

August 19, 2025

RATING: BUY
Price Target: \$245
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STOCK DATA

| | |
|------------------------|-------------|
| Price | \$193 |
| Price Target | \$245 |
| Market Cap (\$M) | \$66,140 |
| 52-Week Range | \$107-\$229 |
| Shares (M) | 333.6 |
| ADTV (000) | 4,663 |
| Enterprise Value (\$M) | 64,503 |
| Dividend Per Share | \$0.00 |
| Debt To Capitalization | 49% |

FINANCIAL DATA

| | 2025A | 2026E | 2027E |
|---------------|-------|-------|-------|
| P/E Ratio | NM | NM | NM |
| EBITDA Margin | 24.5% | 16.2% | 13.1% |
| EBITDA | 888.1 | 733.0 | 733.0 |
| EV/EBITDA | 72.6x | 88.0x | 88.0x |

**Financial data in \$ millions except per share.*

REVENUE (\$M)

| FY January | 2025A | 2026E | 2027E |
|------------------|----------------|-----------------|-----------------|
| Q1 | 828.7 | 1,042.1A | 1,276.8E |
| <i>Consensus</i> | — | — | 1,591.8E |
| Q2 | 868.8 | 1,087.0E | 1,337.3E |
| <i>Consensus</i> | — | 1,335.7E | 1,302.6E |
| Q3 | 942.0 | 1,167.6E | 1,447.8E |
| <i>Consensus</i> | — | 1,432.3E | 1,395.1E |
| Q4 | 986.8 | 1,223.1E | 1,522.5E |
| <i>Consensus</i> | — | 1,500.9E | 1,164.6E |
| FY Prior | — | 4,517.7E | 5,581.8E |
| FY | 3,626.3 | 4,519.7E | 5,584.4E |
| <i>Consensus</i> | — | 5,584.7E | 5,418.0E |

OPERATING EPS (\$)

| FY January | 2025A | 2026E | 2027E |
|------------------|-------------|--------------|--------------|
| Q1 | 0.14 | 0.21A | 0.30E |
| <i>Consensus</i> | — | — | 0.46E |
| Q2 | 0.18 | 0.28E | 0.34E |
| <i>Consensus</i> | — | 0.36E | — |
| Q3 | 0.20 | 0.29E | 0.43E |
| <i>Consensus</i> | — | 0.41E | — |
| Q4 | 0.30 | 0.30E | 0.52E |
| <i>Consensus</i> | — | 0.46E | — |
| FY | 0.82 | 1.08E | 1.59E |
| <i>Consensus</i> | — | 1.57E | — |

Source: FactSet, Loop Capital Markets estimates

Software

Snowflake Inc. (SNOW - \$193)

F2Q Preview: AI Workloads Becoming An Additive Part of the Mix

Summary

We are fine-tuning our F2Q26 product revenue estimate while maintaining our Buy rating and \$245 price target ahead of Snowflake's July quarter earnings report on Wednesday, September 27, after market close. While core data analytics workloads continue to drive Snowflake's business, we are consistently hearing that AI workloads—particularly Cortex and SnowPark—are becoming an increasingly additive part of the mix. Our sources suggest nearly every project now carries an "AI flavor," and the company's revamped go-to-market engine and compensation model are fueling heightened consumption and new logo growth. Specifically, our checks indicate that SNOW is benefiting from strong enterprise AI spending, with AI projects remaining a top priority, especially among CXO-level executives. During the earnings call, we expect further updates on the firm's AI initiatives—including recent product launches like SnowConvert AI—which appear to be the primary focus of investors and a key driver of the stock.

Key Points

- Fine-tuning estimates.** We are fine-tuning our F2Q26 product revenue estimate in front of the company's F2Q26 earnings report on Wednesday, September 27, after the market close. We now forecast product revenue of \$1.042 billion, representing 26% growth—a slight increase from our prior estimate of \$1.039 billion—and modestly above both consensus and the high end of management's guidance. Our confidence in the quarter is supported by recent field checks with IT services firms, positive feedback from the company's user conference and investor day (see [here](#)), and insights from our recent expert call on the company (see [here](#)). We believe the core data analytics and warehouse business remains solid, supported by strong results and trends from major cloud providers. For example, in the most recent quarter, Microsoft Azure grew 39% year-over-year, Google GCP increased 28%, and AWS grew 16%.
- While we remain optimistic that our revised estimate may prove conservative, we would not be surprised if product revenue outperformance falls short of the company's eight-quarter average upside of 3.8% above the guidance midpoint, based on feedback from our IT services firm contacts. These contacts report demand headwinds in May, particularly in retail and certain regions such as Canada impacted by tariffs, followed by accelerating demand in June and July. Our checks also indicate growing optimism for the second half of the year, supported by a strong pipeline, partly driven by increased AI spending.
- The gap is narrowing between consumption and commits.** We believe Snowflake is making good progress closing the gap between customer commitments and consumption, which we attribute in large part to the company's AI offerings, particularly Cortex AI and Snowpark.
- Competitive update.** A Snowflake preview inevitably involves addressing its ongoing rivalry with archrival Databricks—a competition defined by strategic moves and countermoves as both vendors vie for dominance in data platforms for analytics and AI/ML. Competitively, we continue to receive positive feedback that Snowflake has stabilized its position against Databricks, a shift our sources attribute to Snowflake's relatively new AI offerings (i.e., Cortex and SnowPark) and a more aggressive go-to-market strategy. However, our sources also indicate that Microsoft is rapidly gaining momentum in the market with its Fabric platform. As evidence, one source noted that Fabric now constitutes a significant portion of their deal pipeline, whereas twelve months ago, Microsoft represented only a small fraction of their business. Additionally, we are hearing that Palantir (PLTR: Buy) is increasingly mentioned in customer conversations, rising from essentially zero mentions nine months ago.

Valuation

SNOW currently trades roughly 9x EV/Revenue on FY28 (C2027) revenue estimates, which is a modest discount to its rapidly growing software peers at ~10x. Our \$245 price target is 11.5x EV/Revenue on our FY28 (C2027) revenue estimate, consistent with where the stock has traded in the past. We believe SNOW deserves a premium multiple due to its exposure to one of the largest and fastest-growing TAMs in enterprise software and its leverage to favorable secular trends in the enterprise AI data management market.

Risks to Our Analysis

Primary risks include greater variability and seasonality in its results; the need to scale the partner ecosystem quickly; potential long-term gross margin pressure; intense competition; and potentially costly international expansion. Additional risks include 1) a downturn in the macro-economy, particularly current cloud cost optimization efforts impacting growth; 2) a change in strategy to aggressively pursue larger acquisitions, resulting in above-average integration risk; 3) pricing pressure and bundling effects from larger competitors such as Amazon Redshift and Google Cloud Platform; 4) inconsistent sales execution; 5) a change in the current go-to-market and sales strategies; 6) pushing out long-term margin targets; and 7) service disruptions.

Public Companies Mentioned in this Report

Snowflake Inc. (SNOW:\$193-BUY)

Palantir Technologies, Inc. (PLTR:\$158-BUY)

Snowflake, Inc. (SNOW) - Income Statement

| (\$ in millions, except per share data) | FY22 | FY23 | FY24 | Apr-24 | Jul-24 | Oct-24 | Jan-25 | FY25 | Apr-25 | Jul-25E | Oct-25E | Jan-26E | FY26E | Apr-26E | Jul-26E | Oct-26E | Jan-27E | FY27E | FY28E |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| Revenue | | | | | | | | | | | | | | | | | | | |
| Product Revenue | 1,140.5 | 1,938.8 | 2,666.8 | 789.6 | 829.3 | 900.2 | 943.3 | 3,462.3 | 996.8 | 1,042.0 | 1,120.7 | 1,174.4 | 4,334.0 | 1,226.1 | 1,286.9 | 1,395.3 | 1,468.0 | 5,376.3 | 6,565.2 |
| Professional Service & Other Revenue | 78.9 | 126.9 | 139.6 | 39.1 | 39.6 | 41.8 | 43.5 | 164.0 | 45.3 | 45.0 | 46.8 | 48.7 | 185.8 | 50.7 | 50.4 | 52.4 | 54.5 | 208.1 | 233.0 |
| Total Revenue | 1,219.3 | 2,065.7 | 2,806.5 | 828.7 | 868.8 | 942.0 | 986.8 | 3,626.3 | 1,042.1 | 1,087.0 | 1,167.6 | 1,223.1 | 4,519.7 | 1,276.8 | 1,337.3 | 1,447.8 | 1,522.5 | 5,584.4 | 6,798.2 |
| Cost of Revenue | | | | | | | | | | | | | | | | | | | |
| Cost of Product Revenue | 295.8 | 481.4 | 590.9 | 182.3 | 195.5 | 213.4 | 228.0 | 819.1 | 242.7 | 252.2 | 274.6 | 290.1 | 1,059.5 | 294.3 | 305.0 | 330.7 | 345.0 | 1,274.9 | 1,530.9 |
| Cost of Professional Service & Other Rev | 68.1 | 117.7 | 132.7 | 37.3 | 37.1 | 41.5 | 42.6 | 158.6 | 47.3 | 42.8 | 45.0 | 47.2 | 182.2 | 48.2 | 46.9 | 48.8 | 50.7 | 194.5 | 217.9 |
| Total Cost of Revenue | 295.8 | 599.1 | 723.6 | 219.6 | 232.6 | 254.9 | 270.6 | 977.7 | 290.0 | 294.9 | 319.5 | 337.3 | 1,241.7 | 342.4 | 351.9 | 379.5 | 395.7 | 1,469.4 | 1,748.8 |
| Operating Expenses | | | | | | | | | | | | | | | | | | | |
| Research and Development | 215.0 | 367.9 | 612.1 | 203.2 | 224.2 | 224.8 | 230.8 | 883.0 | 238.8 | 244.8 | 250.8 | 255.8 | 990.3 | 275.8 | 282.8 | 289.8 | 296.8 | 1,145.3 | 1,329.3 |
| Sales & Marketing | 528.2 | 823.2 | 1,041.5 | 312.6 | 309.1 | 340.6 | 328.9 | 1,291.2 | 357.9 | 387.0 | 425.0 | 446.4 | 1,616.3 | 469.9 | 488.1 | 514.0 | 510.1 | 1,982.0 | 2,427.8 |
| General & Administrative | 143.3 | 180.2 | 199.6 | 57.1 | 59.1 | 62.9 | 63.6 | 242.8 | 63.8 | 68.5 | 75.9 | 78.3 | 286.4 | 84.3 | 86.9 | 92.7 | 95.9 | 359.8 | 424.1 |
| Total Operating Expenses | 886.5 | 1,371.3 | 1,853.2 | 572.9 | 592.5 | 628.3 | 623.4 | 2,417.0 | 660.5 | 700.3 | 751.7 | 780.5 | 2,893.0 | 829.9 | 857.8 | 896.4 | 902.8 | 3,487.0 | 4,181.2 |
| Operating Income | | | | | | | | | | | | | | | | | | | |
| Operating Margin (GAAP) | (31.2) | 95.3 | 229.7 | 36.2 | 43.7 | 58.8 | 92.8 | 231.6 | 91.7 | 91.8 | 96.3 | 105.3 | 385.1 | 104.4 | 127.6 | 171.9 | 224.1 | 627.9 | 868.3 |
| -2.6% | 4.6% | 8.2% | 4.4% | 5.0% | 6.2% | 9.4% | 6.4% | 8.8% | 8.4% | 8.3% | 8.6% | 8.5% | 8.2% | 9.5% | 11.9% | 14.7% | 11.2% | 12.8% | |
| Earnings, GAAP | | | | | | | | | | | | | | | | | | | |
| Interest Income (Expense) | 38.1 | 26.3 | 245.6 | 33.5 | 41.3 | 39.5 | 56.6 | 170.9 | 23.0 | 53.2 | 53.2 | 53.2 | 182.5 | 53.2 | 53.2 | 53.2 | 53.2 | 212.7 | 212.7 |
| Stock Compensation | 675.4 | 889.0 | 1,229.5 | 360.4 | 373.3 | 381.4 | 449.1 | 1,564.3 | 408.7 | 477.3 | 649.2 | 678.0 | 2,213.3 | 565.3 | 492.3 | 782.5 | 821.0 | 2,661.1 | 2,773.5 |
| Pretax Income | (677.0) | (816.0) | (848.7) | (315.1) | (314.0) | (326.0) | (330.1) | (1,285.2) | (424.2) | (356.4) | (523.8) | (543.7) | (1,848.1) | (431.8) | (335.7) | (581.5) | (567.8) | (1,916.9) | (1,788.9) |
| Tax Expense (\$) | 3.0 | (18.5) | (11.2) | 2.7 | 3.8 | 1.9 | (4.3) | 4.1 | 5.7 | 0.5 | 0.5 | 0.5 | 7.2 | 0.5 | 0.5 | 0.5 | 0.5 | 2.0 | 2.0 |
| Effective Tax Rate (%) | -0.4% | 2.3% | 1.3% | -0.9% | -1.2% | -0.6% | 1.3% | -0.3% | -1.4% | -0.1% | -0.1% | -0.1% | -0.4% | -0.1% | -0.1% | -0.1% | -0.1% | -0.1% | -0.1% |
| Net Income, GAAP | (679.9) | (796.7) | (835.5) | (317.0) | (316.9) | (324.4) | (327.5) | (1,285.7) | (430.0) | (356.9) | (524.3) | (544.2) | (1,855.4) | (432.3) | (336.2) | (582.0) | (568.3) | (1,918.9) | (1,790.9) |
| EPS, GAAP | (\$2.28) | (\$2.50) | (\$2.55) | (\$0.95) | (\$0.95) | (\$0.98) | (\$0.99) | (\$3.87) | (\$1.29) | (\$1.07) | (\$1.56) | (\$1.61) | (\$5.53) | (\$1.27) | (\$0.98) | (\$1.69) | (\$5.58) | (\$5.09) | |
| Earnings, Non-GAAP | | | | | | | | | | | | | | | | | | | |
| Interest Income (Expense) | 38.1 | 26.3 | 245.6 | 33.5 | 41.3 | 39.5 | 56.6 | 170.9 | 23.0 | 53.2 | 53.2 | 53.2 | 182.5 | 53.2 | 53.2 | 53.2 | 53.2 | 212.7 | 212.7 |
| Pretax Income | 3.9 | 140.2 | 487.8 | 67.7 | 82.0 | 97.0 | 155.9 | 402.6 | 109.7 | 144.5 | 149.0 | 157.9 | 561.1 | 157.1 | 180.2 | 224.5 | 276.7 | 838.6 | 1,078.9 |
| Tax Expense (\$) | 2.0 | 52.3 | 134.8 | 15.6 | 18.2 | 23.8 | 43.7 | 101.3 | 30.7 | 40.5 | 41.7 | 44.2 | 157.1 | 44.0 | 50.5 | 62.9 | 77.5 | 234.8 | 302.1 |
| Effective Tax Rate (%) | 49.9% | 37.3% | 27.6% | 23.0% | 22.2% | 24.6% | 28.1% | 25.2% | 28.0% | 28.0% | 28.0% | 28.0% | 28.0% | 28.0% | 28.0% | 28.0% | 28.0% | 28.0% | 28.0% |
| Net Income, Non-GAAP | 2.0 | 87.9 | 353.0 | 52.2 | 63.9 | 73.1 | 112.1 | 301.3 | 79.0 | 104.0 | 107.3 | 113.7 | 404.0 | 113.1 | 129.8 | 161.7 | 199.2 | 603.8 | 776.8 |
| EPS, Non-GAAP | (\$0.02) | \$0.27 | \$0.97 | \$0.14 | \$0.20 | \$0.30 | \$0.82 | \$0.21 | \$0.28 | \$0.29 | \$0.30 | \$1.08 | \$0.30 | \$0.34 | \$0.43 | \$0.52 | \$1.59 | \$2.02 | |
| Diluted Shares Outstanding | 326.4 | 348.0 | 361.9 | 363.3 | 359.3 | 362.2 | 370.7 | 363.9 | 370.9 | 372.4 | 373.9 | 375.4 | 373.2 | 376.9 | 378.4 | 379.9 | 381.4 | 379.2 | 385.2 |
| Year-Over-Year Growth (%) | | | | | | | | | | | | | | | | | | | |
| Product Revenue | 105.9% | 70.0% | 37.6% | 33.8% | 29.5% | 28.9% | 27.8% | 29.8% | 26.2% | 25.7% | 24.5% | 24.5% | 25.2% | 23.0% | 23.5% | 24.5% | 25.0% | 24.1% | 22.1% |
| Professional Service & Other Revenue | 106.1% | 60.9% | 10.1% | 16.7% | 17.0% | 17.1% | 18.7% | 17.4% | 15.7% | 13.7% | 12.0% | 12.0% | 13.3% | 12.0% | 12.0% | 12.0% | 12.0% | 12.0% | 12.0% |
| Total Revenue | 106.0% | 69.4% | 35.9% | 32.9% | 28.9% | 28.3% | 27.4% | 29.2% | 25.7% | 25.1% | 23.9% | 23.9% | 24.6% | 22.5% | 23.0% | 24.0% | 24.5% | 23.6% | 21.7% |
| Operating Income | 86.1% | 405.6% | 141.1% | 11.2% | 19.3% | -18.3% | 30.8% | 0.8% | 152.9% | 109.9% | 63.8% | 13.4% | 66.2% | 13.9% | 38.9% | 78.4% | 112.9% | 63.1% | 38.3% |
| Margin Analysis (%) | | | | | | | | | | | | | | | | | | | |
| Product Gross Margin | 74.1% | 75.2% | 77.8% | 76.9% | 76.4% | 76.3% | 75.8% | 76.3% | 75.7% | 75.8% | 75.5% | 75.3% | 75.6% | 76.0% | 76.3% | 76.3% | 76.3% | 76.7% | |
| Total Gross Margin | 70.1% | 71.0% | 74.2% | 73.5% | 73.2% | 72.9% | 72.6% | 73.0% | 72.2% | 72.9% | 72.6% | 72.4% | 72.5% | 73.2% | 73.7% | 73.8% | 74.0% | 73.7% | 74.3% |
| Non-GAAP Operating Margin | -2.6% | 4.6% | 8.2% | 4.4% | 5.0% | 6.2% | 9.4% | 6.4% | 8.8% | 8.4% | 8.3% | 8.6% | 8.5% | 8.2% | 9.5% | 11.9% | 14.7% | 11.2% | 12.8% |
| FCF Margin | 12.1% | 25.2% | | | | | | | | | | | | | | | | | |
| Percentage of Total Revenue | | | | | | | | | | | | | | | | | | | |
| Research and Development | 17.6% | 17.8% | 21.8% | 24.5% | 25.8% | 23.9% | 23.4% | 24.3% | 22.9% | 22.5% | 21.5% | 20.9% | 21.9% | 21.6% | 21.1% | 20.0% | 19.5% | 20.5% | 19.6% |
| Sales & Marketing | 43.3% | 39.9% | 37.1% | 37.7% | 35.6% | 36.2% | 33.3% | 35.6% | 34.3% | 35.6% | 36.4% | 36.5% | 35.8% | 36.8% | 36.5% | 35.5% | 33.5% | 35.5% | 35.7% |
| General & Administrative | 11.8% | 8.7% | 7.1% | 6.9% | 6.8% | 6.7% | 6.4% | 6.7% | 6.1% | 6.3% | 6.5% | 6.4% | 6.3% | 6.6% | 6.5% | 6.4% | 6.3% | 6.4% | 6.2% |
| Supplemental Information | | | | | | | | | | | | | | | | | | | |
| RPO | \$2,647 | \$3,661 | \$5,200 | \$5,000 | \$5,200 | \$5,700 | \$6,867 | \$6,867 | \$6,687 | \$6,968 | \$7,410 | \$8,927 | \$8,927 | \$8,827 | \$9,163 | \$9,633 | \$11,605 | \$11,605 | \$14,739 |
| y/y growth | 99% | 38% | 42% | 47% | 49% | 54% | 32% | 32% | 34% | 34% | 30% | 30% | 30% | 32% | 32% | 30% | 30% | 27% | |
| Calculated Billings | \$786 | \$1,067 | \$3,335 | \$566 | \$779 | \$1,068 | \$1,595 | \$4,009 | \$770 | | | | | | | | | | |
| NRR | 101% | 36% | 29% | 10% | 23% | 31% | 16% | 20% | 36% | | | | | | | | | | |
| Total Customers | 5,944 | 7,828 | 9,390 | 9,773 | 10,214 | 10,618 | 11,159 | 11,159 | 11,578 | - | - | - | - | - | - | - | - | - | |
| y/y growth | 44% | 32% | 20% | 20% | 19% | 19% | 19% | 19% | 18% | - | - | - | - | - | - | - | - | - | |
| Large Customers (>1M in TTM Revenue) | 184 | 330 | 455 | 481 | 508 | 541 | 580 | 580 | 606 | - | - | - | - | - | - | - | - | - | |
| y/y growth | 139% | 79% | 38% | 29% | 26% | 25% | 27% | 27% | 26% | - | - | - | - | - | - | - | - | - | |
| Global 2000 Customers | 483 | 573 | 590 | 720 | 727 | 742 | 745 | 745 | 754 | - | - | - | - | - | - | - | - | - | |
| y/y growth | 20% | 19% | 24% | 22% | 14% | 15% | 5% | 5% | 5% | - | - | - | - | - | - | - | - | - | |

Source: Company reports, Loop Capital Markets estimates

Snowflake, Inc. (SNOW) - Balance Sheet

| (\$ in millions, except per share data) | Jan-21 | Jan-22 | Jan-23 | Jan-24 | Jan-25 | Apr-25 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Assets | | | | | | |
| Cash and cash equivalents | \$820.2 | \$1,085.7 | \$939.9 | \$1,762.7 | \$2,628.8 | \$2,243.1 |
| Restricted Cash | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Short-term investments | 3,087.9 | 2,766.4 | 3,068.0 | 2,083.5 | 2,008.9 | 1,667.6 |
| Accounts receivable | 294.0 | 545.6 | 715.8 | 926.9 | 922.8 | 530.5 |
| Deferred commissions, current | 32.4 | 51.4 | 67.9 | 86.1 | 97.7 | 104.2 |
| Prepaid expenses and other current assets | 66.2 | 149.5 | 193.1 | 180.0 | 211.2 | 240.6 |
| Total Current Assets | 4,300.7 | 4,598.6 | 4,984.7 | 5,039.3 | 5,869.4 | 4,786.0 |
| Long-term investments | 1,165.3 | 1,256.2 | 1,073.0 | 916.3 | 656.5 | 956.1 |
| Property & equipment, net | 69.0 | 105.1 | 160.8 | 247.5 | 296.4 | 290.3 |
| Operating lease right-of-use assets | 0.2 | 190.4 | 231.3 | 252.1 | 359.4 | 262.0 |
| Goodwill | 8.4 | 8.4 | 657.4 | 975.9 | 1,056.6 | 1,056.6 |
| Intangible assets, net | 16.1 | 37.1 | 186.0 | 331.4 | 278.0 | 253.9 |
| Deferred commissions, non-current | 86.2 | 124.5 | 145.3 | 187.1 | 184.0 | 182.8 |
| Other assets | 89.3 | 329.3 | 283.9 | 273.8 | 333.7 | 369.7 |
| Total Assets | \$5,921.7 | \$6,158.7 | \$7,722.3 | \$8,223.4 | \$9,033.9 | \$8,157.4 |
| Liabilities & Equity | | | | | | |
| Accounts payable | 5.6 | 13.4 | 23.7 | 51.7 | 169.8 | 155.3 |
| Accrued expenses and other current liabilities | 125.3 | 200.7 | 269.1 | 446.9 | 515.5 | 528.4 |
| Operating lease liabilities, current | 19.7 | 25.1 | 27.3 | 33.9 | 35.9 | 37.1 |
| Deferred revenue, current | 638.7 | 1,157.9 | 1,673.5 | 2,198.7 | 2,580.0 | 2,309.8 |
| Other current liabilities | - | - | - | - | - | - |
| Total Current Liabilities | 789.3 | 1,397.1 | 1,993.5 | 2,731.2 | 3,301.2 | 3,030.5 |
| Convertible senior notes, net | | | | | | 2,271.5 |
| Operating lease liabilities, non-current | 184.9 | 181.2 | 224.4 | 254.0 | 377.8 | 377.1 |
| Deferred revenue, non-current | 4.2 | 11.2 | 11.5 | 14.4 | 15.5 | 13.7 |
| Other liabilities | 6.9 | 11.2 | 24.4 | 33.1 | 61.3 | 47.6 |
| Total Liabilities | 985.3 | 1,600.7 | 2,253.7 | 3,032.8 | 6,027.3 | 5,742.6 |
| Shareholders' Equity | 4,936.5 | 5,049.0 | 5,456.4 | 5,180.3 | 2,999.9 | 2,408.0 |
| Total Liabilities and Equity | \$5,921.7 | \$6,649.7 | \$7,722.3 | \$8,223.4 | \$9,033.9 | \$8,157.4 |
| Balance Sheet Metrics | | | | | | |
| Net Cash (\$m) | \$5,073.3 | \$5,108.3 | \$5,080.9 | \$3,846.2 | \$4,637.7 | \$3,910.7 |
| Net Cash per Basic Share | \$17.21 | \$13.74 | \$13.51 | \$9.81 | \$11.39 | \$9.43 |
| Working Capital | \$3,511.4 | \$3,201.6 | \$2,991.2 | \$2,308.0 | \$2,568.2 | \$1,755.4 |
| Current Ratio | 5.4x | 3.3x | 2.5x | 1.8x | 1.8x | 1.6x |
| Book Value per Basic Share | \$17.37 | \$14.08 | \$15.18 | \$14.28 | \$8.09 | \$6.49 |
| Cash Flow | | | | | | |
| Cash flow from operations (\$M) | \$19.6 | \$78.9 | \$217.3 | \$344.6 | \$432.7 | \$228.4 |
| y/y growth | -146% | 303% | 175% | 59% | 26% | -36% |
| Cap-ex (PP&E) | \$11.0 | \$4.0 | \$5.4 | \$13.1 | \$11.3 | \$45.0 |
| Capitalized software development costs | \$1.3 | \$4.2 | \$6.7 | \$7.0 | \$6.0 | \$0.0 |
| Non-GAAP FCF | \$7.3 | \$70.7 | \$205.3 | \$324.5 | \$415.4 | \$183.4 |
| Net cash paid on payroll tax items for employee stock | \$9.9 | \$31.4 | \$10.0 | (\$0.2) | \$7.6 | \$22.9 |
| Adjusted (non-GAAP) FCF | \$17.2 | \$102.1 | \$215.3 | \$324.3 | \$423.1 | \$206.3 |
| FCF margin | 9.0% | 26.6% | 36.6% | 41.9% | 42.9% | 19.8% |

Source: Company reports, Loop Capital Markets

Snowflake, Inc. - Valuation Comparison

| Rapidly Growing Software Vendors (+20% y/y growth) | | | | | | | | | | | | | | | | | | |
|--|-------------------------|------------------|------------------|----------------|----------------|----------------|------------------|------------------|------------------|-------------------------|-------------------------|-------------------------|--------------|--------------|--------------|--------------------------|--------------------------|--------------------------|
| Ticker | Company Name | Current Price | Market Cap (M) | EV/Sales 2025E | EV/Sales 2026E | EV/Sales 2027E | Rev Growth 24-25 | Rev Growth 25-26 | Rev Growth 26-27 | Operating Margins 2025E | Operating Margins 2026E | Operating Margins 2027E | EV/FCF 2025E | EV/FCF 2026E | EV/FCF 2027E | Price to Rev Growth 2025 | Price to Rev Growth 2026 | Price to Rev Growth 2027 |
| CFLT | CONFLUENT INC | \$ 17.44 | \$ 6,011 | 4.5x | 3.9x | 3.3x | 19.5% | 16.5% | 16.7% | 6% | 9% | 12% | 122.5x | 44.9x | 26.7x | 0.89x | 1.06x | 1.04x |
| NET | CLOUDFLARE INC | \$ 195.62 | \$ 68,168 | 31.9x | 25.3x | 19.8x | 26.8% | 26.4% | 27.6% | 13% | 14% | 15% | 267.1x | 189.4x | 139.1x | 7.31x | 7.42x | 7.08x |
| CRWD | CROWDSTRIKE HOLDINGS IN | \$ 417.70 | \$ 104,111 | 21.0x | 17.2x | 13.9x | 21.0% | 21.8% | 23.5% | 21% | 24% | 27% | 85.4x | 56.2x | 43.3x | 19.90x | 19.16x | 17.79x |
| CYBR | CYBERARK SOFTWARE LTD | \$ 433.94 | \$ 21,874 | 16.2x | 13.6x | 11.4x | 32.8% | 19.3% | 19.1% | 17% | 19% | 21% | 84.5x | 55.7x | 41.7x | 13.23x | 22.47x | 22.67x |
| DDOG | DATADOG INC | \$ 128.23 | \$ 44,720 | 12.6x | 10.6x | 8.7x | 23.9% | 19.5% | 21.2% | 21% | 22% | 24% | 50.1x | 40.5x | 31.1x | 5.36x | 6.59x | 6.06x |
| ESTC | ELASTIC NV | \$ 77.62 | \$ 8,192 | 4.4x | 3.9x | 3.5x | 12.2% | 12.9% | 13.4% | 16% | 17% | 18% | 23.3x | 19.2x | 17.2x | 6.34x | 6.04x | 5.80x |
| GTLB | GITLAB INC | \$ 44.09 | \$ 7,284 | 6.6x | 5.4x | 4.5x | 23.9% | 21.2% | 20.5% | 13% | 14% | 16% | 32.5x | 26.5x | 28.2x | 1.85x | 2.08x | 2.15x |
| HUBS | HUBSPOT INC | \$ 444.61 | \$ 23,428 | 7.1x | 6.1x | 5.3x | 17.5% | 16.1% | 16.4% | 18% | 20% | 21% | 38.0x | 31.4x | 25.9x | 25.44x | 27.54x | 27.08x |
| KVYO | KLAVIYO INC | \$ 31.49 | \$ 9,447 | 7.1x | 5.9x | 4.9x | 28.2% | 21.4% | 19.4% | 12% | 13% | 15% | 50.2x | 38.7x | 29.2x | 1.12x | 1.47x | 1.62x |
| MDB | MONGODB INC | \$ 218.37 | \$ 17,844 | 6.8x | 5.8x | 4.9x | 14.0% | 15.9% | 18.5% | 12% | 13% | 15% | 79.4x | 57.6x | 42.5x | 15.63x | 13.70x | 11.77x |
| MNDY | MONDAY COM LTD | \$ 176.83 | \$ 8,978 | 6.0x | 4.9x | 4.1x | 26.3% | 22.4% | 21.5% | 13% | 14% | 17% | 22.8x | 18.3x | 14.6x | 6.72x | 7.90x | 8.24x |
| OS | ONESTREAM INC | \$ 20.04 | \$ 4,867 | 7.2x | 6.0x | 5.0x | 20.1% | 19.6% | 20.0% | 2% | 6% | 14% | 54.7x | 36.1x | 26.4x | 1.00x | 1.02x | 1.00x |
| PLTR | PALANTIR TECHNOLOG INC | \$ 158.55 | \$ 376,135 | 89.4x | 66.2x | 49.0x | 44.6% | 35.1% | 35.1% | 46% | 46% | 46% | 191.6x | 147.5x | 121.3x | 3.56x | 4.52x | 4.52x |
| RBRK | RUBRIK INC | \$ 83.28 | \$ 16,116 | 13.2x | 10.6x | 8.3x | 33.7% | 25.3% | 27.1% | -12% | -4% | 4% | 217.5x | 92.4x | 44.6x | 2.47x | 3.29x | 3.08x |
| RDDT | REDDIT INC | \$ 227.05 | \$ 42,493 | 19.7x | 14.8x | 11.7x | 57.9% | 32.8% | 26.7% | 36% | 39% | 41% | 61.8x | 44.5x | 32.5x | 3.92x | 6.92x | 8.51x |
| IOT | SAMSARA INC | \$ 33.15 | \$ 18,871 | 11.7x | 9.6x | 8.0x | 24.4% | 21.8% | 20.9% | 13% | 14% | 16% | 116.6x | 80.0x | 59.5x | 1.36x | 1.52x | 1.59x |
| S | SENTINELONE INC | \$ 17.03 | \$ 5,661 | 4.9x | 4.1x | 3.5x | 21.5% | 20.4% | 18.2% | 3% | 8% | 12% | 70.4x | 37.7x | 24.6x | 0.79x | 0.83x | 0.93x |
| NOW | SERVICENOW INC | \$ 884.57 | \$ 183,991 | 13.7x | 11.5x | 9.7x | 20.0% | 18.7% | 19.1% | 31% | 31% | 32% | 42.6x | 35.3x | 31.3x | 44.32x | 47.18x | 46.40x |
| SHOP | SHOPIFY INC | \$ 139.87 | \$ 181,869 | 15.7x | 12.7x | 10.5x | 26.8% | 22.8% | 21.9% | 17% | 18% | 20% | 86.0x | 66.0x | 49.4x | 5.22x | 6.12x | 6.38x |
| SOUN | SOUNDHOUND AI INC | \$ 13.38 | \$ 5,455 | 31.4x | 24.4x | 19.4x | 96.3% | 29.1% | 25.4% | NA | NA | NA | NA | NA | NA | 0.14x | 0.46x | 0.53x |
| TTD | TRADE DESK INC | \$ 52.33 | \$ 25,586 | 8.5x | 7.2x | 6.2x | 16.9% | 17.0% | 16.6% | 35% | 36% | 37% | 31.2x | 24.8x | 22.1x | 3.10x | 3.09x | 3.15x |
| ZS | ZSCALER INC | \$ 274.39 | \$ 42,721 | 14.9x | 12.4x | 10.3x | 22.7% | 20.4% | 20.4% | 22% | 24% | 24% | 58.0x | 44.4x | 36.3x | 12.06x | 13.43x | 13.45x |
| Average | | | | 16.1x | 12.8x | 10.3x | 28.7% | 21.7% | 21.3% | 16.9% | 19.0% | 21.4% | 85.1x | 56.5x | 42.3x | 8.26x | 9.26x | 9.13x |
| SNOW | SNOWFLAKE INC | \$ 192.85 | \$ 64,346 | 13.9x | 11.3x | 9.1x | 25.0% | 23.2% | 24.0% | 8% | 11% | 14% | 56.4x | 43.2x | 32.7x | 7.72x | 8.30x | 8.04x |

Source: FactSet and Loop Capital Markets

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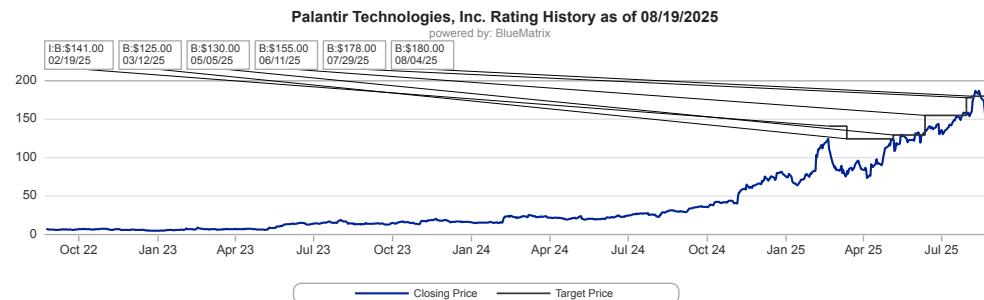
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Ratings Distribution for Loop Capital Markets as of August 18, 2025

| | Count | % of total | Count | IB Serv./Past 12 Mos. % of total |
|------|-------|------------|-------|-------------------------------------|
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| HOLD | 100 | 42.74% | 8 | 8.00% |
| SELL | 6 | 2.56% | 1 | 16.67% |

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