❄️ Snowflake Inc.

Annual Report - Fiscal Year 2024

Year Ended April 30, 2024

NASDAQ: SNOW

Letter to Shareholders

Dear Snowflake Shareholders,

Fiscal 2024 was a pivotal year in Snowflake's journey. We delivered **$2.3 billion** in revenue, representing 38% year-over-year growth, while making significant progress toward profitability with improved operating margins and strong free cash flow generation.

Our Data Cloud continues to expand with innovative capabilities in AI and machine learning. The preview launch of Cortex AI in Q4 FY2024 positions us to capture the massive opportunity in AI-powered data analytics.

We face increasing competition from open-source alternatives like Apache Iceberg-based platforms and price-performance challengers, but our integrated platform approach and enterprise-grade capabilities maintain our leadership position.

With over 9,400 customers and strong net revenue retention of 127%, we're well-positioned for continued growth in FY2025 and beyond.

Sridhar Ramaswamy
Chief Executive Officer

Financial Highlights

Revenue Growth - FY2024
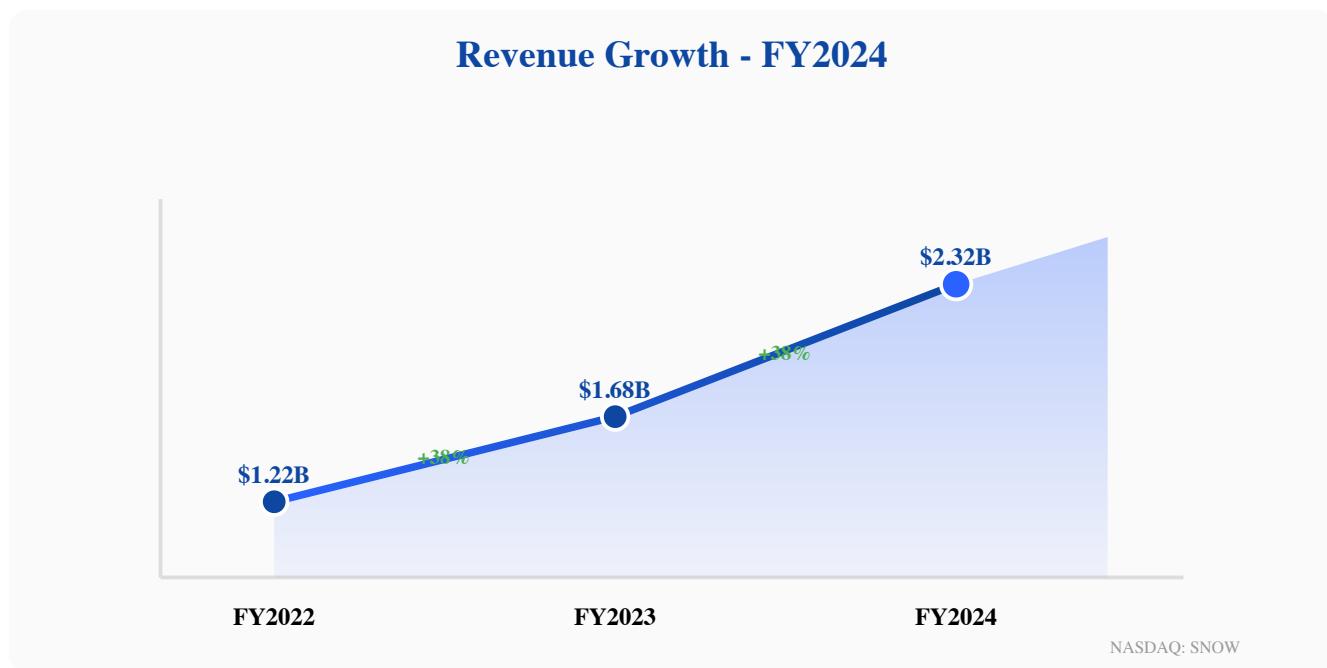
Figure 1: Three-year revenue growth trajectory through FY2024

Key Metrics - FY2024

REVENUE	CUSTOMERS	NRR	FCF
$2.32B	**9,437**	**127%**	**$568M**
+38%			

FY2024 Highlights:

333 customers >$1M ARR (+47%) • Cortex AI preview launched Q4

Approaching profitability • Competing with ICBG (open) and QRYQ (price)

Market leader defending position successfully
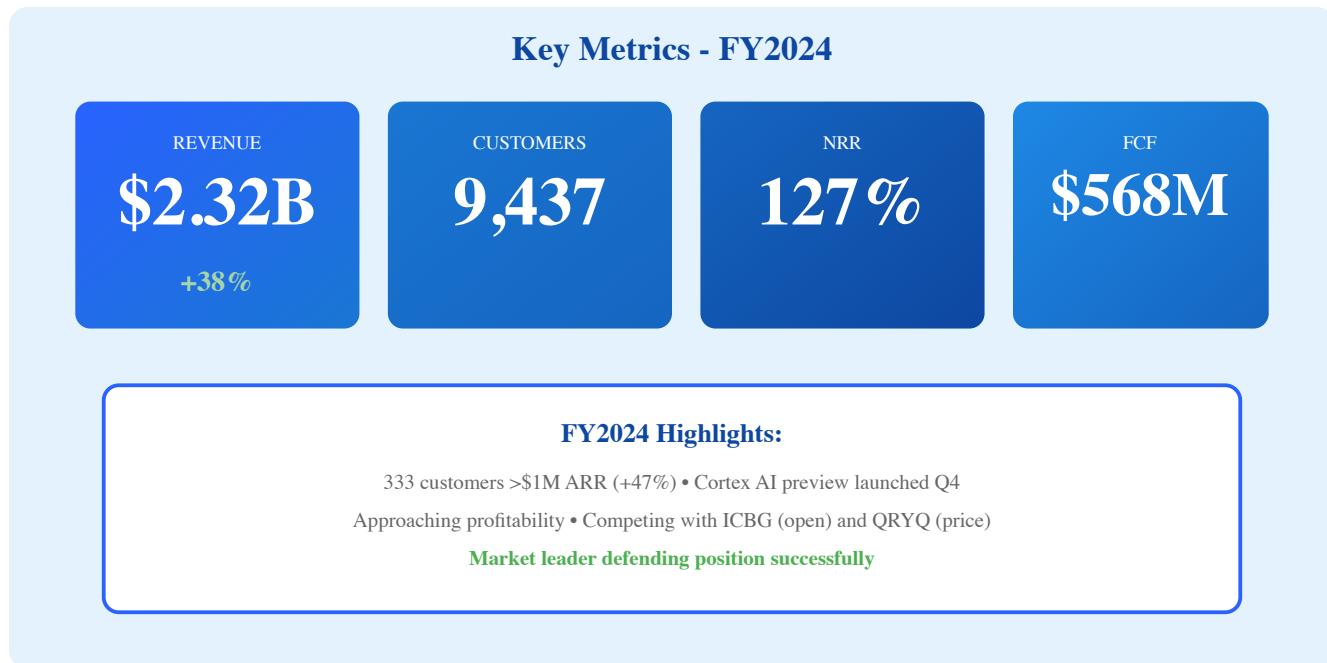
Figure 2: Key financial metrics dashboard for FY2024

Fiscal Year 2024 Performance

Metric	FY2024	FY2023	Change
Revenue	$2,316M	$1,679M	+38%
Product Revenue	$2,204M	$1,591M	+39%
Professional Services	$112M	$88M	+27%
Gross Profit	$1,529M	$1,056M	+45%
Operating Loss	($569M)	($845M)	Improved
Net Loss	($826M)	($1,024M)	Improved
Free Cash Flow	$568M	$496M	+15%

Key Metrics

- **Remaining Performance Obligations (RPO)**: $3.6 billion (+42% YoY)
- **Net Revenue Retention Rate**: 127%
- **Customers with >$1M Product Revenue**: 333 (+47% YoY)
- **Total Customers**: 9,437
- **Fortune 500 Customers**: 210

Business Overview

Platform Capabilities

- **Data Warehouse**: Core SQL analytics
- **Data Engineering**: Snowpark, Python/Java support
- **Data Lake**: External tables, data sharing
- **Data Science**: Snowpark ML, Python worksheets
- **Data Applications**: Streamlit in Snowflake (preview)
- **AI/ML**: Cortex AI functions (preview in Q4)

Emerging Competitive Threats

Open Lakehouse Movement: - Apache Iceberg gaining momentum - New startups (ICBG Data Systems) positioning on openness - Customer concerns about vendor lock-in

Price-Performance Challengers: - Aggressive new entrants (Querybase Technologies) - Claims of 2x better price-performance - Well-funded with venture capital

Our Strategy: Innovation (Cortex AI), openness (evaluating Iceberg support), and enterprise capabilities.

FY2024 Achievements

Product Milestones

Q1 FY2024: Snowpark Python GA, Python worksheets
Q2 FY2024: Streamlit in Snowflake (preview), Native Apps framework
Q3 FY2024: Data engineering enhancements, container services preview
Q4 FY2024: **Cortex AI preview** (LLM functions, document AI)

Customer Growth

- 9,437 total customers (up from 7,828)
- 333 customers >$1M (up from 246)
- Net revenue retention stable at 127%
- International: 28% of revenue

Risk Factors

- Intense competition from cloud providers and startups
- Open-source alternatives (Iceberg, Delta Lake)
- Customer concerns about lock-in
- Path to sustained profitability
- Macroeconomic conditions

Outlook

FY2025 Guidance

- **Product Revenue**: $2.9B - $3.0B (+32-36% YoY)
- **Operating Margin**: Target positive non-GAAP
- **Customers**: 10,000+ milestone

Contact Information

Snowflake Inc.

106 East Babcock Street, Suite 3A

Bozeman, MT 59715

IR: investors@snowflake.com
Stock: NASDAQ: SNOW