



2022 Q3 Earnings

November 21, 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 Q3 Business Highlights

Product Launch

Agora SDK 4.0

More flexible

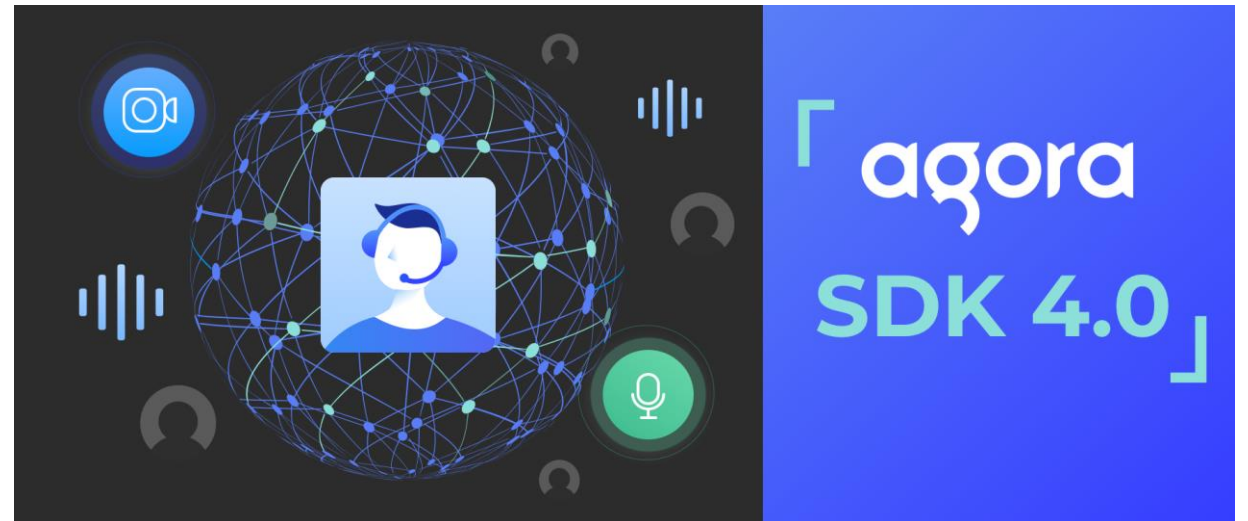
Open and modular architecture by design

Simpler to use

Developers can integrate a wide range of first-party and third-party extensions with a few lines of code

More powerful

Supports up to 4K video at ultra-low latency



Product Adoption

Live Video Shopping - E-commerce

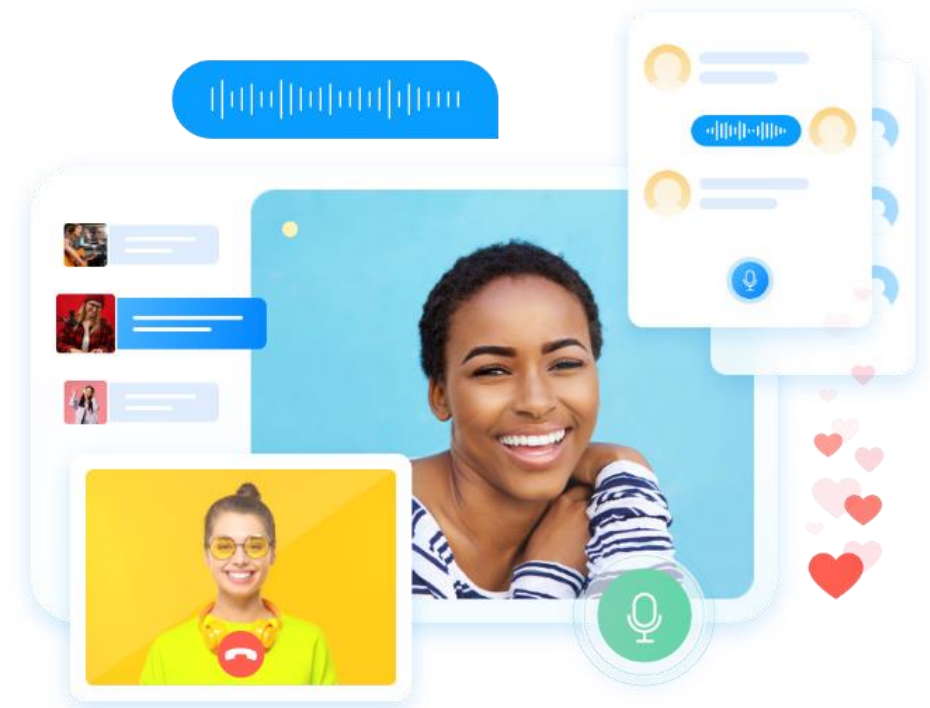
A leading collectibles auction marketplace leverages our platform to hold live auction through real-time video. It provides real-time auctions where customers can engage with the seller and each other in a fast-paced video environment.



Product Adoption

Interactive Podcast

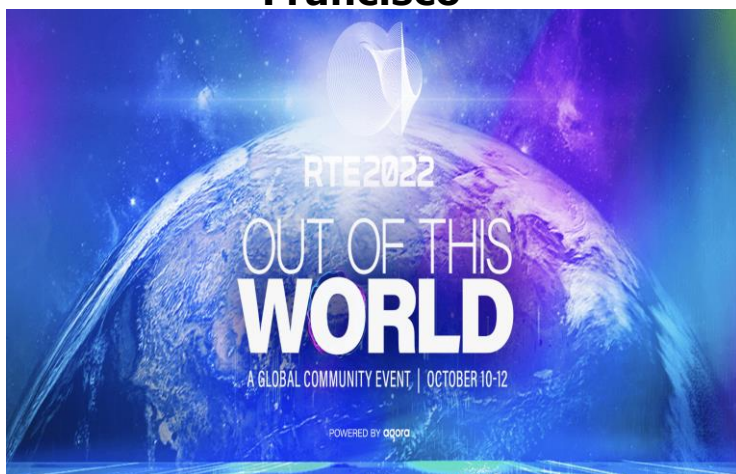
A global professional network on the internet that leverages Agora technology to provide creators and influencers the ability to have live, interactive conversations with people all over the world, join speakers “on stage” and make broader networking connections post-event.



RTE2022 Conference

North America

Online / San
Francisco



China

Online



Asia Pacific

Online



Industry Trends

End User Experience

Our customer's business success is profoundly dependent on the end user experience that they can deliver. It is paramount for developers to partner with the most capable and reliable RTE provider.



Industry Trends

High-definition Video

Mainstream video resolution in real-time engagement steadily increase from 480p to 720p in response to end users' growing demand for better quality. Changing video resolution leads to an approximately 15% increase in overall session lengths.



Industry Trends

Internet of Things

IoT devices are increasingly adopting RTE technologies. Devices with RTE features are sold at premium compared with “plain-vanilla” models without such capabilities. We believe it will be one of the fundamental drivers of IoT’s future growth.



Senior Management Development



Shawn Zhong Chief Technology Officer &
Chief Scientist

Hisense

CTO & CEO, Hisense Microchip Company
2009-2017



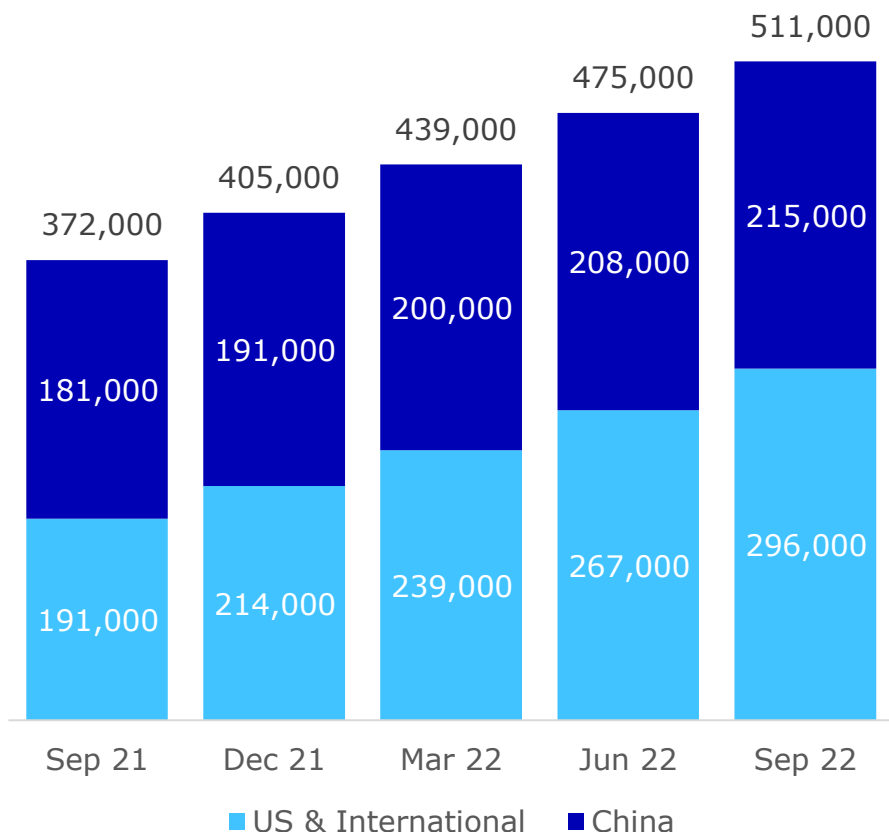
Engineer, Broadcom,
1999-2009

“Since joining Agora as Chief Scientist more than four years ago, Shawn has played a critical role in driving our technology innovation and advancement. The breadth and depth of Shawn’s expertise in our industry, coupled with his proven track record in managing complex research and development projects, will further strengthen our global leadership in providing best-in-class real-time engagement APIs” – Tony Zhao, Agora CEO

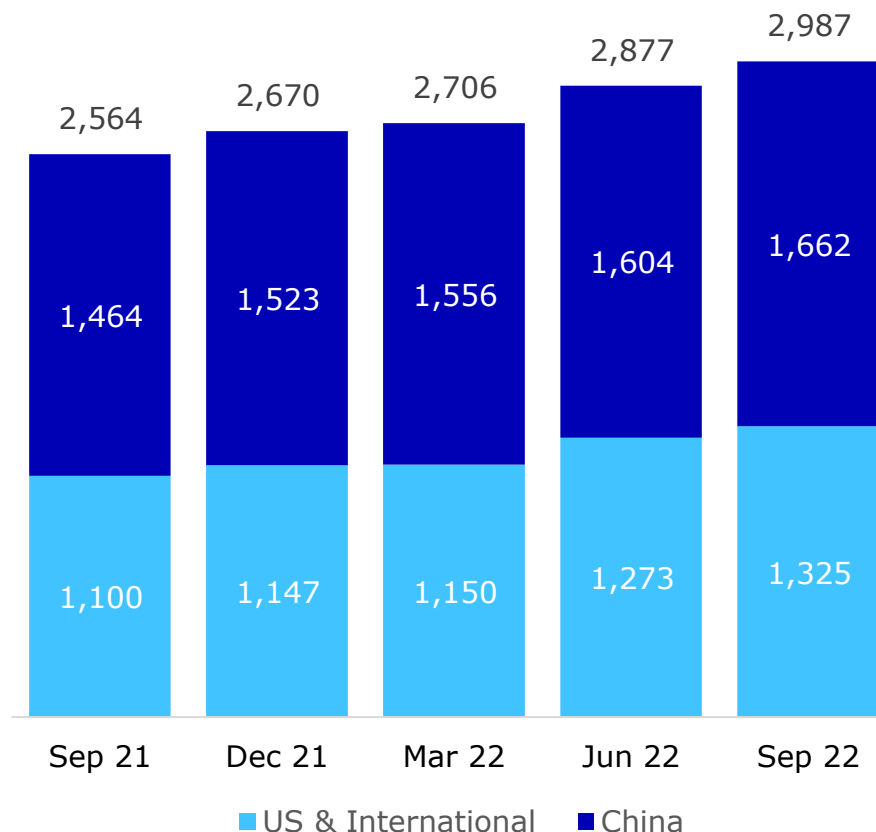
2022 Q3 Financial Update

Steady Growth in Developers and Customers

ACCUMULATED REGISTERED APPLICATIONS ⁽¹⁾⁽³⁾



ACTIVE CUSTOMERS ⁽²⁾⁽³⁾



Notes:

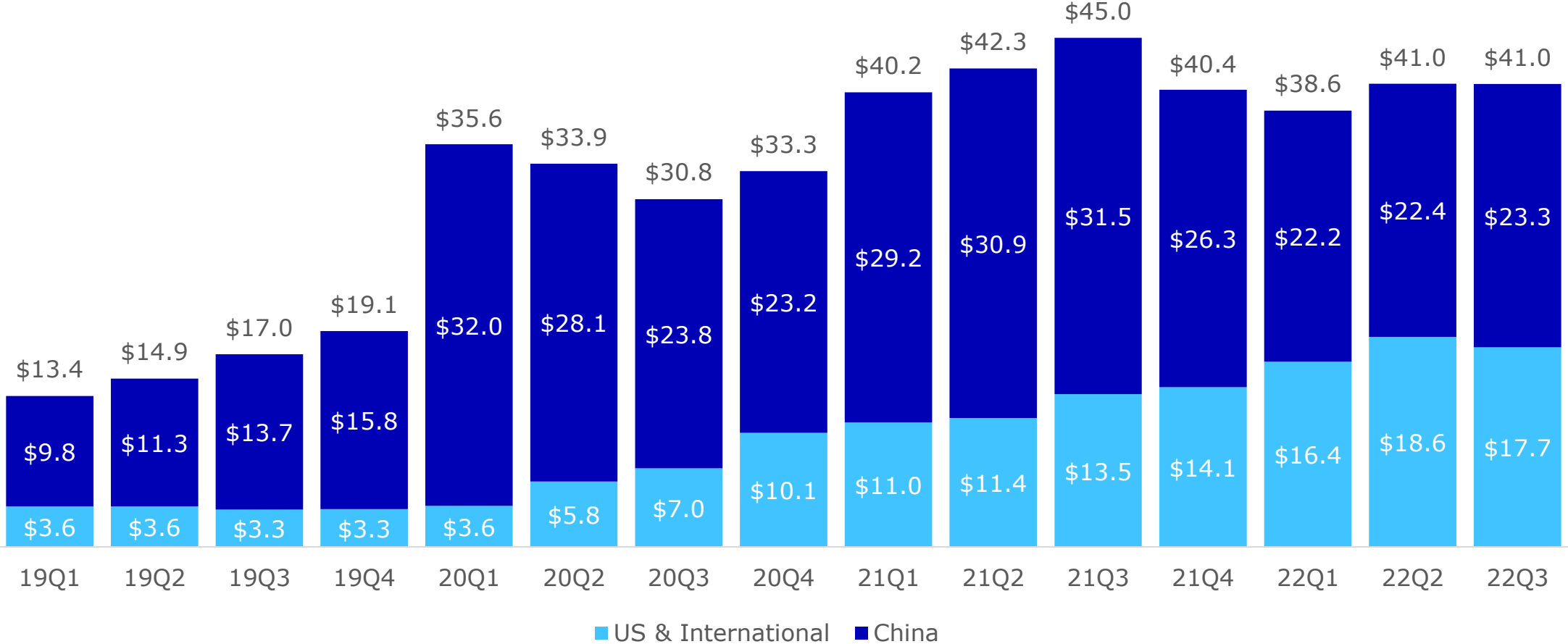
(1) Refer to number of registered application accounts on our platform. Rounded down to the nearest thousand.

(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.

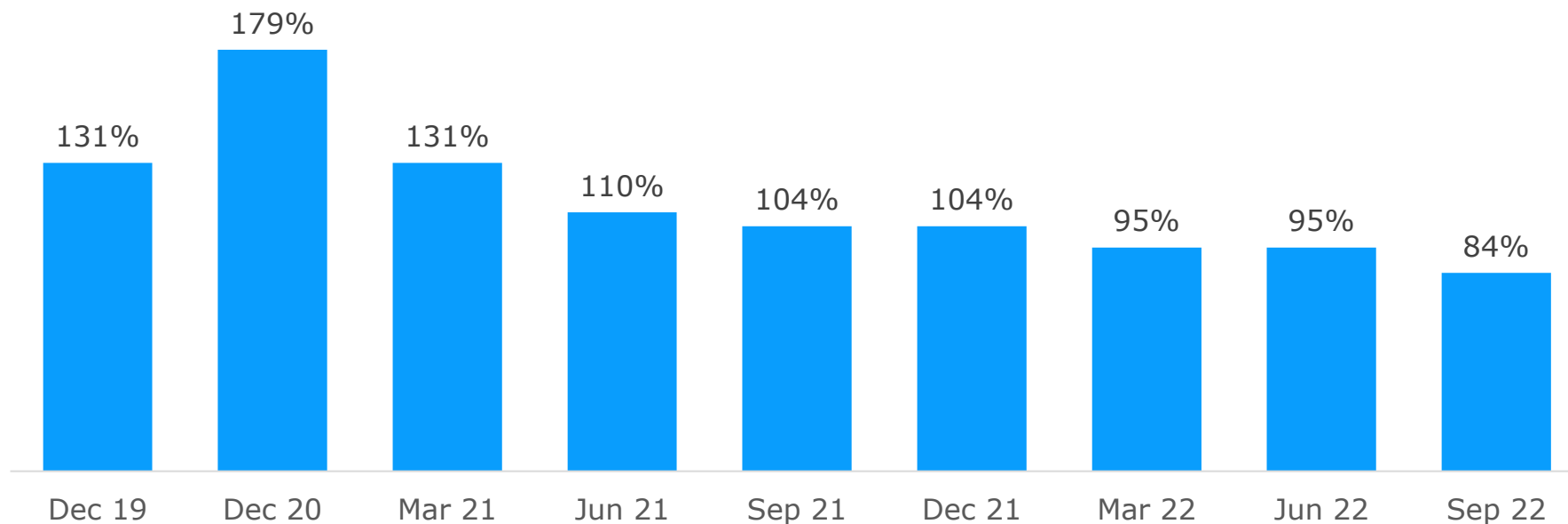
Resilient Revenue Growth and Global Expansion

TOTAL REVENUES
in US\$M



Net Expansion Rate

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



	Dec 19	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22
US & International	>130%	>130%	>130%	>130%	>130%	>130%	>130%	>130%	>130%
China	>130%	>130%	129%	102%	94%	89%	84%	80%	70%

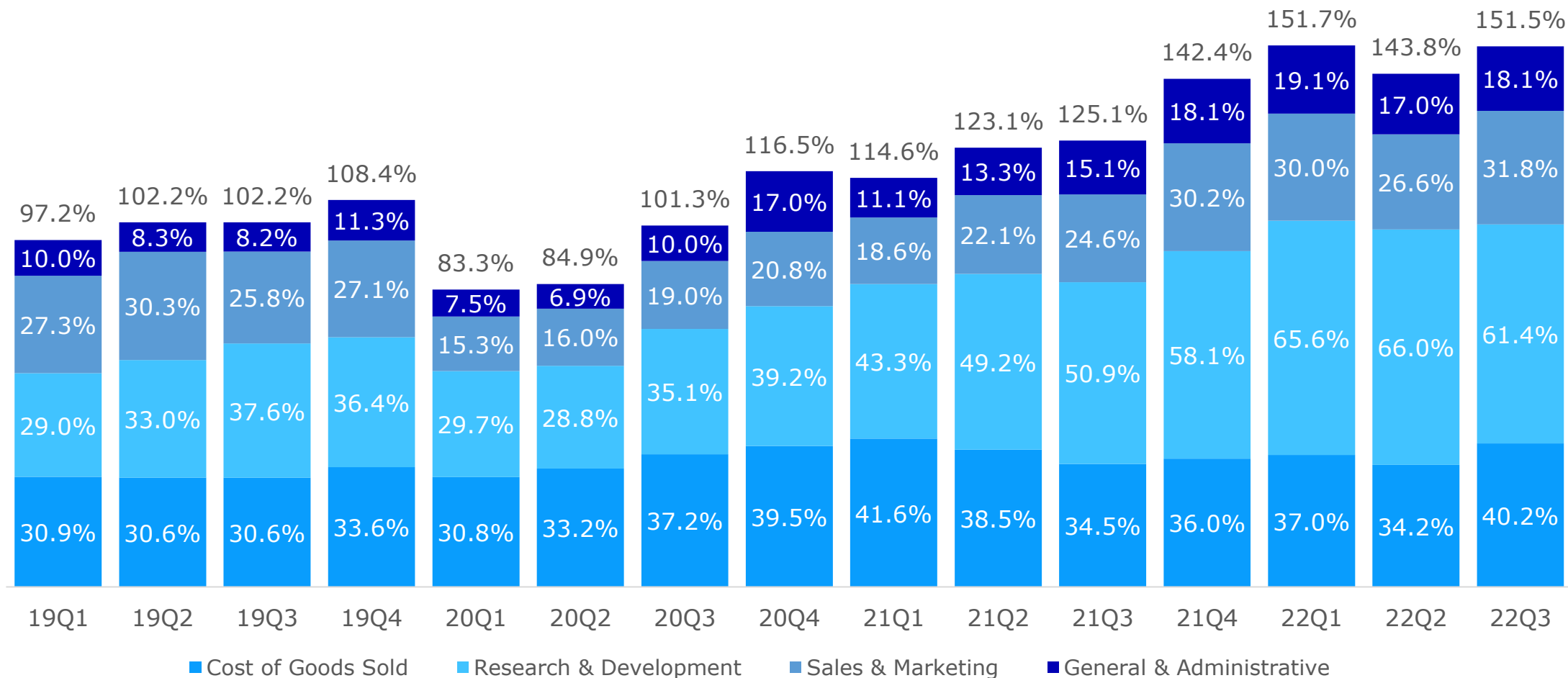
Notes:

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

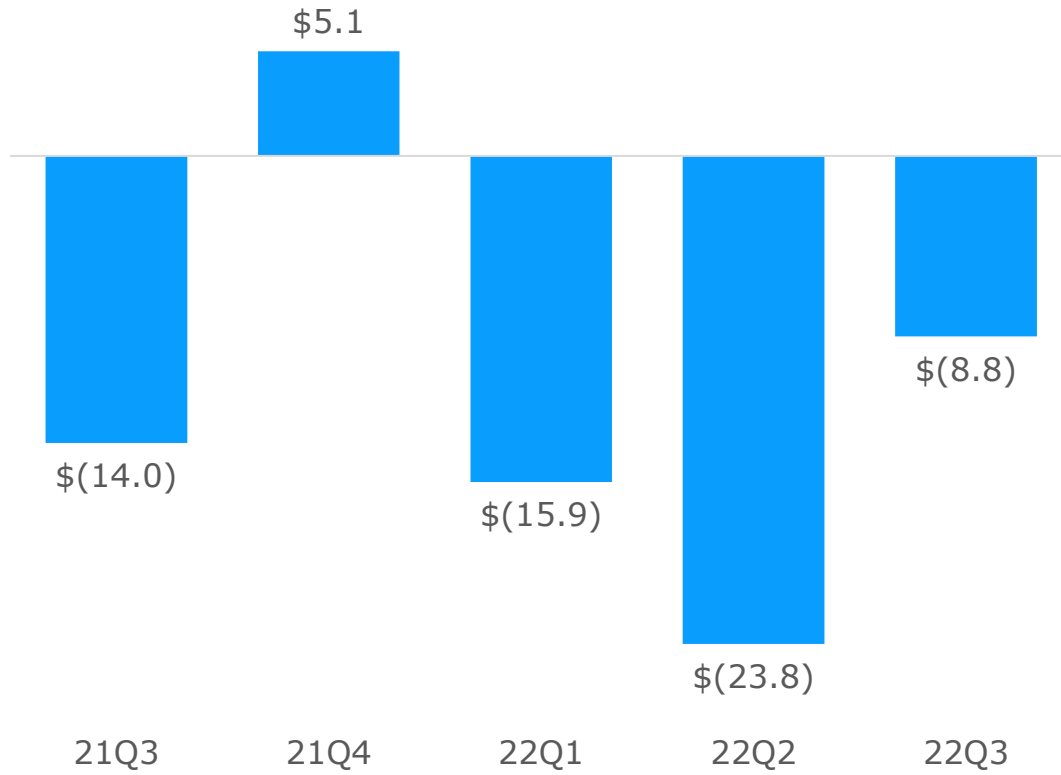
as % of Total Revenues



Cash Flow

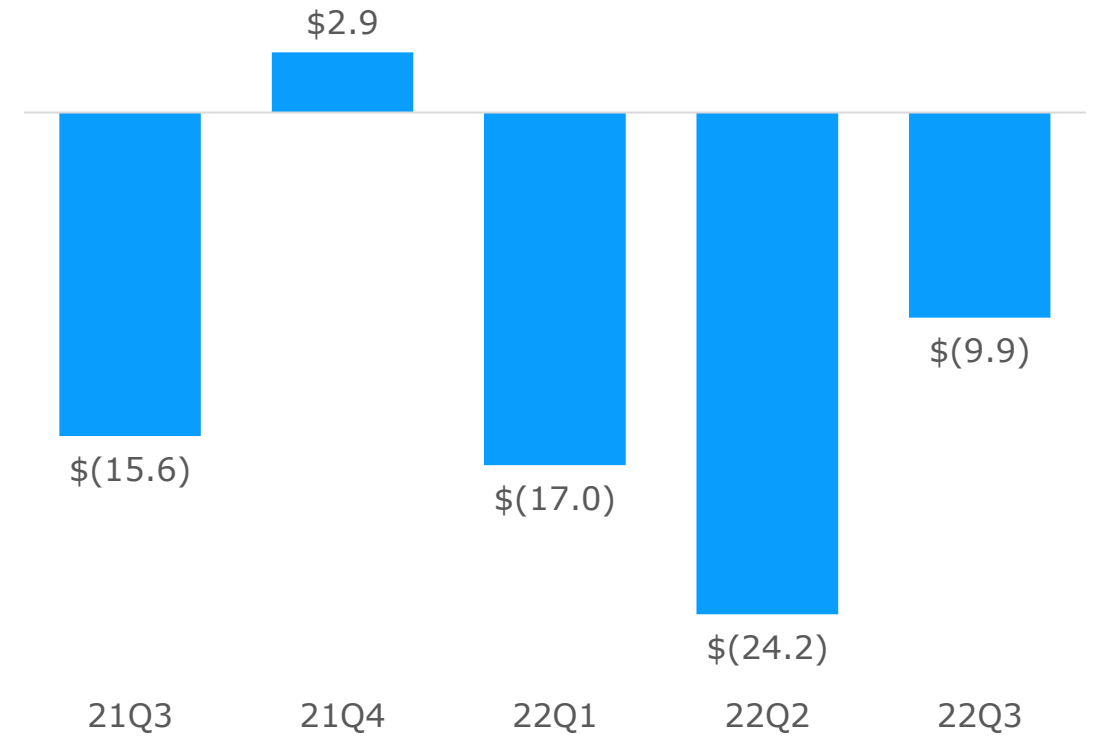
OPERATING CASH FLOW

in US\$M



FREE CASH FLOW

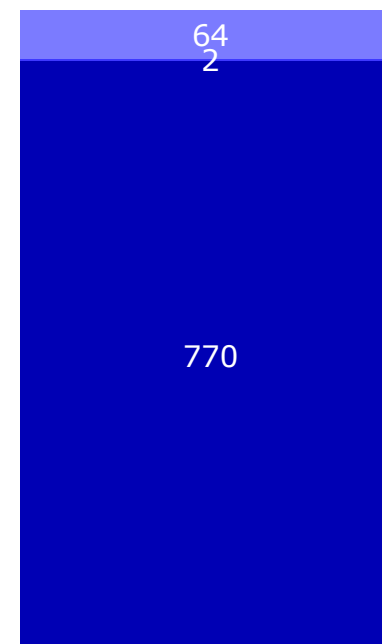
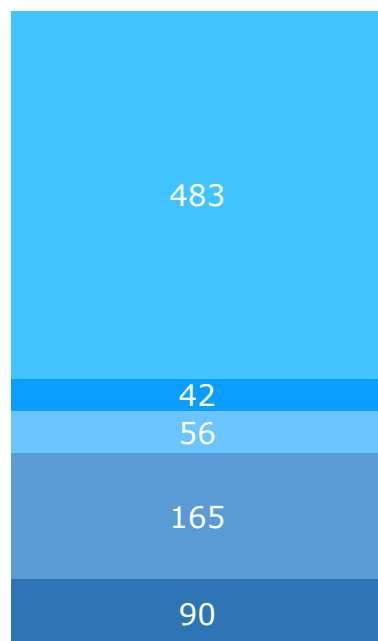
in US\$M



Balance Sheet

BALANCE SHEETS SNAPSHOT AS OF SEPTEMBER 30, 2022

in US\$M



- Cash, cash equivalents and short-term investments
- Other current assets
- Goodwill
- Land use right
- Other non-current assets

- Current liabilities
- Non-current liabilities
- Total equity

Appendix

GAAP to Non-GAAP Reconciliation

Gross Margin (US\$000's)	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	22Q2	22Q3
Total Revenues	30,847	33,253	40,225	42,333	45,038	40,386	38,585	40,979	40,988
GAAP Gross Profit	19,264	20,096	23,372	25,859	29,349	25,427	24,074	26,609	24,349
(+) Share-based Compensation	105	18	133	171	152	423	246	349	165
Non-GAAP Gross Profit	19,369	20,114	23,505	26,030	29,501	25,850	24,320	26,958	24,514
Non-GAAP Gross Margin	62.8%	60.5%	58.4%	61.5%	65.5%	64.0%	63.0%	65.8%	59.8%
Research & Development Expenses (US\$000's)									
GAAP Research & Development	12,449	14,438	25,216	27,003	29,668	28,779	31,034	32,442	29,771
(-) Share-based Compensation	(1,612)	(1,411)	(3,760)	(5,420)	(5,873)	(4,684)	(5,353)	(4,839)	(4,150)
(-) Acquisition Related Expenses	-	-	(3,955)	(577)	(656)	(425)	(156)	(357)	(236)
(-) Amortization Expense of Acquired Intangible Assets	-	-	(66)	(198)	(198)	(198)	(198)	(198)	(198)
Non-GAAP Research & Development	10,837	13,027	17,435	20,808	22,941	23,472	25,327	27,048	25,187
As % of Total Revenues	35.1%	39.2%	43.3%	49.2%	50.9%	58.1%	65.6%	66.0%	61.4%
Sales & Marketing Expenses (US\$000's)									
GAAP Sales & Marketing	6,372	7,437	8,735	11,009	12,734	13,798	13,856	13,117	14,607
(-) Share-based compensation	(502)	(504)	(956)	(1,321)	(1,326)	(1,240)	(1,947)	(1,859)	(1,244)
(-) Acquisition related expenses	-	-	(167)	-	-	-	-	-	-
(-) Amortization Expense of Acquired Intangible Assets	-	-	(116)	(348)	(348)	(348)	(348)	(348)	(348)
Non-GAAP Sales and Marketing	5,870	6,933	7,496	9,340	11,060	12,210	11,561	10,910	13,015
As % of Total Revenues	19.0%	20.8%	18.6%	22.1%	24.6%	30.2%	30.0%	26.6%	31.8%

GAAP to Non-GAAP Reconciliation

General & Administrative (US\$000's)	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	22Q2	22Q3
GAAP General & Administrative	4,401	6,668	5,721	7,271	7,996	9,338	9,230	8,952	11,257
(-) Share-based Compensation	(1,318)	(1,015)	(1,226)	(1,612)	(1,179)	(2,005)	(1,835)	(1,986)	(1,671)
(-) Amortization Expense of Acquired Intangible Assets	-	-	(10)	(11)	(11)	(11)	(11)	(11)	(11)
(-) Financing Related Expenses	-	-	-	-	-	-	-	-	(2,166)
Non-GAAP General Administrative	3,083	5,653	4,485	5,648	6,806	7,322	7,384	6,955	7,409
As % of Total Revenues	10.0%	17.0%	11.1%	13.3%	15.1%	18.1%	19.1%	17.0%	18.1%
Operating Margin (US\$000's)									
Total Revenues	30,847	33,253	40,225	42,333	45,038	40,386	38,585	40,979	40,988
GAAP Operating Loss	(3,777)	(7,749)	(16,012)	(19,082)	(20,839)	(24,760)	(29,008)	(27,712)	(28,921)
(+) Share-based Compensation	3,537	2,948	6,075	8,524	8,530	8,352	9,381	9,033	7,230
(+) Acquisition Related Expenses	-	-	4,122	577	656	425	156	357	236
(+) Amortization Expense of Acquired Intangible Assets	-	-	192	556	556	556	556	556	556
(+) Financing Related Expenses	-	-	-	-	-	-	-	-	2,166
Non-GAAP Operating Loss	(240)	(4,801)	(5,623)	(9,425)	(11,097)	(15,427)	(18,915)	(17,766)	(18,733)
Non-GAAP Operating Margin	(0.8%)	(14.4%)	(13.9%)	(22.3%)	(24.6%)	(38.2%)	(49.0%)	(43.4%)	(45.7%)

GAAP to Adjusted EBITDA Reconciliation

Adjusted EBITDA (US\$000's)	20Q3⁽¹⁾	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	22Q2	22Q3
Total Revenues	30,847	33,253	40,225	42,333	45,038	40,386	38,585	40,979	40,988
GAAP Operating Loss	(3,777)	(7,749)	(16,012)	(19,082)	(20,839)	(24,760)	(29,008)	(27,712)	(28,921)
(+) Share-based Compensation	3,537	2,948	6,075	8,524	8,530	8,352	9,381	9,033	7,230
(+) Acquisition Related Expenses	-	-	4,122	577	656	425	156	357	236
(+) Amortization Expense of Acquired Intangible Assets	-	-	192	556	556	556	556	556	556
(+) Financing Related Expenses	-	-	-	-	-	-	-	-	2,166
(+) Depreciation of Property and Equipment	1,196	1,514	1,899	2,084	1,994	2,303	2,473	2,424	2,334
Adjusted EBITDA	956	(3,287)	(3,724)	(7,341)	(9,103)	(13,124)	(16,442)	(15,342)	(16,399)
Adjusted EBITDA Margin	3.1%	(9.9%)	(9.2%)	(17.3%)	(20.2%)	(32.5%)	(42.6%)	(37.4%)	(40.0%)
Free Cash Flow (US\$000's)									
Cash Flow from Operations	(1,934)	1,967	(2,742)	(8,326)	(13,982)	5,050	(15,861)	(23,797)	(8,833)
(-) Purchases of PPE	(3,210)	(3,347)	(5,233)	(3,209)	(1,638)	(2,131)	(1,172)	(450)	(1,085)
Free Cash Flow	(5,144)	(1,380)	(7,975)	(11,535)	(15,620)	2,919	(17,033)	(24,247)	(9,918)

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