 C3.ai This is Enterprise AI.

Investor Supplemental FY26-Q2

December 3, 2025

Disclaimer

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “will” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. Forward-looking statements in this press release include, but are not limited to, statements regarding our market leadership position, anticipated benefits from our partnerships, our financial outlook for the third quarter of fiscal 2026 and full 2026 fiscal year, our ability to accelerate going forward, our ability to return to growth and to achieve cash generation and non-GAAP profitability, our sales and customer opportunity pipeline, including continued growth in the Federal market, the expected benefits of our offerings (including the potential benefits of our C3 Generative AI offerings), the expectations for our C3 AI Agentic Process Automation, and our business strategies, plans, and objectives for future operations. 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, including our history of losses and ability to achieve and maintain profitability in the future, our historic dependence on a limited number of existing customers that account for a substantial portion of our revenue, our ability to attract new customers and retain existing customers, the ability of our restructured global sales and services organization to achieve desired productivity levels in a reasonable period of time, the impact of the transition of our Chief Executive Officer role, the continued involvement of our Executive Chairman and our ability to retain key members of our senior management, market awareness and acceptance of enterprise AI solutions in general and our products in particular, the length and unpredictability of our sales cycles and the time and expense required for our sales efforts. Some of these risks are described in greater detail in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended April 30, 2025, our Quarterly Report on Form 10-Q for the fiscal quarter ended July 31, 2025, and other filings and reports we make with the Securities and Exchange Commission from time to time, including, when available, our Quarterly Report on Form 10-Q that will be filed for the fiscal quarter ended October 31, 2025, although new and unanticipated risks may arise. The future events and trends discussed in this press release 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 press release 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.

FY26-Q2 Highlights

Revenue

\$75.1M

Subscription
Revenue

\$70.2M

Number of
Agreements

46

Federal Bookings
Growth (YoY)

89%

Cash
Balance

\$675M

 **C3.ai This is Enterprise AI.**

C3 AI Named Leader in Industrial AI Analytics

#1 out of 19 vendors across technical capabilities & market momentum

Recognized leader in predictive maintenance and supply chain analytics

“**Predictive maintenance is a standout:** C3 AI scored the highest among all vendors...blends time-series ML with physics and LLM-assisted triage to generate risk scores, remaining useful life, and failure probabilities.”

— **Verdantix Green Quadrant: Industrial AI Analytics Software (2025)**



FY26-Q2 C3 AI Partner Model Success

- **89%** of total bookings were driven with and through the C3 AI partner ecosystem.
- **C3 AI and Microsoft** over the first year of their strategic alliance generated over \$130 million C3 AI in bookings. In Q2, they jointly closed 24 agreements and expanded deal activity contributed to a 146% year-over-year increase in qualified pipeline.
- **C3 AI and AWS** jointly closed 9 agreements and hosted multiple C-suite executive events to drive 172% year-over-year increase in joint qualified pipeline.



Customer Success



Guidance

	FY26-Q3	FY26
Total Revenue	\$72.0 - \$80.0 million	\$289.5 - \$309.5 million
YoY Growth %	(27) % – (19) %	(26) % – (20) %
Non-GAAP Loss from Operations	\$(44.0) - \$(52.0) million	\$(180.5) - \$(210.5) 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.

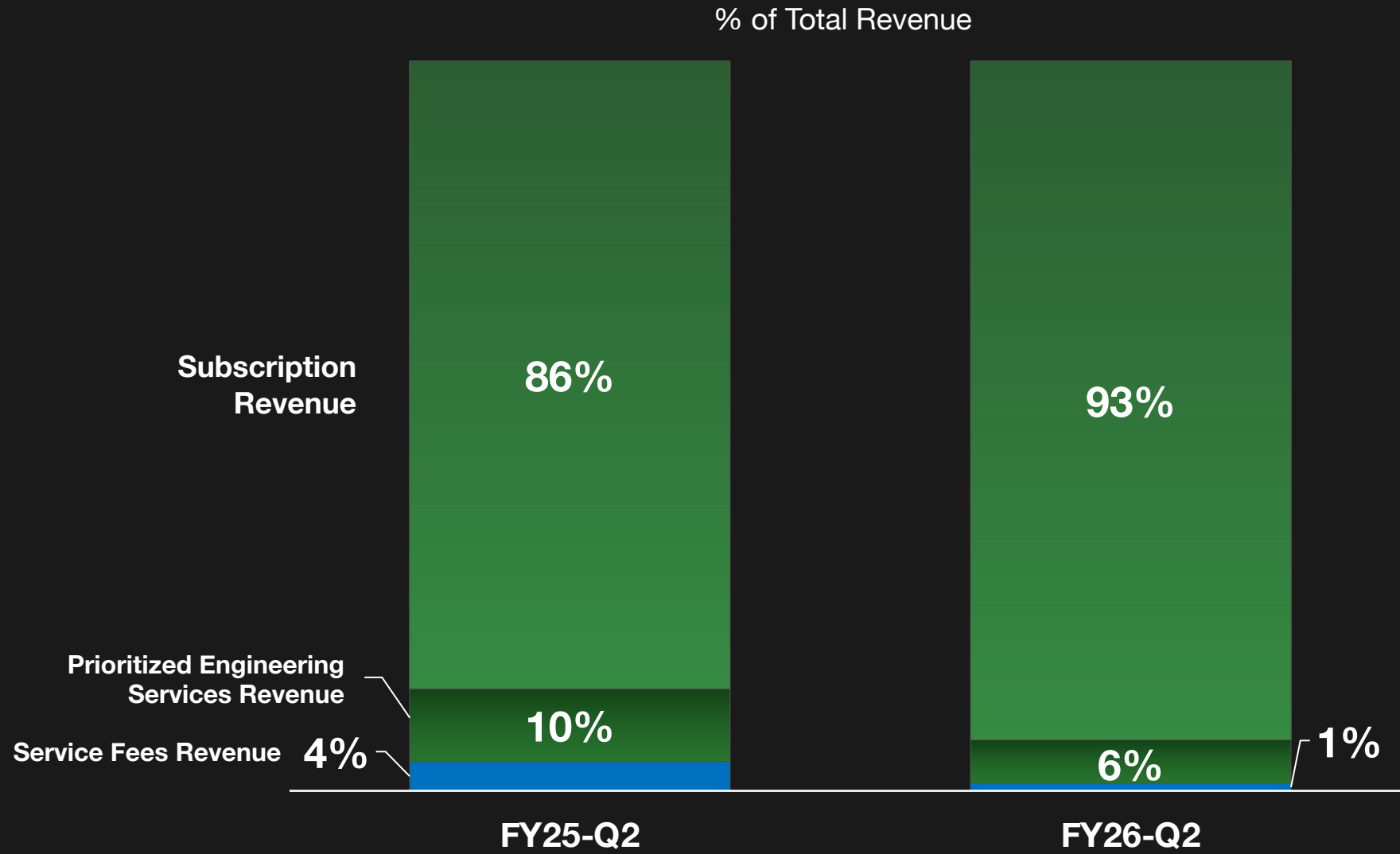
Finance Update

FY26-Q2 Summary Financial Results

	FY26-Q2
Revenue	\$75.1 million
Subscription Revenue	\$70.2 million
Subscription and Prioritized Engineering Services Revenue Combined	\$74.2 million
Non-GAAP Gross Profit	\$40.9 million
Non-GAAP Gross Margin	54%
Non-GAAP Loss from Operations	(\$42.2) million
Non-GAAP Net Loss	(\$34.8) million
Free Cash Flow	(\$46.9) million

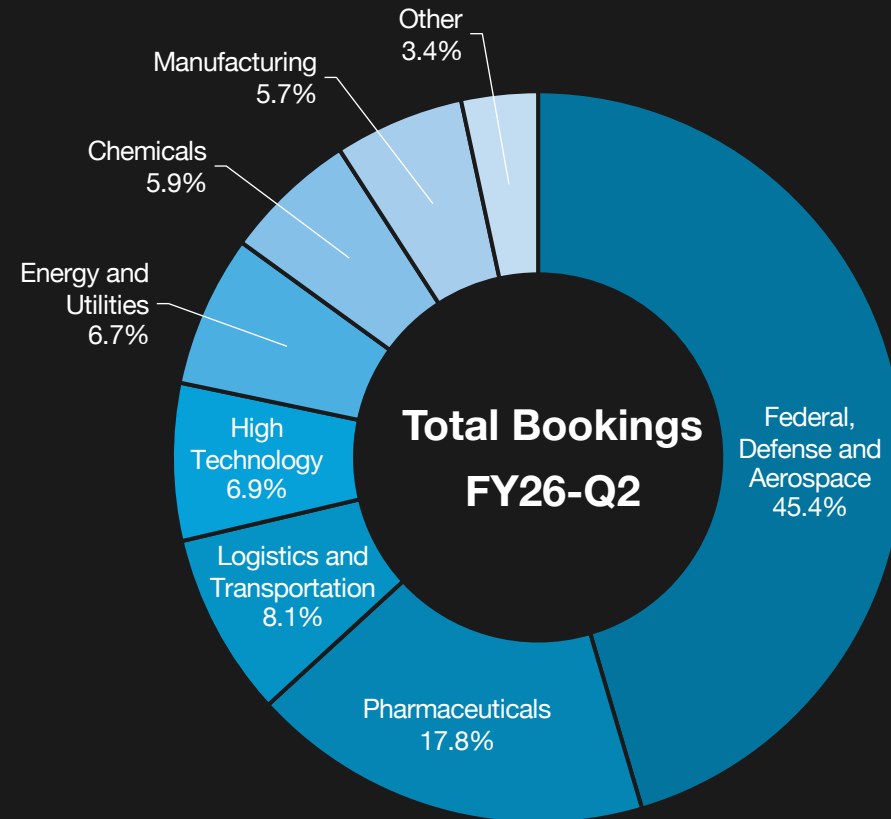
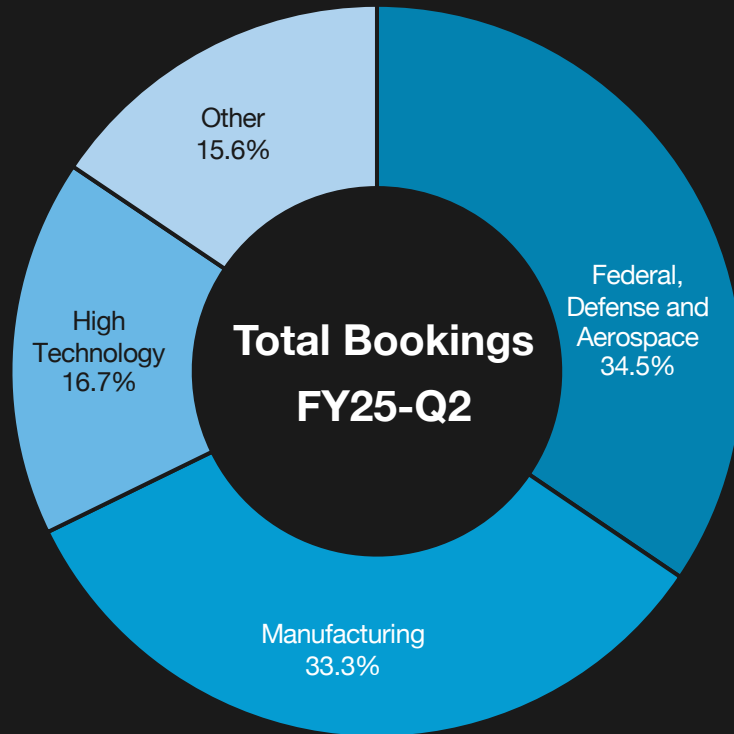
Note: Non-GAAP Gross Profit, Non-GAAP Gross Margin, Non-GAAP loss from Operations, Non-GAAP Net Loss and Free cash flow are non-GAAP financial measures. Refer to the Appendix for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measure. Numbers and percentages are rounded for presentation purposes.

Total Revenue Mix



Note: Numbers and percentages are rounded for presentation purposes.

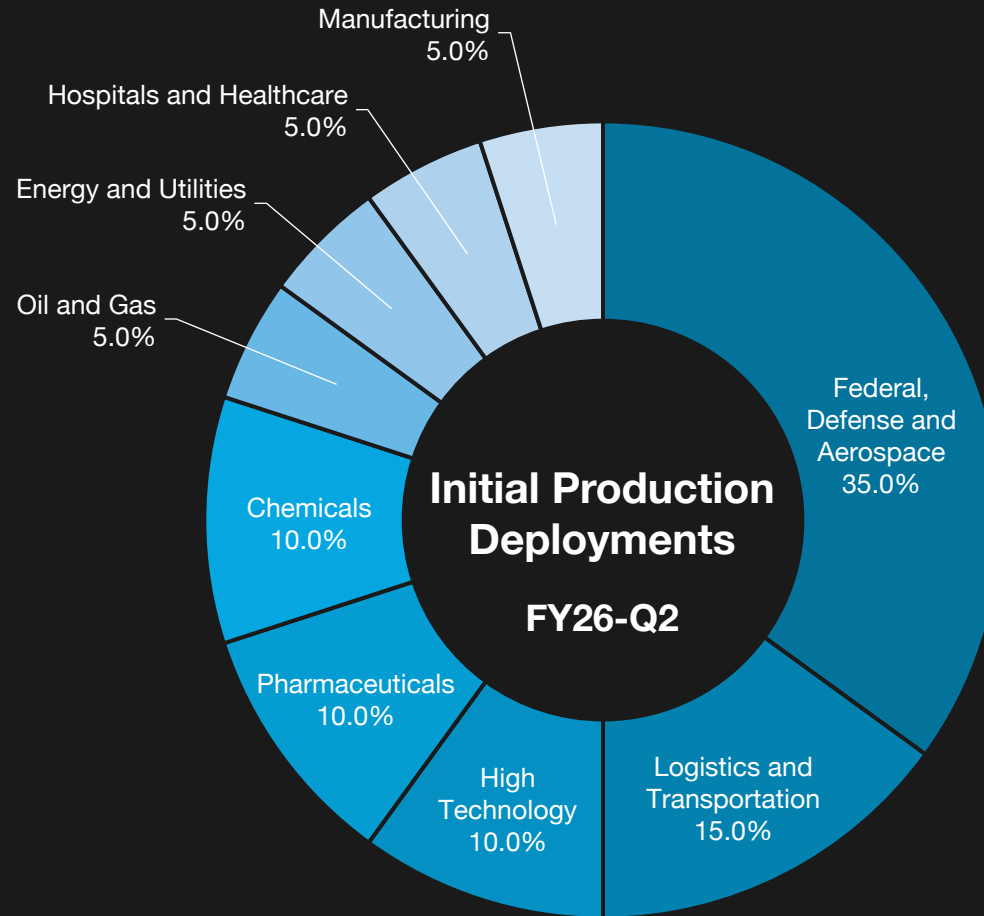
Bookings Diversity by Industry: FY26-Q2



Note: Fiscal year ends April 30. Percentages are rounded for presentation purposes. % calculation is based on dollar amount

Initial Production Deployments Diversity by Industry

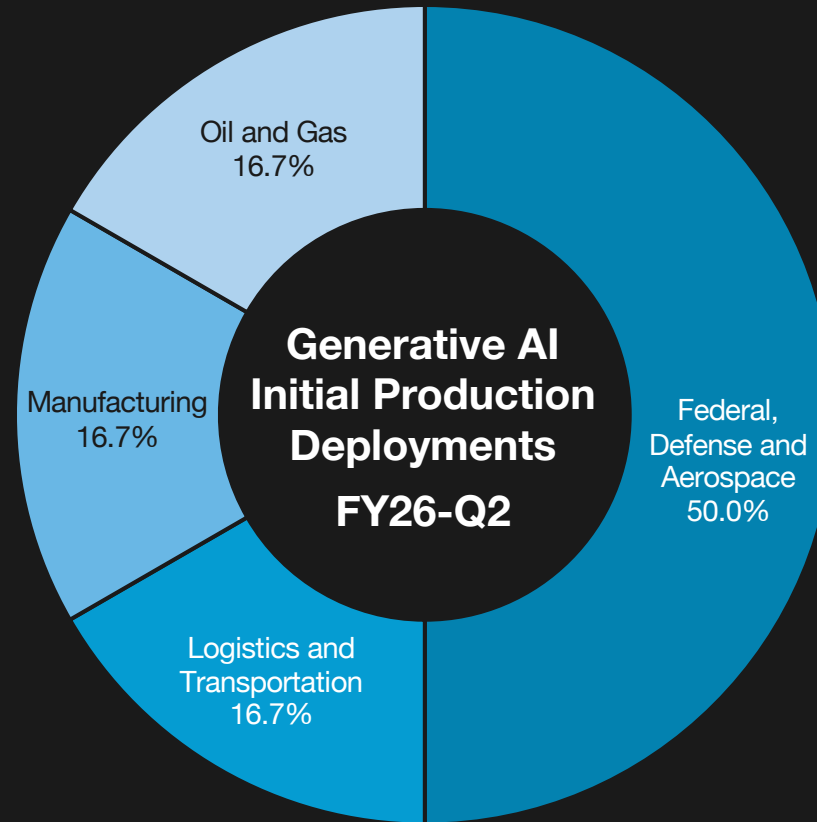
FY26-Q2



Note: Fiscal year ends April 30. Percentages are rounded for presentation purposes. % calculation is based on deal count

Generative AI Initial Production Deployments Diversity by Industry

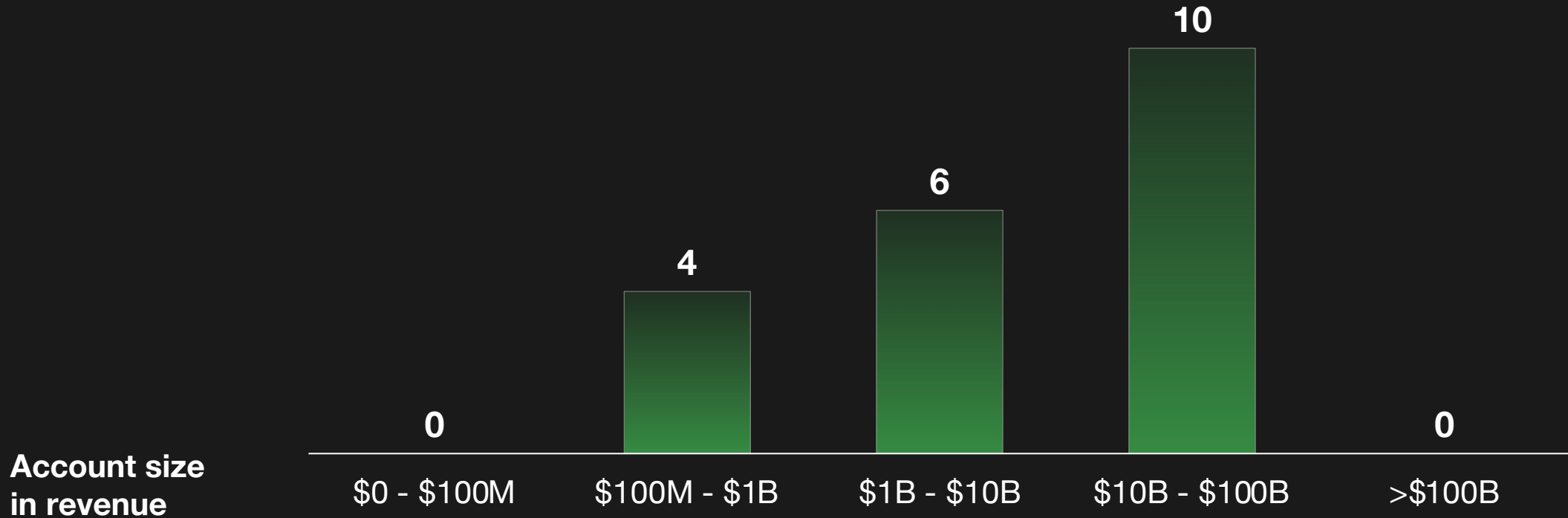
FY26-Q2



Note: Fiscal year ends April 30. Percentages are rounded for presentation purposes. % calculation is based on deal count

Initial Production Deployments Account Profile: FY26-Q2

Initial Production Deployments



C3 AI Investment Thesis



Huge Addressable Market



First-mover Advantage



Patented Enterprise AI Application Platform



Substantial Market Partner Ecosystem



Recognized AI Market Leadership



Proven Track Record of Success



Veteran Disciplined Management Team



High-Performance Corporate Culture



Excellence in Execution

 **C3.ai This is Enterprise AI.**

Appendix

Income Statement

	Three Months Ended							
	January 31, 2024	April 30, 2024	July 31, 2024	October 31, 2024	January 31, 2025	April 30, 2025	July 31, 2025	October 31, 2025
Revenue								
Subscription	\$ 70,400	\$ 79,903	\$ 73,456	\$ 81,162	\$ 85,679	\$ 87,333	\$ 60,301	\$ 70,242
Professional services	8,001	6,687	13,757	13,176	13,103	21,390	9,960	4,905
Total Revenue	78,401	86,590	87,213	94,338	98,782	108,723	70,261	75,147
Cost of revenue								
Subscription ⁽¹⁾⁽²⁾	32,273	34,825	33,292	35,038	37,799	37,712	41,481	42,945
Professional services ⁽¹⁾⁽²⁾	841	154	1,755	1,460	2,636	3,501	2,336	1,822
Total cost of revenue	33,114	34,979	35,047	36,498	40,435	41,213	43,817	44,767
Gross profit	45,287	51,611	52,166	57,840	58,347	67,510	26,444	30,380
Operating expenses								
Sales and marketing ⁽¹⁾⁽²⁾	57,140	63,247	52,125	55,643	61,201	70,690	62,513	58,337
Research and development ⁽¹⁾⁽²⁾	49,480	50,618	52,927	55,715	59,356	58,393	64,651	58,352
General and administrative ⁽¹⁾⁽²⁾	21,213	20,053	19,700	21,770	25,375	27,392	24,099	25,804
Total operating expenses	127,833	133,918	124,752	133,128	145,932	156,475	151,263	142,493
Loss from operations	(82,546)	(82,307)	(72,586)	(75,288)	(87,585)	(88,965)	(124,819)	(112,113)
Interest income	9,995	9,482	10,003	9,560	8,677	7,949	8,218	7,539
Other (expense) income, net	409	(173)	28	13	(957)	1,425	132	143
Net loss before provision for income taxes	(72,142)	(72,998)	(62,555)	(65,715)	(79,865)	(79,591)	(116,469)	(104,431)
Provision for income taxes	489	(71)	272	257	336	111	300	237
Net loss	\$ (72,631)	\$ (72,927)	\$ (62,827)	\$ (65,972)	\$ (80,201)	\$ (79,702)	\$ (116,769)	\$ (104,668)

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

	Three Months Ended							
	January 31, 2024	April 30, 2024	July 31, 2024	October 31, 2024	January 31, 2025	April 30, 2025	July 31, 2025	October 31, 2025
Cost of subscription	\$ 8,674	\$ 8,788	\$ 7,694	\$ 7,827	\$ 8,563	\$ 6,396	\$ 8,622	\$ 9,960
Cost of professional services	309	40	714	484	941	1,041	668	439
Sales and marketing	17,528	19,218	18,833	20,802	21,860	22,465	24,181	25,687
Research and development	18,757	19,561	18,431	17,999	19,896	15,303	19,323	20,084
General and administrative	9,715	9,122	9,011	9,926	11,392	11,410	11,981	12,683
Total stock-based compensation expense	\$ 54,983	\$ 56,729	\$ 54,683	\$ 57,038	\$ 62,652	\$ 56,615	\$ 64,775	\$ 68,853

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

	Three Months Ended							
	January 31, 2024	April 30, 2024	July 31, 2024	October 31, 2024	January 31, 2025	April 30, 2025	July 31, 2025	October 31, 2025
Cost of subscription	\$ 392	\$ 490	\$ 326	\$ 163	\$ 329	\$ 203	\$ 550	\$ 164
Cost of professional services	13	3	30	8	27	26	36	4
Sales and marketing	496	642	472	450	614	410	674	467
Research and development	738	869	364	231	578	375	793	208
General and administrative	134	169	80	238	241	172	167	193
Total employer payroll tax expense	\$ 1,773	\$ 2,173	\$ 1,272	\$ 1,090	\$ 1,789	\$ 1,185	\$ 2,220	\$ 1,036

GAAP to Non-GAAP Reconciliation

	Three Months Ended							
	January 31, 2024	April 30, 2024	July 31, 2024	October 31, 2024	January 31, 2025	April 30, 2025	July 31, 2025	October 31, 2025
Subscription revenue	\$ 70,400	\$ 79,903	\$ 73,456	\$ 81,162	\$ 85,679	\$ 87,333	\$ 60,301	\$ 70,242
Professional services revenue	8,001	6,687	13,757	13,176	13,103	21,390	9,960	4,905
Total Revenue	78,401	86,590	87,213	94,338	98,782	108,723	70,261	75,147
GAAP cost of subscription revenue	32,273	34,825	33,292	35,038	37,799	37,712	41,481	42,945
Stock-based compensation	8,674	8,788	7,694	7,827	8,563	6,396	8,622	9,960
Employer payroll tax expense related to employee stock-based compensation	392	490	326	163	329	203	550	164
Non-GAAP cost of subscription revenue	23,207	25,547	25,272	27,048	28,907	31,113	32,309	32,821
GAAP cost of professional services revenue	841	154	1,755	1,460	2,636	3,501	2,336	1,822
Stock-based compensation	309	40	714	484	941	1,041	668	439
Employer payroll tax expense related to employee stock-based compensation	13	3	30	8	27	26	36	4
Non-GAAP cost of professional services revenue	519	111	1,011	968	1,668	2,434	1,632	1,379
GAAP sales and marketing expense	57,140	63,247	52,125	55,643	61,201	70,690	62,513	58,337
Stock-based compensation	17,528	19,218	18,833	20,802	21,860	22,465	24,181	25,687
Employer payroll tax expense related to employee stock-based compensation	496	642	472	450	614	410	674	467
Non-GAAP sales and marketing expense	39,116	43,387	32,820	34,391	38,727	47,815	37,658	32,183
GAAP research and development expense	49,480	50,618	52,927	55,715	59,356	58,393	64,651	58,352
Stock-based compensation	18,757	19,561	18,431	17,999	19,896	15,303	19,323	20,084
Employer payroll tax expense related to employee stock-based compensation	738	869	364	231	578	375	793	208
Non-GAAP research and development expense	29,985	30,188	34,132	37,485	38,882	42,715	44,535	38,060
GAAP general and administrative expense	21,213	20,053	19,700	21,770	25,375	27,392	24,099	25,804
Stock-based compensation	9,715	9,122	9,011	9,926	11,392	11,410	11,981	12,683
Employer payroll tax expense related to employee stock-based compensation	134	169	80	238	241	172	167	193
Non-GAAP general and administrative expense	11,364	10,762	10,609	11,606	13,742	15,810	11,951	12,928
Gross profit on a GAAP basis	\$ 45,287	\$ 51,611	\$ 52,166	\$ 57,840	\$ 58,347	\$ 67,510	\$ 26,444	\$ 30,380
Stock-based compensation	8,983	8,828	8,408	8,311	9,504	7,437	9,290	10,399
Employer payroll tax expense related to employee stock-based compensation	405	493	356	171	356	229	586	168
Gross profit on a non-GAAP basis	54,675	60,932	60,930	66,322	68,207	75,176	36,320	40,947
Gross margin on a GAAP basis	58 %	60 %	60 %	61 %	59 %	62 %	38 %	40 %
Gross margin on a non-GAAP basis	70 %	70 %	70 %	70 %	69 %	69 %	52 %	54 %
Loss from operations on a GAAP basis	(82,546)	(82,307)	(72,586)	(75,288)	(87,585)	(88,965)	(124,819)	(112,113)
Stock-based compensation expense	54,983	56,729	54,683	57,038	62,652	56,615	64,775	68,853
Employer payroll tax expense related to employee stock-based compensation	1,773	2,173	1,272	1,090	1,789	1,185	2,220	1,036
Loss from operations on a non-GAAP basis	\$ (25,790)	\$ (23,405)	\$ (16,631)	\$ (17,160)	\$ (23,144)	\$ (31,165)	\$ (57,824)	\$ (42,224)
Operating margin on a GAAP basis	-105 %	-95 %	-83 %	-80 %	-89 %	-82 %	-178 %	-149 %
Operating margin on a non-GAAP basis	-33 %	-27 %	-19 %	-28 %	-23 %	-29 %	-82 %	-56 %

Free Cash Flow

	Three Months Ended October 31,		Six Months Ended October 31,	
	2025	2024	2025	2024
Net cash used in operating activities	\$ (46,496)	\$ (38,693)	\$ (80,031)	\$ (30,651)
Less:				
Purchases of property and equipment	(386)	(815)	(1,146)	(1,739)
Capitalized software development costs	—	—	—	—
Free cash flow	\$ (46,882)	\$ (39,508)	\$ (81,177)	\$ (32,390)
Net cash provided by (used in) investing activities	\$ 62,088	\$ 22,635	\$ 10,917	\$ (18,915)
Net cash provided by financing activities	\$ 6,672	\$ 3,512	\$ 7,961	\$ 3,694

