



Third Quarter 2019 Results

November 2019



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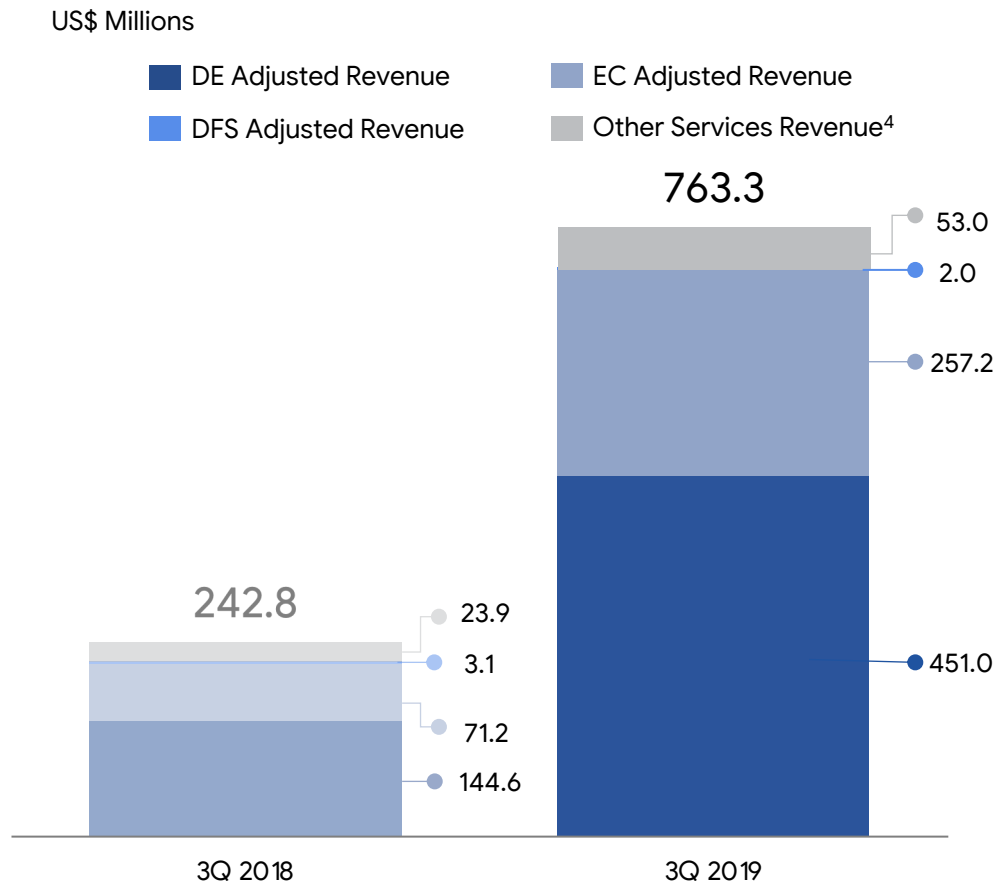
This presentation contains certain financial measures that are not recognized under generally accepted accounting principles in the U.S. (“GAAP”), including “adjusted revenue,” “total adjusted revenue,” “adjusted EBITDA,” “total adjusted EBITDA,” and “net loss excluding share-based compensation and changes 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.

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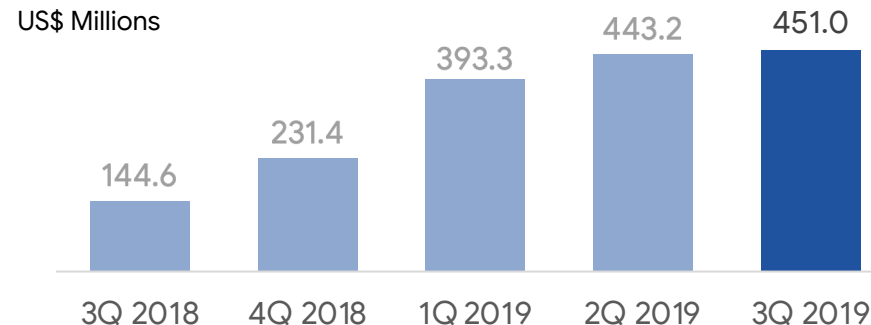


Robust Revenue Growth

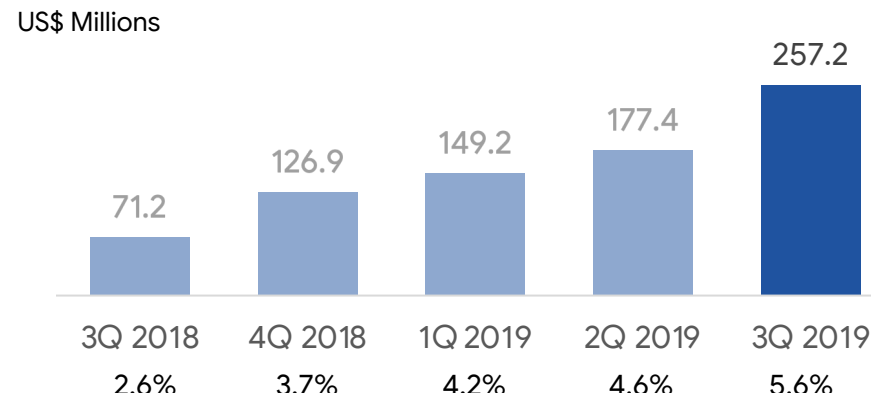
214% YoY Growth in Total Adjusted Revenue¹



212% YoY Growth in DE Adjusted Revenue²



261% YoY Growth in EC Adjusted Revenue³



EC Adjusted Revenue as a % of GMV

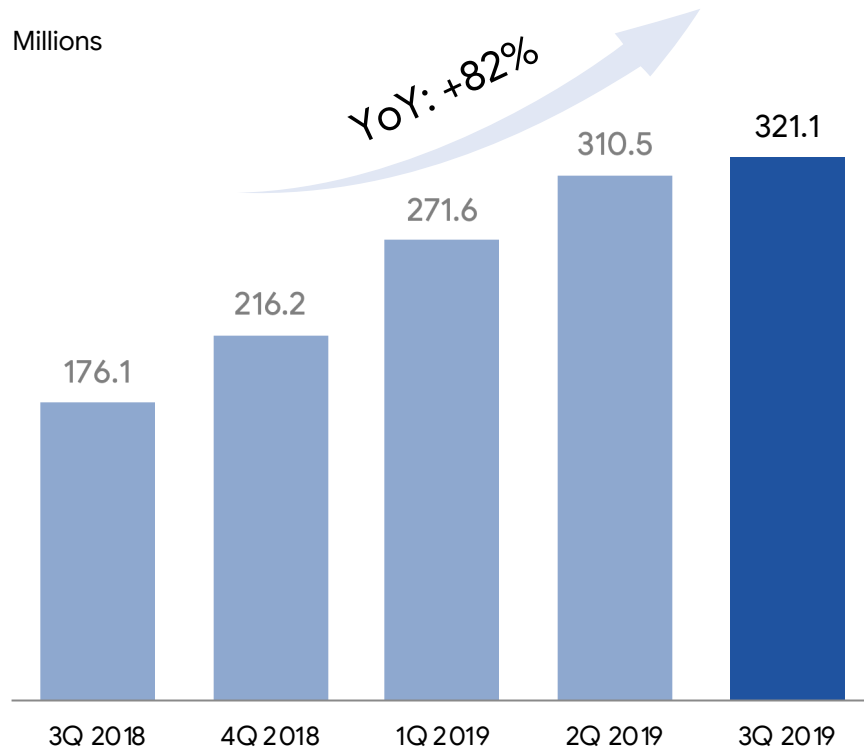
Note: Financial figures are unaudited.

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."

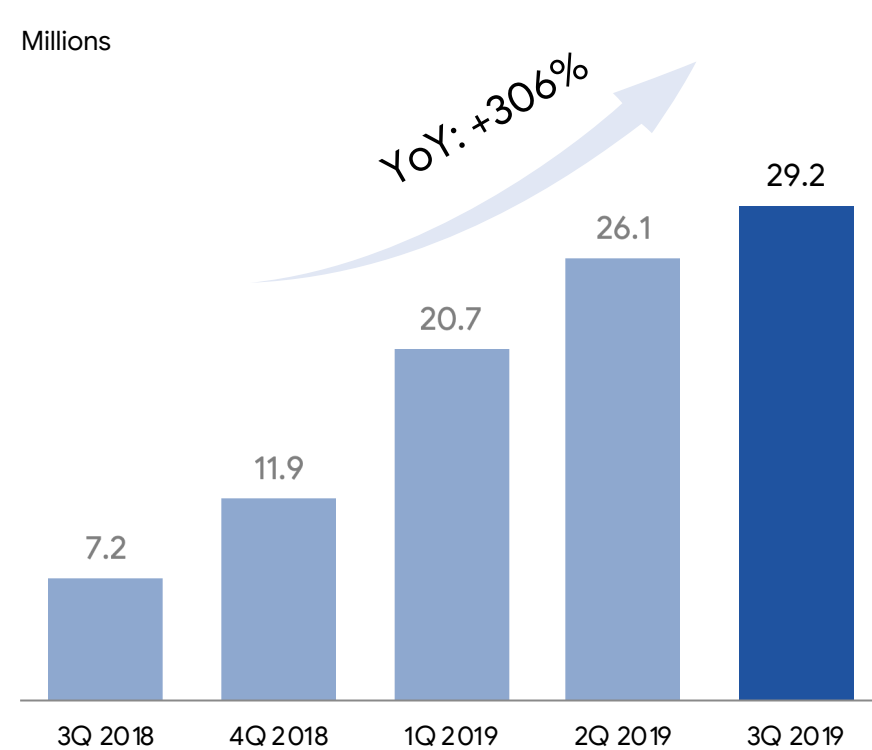


Digital Entertainment: Continued Growth of User Base

Quarterly Active Users



Quarterly Paying Users

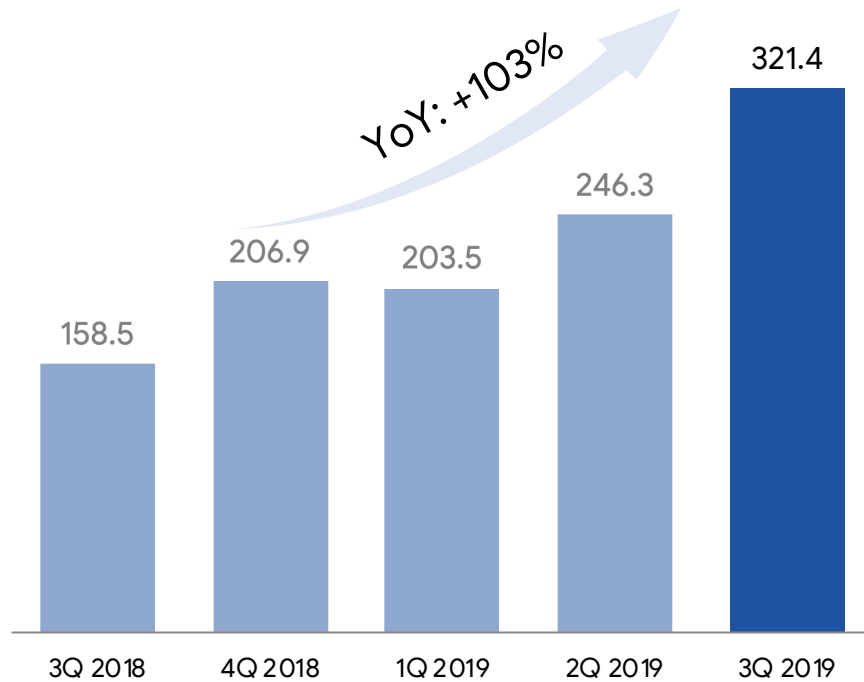




E-commerce: Extending Our Leading Position Across the Region

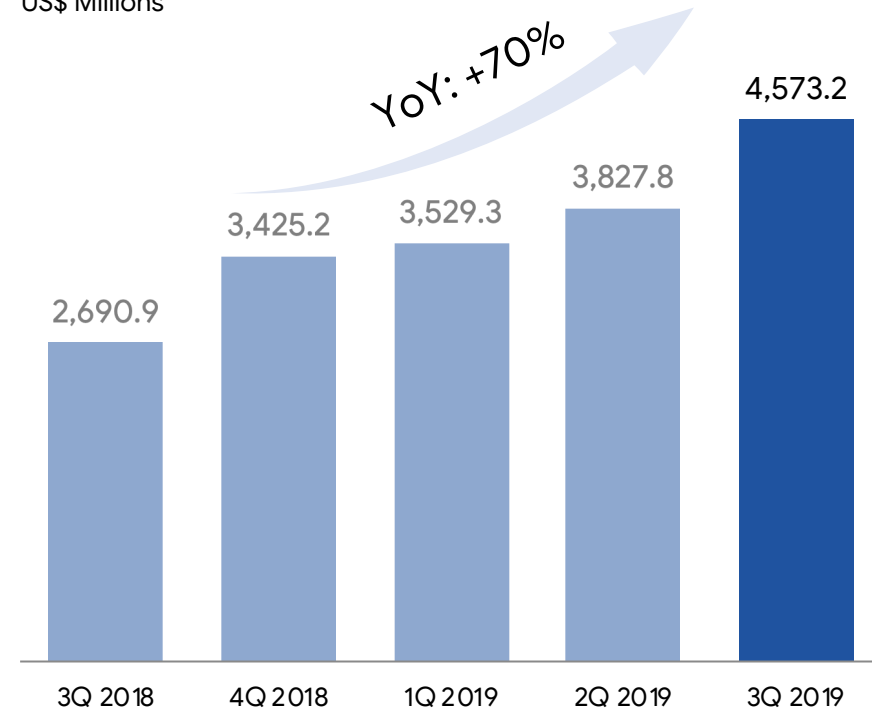
Gross Orders

Millions



GMV

US\$ Millions

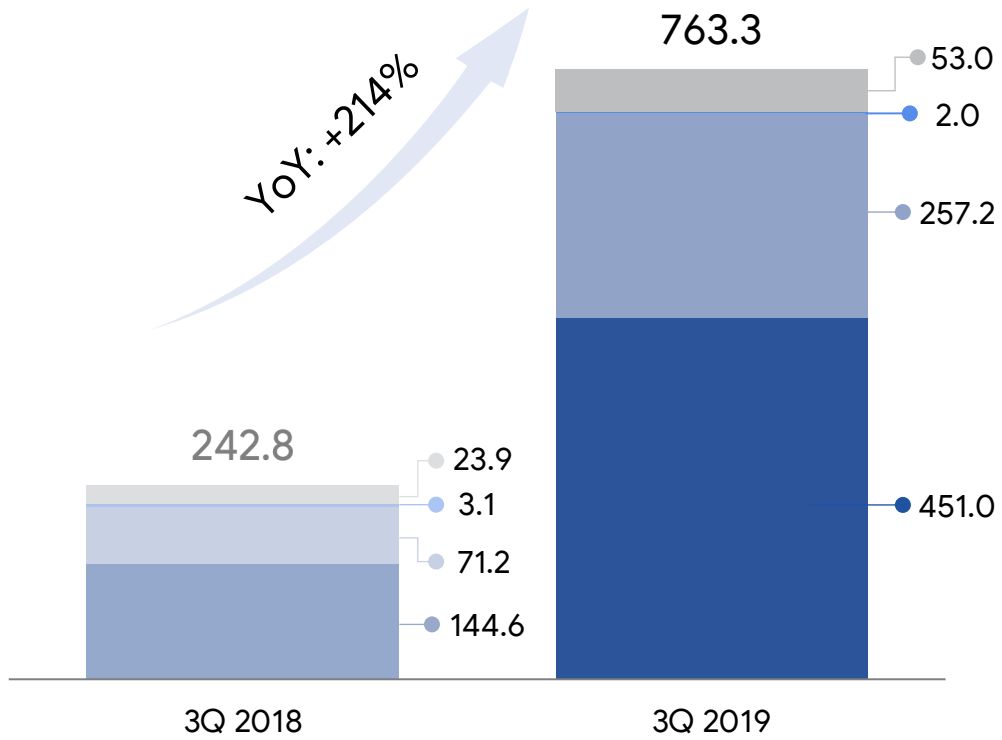




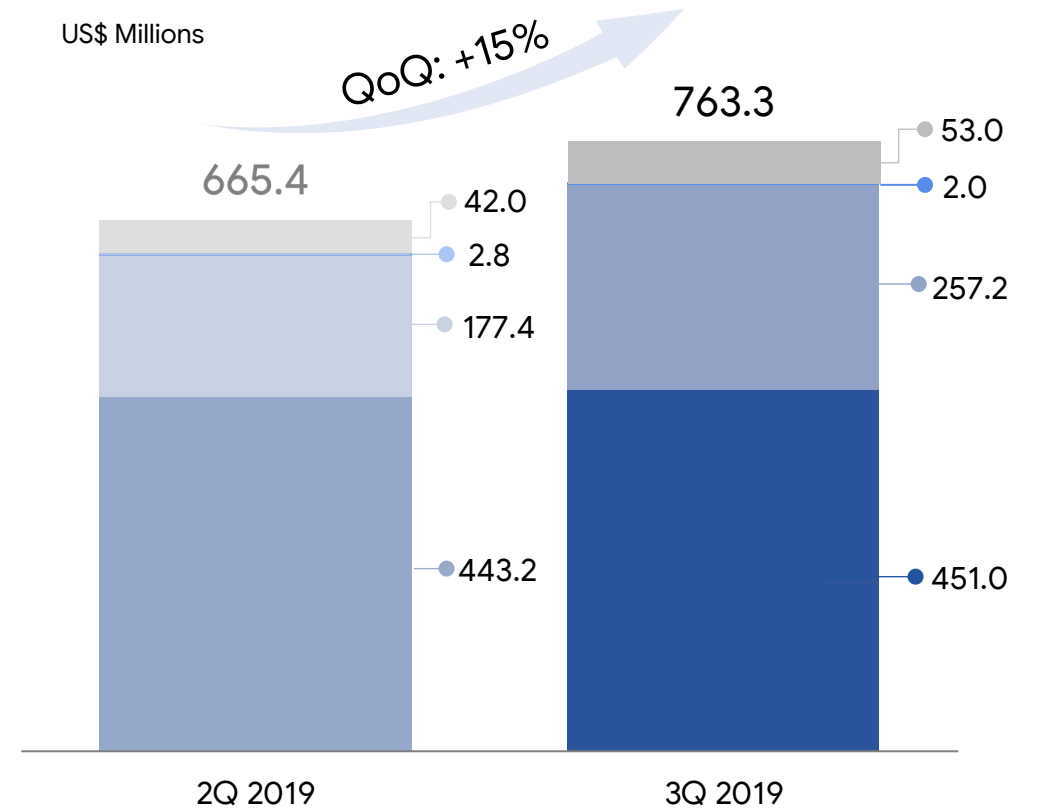
Non-GAAP Revenue

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

US\$ Millions



US\$ Millions



Note: Financial figures are unaudited.

Reconciliation Between GAAP and Non-GAAP Revenue

US\$ Thousands	3Q 2018	3Q 2019
Digital Entertainment		
<i>Revenue</i>	112,520	329,058
<i>Changes in Deferred Revenue</i>	32,038	121,946
Digital Entertainment Adjusted Revenue	144,558	451,004
E-commerce		
<i>Revenue</i>	65,919 ¹	226,396 ¹
<i>Sales Incentives Net-Off</i>	5,314	30,817
E-commerce Adjusted Revenue	71,233²	257,213²
Group		
<i>Revenue</i>	204,921	610,137
<i>Changes in Deferred Revenue</i>	32,038	121,946
<i>Sales Incentives Net-Off</i>	5,879	31,174
Total Adjusted Revenue	242,838	763,257

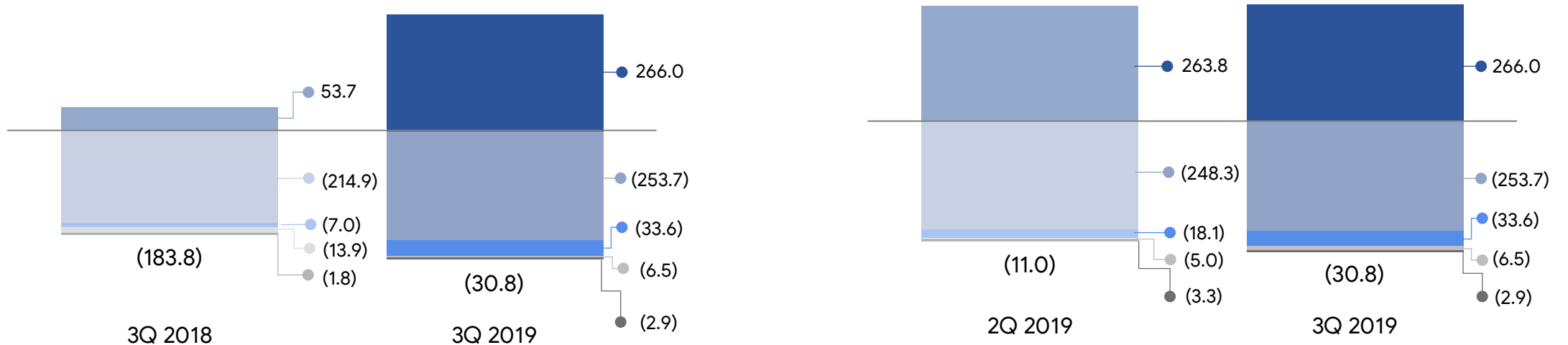
Note: Financial figures are unaudited.

1. For 3Q 2019, revenue of \$226,396 included marketplace revenue of \$177,235 and product revenue of \$49,161 net of sales incentives. For 3Q 2018, revenue of \$65,919 included marketplace revenue of \$45,147 and product revenue of \$20,772 net of sales incentives.

2. For 3Q 2019, adjusted revenue of \$257,213 included marketplace revenue of \$208,052 and product revenue of \$49,161. For 3Q 2018, adjusted revenue of \$71,233 included marketplace revenue of \$50,303 and product revenue of \$20,930.

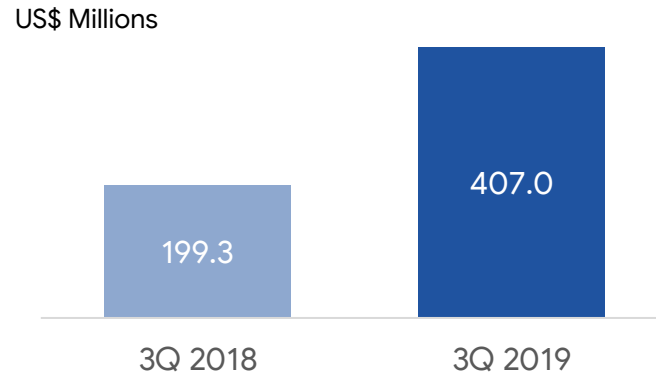
Total Adjusted EBITDA

US\$ Millions

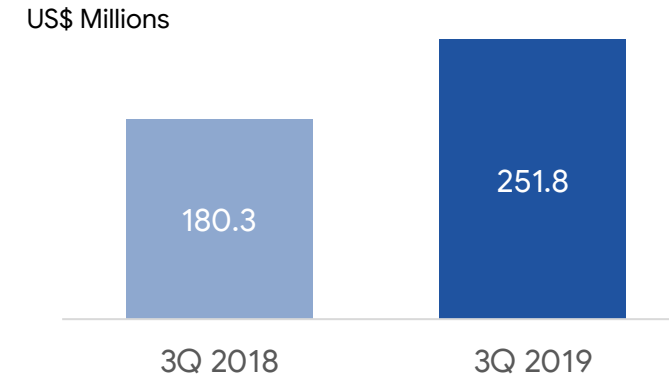


Cost and Expense Trends

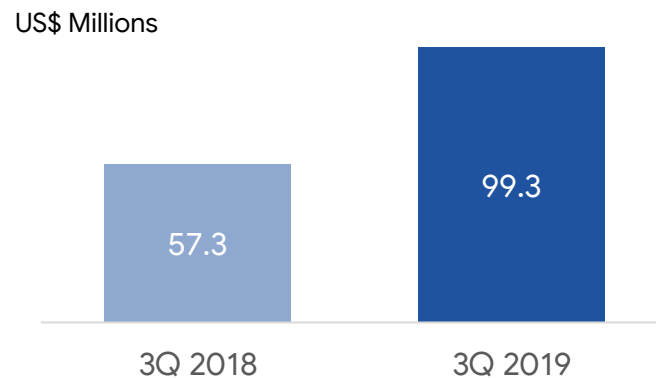
Cost of Revenue



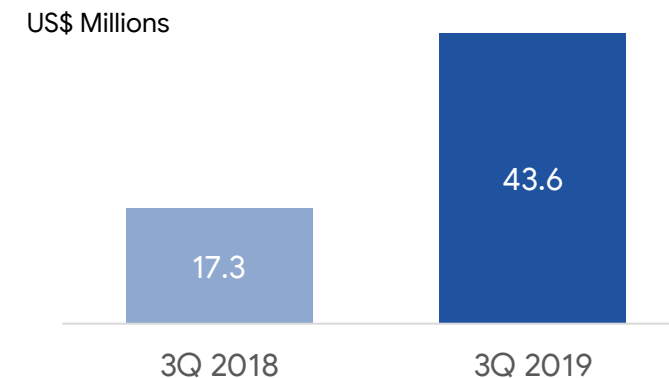
Sales & Marketing Expenses



General & Administrative Expenses



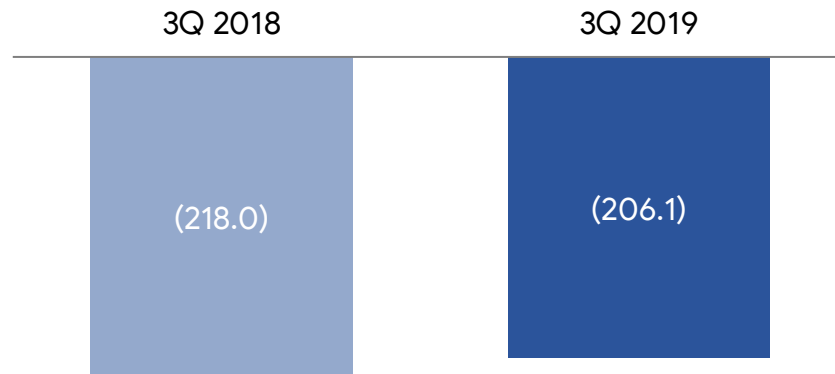
R&D Expenses



Net Loss

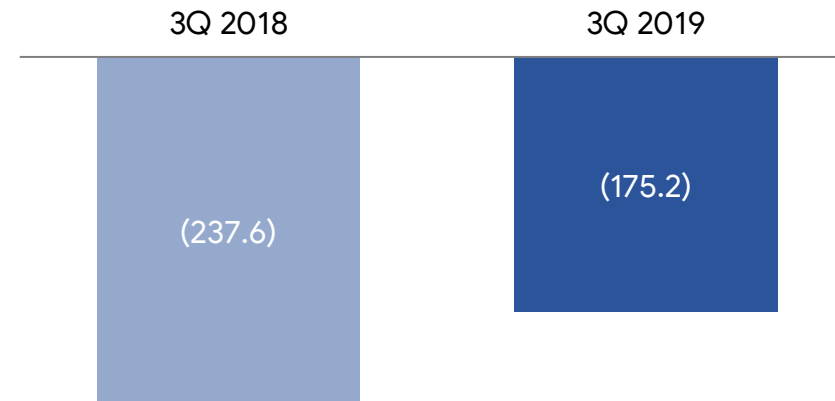
Net Loss

US\$ Millions

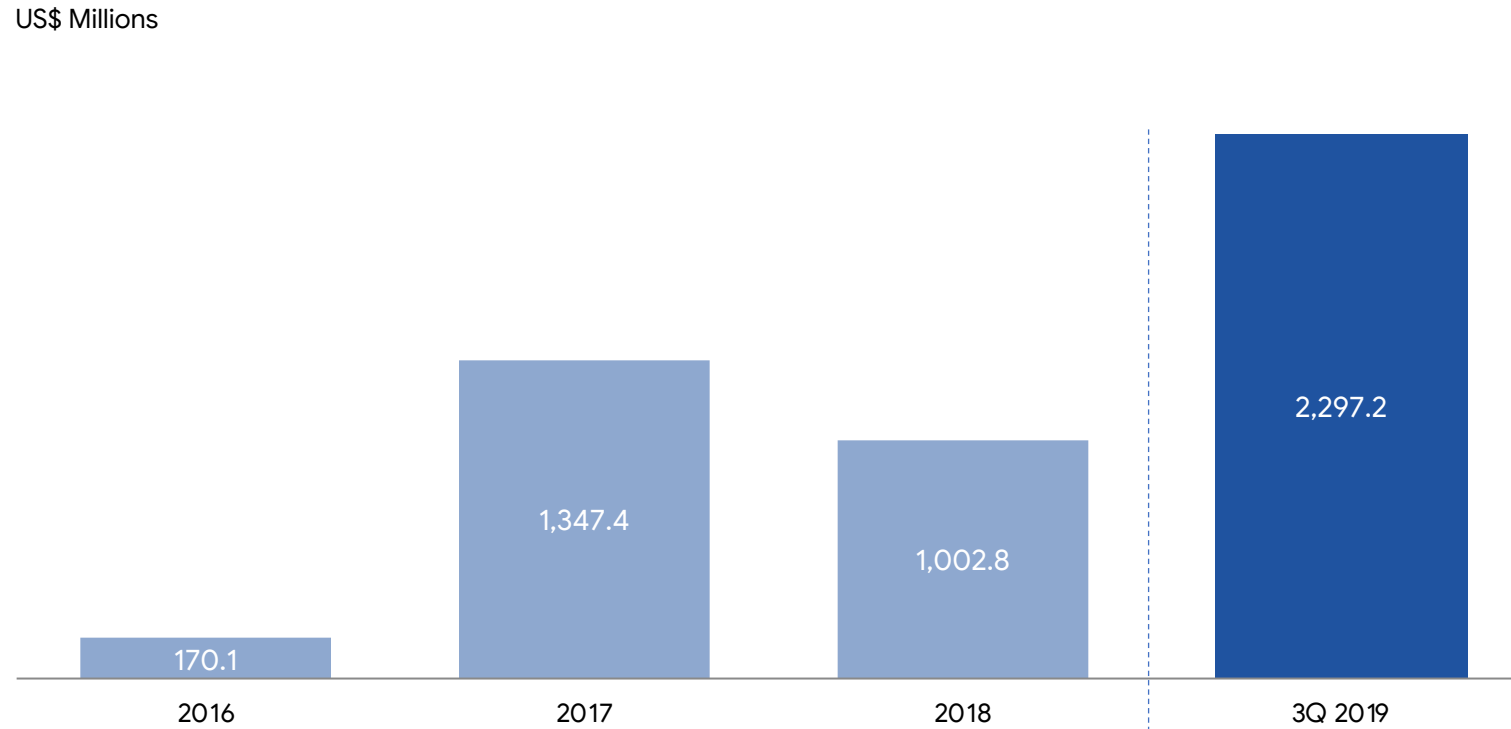


Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes

US\$ Millions



Cash and Cash Equivalents



Note: Financial figure for 3Q 2019 is unaudited.



Raised Full Year 2019 Guidance

	Guidance
Digital Entertainment Adjusted Revenue	US\$1.7 Billion to US\$1.8 Billion 157.2% to 172.3% YoY Growth (Previous: US\$1.6 Billion to US\$1.7 Billion)
E-commerce Adjusted Revenue	US\$880 Million to US\$920 Million 202.7% to 216.5% YoY Growth (Previous: US\$780 Million to US\$820 Million)



Appendix

Reconciliation Between GAAP And Non-GAAP EBITDA

US\$ Thousands	3Q 2018	3Q 2019
Digital Entertainment		
<i>Operating income / (loss)</i>	19,403	169,369
<i>Net effect of changes in deferred revenue & related cost</i>	26,192	91,654
<i>Depreciation and amortization</i>	8,129	4,935
Digital Entertainment Adjusted EBITDA	53,724	265,958
E-commerce		
<i>Operating income / (loss)</i>	(223,787)	(277,219)
<i>Net effect of changes in deferred revenue & related cost</i>	-	-
<i>Depreciation and amortization</i>	8,926	23,507
E-commerce Adjusted EBITDA	(214,861)	(253,712)
Group		
<i>Operating income / (loss)</i>	(246,200)	(187,462)
<i>Net effect of changes in deferred revenue & related cost</i>	26,192	91,654
<i>Depreciation and amortization</i>	19,777	32,302
<i>Share-based compensation</i>	16,479	32,709
Total Adjusted EBITDA	(183,752)	(30,797)

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

US\$ Thousands	3Q 2018	3Q 2019
Group		
<i>Net loss</i>	(218,019)	(206,097)
<i>Share-based compensation</i>	16,479	32,709
<i>Changes in fair value of the 2017 convertible notes</i>	(36,028)	(1,774)
Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes	(237,568)	(175,162)