisition of Probely, a modern Dynamic Application Security Testing ('DAST') provider based in Porto, Portugal, with coverage of API security testing and web applications. The inclusion of Probely's technology and expertise expands Snyk's offering of development and application security solutions. The Group acquired 100% of Probely's equity in exchange for cash consideration of \$14.8 million.

As a result of the acquisition, the Group expects to further enhance its current product offerings, thereby broadening the offering available to current and new customers. The goodwill of \$9.8 million arising from the acquisition is attributable to the assembled workforce and expected post-acquisition synergies from integrating the acquired technology into the Group's platform.

Management has estimated the useful life of the goodwill to be five years as the major driver of the expected post-acquisition synergies will be the acquired developed technology which was also assigned a useful life of five years.

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Recognised amounts of identifiable assets acquired and liabilities assumed:

	Book value \$	Fair value \$
	(In thousands)	
Fixed Assets		
Intangible	—	5,700
	—	5,700
Current Assets		
Debtors	483	483
Cash at bank and in hand	2,744	2,744
Deferred taxation	—	414
Total Assets	3,227	9,341
Creditors		
Due within one year	(4,171)	(4,171)
Due after more than one year	(139)	(139)
Total identifiable net assets	(1,083)	5,031
Goodwill		9,765
Total purchase consideration		14,796

Consideration

	\$
	(In thousands)
Cash	14,049
Cash heldback	500
Directly attributable costs	247
Total purchase consideration	14,796

For cash flow disclosure purposes the amounts are disclosed as follows:

	\$
	(In thousands)
Purchase consideration settled in cash, as above	14,049
Directly attributable costs	247
	14,296
Less: Cash and cash equivalents acquired	(2,744)
Net cash outflow on acquisition	11,552

The carrying values of net working capital and tangible asset balances at the date of acquisition approximated fair value. The fair value of intangible assets was determined using the income approach.

The Group determined the value of acquired developed technology by applying the relief from royalty method. The Group determined the value of customer relationships using the multi-period excess earnings method. A number of assumptions and estimates are involved in the application of these valuation methods and can include, but are not limited to, the projected revenue and expenses, obsolescence, royalty rates, attrition rate, and discount rate. These estimates are inherently uncertain and unpredictable.

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The Share Purchase Agreement stipulated an indemnification holdback of \$0.5 million which was included as part of cash consideration which was recorded in Creditors: amounts falling due after more than one year. Provided there is no indemnification required, the Share Purchase Agreement obligates the Group to disburse the entirety of the holdback to the Sellers in May 2026.

For the year ended 31 December 2024, revenue attributable to the acquisition was not material. It was impractical to determine the comprehensive loss attributable to Probely during 2024.

25. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to \$3.1 million (2023: \$2.5 million). Contributions totaling \$0.2 million (2023: \$0.3 million) were payable to the fund at the balance sheet date and are included in Creditors: amounts falling due with one year.

26. Commitments under operating leases

At 31 December, the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2024 \$	Group 2023 \$	Company 2024 \$	Company 2023 \$
		(in thousands)		
Not later than 1 year	5,399	5,036	1,196	1,299
Later than 1 year and not later than 5 years	14,065	15,136	2,755	3,981
Later than 5 years	186	—	—	—
	<u>19,650</u>	<u>20,172</u>	<u>3,951</u>	<u>5,280</u>

The Group and the Company had no other off-Balance Sheet arrangements.

27. Related party transactions

The Group has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly-owned group entities.

A non-employee member of the Board of Directors is affiliated with a software subscription services vendor ('Related Party') of the Group. In January 2024, the Group agreed to pay the Related Party \$12.0 million over three years for software subscription services commencing February 2024. Services are billed on an annual basis; there were no outstanding payments as of the year-ended December 31, 2024. The agreement was negotiated in the ordinary course of business and supersedes the Company's previously executed vendor agreements with the Related Party.

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28. Post balance sheet events

Hedges

In January 2025, the Company entered into forward contracts with notional amounts of AUD 5.7 million, EUR 6.7 million, GBP 30.1 million, CAD 13.6 million, CHF 9.8 million, ILS 58.7 million, and RON 34.8 million in order to manage the volatility of its cash flows related to operating expenses denominated in foreign currencies. These forward contracts mature throughout the year ended 31 December 2025 and have primarily been designated as hedging instruments for hedge accounting purposes.

Board of Directors Changes and Advisor Agreement

Effective 17 January 2025, Guy Podjamy resigned from the Board and its Committees and transitioned into an advisory role.

Equity Incentive Program

In February 2025, the Board of Directors authorized an additional 19,879,245 ordinary shares of £0.000001 each to be reserved for grant awards under the 2020 Plan.

Potential Business Combination

On 12 May 2025, the Group entered into a non-binding letter of intent for a potential business combination with a Swiss-based AI security and reliability solutions company for a preliminary purchase price of \$15.4 million.

29. Controlling party

There is no controlling party because no individual party owns more than 50% of the Company.