



2021 Q4 Earnings

February 22, 2022

Disclaimer

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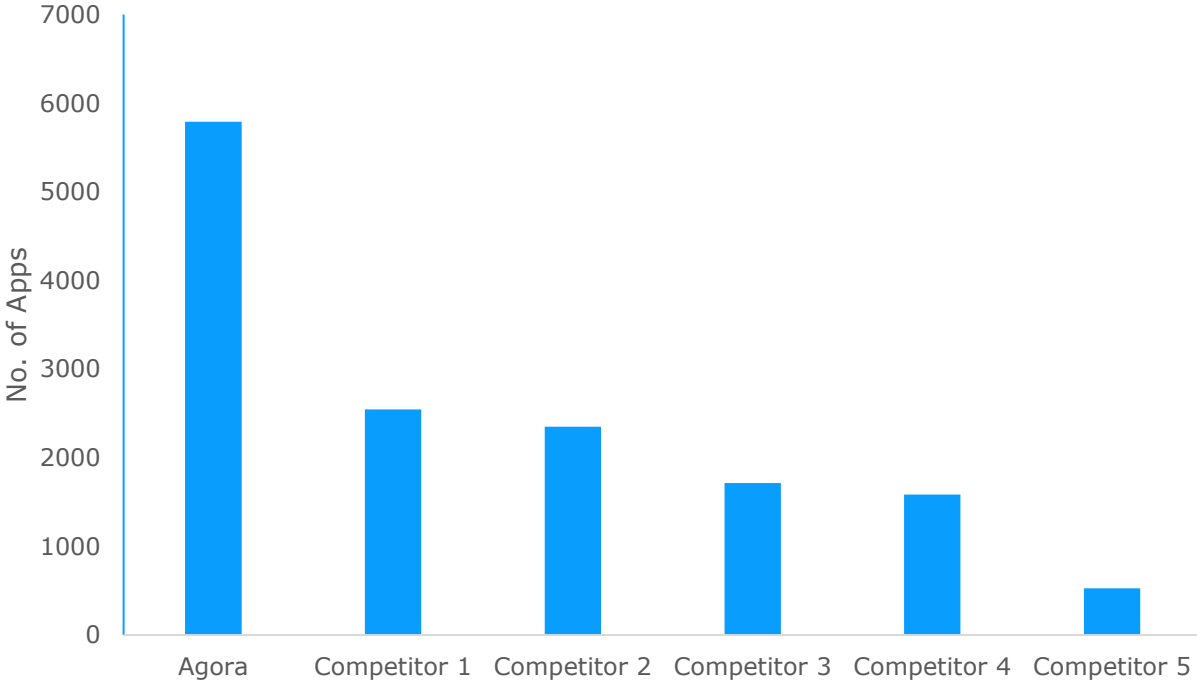
In addition to U.S. GAAP financials, this Presentation includes certain non-GAAP financial measures, including non-GAAP net income (loss), Adjusted EBITDA and free cash flow. These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. The non-GAAP financial measures used by Agora may differ from the non-GAAP financial measures used by other companies. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable U.S. GAAP financial measures and should be read only in conjunction with Agora's consolidated financial statements prepared in accordance with U.S. GAAP. Please see the Appendices attached to this Presentations for an explanation of management's use of these measures and a reconciliation of the most directly comparable U.S. GAAP financial measures. This Presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. Any such offering of securities will only be made by means of a registration statement (including a prospectus) filed with the Securities and Exchange Commission, after such registration statement becomes effective.

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.

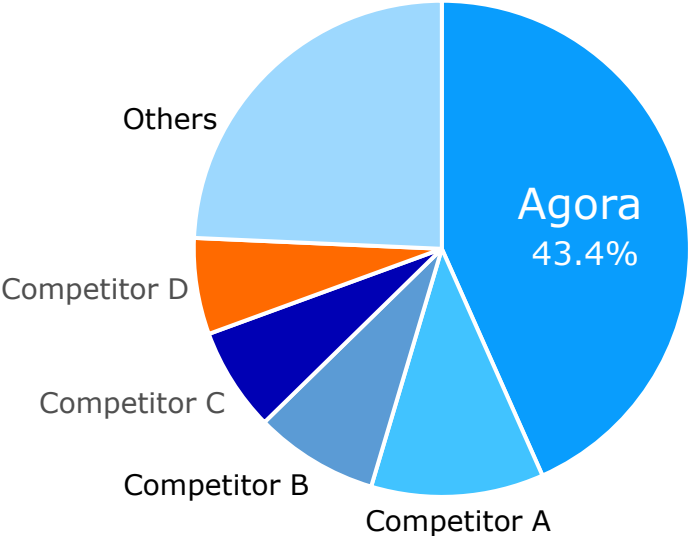
2021 Q4 Business Highlights

Dominant Market Position

Global Unique Apps with Real-time Audio and Video SDK Installed ⁽¹⁾



China RTE Cloud Solution Provider Market Share ⁽²⁾



(1) Number of unique apps with real-time audio and video SDK installed worldwide as of December 31, 2021, ranked by SDK vendor. Source: data.ai (previously App Annie)
(2) Market share by revenues in the first half of 2021. Source: IDC

Emerging Use Cases

Blue Frog Robotics



Powered by [Agora technology](#), changing the way hospitalized students attend school. They can now interact with teachers, classmate, friends and family through this emotional robot named [Buddy](#).

Emerging Use Cases

Telemedicine



University of Maryland Medical System built “[TelePort](#)” to obtain patient information across [14 hospitals and 200 departments](#). Agora is embedded in their application/platform for all video and audio sessions between doctors and patients as well as between providers and staff.

Meta “Universe”

Meta KTV – PartyOn



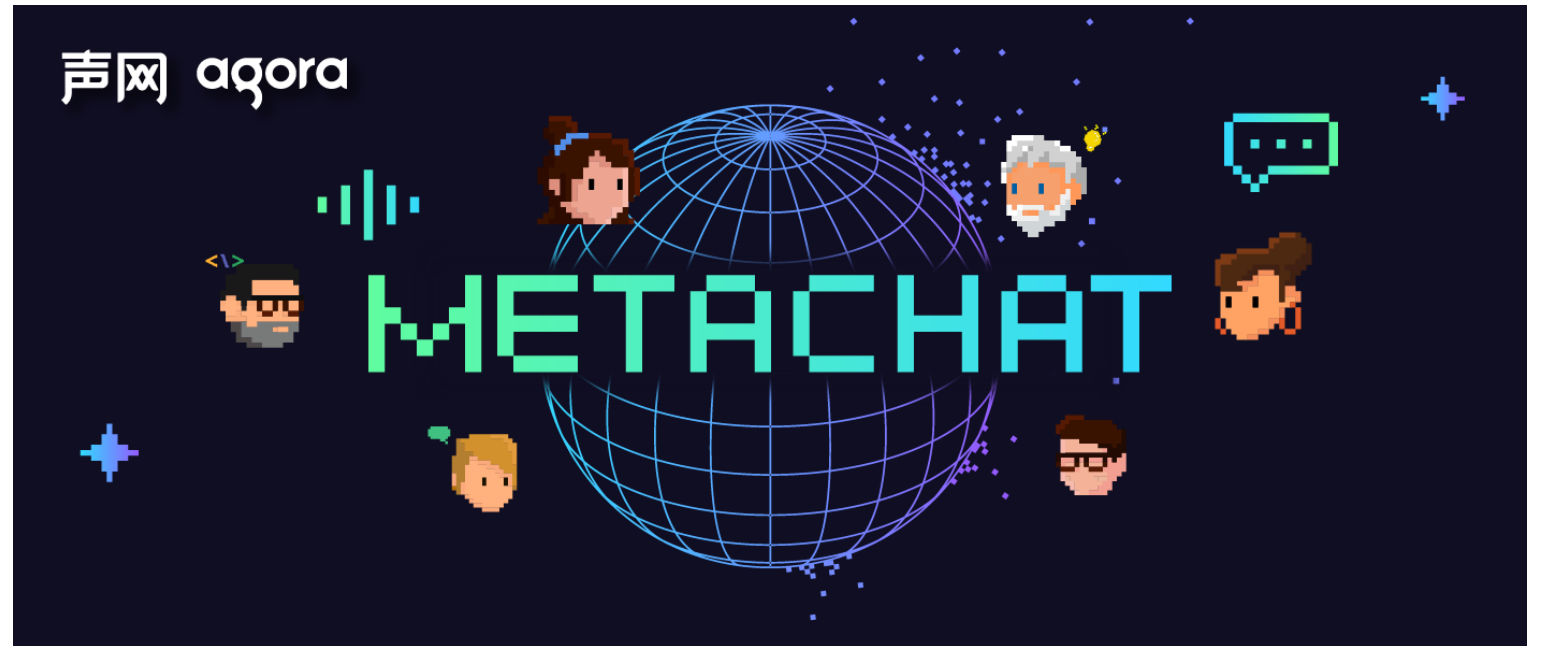
With [XRSPACE](#), we built an online karaoke platform combining reality and virtual worlds.

Supported by our [spatial audio technology](#) and [end-to-end engineering improvements](#), singing volume will change at sub-second latency when avatars move away.

Meta “Universe”

MetaChat

Users can create a customizable avatar with hundreds of options and tools, select to meet friends in any shared virtual space.

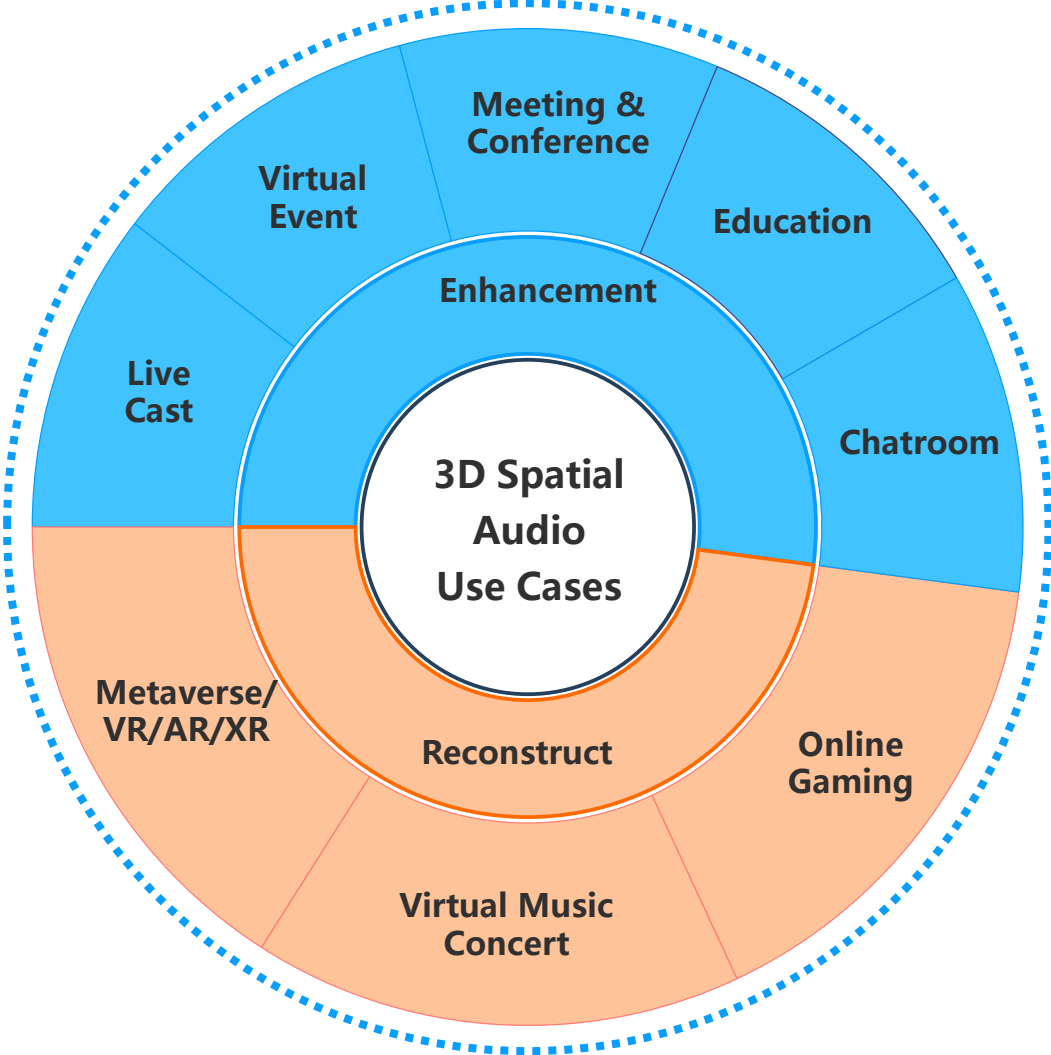


New Product

3D Spatial Audio

Industry leading audio rendering engine based on our proprietary algorithm.

Allows users to perceive sound as coming from different **locations** and **distance** around the user in the virtual space, creating a **life-like** audio experience.



Security, Compliance & Privacy Protection

Recent Developments

ISO 27001
27017
27018
27701

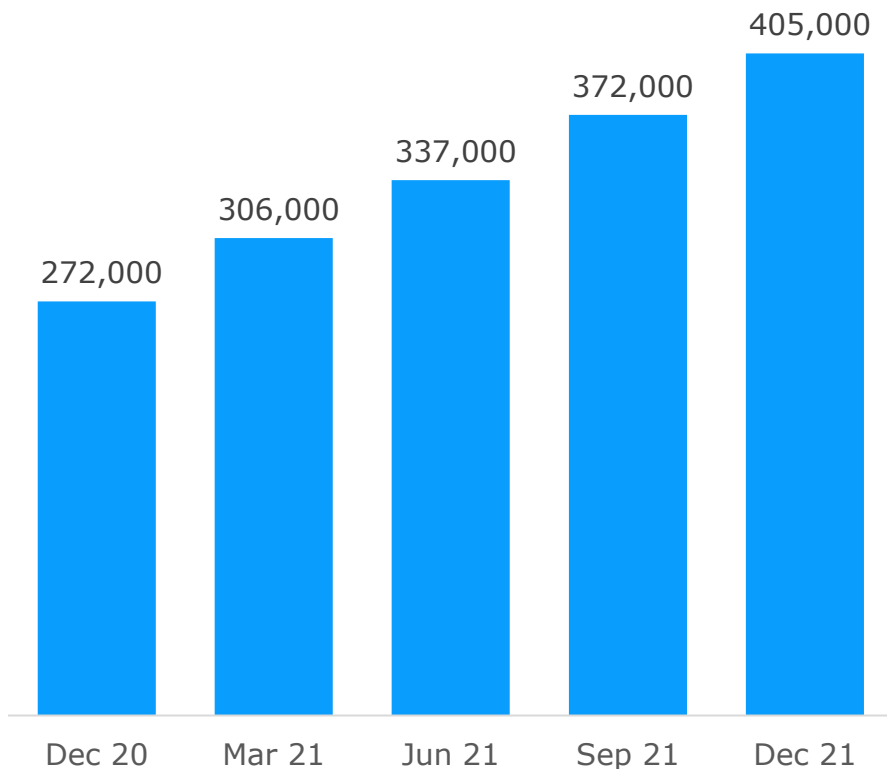


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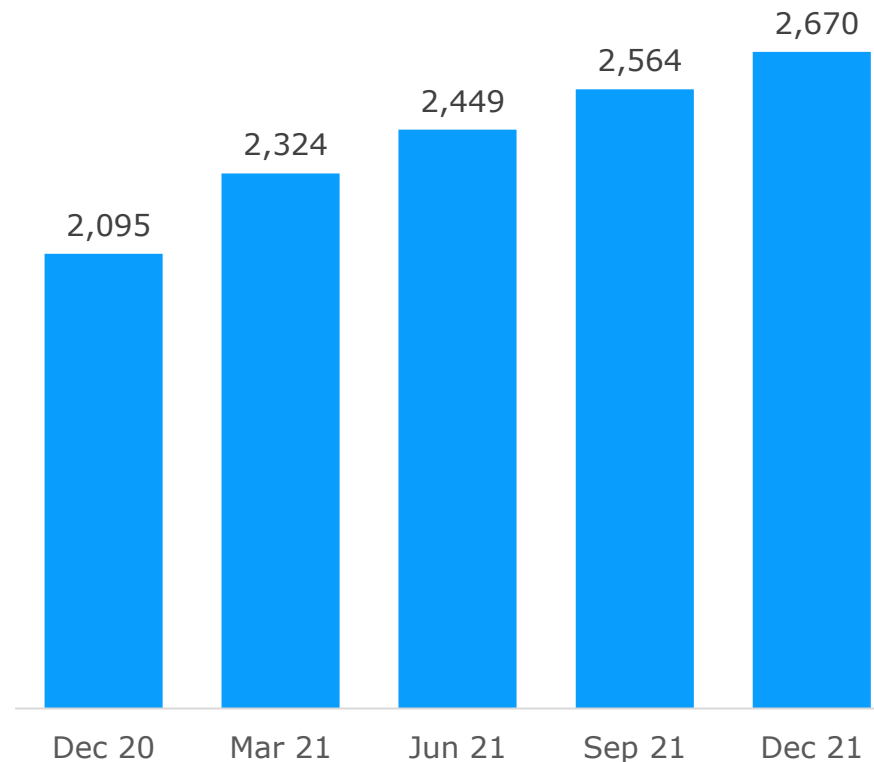
2021 Q4 Financial Update

Steady Growth in Developers and Customers

ACCUMULATED REGISTERED APPLICATIONS ⁽¹⁾⁽³⁾



ACTIVE CUSTOMERS ⁽²⁾⁽³⁾



Notes:

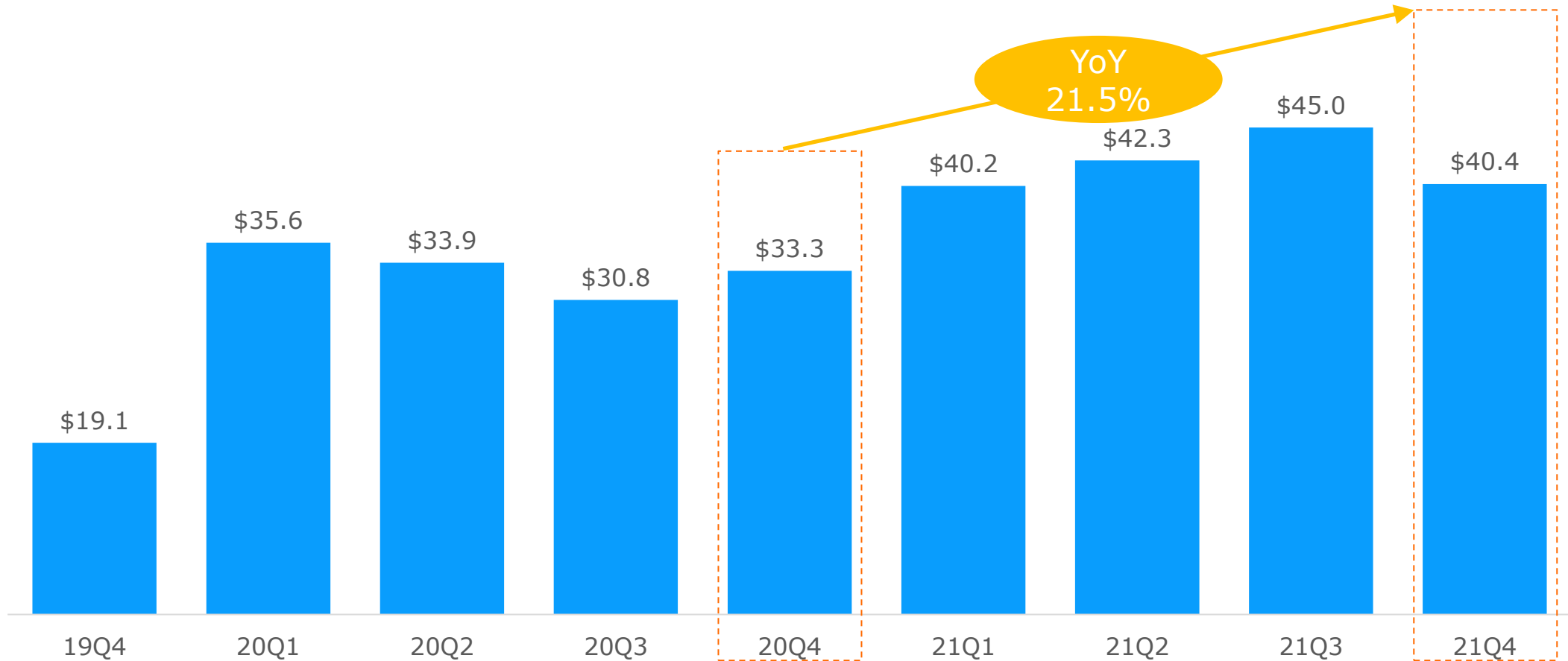
(1) Refer to number of registered application accounts on our platform. Rounded down to the nearest thousand.

(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 as of March 31, 2021, June 30, 2021, September 30, 2021 and December 31, 2021 excluded Easemob.

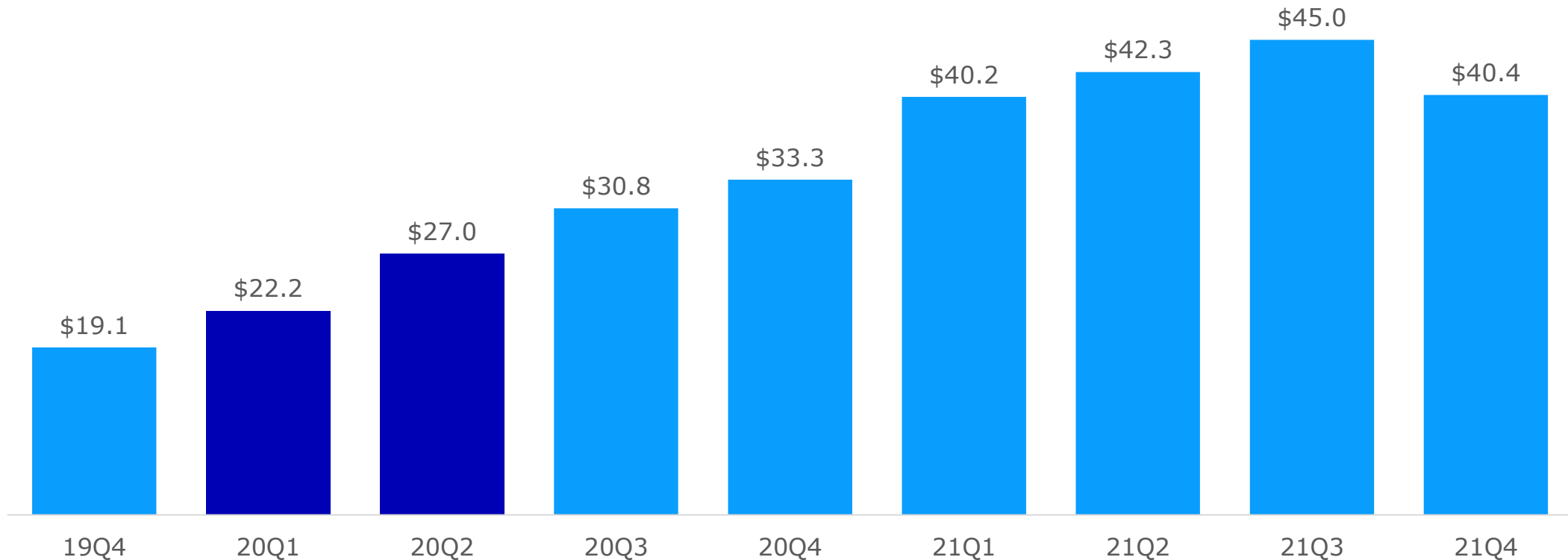
Strong Revenue Growth

TOTAL REVENUES
in US\$M



Removal of COVID-19 Impact in China

ADJUSTED TOTAL REVENUES ⁽¹⁾
in US\$M

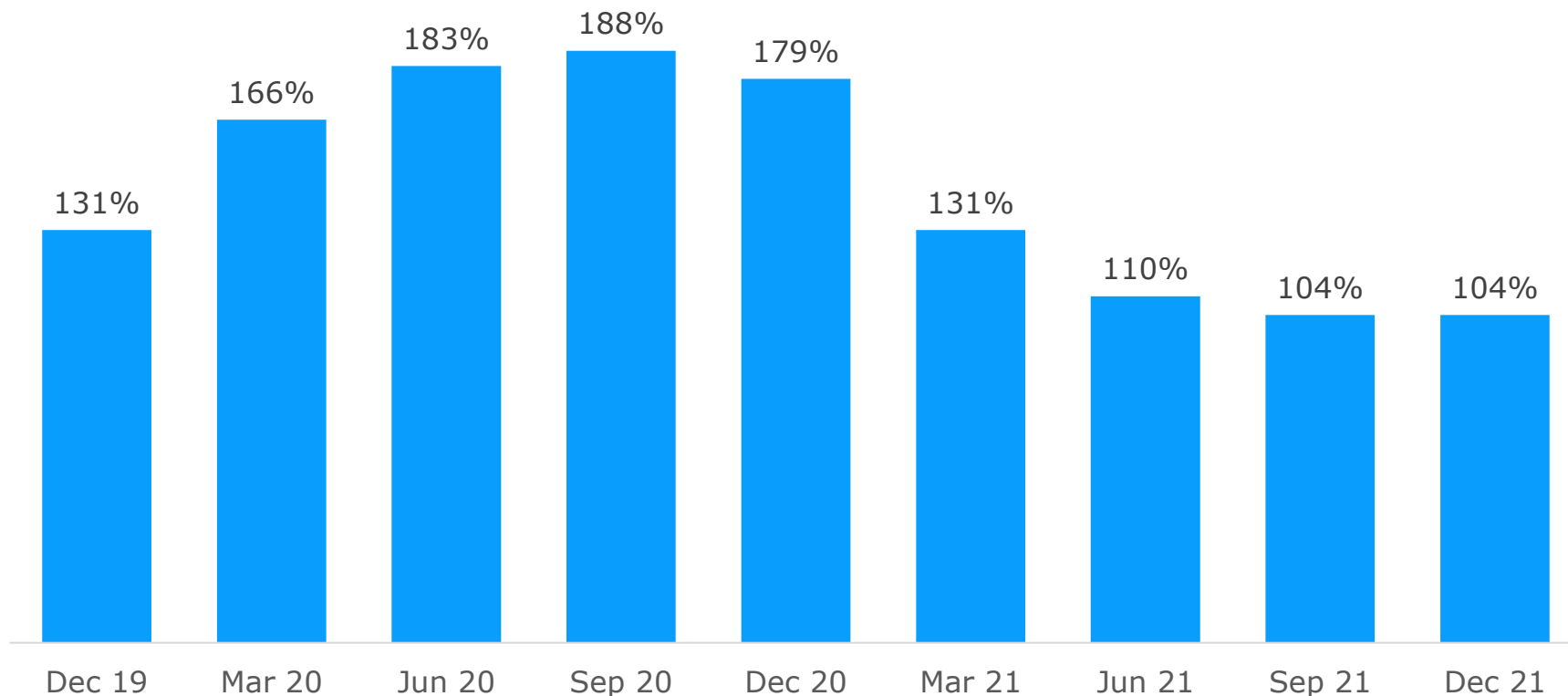


Notes:

1. Total revenues in 20Q1 and 20Q2 have been positively impacted by the spike of usage due to COVID-19 in China. In order to reflect organic growth, Agora assumes Total Revenues in 19Q4 and 20Q3 had almost no direct impact from COVID-19 in China and calculates the Adjusted Total Revenues for 20Q1 and 20Q2. In 20Q1 Adjusted Total Revenues, revenue from each customer in China equals to two thirds of its 19Q4 revenue plus one third of its 20Q3 revenue. In 20Q2 Adjusted Total Revenues, revenue from each customer in China equals to one third of its 19Q4 revenue plus two thirds of its 20Q3 revenue. Revenues from customers outside China remain unchanged in Adjusted Total Revenues in 20Q1 and 20Q2.

Consistent and Expanding Usage

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

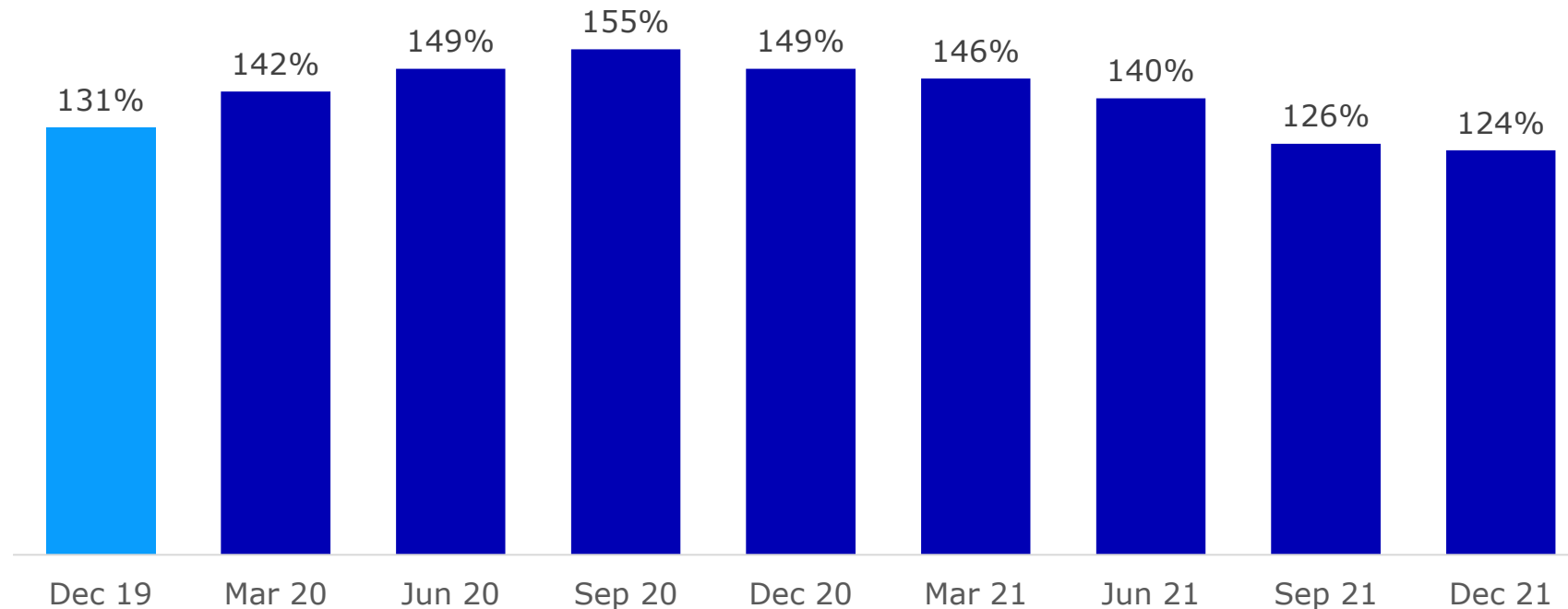


Notes:

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 as of March 31, 2021, June 30, 2021, September 30, 2021 and December 31, 2021 excluded Easemob.

Removal of COVID-19 Impact in China

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



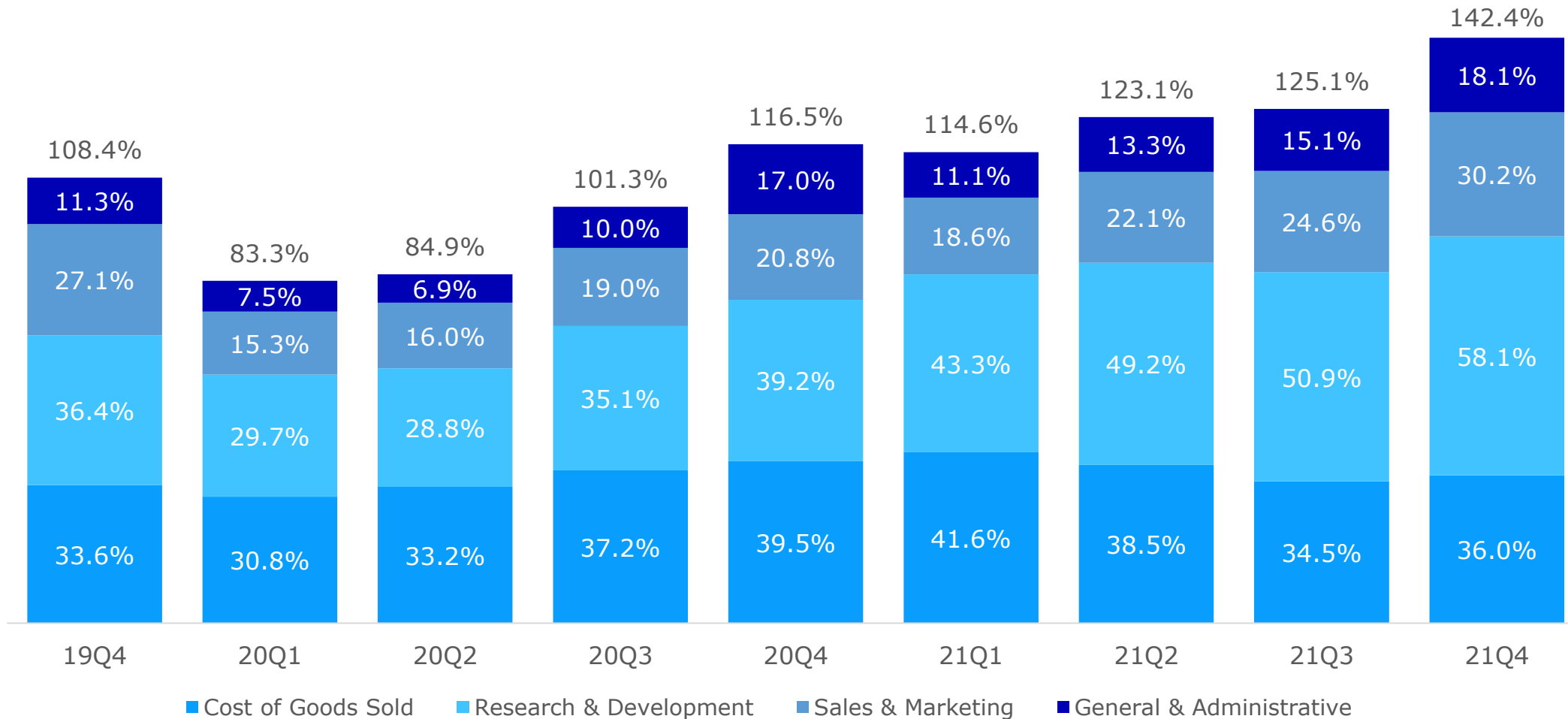
Notes:

1. Adjusted Constant Currency Dollar-Based Net Expansion Rate is calculated the same way as Constant Currency Dollar-Based Net Expansion Rate but using Adjusted Total Revenues.

Costs, Expenses and Margins

NON-GAAP COST OF GOODS SOLD AND OPERATING EXPENSES

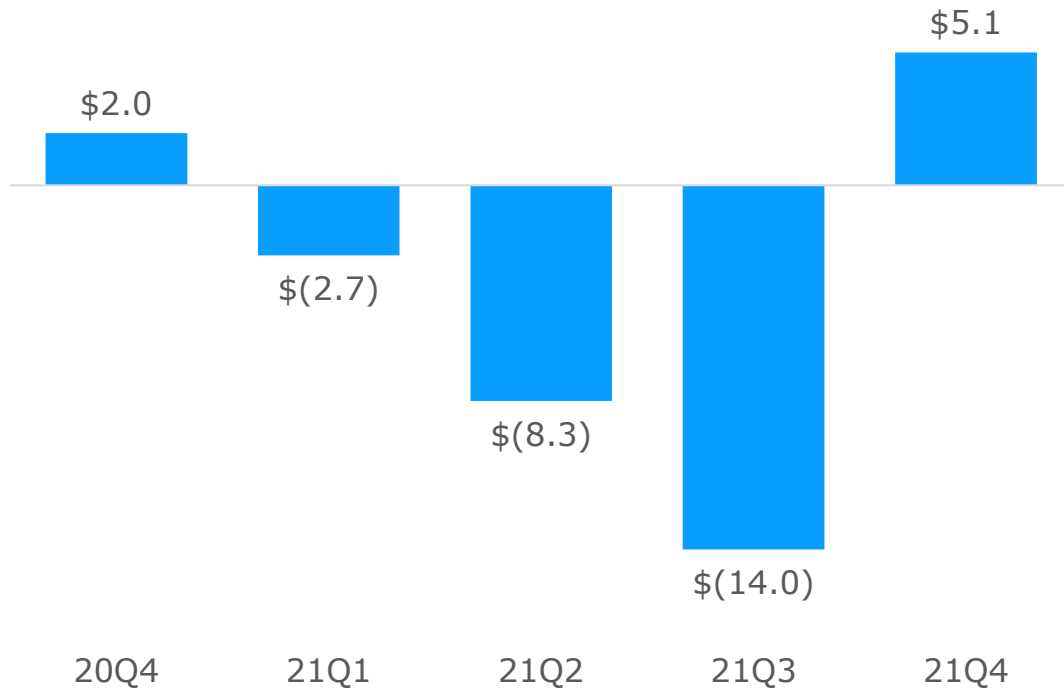
as % of Total Revenues



Cash Flow

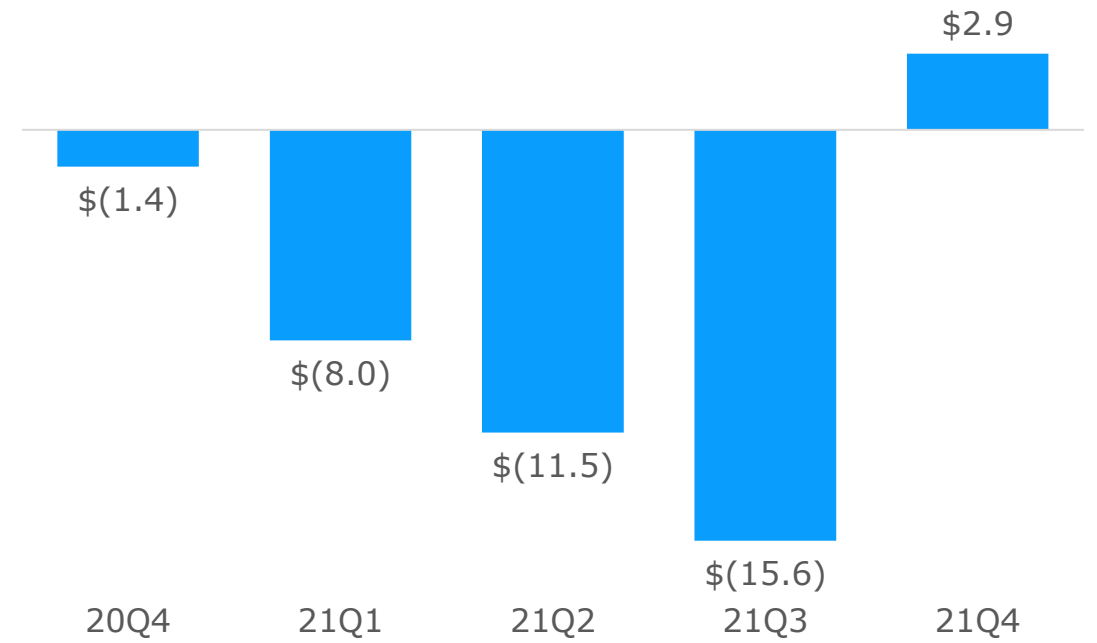
OPERATING CASH FLOW

in US\$M



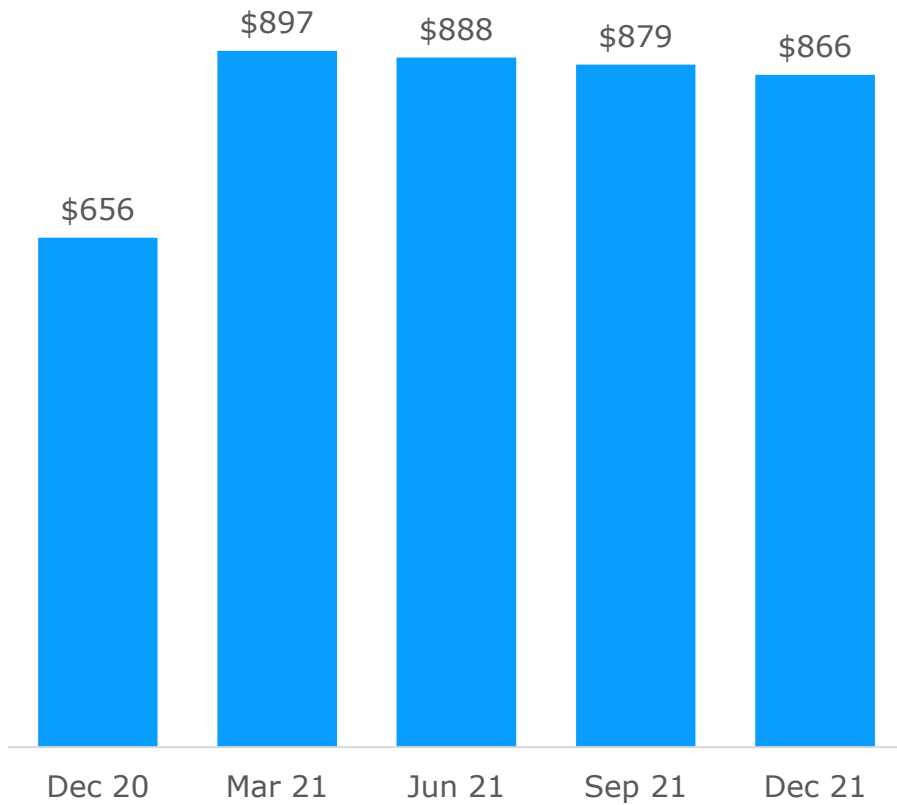
FREE CASH FLOW

in US\$M

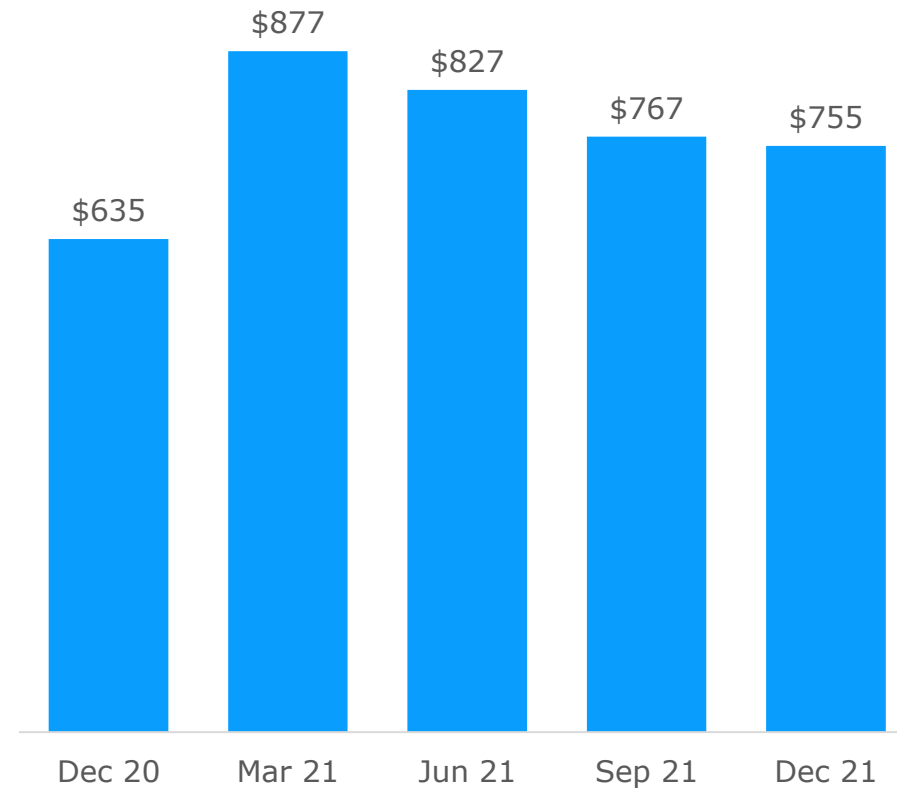


Robust Liquidity Position

NET ASSETS
in US\$M



CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS
in US\$M

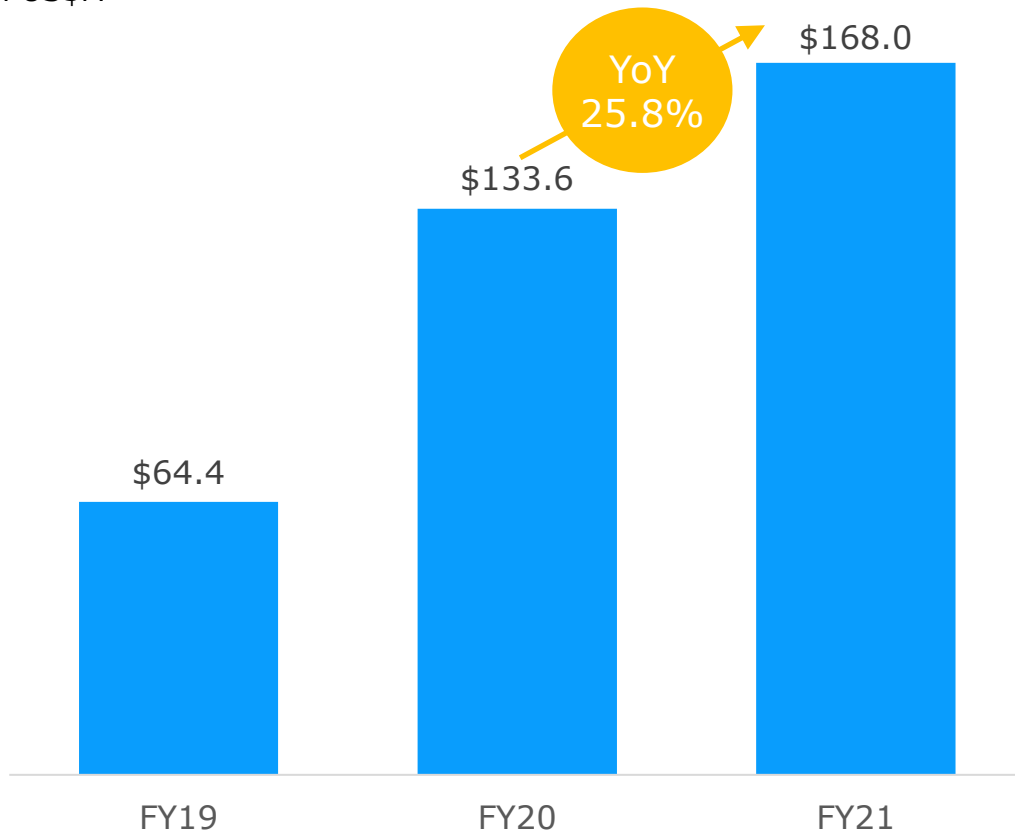


FY2021 Financial Highlights

Strong Revenue and Usage Growth

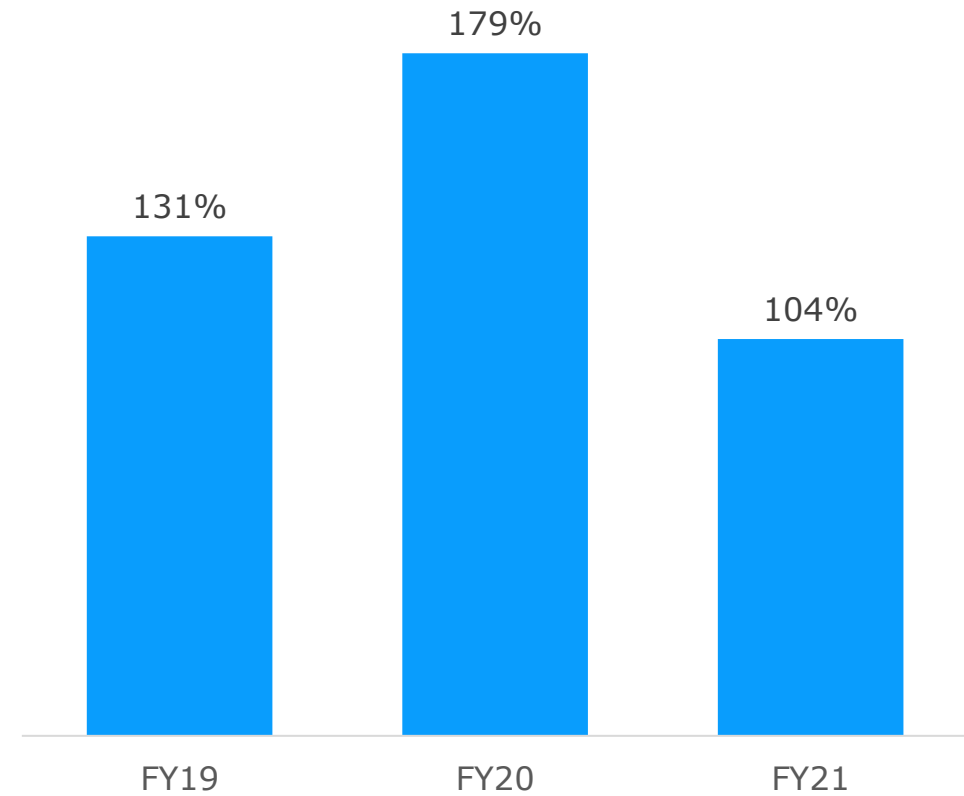
TOTAL REVENUES

in US\$M



CONSTANT CURRENCY DOLLAR-BASED NET EXPANSION RATE

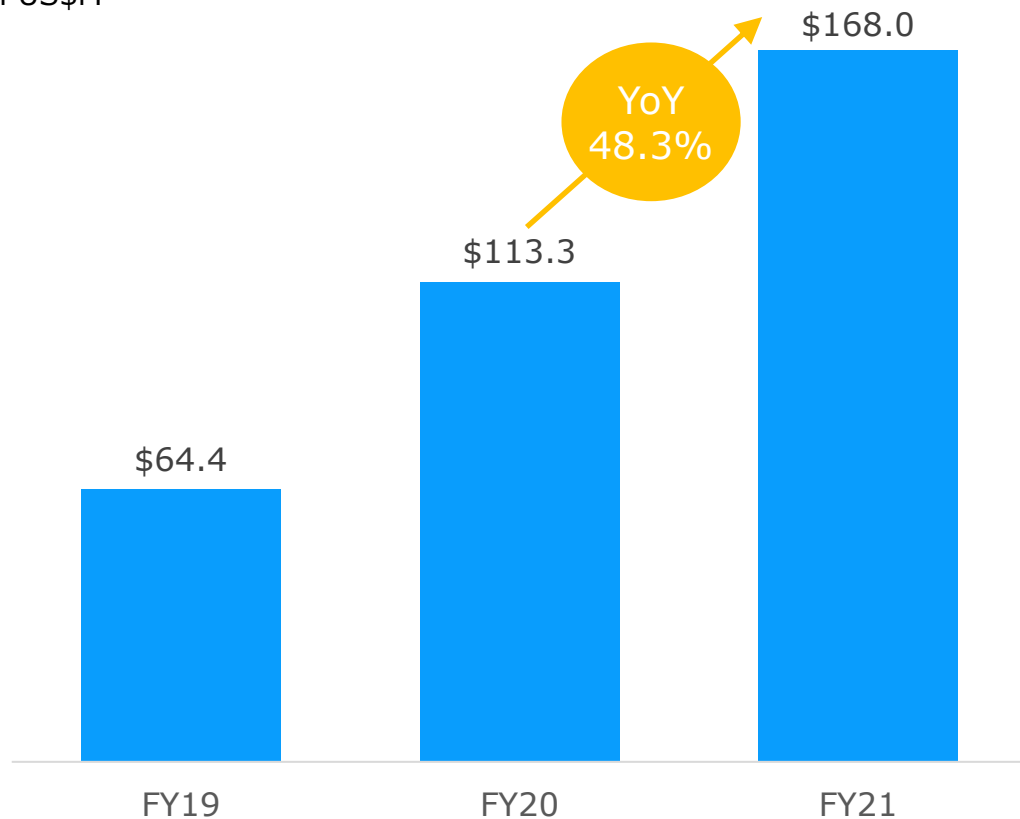
in US\$M



Removal of COVID-19 Impact in China

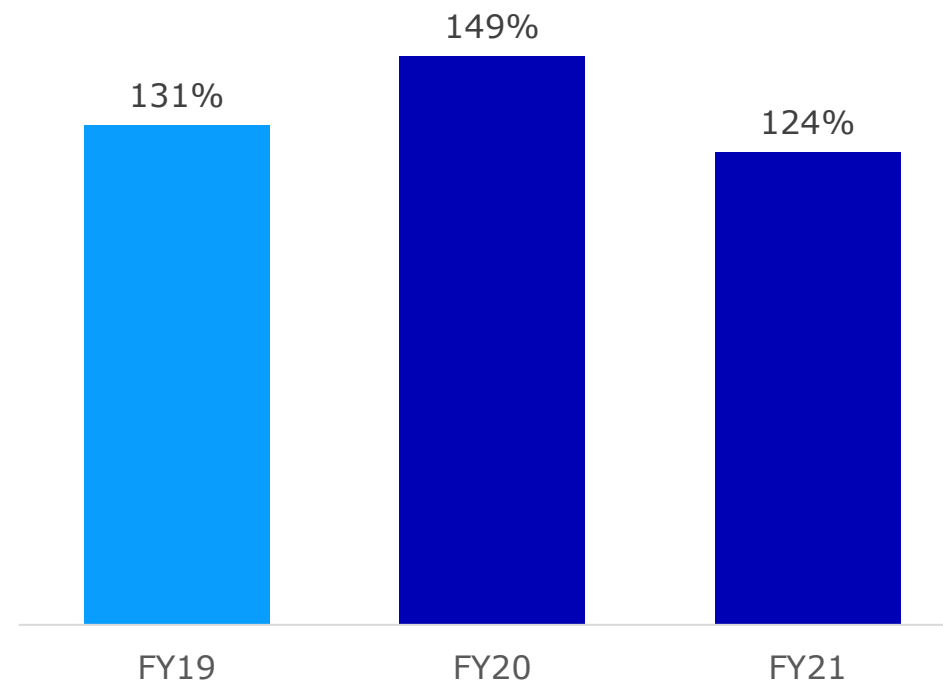
ADJUSTED TOTAL REVENUES

in US\$M



ADJUSTED CONSTANT CURRENCY DOLLAR-BASED NET EXPANSION RATE

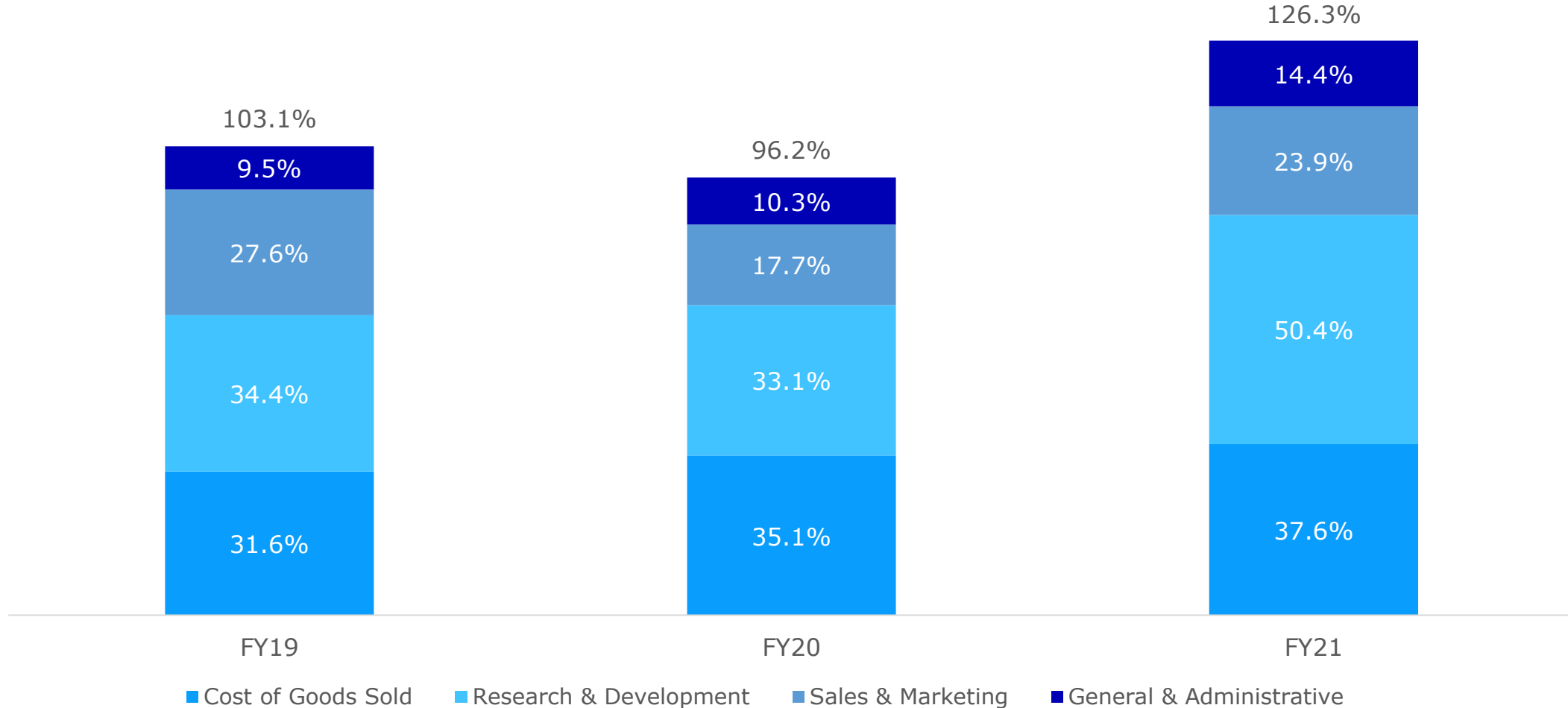
in US\$M



Costs, Expenses and Margins

NON-GAAP COST OF GOODS SOLD AND OPERATING EXPENSES

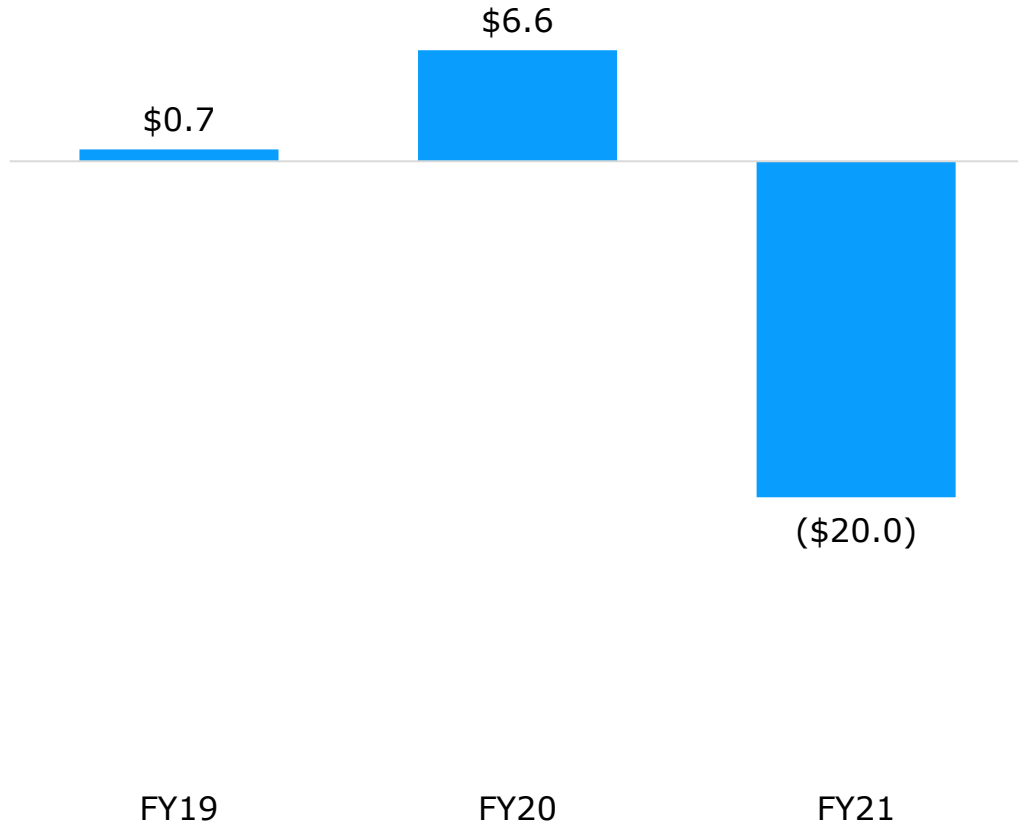
as % of Total Revenues



Cash Flow

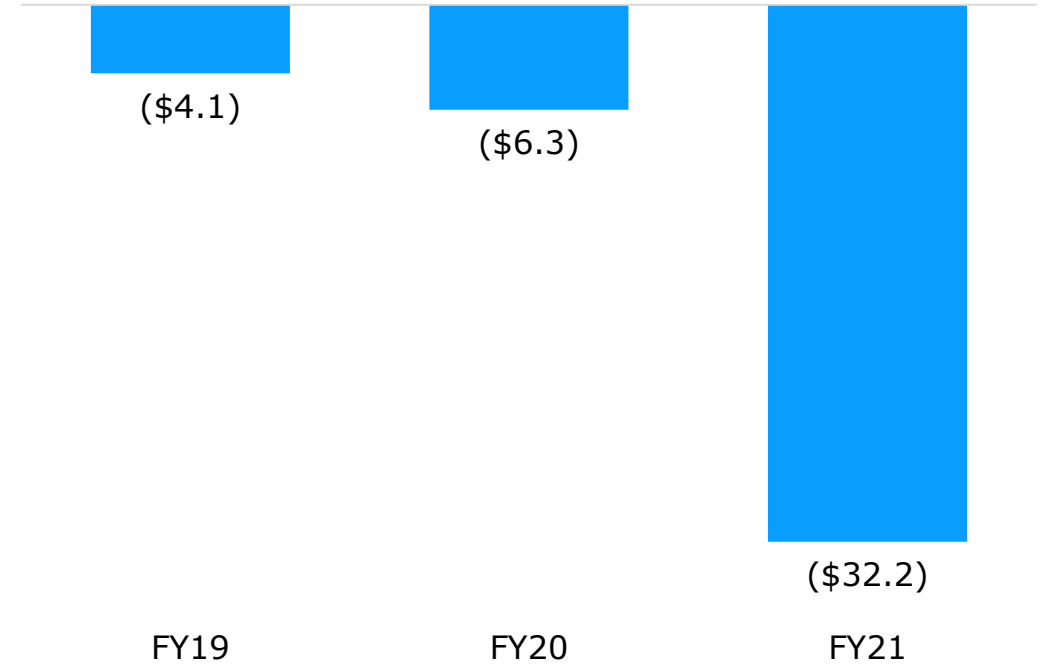
OPERATING CASH FLOW

in US\$M



FREE CASH FLOW

in US\$M



Appendix

GAAP to Non-GAAP Reconciliation

Gross Margin (US\$000's)	19Q4	20Q1⁽¹⁾	20Q2⁽¹⁾	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4
Total Revenues	19,105	35,560	33,904	30,847	33,253	40,225	42,333	45,038	40,386
GAAP Gross Profit	12,671	24,478	22,527	19,264	20,096	23,372	25,859	29,349	25,427
(+) Share-based Compensation	20	116	118	105	18	133	171	152	423
Non-GAAP Gross Profit	12,691	24,594	22,645	19,369	20,114	23,505	26,030	29,501	25,850
Non-GAAP Gross Margin	66.4%	69.1%	66.8%	62.8%	60.5%	58.4%	61.5%	65.5%	64.0%
Research & Development Expenses (US\$000's)									
GAAP Research & Development	7,128	11,688	10,919	12,449	14,438	25,216	27,003	29,668	28,779
(-) Share-based Compensation	(183)	(1,121)	(1,169)	(1,612)	(1,411)	(3,760)	(5,420)	(5,873)	(4,684)
(-) Acquisition Related Expenses	-	-	-	-	-	(3,955)	(577)	(656)	(425)
(-) Amortization Expense of Acquired Intangible Assets	-	-	-	-	-	(66)	(198)	(198)	(198)
Non-GAAP Research & Development	6,945	10,567	9,750	10,837	13,027	17,435	20,808	22,941	23,472
As % of Total Revenues	36.4%	29.7%	28.8%	35.1%	39.2%	43.3%	49.2%	50.9%	58.1%
Sales & Marketing Expenses (US\$000's)									
GAAP Sales & Marketing	5,557	6,002	5,913	6,372	7,437	8,735	11,009	12,734	13,798
(-) Share-based compensation	(373)	(564)	(492)	(502)	(504)	(956)	(1,321)	(1,326)	(1,240)
(-) Acquisition related expenses	-	-	-	-	-	(167)	-	-	-
(-) Amortization Expense of Acquired Intangible Assets	-	-	-	-	-	(116)	(348)	(348)	(348)
Non-GAAP Sales and Marketing	5,184	5,438	5,421	5,870	6,933	7,496	9,340	11,060	12,210
As % of Total Revenues	27.1%	15.3%	16.0%	19.0%	20.8%	18.6%	22.1%	24.6%	30.2%

GAAP to Non-GAAP Reconciliation

General & Administrative (US\$000's)	19Q4	20Q1⁽¹⁾	20Q2⁽¹⁾	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4
GAAP General & Administrative	2,421	3,545	3,396	4,401	6,668	5,721	7,271	7,996	9,338
(-) Share-based Compensation	(271)	(871)	(1,040)	(1,318)	(1,015)	(1,226)	(1,612)	(1,179)	(2,005)
(-) Amortization Expense of Acquired Intangible Assets	-	-	-	-	-	(10)	(11)	(11)	(11)
Non-GAAP General Administrative	2,150	2,674	2,356	3,083	5,653	4,485	5,648	6,806	7,322
As % of Total Revenues	11.3%	7.5%	6.9%	10.0%	17.0%	11.1%	13.3%	15.1%	18.1%
Operating Margin (US\$000's)									
Total Revenues	19,105	35,560	33,904	30,847	33,253	40,225	42,333	45,038	40,386
GAAP Operating Income/(Loss)	(2,404)	3,266	3,069	(3,777)	(7,749)	(16,012)	(19,082)	(20,839)	(24,760)
(+) Share-based Compensation	847	2,672	2,819	3,537	2,948	6,075	8,524	8,530	8,352
(+) Acquisition Related Expenses	-	-	-	-	-	4,122	577	656	425
(+) Amortization Expense of Acquired Intangible Assets	-	-	-	-	-	192	556	556	556
Non-GAAP Operating Income/(Loss)	(1,557)	5,938	5,888	(240)	(4,801)	(5,623)	(9,425)	(11,097)	(15,427)
Non-GAAP Operating Margin	(8.1%)	16.6%	17.4%	(0.8%)	(14.4%)	(13.9%)	(22.3%)	(24.6%)	(38.2%)

GAAP to Adjusted EBITDA Reconciliation

Adjusted EBITDA (US\$000's)	19Q4	20Q1⁽¹⁾	20Q2⁽¹⁾	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4
Total Revenues	19,105	35,560	33,904	30,847	33,253	40,225	42,333	45,038	40,386
GAAP Operating Income/(Loss)	(2,404)	3,266	3,069	(3,777)	(7,749)	(16,012)	(19,082)	(20,839)	(24,760)
(+) Share-based Compensation	847	2,672	2,819	3,537	2,948	6,075	8,524	8,530	8,352
(+) Acquisition Related Expenses	-	-	-	-	-	4,122	577	656	425
(+) Amortization Expense of Acquired Intangible Assets	-	-	-	-	-	192	556	556	556
(+) Depreciation of Property and Equipment	577	745	1,005	1,196	1,514	1,899	2,084	1,994	2,303
Adjusted EBITDA	(980)	6,683	6,893	956	(3,287)	(3,724)	(7,341)	(9,103)	(13,124)
Adjusted EBITDA Margin	(5.1%)	18.7%	20.3%	3.1%	(9.9%)	(9.2%)	(17.3%)	(20.2%)	(32.5%)
Free Cash Flow (US\$000's)									
Cash Flow from Operations	2,077	(920)	7,451	(1,934)	1,967	(2,742)	(8,326)	(13,982)	5,050
(-) Purchases of PPE	(1,180)	(2,496)	(3,825)	(3,210)	(3,347)	(5,233)	(3,209)	(1,638)	(2,131)
Free Cash Flow	897	(3,416)	3,626	(5,144)	(1,380)	(7,975)	(11,535)	(15,620)	2,919

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.

GAAP to Non-GAAP Reconciliation

Gross Margin (US\$000's)	FY19	FY20	FY21
Total Revenues	64,428	133,564	167,982
GAAP Gross Profit	44,011	86,365	104,007
(+) Share-based Compensation	80	357	879
Non-GAAP Gross Profit	44,091	86,722	104,886
Non-GAAP Gross Margin	68.4%	64.9%	62.4%
Research & Development Expenses (US\$000's)			
GAAP Research & Development	23,623	49,494	110,666
(-) Share-based Compensation	(1,473)	(5,312)	(19,737)
(-) Acquisition Related Expenses	-	-	(5,613)
(-) Amortization Expense of Acquired Intangible Assets	-	-	(659)
Non-GAAP Research & Development	22,150	44,182	84,657
As % of Total Revenues	34.4%	33.1%	50.4%
Sales & Marketing Expenses (US\$000's)			
GAAP Sales & Marketing	19,408	25,724	46,276
(-) Share-based compensation	(1,654)	(2,061)	(4,843)
(-) Acquisition related expenses	-	-	(167)
(-) Amortization Expense of Acquired Intangible Assets	-	-	(1,159)
Non-GAAP Sales and Marketing	17,754	23,663	40,107
As % of Total Revenues	27.6%	17.7%	23.9%

GAAP to Non-GAAP Reconciliation

General & Administrative (US\$000's)	FY19	FY20	FY21
GAAP General & Administrative	7,177	18,010	30,326
(-) Share-based Compensation	(1,046)	(4,244)	(6,022)
(-) Amortization Expense of Acquired Intangible Assets	-	-	(43)
Non-GAAP General Administrative	6,131	13,766	24,261
As % of Total Revenues	9.5%	10.3%	14.4%
Operating Margin (US\$000's)			
Total Revenues	64,428	133,564	167,982
GAAP Operating Income/(Loss)	(6,089)	(5,191)	(80,693)
(+) Share-based Compensation	4,253	11,974	31,481
(+) Acquisition Related Expenses	-	-	5,780
(+) Amortization Expense of Acquired Intangible Assets	-	-	1,861
Non-GAAP Operating Income/(Loss)	(1,836)	6,783	(41,571)
Non-GAAP Operating Margin	(2.9%)	5.1%	(24.7%)

GAAP to Adjusted EBITDA Reconciliation

Adjusted EBITDA (US\$000's)	FY19	FY20	FY21
Total Revenues	64,428	133,564	167,982
GAAP Operating Income/(Loss)	(6,089)	(5,191)	(80,693)
(+) Share-based Compensation	4,253	11,974	31,481
(+) Acquisition Related Expenses	-	-	5,780
(+) Amortization Expense of Acquired Intangible Assets	-	-	1,861
(+) Depreciation of Property and Equipment	1,868	4,460	8,281
Adjusted EBITDA	31	11,243	(33,290)
Adjusted EBITDA Margin	0.1%	8.4%	(19.8%)
Free Cash Flow (US\$000's)			
Cash Flow from Operations	706	6,564	(20,000)
(-) Purchases of PPE	(4,802)	(12,878)	(12,211)
Free Cash Flow	(4,096)	(6,314)	(32,211)

Thank you