



Third Quarter 2020 Results

November 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 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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Group: Robust Revenue Growth

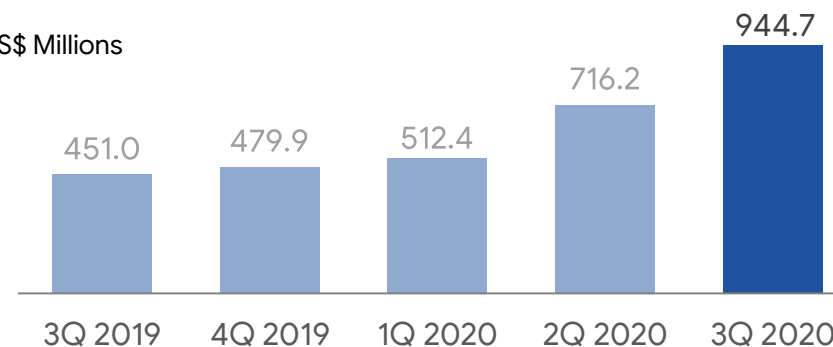
99% YoY Growth in Total GAAP Revenue¹

US\$ Millions



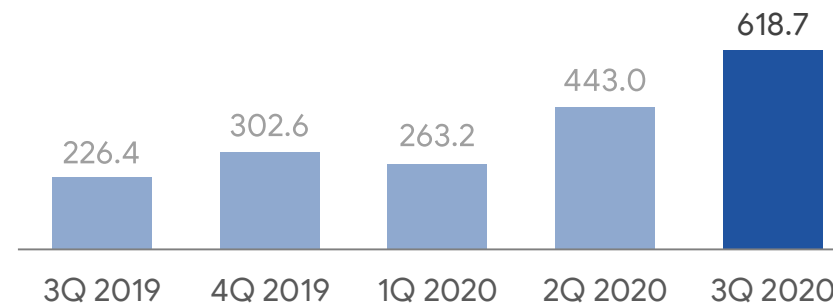
110% YoY Growth in DE Bookings³

US\$ Millions



173% YoY Growth in EC GAAP Revenue

US\$ Millions



Note: Financial figures are unaudited.

1. Sum of digital entertainment ("DE") GAAP revenue, e-commerce ("EC") GAAP revenue, digital financial services ("DFS") GAAP revenue, and other services GAAP revenue.

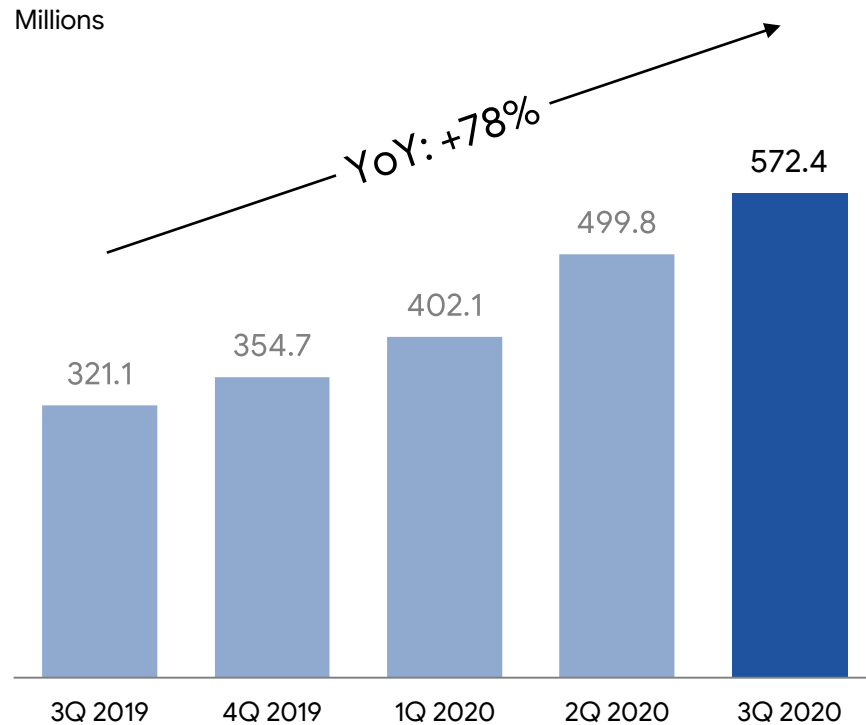
2. A combination of multiple business activities that does not meet the quantitative thresholds to qualify as reportable segments are grouped together as "Other Services."

3. GAAP revenue for the digital entertainment segment plus change in digital entertainment deferred revenue. This operating metric is used as an approximation of cash spent by our users in the applicable period that is attributable to our digital entertainment segment.

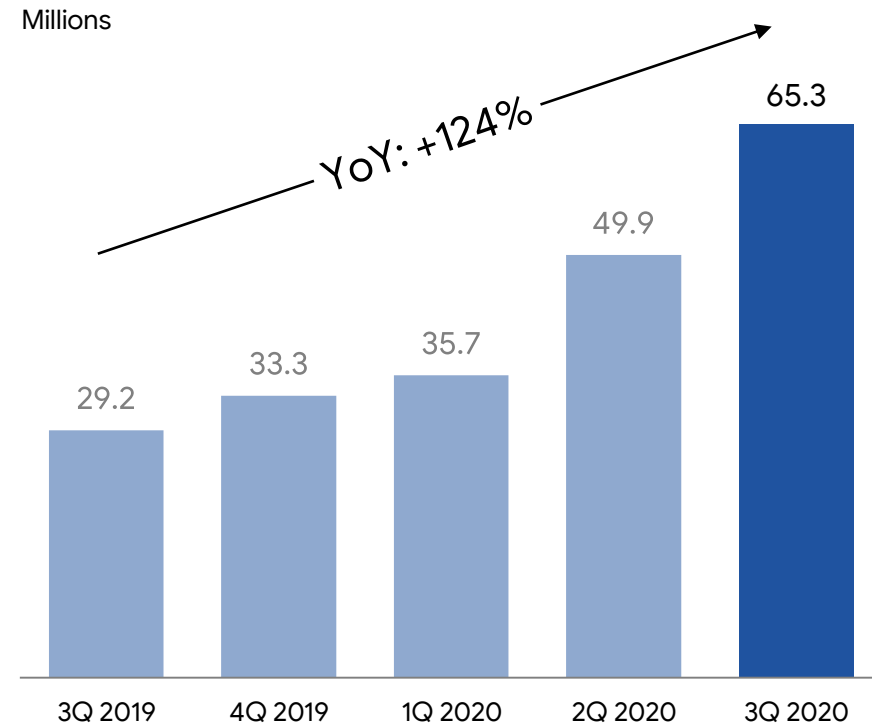


Digital Entertainment: Continued Growth of User Base

Quarterly Active Users



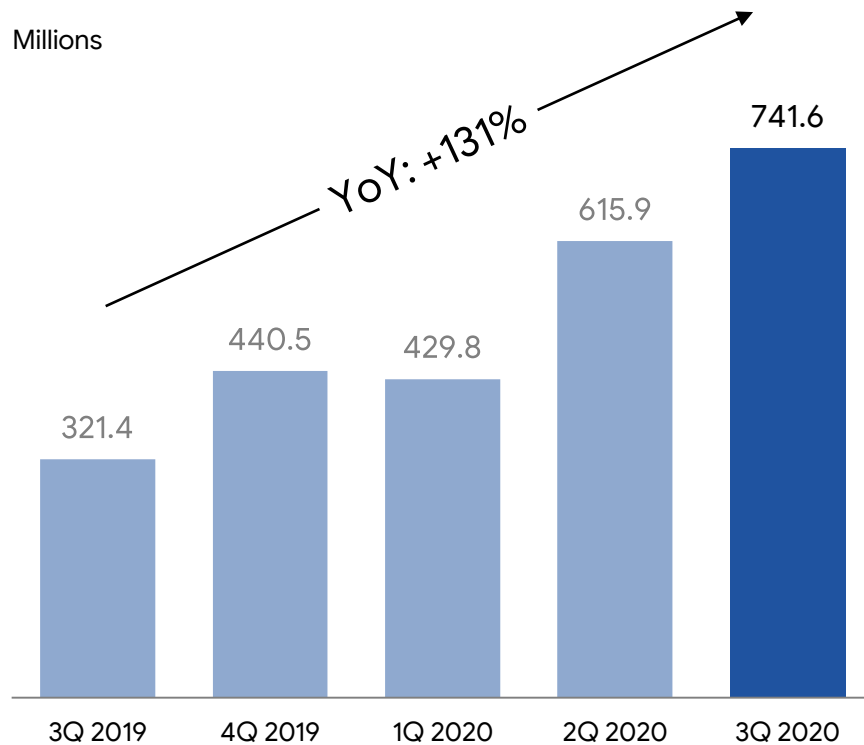
Quarterly Paying Users



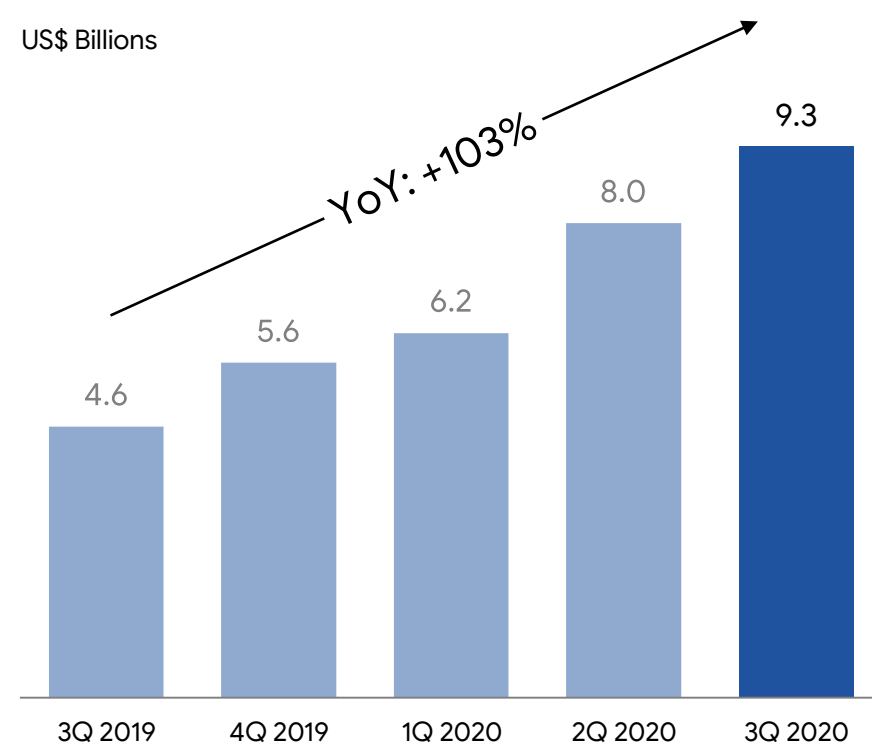


E-commerce: Extending Our Leading Position Across the Region

Gross Orders



GMV





Digital Financial Services: Accelerating Adoption In Our Region

> US\$2.1 Billion

in mobile wallet
Total Payment Volume in 3Q 2020

> 17.8 Million

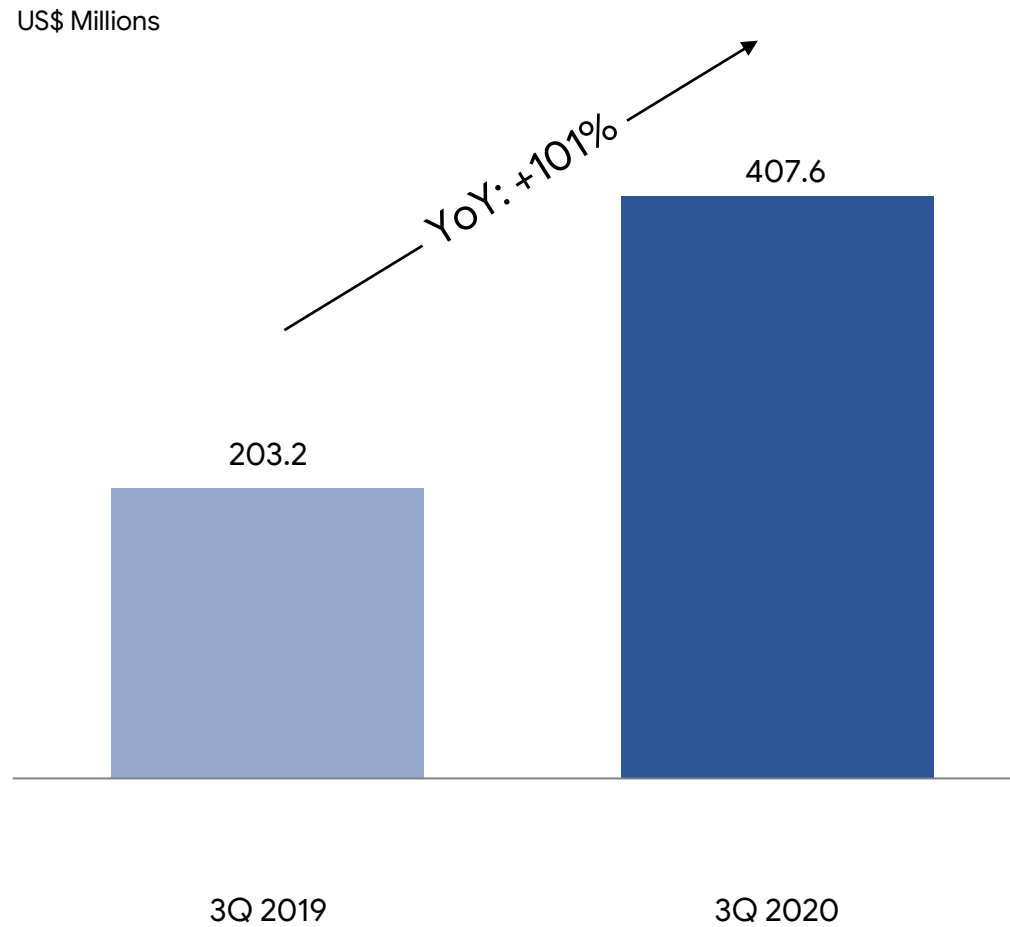
Quarterly Paying Users for
mobile wallet services in 3Q 2020

> 30%

of Shopee's Gross Orders were
paid using our mobile wallet in Oct¹

Note:
1. In October 2020, more than 30% of Shopee's total gross orders across our markets combined were paid using our mobile wallet.

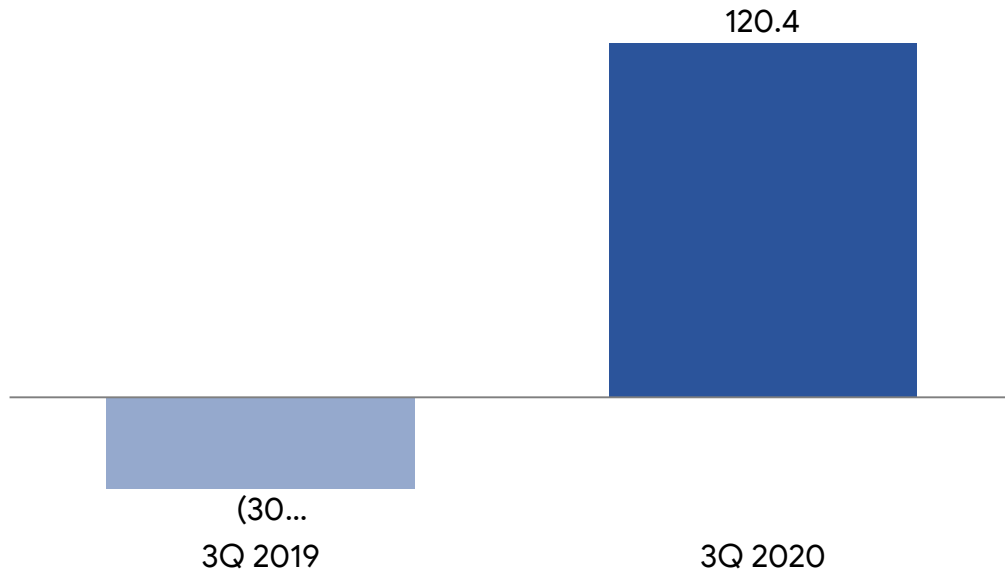
Total Gross Profit



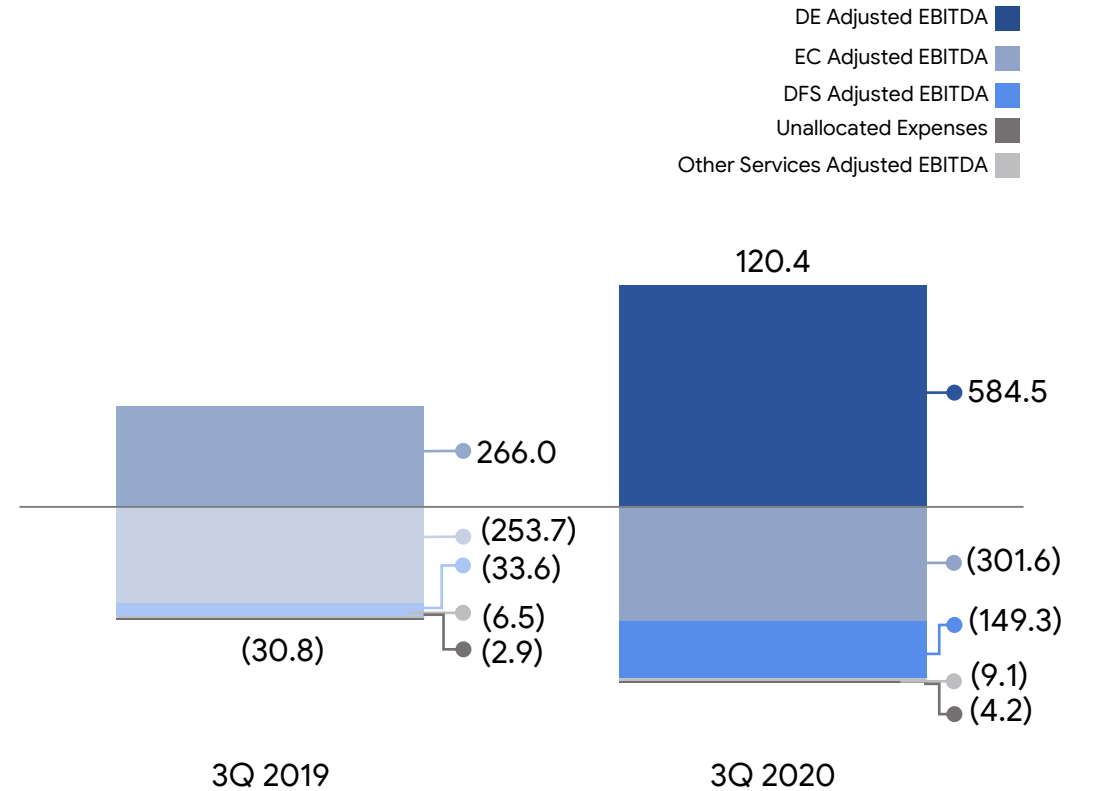
Non-GAAP EBITDA

Total Adjusted EBITDA

US\$ Millions



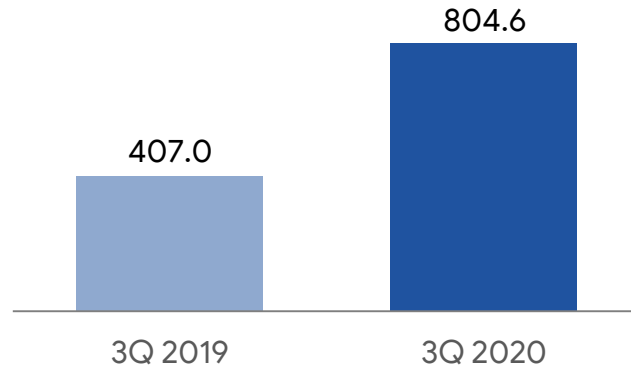
US\$ Millions



Cost and Expense Trends

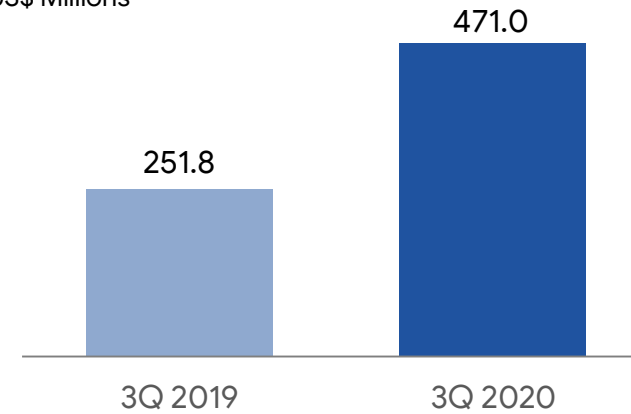
Cost of Revenue

US\$ Millions



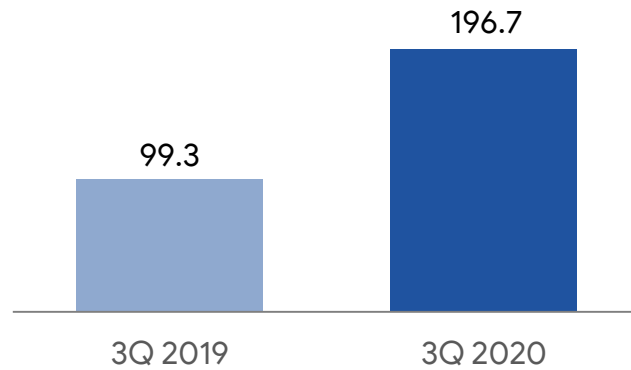
Sales & Marketing Expenses

US\$ Millions



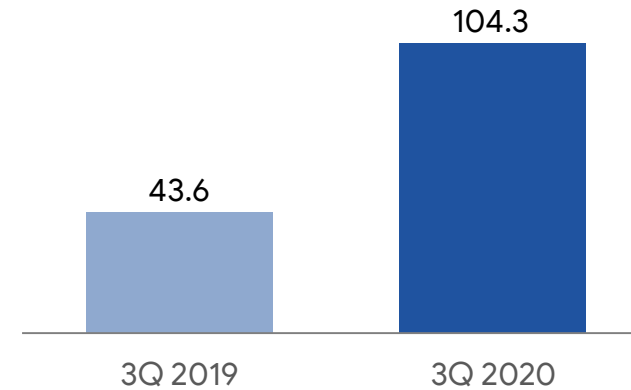
General & Administrative Expenses

US\$ Millions



R&D Expenses

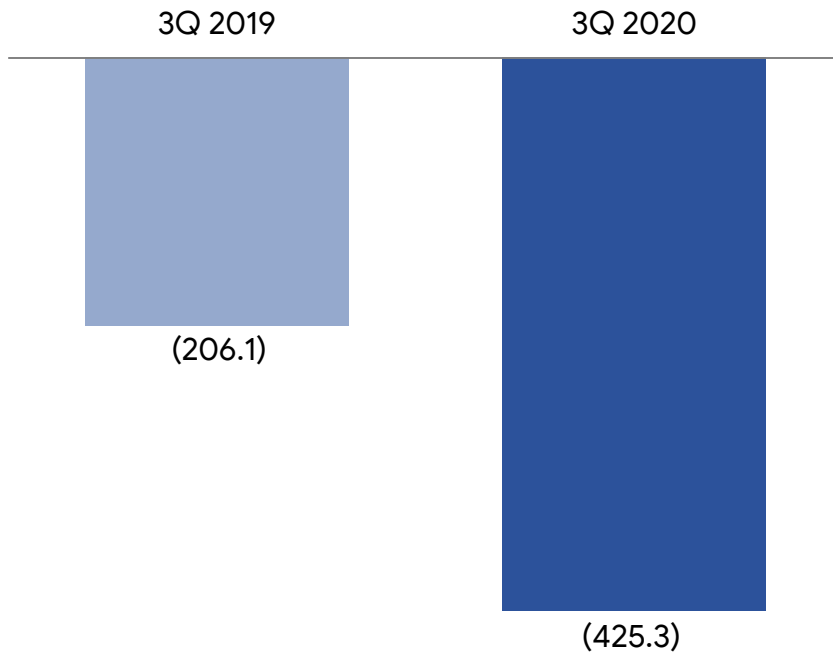
US\$ Millions



Net Loss

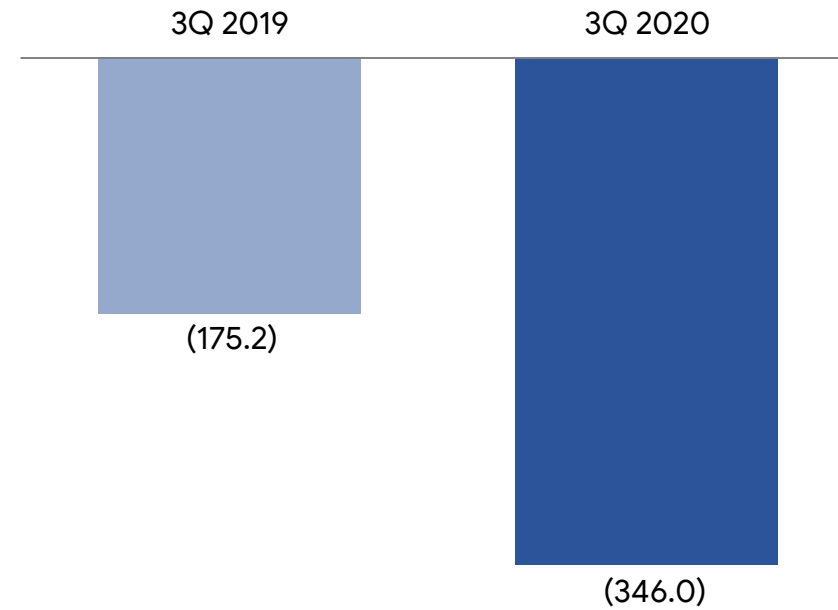
Net Loss

US\$ Millions



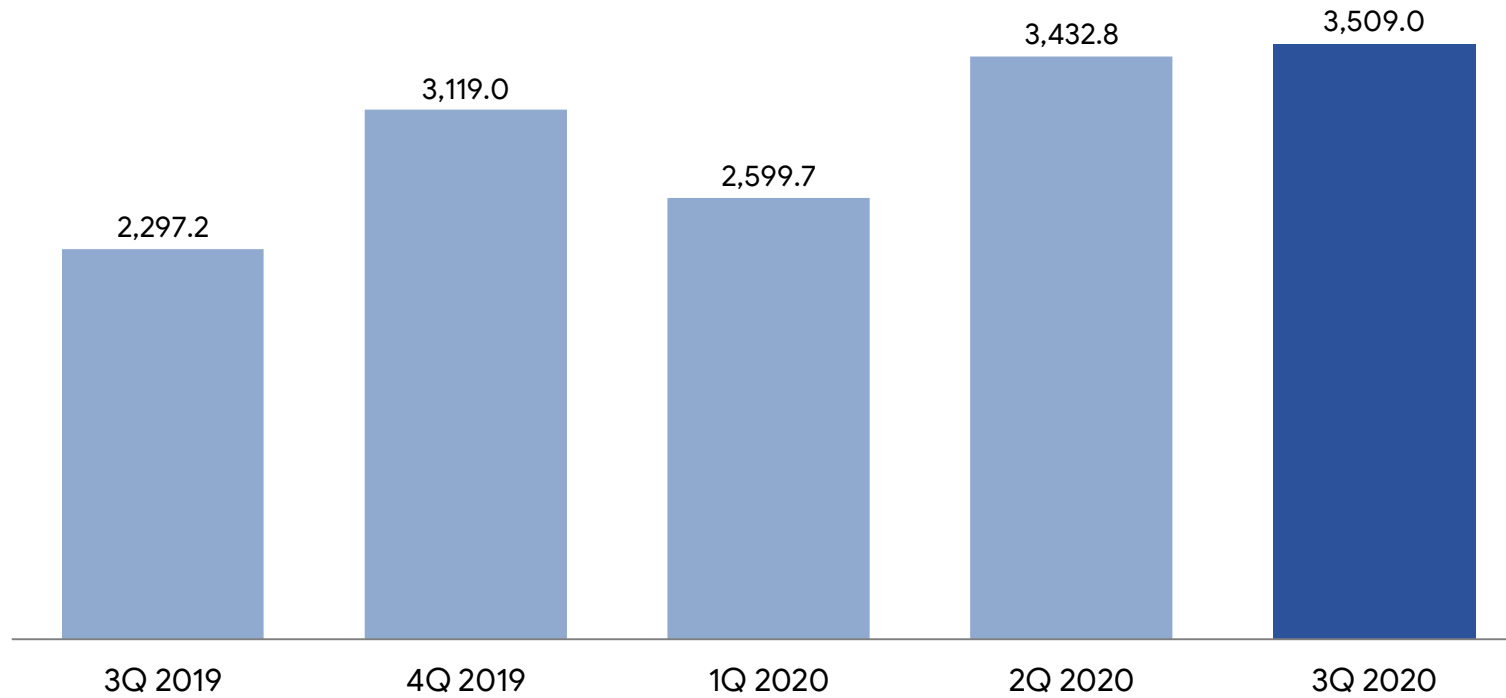
Net Loss Excluding Share-based Compensation and Changes in Fair Value of the 2017 Convertible Notes

US\$ Millions



Cash and Cash Equivalents

US\$ Millions





Raised Full Year 2020 Guidance

	Guidance
Digital Entertainment Bookings ¹	> US\$3.1 Billion > 75.4% YoY Growth (Previous: US\$1.9 Billion to US\$2.0 Billion)
E-commerce GAAP revenue plus sales incentives net-off ²	> US\$2.3 Billion > 144.1% YoY Growth (Previous: US\$1.7 Billion to US\$1.8 Billion)

Note:

- 1. Adjusted revenue for digital entertainment in the previously disclosed guidance.*
- 2. Adjusted revenue for e-commerce in the previously disclosed guidance.*



Appendix

Reconciliation Between GAAP and Non-GAAP EBITDA

US\$ Thousands	3Q 2019	3Q 2020
Digital Entertainment		
<i>Operating income / (loss)</i>	169,369	278,614
<i>Net effect of changes in deferred revenue & related cost</i>	91,654	299,200
<i>Depreciation and amortization</i>	4,935	6,711
Digital Entertainment Adjusted EBITDA	265,958	584,525
E-commerce		
<i>Operating income / (loss)</i>	(277,219)	(338,097)
<i>Depreciation and amortization</i>	23,507	36,507
E-commerce Adjusted EBITDA	(253,712)	(301,590)
Group		
<i>Operating income / (loss)</i>	(187,462)	(305,473)
<i>Net effect of changes in deferred revenue & related cost</i>	91,654	299,200
<i>Depreciation and amortization</i>	32,302	47,446
<i>Share-based compensation</i>	32,709	79,213
Total Adjusted EBITDA	(30,797)	120,386



Reconciliation Between Net Loss and Net Loss Excluding Share-based Compensation and Changes in Fair Value of the 2017 Convertible Notes

US\$ Thousands	3Q 2019	3Q 2020
Group		
<i>Net loss</i>	(206,097)	(425,262)
<i>Share-based compensation</i>	32,709	79,213
<i>Changes in fair value of the 2017 convertible notes</i>	(1,774)	-
Net loss excluding share-based compensation and changes in fair value of the 2017 convertible notes	(175,162)	(346,049)