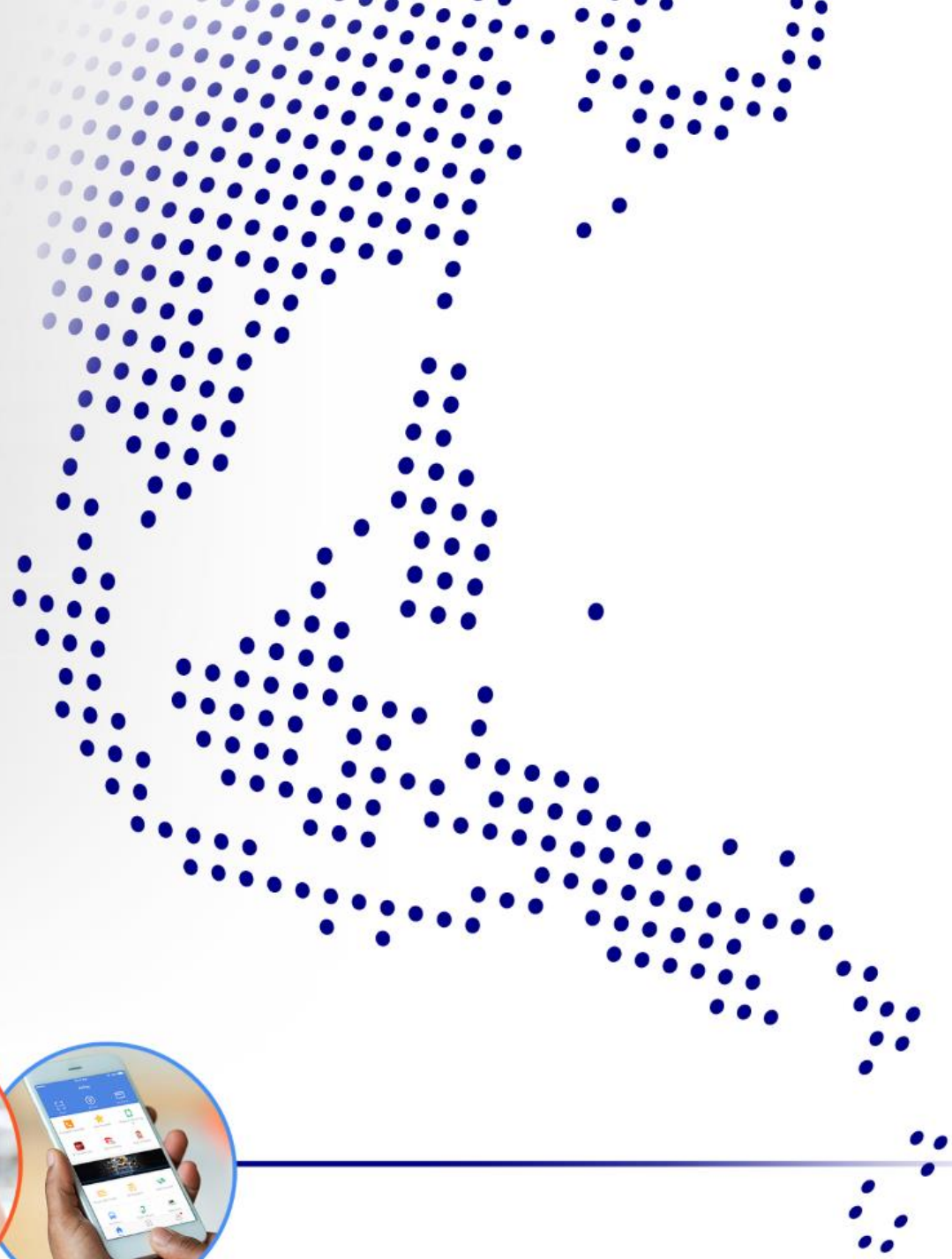




sea

connecting the dots



First Quarter 2019 Results

May 21, 2019 (U.S. Eastern Time)

May 22, 2019 (Singapore / Hong Kong Time)



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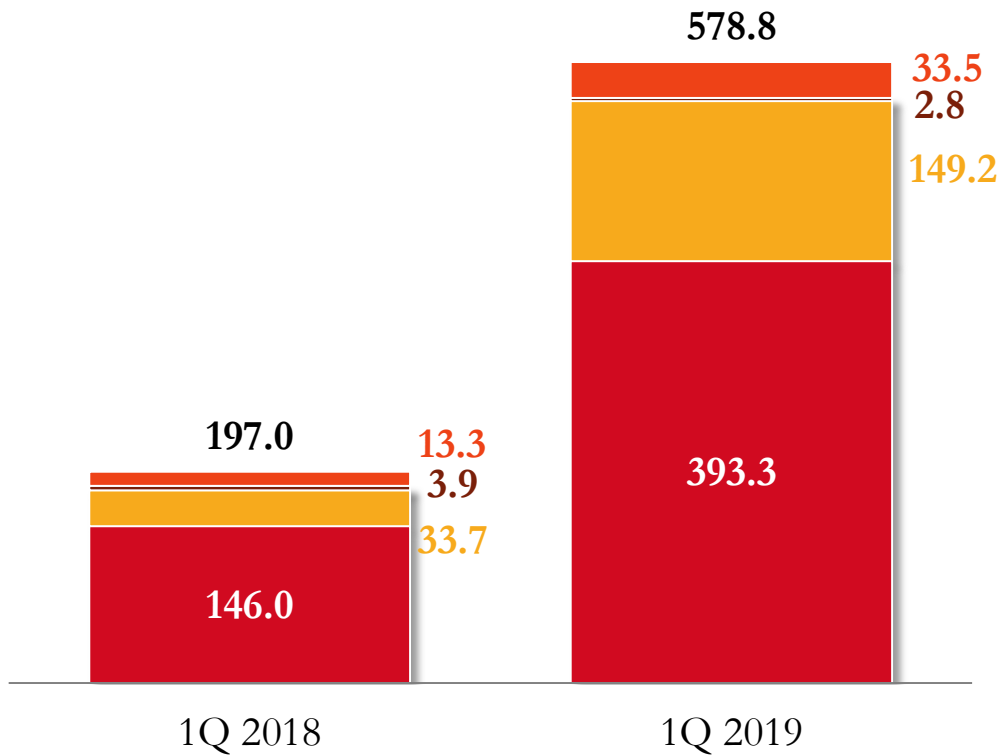
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Robust Revenue Growth

194% YoY Growth in Total Adjusted Revenue¹

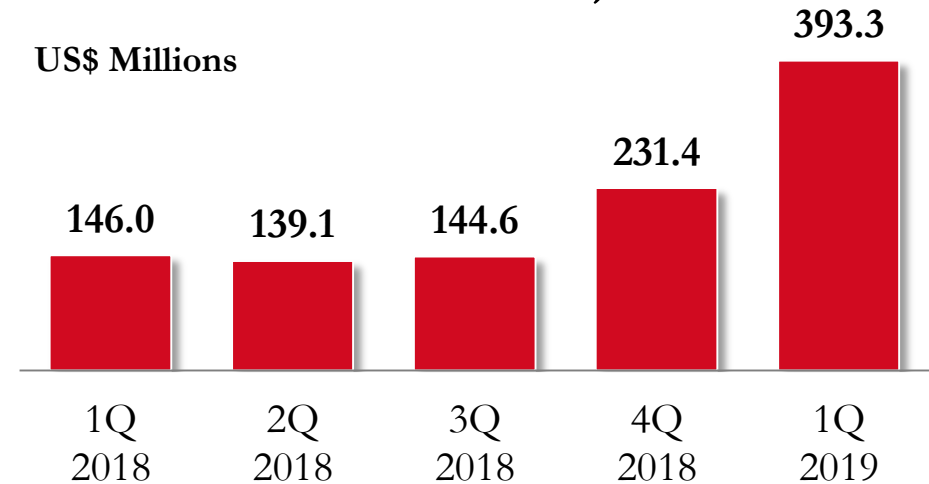
US\$ Millions

■ DE Adjusted Revenue ■ EC Adjusted Revenue
■ DFS Adjusted Revenue ■ Other Services Revenue⁴



169% YoY Growth in DE Adjusted Revenue²

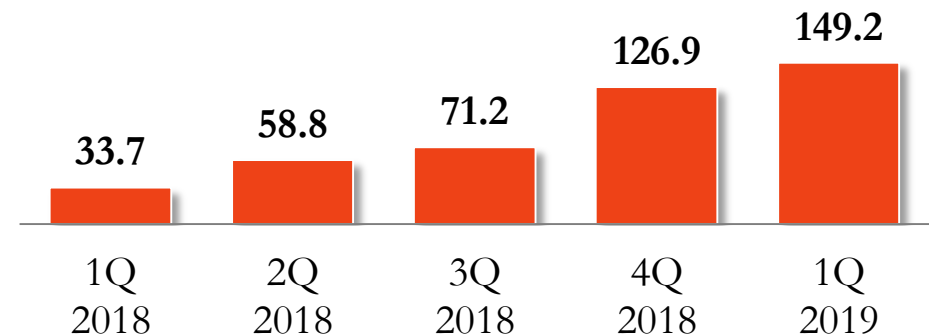
US\$ Millions



342% YoY Growth in EC Adjusted Revenue³

1.7% 2.6% 2.6% 3.7% 4.2%

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 revenue. For details on reconciliation, please refer to slide 6.

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.

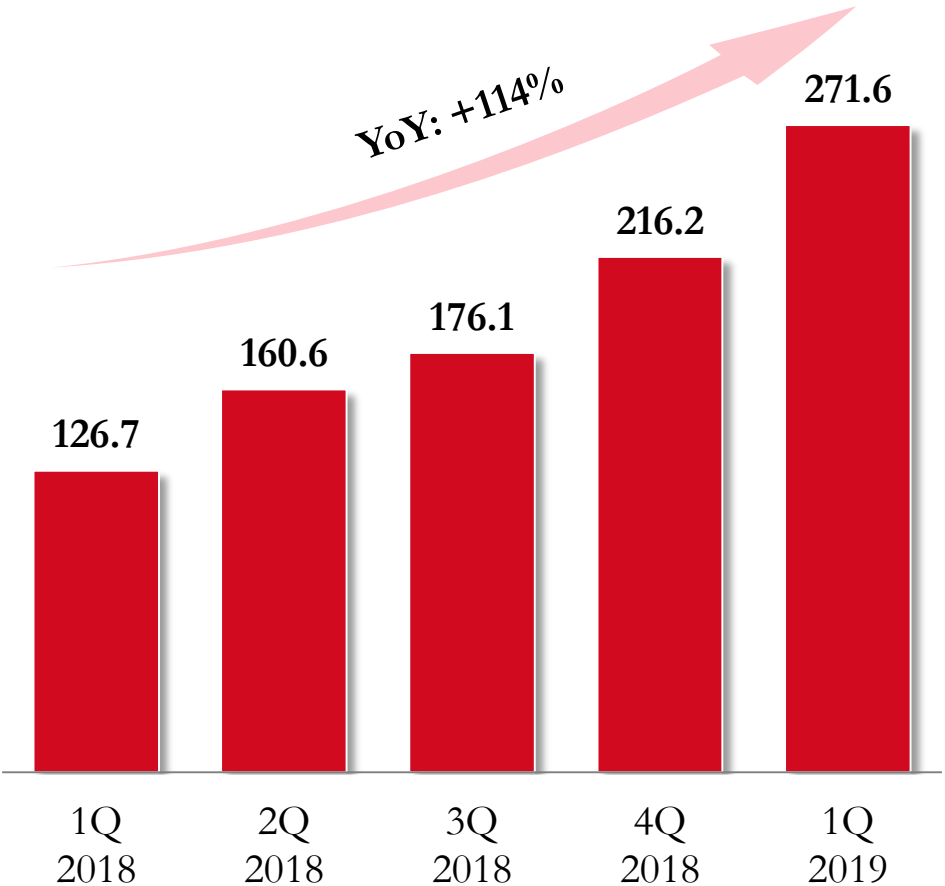
4: A combination of multiple business activities that does not meet the quantitative thresholds to qualify as reportable segments are grouped together as “Other Services.”

Digital Entertainment: Accelerated Growth of Free Fire and Paying Users



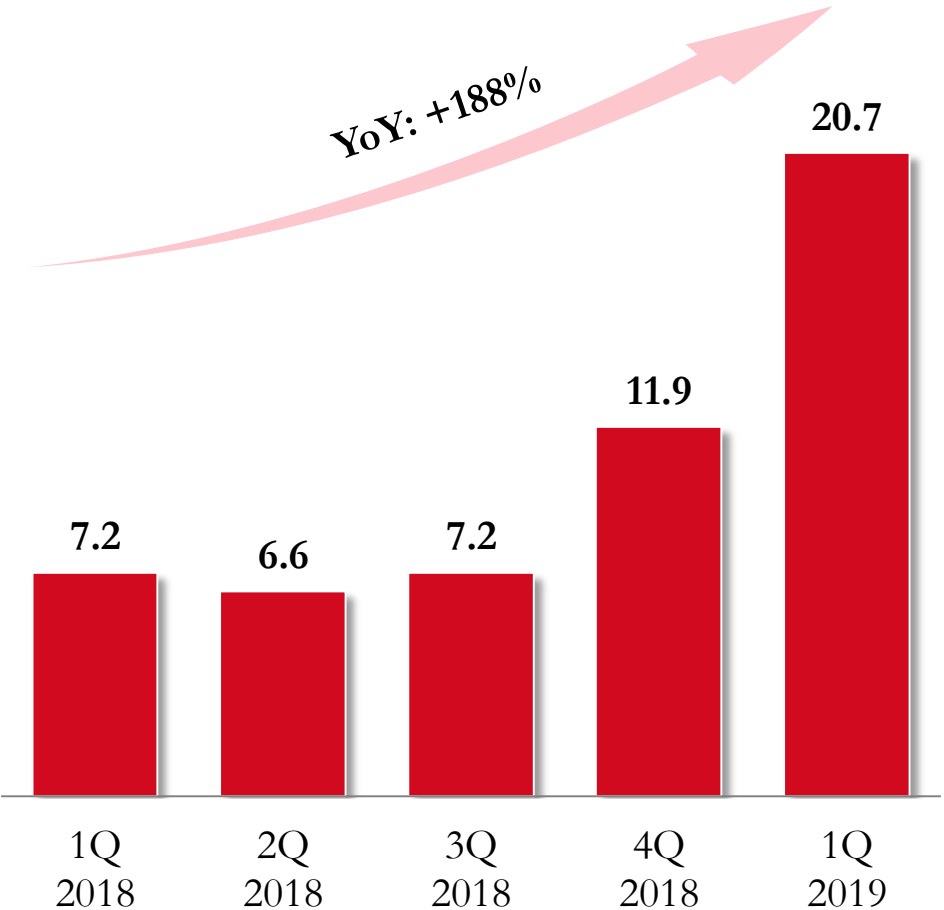
Garena
Quarterly Active Users

Millions



Garena
Quarterly Paying Users

Millions

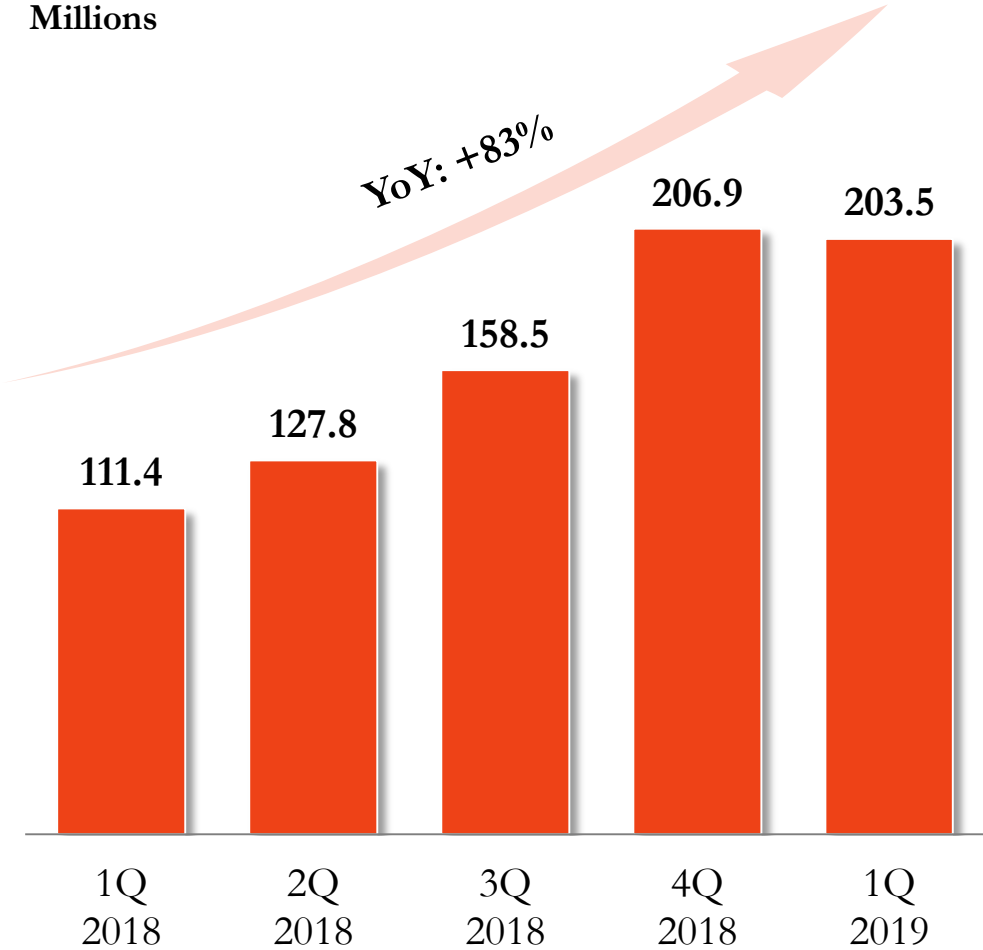


E-commerce: Extending Our Leading Position Across the Region



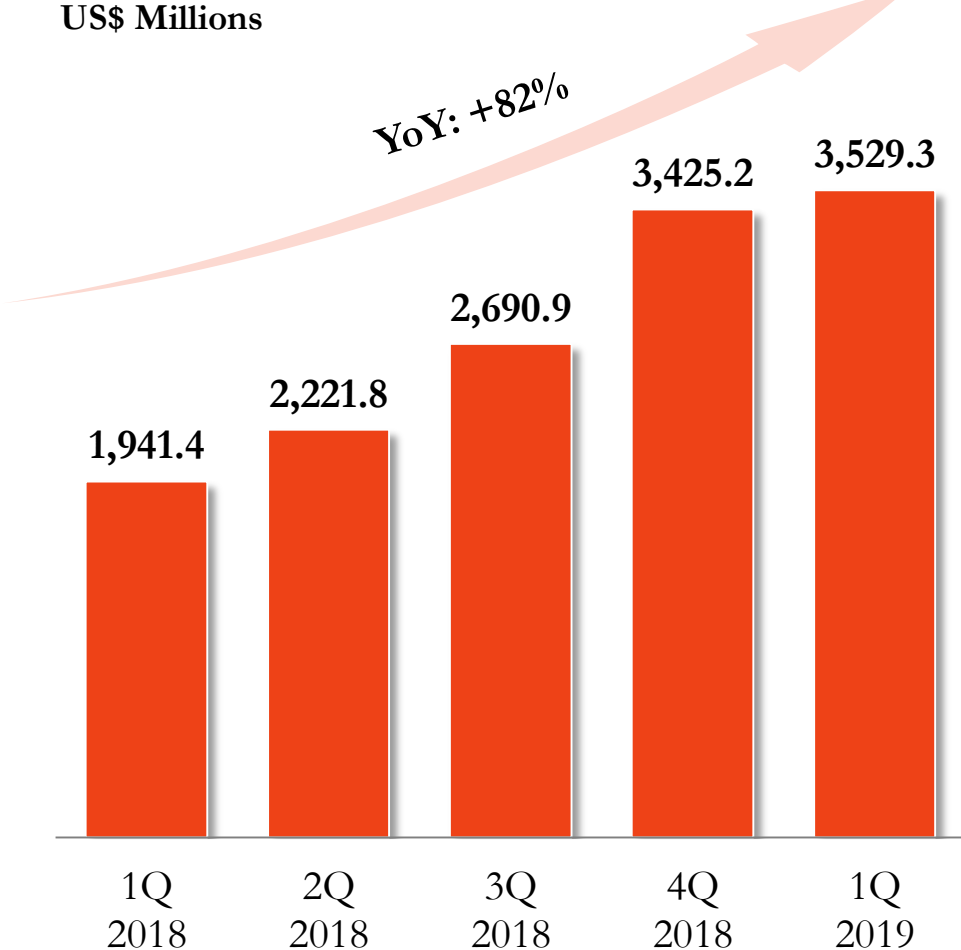
Shopee
Gross Orders

Millions



Shopee
GMV

US\$ Millions

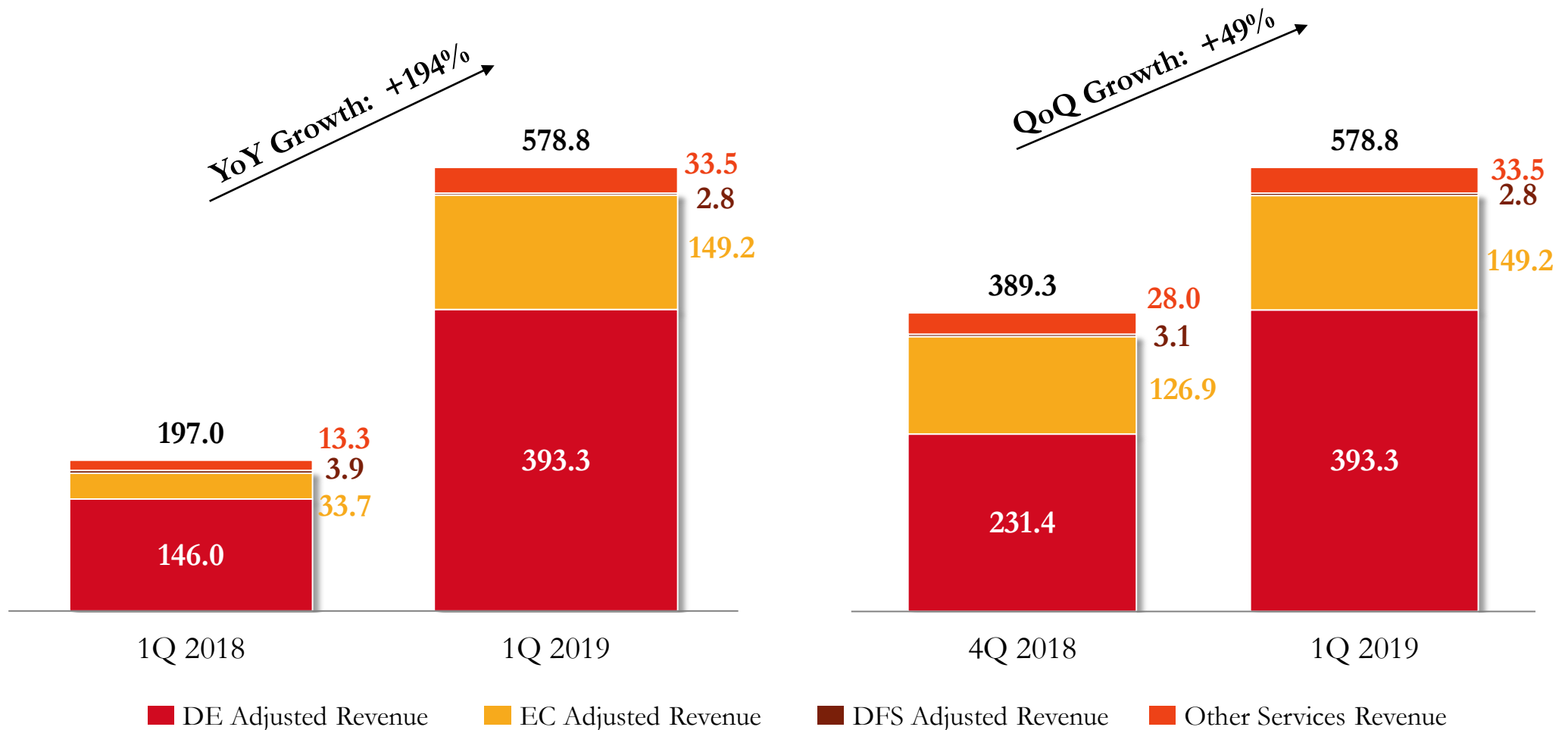


Non-GAAP Revenue

Total Adjusted Revenue

US\$ Millions

US\$ Millions



Note: Financial figures are unaudited.

Reconciliation between GAAP and non-GAAP Revenue

US\$ Thousands	1Q 2018	1Q 2019
Digital Entertainment		
<i>Revenue</i>	110,658	173,399
<i>Changes in deferred revenue</i>	35,372	219,907
Digital Entertainment Adjusted Revenue	146,030	393,306
E-commerce		
<i>Revenue</i>	27,344 ¹	142,694 ¹
<i>Sales incentives net-off</i>	6,400	6,497
E-commerce Adjusted Revenue	33,744²	149,191²
Group		
<i>Revenue</i>	155,044	351,866
<i>Changes in deferred revenue</i>	35,372	219,907
<i>Sales incentives net-off</i>	6,623	7,045
Total Adjusted Revenue	197,039	578,818

Note: Financial figures are unaudited.

1: For the first quarter of 2019, revenue of \$142,694 included marketplace revenue of \$95,566 and product revenue of \$47,128 net of sales incentives. For the first quarter of 2018, revenue of \$27,344 included marketplace revenue of \$15,644 and product revenue of \$11,700 net of sales incentives.

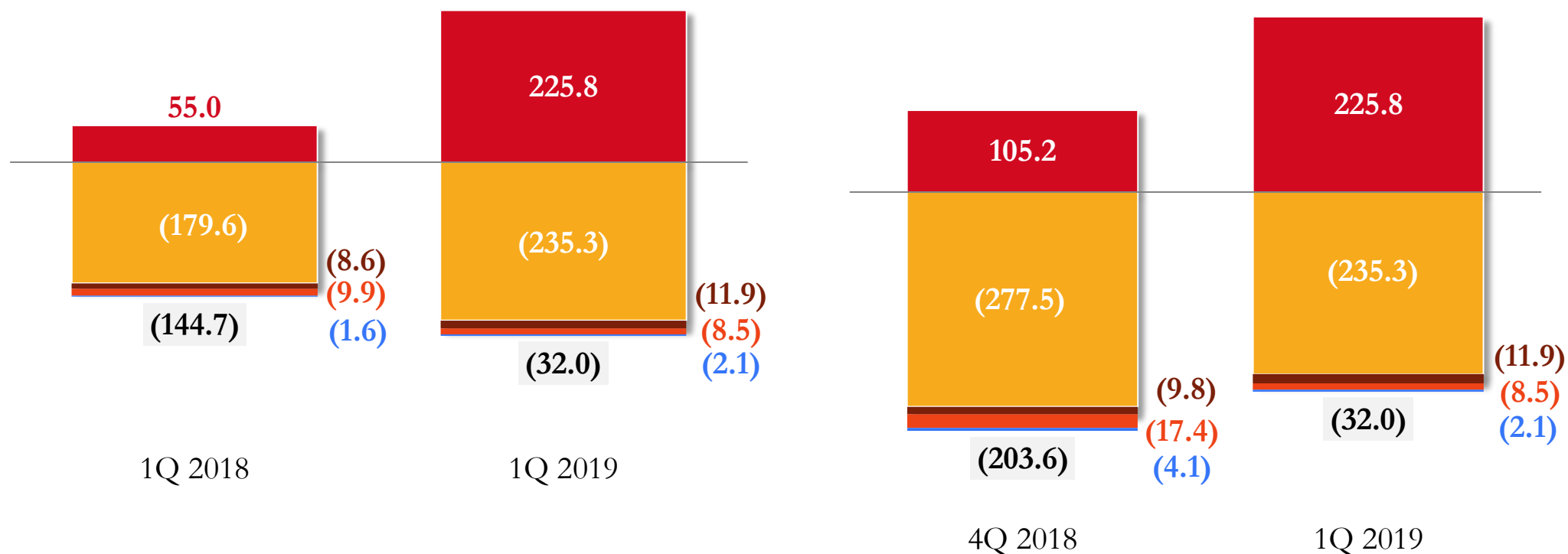
2: For the first quarter of 2019, adjusted revenue of \$149,191 included marketplace revenue of \$101,970 and product revenue of \$47,221. For the first quarter of 2018, adjusted revenue of \$33,744 included marketplace revenue of \$22,044 and product revenue of \$11,700.

Non-GAAP EBITDA

Total Adjusted EBITDA

US\$ Millions

US\$ Millions



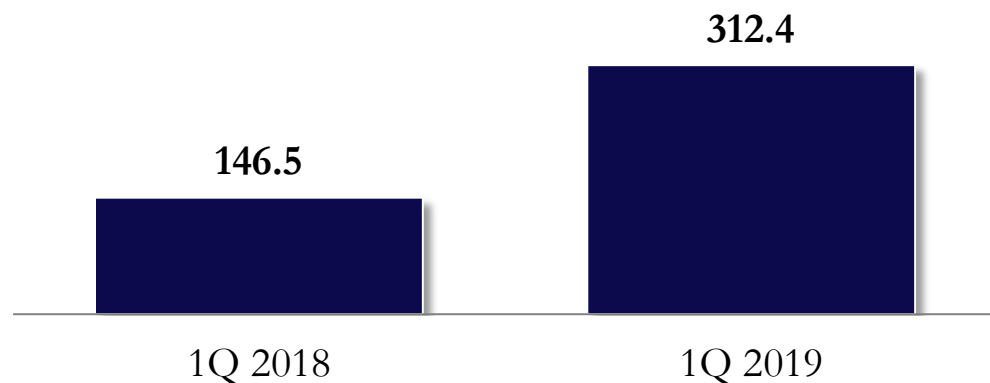
■ DE Adjusted EBITDA
 ■ EC Adjusted EBITDA
 ■ DFS Adjusted EBITDA
 ■ Other Services Adjusted EBITDA
■ Unallocated Expenses

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

Cost and Expense Trends

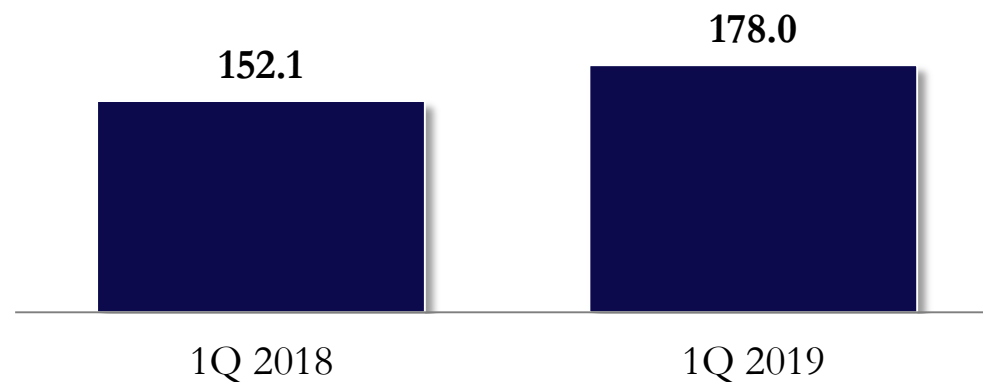
Cost of Revenue

US\$ Millions



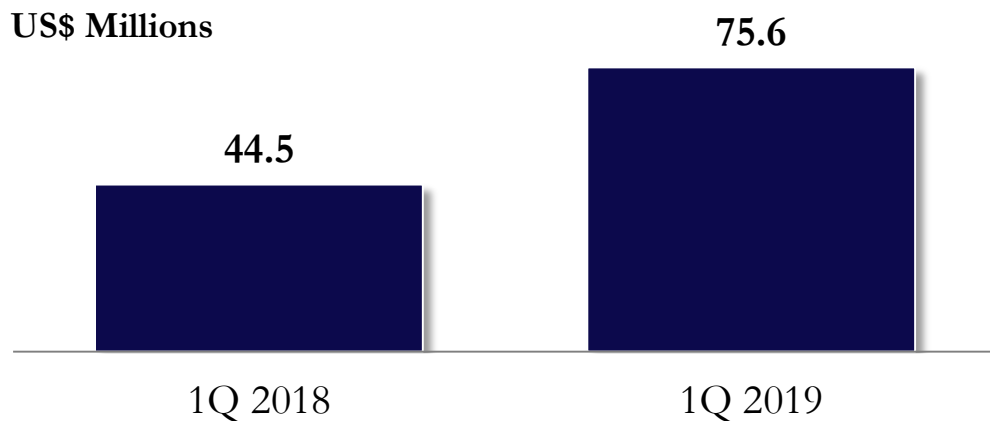
Sales & Marketing Expenses

US\$ Millions



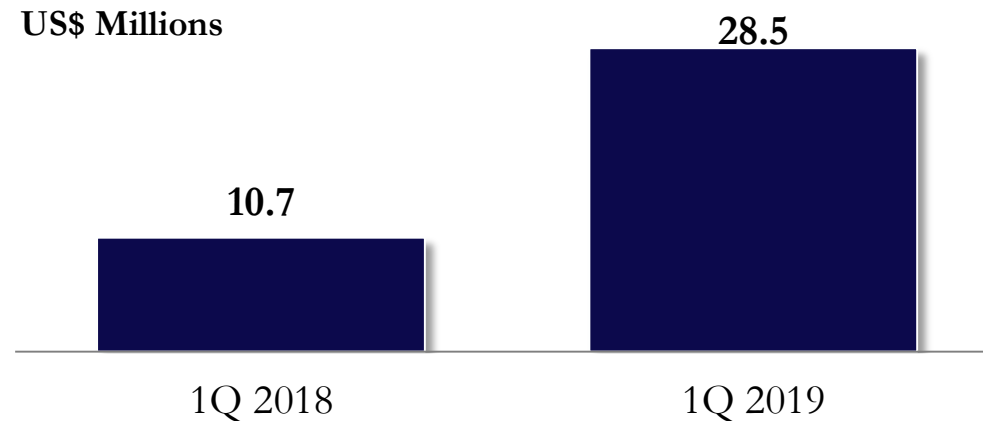
General & Administrative Expenses

US\$ Millions



R&D Expenses

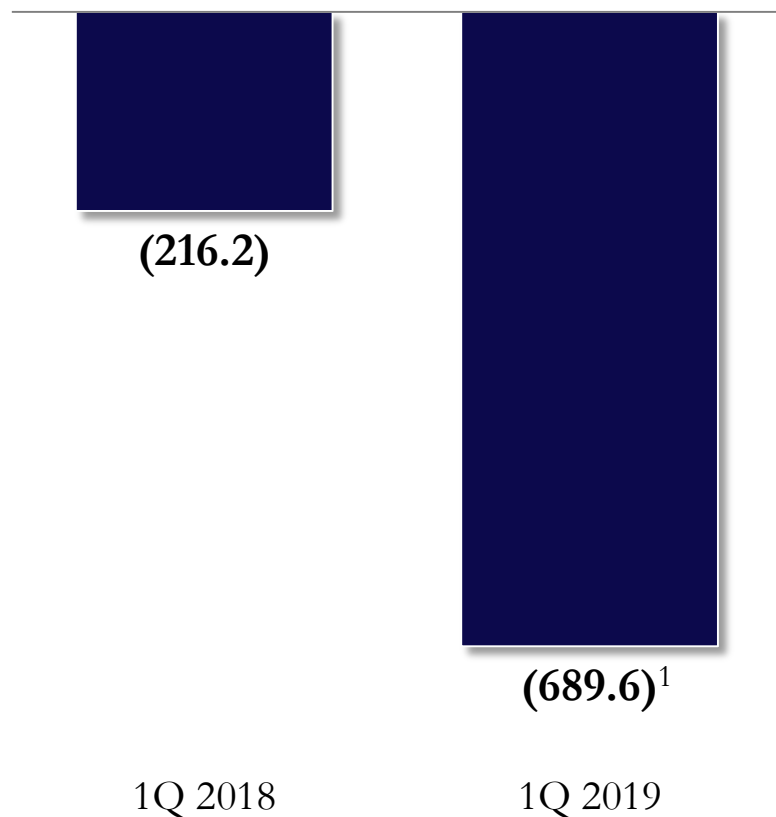
US\$ Millions



Net Loss

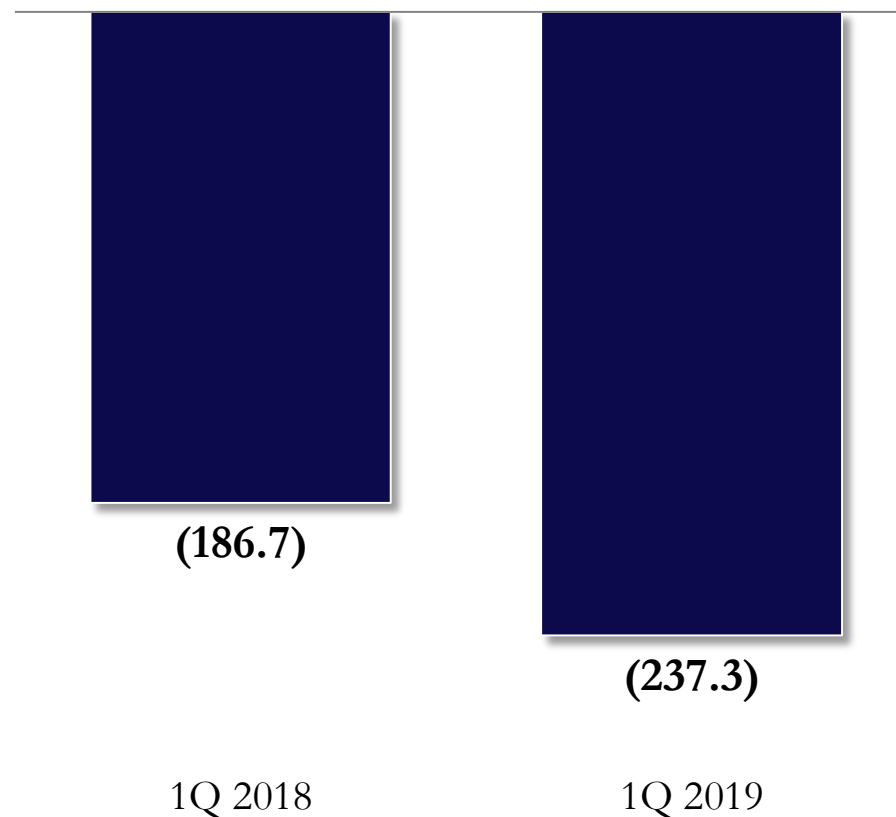
Net Loss

US\$ Millions



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

US\$ Millions



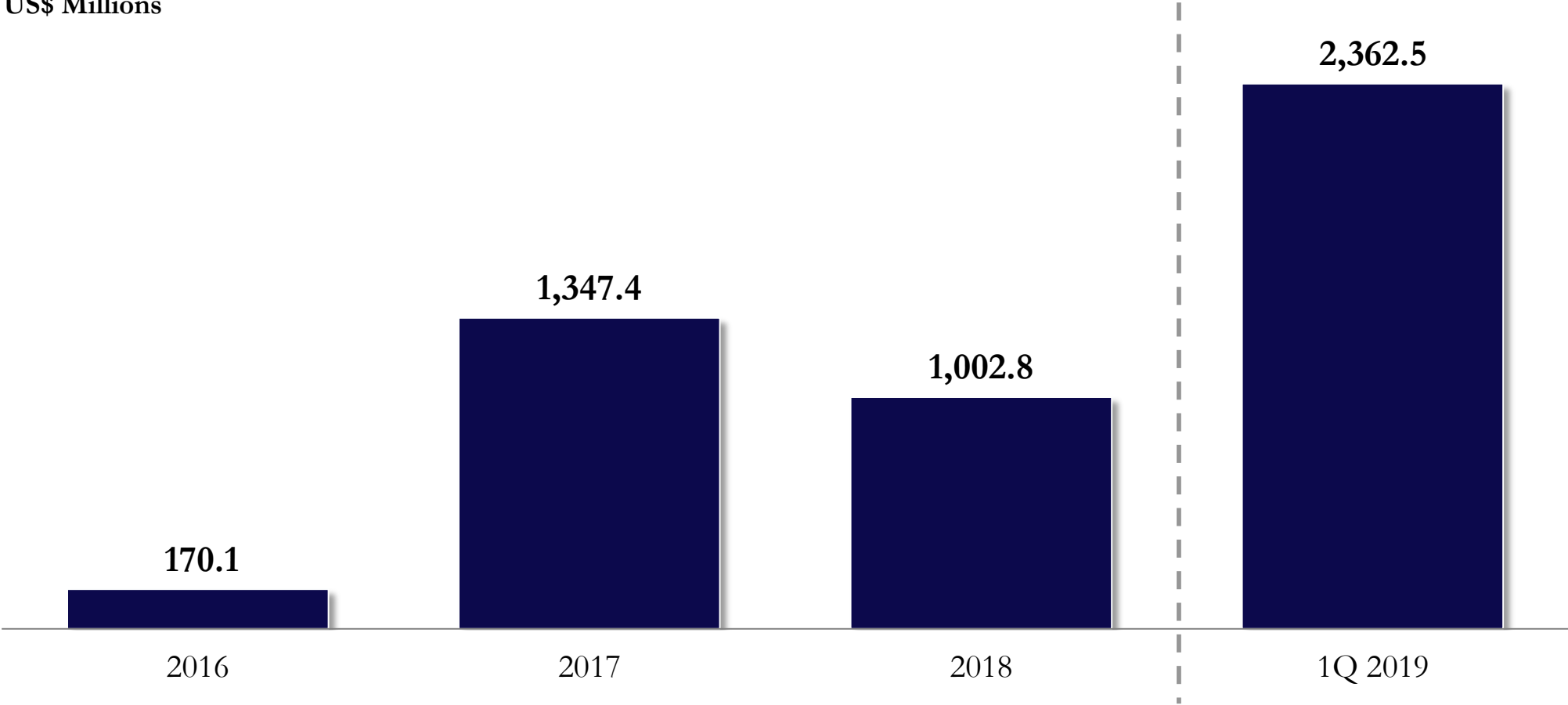
Note: Financial figures are unaudited. Please refer to the appendix for details on reconciliation between Net Loss and Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes.

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

Cash and Cash Equivalents

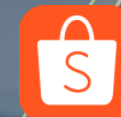
US\$ Millions



Note: Financial figure for 1Q 2019 is unaudited.



Garena



Shopee



AirPay

APPENDIX

Reconciliation between GAAP and non-GAAP EBITDA

US\$ Thousands	1Q 2018	1Q 2019
Digital Entertainment		
<i>Operating income / (loss)</i>	18,788	56,470
<i>Net effect of changes in deferred revenue & related cost</i>	28,195	165,501
<i>Depreciation and amortization</i>	8,021	3,845
Digital Entertainment Adjusted EBITDA	55,004	225,816
E-commerce		
<i>Operating income / (loss)</i>	(184,052)	(253,473)
<i>Net effect of changes in deferred revenue & related cost</i>	-	-
<i>Depreciation and amortization</i>	4,403	18,220
E-commerce Adjusted EBITDA	(179,649)	(235,253)
Group		
<i>Operating income / (loss)</i>	(198,094)	(239,206)
<i>Net effect of changes in deferred revenue & related cost</i>	28,195	165,501
<i>Depreciation and amortization</i>	14,554	25,543
<i>Share-based compensation</i>	10,671	16,199
Total Adjusted EBITDA	(144,674)	(31,963)

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 2018	1Q 2019
Group		
<i>Net loss</i>	(216,169)	(689,609)
<i>Share-based compensation</i>	10,671	16,199
<i>Changes in fair value of the 2017 convertible notes</i>	18,796	436,120 ¹
Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes	(186,702)	(237,290)

Note: Financial figures are unaudited.

1: Fair value loss of \$436.1 million on the 2017 convertible notes was recorded as our share prices during the quarter significantly exceeded the conversion prices of the 2017 convertible notes.