



2022 Q2 Earnings

August 15, 2022

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Unless otherwise indicated, all references in this Presentation to "Agora," "we," "our," "us" or similar terms refer to Agora, Inc. and its subsidiaries and, in the context of describing our operations and consolidated financial information, also include our variable interest entity in the PRC.

2022 Q2 Business Highlights

Product Adoption

Sub-Second Live Streaming - Social

Agora powers Bolo Live's live streaming and interactive features that enables content creators to broadcast interactive live streams to their audience and monetize directly through consumer transactions from their fans.



Product Adoption

Sub-Second Live Streaming - Gaming

MBC Group's social gaming platform WIZZO has seen 10% increase of new user growth with Agora-powered live streaming.

Sub-Second Live Streaming product enlarges our Total Addressable Market by attracting more livestreaming platforms with legacy CDN-based technology.



Product Launch

Agora Chat (Beta) – US & International Markets

A powerful tool for developers to add messaging to any application with comprehensive features and functions.

Broadest compatibility with operating systems and development frameworks among similar APIs.

Very easy to use, especially for those who are already using our real-time video or voice products.



Music Copyright Solution

Partnership with China Audio-Video Copyright Association

Through this partnership, we can provide a one-stop solution for our customers to manage the use of music works in their livestreaming sessions with full compliance of the latest copyrights laws and regulations in China.

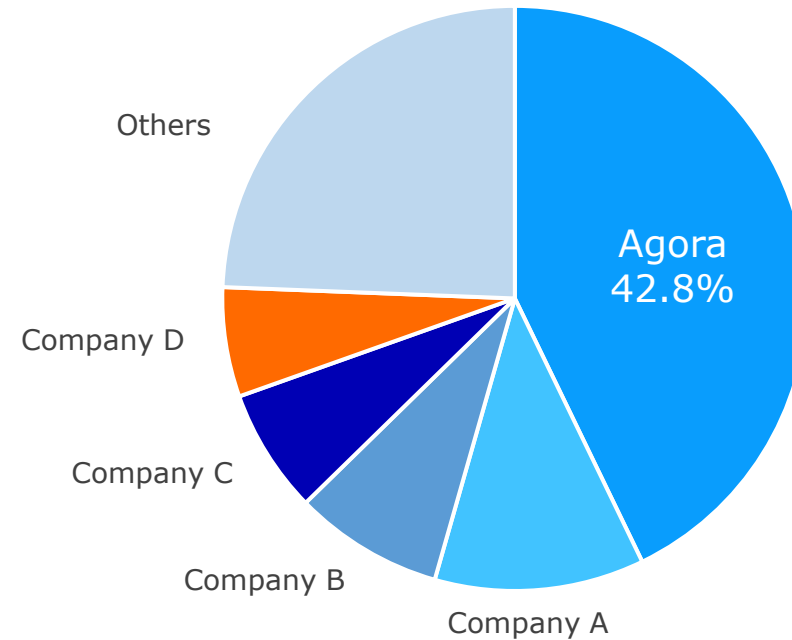


Dominant Market Position

#1 position in RTC solutions in China

Greater market share than the next **7** companies combined

China RTE Cloud Solution Provider Market Share ⁽¹⁾



(1)Market share by revenues in 2021. Source: IDC

Upcoming RTE2022 Conference

North America

Online / San Francisco



Asia Pacific

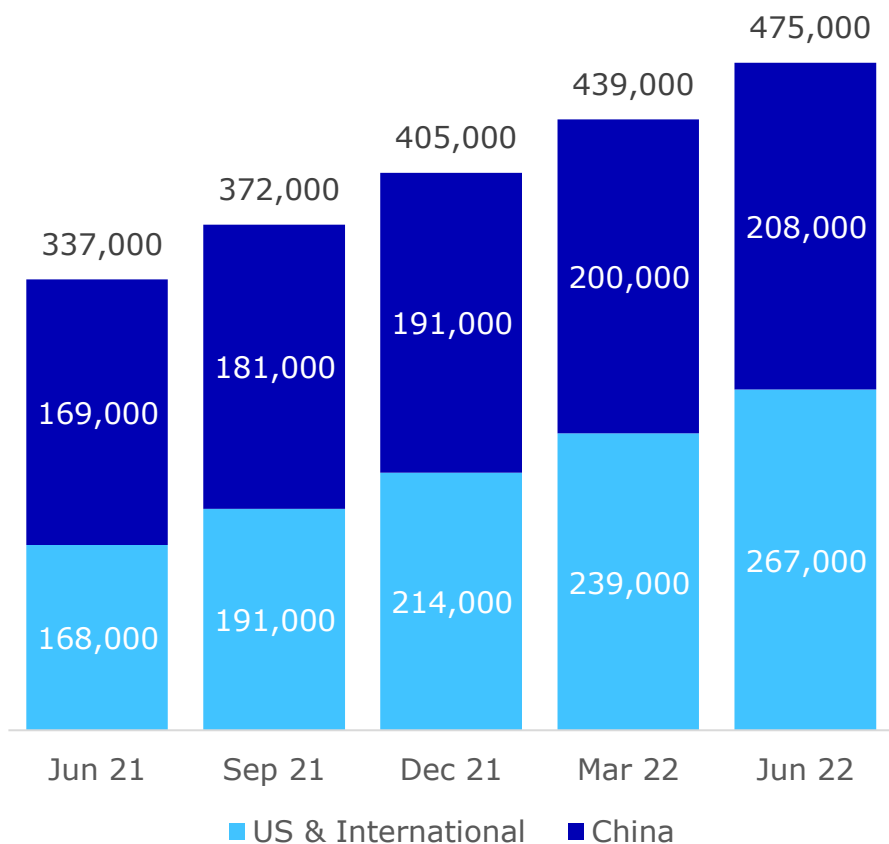
Online



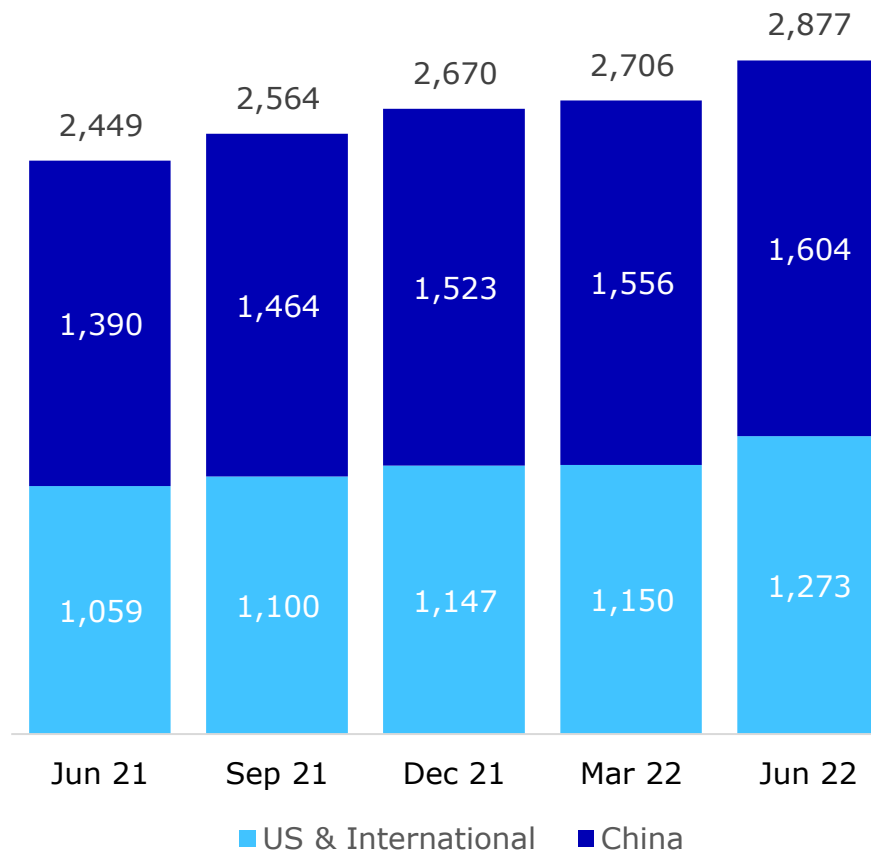
2022 Q2 Financial Update

Steady Growth in Developers and Customers

ACCUMULATED REGISTERED APPLICATIONS (1)(3)



ACTIVE CUSTOMERS (2)(3)

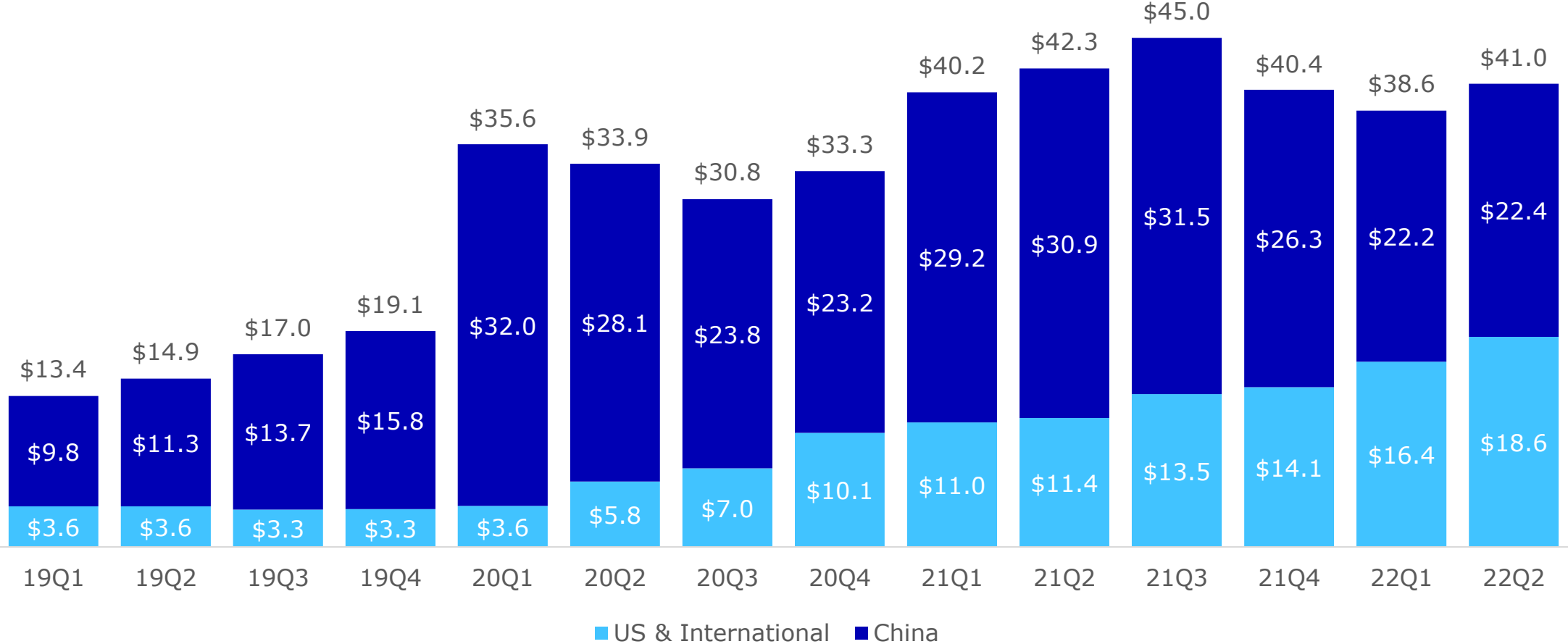


Notes:

- (1) Refer to number of registered application accounts on our platform. Rounded down to the nearest thousand.
- (2) An active customer at the end of the period is an organization or individual developer from which we generated more than US\$100 of revenue during the preceding 12 months, based on unique customer account identifiers.
- (3) The numbers excluded Easemob.

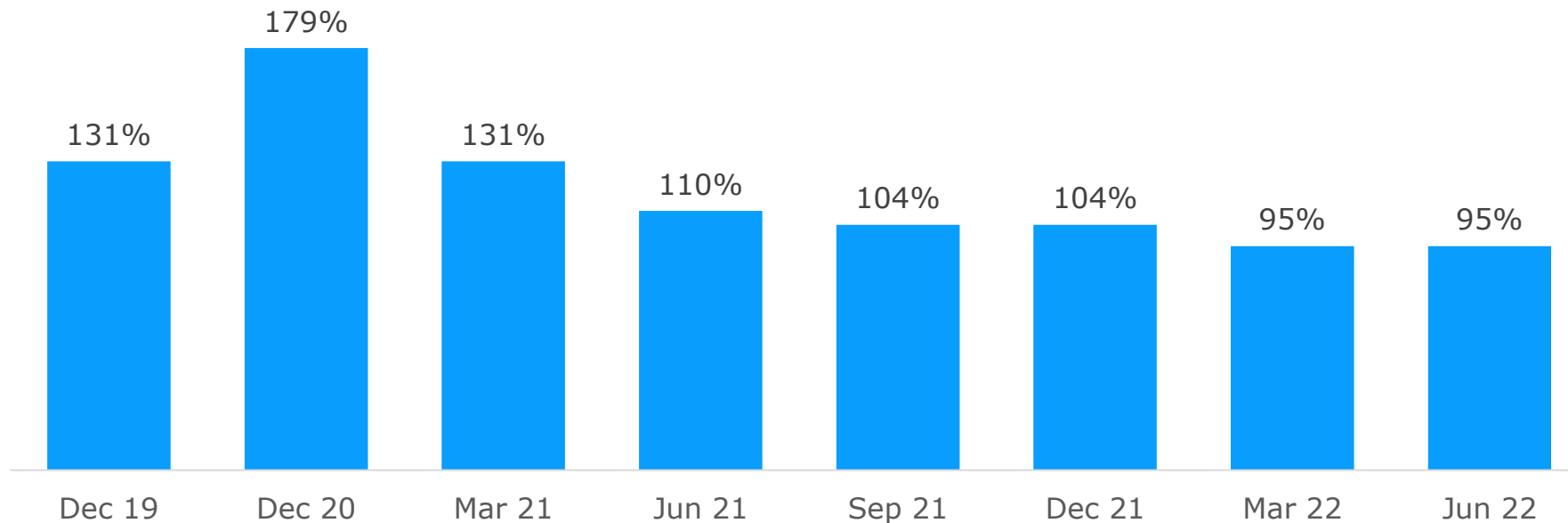
Resilient Revenue Growth and Global Expansion

TOTAL REVENUES
in US\$M



Net Expansion Rate

CONSTANT CURRENCY DOLLAR-BASED NET EXPANSION RATE ⁽¹⁾⁽²⁾



US & International	>130%	>130%	>130%	>130%	>130%	>130%	>130%	>130%
China	>130%	>130%	129%	102%	94%	89%	84%	80%

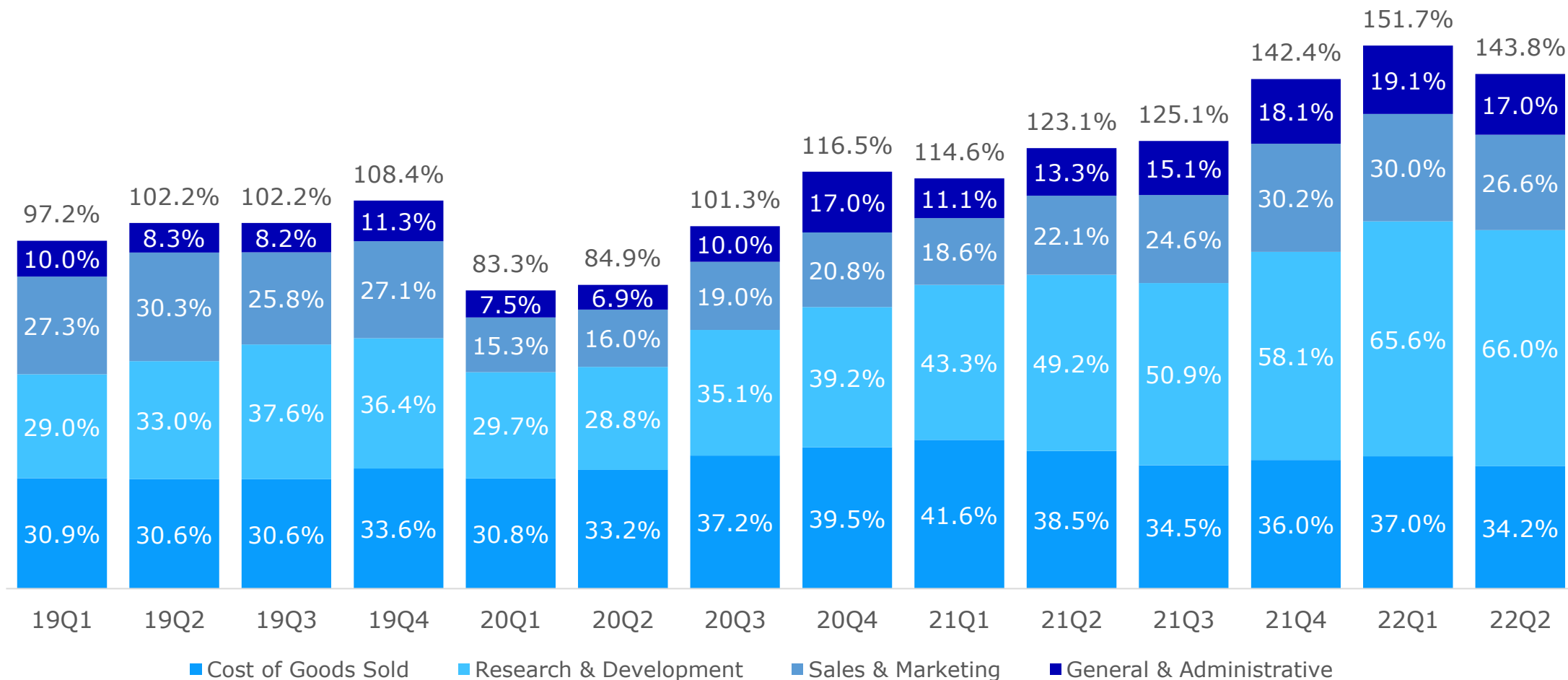
Notes:

1. Agora calculates Dollar-Based Net Expansion Rate for a trailing 12-month period by first identifying all customers in the prior 12-month period, and then calculating the quotient from dividing the revenue generated from such customers in the trailing 12-month period by the revenue generated from the same group of customers in the prior 12-month period. Constant Currency Dollar-Based Net Expansion Rate is calculated the same way as Dollar-Based Net Expansion Rate but using fixed exchange rates based on the daily average exchange rates prevailing during the prior 12-month period to remove the impact of foreign currency translations.
2. The numbers excluded Easemob.

Costs, Expenses and Margins

NON-GAAP COST OF GOODS SOLD AND OPERATING EXPENSES

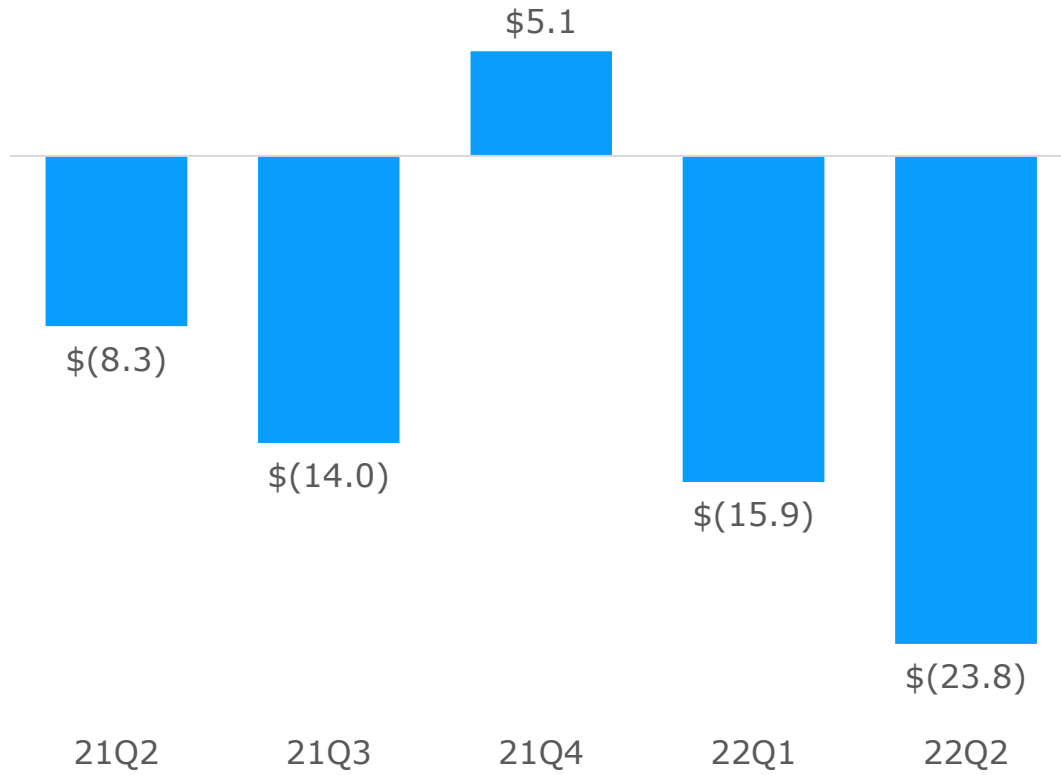
as % of Total Revenues



Cash Flow

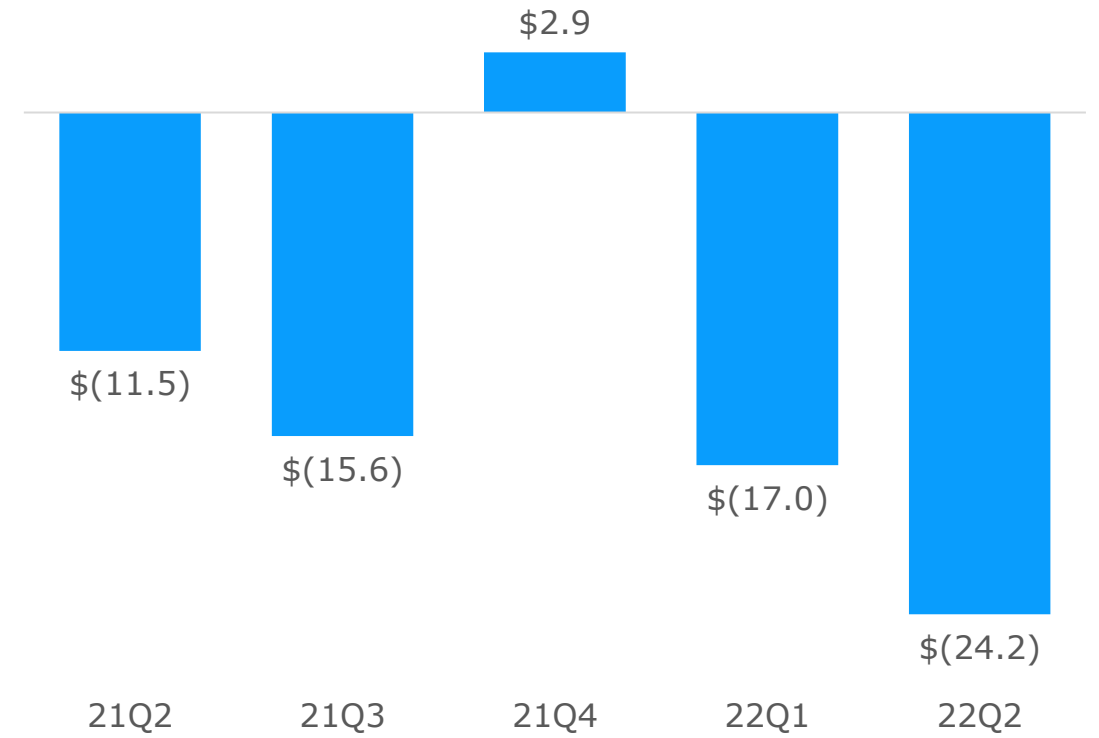
OPERATING CASH FLOW

in US\$M



FREE CASH FLOW

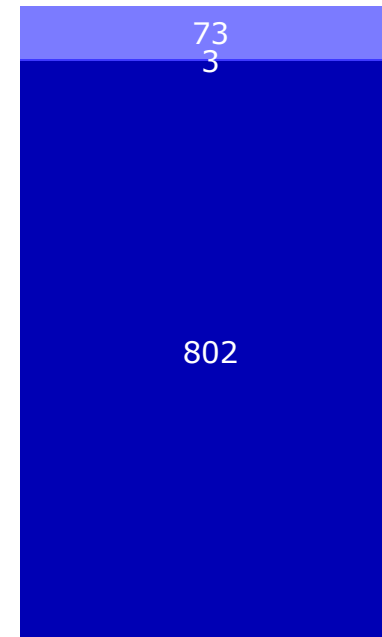
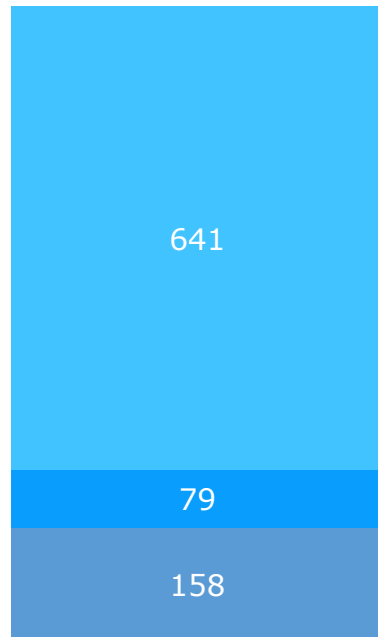
in US\$M



Balance Sheet

BALANCE SHEETS SNAPSHOT AS OF JUNE 30, 2022

in US\$M



- Cash, cash equivalents and short-term investments
- Other current assets
- Non-current assets

- Current liabilities
- Non-current liabilities
- Total equity

Appendix

GAAP to Non-GAAP Reconciliation

Gross Margin (US\$000's)	20Q2⁽¹⁾	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	22Q2
Total Revenues	33,904	30,847	33,253	40,225	42,333	45,038	40,386	38,585	40,979
GAAP Gross Profit	22,527	19,264	20,096	23,372	25,859	29,349	25,427	24,074	26,609
(+) Share-based Compensation	118	105	18	133	171	152	423	246	349
Non-GAAP Gross Profit	22,645	19,369	20,114	23,505	26,030	29,501	25,850	24,320	26,958
Non-GAAP Gross Margin	66.8%	62.8%	60.5%	58.4%	61.5%	65.5%	64.0%	63.0%	65.8%
Research & Development Expenses (US\$000's)									
GAAP Research & Development	10,919	12,449	14,438	25,216	27,003	29,668	28,779	31,034	32,442
(-) Share-based Compensation	(1,169)	(1,612)	(1,411)	(3,760)	(5,420)	(5,873)	(4,684)	(5,353)	(4,839)
(-) Acquisition Related Expenses	-	-	-	(3,955)	(577)	(656)	(425)	(156)	(357)
(-) Amortization Expense of Acquired Intangible Assets	-	-	-	(66)	(198)	(198)	(198)	(198)	(198)
Non-GAAP Research & Development	9,750	10,837	13,027	17,435	20,808	22,941	23,472	25,327	27,048
As % of Total Revenues	28.8%	35.1%	39.2%	43.3%	49.2%	50.9%	58.1%	65.6%	66.0%
Sales & Marketing Expenses (US\$000's)									
GAAP Sales & Marketing	5,913	6,372	7,437	8,735	11,009	12,734	13,798	13,856	13,117
(-) Share-based compensation	(492)	(502)	(504)	(956)	(1,321)	(1,326)	(1,240)	(1,947)	(1,859)
(-) Acquisition related expenses	-	-	-	(167)	-	-	-	-	-
(-) Amortization Expense of Acquired Intangible Assets	-	-	-	(116)	(348)	(348)	(348)	(348)	(348)
Non-GAAP Sales and Marketing	5,421	5,870	6,933	7,496	9,340	11,060	12,210	11,561	10,910
As % of Total Revenues	16.0%	19.0%	20.8%	18.6%	22.1%	24.6%	30.2%	30.0%	26.6%

GAAP to Non-GAAP Reconciliation

General & Administrative (US\$000's)	20Q2⁽¹⁾	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	22Q2
GAAP General & Administrative	3,396	4,401	6,668	5,721	7,271	7,996	9,338	9,230	8,952
(-) Share-based Compensation	(1,040)	(1,318)	(1,015)	(1,226)	(1,612)	(1,179)	(2,005)	(1,835)	(1,986)
(-) Amortization Expense of Acquired Intangible Assets	-	-	-	(10)	(11)	(11)	(11)	(11)	(11)
Non-GAAP General Administrative	2,356	3,083	5,653	4,485	5,648	6,806	7,322	7,384	6,955
As % of Total Revenues	6.9%	10.0%	17.0%	11.1%	13.3%	15.1%	18.1%	19.1%	17.0%
Operating Margin (US\$000's)									
Total Revenues	33,904	30,847	33,253	40,225	42,333	45,038	40,386	38,585	40,979
GAAP Operating Income/(Loss)	3,069	(3,777)	(7,749)	(16,012)	(19,082)	(20,839)	(24,760)	(29,008)	(27,712)
(+) Share-based Compensation	2,819	3,537	2,948	6,075	8,524	8,530	8,352	9,381	9,033
(+) Acquisition Related Expenses	-	-	-	4,122	577	656	425	156	357
(+) Amortization Expense of Acquired Intangible Assets	-	-	-	192	556	556	556	556	556
Non-GAAP Operating Income/(Loss)	5,888	(240)	(4,801)	(5,623)	(9,425)	(11,097)	(15,427)	(18,915)	(17,766)
Non-GAAP Operating Margin	17.4%	(0.8%)	(14.4%)	(13.9%)	(22.3%)	(24.6%)	(38.2%)	(49.0%)	(43.4%)

GAAP to Adjusted EBITDA Reconciliation

Adjusted EBITDA (US\$000's)	20Q2⁽¹⁾	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	22Q2
Total Revenues	33,904	30,847	33,253	40,225	42,333	45,038	40,386	38,585	40,979
GAAP Operating Income/(Loss)	3,069	(3,777)	(7,749)	(16,012)	(19,082)	(20,839)	(24,760)	(29,008)	(27,712)
(+) Share-based Compensation	2,819	3,537	2,948	6,075	8,524	8,530	8,352	9,381	9,033
(+) Acquisition Related Expenses	-	-	-	4,122	577	656	425	156	357
(+) Amortization Expense of Acquired Intangible Assets	-	-	-	192	556	556	556	556	556
(+) Depreciation of Property and Equipment	1,005	1,196	1,514	1,899	2,084	1,994	2,303	2,473	2,424
Adjusted EBITDA	6,893	956	(3,287)	(3,724)	(7,341)	(9,103)	(13,124)	(16,442)	(15,342)
Adjusted EBITDA Margin	20.3%	3.1%	(9.9%)	(9.2%)	(17.3%)	(20.2%)	(32.5%)	(42.6%)	(37.4%)
Free Cash Flow (US\$000's)									
Cash Flow from Operations	7,451	(1,934)	1,967	(2,742)	(8,326)	(13,982)	5,050	(15,861)	(23,797)
(-) Purchases of PPE	(3,825)	(3,210)	(3,347)	(5,233)	(3,209)	(1,638)	(2,131)	(1,172)	(450)
Free Cash Flow	3,626	(5,144)	(1,380)	(7,975)	(11,535)	(15,620)	2,919	(17,033)	(24,247)

Notes:

1. In the fourth quarter of 2020, Agora formally implemented the Venture Partners Plan, which was a new incentive plan that can be settled in shares or cash at the discretion of the plan administrator. Therefore, \$1.2M, \$1.1M and \$1.1M accrued in the first, second and third quarter of 2020, respectively, was reclassified from cash bonus expenses to share-based compensation expenses to reflect the costs related to the new incentive plan.

Thank you