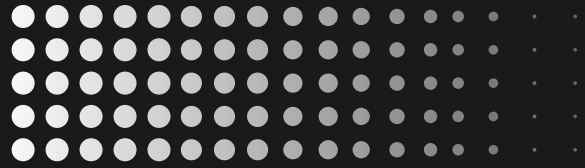




Business Update FY22-Q1

September 1, 2021

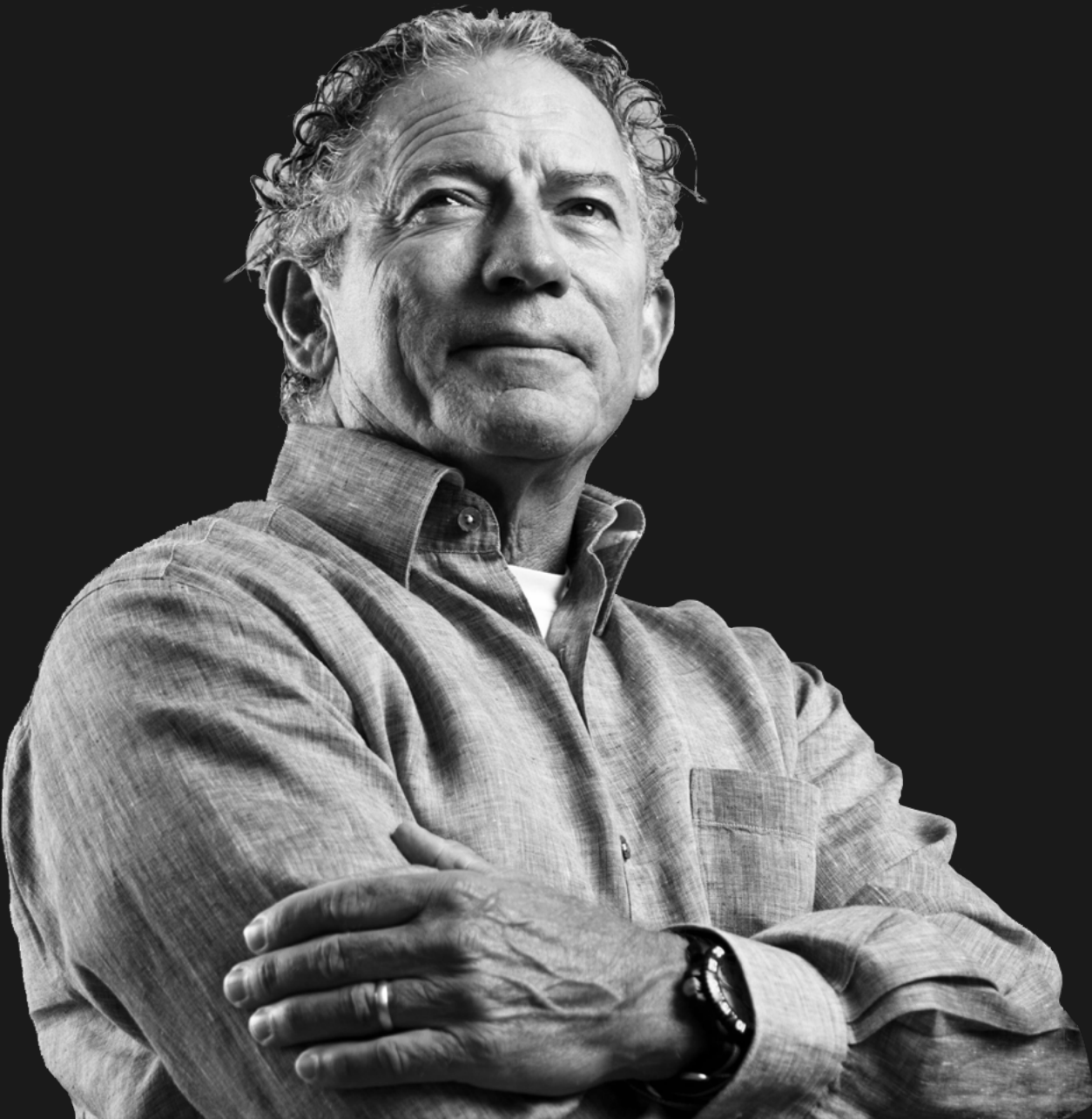


Disclaimer

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation other than statements of historical facts, including the business strategy, plans, and objectives for future operations of C3.ai, Inc. and its subsidiaries (“we,” “us,” or “our”), and our financial outlook, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “will” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks and uncertainties. Some of these risks are described in greater detail under the heading “Risk Factors” in the Quarterly Report on Form 10-Q that we have filed with the Securities and Exchange Commission (the “SEC”) for the quarter ended July 31, 2021, although new and unanticipated risks may arise. The future events and trends discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, achievements, or events and circumstances reflected in the forward-looking statements will occur. Except to the extent required by law, we do not undertake to update any of these forward-looking statements after the date of this presentation to conform these statements to actual results or revised expectations.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk.

In addition to the financials presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation includes non-GAAP financial information. We believe that non-GAAP financial information, when taken collectively with financial information presented in accordance with GAAP, may be helpful to investors because it provides consistency and comparability with past financial performance. There are a number of limitations related to the use of non-GAAP financial metrics versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP metrics differently or may use other metrics to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial metrics as tools for comparison. We urge you to review the non-GAAP financial information with the financial information presented in accordance with GAAP, and not to rely on any single financial measure to evaluate our business.








“

We began our fiscal year 2022 with strong results in the first quarter, including year-over-year increases of 29% in revenue and 31% in gross profit,” said CEO Thomas M. Siebel. “We significantly expanded our market-partner ecosystem in Q1, entering into a strategic alliance with Google Cloud to allow the entire Google Cloud global sales and service organization to co-sell and service the entire family of C3 AI applications.”

Thomas M. Siebel

Chairman and Chief Executive Officer
C3 AI

FY22-Q1 Summary Financial Results

	FY22-Q1	% Change Y/Y
Revenue	\$52.4 million	+29% 
Subscription Revenue	\$46.1 million	+29% 
Gross Profit	\$39.4 million	+31% 
Remaining Performance Obligations (“RPO”)	\$290.6 million	+6% 
Non-GAAP Remaining Performance Obligations (“RPO”)	\$357.3 million	+28% 
Customer Count	98	+85% 

Note: Non-GAAP RPO is a non-GAAP financial measure defined as our GAAP RPO plus associated cancellable contracted backlog. Refer to the Appendix for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP measure. Numbers are rounded for presentation purposes.

C3 AI Entered into a Global Strategic Partnership with Google Cloud

Google Cloud

C3.ai

C3 AI & Google Global Strategic Partnership

The comprehensive alliance includes coordinated software development as well as joint marketing, selling, and customer-success programs at global scale.

C3 AI and Google Cloud will:

- Regularly synchronize software engineering plans and activities to assure that the Google Cloud, Google Cloud Applications, and the C3 AI Suite and enterprise applications are fully optimized and tightly integrated.
- Engage in significant ongoing market development activities.
- Coordinate sales and service activities globally to assist small, medium, and large enterprise customers to accelerate the adoption and time-to-value of their enterprise cloud AI applications

The Google Cloud logo features the word "Google" in its signature multi-colored font, followed by the word "Cloud" in a dark grey sans-serif font.

The C3.ai logo consists of a stylized icon of three stacked horizontal bars of varying lengths, followed by the text "C3.ai" in a bold, dark grey sans-serif font.

Industry Solutions

Manufacturing

Solutions to improve reliability of assets and fleets with AI-powered predictive maintenance, improve revenue and product forecasting accuracy, and improve the sustainability of manufacturing facilities and operations through optimized energy management.

Supply Chain & Logistics

Solutions to help supply-chain reliant businesses understand risks in their supply networks, maximize resilience, and optimize inventory accordingly.

Financial Services

Solutions to assist financial services institutions in modernizing their cash management offerings, improve lending processes, and reduce customer churn.

Healthcare

Solutions to improve the availability of critical healthcare equipment via AI-powered asset readiness and preventative maintenance.

Telecommunications

Solutions to improve network resiliency and overall customer experience, while reducing costs and the carbon footprint of operations.

Google Cloud

C3.ai

C3 AI Expanded Its Enterprise AI Footprint With New AI Production Deployments and Projects

Baker
Hughes™



Cargill™



ENGIE

FIS

KOCH

lyondellbasell



MORSCO

Standard
Chartered

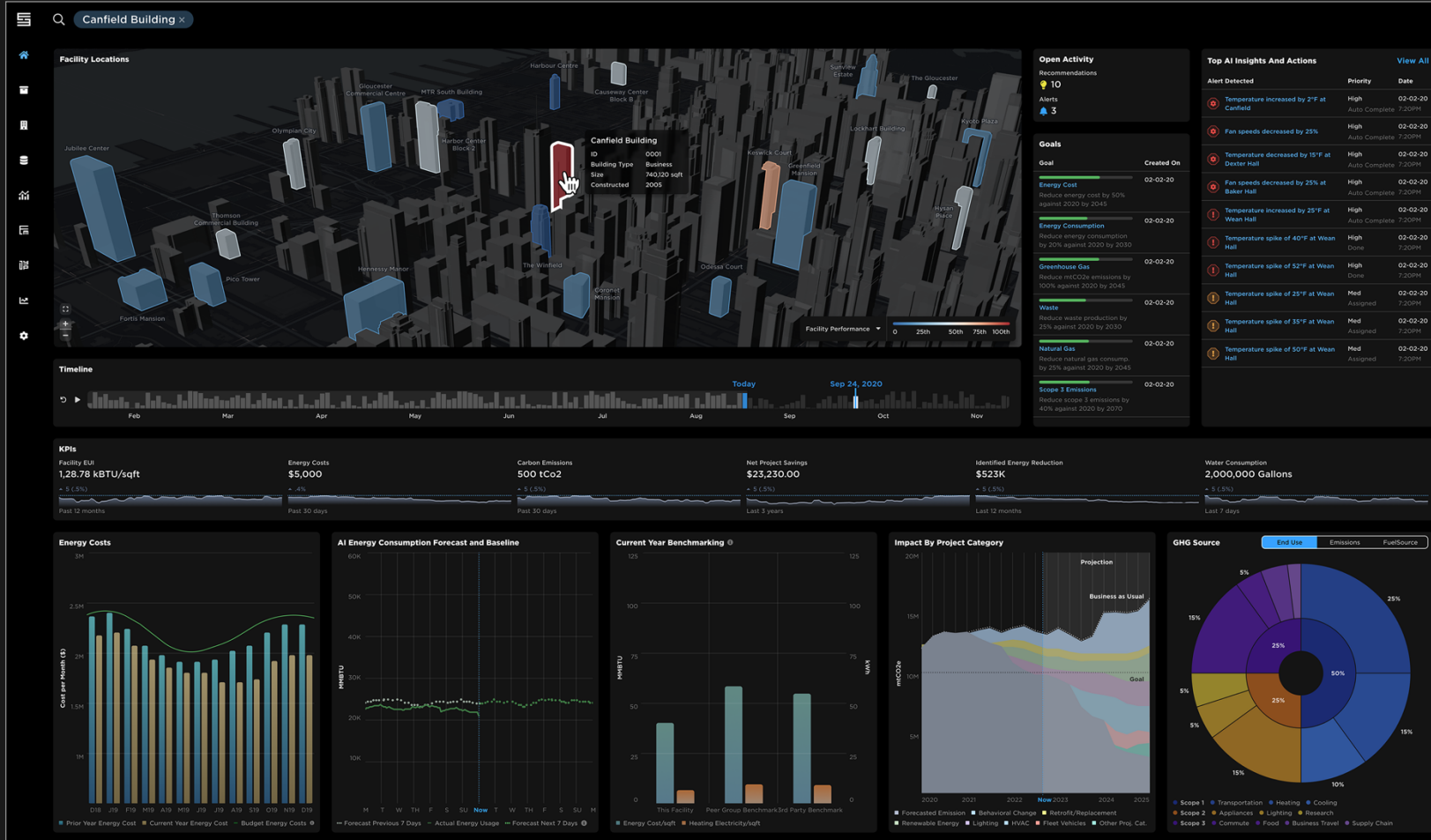


\$200M+

Deals closed to date



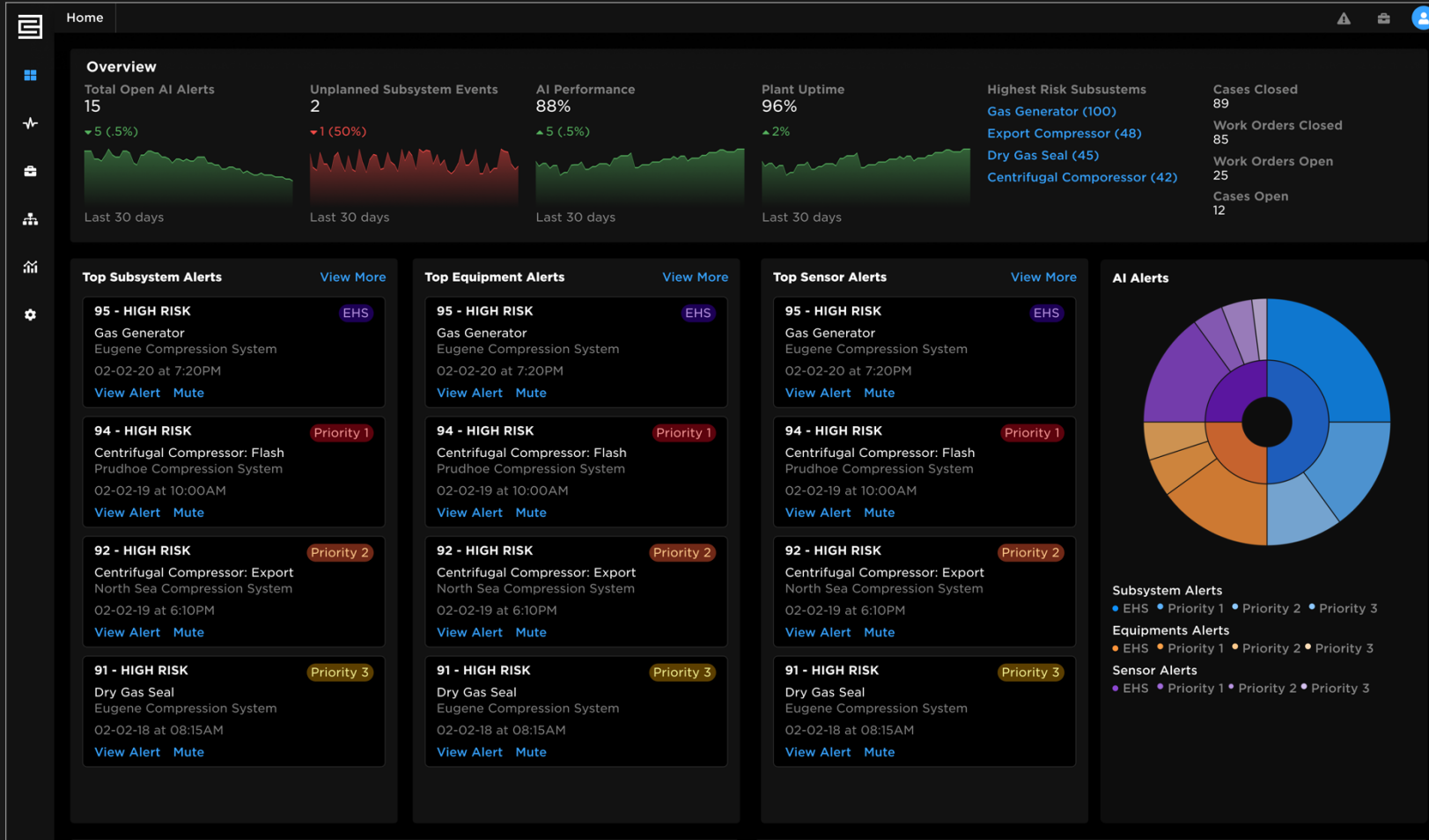
C3 AI Advanced Product Leadership In Enterprise AI



C3 AI Energy Management

Reimagined user experience

Manage energy consumption and costs



C3 AI Reliability

Detect equipment failure risks with advance warning

Sensor health monitoring

Time-to-event predictions

Configurable asset templates

The screenshot displays the C3 AI Ex Machina interface. At the top, it shows 'Project Detail' for 'Supplier Delay' with a 'Dark Theme' toggle and an 'Upgrade' button. The left sidebar contains navigation icons for Home, Projects, Templates, and Learn, along with a search bar and a list of nodes: Input Data, Transform, Prepare, Analyze, AI Train and Predict, and AutoML. The AutoML section lists models like Model Search Classifier, Random Forest Classification, Random Forest Regression, GLM Classification, and GLM Regression. The main canvas shows a workflow with nodes: 'Transform - Join' (Join), 'Transform - Random ...' (Split Test & Train), 'AI Train and Predict - ...' (AutoML Train), 'AI Train and Predict - ...' (AutoML Predict), and 'Visualize - Bar Chart' (Risk by Shipment Type). The workflow is connected by lines representing data flow.

C3 AI Ex Machina

A no-code AI and analytics platform that anyone can use

Simplified user experience

Intuitive formula builder

New data and project visualization capabilities

C3 AI Garnered Further Industry Recognition in Q1

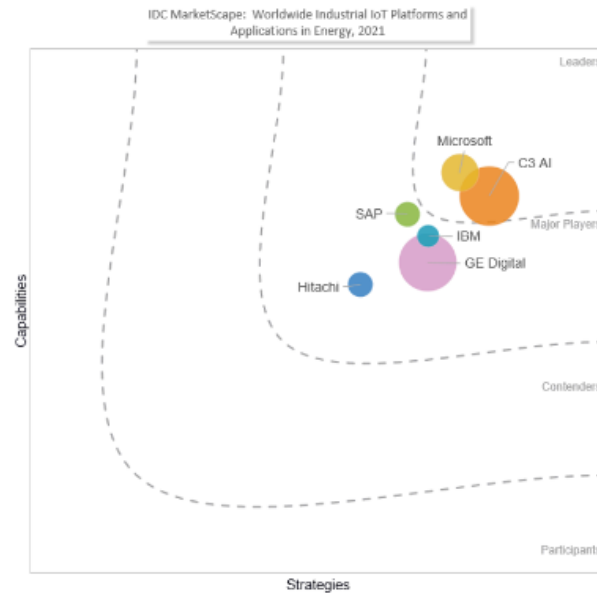
IDC MarketScape: Worldwide Industrial IoT Platforms and Applications in Energy 2021 Vendor Assessment

Stacy Crook Reid Paquin

IDC MARKETSCAPE FIGURE

FIGURE 1

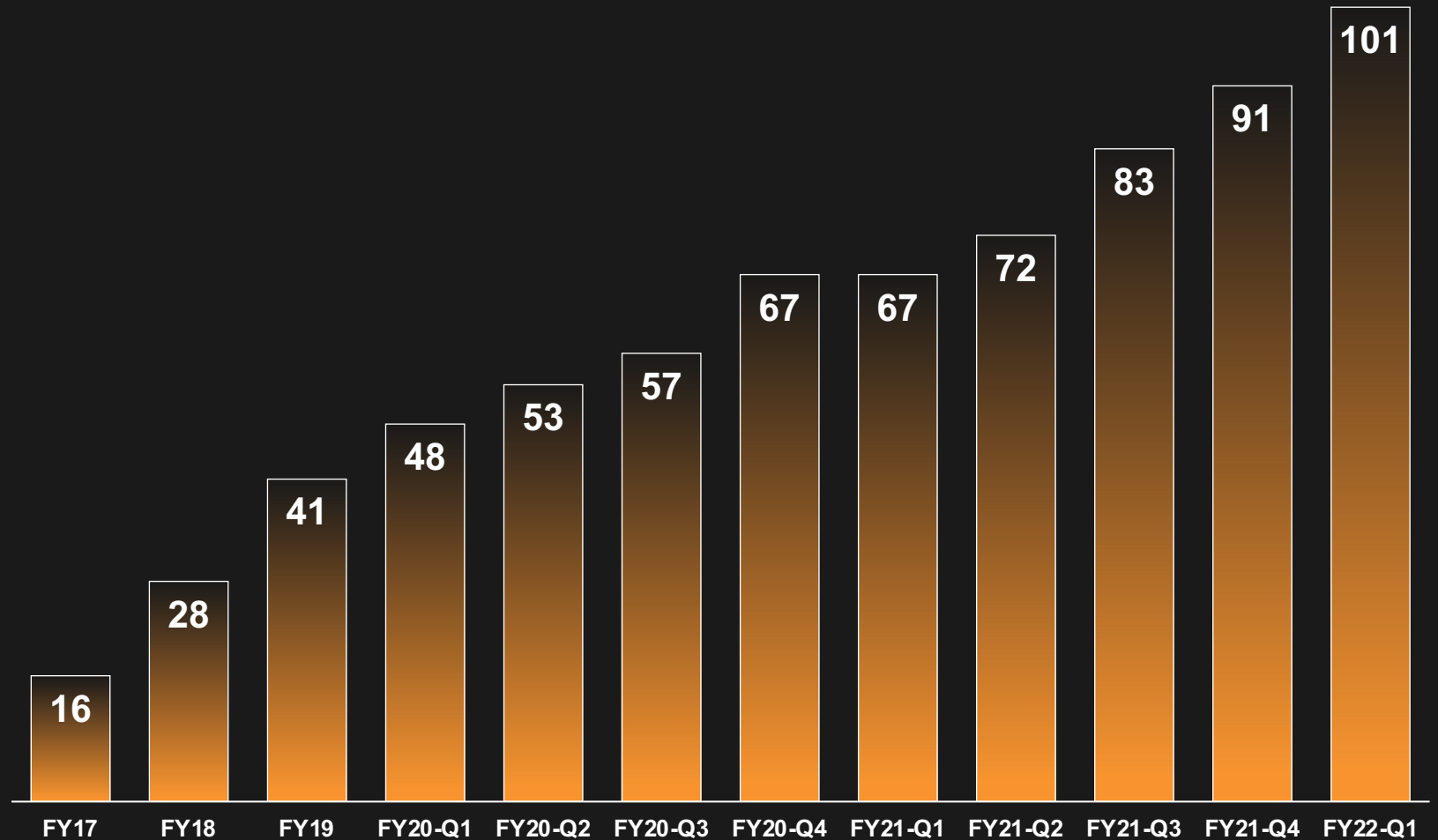
IDC MarketScape Worldwide Industrial IoT Platforms and Applications in Energy Vendor Assessment



June 2021, IDC #US47956121

The IDC MarketScape Positioned C3 AI in the Leaders Category for its Cohesive Platform for Data, Strong Industry Expertise, and Enterprise AI Capabilities

C3 AI Applications in Production Continue to Grow



Note: Fiscal year ends April 30. Numbers are rounded for presentation purposes.

The World's Largest Enterprise AI Production Footprint

849

Unique enterprise and
extraprise source data
integrations

**The World's Largest Enterprise AI
Production Footprint**

1.7 Billion
Predictions per day

The World's Largest Enterprise AI Production Footprint

24.4 Trillion

Data elements managed

The World's Largest Enterprise AI
Production Footprint

33.8 Billion

Machine learning features
evaluated daily



**C3 AI Continued to
Invest in its Public-
private Partnership
with the C3.ai Digital
Transformation Institute**

**C3.ai Digital
Transformation
Institute**



NCSA | National Center for Supercomputing Applications



Stanford University



C3.ai Digital Transformation Institute

**C3.ai Digital
Transformation
Institute**

Second Call for Proposals

AI for Energy and Climate Security

\$4.4 million granted in cash awards

Funding 21 research projects selected
from 52 submissions

2021 Funded Research Projects

 <p>AI for Natural Catastrophes: Tropical Cyclone Modeling and Enabling the Resilience Paradigm</p>	 <p>The Role of Interconnectivity and Strategic Behavior in Electric Power System Reliability</p>	 <p>Sharing Mobile Energy Storage: Platforms and Learning Algorithms</p>
 <p>Private Cyber-Secure Data-Driven Control of Distributed Energy Resources</p>	 <p>Optimization of Agricultural Management for Soil Carbon Sequestration Using Deep Reinforcement Learning and Large-Scale Simulations</p>	 <p>Learning in Routing Games for Sustainable Electromobility</p>
 <p>Machine Learning for Power Electronics-enabled Power Systems: A Unified ML Platform for Power Electronics, Power Systems, and Data Science</p>	 <p>Cyberattacks and Anomalies for Power Systems: Defense Mechanism and Grid Fortification via Machine Learning Techniques</p>	 <p>Reinforcement Learning for a Resilient Electric Power System</p>
 <p>Scalable Data-Driven Voltage Control of Ultra-Large-Scale Power Networks</p>	 <p>Offline Reinforcement Learning for Energy-Efficient Power Grids</p>	 <p>AI-Driven Materials Discovery Framework for Energy-Efficient and Sustainable Electrochemical Separations</p>
 <p>Multi-Scale Analysis for Improved Risk Assessment of Wildfires Facilitated by Data and Computation</p>	 <p>AI-Based Prediction of Urban Climate and Its Impact on Built Environments</p>	 <p>Affordable Gigaton-Scale Carbon Sequestration: Navigating Autonomous Seaweed Growth Platforms by Leveraging Complex Ocean Currents and Machine Learning</p>
 <p>Machine Learning to Reduce Uncertainty in the Effects of Fires on Climate</p>	 <p>A Learning-Based Influence Model Approach to Cascading Failure Prediction</p>	 <p>Data-Driven Control and Coordination of Smart Converters for Sustainable Power System Using Deep Reinforcement Learning</p>
 <p>Quantifying Carbon Credit over U.S. Midwestern Cropland Using AI-Based Data-Model Fusion</p>	 <p>A Joint ML+Physics-Driven Approach for Cyber-Attack Resilience in Grid Energy Management</p>	 <p>Interpretable Machine Learning Models to Improve Forecasting of Extreme-Weather-Causing Tropical Monster Storms</p>

C3 AI Further Enhanced the Company's Leadership



Sam Alkharrat

President and Chief Revenue Officer

Sam Alkharrat has served as our President and Chief Revenue Officer since June of 2021. Mr. Alkharrat leads the global expansion of C3 AI's sales and customer service organizations.

Before joining C3 AI, Mr. Alkharrat served as the Senior Vice President and Global Head of Sales for VMware's Tanzu portfolio of Modern Application Platforms, focused on bringing speed, stability, and security to multi-cloud software delivery. Prior to joining VMware, Mr. Alkharrat served in a number of senior executive positions at SAP including Global COO for SAP's Customer Experience line of business, with responsibility for SAP's CRM and Commerce solutions, SVP and Managing Director for North America West; and President, Middle East and North Africa.

C3 AI Continues to Attract Exceptional Talent

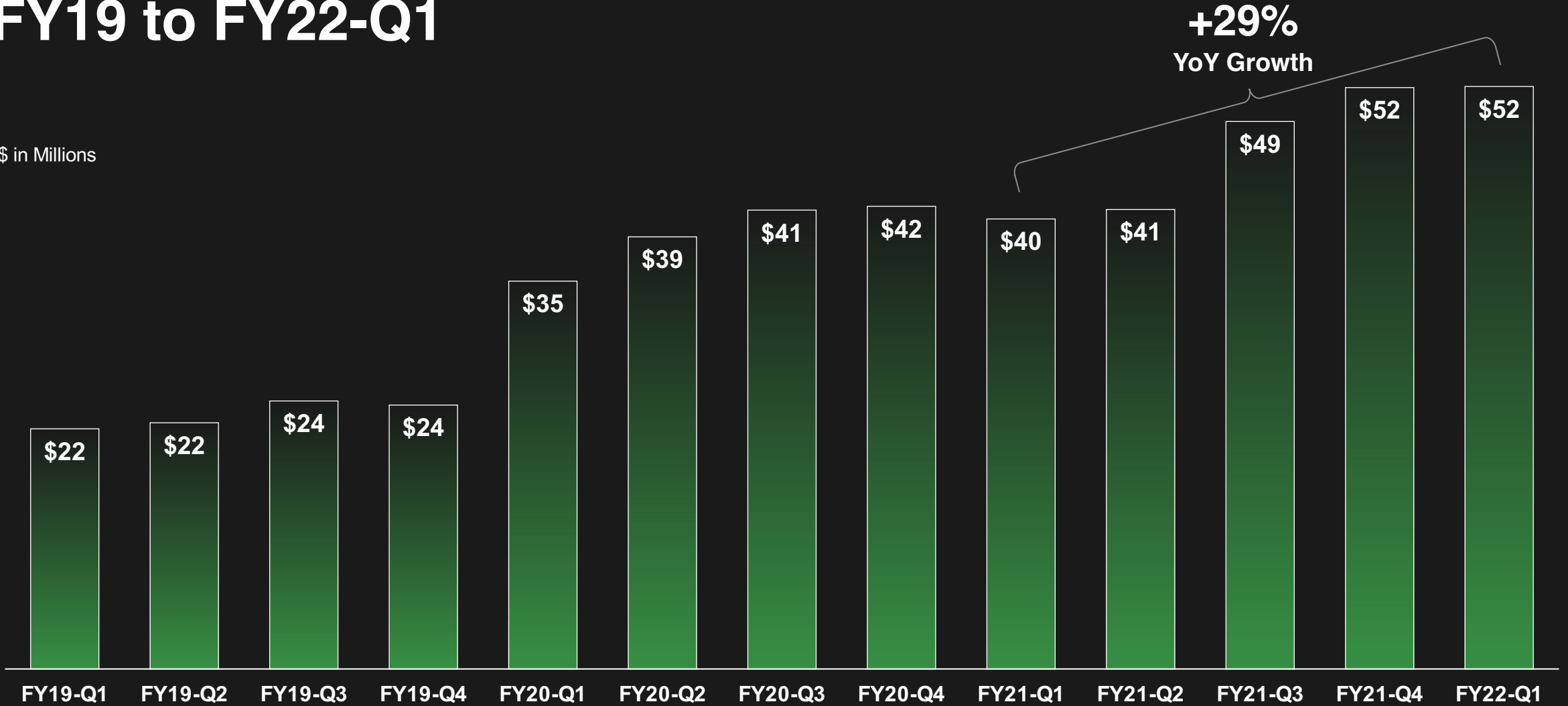
The company ended the quarter with 628 full-time employees



FY22-Q1 Financial Performance

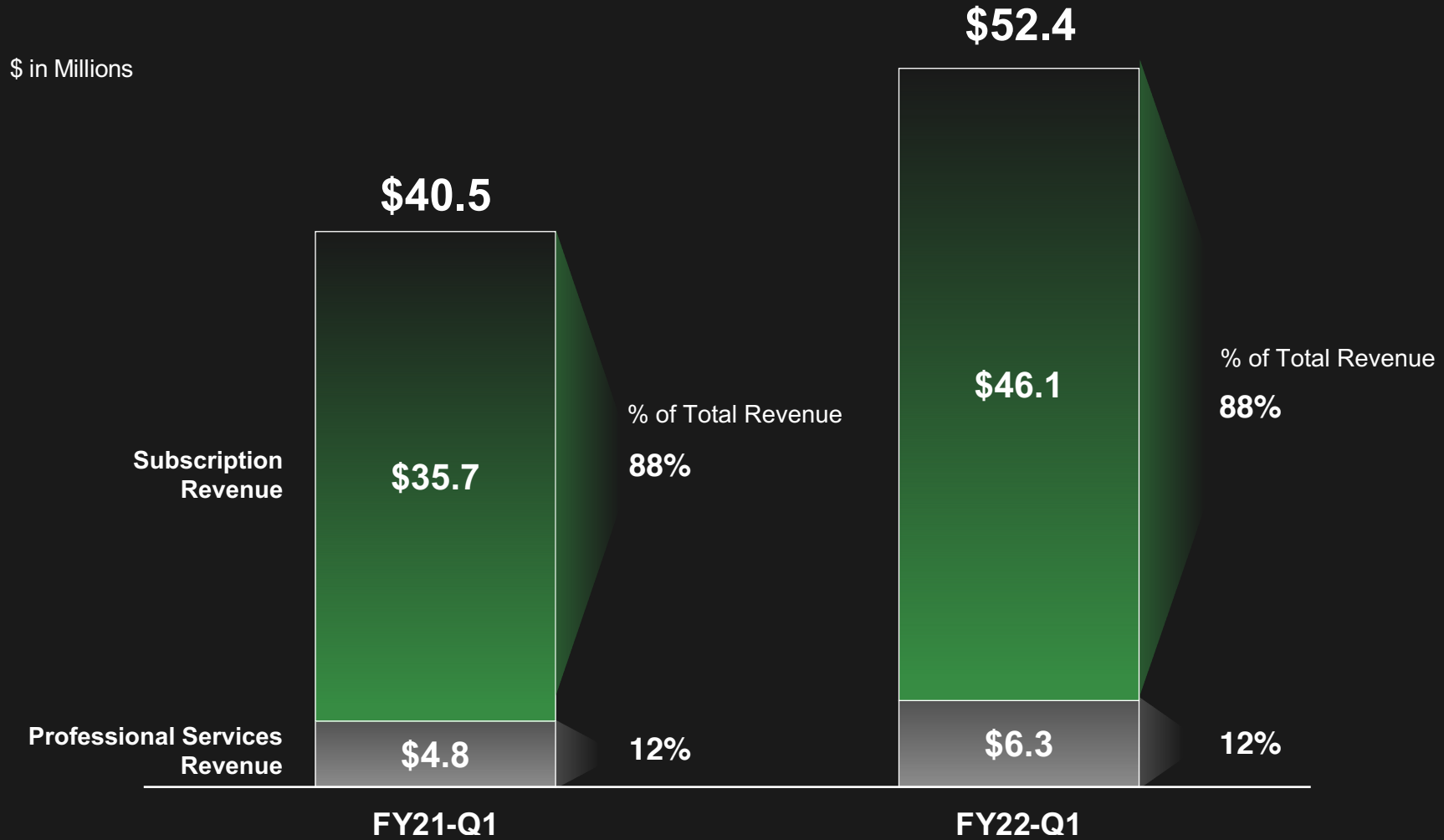
Quarterly Total Revenue: FY19 to FY22-Q1

\$ in Millions



Note: Fiscal year ends April 30. Numbers are rounded for presentation purposes.

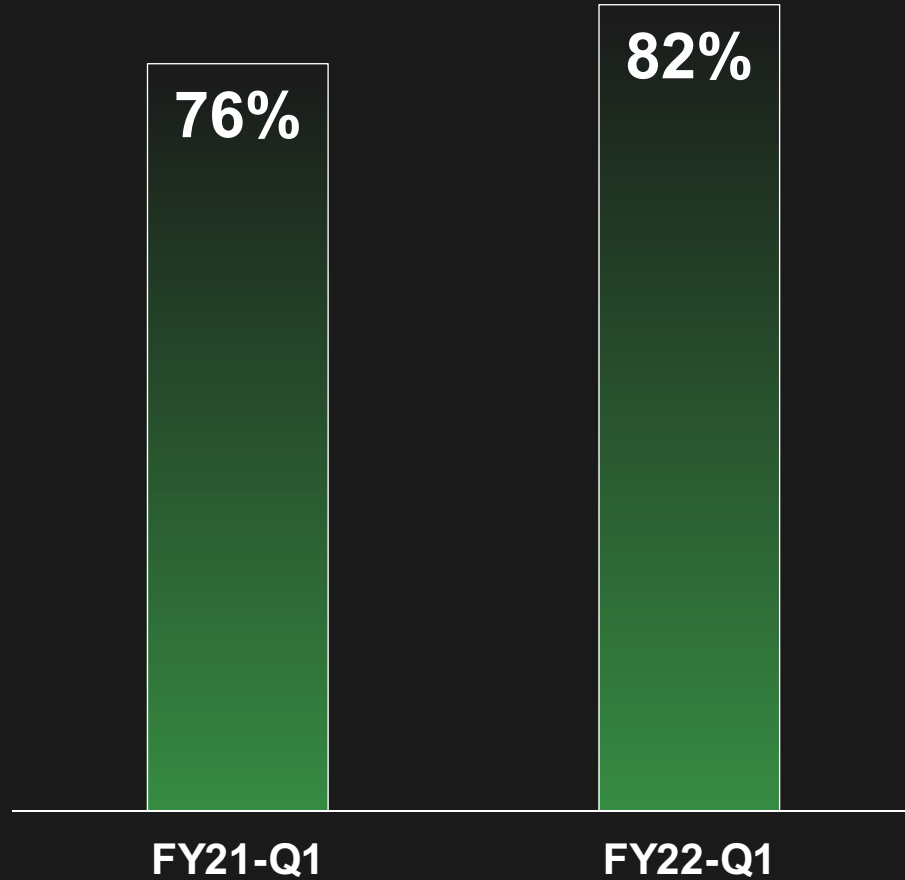
Total Revenue Mix



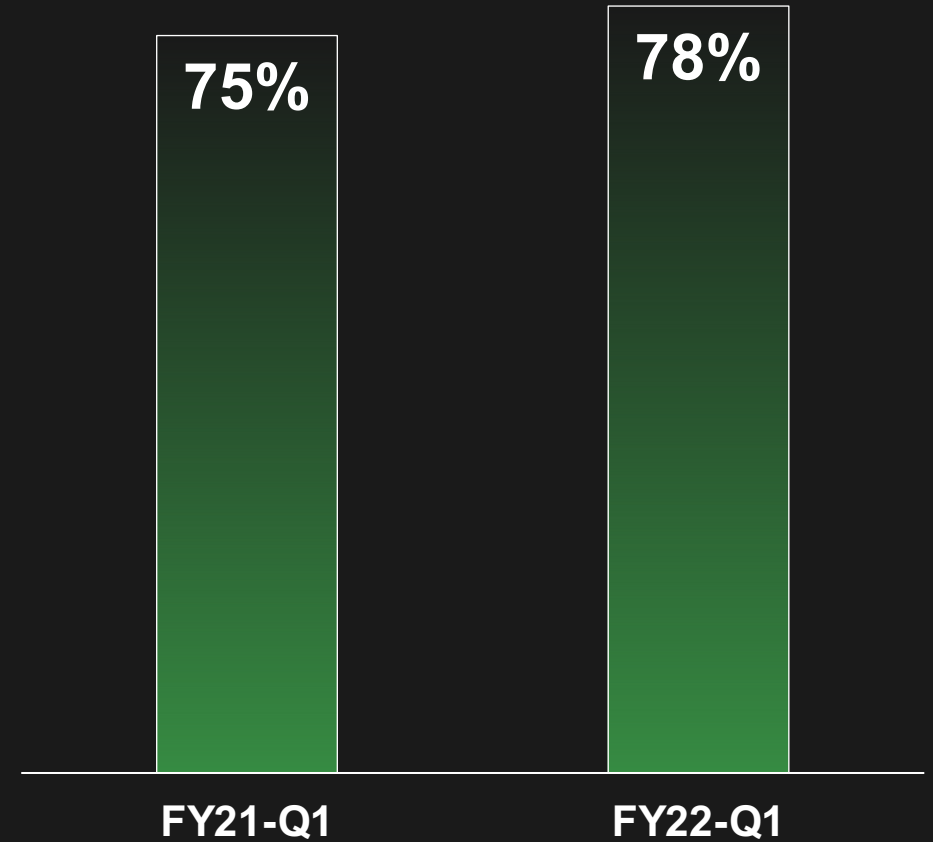
Note: Numbers are rounded for presentation purposes.

Non-GAAP Gross Margin

Non-GAAP Subscription Gross Margin



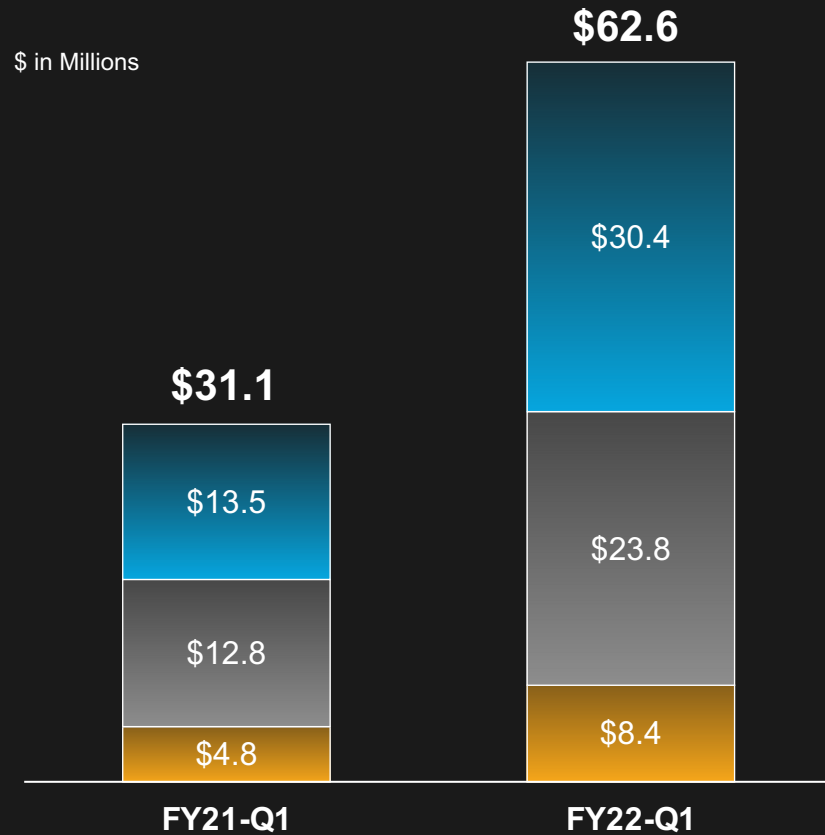
Non-GAAP Total Gross Margin



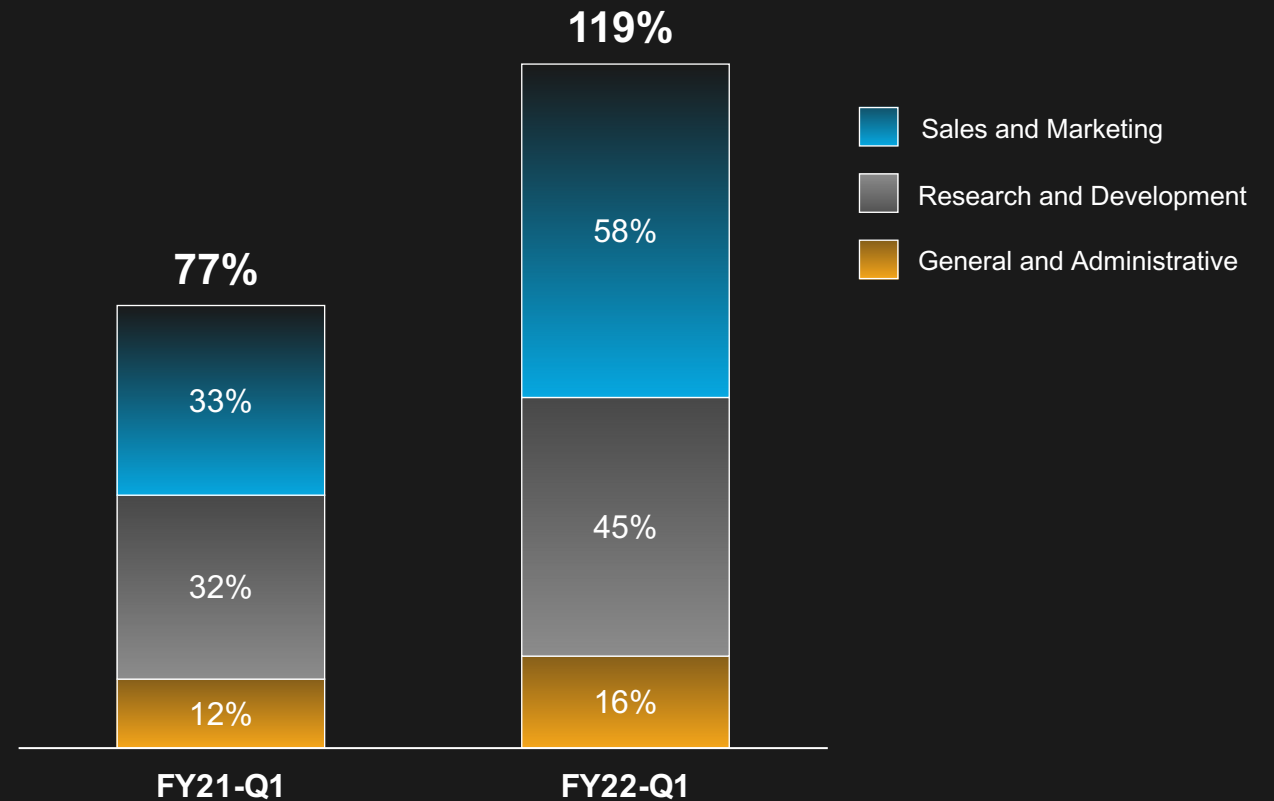
Note: Non-GAAP subscription and total gross margin are non-GAAP financial measures. Refer to the Appendix for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures.

Non-GAAP Operating Expenses

Non-GAAP Operating Expenses



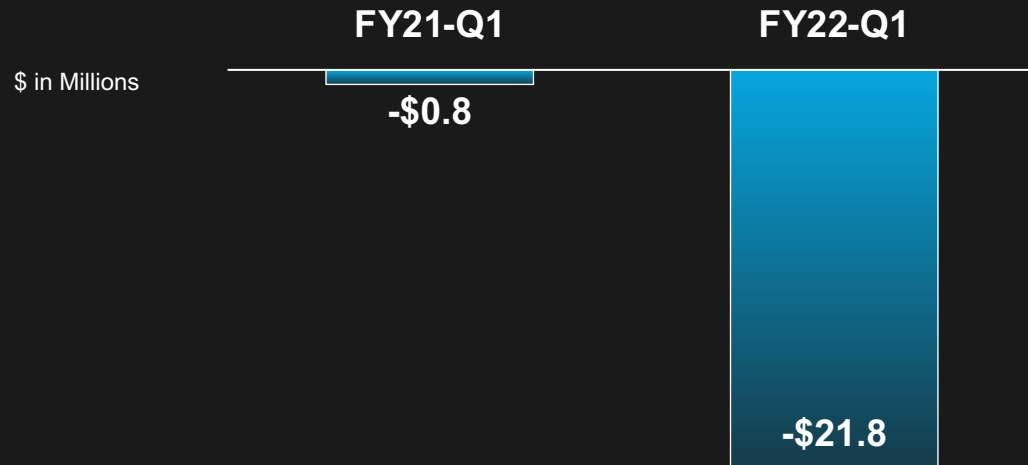
Non-GAAP Operating Expenses as a % of Revenue



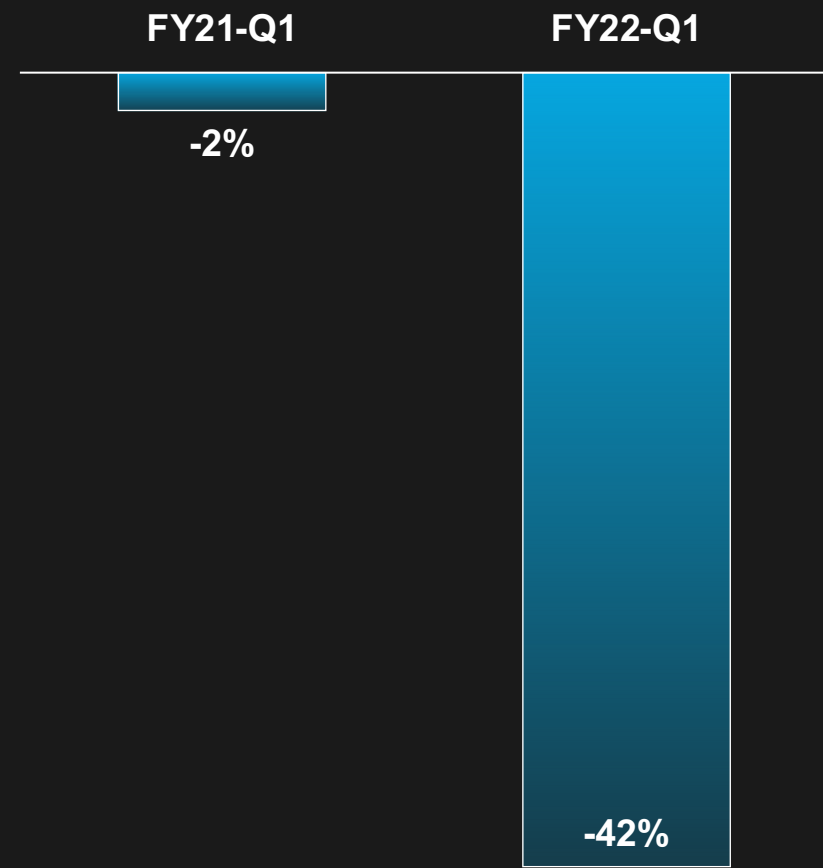
Note: Non-GAAP operating expenses, sales and marketing expenses, research and development expenses, and general and administrative expenses are non-GAAP financial measures. Refer to the Appendix for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures. Numbers are rounded for presentation purposes.

Non-GAAP Operating Income and Margin

Non-GAAP Operating Income



Non-GAAP Operating Margin



Note: Non-GAAP operating income and non-GAAP operating margin, are non-GAAP financial measures. Refer to the Appendix for reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures. Numbers are rounded for presentation purposes.

Guidance

	FY22-Q2	FY22
Total Revenue	\$56.0 – \$58.0 million	\$243.0 – \$247.0 million
YoY Growth %	35% – 40%	33% – 35%
Non-GAAP Loss from Operations	(\$30.0) – (\$37.0) million	(\$107.0) – (\$119.0) million

Our guidance includes GAAP and non-GAAP financial measures. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, expenses that may be incurred in the future. Stock-based compensation expense-related charges, including employer payroll tax-related items on employee stock transactions, are impacted by the timing of employee stock transactions, the future fair market value of our common stock, and our future hiring and retention needs, all of which are difficult to predict and subject to constant change. We have provided a reconciliation of GAAP to non-GAAP financial measures in the financial statement tables for our historical non-GAAP results included in this presentation. Our fiscal year ends April 30, and numbers are rounded for presentation purposes.



Appendix

Income Statement

	Three months ended							
	October 31, 2019	January 31, 2020	April 30, 2020	July 31, 2020	October 31, 2020	January 31, 2021	April 30, 2021	July 31, 2021
Revenue								
Subscription	\$ 33,022	\$ 34,629	\$ 36,767	\$ 35,695	\$ 35,854	\$ 42,699	\$ 43,118	\$ 46,122
Professional services	5,853	6,654	4,851	4,788	5,487	6,410	9,166	6,284
Total Revenue	38,875	41,283	41,618	40,483	41,341	49,109	52,284	52,406
Cost of revenue								
Subscription (1)(2)	7,987	8,862	7,986	8,587	7,084	7,023	8,621	9,213
Professional services (1)(2)	2,141	2,069	1,523	1,912	2,997	5,203	3,091	3,812
Total cost of revenue	10,128	10,931	9,509	10,499	10,081	12,226	11,712	13,025
Gross profit	28,747	30,352	32,109	29,984	31,260	36,883	40,572	39,381
Operating expenses								
Sales and marketing (1)(2)	25,587	23,162	34,589	14,358	22,088	28,450	32,093	36,822
Research and development (1)(2)	23,873	12,331	17,426	13,264	16,134	18,748	20,711	26,712
General and administrative (1)(2)	9,170	5,291	10,313	5,687	7,562	8,184	11,676	12,364
Total operating expenses	58,630	40,784	62,328	33,309	45,784	55,382	64,480	75,898
Loss from operations	(29,883)	(10,432)	(30,219)	(3,325)	(14,524)	(18,499)	(23,908)	(36,517)
Interest income	1,000	1,136	1,136	580	288	129	258	345
Other (expense) income, net	156	(402)	(1,254)	3,018	(578)	1,721	(152)	(899)
Net income (loss) before provision for income taxes	(28,727)	(9,698)	(30,337)	273	(14,814)	(16,649)	(23,802)	(37,071)
Provision for income taxes	98	98	97	123	130	203	248	388
Net income (loss)	\$ (28,825)	\$ (9,796)	\$ (30,434)	\$ 150	\$ (14,944)	\$ (16,852)	\$ (24,050)	\$ (37,459)
(1) Includes stock-based compensation expense as follows:								
	Three months ended							
	October 31, 2019	January 31, 2020	April 30, 2020	July 31, 2020	October 31, 2020	January 31, 2021	April 30, 2021	April 30, 2021
Cost of subscription	\$ 81	\$ 104	\$ 124	\$ 184	\$ 159	\$ 214	\$ 271	\$ 821
Cost of professional services	30	30	29	48	89	164	76	602
Sales and marketing	701	613	1,180	855	2,190	2,790	3,245	6,135
Research and development	305	308	313	458	648	846	997	2,758
General and administrative	714	1,006	1,240	935	2,115	2,575	2,881	3,596
Total stock-based compensation expense	\$ 1,831	\$ 2,061	\$ 2,886	\$ 2,480	\$ 5,201	\$ 6,589	\$ 7,470	\$ 13,912
(2) Includes employer payroll tax expense related to stock-based compensation as follows:								
	Three months ended							
	October 31, 2019	January 31, 2020	April 30, 2020	July 31, 2020	October 31, 2020	January 31, 2021	April 30, 2021	April 30, 2021
Cost of subscription	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 30	\$ —
Cost of professional services	—	—	—	—	—	—	3	65
Sales and marketing	—	—	—	—	—	—	338	301
Research and development	—	—	—	—	—	—	353	182
General and administrative	—	—	—	—	—	—	271	307
Total employer payroll tax expense	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 995	\$ 855

GAAP to Non-GAAP Reconciliations

	Three months ended							
	October 31, 2019	January 31, 2020	April 30, 2020	July 31, 2020	October 31, 2020	January 31, 2021	April 30, 2021	July 31, 2021
Subscription revenue	\$ 33,022	\$ 34,629	\$ 36,767	\$ 35,695	\$ 35,854	\$ 42,699	\$ 43,118	\$ 46,122
Professional services revenue	5,853	6,654	4,851	4,788	5,487	6,410	9,166	6,284
Total Revenue	38,875	41,283	41,618	40,483	41,341	49,109	52,284	52,406
GAAP cost of subscription revenue	7,987	8,862	7,987	8,587	7,084	7,023	8,621	9,213
Stock-based compensation	81	104	124	184	159	214	271	821
Employer payroll tax expense related to employee stock-based compensation	—	—	—	—	—	—	30	—
Non-GAAP cost of subscription revenue	7,906	8,758	7,863	8,403	6,925	6,809	8,320	8,392
GAAP cost of professional services revenue	2,141	2,069	1,523	1,912	2,997	5,203	3,091	3,812
Stock-based compensation	30	30	29	48	89	164	76	602
Employer payroll tax expense related to employee stock-based compensation	—	—	—	—	—	—	3	65
Non-GAAP cost of professional services revenue	2,111	2,039	1,494	1,864	2,908	5,039	3,012	3,145
GAAP sales and marketing expense	25,587	23,162	34,588	14,358	22,088	28,450	32,093	36,822
Stock-based compensation	701	613	1,180	855	2,190	2,790	3,245	6,135
Employer payroll tax expense related to employee stock-based compensation	—	—	—	—	—	—	338	301
Non-GAAP sales and marketing expense	24,886	22,549	33,408	13,503	19,898	25,660	28,510	30,386
GAAP research and development expense	23,873	12,331	17,426	13,264	16,134	18,748	20,711	26,712
Stock-based compensation	305	308	313	458	648	846	997	2,758
Employer payroll tax expense related to employee stock-based compensation	—	—	—	—	—	—	353	182
Non-GAAP research and development expense	23,568	12,023	17,113	12,806	15,486	17,902	19,361	23,772
GAAP general and administrative expense	9,170	5,291	10,313	5,687	7,562	8,184	11,676	12,364
Stock-based compensation	714	1,006	1,240	935	2,115	2,575	2,881	3,596
Employer payroll tax expense related to employee stock-based compensation	—	—	—	—	—	—	271	307
Non-GAAP general and administrative expense	8,456	4,285	9,073	4,752	5,447	5,609	8,524	8,461
Gross profit on a GAAP basis	\$ 28,747	\$ 30,352	\$ 32,108	\$ 29,984	\$ 31,260	\$ 36,883	\$ 40,572	\$ 39,381
Stock-based compensation	111	134	153	232	248	378	347	1,423
Employer payroll tax expense related to employee stock-based compensation	—	—	—	—	—	—	33	65
Gross profit on a non-GAAP basis	28,858	30,486	32,261	30,216	31,508	37,261	40,952	40,869
Gross margin on a GAAP basis	74%	74%	77%	74%	76%	75%	78%	75%
Gross margin on a non-GAAP basis	74%	74%	78%	75%	76%	76%	78%	78%
Loss from operations on a GAAP basis	(29,883)	(10,432)	(30,219)	(3,325)	(14,524)	(18,499)	(23,908)	(36,517)
Stock-based compensation expense	1,831	2,061	2,886	2,480	5,201	6,589	7,470	13,912
Employer payroll tax expense related to employee stock-based compensation	—	—	—	—	—	—	995	855
Loss from operations on a non-GAAP basis	\$ (28,052)	\$ (8,371)	\$ (27,333)	\$ (845)	\$ 9,323	\$ 11,910	\$ (15,443)	\$ (21,750)
Operating margin on a GAAP basis	-77%	-25%	-73%	-8%	-35%	-38%	-46%	-70%
Operating margin on a non-GAAP basis	-72%	-20%	-66%	-2%	-23%	-24%	-30%	-42%
RPO	\$ 274,709	\$ 262,693	\$ 239,742	\$ 275,082	\$ 267,352	\$ 247,451	\$ 293,836	\$ 290,613
Cancellable amount of contract value	8,744	10,997	7,183	4,393	37,119	48,405	51,252	66,638
Non-GAAP RPO	\$ 283,453	\$ 273,690	\$ 246,925	\$ 279,475	\$ 304,471	\$ 295,856	\$ 345,088	\$ 357,251