



2020 Q4 Earnings

February 22, 2021

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2020 Q4 Business Highlights

Emerging Use Cases

Interactive Lecture Hall

... a more engaging classroom experience

Status Quo

Emerging

> 100 Students in one classroom

>100 students in one classroom, subdivided into break-out groups each with <10 students

One-way video broadcasting

One-way video broadcasting sessions
+
Break-out sessions with fully interactive video

No or little interaction between students and teacher

Real-time video interaction during break-out sessions + non-video interactions (e.g., voting) during broadcasting sessions

Powered by traditional content delivery technology

Powered by real-time engagement technology

Emerging Use Cases

Interactive Audio Live Cast

Podcast

One or multiple speakers in one physical room

“Radio” experience for audience:
you can only listen



Live Cast



Multiple speakers at different locations



Spontaneous discussion credits to ultra-low latency audio



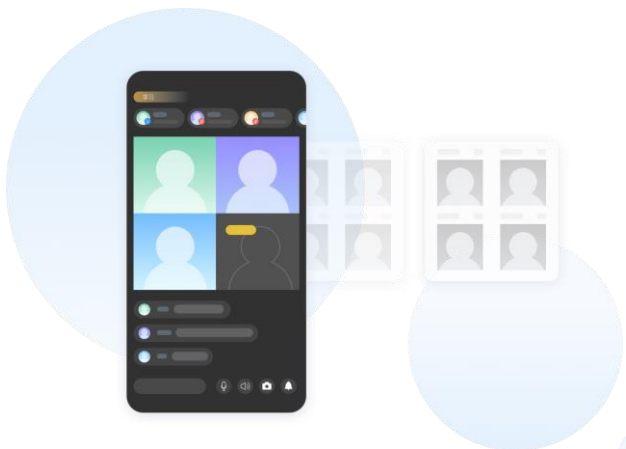
“In the same room” experience for audience: you can raise hand at any time and become a speaker



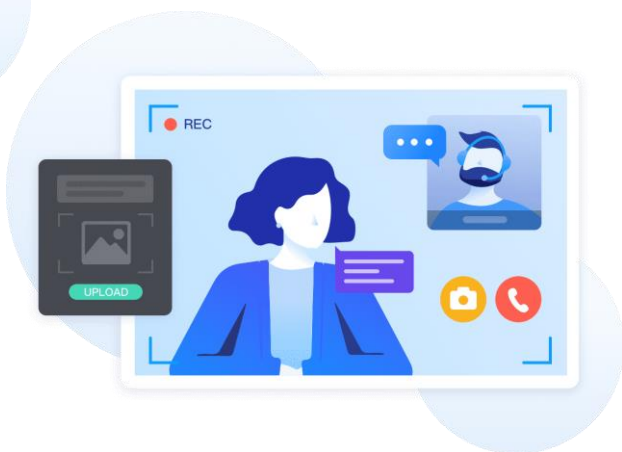
Crystal clear audio powered by Agora proprietary NOVA™ codec

Emerging Use Cases

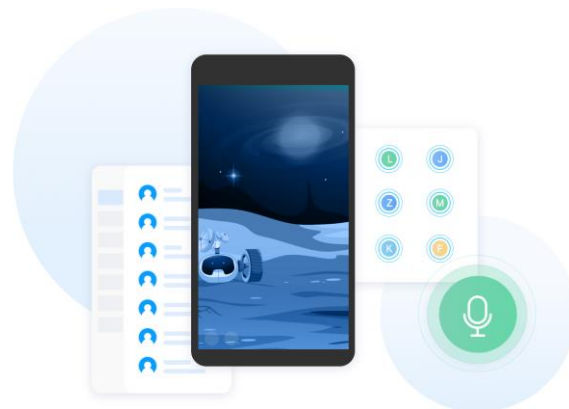
Online Self-study Room



Online Interview



The Imposter Game



Smart Desk Lamp



Many more...

Agora Flexible Classroom

Application Platform-as-a-Service (aPaaS) Solution for Education



Video, Voice, Messaging, Interactive Whiteboard, Recording...

vs. Agora SDK

Low code development

Faster time to market

vs. SaaS

Customizable

Use your own brand

Control your own data

Acquisitions

Easemob 环信

Leading Instant Messaging
API provider in China

Large and vibrant developer
community

netless

Leading interactive
whiteboard API provider

Complements our Video and Voice APIs, enabling developers to build more immersive real-time engagement use cases

Security, Compliance & Privacy Protection

Recent Developments

ISO 27001
27017
27018



 Trustwave[®] (1)

Advised by Ernst & Young,
certified by DNV GL

Recently certified
by Deloitte

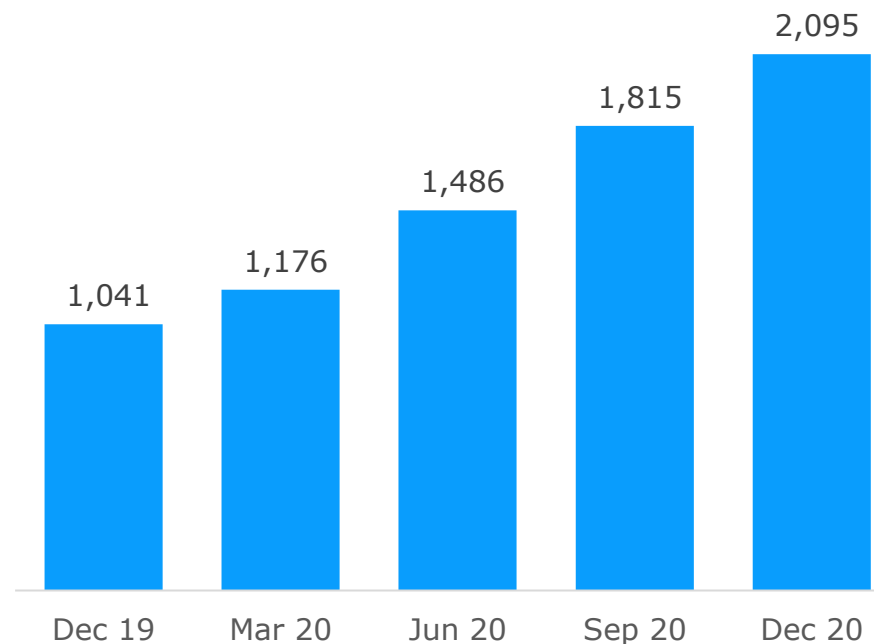
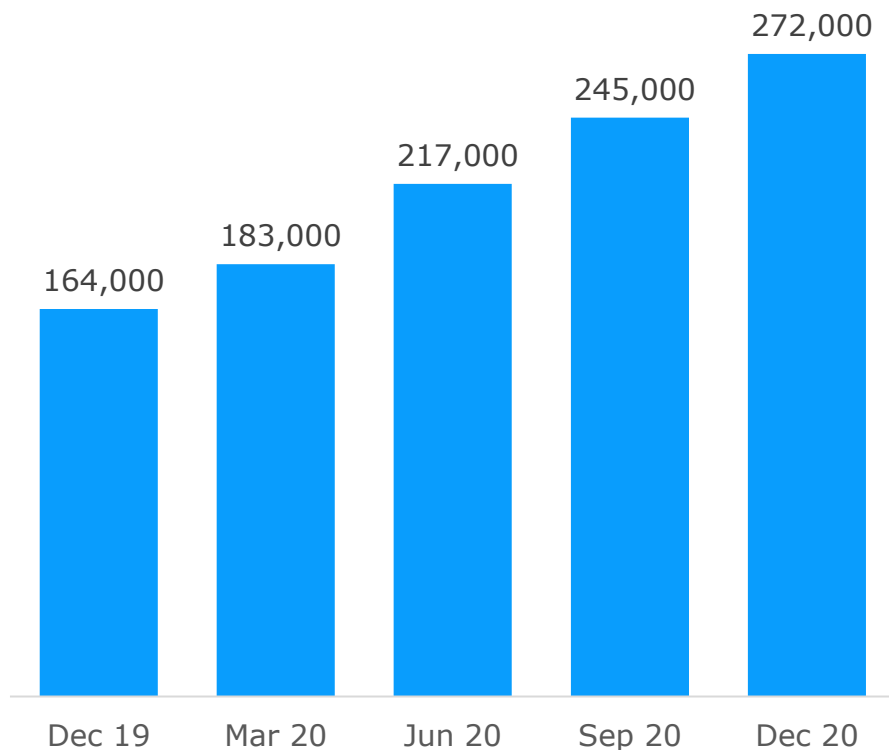
1. Network penetration, application vulnerability and compliance assessments, recently completed by Trustwave Holdings

2020 Q4 Financial Update

Steady Growth in Developers and Customers

ACCUMULATED REGISTERED APPLICATIONS ⁽¹⁾

ACTIVE CUSTOMERS ⁽²⁾



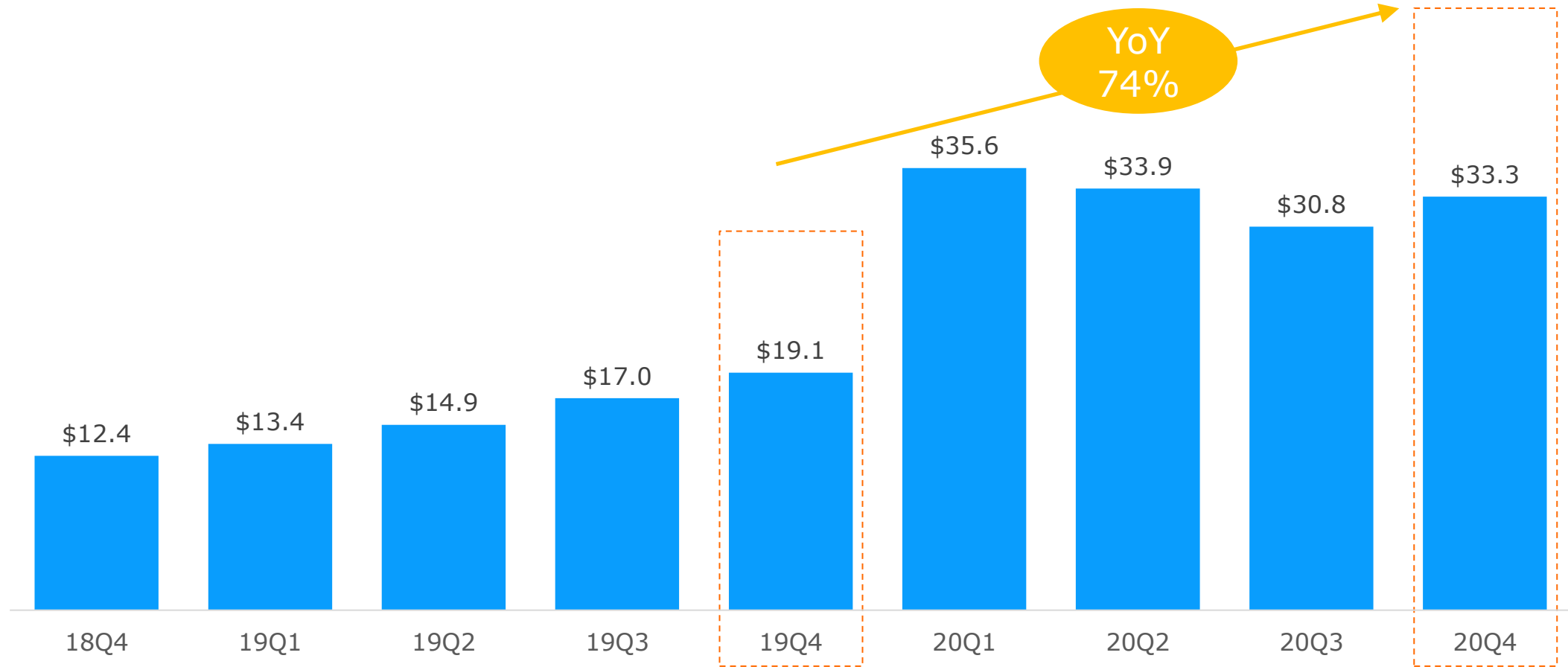
Notes:

(1) The number of applications are 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

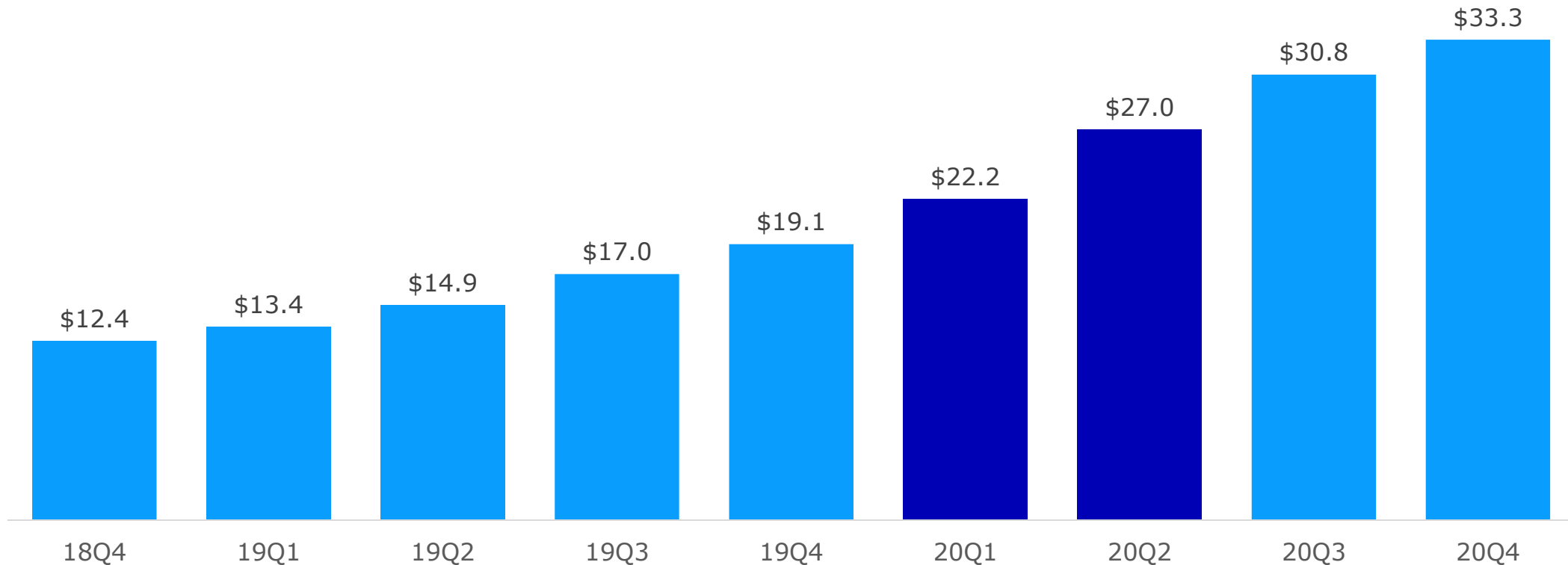
Strong Revenue Growth

TOTAL REVENUES
in US\$M



Removal of COVID-19 Impact in China

ADJUSTED TOTAL REVENUES ⁽¹⁾
in US\$M

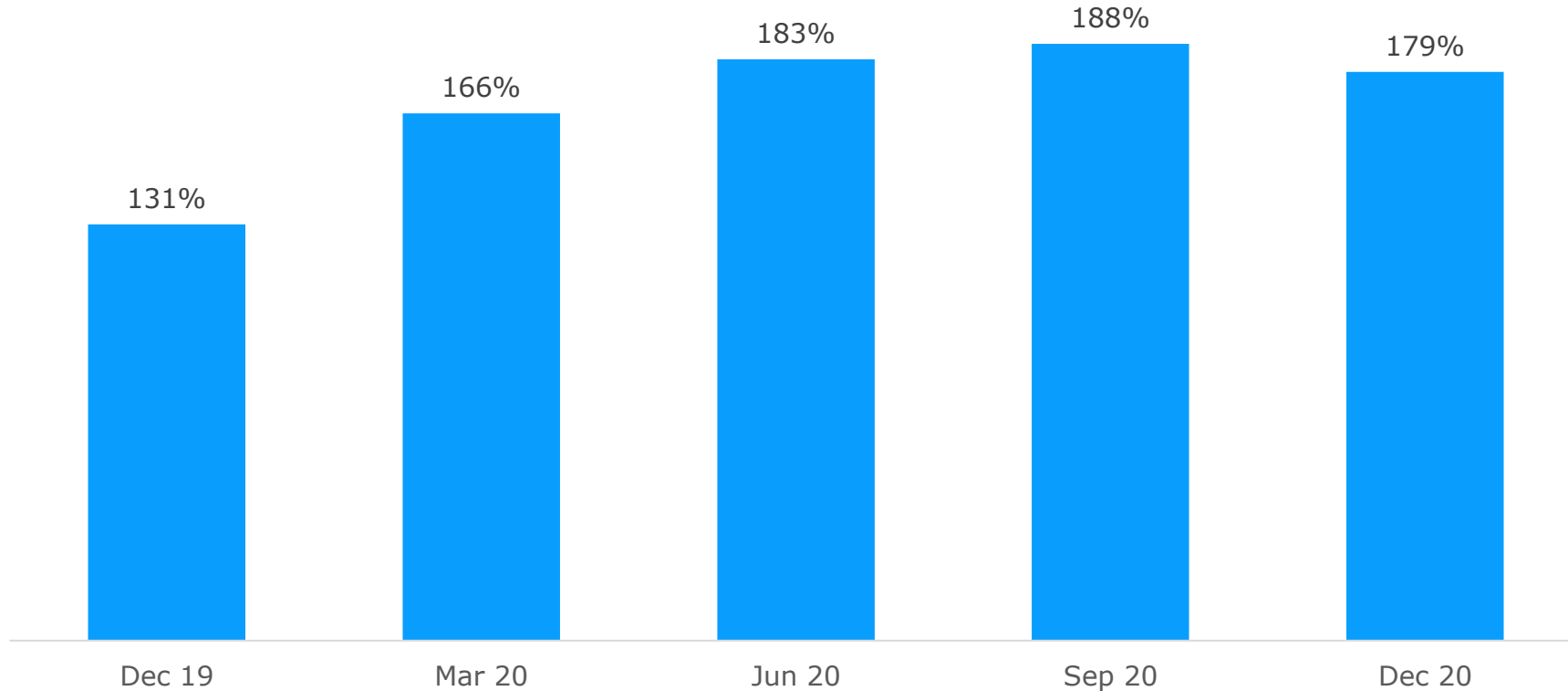


Notes:

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⁾

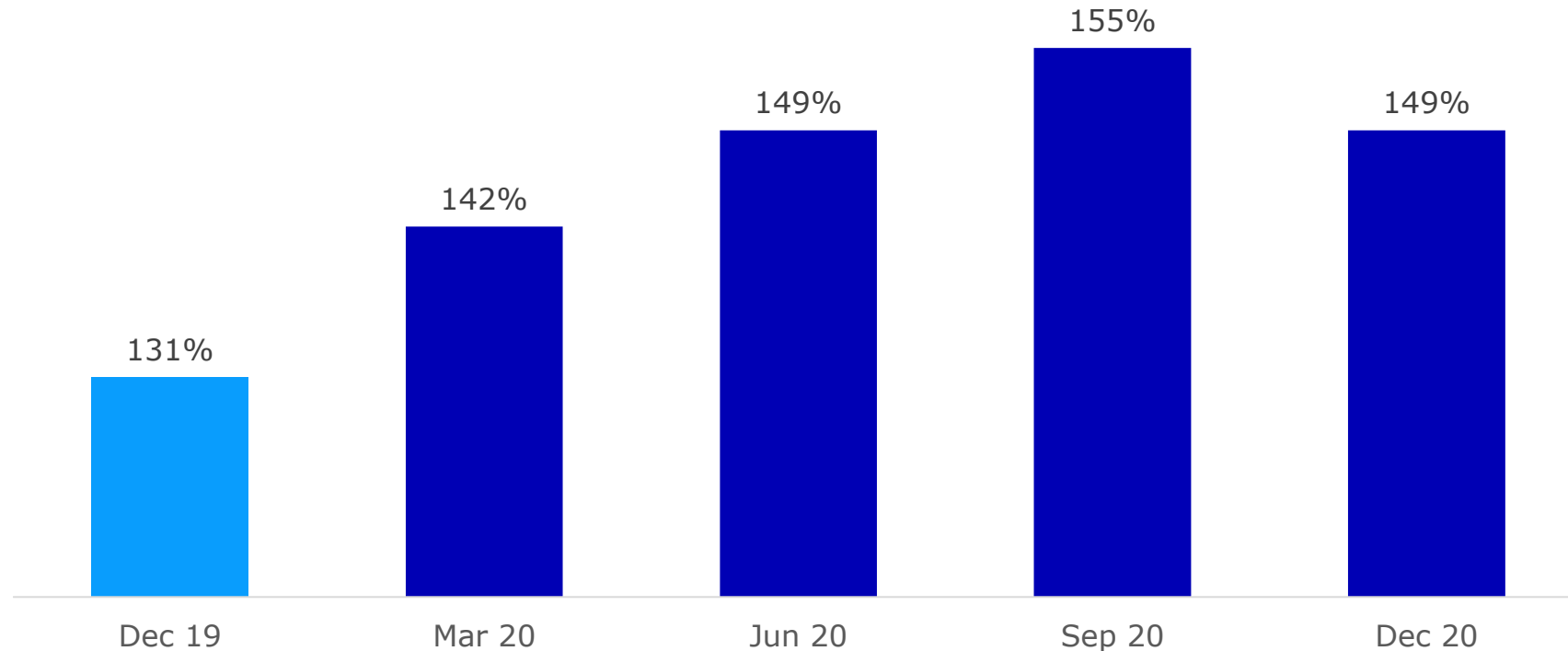


Notes:

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.

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.

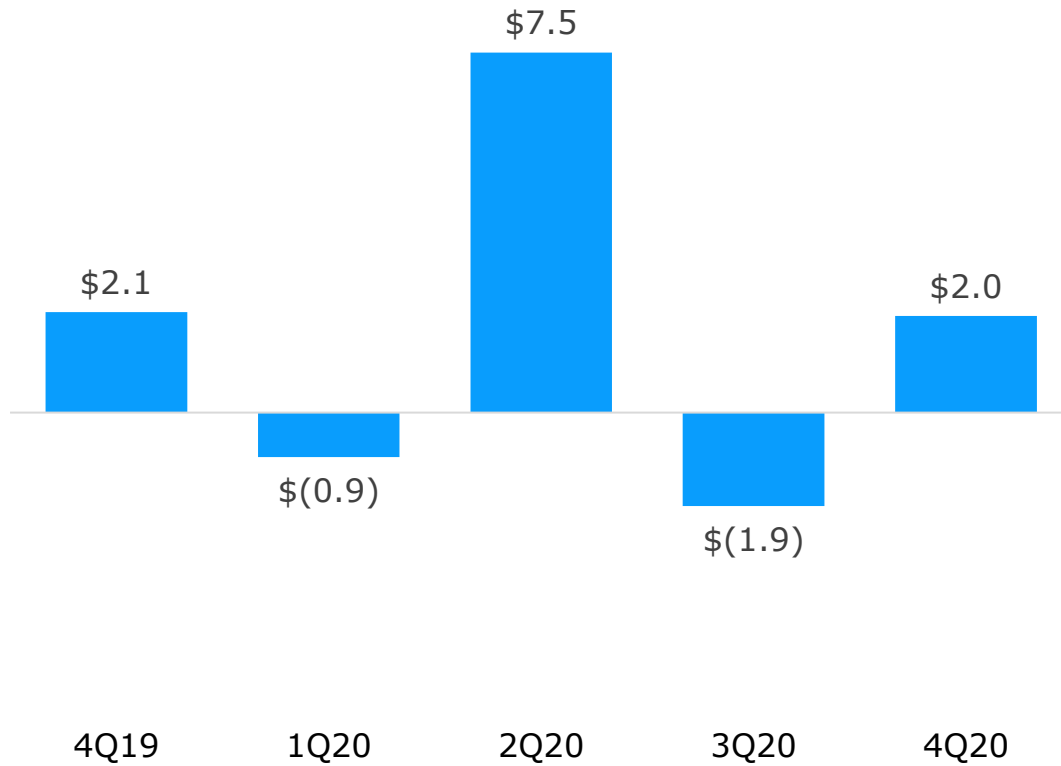
Costs, Expenses and Margins

		4Q19		4Q20	
		GAAP Results	Non-GAAP Results	GAAP Results	Non-GAAP Results
As % of Revenue	Total Revenues	\$19.1M	\$19.1M	\$33.3M	\$33.3M
	Cost of Goods Sold	33.7%	33.6%	39.6%	39.5%
	Gross Margin	66.3%	66.4%	60.4%	60.5%
	Research & Development	37.3%	36.4%	43.4%	39.2%
	Sales & Marketing	29.1%	27.1%	22.4%	20.8%
	General & Administrative	12.7%	11.2%	20.0%	17.0%
	Other operating income	0.2%	0.2%	2.1%	2.1%
	Operating Margin	(12.6%)	(8.1%)	(23.3%)	(14.4%)
	Depreciation & Amortization	-	3.0%	-	4.5%
	Adjusted EBITDA Margin	-	(5.1%)	-	(9.9%)

Healthy Cash Flow

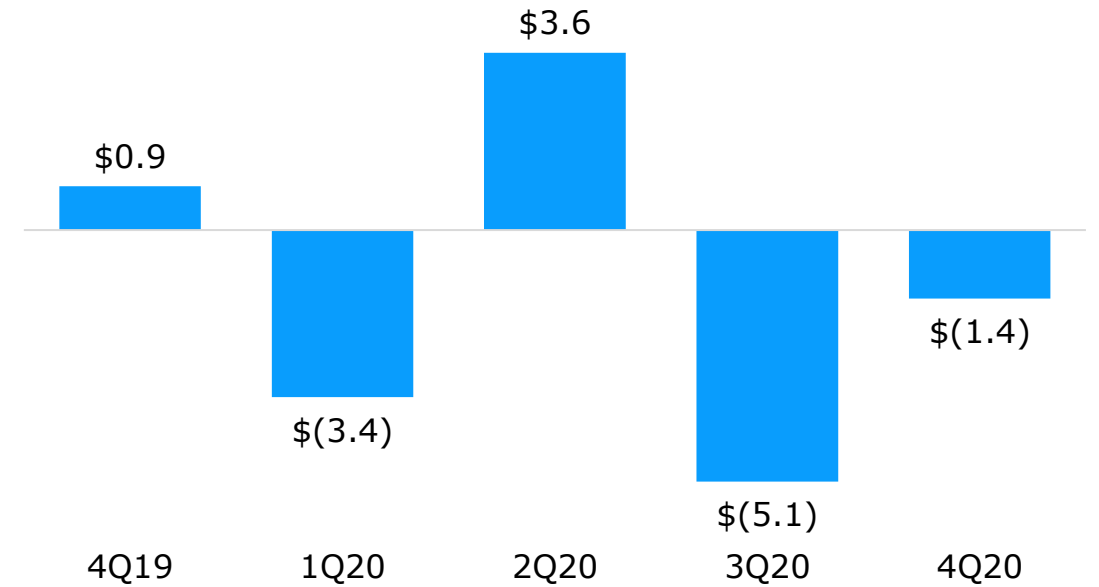
OPERATING CASH FLOW

in US\$M



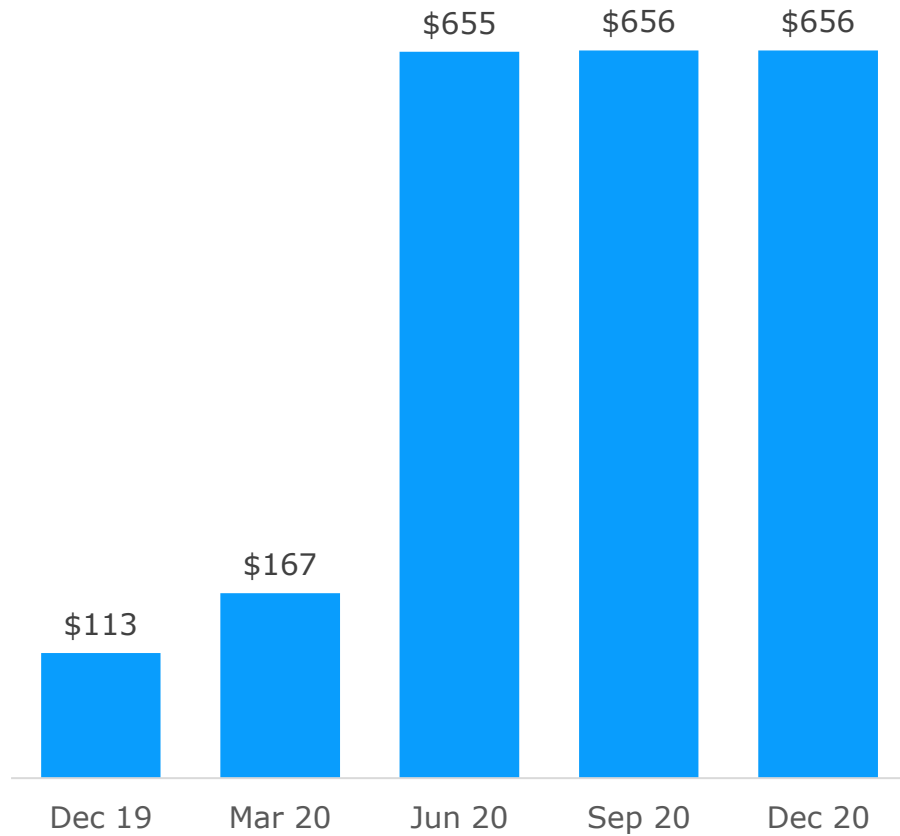
FREE CASH FLOW

in US\$M

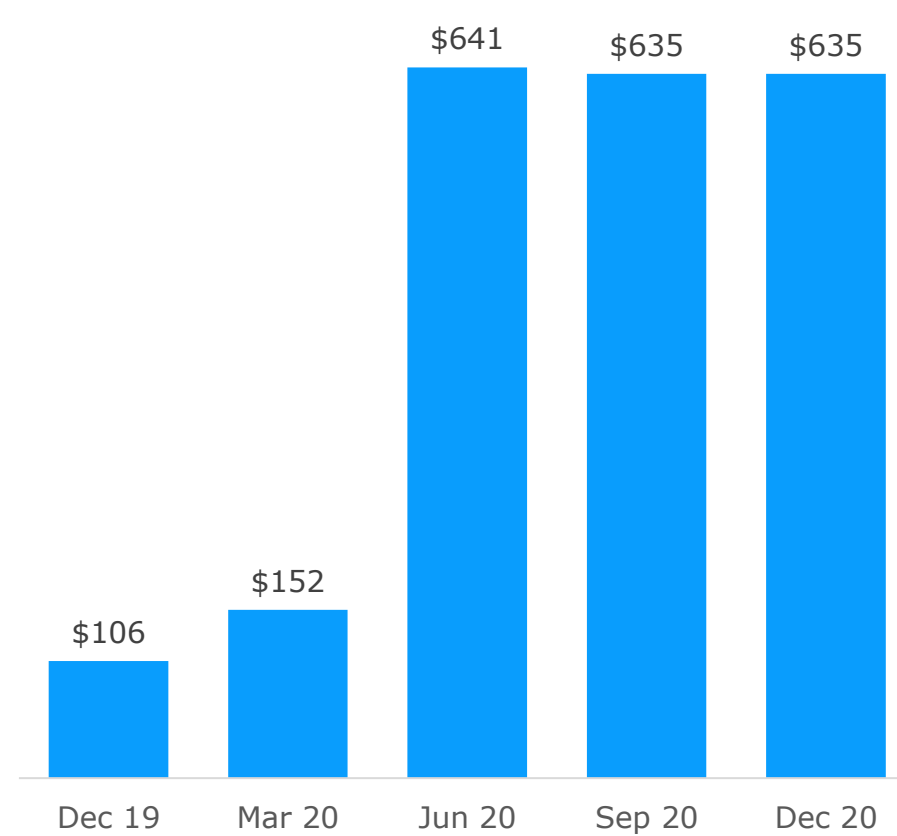


Robust Liquidity Position

NET ASSETS
in US\$M



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

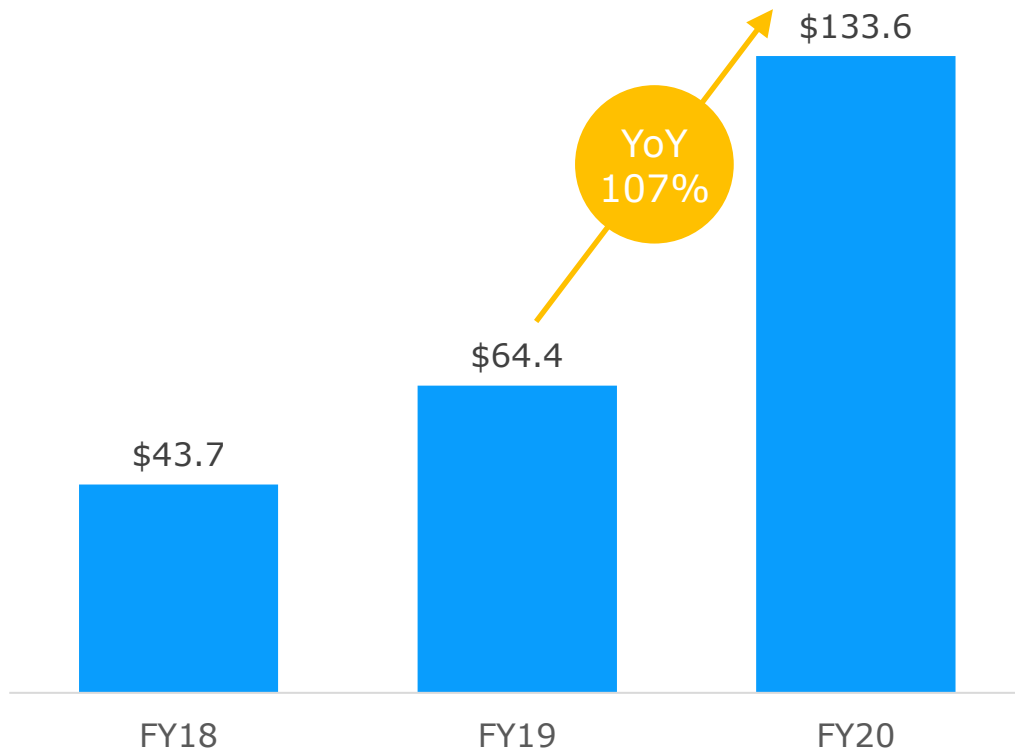


FY2020 Financial Highlights

Strong Revenue and Usage Growth

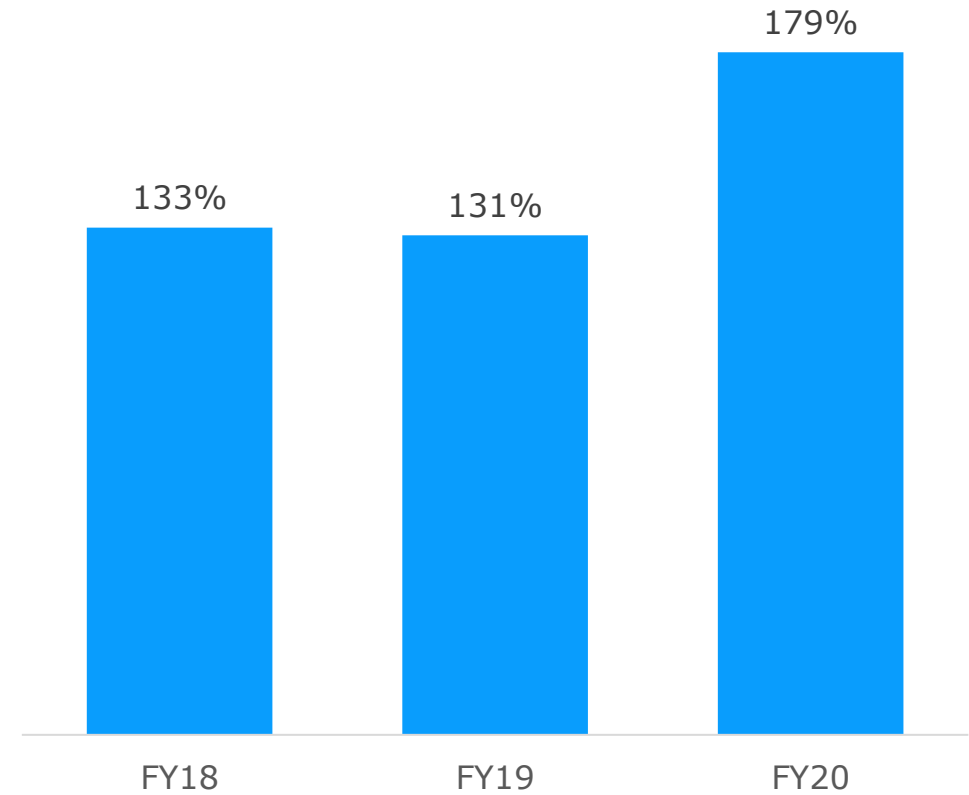
TOTAL REVENUES

in US\$M



CONSTANT CURRENCY DOLLAR-BASED NET EXPANSION RATE

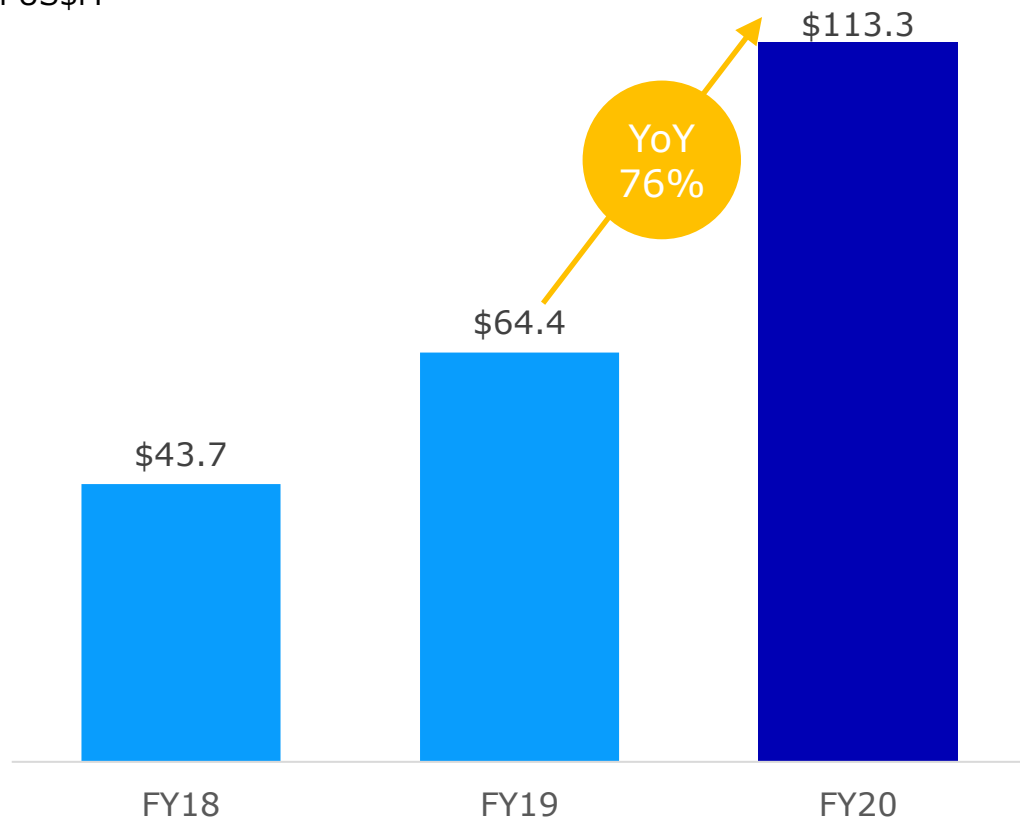
in US\$M



Removal of COVID-19 Impact in China

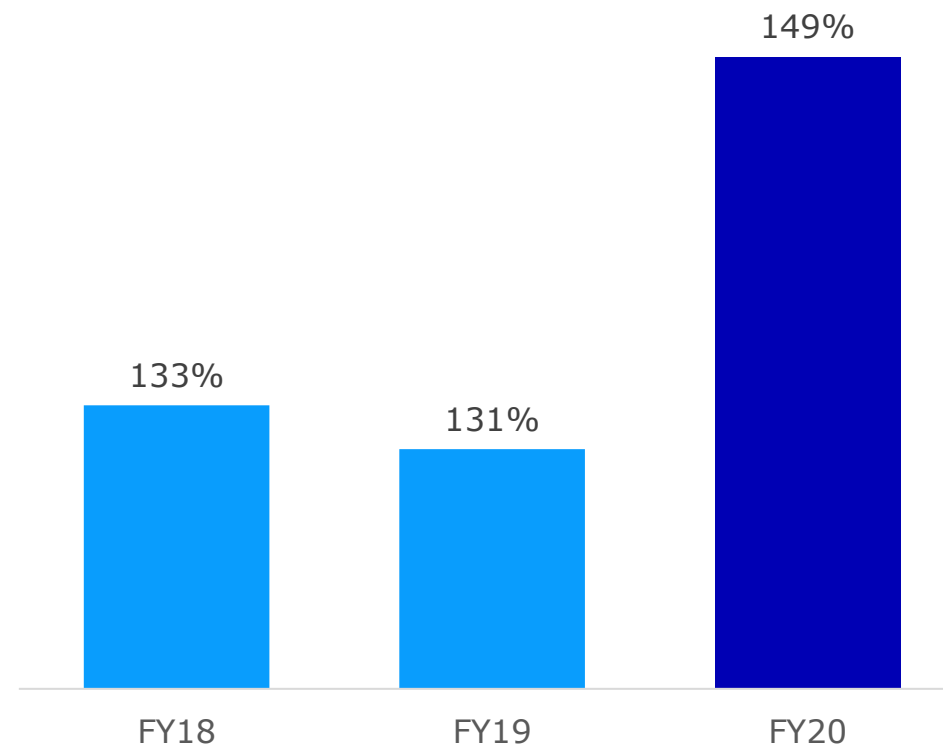
ADJUSTED TOTAL REVENUES

in US\$M



ADJUSTED CONSTANT CURRENCY DOLLAR-BASED NET EXPANSION RATE

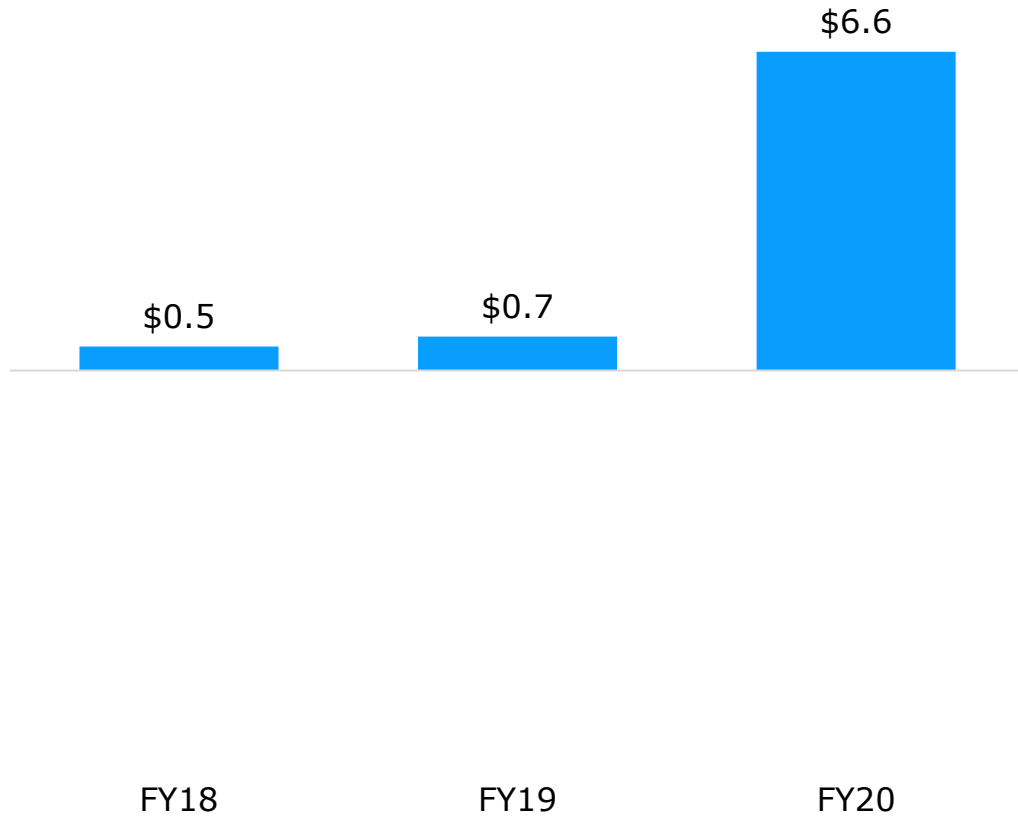
in US\$M



Healthy Cash Flow

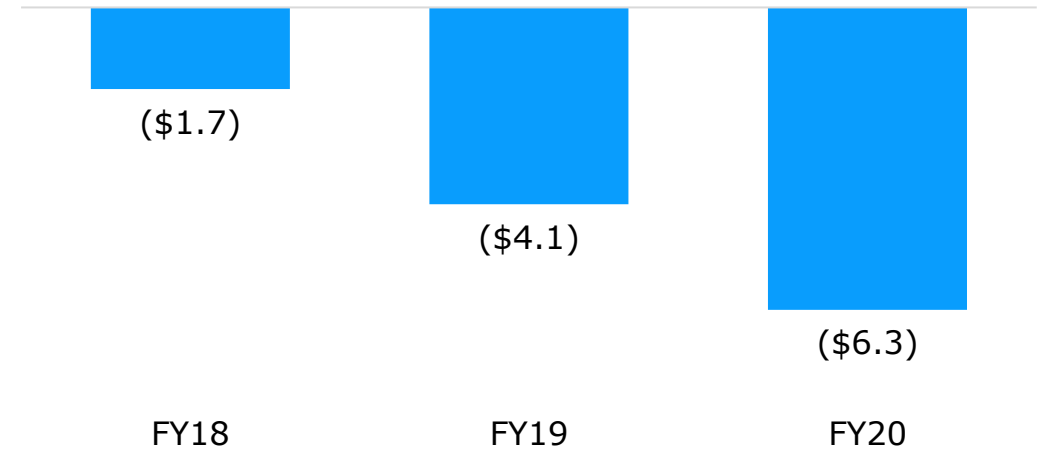
OPERATING CASH FLOW

in US\$M



FREE CASH FLOW

in US\$M



Costs, Expenses and Margins

		FY19		FY20	
		GAAP Results	Non-GAAP Results	GAAP Results	Non-GAAP Results
As % of Revenue	Total Revenues	\$64.4M	\$64.4M	\$133.6M	\$133.6M
	Cost of Goods Sold	31.7%	31.6%	35.3%	35.1%
	Gross Margin	68.3%	68.4%	64.7%	64.9%
	Research & Development	36.7%	34.4%	37.1%	33.1%
	Sales & Marketing	30.1%	27.5%	19.3%	17.7%
	General & Administrative	11.2%	9.5%	13.5%	10.3%
	Other operating income	0.2%	0.2%	1.3%	1.3%
	Operating Margin	(9.5%)	(2.8%)	(3.9%)	5.1%
	Depreciation & Amortization	-	2.9%	-	3.3%
	Adjusted EBITDA Margin	-	0.1%	-	8.4%

Appendix

GAAP to Non-GAAP Reconciliation

Gross Margin (US\$000's)	19Q4	20Q4	FY19	FY20
Total Revenues	19,105	33,253	64,428	133,564
GAAP Gross Profit	12,671	20,096	44,011	86,365
(+) Share-based Compensation	20	18	80	357
Non-GAAP Gross Profit	12,691	20,114	44,091	86,722
Non-GAAP Gross Margin	66.4%	60.5%	68.4%	64.9%
Research & Development Expenses (US\$000's)				
GAAP Research & Development	7,128	14,438	23,623	49,494
(-) Share-based Compensation	(183)	(1,411)	(1,473)	(5,312)
Non-GAAP Research & Development	6,945	13,027	22,150	44,182
Sales & Marketing Expenses (US\$000's)				
GAAP Sales & Marketing	5,557	7,437	19,408	25,724
(-) Share-based compensation	(373)	(504)	(1,654)	(2,061)
Non-GAAP Sales and Marketing	5,184	6,933	17,754	23,663
General & Administrative Expenses (US\$000's)				
GAAP General & Administrative	2,421	6,668	7,177	18,010
(-) Share-based Compensation	(271)	(1,015)	(1,046)	(4,244)
Non-GAAP General Administrative	2,150	5,653	6,131	13,766

GAAP to Non-GAAP Reconciliation

Operating Margin (US\$000's)	19Q4	20Q4	FY19	FY20
Total Revenues	19,105	33,253	64,428	133,564
GAAP Operating Loss	(2,404)	(7,749)	(6,089)	(5,191)
(+) Share-based Compensation	847	2,948	4,253	11,974
Non-GAAP Operating Income (Loss)	(1,557)	(4,801)	(1,836)	6,783
Non-GAAP Operating Margin	(8.1%)	(14.4%)	(2.9%)	5.1%
Adjusted EBITDA (US\$000's)				
Total Revenues	19,105	33,253	64,428	133,564
GAAP Operating Loss	(2,404)	(7,749)	(6,089)	(5,191)
(+) Share-based Compensation	847	2,948	4,253	11,974
(+) Depreciation & Amortization	577	1,514	1,868	4,460
Adjusted EBITDA	(980)	(3,287)	31	11,243
Adjusted EBITDA Margin	(5.1%)	(9.9%)	0.1%	8.4%
Free Cash Flow (US\$000's)				
Cash Flow from Operations	2,077	1,967	706	6,564
(-) Purchases of PPE	(1,180)	(3,347)	(4,802)	(12,878)
Free Cash Flow	897	(1,380)	(4,096)	(6,314)

Thank you.