



NYSE: TUYA / HKEX: 2391.HK

# Presentation

## Third Quarter 2024



November 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)/profit 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, credit-related impairment of long-term investments, and litigation costs 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, credit-related impairment of long-term investments, and litigation costs 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.

# Continued Growth and Strong Profitability in Q3'24



**\$81.6Mn / +34%**

Total Revenue / YoY Growth

(Q3'23: \$61.1Mn)



**\$7.4Mn / 9%**

Non-GAAP<sup>1</sup> OP Profits /  
OP Margin

(Q3'23: \$-3.5Mn / -6%)



**\$20.1Mn / 25%**

Non-GAAP<sup>1</sup> Net Profits /  
Net Margin

(Q3'23: \$10.1Mn / 17%)



**\$23.9Mn / \$1.02Bn**

Net OP Cash Generated /  
Net Cash Balance<sup>2</sup>

(Q3'23: \$16.1Mn / \$961.0Mn)

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.

2. "Net cash" refers to cash in banks, time deposits and 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.

- 1 *Company Introduction***
- 2 *Key Topline and Financial Updates***
- 3 *Recent Business Events & Updates***

# Company Introduction





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



# #1

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

## 3,100

Global Customers  
Served in Q3'24

## 1,035,000

Smart Device SKUs  
as of September 30, 2024

## 1,260,000

IoT Developers across 200+ Countries  
and Regions as of September 30, 2024

## 2,000+

Intellectual Properties  
including Patents & Copyrights



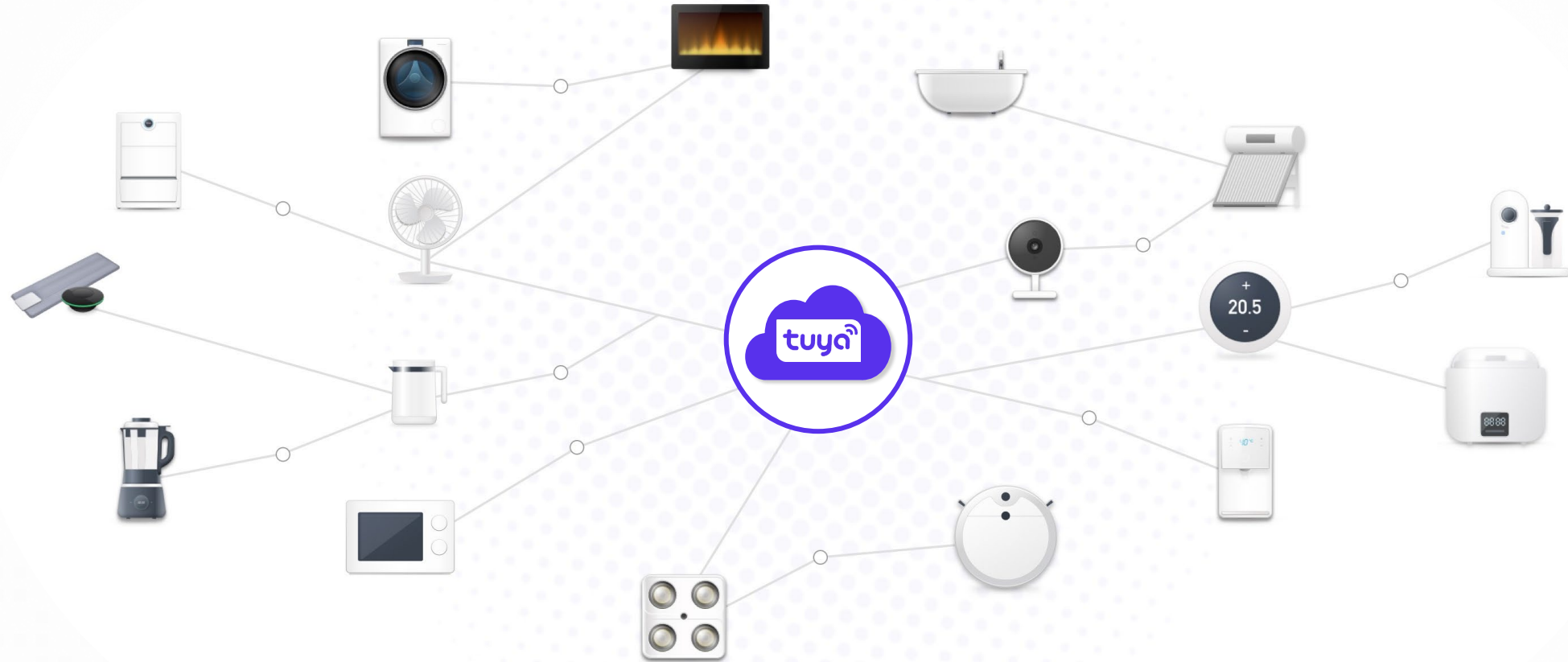
**Smart · Innovative · Tech-Driven · Ecological**  
**In IoT Field Worldwide**

**Global Business**  
**Localized Operations**

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

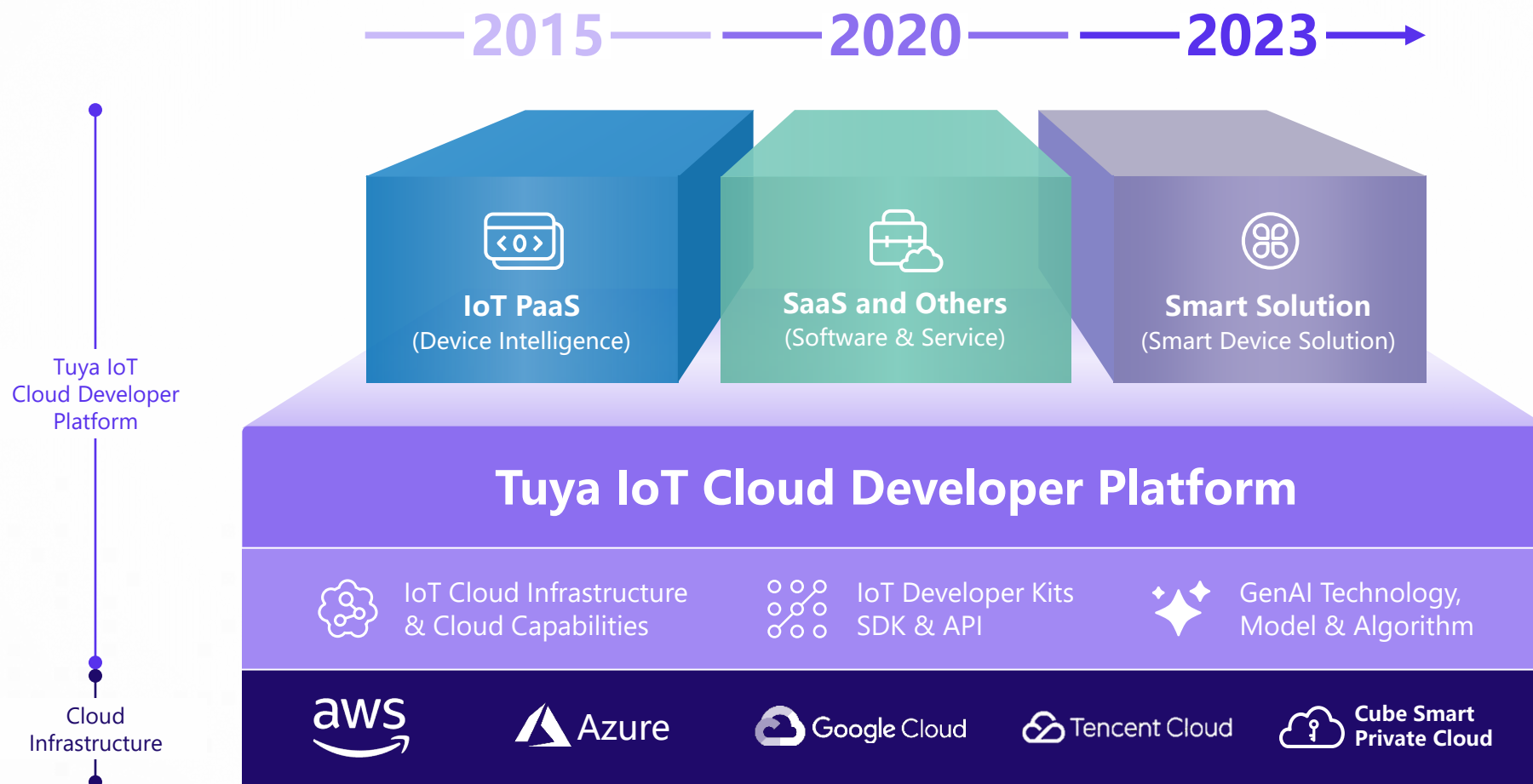
Note: Numbers are rounded for presentation purposes.

# 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**

**AO 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

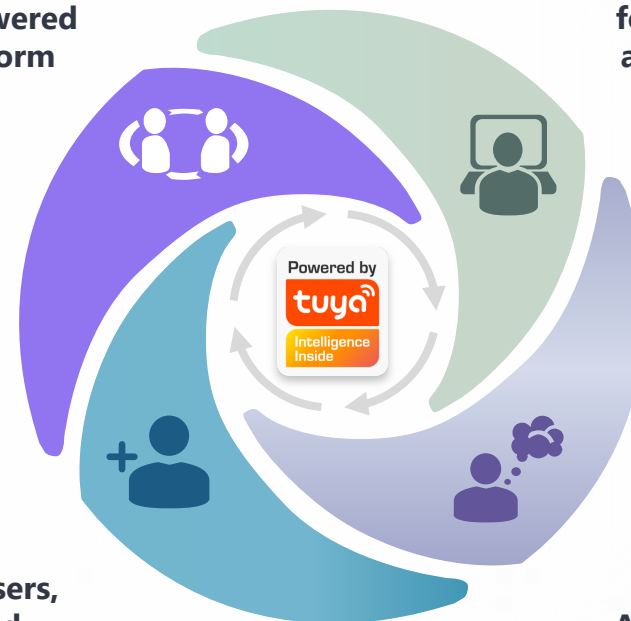
End users who own Tuya-powered devices are  
incentivized to purchase more Tuya-powered devices  
to take advantage of our interconnected and interactive ecosystem

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



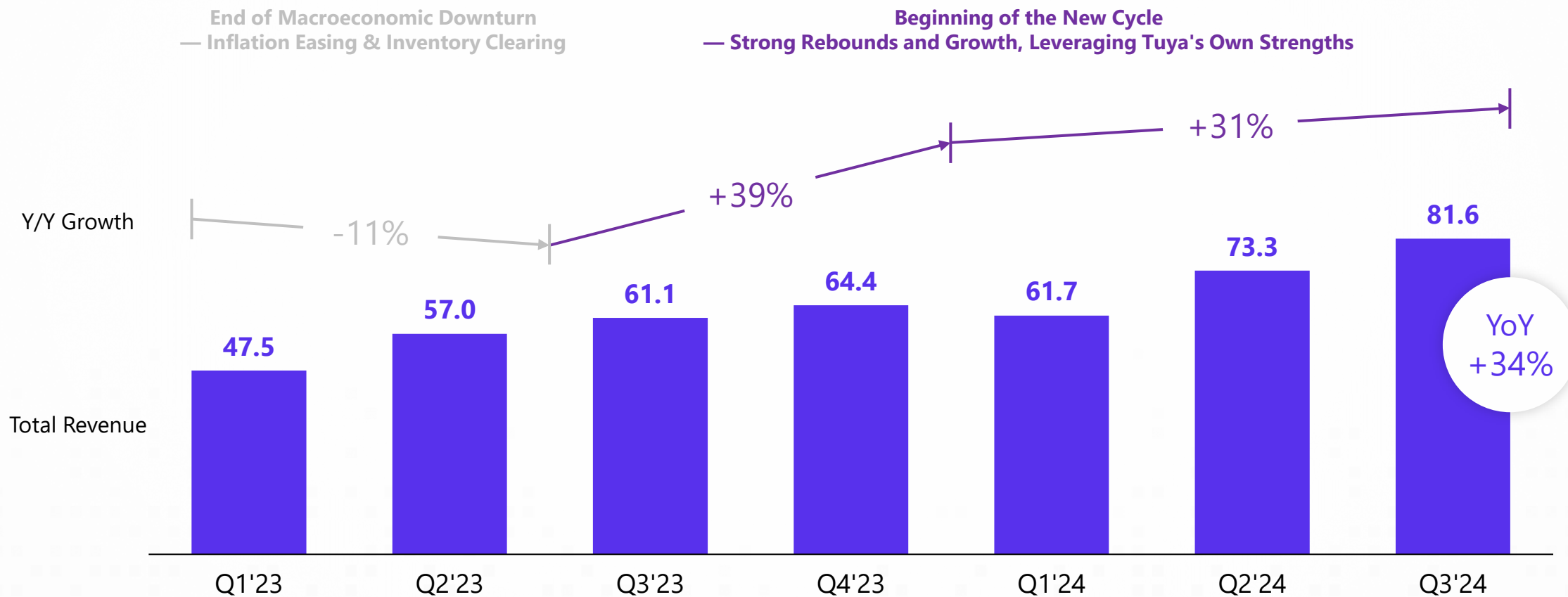
## Key Topline and Financial Updates





# Solid YoY Revenue Growth

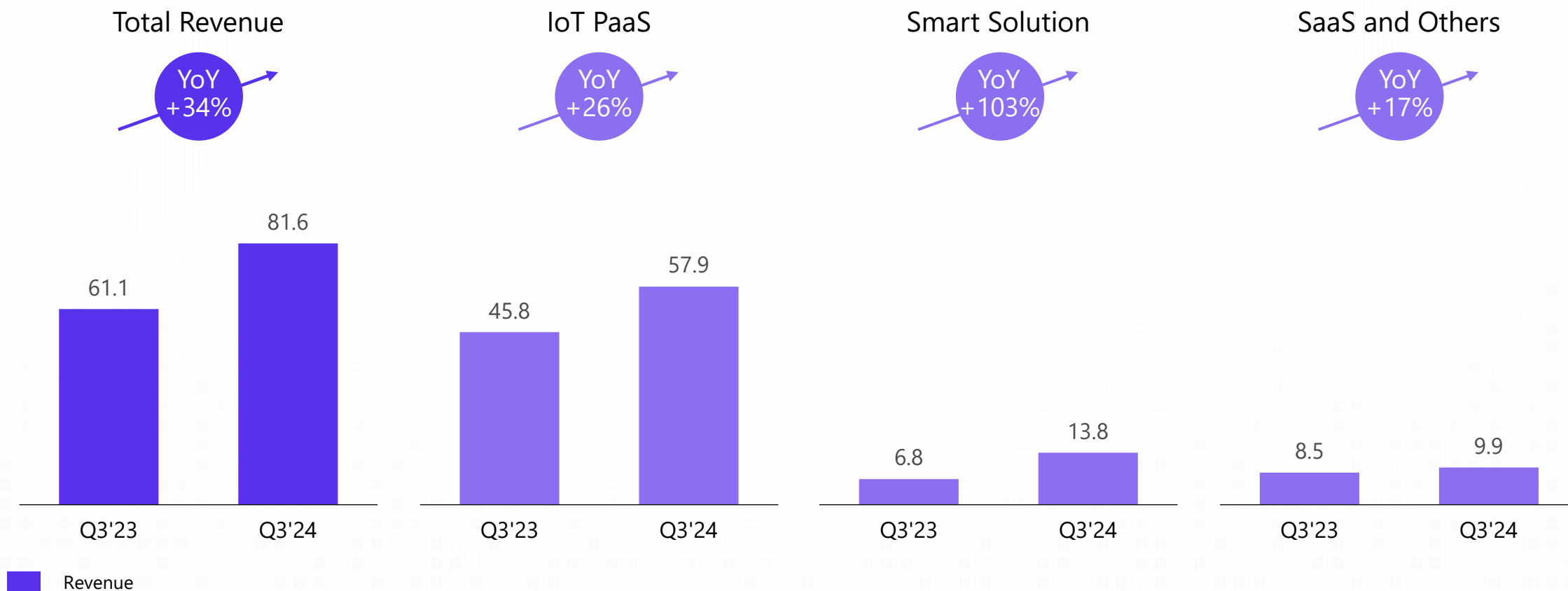
## Total Revenue by Quarter (USD'M)



Note: Numbers are rounded for presentation purposes.

# Revenue Update

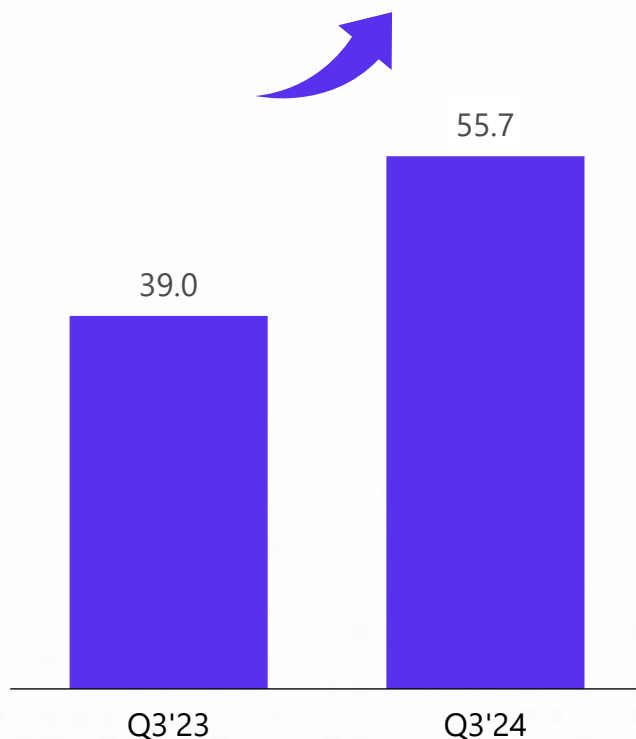
## Revenue Breakdown, The Third Quarter (USD'M)



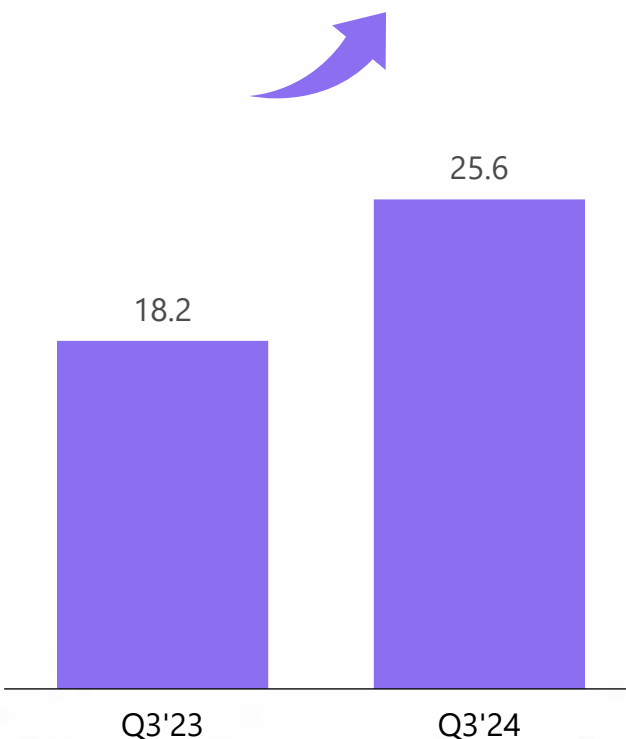
Note: Numbers are rounded for presentation purposes.

# Revenue Efficiency Maintained High Level in Q3'24

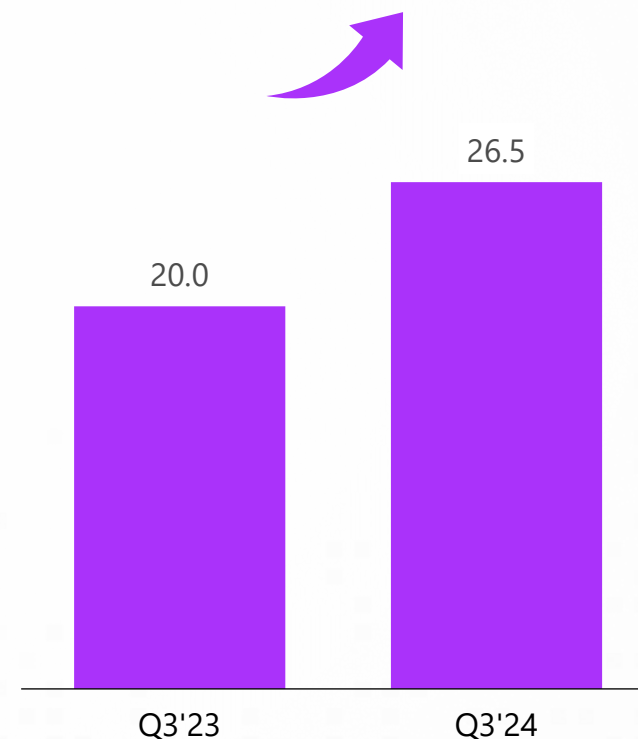
**Average Revenue Supported  
Per Headcount**  
(USD'K)



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



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

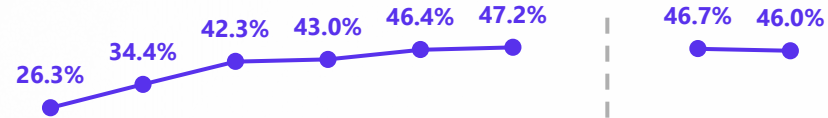


Note: Numbers are rounded for presentation purposes.

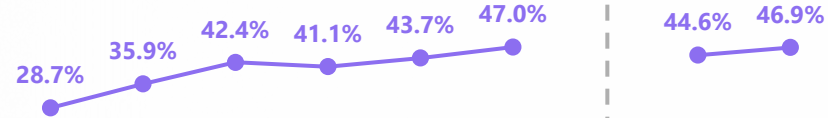
# 

## Gross Margin

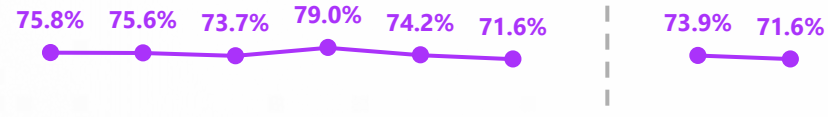
### Overall



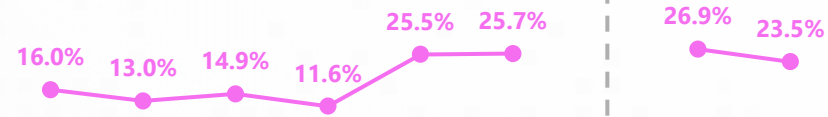
### IoT PaaS gross margin



### SaaS and Others gross margin



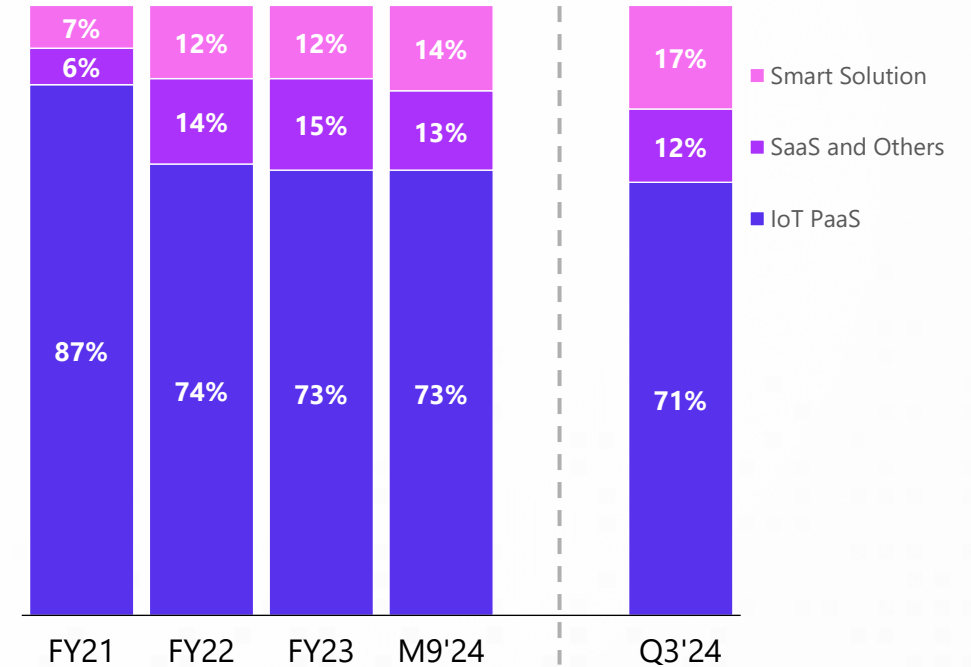
### Smart Solution gross margin



FY19 FY20 FY21 FY22 FY23 9M'24 Q3'23 Q3'24

## Revenue Contribution

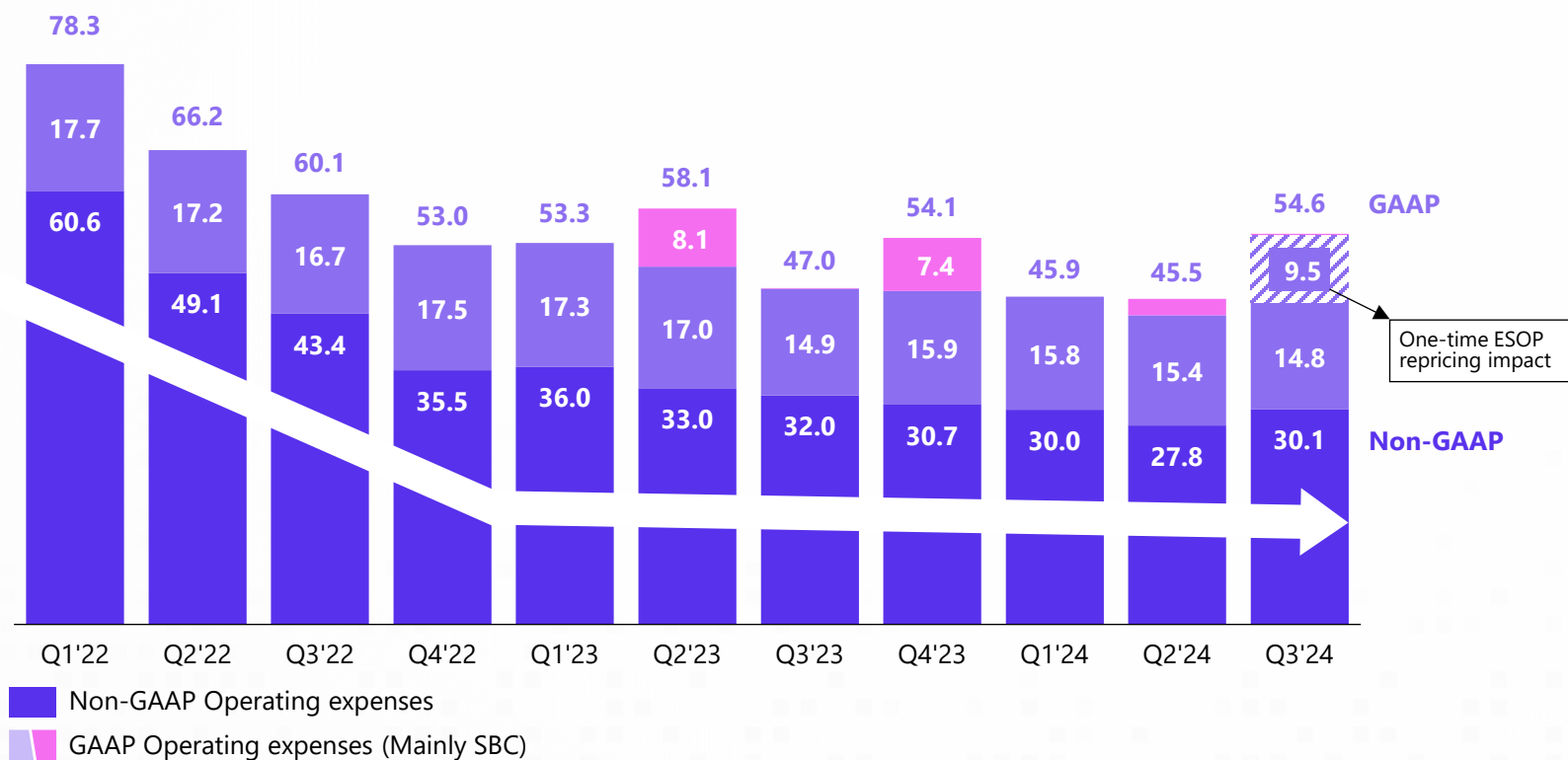
*More diverse revenue structure  
in line with growing strategy*



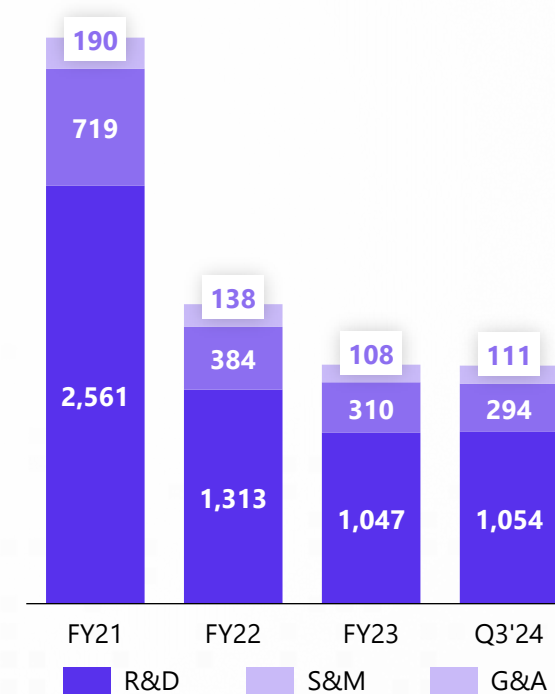


# Operating Expense by Quarters

**Operating Expense, GAAP and Non-GAAP<sup>1</sup>**  
(USD'M)



**Headcounts as of Each Period End**

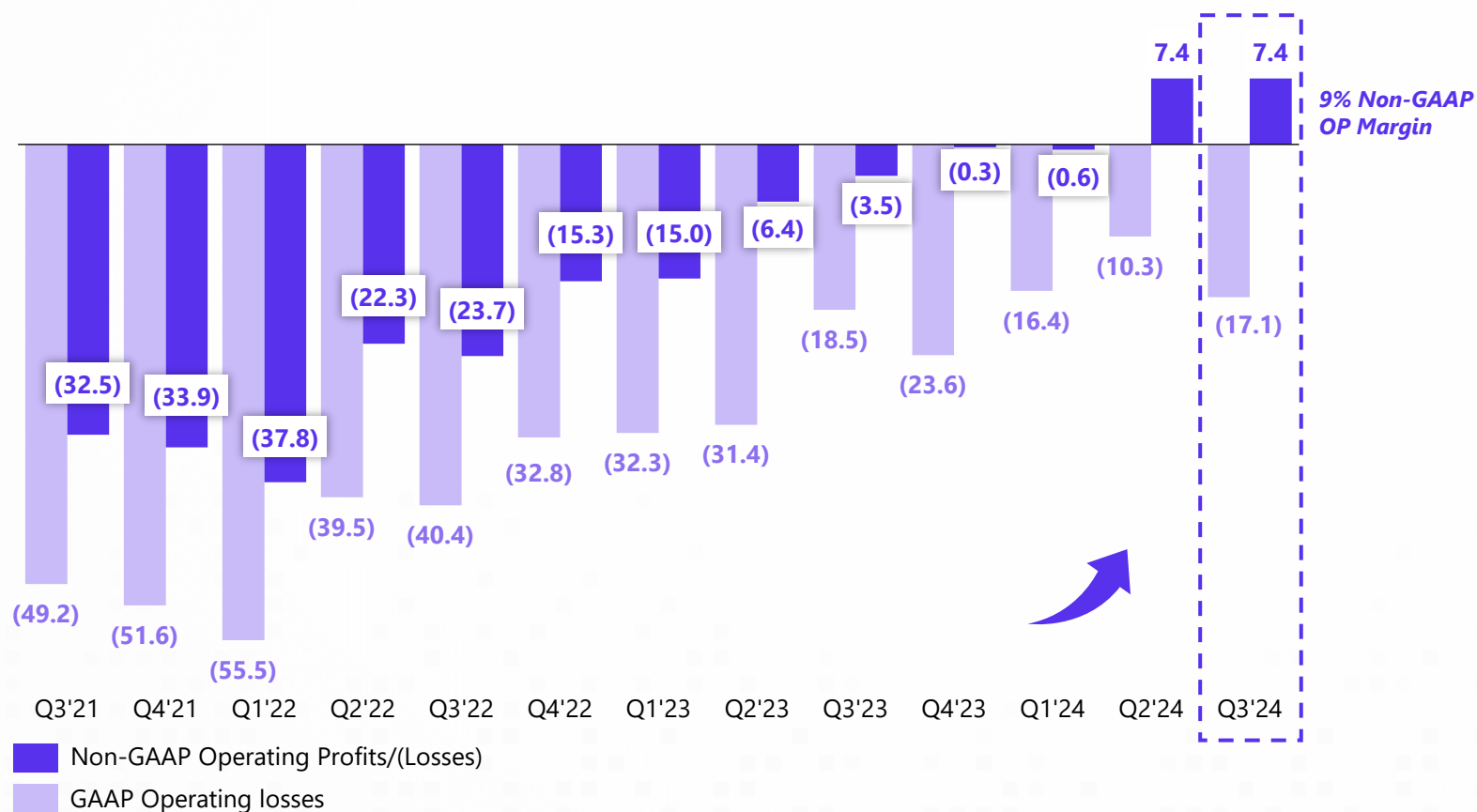


1. Non-GAAP measures. Please refer to the earning release or financial reports for reconciliations of these non-GAAP measures to their most comparable GAAP equivalents.

Note: Numbers are rounded for presentation purposes.

# Continued Quarterly Non-GAAP Operating Profits

## Operating Profit/(Loss), GAAP and Non-GAAP<sup>1</sup> (USD'M)



### Operating loss (GAAP) in Q3'24

narrowed by 7.4% Y/Y mainly due to —

- **Gross profits** increased significantly Y/Y;
- Partially offset by a one-time increased SBC cost due to repricing of existing employee stock options.

### Continued to achieve a non-GAAP

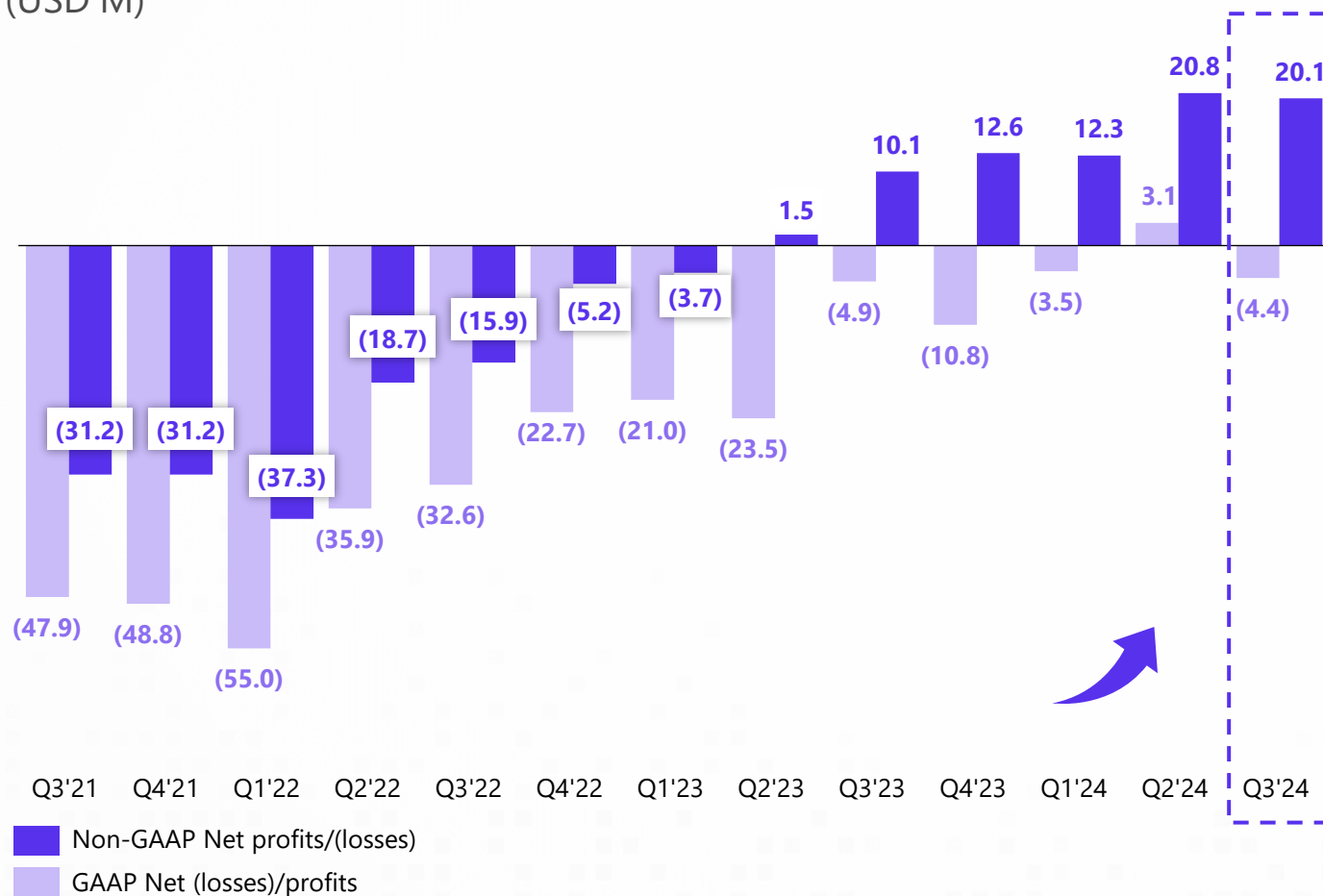
**operating profit** of \$7.4 million in Q3'24, compared to non-GAAP operating loss of \$3.5 million in Q3'23.

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.

# Non-GAAP Profitable for Six Consecutive Quarters

## Net Profit/(Loss), GAAP and Non-GAAP<sup>1</sup> (USD'M)



### Net loss (GAAP) in Q3'24

narrowed by 10.8% Y/Y mainly due to —

- Improvement in **operating loss**;
- US\$13.0 million of interest income achieved in Q3'24 due to treasury management.

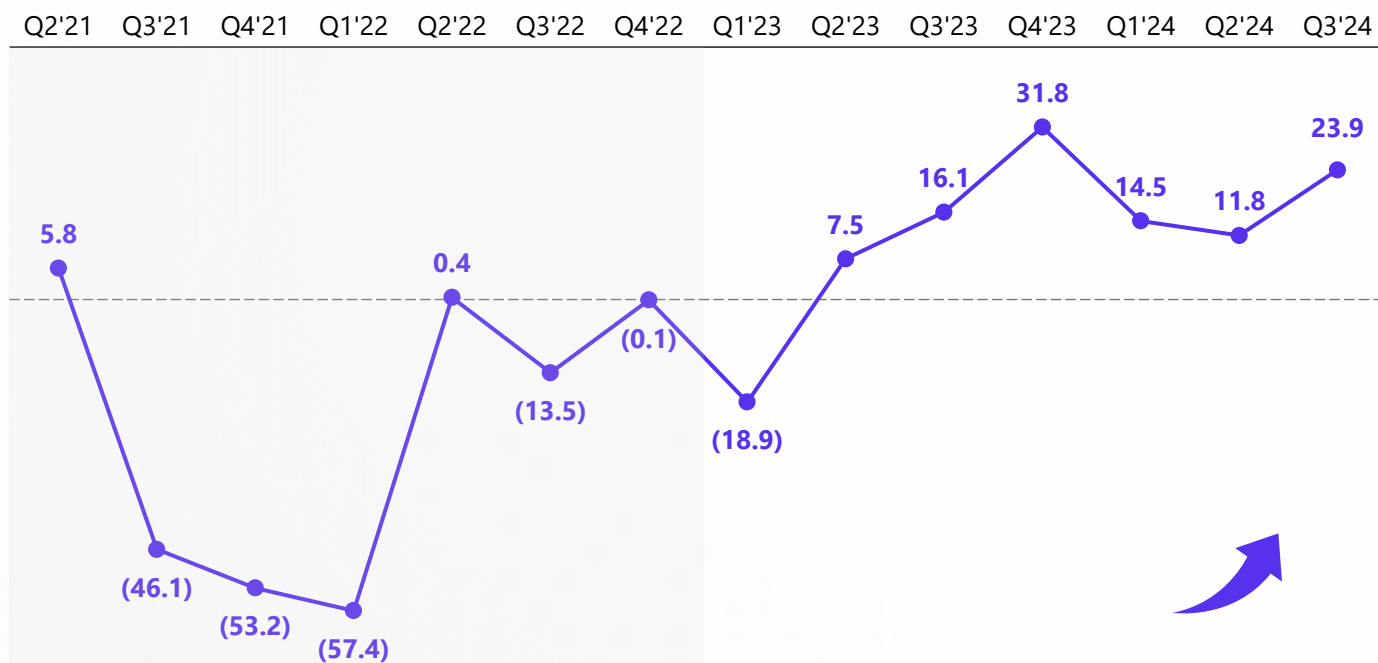
**Non-GAAP net profit in Q3'24** improved by **99.5%** to \$20.1 million.

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\$1.02 Billion**

**Net cash<sup>1</sup>  
on September 30, 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).

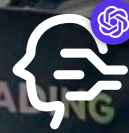
Note: Numbers are rounded for presentation purposes.



## Recent Business Events and Updates



# IFA 2024 – TUYA Sustainable Innovations for AI



AI Agent Platform



Hardware



LLM



Mini App

## 8 Core Application Scenarios

Home Energy  
Saving

Comfortable  
Living

Pets &  
Lifestyle

Security &  
Protection

Sports &  
Health

Entertainment &  
EDU

Outdoor  
Travel

Communication &  
Efficiency



# IFA 2024 in Germany – Selected AI-Driven Solution



**Home Energy Management Solution**

- **Dynamic pricing management**
- **Extends to balconies with solar panels and energy storage solution**



**Low-Carbon Smart Mobility Solution**

- **Comprehensive hardware integration**
- **AI driven assistance & functions**
- **Vehicle-to-Home Integration: seamless connectivity with device indoor**



**Smart Parking Lighting Solution**

- **Plug-and-Play Setup: AI simplifies installation efficiency**
- **Remote Control & Group Management**
- **Cloud-Based Energy Management: AI driven analysis and control reduce costs**

# GITEK GLOBAL 2024 in Dubai – TUYA AI in All Sustainable Spaces



## AI-Driven Energy Management Solution Accelerating the Green Transition in ME

*Smart City Solution*

*Solar Storage Energy Management Solution*

*Net Zero Solution*

*Smart Lighting Solution*

*Smart House & Real Estate Solution*

*Building Energy Management Solution*



# Tuya's Global Impact on Sustainability and ESG Performance

**S&P Global**

**Win.d**

**Tuya Inc.**  
Software Industry

## 《The Sustainability Yearbook China Edition)》

Chinese Enterprises S&P Global CAS Scores 2024

S&P Global CAS Scores: 34/100

Rating Date as of: 16 July 2024

S&P Global CAS score is an S&P Global ESG score that does not include any modeling methodology. Scores and rankings are industry-specific and based on relevant screening criteria. For more information, please visit [https://www.spglobal.com/sg/csa/yearbook/methodology/index\\_en](https://www.spglobal.com/sg/csa/yearbook/methodology/index_en).

**S&P Global**

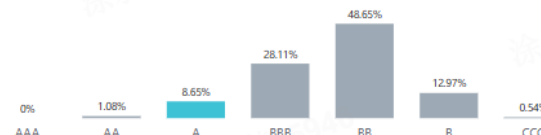


**TUYA-W** 2391.HK  
Wind Industry: Information Technology > Software And Service > IT Services > IT Consulting & Other Services

Graffiti intelligence is a global leading IoT cloud platform, connecting the intelligent needs of brands, OEM manufacturers, developers and chain retailers, providing a one-stop PaaS-level solution for artificial intelligence IoT. And covering aspects: Hardware development tools, global cloud, and smart business platform development. It provides comprehensive ecological empowerment from technology to marketing channels, and builds a world-leading IoT cloud platform. The company has established the world's first IoT cloud development platform, which gives the company many advantages in the global IoT PaaS field.



### ESG Rating Distribution (IT Services)



### Trend of Rating



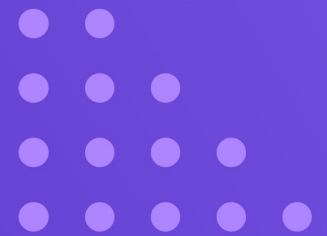
### About Wind

Wind has developed a rigorous rating methodology based on the core connotations of ESG, aligning with international standards and frameworks, and incorporating the characteristics of Chinese companies, to assess the company's essential ESG performance, risk and its ability to operate sustainably.

Focusing on the ESG risks and opportunities of each industry, the companies are rated on a AAA-CCC scale relative to the performance of their industry peers. Wind ESG rating is updated annually or in response to major changes.

We provide companies with their own report on a regular basis. Companies can revise or provide additional data. We are committed to reviewing and updating company profiles as required in a timely manner to ensure the timeliness of Wind ESG Rating. Companies can also send an email to [GRESG@wind.com.cn](mailto:GRESG@wind.com.cn) at any time if they have any questions or feedback.

# Appendix



## Appendix: Q3'24 Reconciliation of Non-GAAP to GAAP

	For the Three Months Ended September 30, 2023	For the Three Months Ended September 30, 2024
	USD'000	USD'000
<b>Reconciliation of operating expenses to non-GAAP operating expenses</b>		
Research and development expenses	(24,946)	(24,877)
Add: Share-based compensation expenses	3,165	4,978
Adjusted Research and development expenses	(21,781)	(19,899)
Sales and marketing expenses	(9,418)	(9,663)
Add: Share-based compensation expenses	758	1,675
Adjusted Sales and marketing expenses	(8,660)	(7,988)
General and administrative expenses	(15,843)	(22,301)
Add: Share-based compensation expenses	11,025	17,663
Add: Credit-related impairment of long-term investments	52	-
Add: Litigation costs	-	200
Adjusted General and administrative expenses	(4,766)	(4,438)
<b>Reconciliation of loss from operations to non-GAAP (loss)/profit from operations</b>		
Loss from operations	(18,487)	(17,113)
Add: Share-based compensation expenses	14,948	24,316
Add: Credit-related impairment of long-term investments	52	-
Add: Litigation costs	-	200
Non-GAAP (Loss)/Profit from operations	(3,487)	7,403
Non-GAAP operating margin	(5.7%)	9.1%
<b>Reconciliation of net loss to non-GAAP net profit/(loss)</b>		
Net loss	(4,905)	(4,373)
Add: Share-based compensation expenses	14,948	24,316
Add: Credit-related impairment of long-term investments	52	-
Add: Litigation costs	-	200
Non-GAAP net profit	10,095	20,143
Non-GAAP net margin	16.5%	24.7%
Weighted average number of ordinary shares used in computing non-GAAP net profit per share, basic	555,782,518	569,821,232
Weighted average number of ordinary shares used in computing non-GAAP net profit per share, diluted	586,434,725	571,386,571
Non-GAAP net profit/(loss) per share attributable to ordinary shareholders – basic	0.02	0.04
Non-GAAP net profit/(loss) per share attributable to ordinary shareholders – diluted	0.02	0.04