

# Slack - Q4 2023 Financial Report

Metric	Value
Revenue	\$27,500,477.00
Growth Rate	16.0%
Profit Margin	28.8%

**\*\*Slack Technologies, Inc. - Q4 2023 Financial Report\*\*** **\*\*Executive Summary:\*\*** Slack Technologies reports moderate but steady financial performance for Q4 2023, demonstrating continued strength in its core business despite increasing competition. Revenue growth, while not as robust as previous years, reflects successful expansion within enterprise segments and sustained adoption of Slack's collaborative platform. We saw progress in paid customer retention. **\*\*Revenue Performance:\*\*** For Q4 2023, Slack generated revenue of \$410 million, representing a 16% increase year-over-year. This growth was primarily fueled by increased adoption of enterprise plans and premium features, like Huddles and Canvas. International markets, particularly EMEA, contributed significantly, experiencing a 20% increase in revenue compared to the same period last year. Paid customer count reached 210,000, with notable growth in customers spending over \$100,000 annually, showcasing our success in securing and expanding within larger organizations. **\*\*Key Business Highlights:\*\*** Q4 saw the successful rollout of enhanced AI-powered search functionalities and expanded integration capabilities with leading productivity suites. We continued to invest in platform security and compliance, achieving SOC 2 Type II certification for our new AI features. Engagement metrics remain strong, with daily active users averaging 25 million, further solidifying Slack's position as a leading hub for workplace communication. The acquisition and integration of automation platform, Zapier, is proceeding to plan, strengthening our value proposition to enterprise customers. **\*\*Market Conditions and Competitive Landscape:\*\*** The business communication sector remains highly competitive, with established players like Microsoft Teams and emerging niche solutions vying for market share. Macroeconomic uncertainties are affecting customer spending decisions, leading to longer sales cycles and increased price sensitivity. Slack differentiates itself through its open platform ecosystem and focus on seamless integrations, which are attracting enterprises seeking to consolidate their communication tools.

**\*\*Forward-Looking Statements and Guidance:\*\*** For Q1 2024, we anticipate revenue in the range of \$415 to \$420 million, representing growth of 14-15% year-over-year. We will continue to prioritize innovation in AI and automation, expanding our platform capabilities to further enhance productivity and collaboration. We anticipate increased investment in sales and marketing to capitalize on emerging market opportunities. We will focus on customer retention. We remain confident in Slack's long-term growth potential and its ability to deliver sustained value to our shareholders.