



NYSE: TUYA / HKEX: 2391.HK

Presentation

First Quarter 2024



May 2024



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In evaluating the business, the Company considers and uses non-GAAP financial measures, such as non-GAAP operating expenses, non-GAAP loss from operations (including non-GAAP operating margin), non-GAAP net (loss)/profit (including non-GAAP net margin), and non-GAAP basic and diluted net (loss)/profit per ADS, as supplemental measures to review and assess its operating performance. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). The Company defines non-GAAP financial measures by excluding the impact of share-based compensation expenses and credit-related impairment of long-term investments from the respective GAAP financial measures. The Company presents the non-GAAP financial measures because they are used by the management to evaluate its operating performance and formulate business plans. The Company also believes that the use of the non-GAAP financial measures facilitates investors' assessment of its operating performance.

Non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. Non-GAAP financial measures have limitations as analytical tools. One of the key limitations of using the aforementioned non-GAAP financial measures is that they do not reflect all items of expenses that affect the Group's operations. Share-based compensation expenses and credit-related impairment of long-term investments have been and may continue to be incurred in the business and are not reflected in the presentation of non-GAAP measures. Further, the non-GAAP financial measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore their comparability may be limited. The Company compensates for these limitations by reconciling the non-GAAP measures to the most directly comparable U.S. GAAP measures, all of which should be considered when evaluating the Group's performance. The Company encourages you to review its financial information in its entirety and not rely on a single financial measure.

Reconciliations of Tuya's non-GAAP financial measures to the most comparable U.S. GAAP measures are included at the end of this Presentation.

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

Continual Growth with Profitability in Q1'24



+29.9% Y/Y

Total Revenue
(\$61.7 million)

Revenue demonstrated the strong recovery from inflation caused downcycle



\$12.3 Million

Non-GAAP¹ Net Profits
(Q1'23: \$-3.7 million)

Consistent achievement of quarterly profitability on a non-GAAP basis



\$14.5 Million

Operating Cash Generated
(Q1'23: \$-18.9 million)

Strong cash position and operating cashflows assure long-term steady development



~\$1 Billion

Net Cash Balance

1. Non-GAAP measures. Please refer to the earning release or financial reports for reconciliations of these non-GAAP measures to their most comparable GAAP equivalents.

Note: Numbers are rounded for presentation purposes.

- 1 *Company Introduction***
- 2 *Key Topline and Financial Updates***
- 3 *Embracing Generative AI Across the Board***

Company Introduction





**Build a Smart Solutions Developer Ecosystem
Enable Everything to Be Smart**

#1

The Largest Internet-of-Things (IoT)
Cloud Developer Platform Provider

3,000

Global Customers
Served in Q1'24

967,000

Smart Device SKUs
as of March 31, 2024

1,074,000

IoT Developers across 200+ Countries
and Regions as of March 31, 2024

2,000+

Intellectual Properties
including Patents & Copyrights



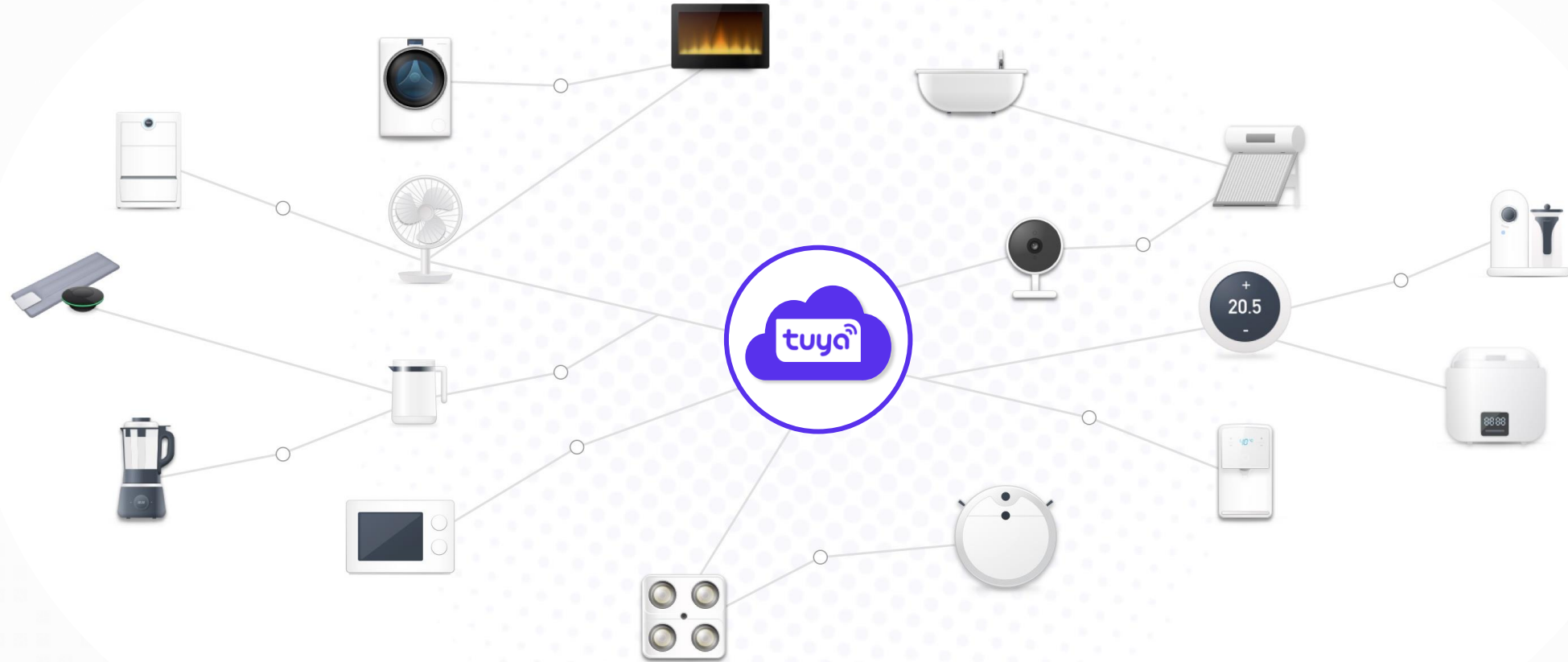
Smart · Innovative · Tech-Driven · Ecological
In IoT Field Worldwide

Global Business
Localized Operations

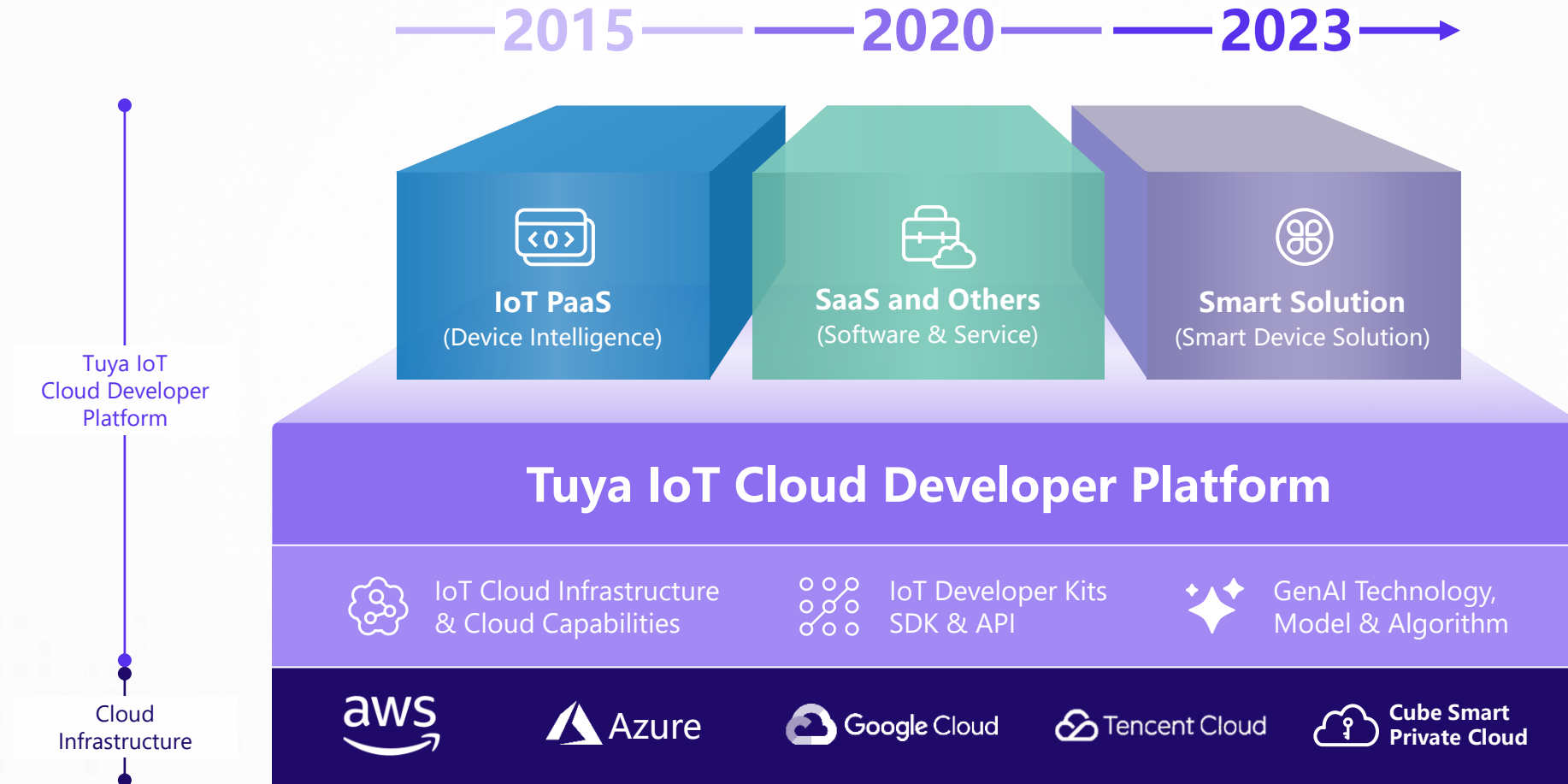
Source: According to CIC. Ranking among 3rd party platforms, see more details in the Company's Hongkong Prospectus, Form F-3, HKEX and EDGAR filings in 2022 and 2023.

Note: Numbers are rounded for presentation purposes.

We Deliver a Cloud-Native Software-Enabled Experience to End Users For Everything



After a Decade of Evolution, Our Business Has Significantly Expanded



Endorsed by Global Leading Customers

PHILIPS

Schneider
Electric

ABB

Honeywell

Möhlenhoff

SHARP
Be Original.

SoftBank

SIEMENS

Panasonic

SCG

AC Smith.

Whirlpool
CORPORATION

SFR

Telkom Indonesia
the world in your hand

orange™

ALDI

SODIMAC

LIDL

Danfoss

GOODYEAR

CHINAGAS
中國燃氣

Westinghouse

Henkel

CALEX
HOLLAND

Haier

Midea®

simon

GREE 格力

CANDY

MONSTER

LEROYMERLIN

中海地产
始创于 1979 · 共创美好生活

NEW HOPE
新希望服务 SERVICE

vanke

Auchan

Flipkart

One Platform, All Smart

Enable Every Thing to Be Smart with ONE connected cloud & App

Across Brands Globally

Across a Variety of Devices

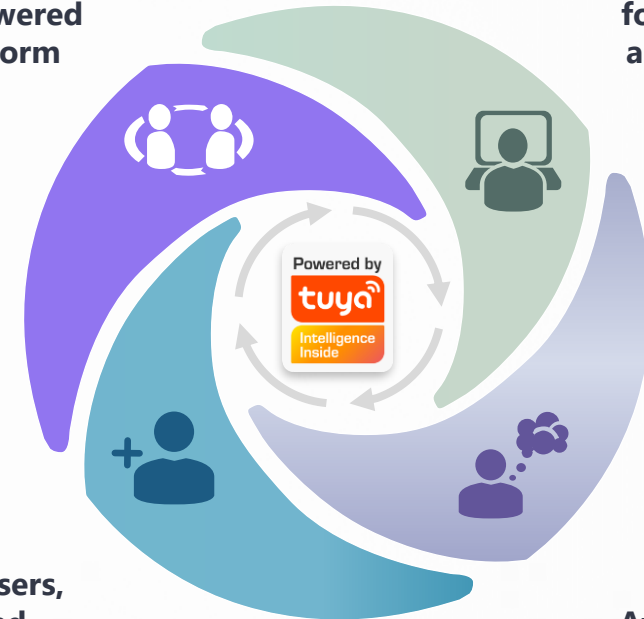
Globalization in
a Cost-effective Manner

Interconnected and Unified
User Experiences

End users who own Tuya-powered devices are incentivized to purchase more Tuya-powered devices to take advantage of our interconnected and interactive ecosystem

More Scenarios
& Devices Powered
by the Platform

Better Experience
for Developers
and End Users



More End Users,
Brands and
Developers

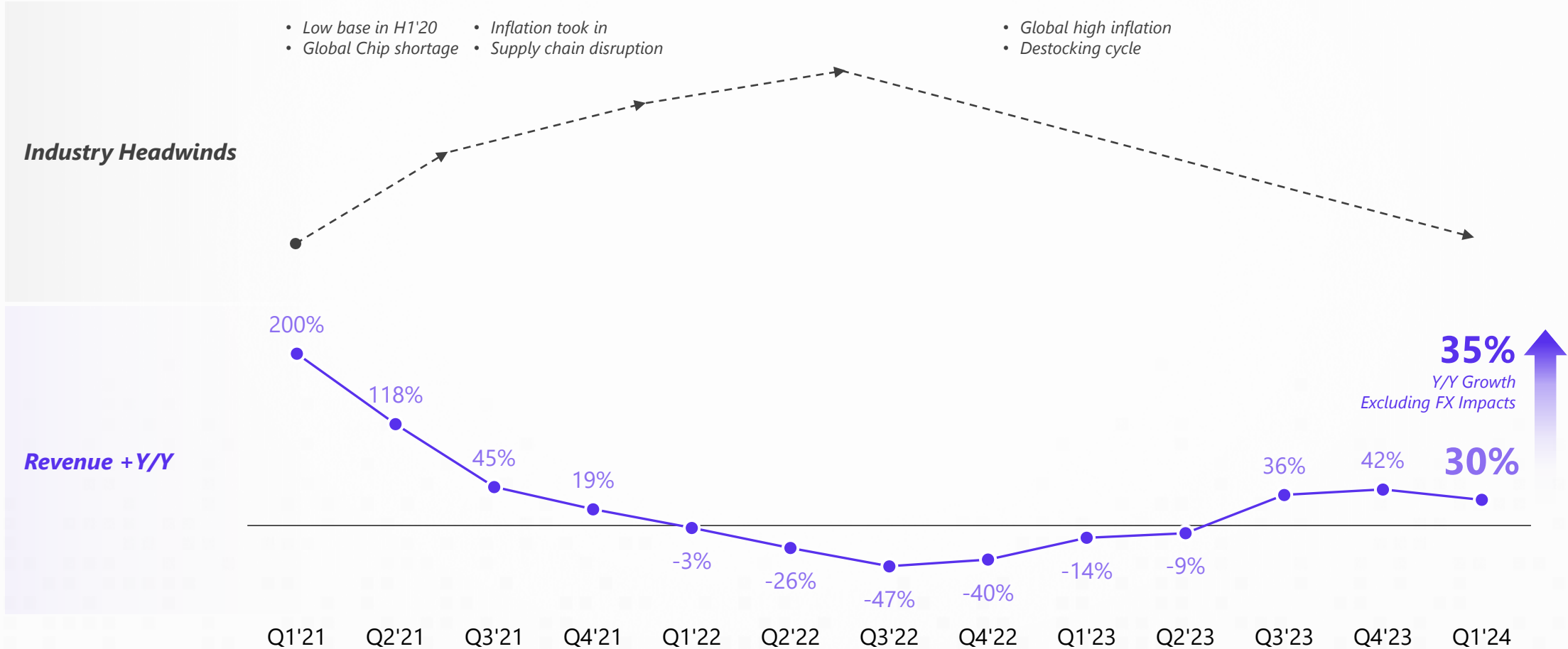
Higher
Awareness and
Global Influence

Key Topline and Financial Updates



Three Consecutive Quarters of YoY Growth Exceeding 30%

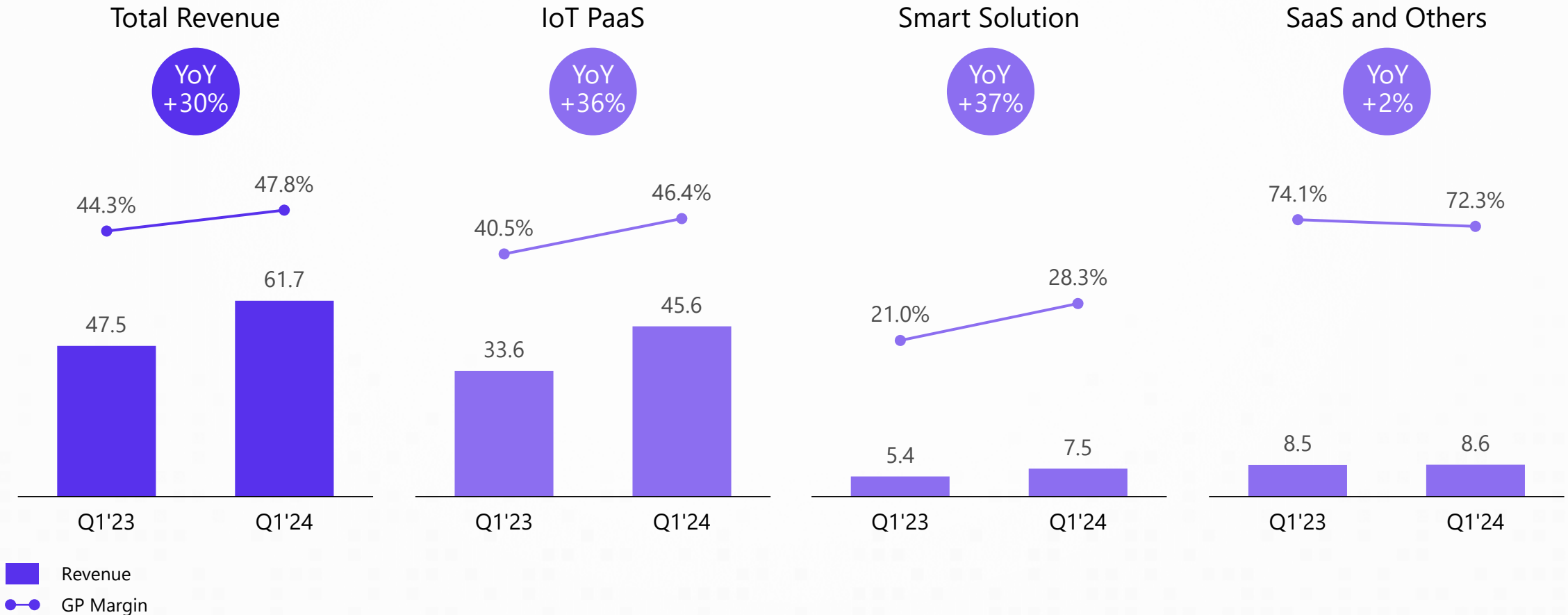
Total Revenue Y/Y Growth by Quarter (%)



Note: Numbers are rounded for presentation purposes.

Revenue Update

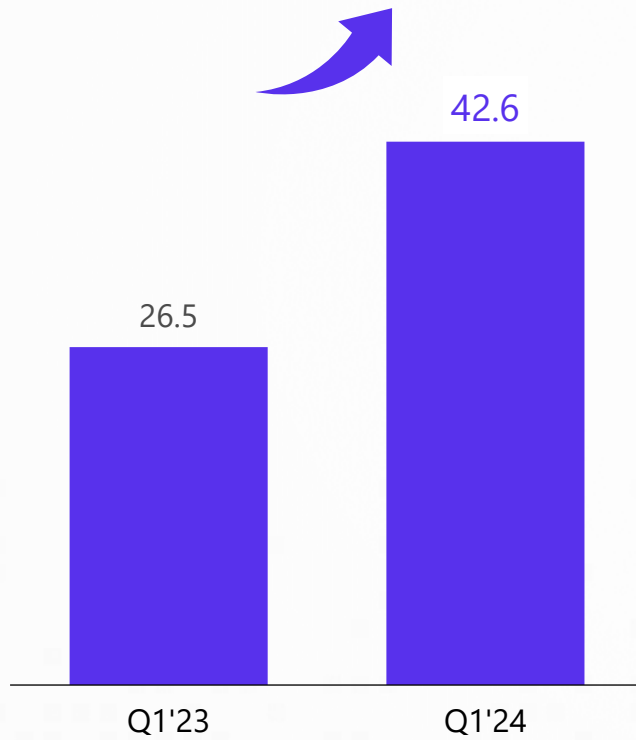
Revenue Breakdown, The First Quarter (USD'M)



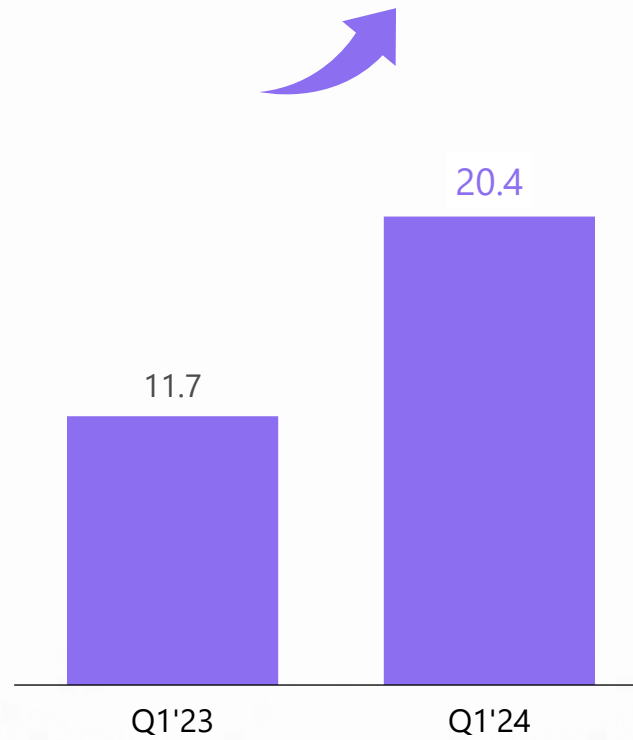
Note: Numbers are rounded for presentation purposes.

Revenue Efficiency Maintained High Level in Q1'24

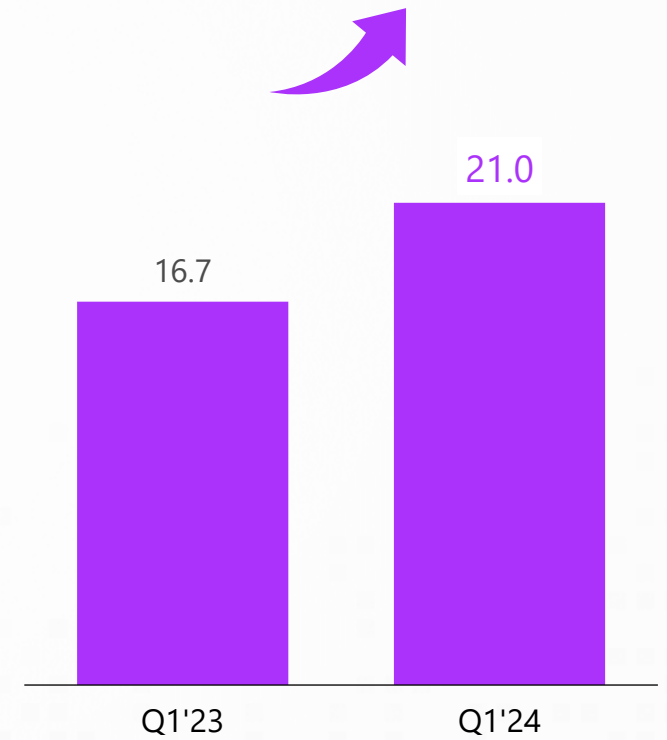
**Average Revenue Supported
Per Headcount**
(USD'K)



**Average Gross Profit Supported
Per Headcount**
(USD'K)



**Average Revenue
Per Customer**
(USD'K)

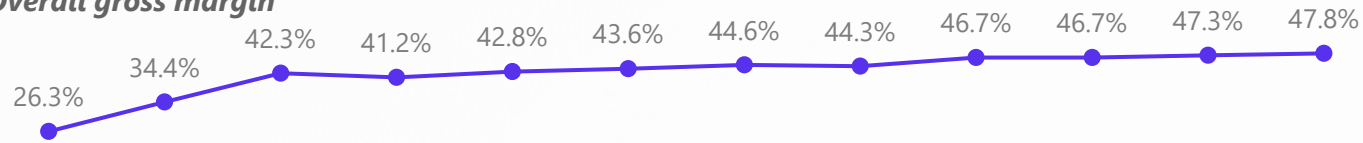


Note: Numbers are rounded for presentation purposes.

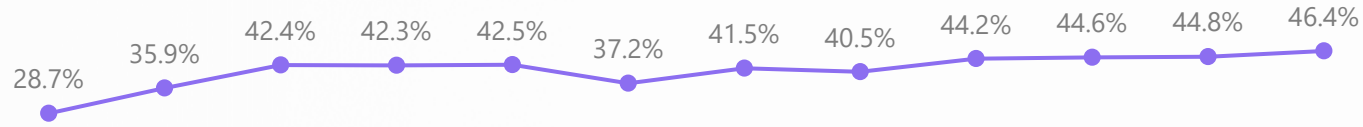
Stably Increased Gross Margin Secures Long-term Profitability

Gross Margin

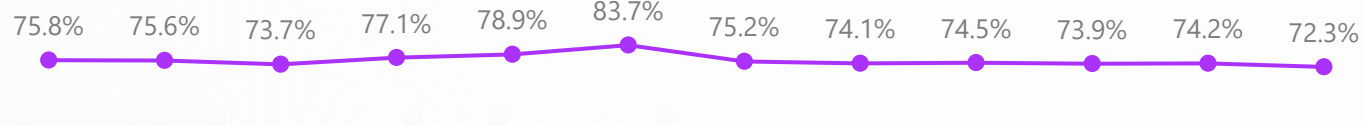
Overall gross margin



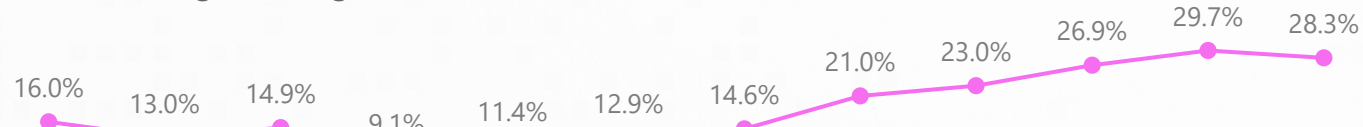
IoT PaaS gross margin



SaaS and Others gross margin



Smart Solution gross margin

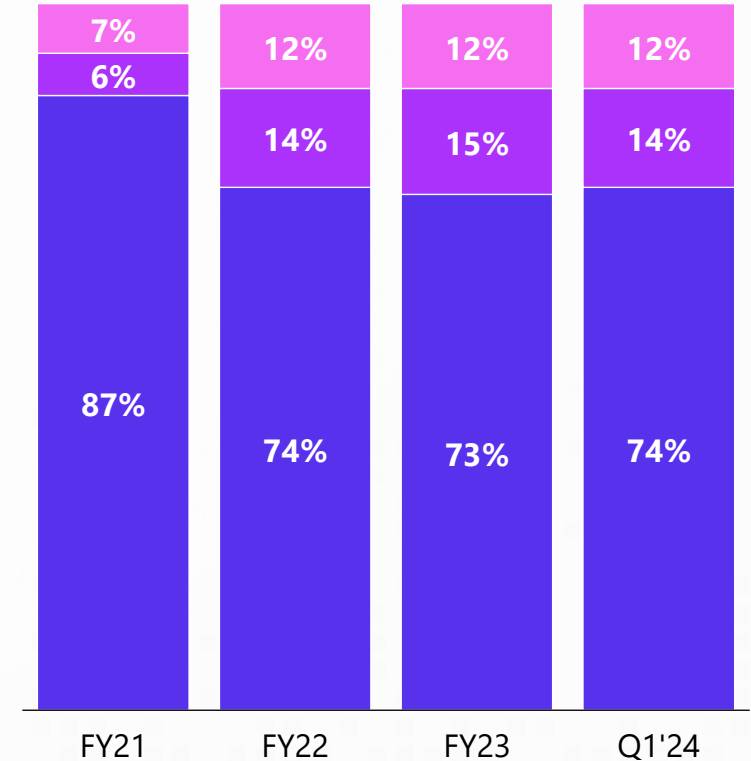


2019 2020 2021 Q1'22 Q2'22 Q3'22 Q4'22 Q1'23 Q2'23 Q3'23 Q4'23 Q1'24

Revenue Contribution

by Segments

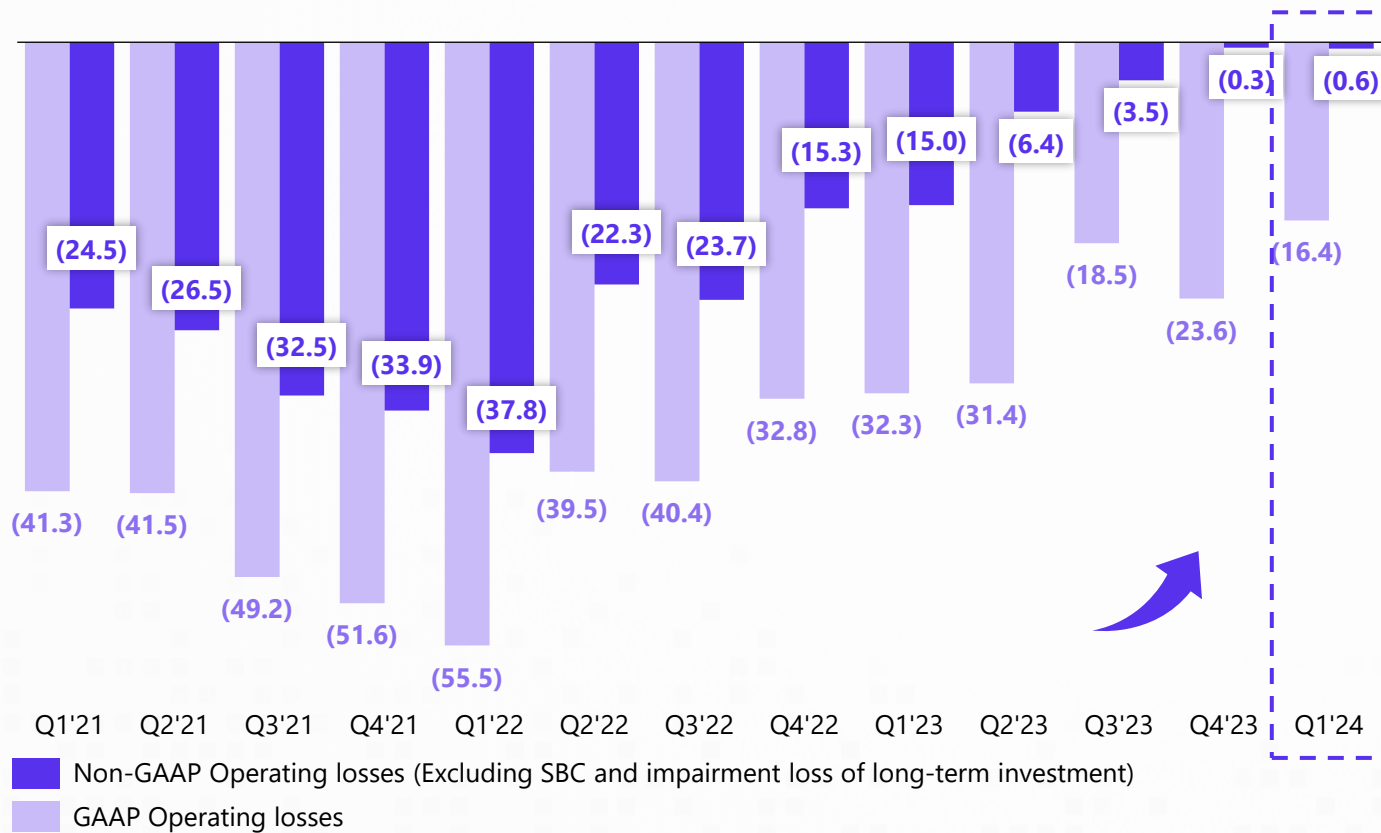
IoT PaaS SaaS and Others Smart Device Distribution



Note: Numbers are rounded for presentation purposes.

Operating Loss by Quarters

Operating Loss, GAAP and Non-GAAP¹ (USD'M)



Operating loss in Q1'24

narrowed by 49.3% Y/Y mainly due to —

- **Gross profit** increased significantly Y/Y;
- **OPEX** decreased significantly Y/Y.

Non-GAAP operating loss in Q1'24

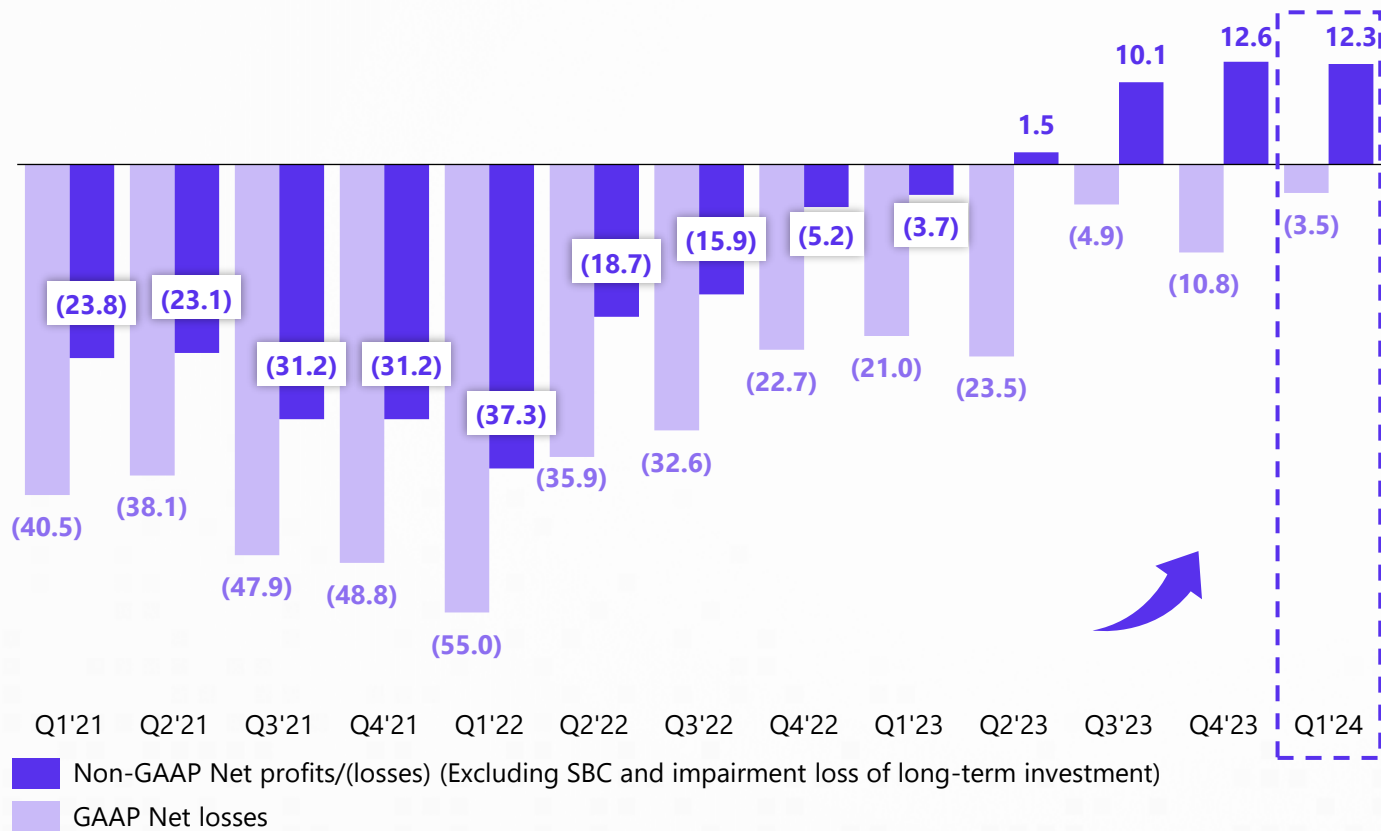
narrowed by 96.3% Y/Y.

1. Non-GAAP measures. Please refer to the earning release or financial reports for reconciliations of these non-GAAP measures to their most comparable GAAP equivalents.

Note: Numbers are rounded for presentation purposes.

Achievement of Continuing Non-GAAP Quarterly Profitability

Net Profit/(Loss), GAAP and Non-GAAP¹ (USD'M)



Net loss in Q1'24

narrowed by 83.2% Y/Y mainly due to —

- Improvement in **operating loss**;
- US\$12.8 million of interest income achieved in Q1'24 due to treasury management.

Non-GAAP net profit in Q1'24

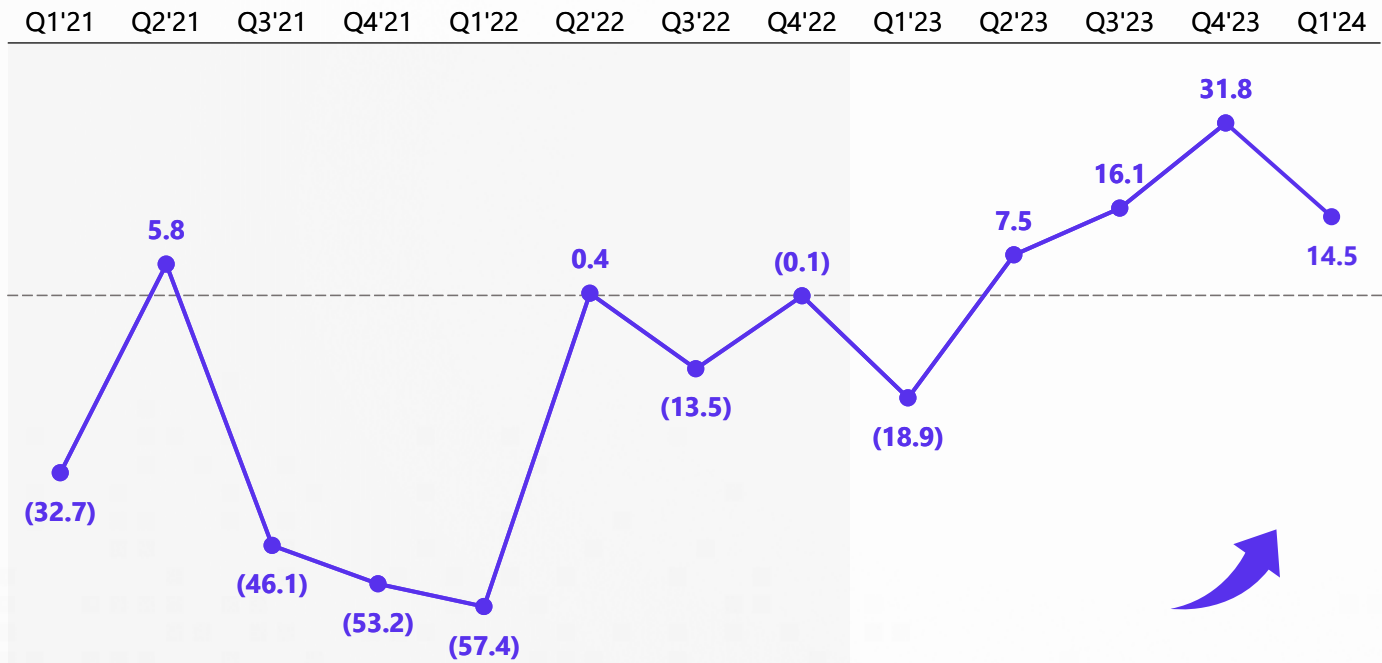
improved to **\$12.3 million**, compared to a loss of \$3.7 million in Q1'23.

1. Non-GAAP measures. Please refer to the earning release or financial reports for reconciliations of these non-GAAP measures to their most comparable GAAP equivalents.

Note: Numbers are rounded for presentation purposes.

Operating Cash Flow by Quarters

Net Cash Generated/(Used) in Operating Activities (USD'M)



~US\$1 Billion

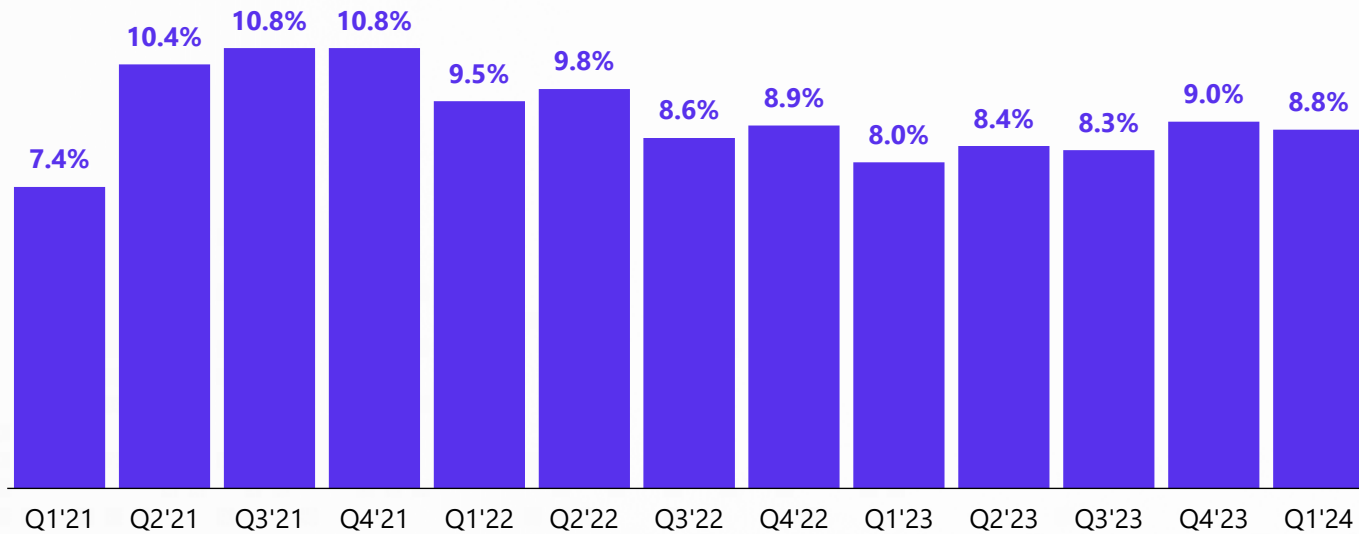
**Net cash¹
on March 31, 2024**

1. "Net cash" refers to cash in banks and time deposits/treasury securities recorded as short-term and long-term investments in the balance sheet (as Tuya has no loans or interest-bearing liabilities).
Note: Numbers are rounded for presentation purposes.

Strong Balance Sheet Assures Long-term Operation

Total Liabilities to Assets Ratio

(%)



No debt or capital commitments

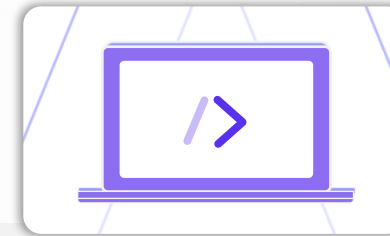
Liabilities are mainly operating related, such as account payable, salary payable, advance from customers, etc.

as of March 31, 2024

Note: Numbers are rounded for presentation purposes.

Key Business Growth Strategies

- 1 Further enhancement of product capabilities
- 2 Further expanding high-quality customer base
- 3 Expand into non-consumer electronics sectors
- 4 Continuously strengthen developer platform, creating competencies to efficiently serving highly fragmented IoT Market
- 5 Embracing Generative AI Across the Board

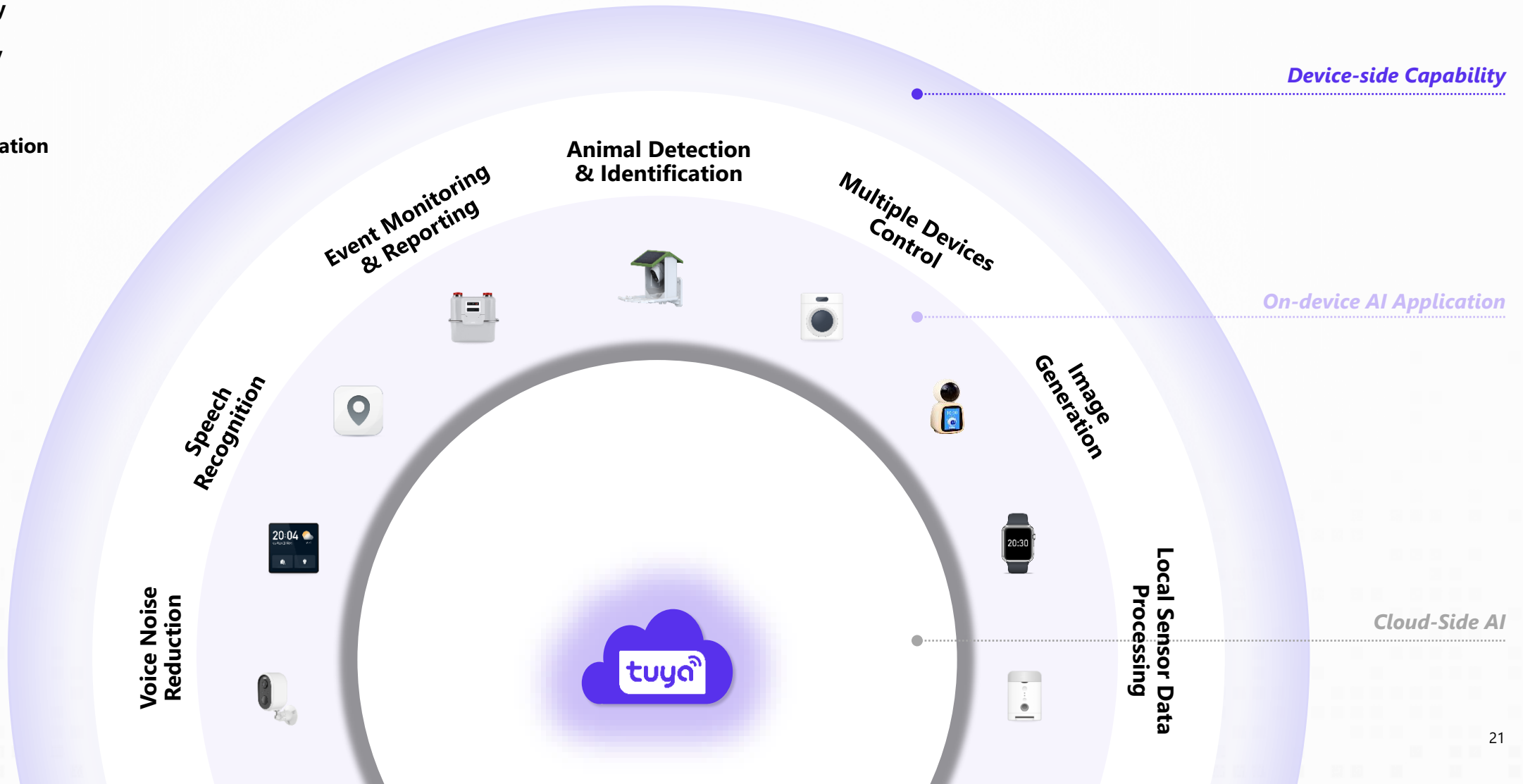


1,074,000
Developers¹ | **37.2%**
y/y Growth

1. "Developer" refers to the registered developer, as of March 31, 2024.

Embracing Generative AI Across the Board: On-Device AI Application

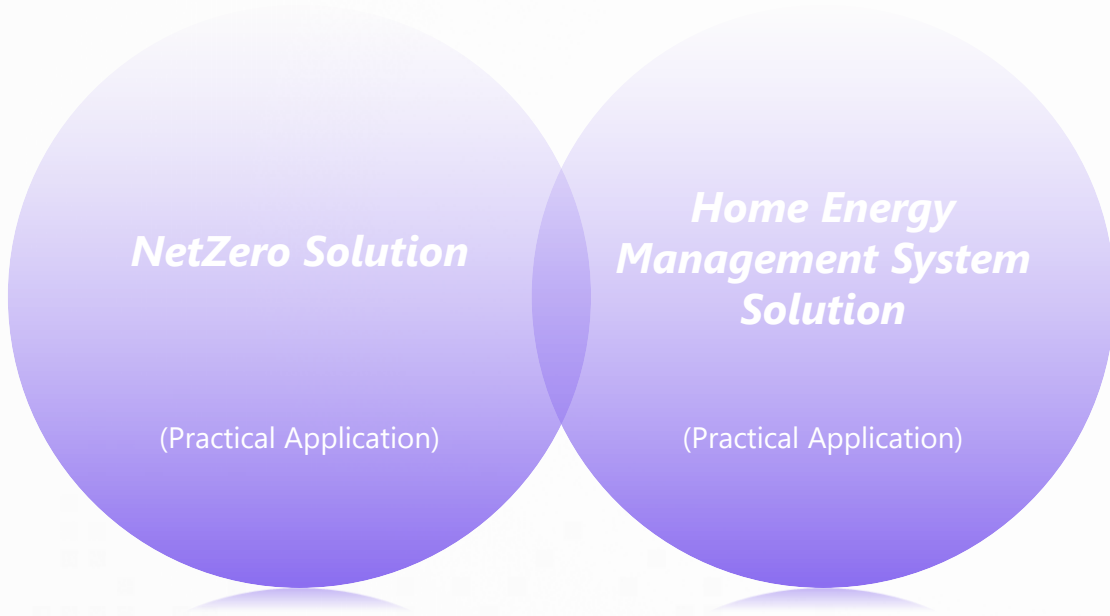
- ✓ Reliability
- ✓ Immediacy
- ✓ Autonomy
- ✓ Efficiency
- ✓ Personalization



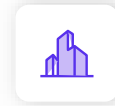
Embracing Generative AI Across the Board: Spatial LLM

Industrial & Commercial

Home Scenario



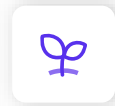
Scenario Integration Enables Developers to Create More Valuable Intelligent Spaces



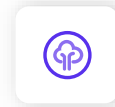
Building Energy Efficiency Scenario



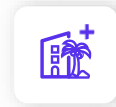
Life & Personal Safety Scenario



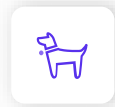
Plant Cultivation Scenario



Environmental Management Scenario



Health & Wellness Scenario



Pet Companionship Scenario

Other Scenarios...

Embracing Generative AI Across the Board : AI Ecosystem Products



AI Developer

Developer Platform + LLMs

*Enjoy a seamless, convenient,
and efficient development experience based on
robust AIGC capability*



AI Analyst

Intelligent Business Data Portal

*Dramatic business insights
generated by GenAI through best market
practice & comprehensive strengths
and weakness analysis*



AI Terminal

Tailor-made AI Model for end users

*AI model tailored for smart
homes brings qualitative enhancement to both
interactive experience and efficiency*



Appendix



Appendix: Q1'24 Reconciliation of Non-GAAP to GAAP

	For the Three Months Ended March 31, 2023	For the Three Months Ended March 31, 2024
	USD'000	USD'000
Reconciliation of operating expenses to non-GAAP operating expenses		
Research and development expenses	(28,051)	(23,474)
Add: Share-based compensation	4,117	3,506
Adjusted Research and development expenses	(23,934)	(19,968)
Sales and marketing expenses	(10,259)	(8,983)
Add: Share-based compensation	1,606	1,385
Adjusted Sales and marketing expenses	(8,653)	(7,598)
General and administrative expenses	(16,793)	(15,474)
Add: Share-based compensation	11,597	10,923
Adjusted General and administrative expenses	(5,196)	(4,551)
Reconciliation of loss from operations to non-GAAP loss from operations		
Loss from operations	(32,295)	(16,367)
Add: Share-based compensation expenses	17,320	15,814
Non-GAAP Loss from operations	(14,975)	(553)
Non-GAAP operating margin	(31.5%)	(0.9%)
Reconciliation of net loss to non-GAAP net (loss)/profit		
Net loss	(21,045)	(3,543)
Add: Share-based compensation expenses	17,320	15,814
Non-GAAP net (loss)/profit	(3,725)	12,271
Non-GAAP net margin	(7.8%)	19.9%
Weighted average number of ordinary shares used in computing non-GAAP net (loss)/profit per share, basic	553,994,418	559,133,184
Weighted average number of ordinary shares used in computing non-GAAP net (loss)/profit per share, diluted	553,994,418	591,737,410
Non-GAAP net (loss)/profit per share attributable to ordinary shareholders - basic	(0.01)	0.02
Non-GAAP net (loss)/profit per share attributable to ordinary shareholders – diluted	(0.01)	0.02