



First Quarter 2020 Results

May 2020



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This presentation contains certain financial measures that are not recognized under generally accepted accounting principles in the U.S. (“GAAP”), including “adjusted revenue,” “total adjusted revenue,” “adjusted EBITDA,” “total adjusted EBITDA,” and “net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes.” The reconciliation of those measures to the most comparable GAAP measures is contained within this presentation. The non-GAAP measures have limitations as an analytical tool and you should not consider them in isolation or as a substitute for an analysis of the Company’s results under GAAP.

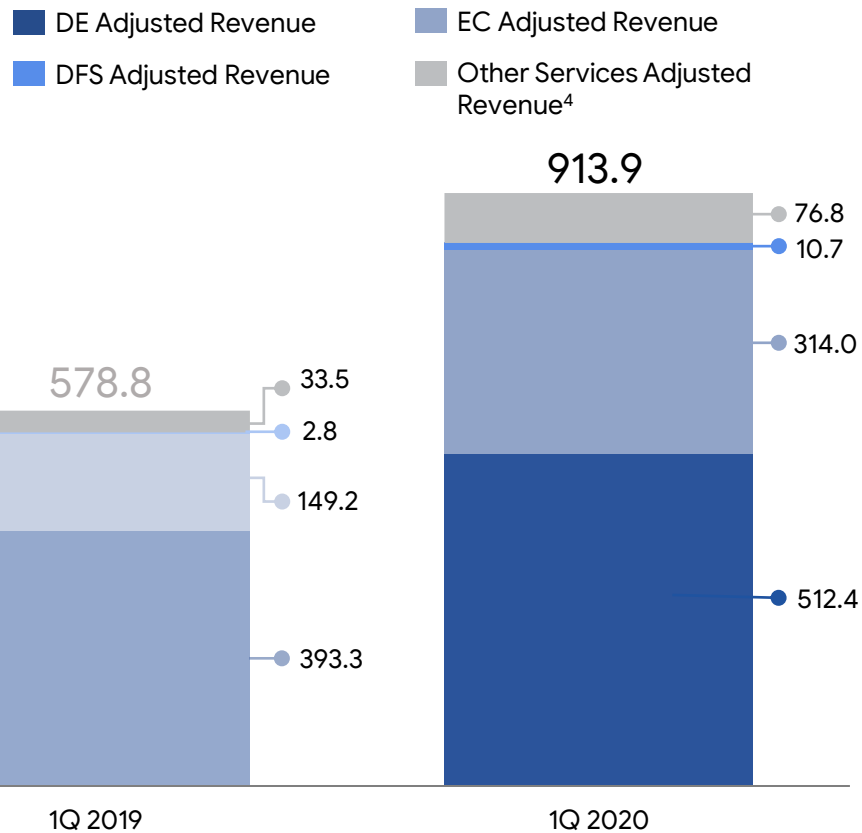
This presentation does not contain all relevant information relating to Sea or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of Sea. Nothing contained in this presentation shall be relied upon as a promise or representation as to the past or future performance of Sea.



Robust Revenue Growth

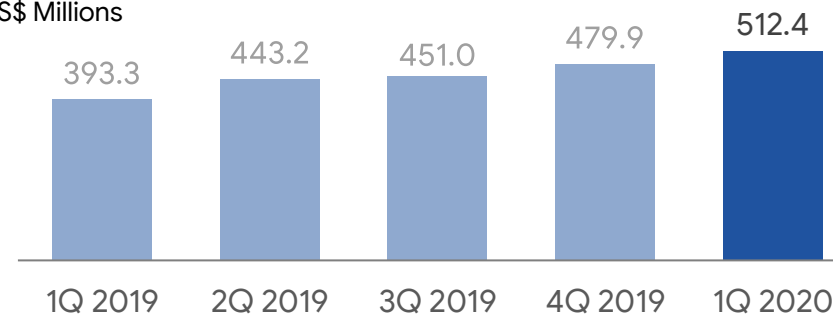
58% YoY Growth in Total Adjusted Revenue¹

US\$ Millions



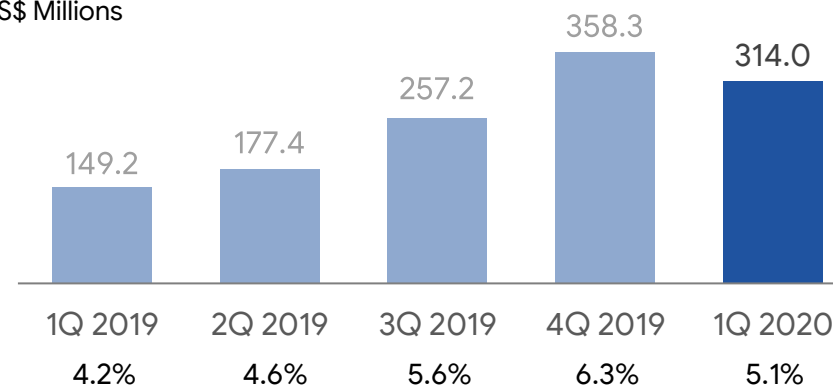
30% YoY Growth in DE Adjusted Revenue²

US\$ Millions



111% YoY Growth in EC Adjusted Revenue³

US\$ Millions



EC Adjusted Revenue as a % of GMV

Note: Financial figures are unaudited.

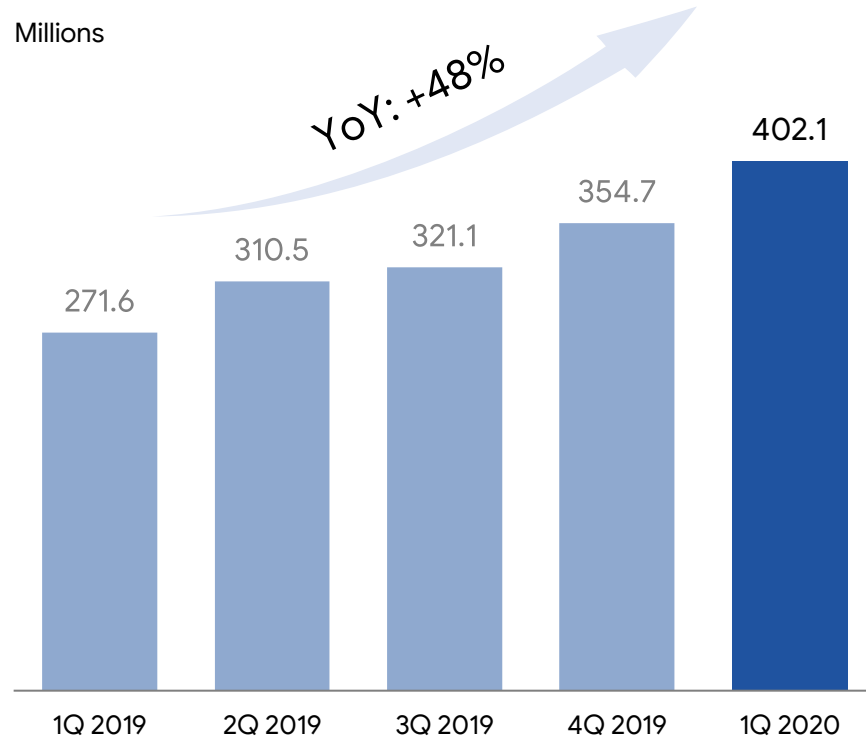
1. Sum of digital entertainment ("DE") adjusted revenue, e-commerce ("EC") adjusted revenue, digital financial services ("DFS") adjusted revenue, and other services adjusted revenue. For details on reconciliation, please refer to slide 8.
2. Digital entertainment revenue plus change in digital entertainment deferred revenue.
3. Revenue of the e-commerce segment (currently consisting of marketplace revenue and product revenue) plus certain revenues that were net-off against their corresponding sales incentives.
4. A combination of multiple business activities that does not meet the quantitative thresholds to qualify as reportable segments are grouped together as "Other Services."



Digital Entertainment: Continued Growth of User Base

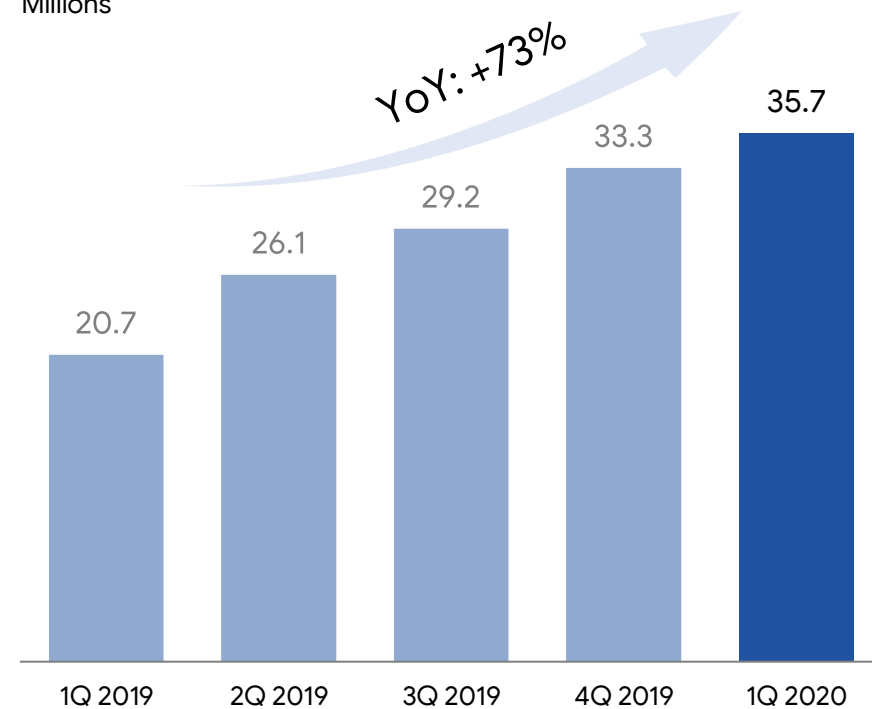
Quarterly Active Users

Millions



Quarterly Paying Users

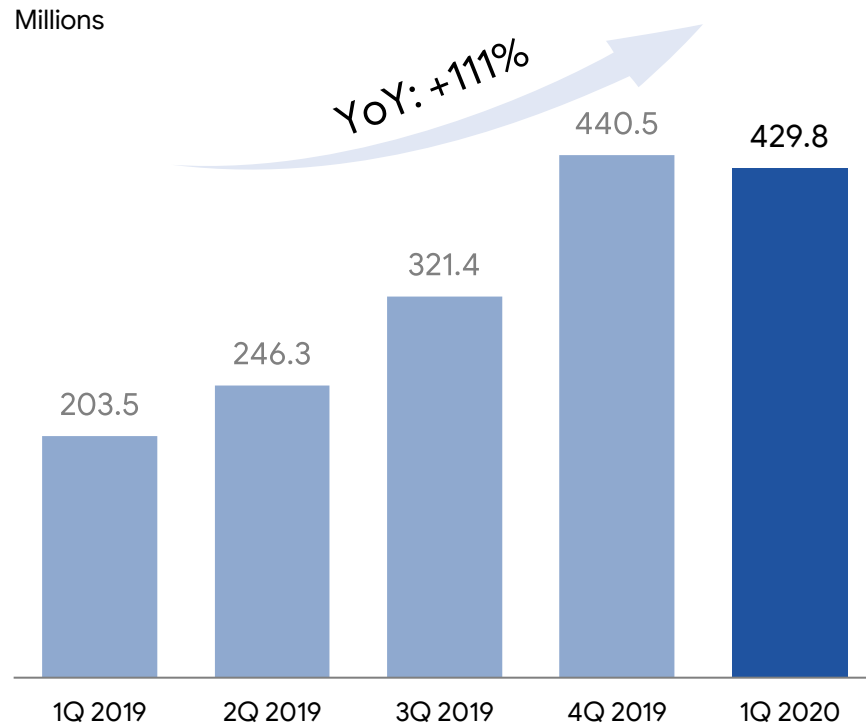
Millions



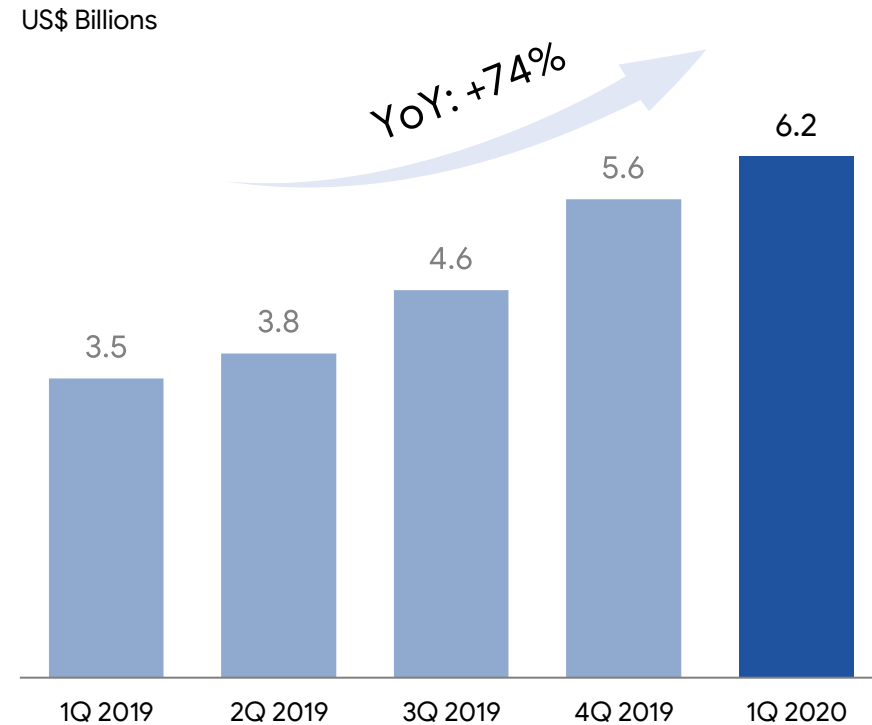


E-commerce: Extending Our Leading Position Across the Region

Gross Orders



GMV





Digital Financial Services: Accelerating Adoption In Our Region

> US\$ 1 Billion

in mobile wallet
Total Payment Volume in 1Q 2020

> 10 Million

Quarterly Paying Users for
mobile wallet services in 1Q 2020

Our Business Remains Resilient Into Q2 Despite Global Volatility



> 100%
YoY growth in Free Fire
Monthly Paying Users in April¹

> 10%
of Monthly Active Users were
Monthly Paying Users for India in April¹



> 140%
YoY growth in
Gross Orders in April²



> 40%
of Shopee's Gross Orders in Indonesia were
paid using our mobile wallet service in April³

Note:

1. Free Fire hit another record high in monthly paying users, which more than doubled year-on-year, and in India, monthly paying users already accounted for over 10% of monthly active users.
2. Gross orders growth further accelerated to more than 140% year-on-year in April 2020.
3. In the month of April 2020, more than 40% of Shopee's gross orders in Indonesia, our largest market for SeaMoney, were paid using our mobile wallet service.

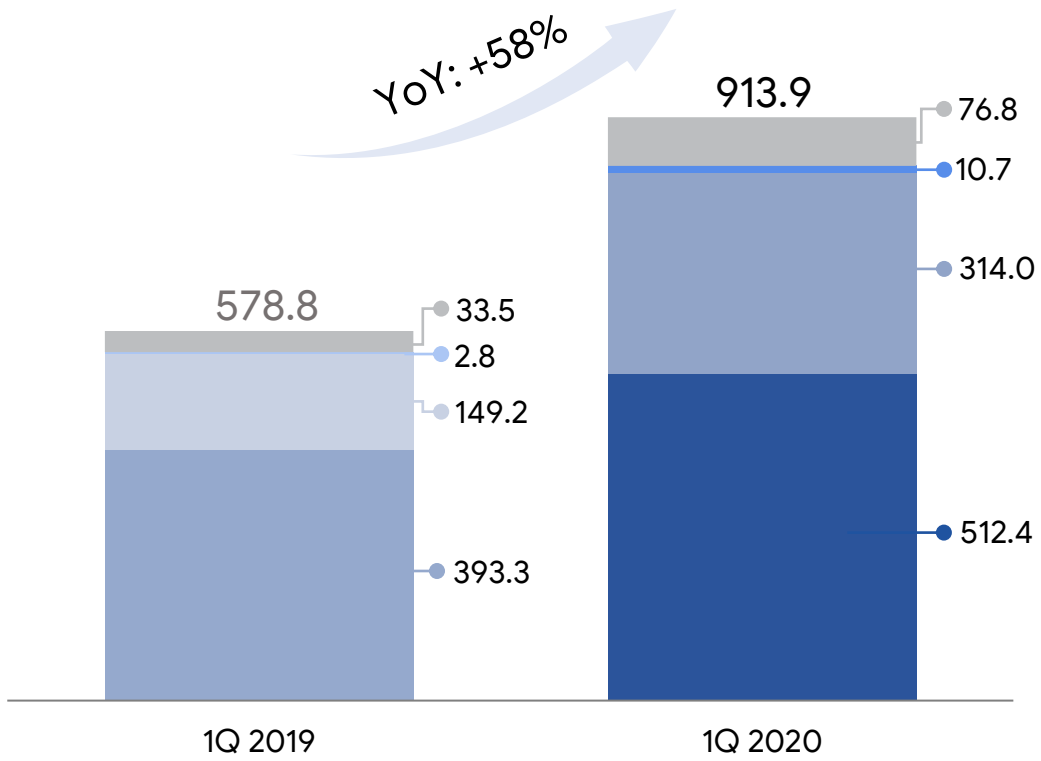


Non-GAAP Revenue

■ DE Adjusted Revenue
 ■ EC Adjusted Revenue
 ■ DFS Adjusted Revenue
 ■ Other Services Adjusted Revenue

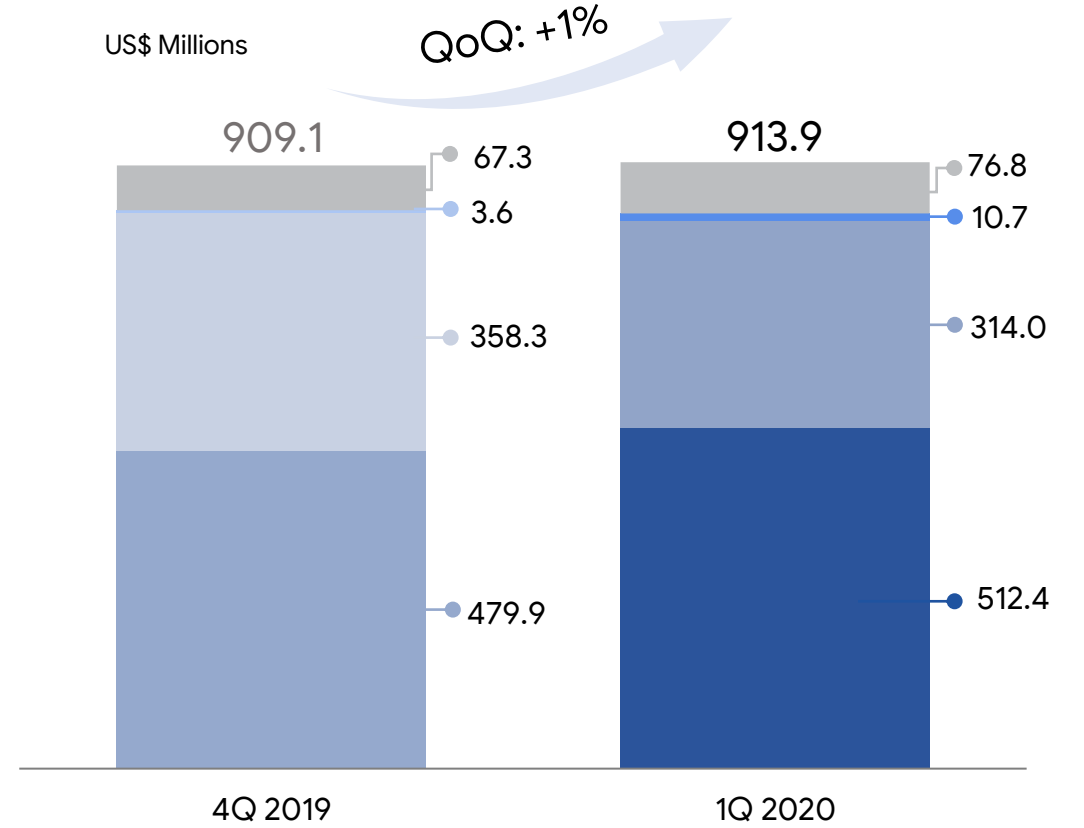
US\$ Millions

YoY: +58%



US\$ Millions

QoQ: +1%



Note: Financial figures are unaudited.



Reconciliation Between GAAP and Non-GAAP Revenue

US\$ Thousands	1Q 2019	1Q 2020
Digital Entertainment		
<i>Revenue</i>	173,399	369,683
<i>Changes in Deferred Revenue</i>	219,907	142,741
Digital Entertainment Adjusted Revenue	393,306	512,424
E-commerce		
<i>Revenue</i>	142,694 ¹	263,195 ¹
<i>Sales Incentives Net-Off</i>	6,497	50,778
E-commerce Adjusted Revenue	149,191²	313,973²
Group		
<i>Revenue</i>	351,866	714,920
<i>Changes in Deferred Revenue</i>	219,907	142,741
<i>Sales Incentives Net-Off</i>	7,045	56,259
Total Adjusted Revenue	578,818	913,920

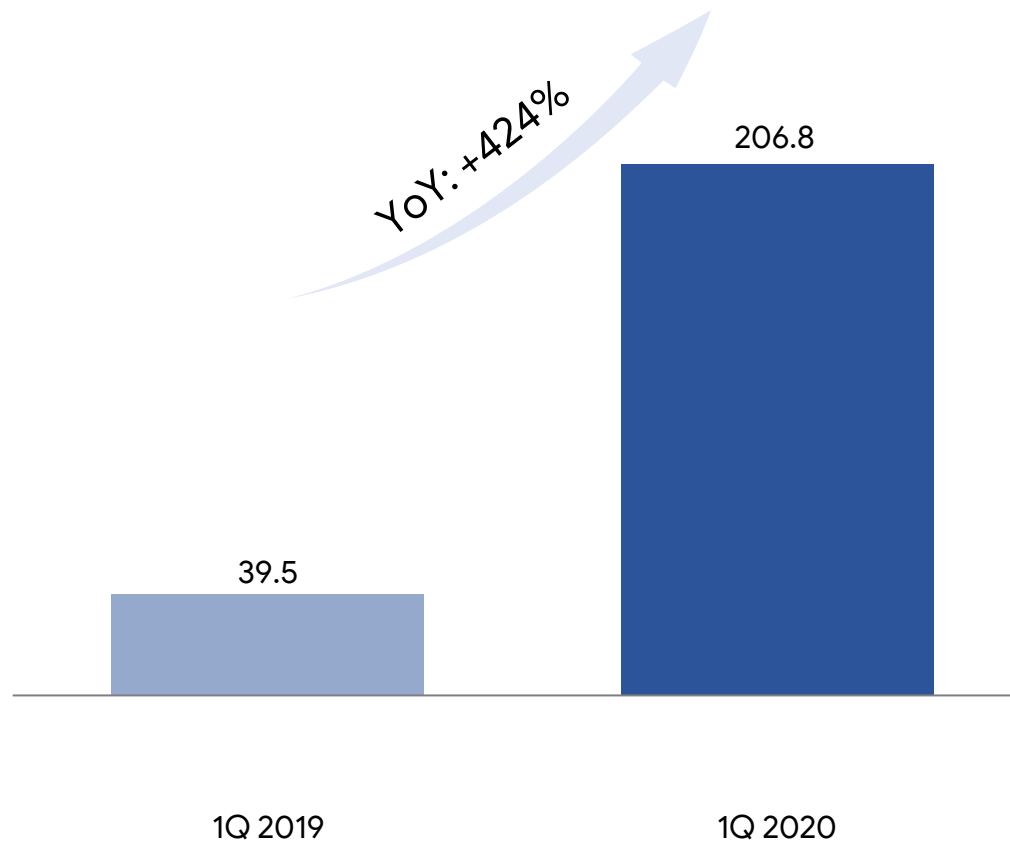
Note: Financial figures are unaudited.

1. For 1Q 2020, revenue of \$263,195 included marketplace revenue of \$185,930 and product revenue of \$77,265 net of sales incentives. For 1Q 2019, revenue of \$142,694 included marketplace revenue of \$95,566 and product revenue of \$47,128 net of sales incentives.

2. For 1Q 2020, adjusted revenue of \$313,973 included marketplace revenue of \$236,708 and product revenue of \$77,265. For 1Q 2019, adjusted revenue of \$149,191 included marketplace revenue of \$101,970 and product revenue of \$47,221.

Total Gross Profit

US\$ Millions



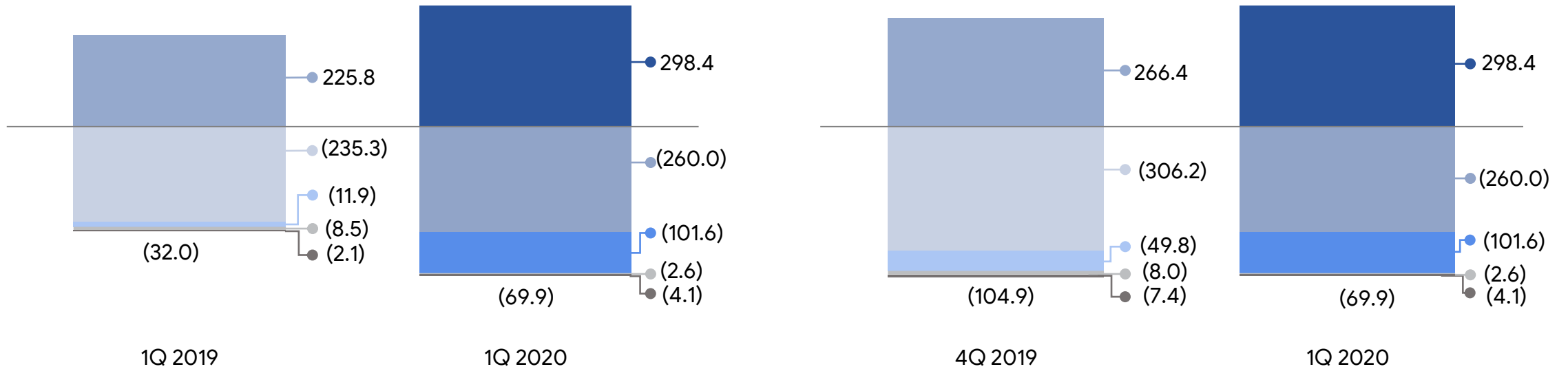


Non-GAAP EBITDA

Total Adjusted EBITDA

US\$ Millions

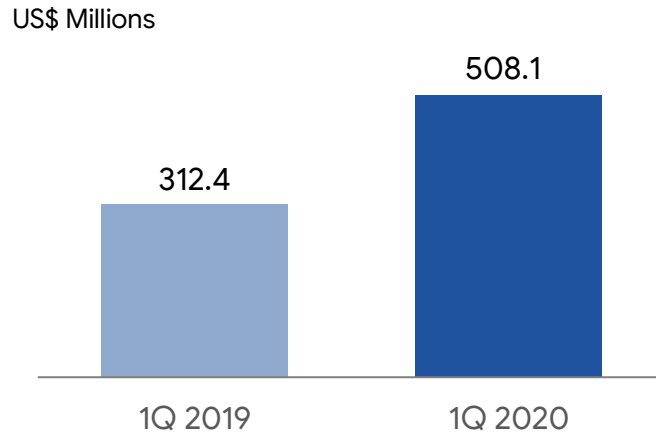
■ DE Adjusted EBITDA
 ■ EC Adjusted EBITDA
 ■ DFS Adjusted EBITDA
 ■ Other Services Adjusted EBITDA
 ■ Unallocated Expenses



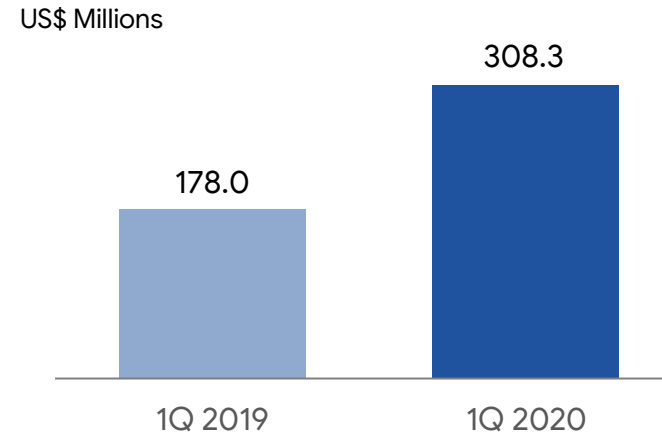
Note: Financial figures are unaudited. Please refer to the appendix for details on reconciliation between GAAP and non-GAAP figures

Cost and Expense Trends

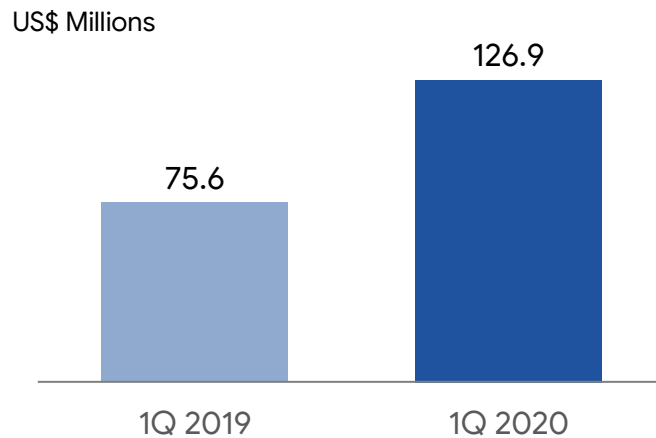
Cost of Revenue



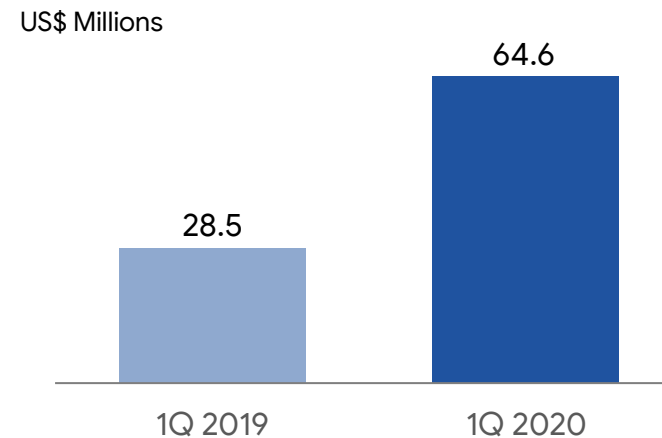
Sales & Marketing Expenses



General & Administrative Expenses



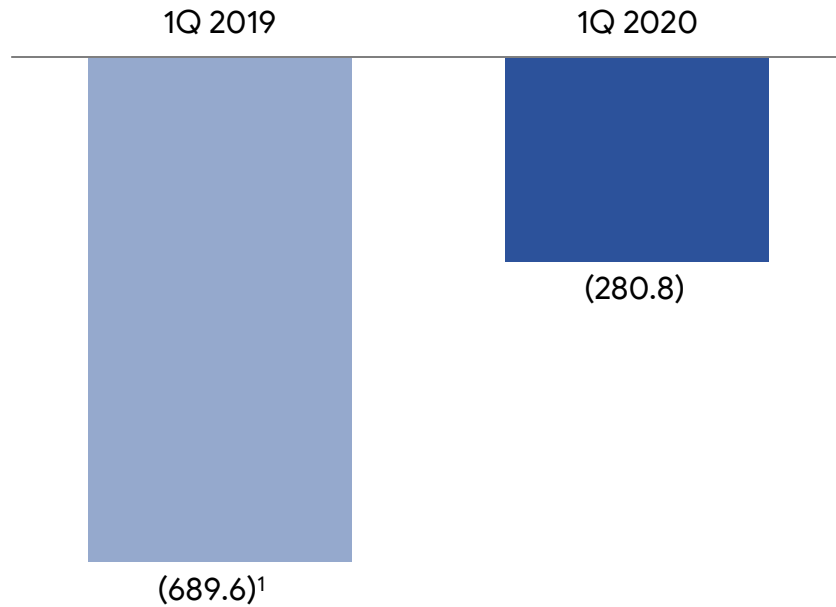
R&D Expenses



Net Loss

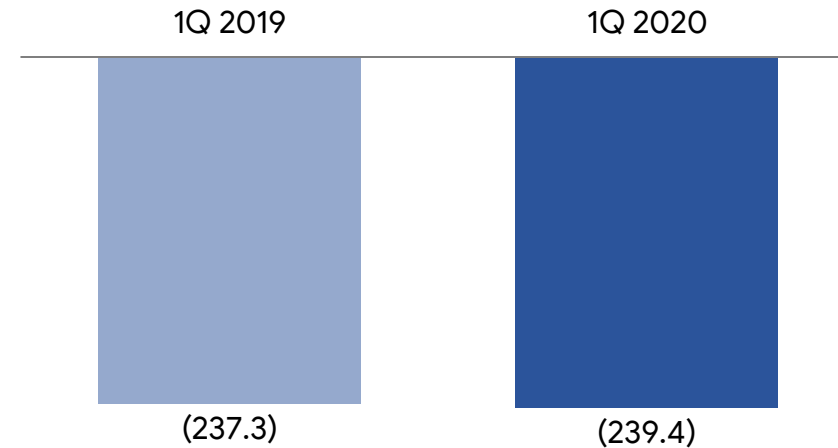
Net Loss

US\$ Millions



Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes

US\$ Millions

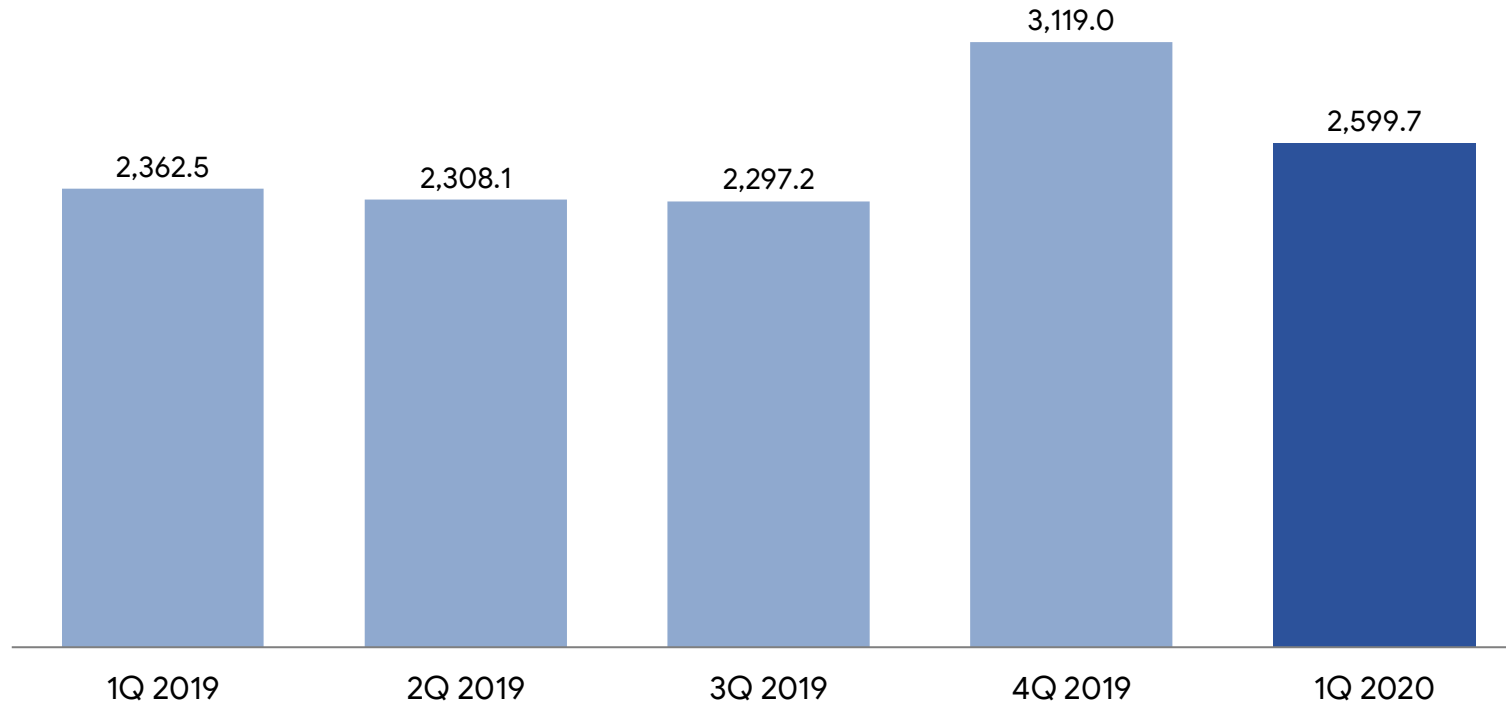


Note: Financial figures are unaudited. Please refer to the appendix for details on reconciliation between Net Loss and Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes.

1. This was primarily due to fair value loss of \$436.1 million on the 2017 convertible notes as our share prices during the quarter significantly exceeded the conversion prices of the 2017 convertible notes.

Cash and Cash Equivalents

US\$ Millions





Appendix



Reconciliation Between GAAP And Non-GAAP EBITDA

US\$ Thousands	1Q 2019	1Q 2020
Digital Entertainment		
<i>Operating income / (loss)</i>	56,470	174,037
<i>Net effect of changes in deferred revenue & related cost</i>	165,501	118,543
<i>Depreciation and amortization</i>	3,845	5,855
Digital Entertainment Adjusted EBITDA	225,816	298,435
E-commerce		
<i>Operating income / (loss)</i>	(253,473)	(291,699)
<i>Net effect of changes in deferred revenue & related cost</i>	-	-
<i>Intersegment sales incentives</i>	-	4,097
<i>Depreciation and amortization</i>	18,220	27,583
E-commerce Adjusted EBITDA	(235,253)	(260,019)
Group		
<i>Operating income / (loss)</i>	(239,206)	(267,719)
<i>Net effect of changes in deferred revenue & related cost</i>	165,501	118,543
<i>Intersegment sales incentives</i>	-	-
<i>Depreciation and amortization</i>	25,543	37,994
<i>Share-based compensation</i>	16,199	41,316
Total Adjusted EBITDA	(31,963)	(69,866)

Note: Financial figures are unaudited.



Reconciliation between Net Loss and Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes

US\$ Thousands	1Q 2019	1Q 2020
Group		
<i>Net loss</i>	(689,609)	(280,791)
<i>Share-based compensation</i>	16,199	41,316
<i>Changes in fair value of the 2017 convertible notes</i>	436,120	87
Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes	(237,290)	(239,388)