

Agora, Inc.

2024 Q3 Earnings

November 25, 2024

Disclaimer

Information in this presentation contains forward-looking statements within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934, as amended. These forward-looking statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. All statements other than statements of historical or current fact included in this presentation are forward-looking statements, including but not limited to statements regarding Agora, Inc.’s financial outlook, beliefs and expectations. Forward-looking statements include statements containing words such as “expect,” “anticipate,” “believe,” “project,” “will” and similar expressions intended to identify forward-looking statements. These forward-looking statements are based on Agora, Inc.’s current expectations and involve risks and uncertainties. Agora, Inc.’s actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks related to the growth of the RTE-PaaS market; Agora, Inc.’s ability to manage its growth and expand its operations; Agora, Inc.’s ability to attract new developers and convert them into customers; Agora, Inc.’s ability to retain existing customers and expand their usage of Agora, Inc.’s platform and products; Agora, Inc.’s ability to drive popularity of existing use cases and enable new use cases, including through quality enhancements and introduction of new products, features and functionalities; Agora, Inc.’s fluctuating operating results; competition; the effect of broader technological and market trends on Agora, Inc.’s business and prospects; general economic conditions and their impact on customer and end-user demand; and other risks and uncertainties included under the caption “Risk Factors” and elsewhere in our filings with the Securities and Exchange Commission (the “SEC”), including, without limitation, the final prospectus related to the IPO filed with the SEC on June 26, 2020. Our SEC filings are available on our Investor Relations website at investor.agora.io and on the SEC’s website at www.sec.gov. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements, which speak only as of the date hereof. If this presentation is reviewed after the date hereof, even if made available by us, on our website or otherwise, it may not contain current or accurate information. We disclaim any obligation to update or revise any forward-looking statement based on new information, future events or otherwise. All forward-looking statements are qualified in their entirety by this cautionary statement, and Agora, Inc. undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date hereof.

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, Inc. 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, Inc.’s consolidated financial statements prepared in accordance with U.S. GAAP. Please see the appendices attached to this presentation for an explanation of management’s use of these measures and a reconciliation of the most directly comparable U.S. GAAP financial measures.

Unless otherwise indicated, all references in this presentation to the “Company,” “we,” “our,” “us” or similar terms refer to Agora, Inc. and its subsidiaries, and “Agora” refers to the U.S. and international businesses and “Shengwang” refers to the China business.

Business Highlights

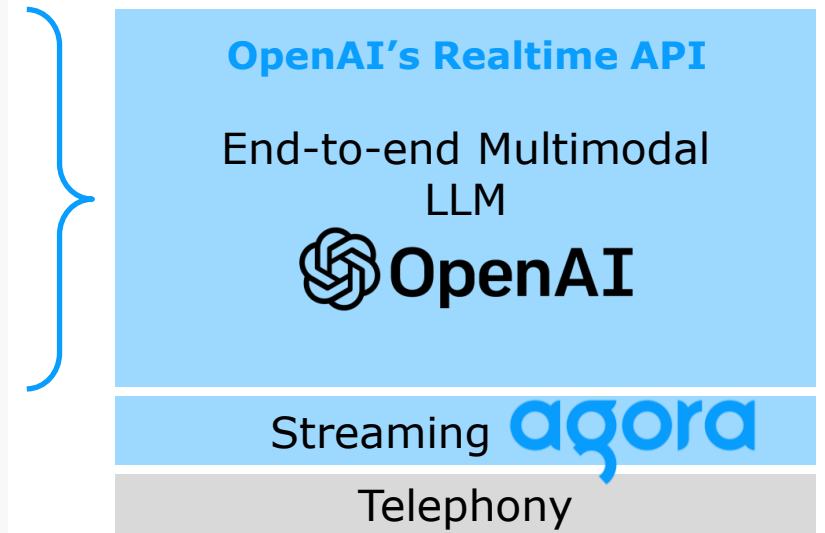
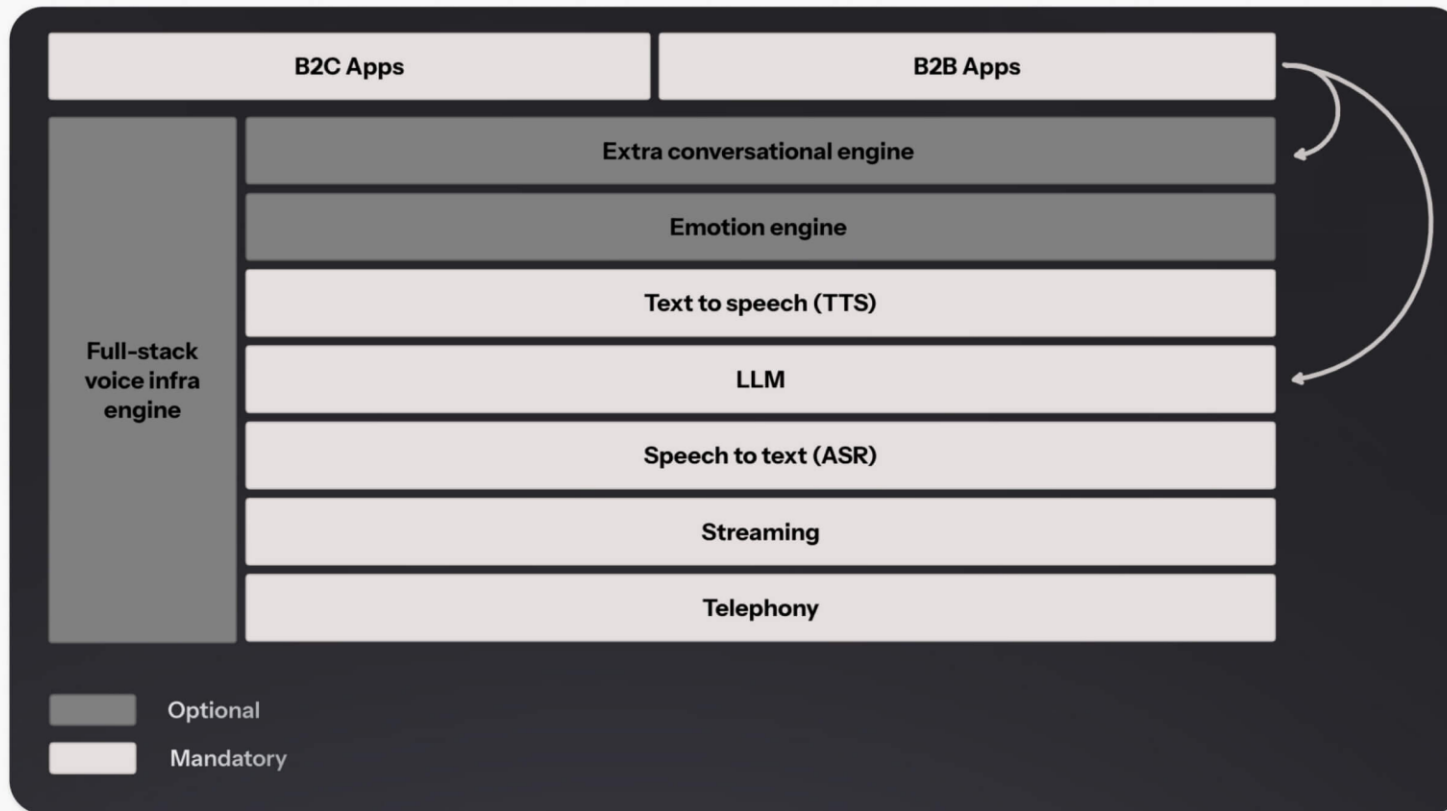
Conversational AI SDK and Integration with OpenAI

- Agora launched **Conversational AI SDK** in collaboration with **OpenAI's Realtime API** to allow developers to bring voice-driven AI experiences to any application.
- Agora and OpenAI will separately charge developers based on their usage.

The logo for Agora, featuring the word "agora" in a lowercase, blue, sans-serif font.The logo for OpenAI, featuring a black knot icon to the left of the word "OpenAI" in a bold, black, sans-serif font.

Illustration of Conversational AI Solutions

AI Voice Agents: The Stack



Consumer

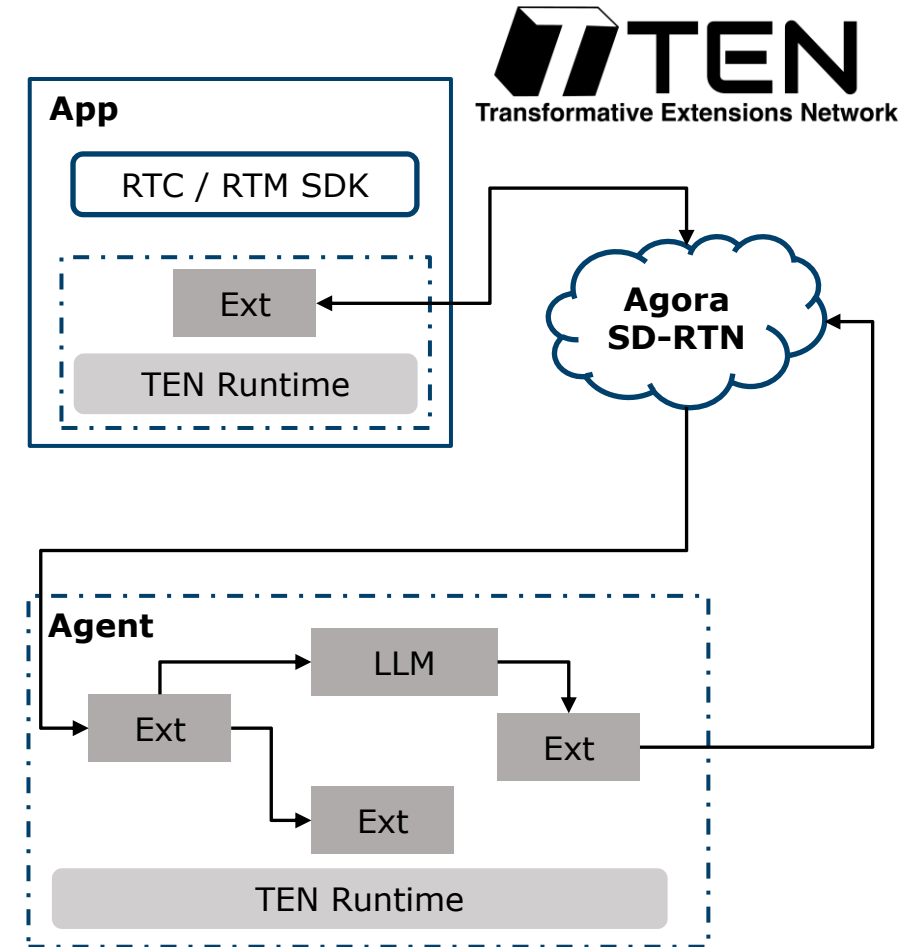
Conversational AI Applications in IoT

- IoT devices connected to an advanced AI model can easily **understand complex requests, hold natural conversations**, and take actions based on live video feeds.
- Our customer **Miko** makes advanced educational robots for kids. With Agora Conversational AI SDK, Miko added **interactive storytelling** by advanced AI models in their content platform, adapting the robot's responses and behaviors based on the kid's emotions and interactions.



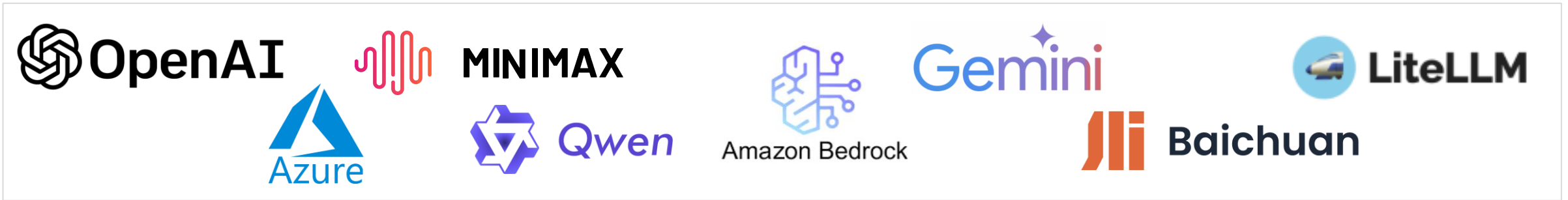
TEN (Transformative Extensions Network)

- An **open-sourced real-time multimodal AI agent orchestration framework** for application developers.
- Supports integration with both **OpenAI's Realtime API** and other large language models (LLMs) with extensions such as speech-to-text (STT) / text-to-speech (TTS).
- Can choose from **multiple LLMs and extensions vendors** with **flexible edge-cloud integration**.
- Data and command flow through **Agora's network** to ensure **high-performance, low-latency** interactions.



Extensions Supported by TEN

Large Language Models (LLMs)



Speech-To-Text (STT)



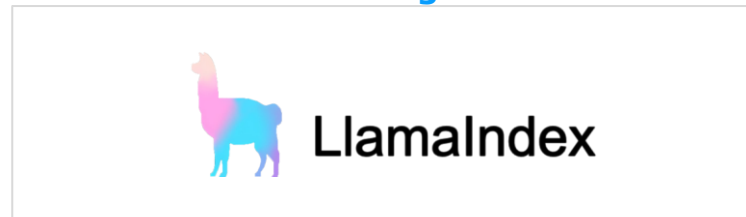
Text-To-Speech (TTS)



Real-Time Multi-Modal



Chat Engine

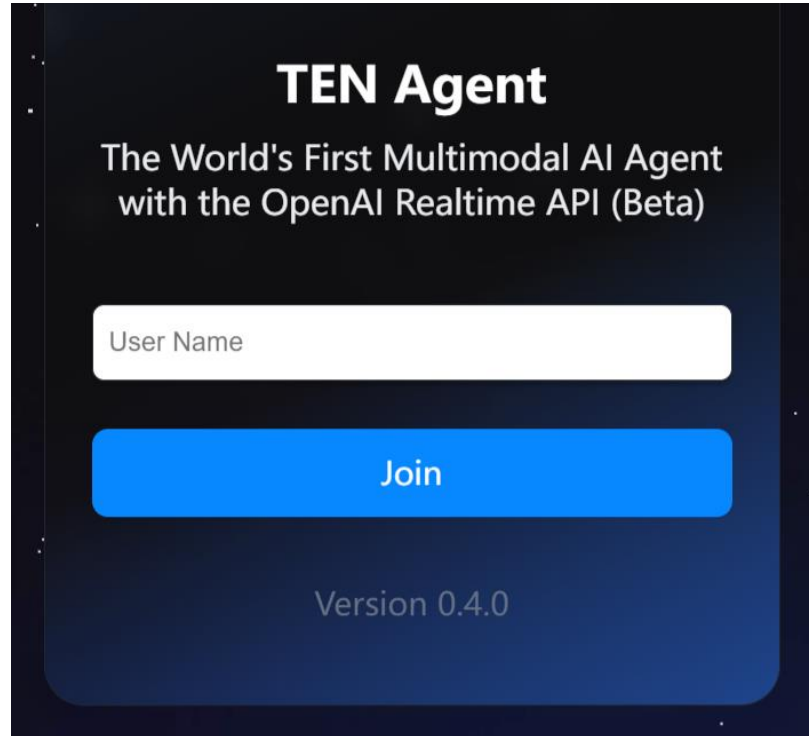


Vector Database



... with many more extensions coming

Let's Try Realtime API with TEN



TEN Agent
The World's First Multimodal AI Agent
with the OpenAI Realtime API (Beta)

User Name

Join

Version 0.4.0

<https://agent.theten.ai/>

10th Annual Real-Time Engagement Conference

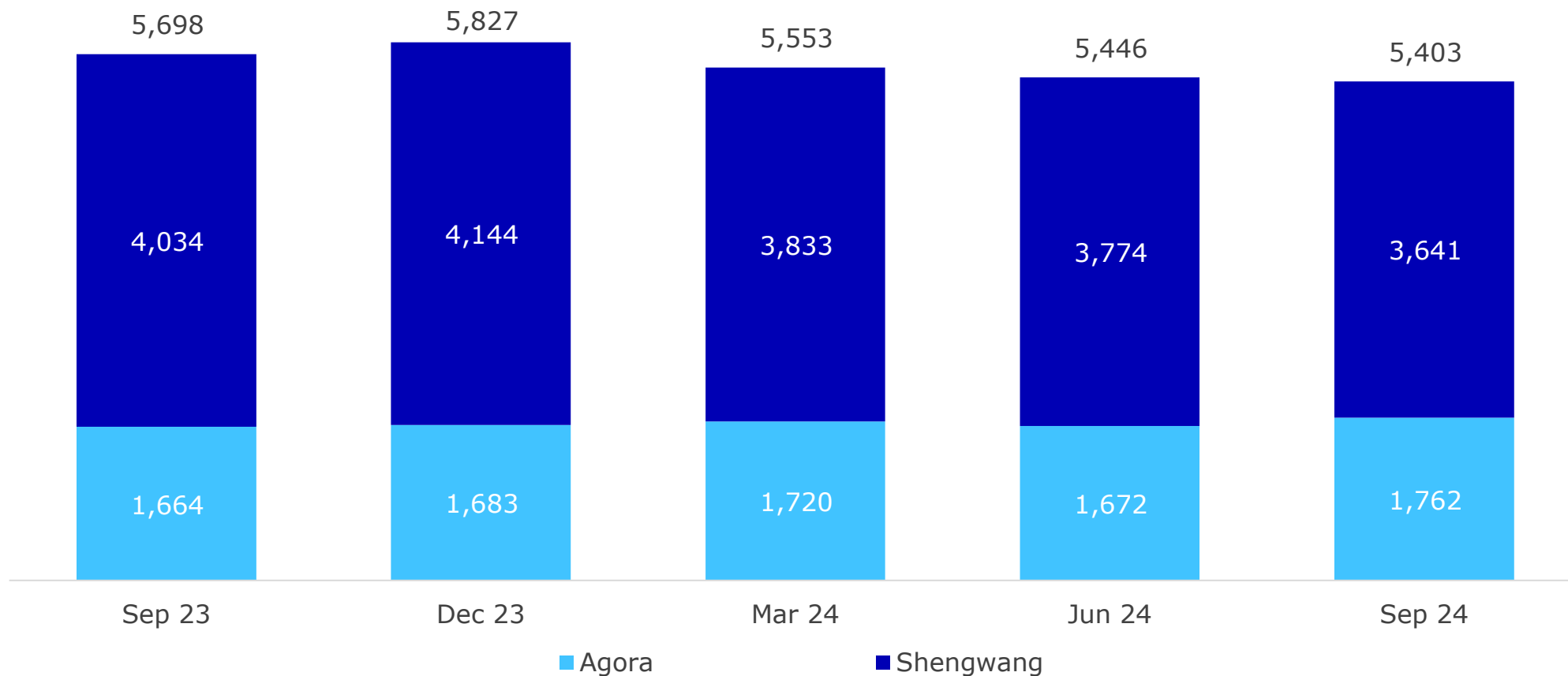
- October 25 -26 in Beijing, China.
- Focused on the **intersection of AI and RTE** technologies, with both registration and attendance hitting **record highs**.
- Industry-wide enthusiasm around real-time conversational AI, its huge market potential, and our unique place within its ecosystem.



2024 Q3 Financial Update

Customer Base

ACTIVE CUSTOMERS ⁽¹⁾⁽²⁾



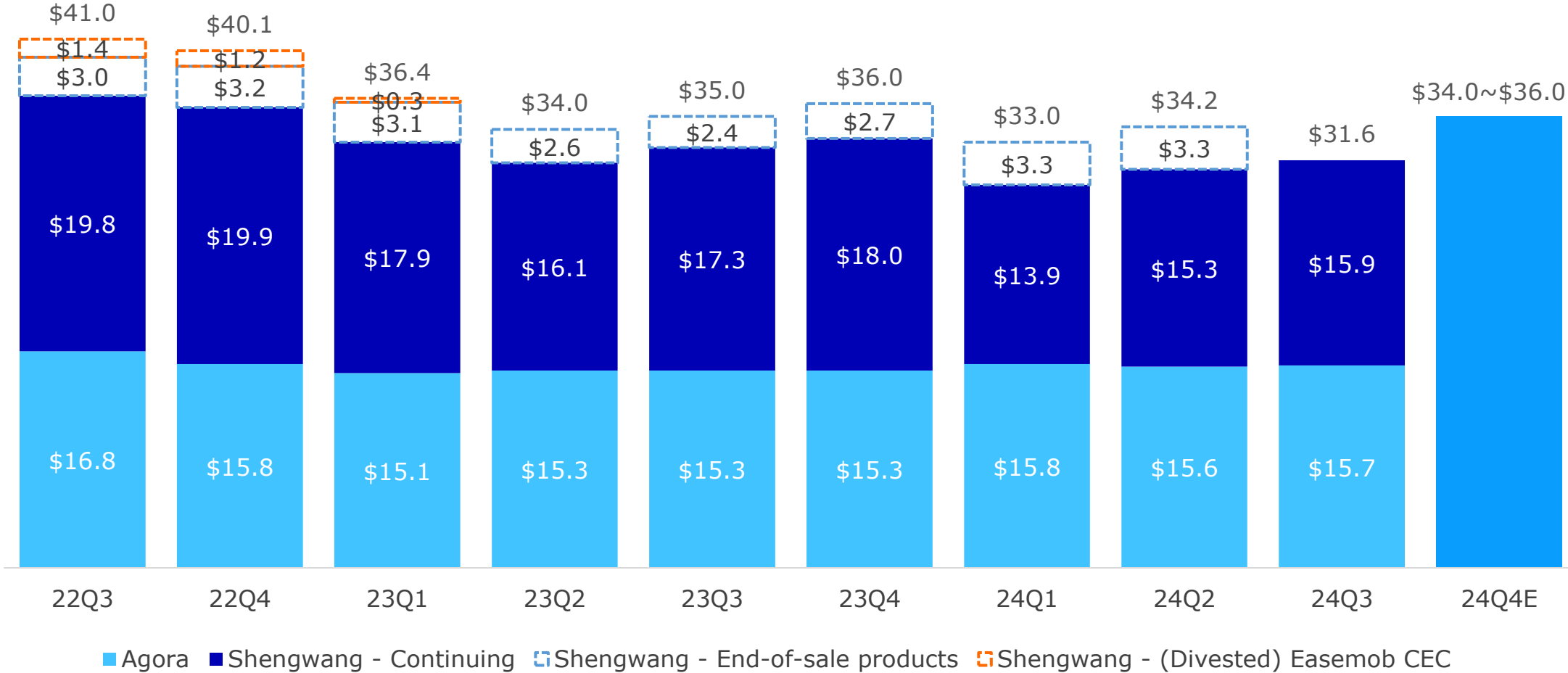
Notes:

(1) 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.

(2) The numbers for Shengwang excluded the divested Easemob customer engagement cloud business.

Group Revenues

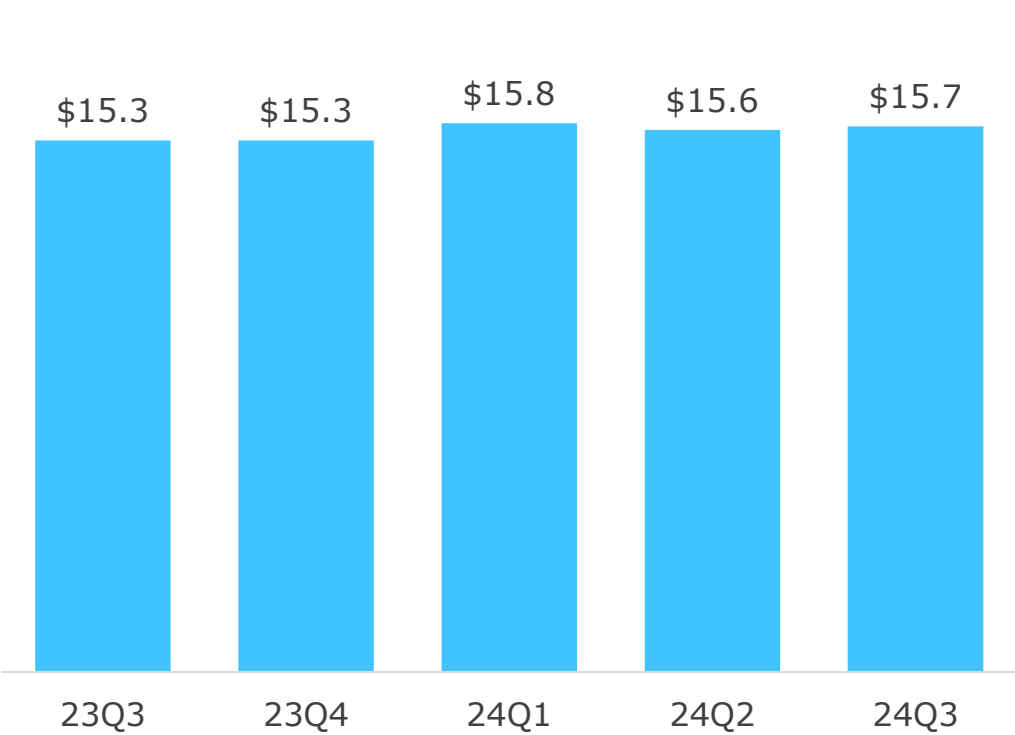
TOTAL REVENUES
in US\$M



Revenues by Division

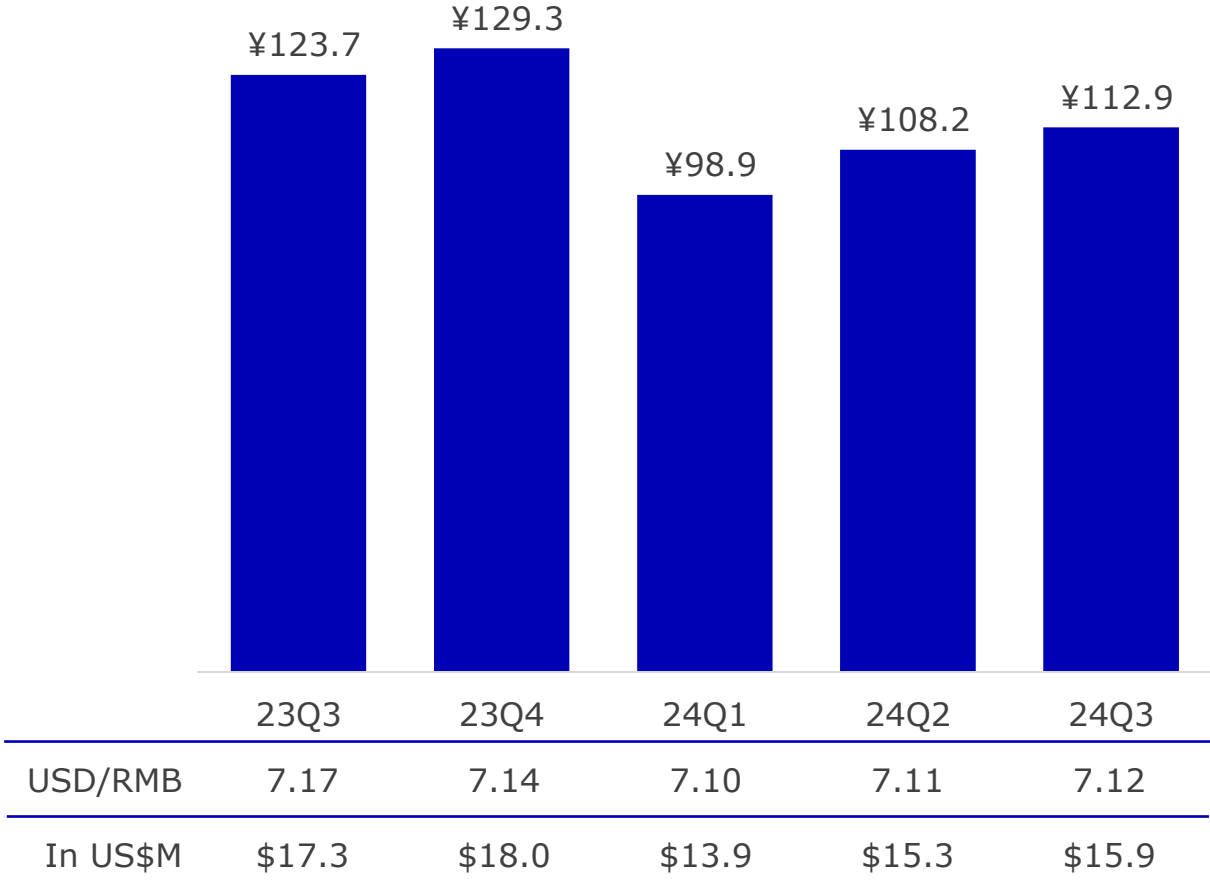
AGORA REVENUES

in US\$M



SHENGWANG REVENUES ⁽¹⁾

in RMB Millions

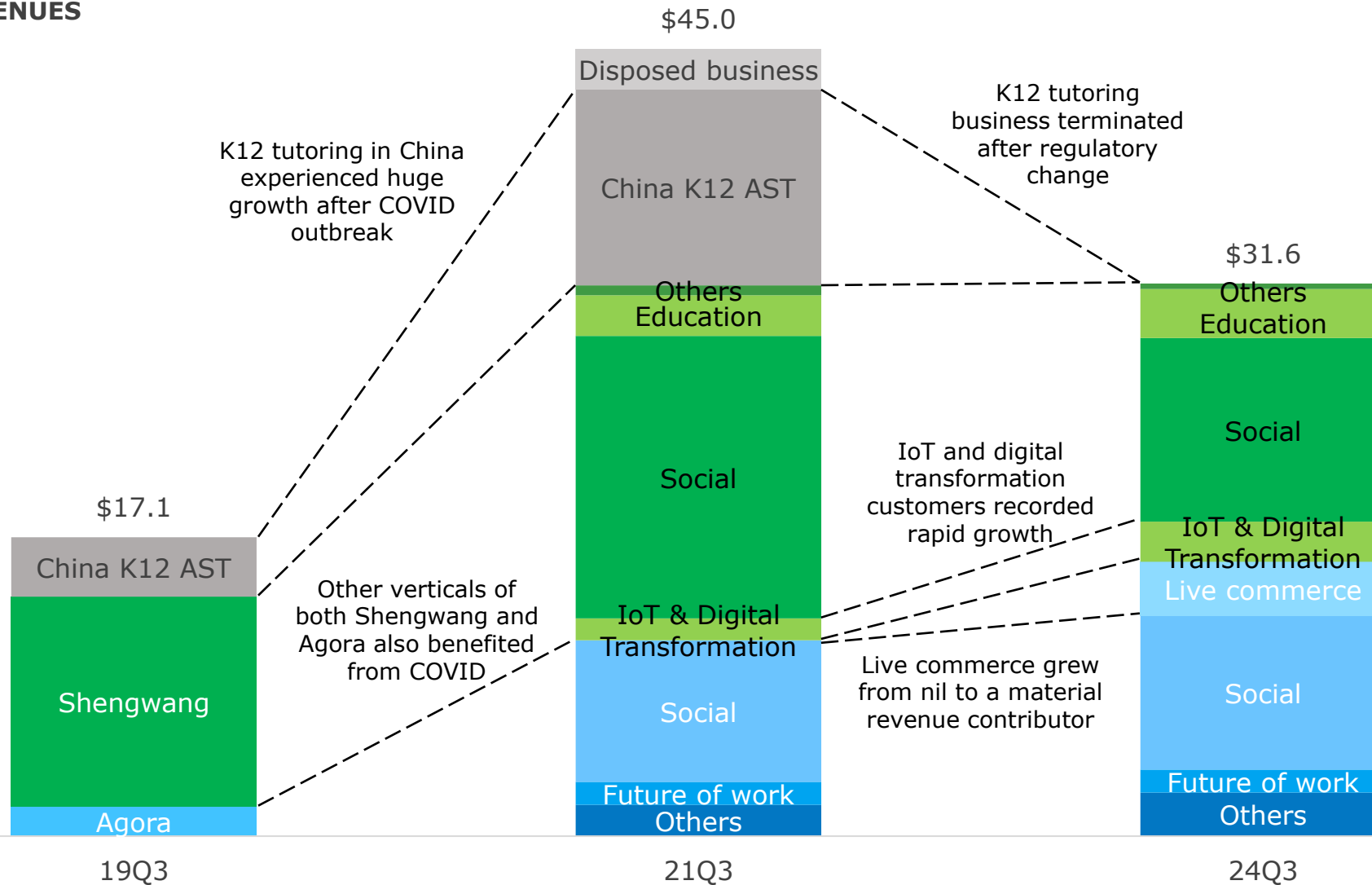


Notes:

1. Shengwang revenues excluded contribution from certain end-of-sale products.

Revenue Contribution: Past vs Present

TOTAL REVENUES
in US\$M



Net Retention Rate

DOLLAR-BASED NET RETENTION RATE ⁽¹⁾⁽²⁾

	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24 ⁽³⁾
Agora	98%	93%	92%	92%	94%
Shengwang	89%	82%	78%	79%	78%

Notes:

1. We calculate Dollar-Based Net Retention 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.
2. The numbers for Shengwang excluded revenues from the divested Easemob customer engagement cloud business and the K12 academic tutoring sector.
3. The number for Shengwang excluded revenues from certain end-of-sale products.

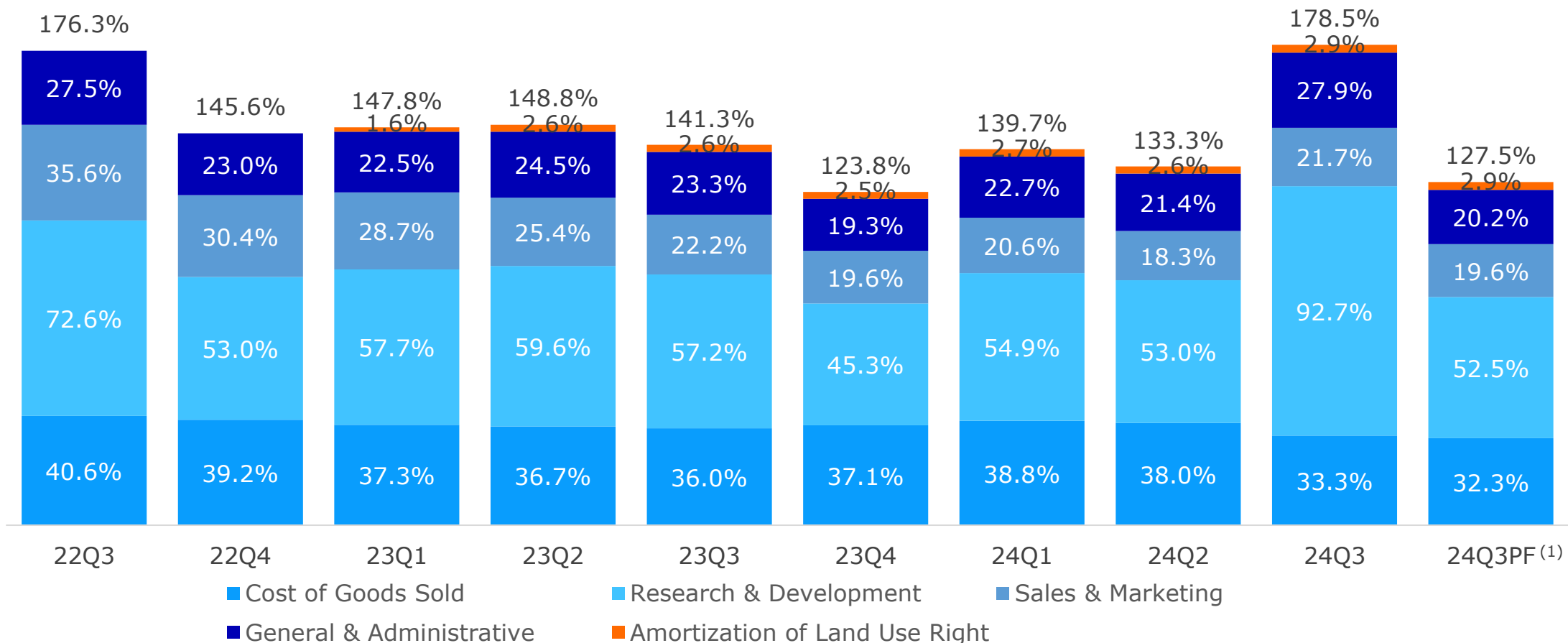
Proforma Income Statements

	24Q3					
(US\$000's)	GAAP	Severance	Equity award cancellation	Impairment loss	Proforma	%
Total revenues	31,573	-	-	-	31,573	100
Cost of revenues	10,524	(333)	-	-	10,191	32.3
Gross Profit	21,049	333	-	-	21,382	67.7
Operating expenses:						
Research & Development	29,271	(3,653)	(9,050)	-	16,568	52.5
Sales & Marketing	6,860	(683)	-	-	6,177	19.6
General & Administrative	9,741	(99)	(2,360)	-	7,282	23.1
Total operating expenses	45,872	(4,435)	(11,410)	-	30,027	95.1
Other operating income	134	-	-	-	134	0.4
Loss from operations	(24,689)	4,768	11,410	-	(8,511)	(27.0)
Exchange gain	43	-	-	-	43	0.1
Interest income	3,924	-	-	-	3,924	12.4
Interest expense	(86)	-	-	-	(86)	(0.3)
Investment income	839	-	-	-	839	2.7
Loss before income taxes	(19,969)	4,768	11,410	-	(3,791)	(12.0)
Income taxes	-	-	-	-	-	-
Losses from equity in affiliates	(4,211)	-	-	4,095	(116)	(0.4)
Net Loss	(24,180)	4,768	11,410	4,095	(3,907)	(12.4)

Costs, Expenses and Margins

COST OF GOODS SOLD AND OPERATING EXPENSES

as % of Total Revenues



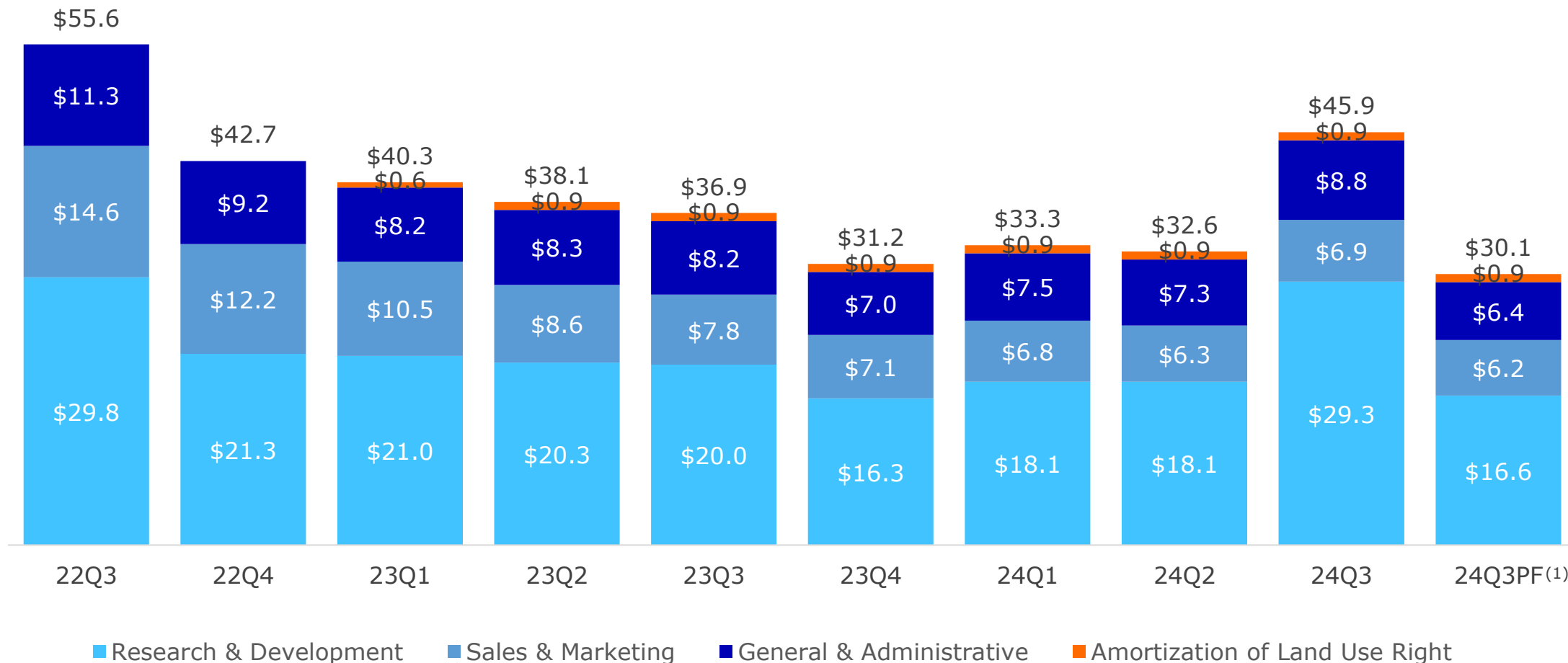
Notes:

1. Proforma numbers excluded equity award cancellation expenses and severance expenses.

Operating Expenses

OPERATING EXPENSES

in US\$M



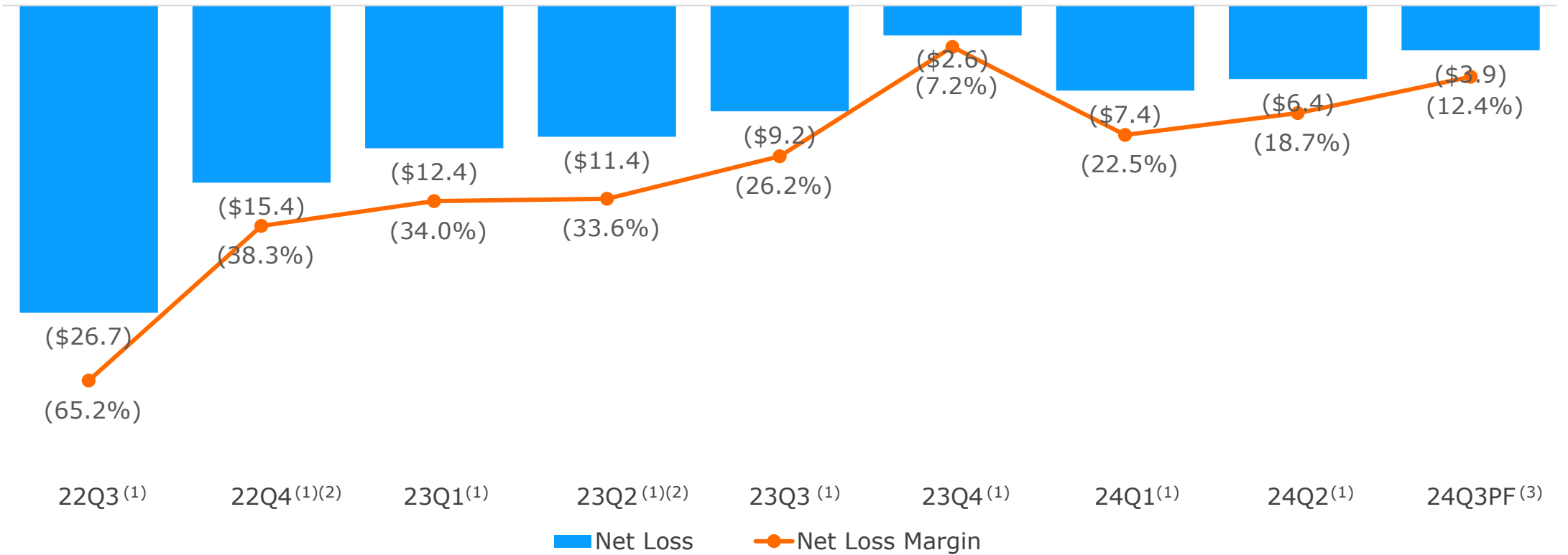
■ Research & Development
 ■ Sales & Marketing
 ■ General & Administrative
 ■ Amortization of Land Use Right

Notes:

1. Proforma numbers excluded equity award cancellation expenses and severance expenses.

Net Loss and Margin

Net Loss
in US\$M



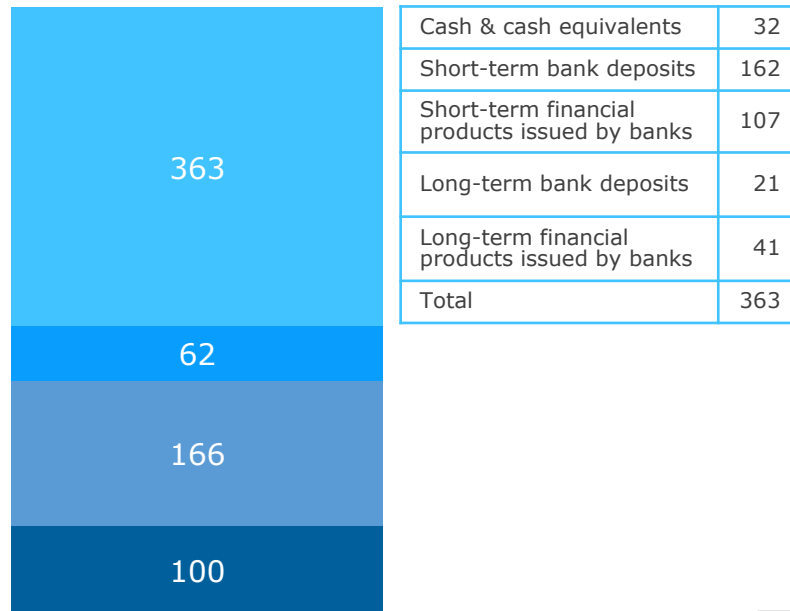
Notes:

1. Excluded investment loss
2. Excluded impairment of goodwill
3. Proforma numbers excluded equity award cancellation expenses, severance expenses and losses from equity in affiliates.

Balance Sheet

BALANCE SHEETS SNAPSHOT AS OF SEPTEMBER 30, 2024

in US\$M



- Cash, cash equivalent, bank deposits and financial products issued by banks
- Other current assets
- Land use right
- Other non-current assets

- Current liabilities
- Non-current liabilities
- Total equity

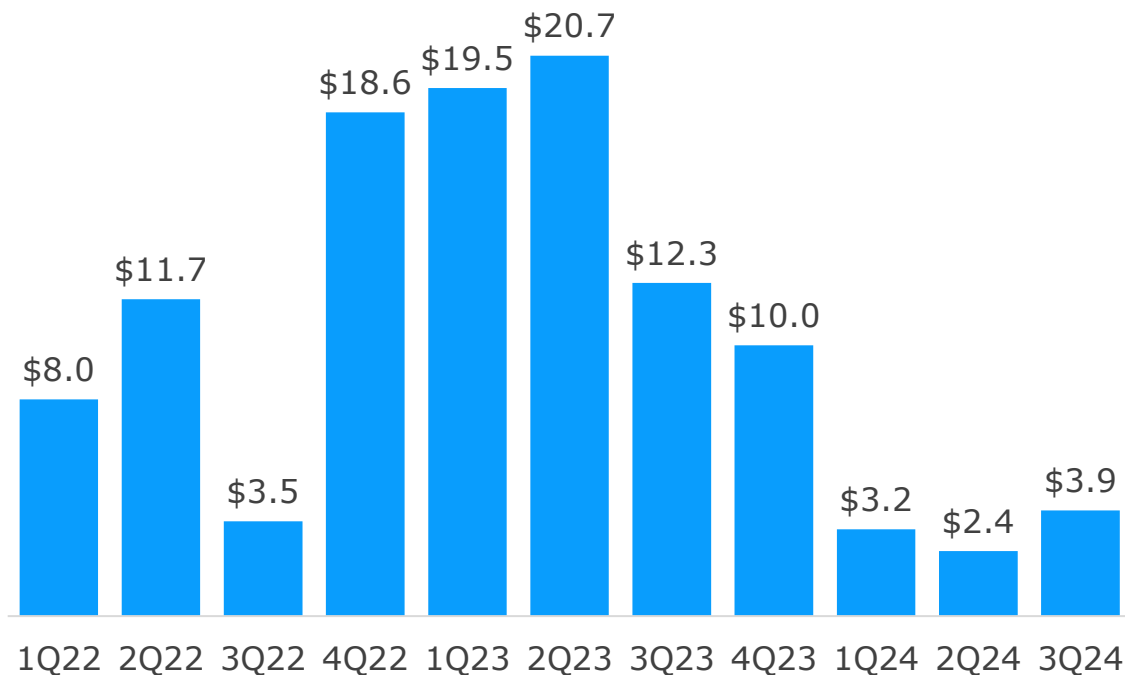
Share Repurchase Program

As of September 30, 2024, we repurchased 32.3 million ADSs⁽¹⁾ for approximately US\$113.7 million, representing 57% of the US\$200 million share repurchase program.

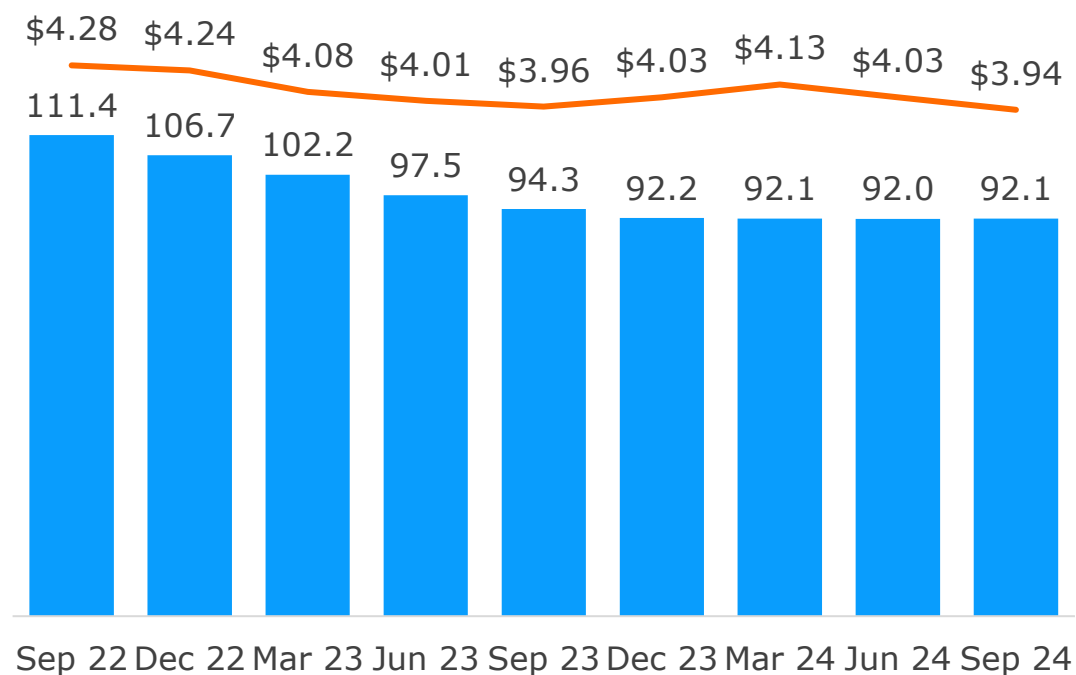
Our current \$200 million share repurchase program will expire at the end of February 2025.

VALUE OF SHARES REPURCHASED

in US\$M



TOTAL ADSs OUTSTANDING ⁽²⁾ AND CASH ⁽³⁾ PER ADS



■ Total ADSs outstanding — Cash per ADS

Notes:

1. Number in American Depositary Shares (ADSs). One ADS represents four Class A ordinary shares.
2. Total ADSs outstanding at period end in million
3. Including cash, cash equivalents, bank deposits and financial products issued by banks

Appendix

Who We Are

Global pioneer and leader in Real-Time Engagement Platform-as-a-Service (“RTE-PaaS”)

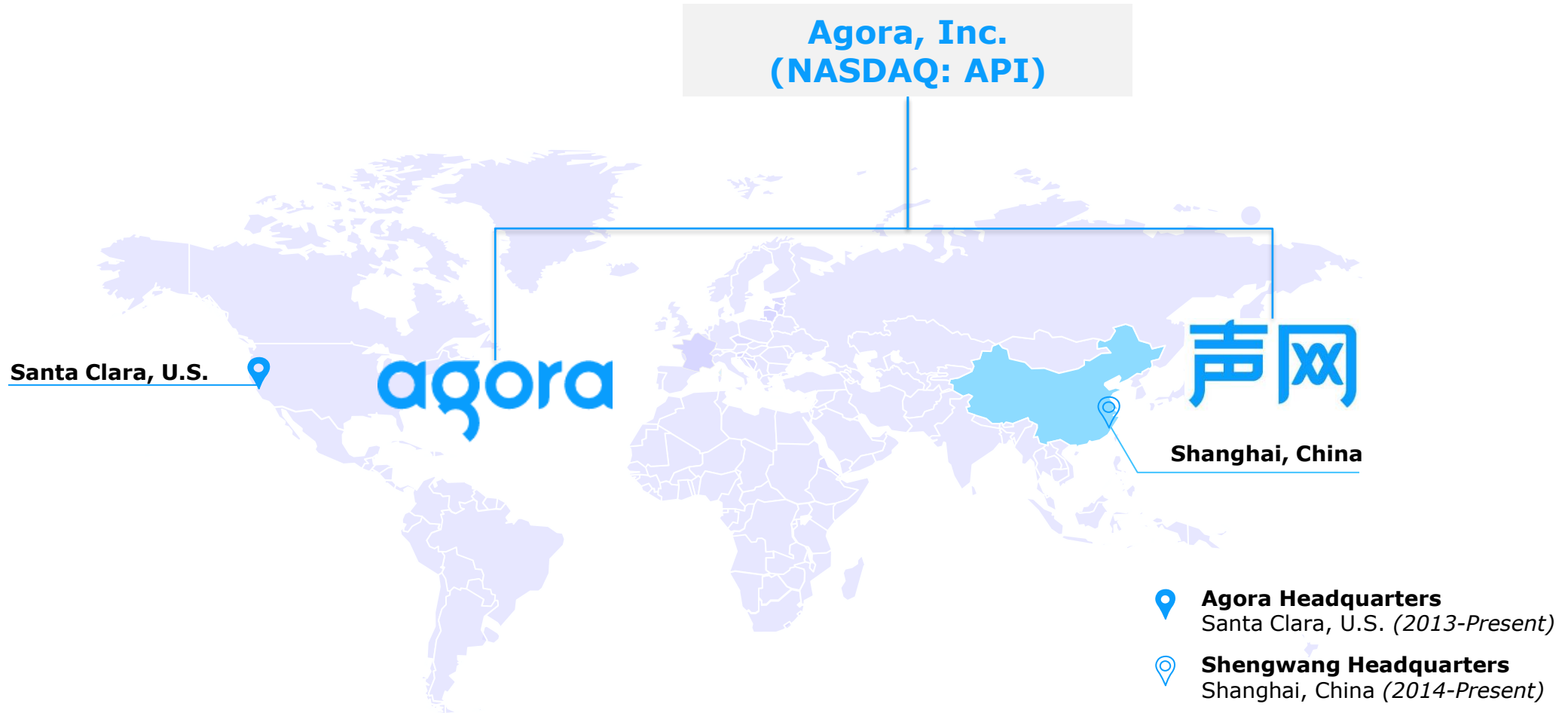
Who We Serve

Software developers

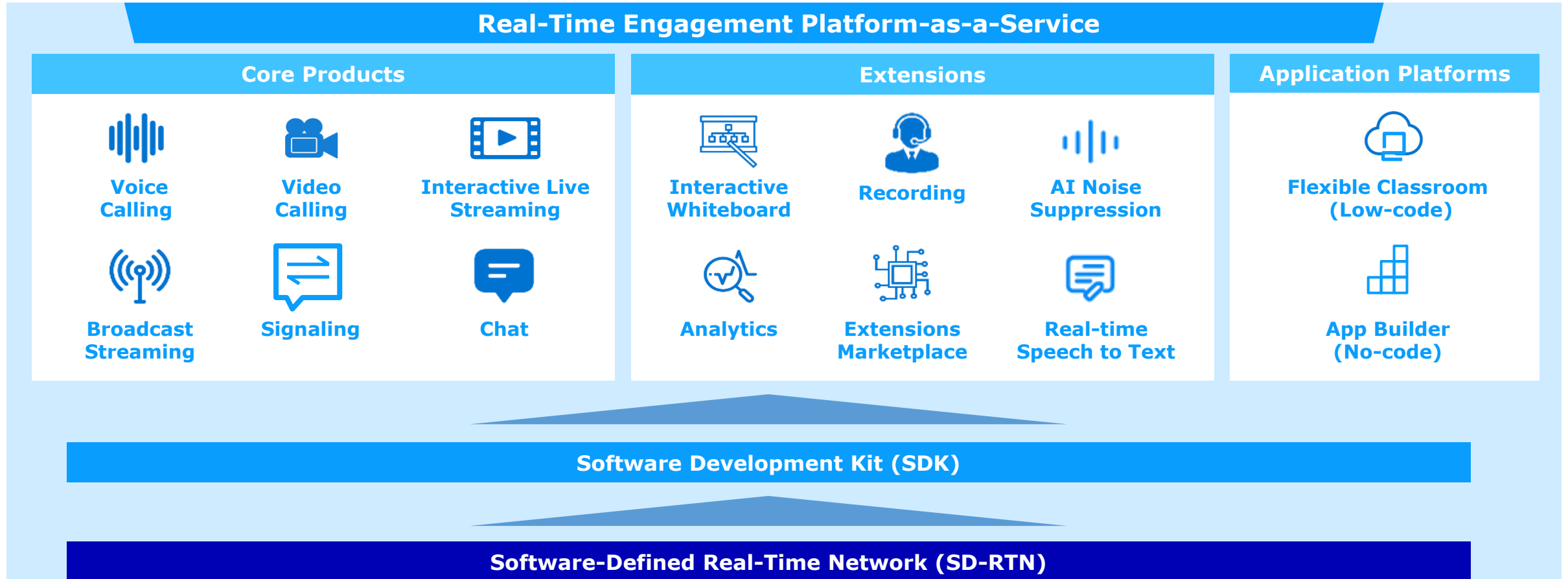
What We Do

Provide a cloud service that enables real-time video and audio engagement in any App

Global Presence

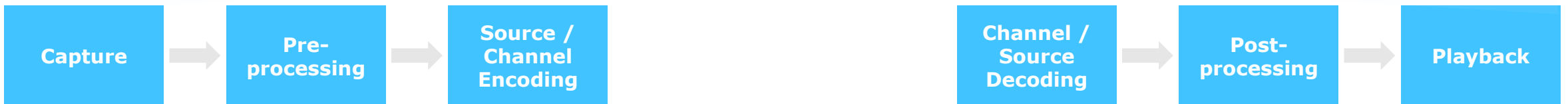
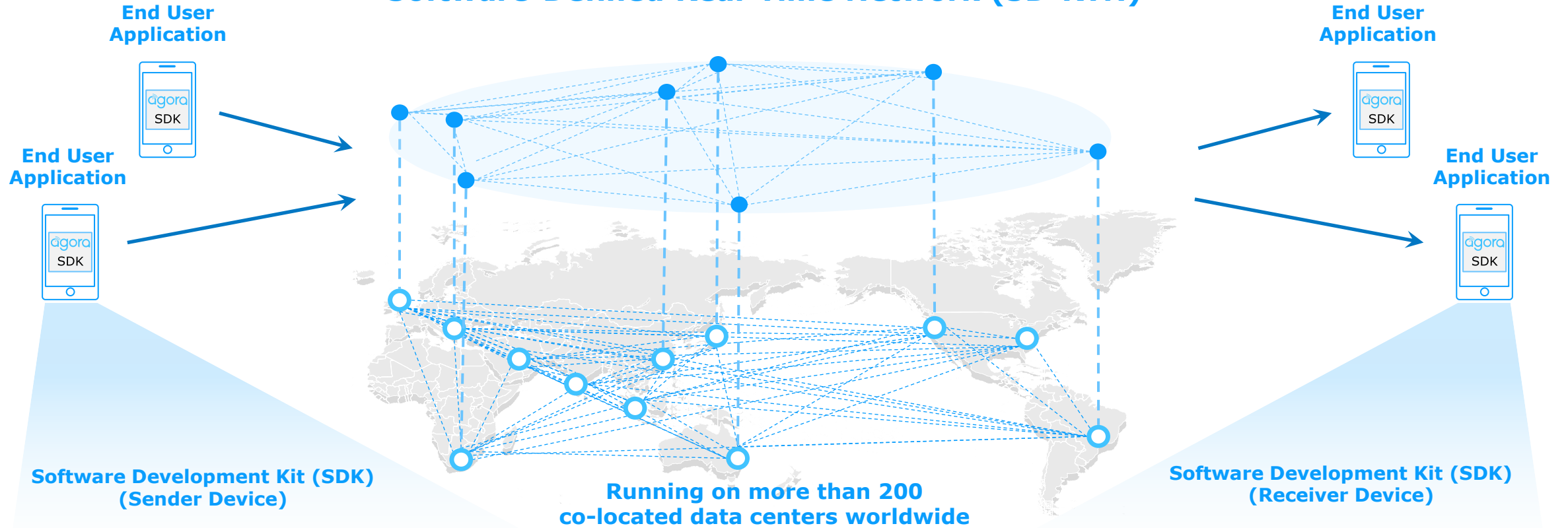


Our Platform

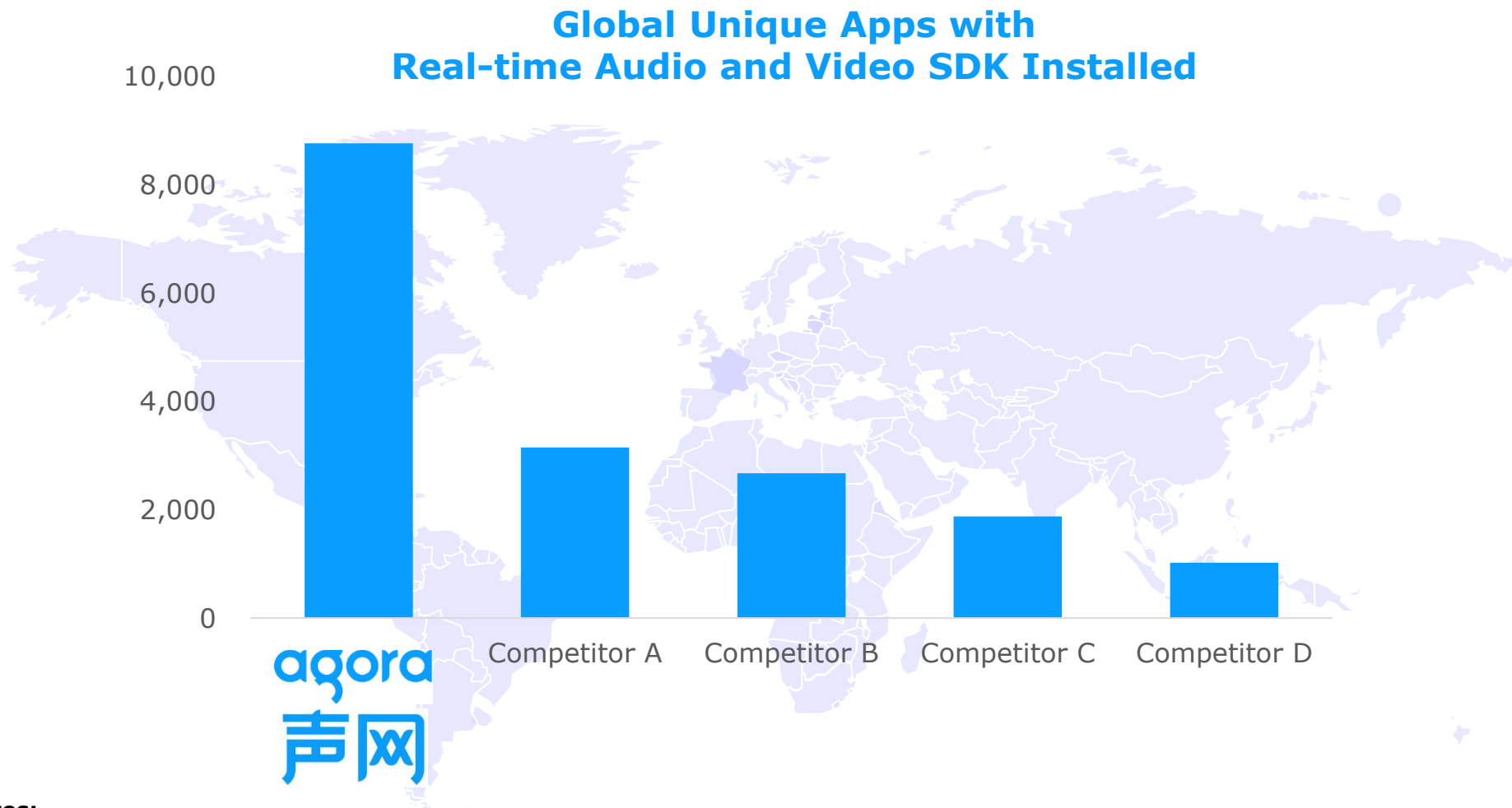


SD-RTN and SDK

Software-Defined Real-Time Network (SD-RTN)



Market Leadership



Notes:

Number of unique apps with real-time audio and video SDK installed worldwide as of September 30, 2024, ranked by SDK vendor. Source: data.ai (previously App Annie)

Investment Thesis for Agora, Inc.

Undisputed leader in RTE technology worldwide endorsed by most elite and tech-savvy customers

Uniquely positioned to provide critical infrastructure for tremendous amount of real-time human-AI agent interactions

A truly global company with balanced revenue from US, China, and rest of the world

Commitment to achieve GAAP profitability in full year 2025

Limited downside risk due to strong balance sheet with ~\$4 cash per share and solid share repurchase practice

Thank you