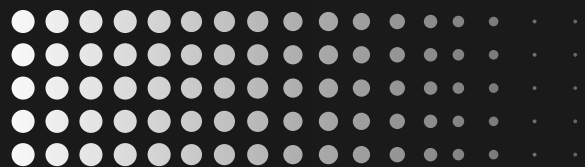




Business Update FY21-Q4

June 2, 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 January 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 achieved record business and financial results in the fourth quarter, as we continue to advance our leadership position as the only enterprise AI software pure play.”

Thomas M. Siebel

Chairman and Chief Executive Officer
C3 AI

FY21-Q4 Summary Financial Results

| | FY21-Q4 | % Change Y/Y |
|--|-----------------|---|
| Revenue | \$52.3 million | +26%  |
| Subscription Revenue | \$43.1 million | +17%  |
| Gross Profit | \$40.6 million | +26%  |
| Remaining Performance Obligations (“RPO”) | \$293.8 million | +23%  |
| Non-GAAP Remaining Performance Obligations (“RPO”) | \$345.1 million | +40%  |
| Customer Count | 89 | +82%  |

Note: Non-GAAP loss from operations, non-GAAP gross profit, and non-GAAP remaining performance obligations are non-GAAP financial measures. Refer to the Appendix for reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measure. Numbers are rounded for presentation purposes.

Non-GAAP RPO: Non-GAAP RPO represents our GAAP RPO plus the associated cancellable contracted backlog

FY21 Summary Financial Results

| | FY21 | % Change Y/Y |
|----------------------|-----------------|--|
| Revenue | \$183.2 million | +17%  |
| Subscription Revenue | \$157.4 million | +16%  |
| Gross Profit | \$138.7 million | +18%  |

Note: Non-GAAP loss from operations and non-GAAP gross profit are non-GAAP financial measures. Refer to the Appendix for reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measure. Numbers are rounded for presentation purposes.

C3 AI Continues to Accelerate Customer Momentum



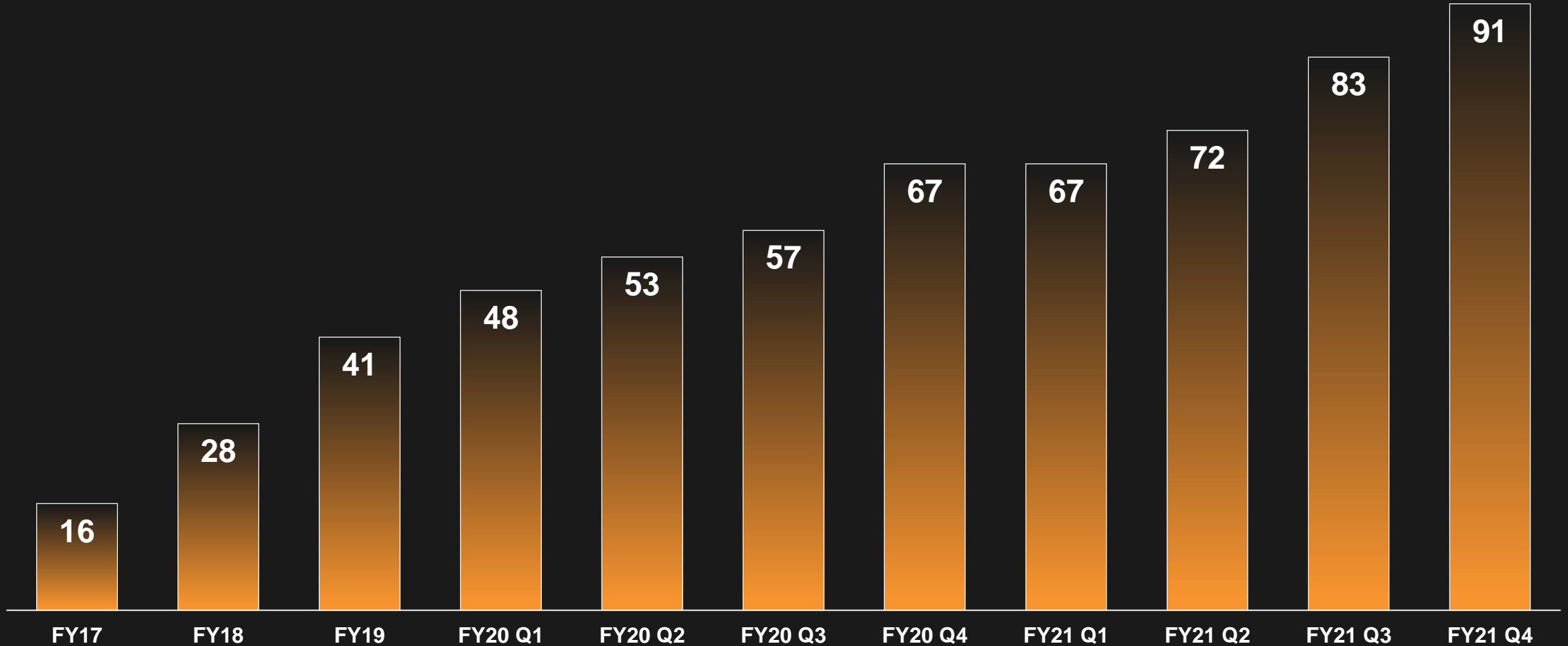


5+ year expanded enterprise agreement with C3 AI to accelerate the deployment of AI and ML applications across Shell global assets on the C3 AI Platform

C3 AI Further Expands Its Market-partner Ecosystem

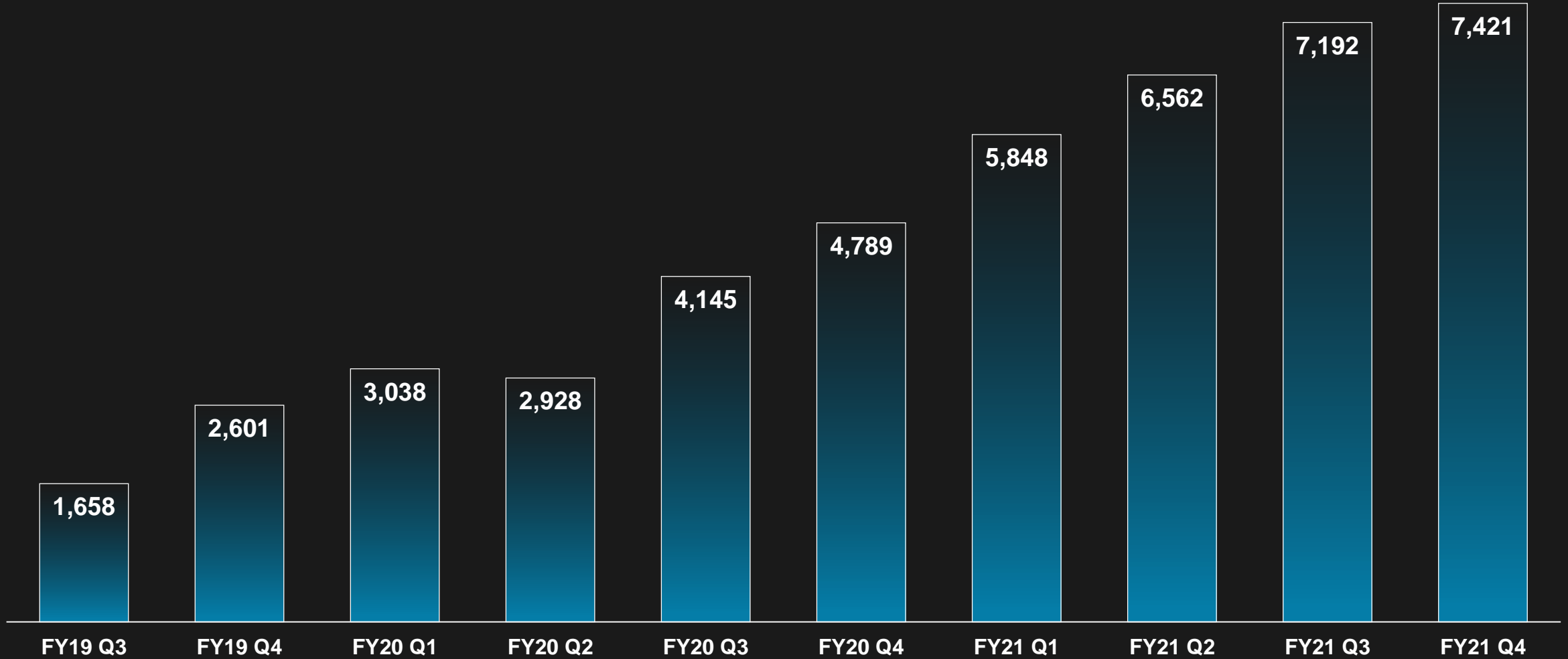


Applications in Production Continue to Grow



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

Internal End Users Continue to Grow



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

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

1.5 Billion
Predictions per day

The World's Largest Enterprise AI
Production Footprint

4.8 Million

Machine learning models



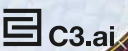
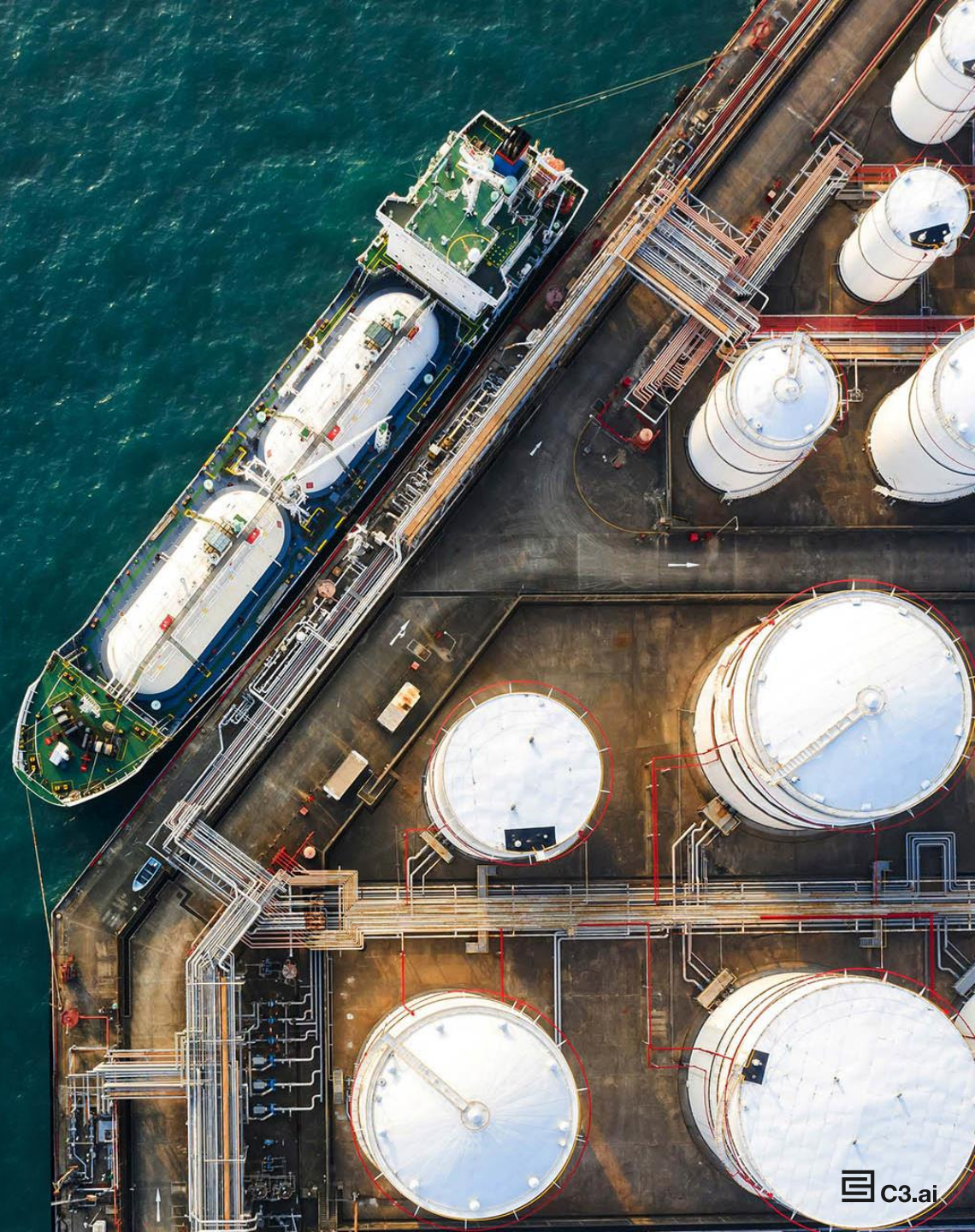
The World's Largest Enterprise AI Production Footprint

819

Unique enterprise and
extraprise source data
integrations



AI for Cleaner and Safer Energy



C3 AI Continues Investment in Public-Private Partnership with C3.ai DTI

Weekly Colloquia



The Colloquium on Digital Transformation is a series of weekly online talks on how artificial intelligence, machine learning, and big data can lead to scientific breakthroughs with large-scale societal benefit. The spring 2021 series focuses largely on COVID-19 mitigation research.

See details of upcoming talks [here](#) and note we have the same Zoom Webinar [registration](#) link for all forthcoming talks

2nd Call for Research Proposals

C3.ai Digital Transformation Institute

OVERVIEW ABOUT RESEARCH EVENTS NEWS CONTACT

Second Call for Proposals

Digital Transformation and AI for Energy and Climate Security

Introduction

The C3.ai Digital Transformation Institute (C3DTI) was established in March 2020 by C3 AI and Microsoft and co-led by the University of California, Berkeley (UC Berkeley) and the University of Illinois at Urbana-Champaign (UIUC), with consortium partners Carnegie Mellon University, KTH Royal Institute of Technology, Lawrence Berkeley National Laboratory (LBNL), Massachusetts Institute of Technology, Princeton University, Stanford University, and University of Chicago, and with high-performance computing support from LBL and the

National Center for Supercomputing Application (NCSA) at UIUC. The goal of C3DTI is to catalyze cooperative research activities and advances in mathematical, statistical, and computing research, combining machine learning (ML), artificial intelligence (AI), the internet of things (IoT) and ethics and social responsibility in the development and fielding of technology. C3DTI is aimed at establishing the fundamental set of scientific advances, algorithms, designs, and business change management practices necessary to establish the Science of Digital Transformation of Societal Systems.

C3DTI will contribute to the new and emerging field of Digital Transformation Science by leveraging the personnel, laboratory, and research facilities at UC Berkeley, UIUC, and consortium partner institutions to form dynamic teams of the best researchers in the world to advance IoT and AI techniques for industrial, commercial, and public sector applications. This rich ecosystem will help address some of the most complex

Deadline extended to April 5
See Proposal Preparation Instructions below

C3 AI Expands Company Leadership



Lieutenant General Edward Cardon Ret.

Chair, C3 AI Federal Systems

General Cardon served in the United States Army for more than 36 years, during which he commanded troops in the United States, Europe, Iraq, and the Republic of Korea. As Commanding General of the Army Cyber Command from 2013 to 2016, LTG Cardon was tasked with the protection of all Army networks, systems, and data, as well as conducting cyberspace operations around the world. During his tenure LTG Cardon transformed the command into a world-class cyber force, creating two separate operational headquarters and growing the number of cyber mission teams from 2 to 41. He also created and led Task Force ARES that focused on offensive cyberspace operations against ISIS.





Tod Weber

SVP and General Manager, C3 AI Federal Systems

Tod Weber most recently served as CEO and chairman of Software AG Government Solutions Inc. He previously was national vice president within Software AG USA, where he joined the organization through the acquisition of webMethods.

Mr. Weber has more than 35 years of engineering, sales and management experience in the technology industry. Prior to joining webMethods, he was a senior manager at Oracle, where he led a significant portion of the company's focus on application sales to the federal civilian market. Before that, he was senior vice president of global sales and marketing for Infowave Software Inc. Previously, he spent 13 years at Parametric Technology Corporation (PTC), most recently as senior vice president, where he built the company's federal, major account and global alliance organizations from the ground up and helped grow revenues from \$11 million to \$1 billion while delivering 41 consecutive quarters of increasing shipments and profit.

Mr. Weber started his career as an aerospace engineer at General Dynamics (now Lockheed Martin), where he contributed to the aerodynamic design of the F-22 Raptor. He earned a Bachelor of Science degree in aerospace engineering from the University of Maryland as a Glenn L. Martin scholar.

C3 AI Continues to Attract Exceptional Talent

FY21-Q4

12,500

job applicants in the quarter

750

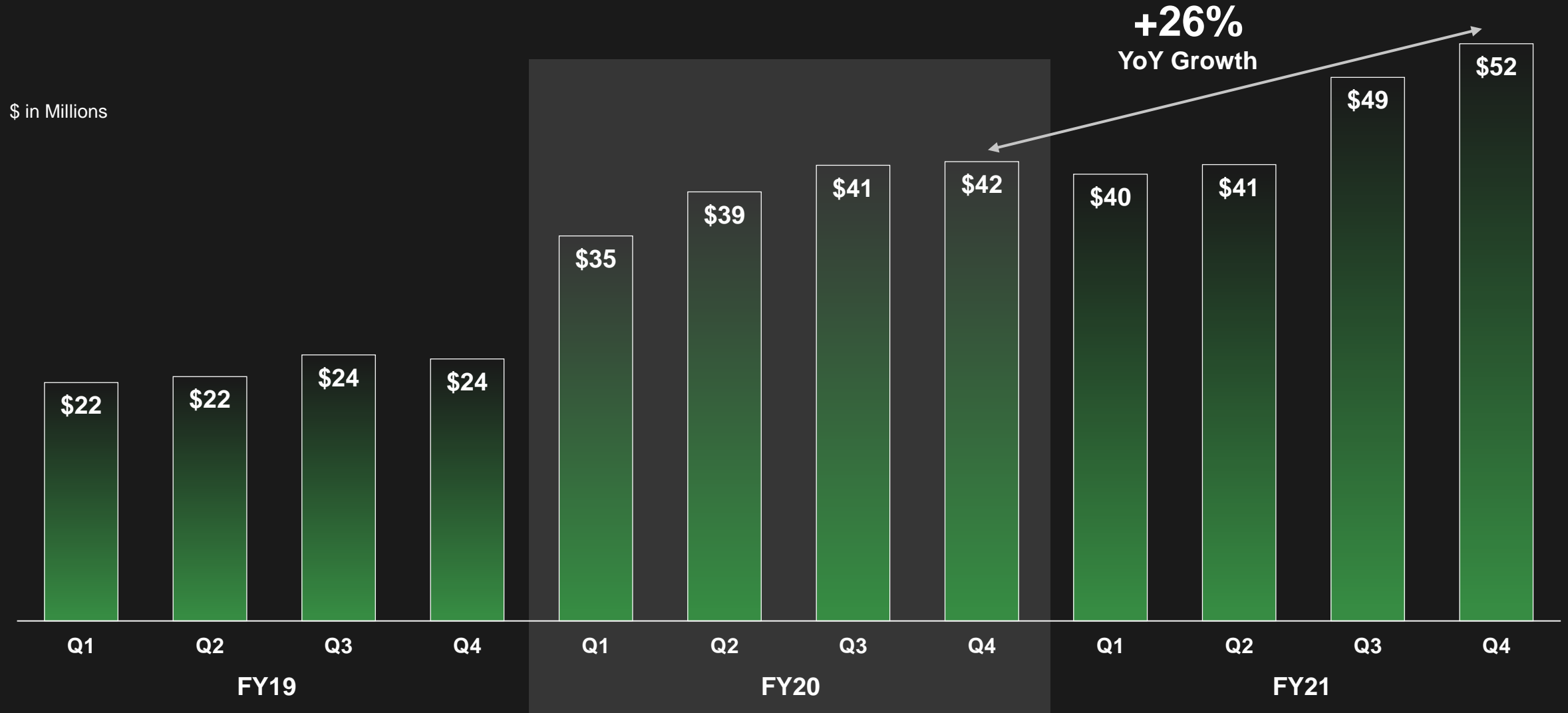
technical assessments

56

net new employees
added

FY21-Q4 Financial Performance

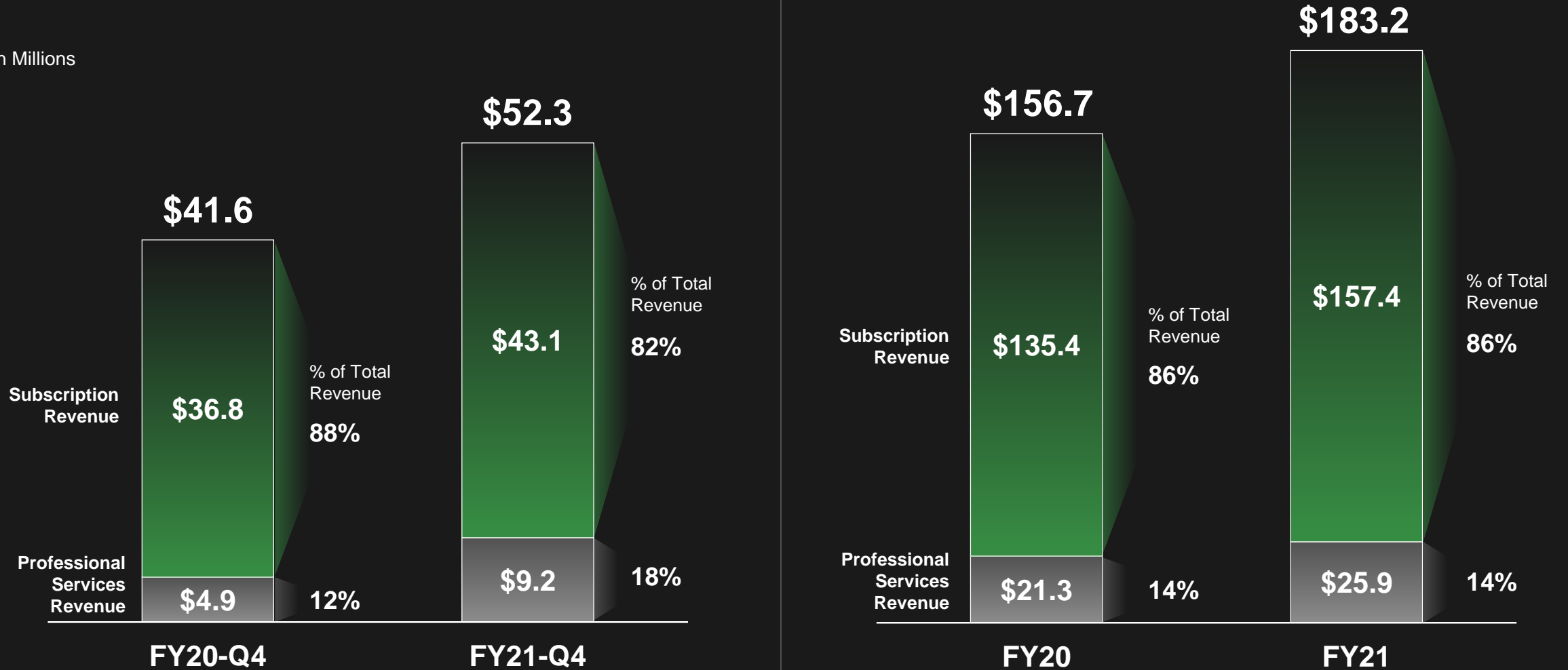
Quarterly Total Revenue: FY19 to FY21-Q4



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

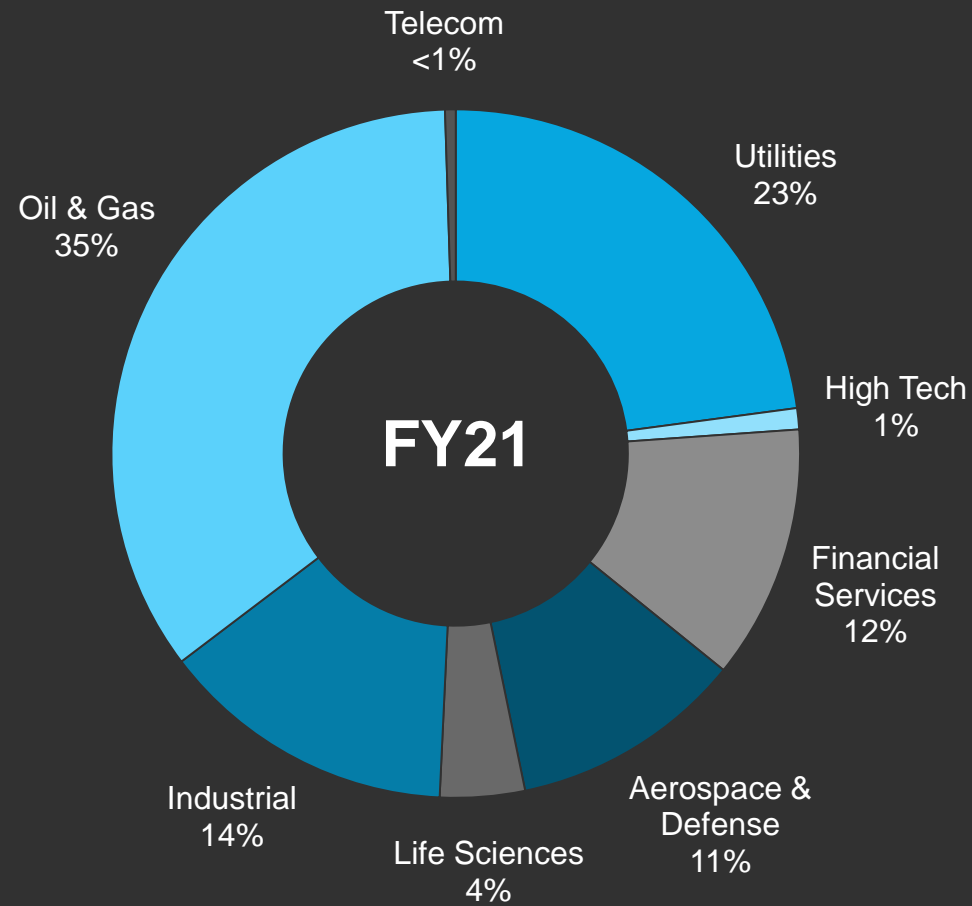
Total Revenue Mix

\$ in Millions



Note: Numbers are rounded for presentation purposes.

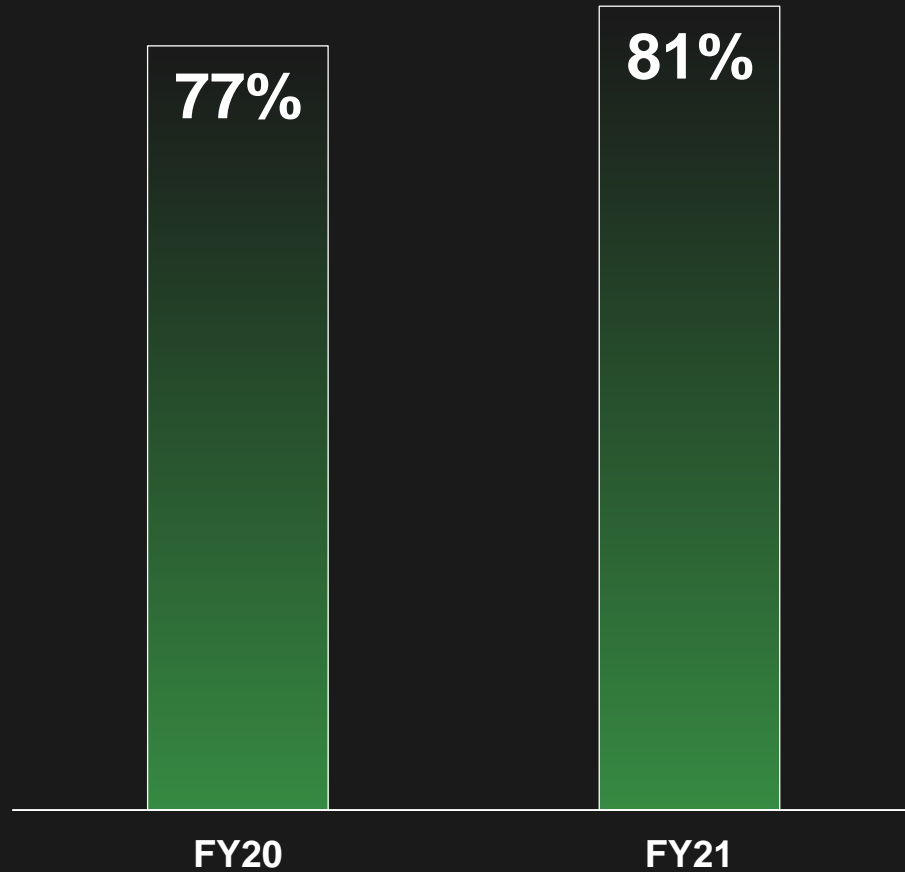
Revenue by Industry



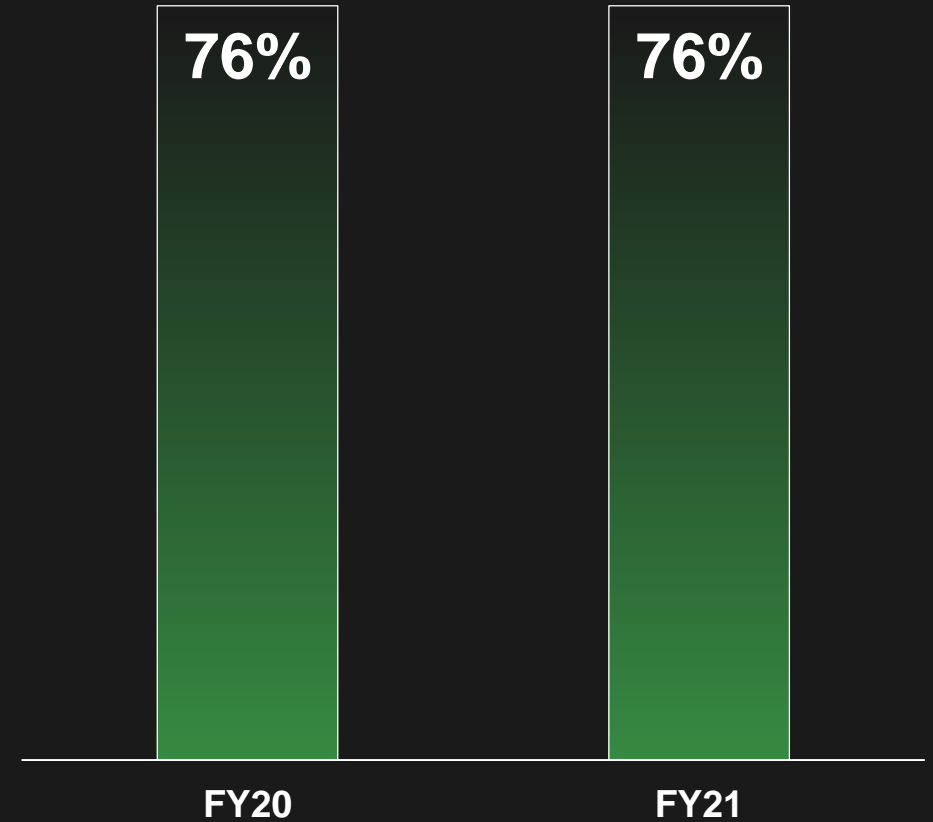
Non-GAAP Gross Margin

Four points of subscription gross margin expansion

Non-GAAP Subscription Gross Margin



Non-GAAP Total Gross Margin

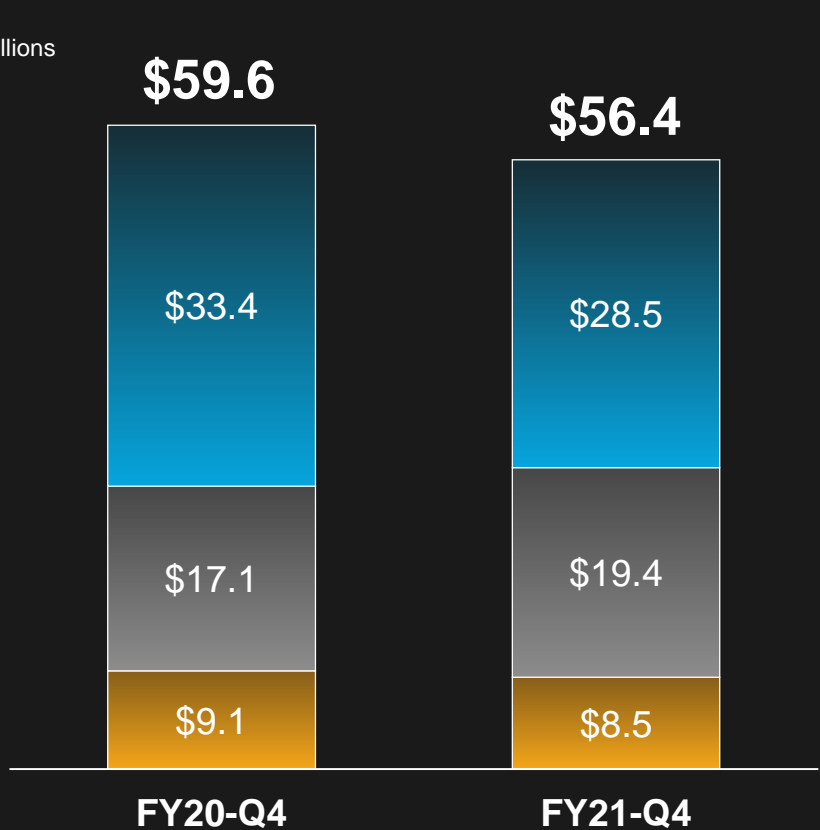


Note: Non-GAAP subscription and total gross margin are non-GAAP financial measures. Refer to the Appendix for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures.

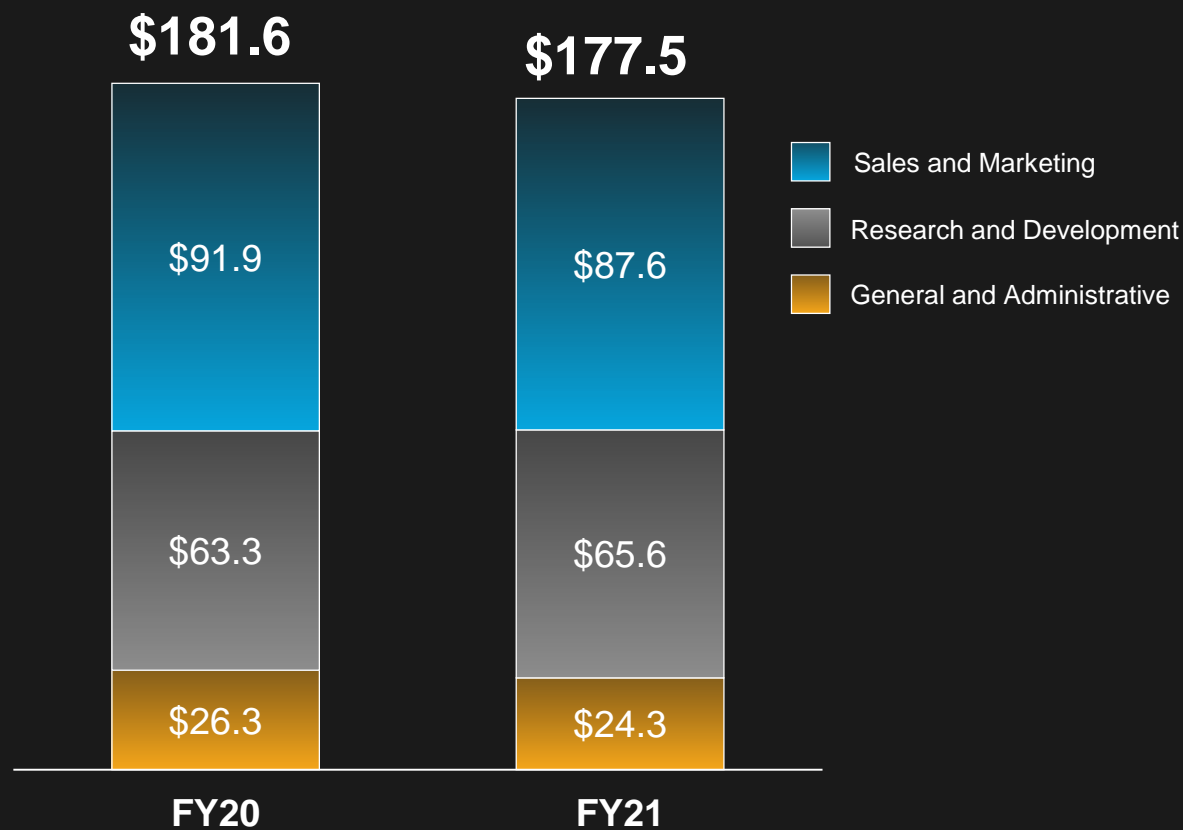
Non-GAAP Operating Expenses

Non-GAAP Operating Expenses

\$ in Millions



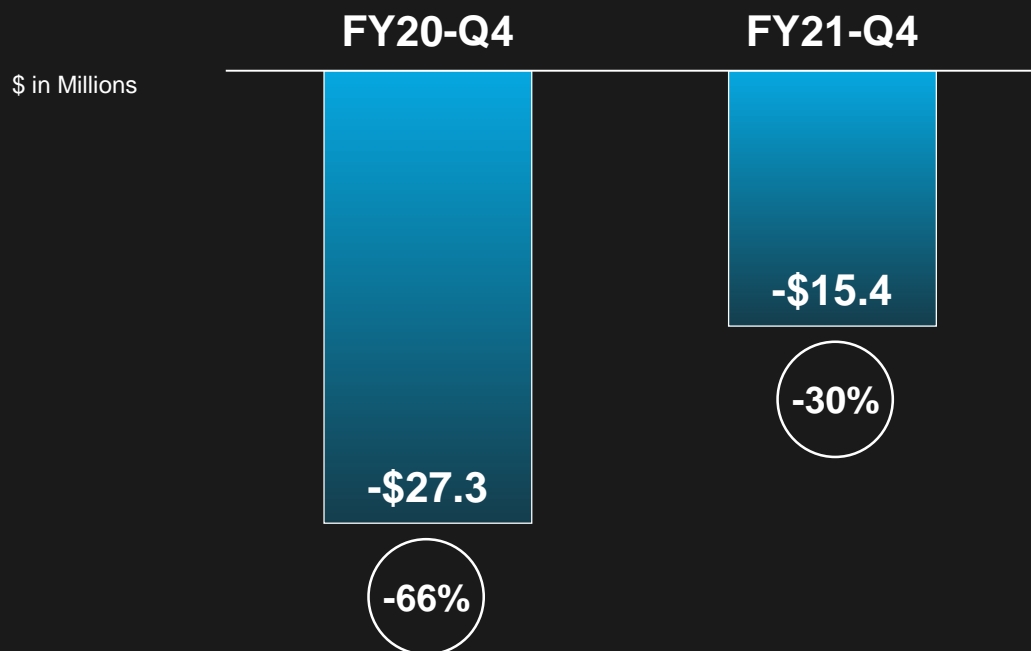
Non-GAAP Operating Expenses



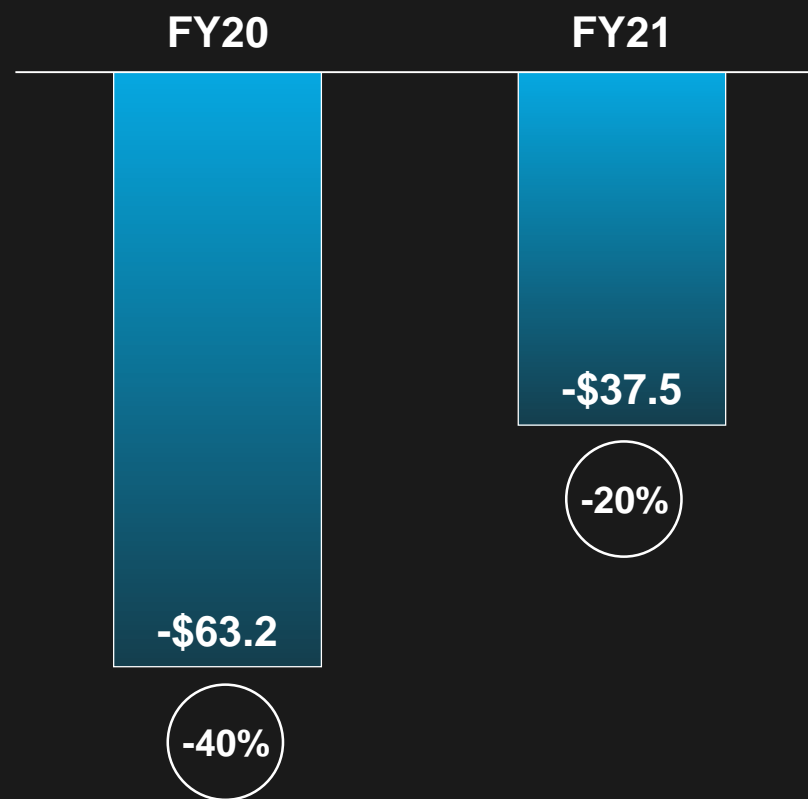
Note: Non-GAAP operating expenses is a non-GAAP financial measure. Refer to the Appendix for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP measures. Numbers are rounded for presentation purposes.

Non-GAAP Operating Income and Margin

Non-GAAP Operating Income and Margin



Non-GAAP Operating Income and 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-Q1 | FY22 |
|-------------------------------|-----------------------------|-------------------------------|
| Total Revenue | \$50.0 – \$52.0 million | \$243.0 – \$247.0 million |
| YoY Growth % | 24% – 28% | 33% – 35% |
| Non-GAAP Loss from Operations | (\$28.0) – (\$35.0) 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 | | | | | | | |
|--|--------------------|--------------------|-------------------|--------------------|----------------|--------------------|--------------------|--------------------|
| | July 31, 2019 | October 31, 2019 | January 31, 2020 | April 30, 2020 | July 31, 2020 | October 31, 2020 | January 31, 2021 | April 30, 2021 |
| | (in thousands) | | | | | | | |
| Revenue | | | | | | | | |
| Subscription | \$ 30,976 | \$ 33,022 | \$ 34,629 | \$ 36,767 | \$ 35,695 | \$ 35,854 | \$ 42,699 | \$ 43,118 |
| Professional services | 3,914 | 5,853 | 6,654 | 4,851 | 4,788 | 5,487 | 6,410 | 9,166 |
| Total Revenue | 34,890 | 38,875 | 41,283 | 41,618 | 40,483 | 41,341 | 49,109 | 52,284 |
| Cost of revenue | | | | | | | | |
| Subscription (1)(2) | 6,643 | 7,987 | 8,862 | 7,986 | 8,587 | 7,084 | 7,023 | 8,621 |
| Professional services (1)(2) | 1,575 | 2,141 | 2,069 | 1,523 | 1,912 | 2,997 | 5,203 | 3,091 |
| Total cost of revenue | 8,218 | 10,128 | 10,931 | 9,509 | 10,499 | 10,081 | 12,226 | 11,712 |
| Gross profit | 26,672 | 28,747 | 30,352 | 32,109 | 29,984 | 31,260 | 36,883 | 40,572 |
| Operating expenses | | | | | | | | |
| Sales and marketing (1)(2) | 11,637 | 25,587 | 23,162 | 34,589 | 14,358 | 22,088 | 28,450 | 32,093 |
| Research and development (1)(2) | 10,918 | 23,873 | 12,331 | 17,426 | 13,264 | 16,134 | 18,748 | 20,711 |
| General and administrative (1)(2) | 5,080 | 9,170 | 5,291 | 10,313 | 5,687 | 7,562 | 8,184 | 11,676 |
| Total operating expenses | 27,635 | 58,630 | 40,784 | 62,328 | 33,309 | 45,784 | 55,382 | 64,480 |
| Loss from operations | (963) | (29,883) | (10,432) | (30,219) | (3,325) | (14,524) | (18,499) | (23,908) |
| Interest income | 979 | 1,000 | 1,136 | 1,136 | 580 | 288 | 129 | 258 |
| Other (expense) income, net | (252) | 156 | (402) | (1,254) | 3,018 | (578) | 1,721 | (152) |
| Net income (loss) before provision for income taxes | (236) | (28,727) | (9,698) | (30,337) | 273 | (14,814) | (16,649) | (23,802) |
| Provision for income taxes | 87 | 98 | 98 | 97 | 123 | 130 | 203 | 248 |
| Net income (loss) | \$ (323) | \$ (28,825) | \$ (9,796) | \$ (30,434) | \$ 150 | \$ (14,944) | \$ (16,852) | \$ (24,050) |

(1) Includes stock-based compensation expense as follows:

| | Three Months Ended | | | | | | | |
|---|--------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|-----------------|
| | July 31, 2019 | October 31, 2019 | January 31, 2020 | April 30, 2020 | July 31, 2020 | October 31, 2020 | January 31, 2021 | April 30, 2021 |
| | (in thousands) | | | | | | | |
| Cost of subscription | \$ 61 | \$ 81 | \$ 104 | \$ 124 | \$ 184 | \$ 159 | \$ 214 | \$ 271 |
| Cost of professional services | 33 | 30 | 30 | 29 | 48 | 89 | 164 | 76 |
| Sales and marketing | 580 | 701 | 613 | 1,180 | 855 | 2,190 | 2,790 | 3,245 |
| Research and development | 297 | 305 | 308 | 313 | 458 | 648 | 846 | 997 |
| General and administrative | 561 | 714 | 1,006 | 1,240 | 935 | 2,115 | 2,575 | 2,881 |
| Total stock-based compensation expense | \$ 1,532 | \$ 1,831 | \$ 2,061 | \$ 2,886 | \$ 2,480 | \$ 5,201 | \$ 6,589 | \$ 7,470 |

(2) Includes employer payroll tax expense related to stock-based compensation as follows:

| | Three Months Ended | | | | | | | |
|---|--------------------|------------------|------------------|----------------|---------------|------------------|------------------|----------------|
| | July 31, 2019 | October 31, 2019 | January 31, 2020 | April 30, 2020 | July 31, 2020 | October 31, 2020 | January 31, 2021 | April 30, 2021 |
| | (in thousands) | | | | | | | |
| Cost of subscription | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 30 |
| Cost of professional services | — | — | — | — | — | — | — | 3 |
| Sales and marketing | — | — | — | — | — | — | — | 338 |
| Research and development | — | — | — | — | — | — | — | 353 |
| General and administrative | — | — | — | — | — | — | — | 271 |
| Total employer payroll tax expense | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 995 |

GAAP to Non-GAAP Reconciliations

| | Three Months Ended | | | | | | | |
|---|--------------------|------------------|------------------|----------------|---------------|------------------|------------------|----------------|
| | July 31, 2019 | October 31, 2019 | January 31, 2020 | April 30, 2020 | July 31, 2020 | October 31, 2020 | January 31, 2021 | April 30, 2021 |
| | (in thousands) | | | | | | | |
| Subscription revenue | \$ 30,976 | \$ 33,022 | \$ 34,629 | \$ 36,767 | \$ 35,695 | \$ 35,854 | \$ 42,699 | \$ 43,118 |
| Professional services revenue | 3,914 | 5,853 | 6,654 | 4,851 | 4,788 | 5,487 | 6,410 | 9,166 |
| Total Revenue | 34,890 | 38,875 | 41,283 | 41,618 | 40,483 | 41,341 | 49,109 | 52,284 |
| GAAP cost of subscription revenue | 6,643 | 7,987 | 8,862 | 7,987 | 8,587 | 7,084 | 7,023 | 8,621 |
| Stock-based compensation | 61 | 81 | 104 | 124 | 184 | 159 | 214 | 271 |
| Employer payroll tax expense related to employee stock-based compensation | — | — | — | — | — | — | — | 30 |
| Non-GAAP cost of subscription revenue | 6,582 | 7,906 | 8,758 | 7,863 | 8,403 | 6,925 | 6,809 | 8,320 |
| GAAP cost of professional services revenue | 1,575 | 2,141 | 2,069 | 1,523 | 1,912 | 2,997 | 5,203 | 3,091 |
| Stock-based compensation | 33 | 30 | 30 | 29 | 48 | 89 | 164 | 76 |
| Employer payroll tax expense related to employee stock-based compensation | — | — | — | — | — | — | — | 3 |
| Non-GAAP cost of professional services revenue | 1,542 | 2,111 | 2,039 | 1,494 | 1,864 | 2,908 | 5,039 | 3,012 |
| GAAP sales and marketing expense | 11,637 | 25,587 | 23,162 | 34,588 | 14,358 | 22,088 | 28,450 | 32,093 |
| Stock-based compensation | 580 | 701 | 613 | 1,180 | 855 | 2,190 | 2,790 | 3,245 |
| Employer payroll tax expense related to employee stock-based compensation | — | — | — | — | — | — | — | 338 |
| Non-GAAP sales and marketing expense | 11,057 | 24,886 | 22,549 | 33,408 | 13,503 | 19,898 | 25,660 | 28,510 |
| GAAP research and development expense | 10,918 | 23,873 | 12,331 | 17,426 | 13,264 | 16,134 | 18,748 | 20,711 |
| Stock-based compensation | 297 | 305 | 308 | 313 | 458 | 648 | 846 | 997 |
| Employer payroll tax expense related to employee stock-based compensation | — | — | — | — | — | — | — | 353 |
| Non-GAAP research and development expense | 10,621 | 23,568 | 12,023 | 17,113 | 12,806 | 15,486 | 17,902 | 19,361 |
| GAAP general and administrative expense | 5,080 | 9,170 | 5,291 | 10,313 | 5,687 | 7,562 | 8,184 | 11,676 |
| Stock-based compensation | 561 | 714 | 1,006 | 1,240 | 935 | 2,115 | 2,575 | 2,881 |
| Employer payroll tax expense related to employee stock-based compensation | — | — | — | — | — | — | — | 271 |
| Non-GAAP general and administrative expense | 4,519 | 8,456 | 4,285 | 9,073 | 4,752 | 5,447 | 5,609 | 8,524 |
| Gross profit on a GAAP basis | \$ 26,672 | \$ 28,747 | \$ 30,352 | \$ 32,108 | \$ 29,984 | \$ 31,260 | \$ 36,883 | \$ 40,572 |
| Stock-based compensation | 94 | 111 | 134 | 153 | 232 | 248 | 378 | 347 |
| Employer payroll tax expense related to employee stock-based compensation | — | — | — | — | — | — | — | 33 |
| Gross profit on a non-GAAP basis | 26,766 | 28,858 | 30,486 | 32,261 | 30,216 | 31,508 | 37,261 | 40,952 |
| Gross margin on a GAAP basis | 76% | 74% | 74% | 77% | 74% | 76% | 75% | 78 % |
| Gross margin on a non-GAAP basis | 77% | 74% | 74% | 78% | 75% | 76% | 76% | 78 % |
| Loss from operations on a GAAP basis | (963) | (29,883) | (10,432) | (30,219) | (3,325) | (14,524) | (18,499) | (23,908) |
| Stock-based compensation expense | 1,532 | 1,831 | 2,061 | 2,886 | 2,480 | 5,201 | 6,589 | 7,470 |
| Employer payroll tax expense related to employee stock-based compensation | — | — | — | — | — | — | — | \$ 995 |
| Loss from operations on a non-GAAP basis | \$ 569 | \$ (28,052) | \$ (8,371) | \$ (27,333) | \$ (845) | \$ (9,323) | \$ (11,910) | \$ (15,443) |
| Operating margin on a GAAP basis | -3% | -77% | -25% | -73% | -8% | -35% | -38% | -46 % |
| Operating margin on a non-GAAP basis | 2% | -72% | -20% | -66% | -2% | -23% | -24% | -30 % |
| RPO | \$ 295,507 | \$ 274,709 | \$ 262,693 | \$ 239,742 | \$ 275,082 | \$ 267,352 | \$ 247,451 | \$ 293,836 |
| Cancellable amount of contract value | 20,126 | 8,744 | 10,997 | 7,183 | 4,393 | 37,119 | 48,405 | 51,252 |
| Non-GAAP RPO | \$ 315,633 | \$ 283,453 | \$ 273,690 | \$ 246,925 | \$ 279,475 | \$ 304,471 | \$ 295,856 | \$ 345,088 |