



Third Quarter 2022 Results

November 2022



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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.” 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.

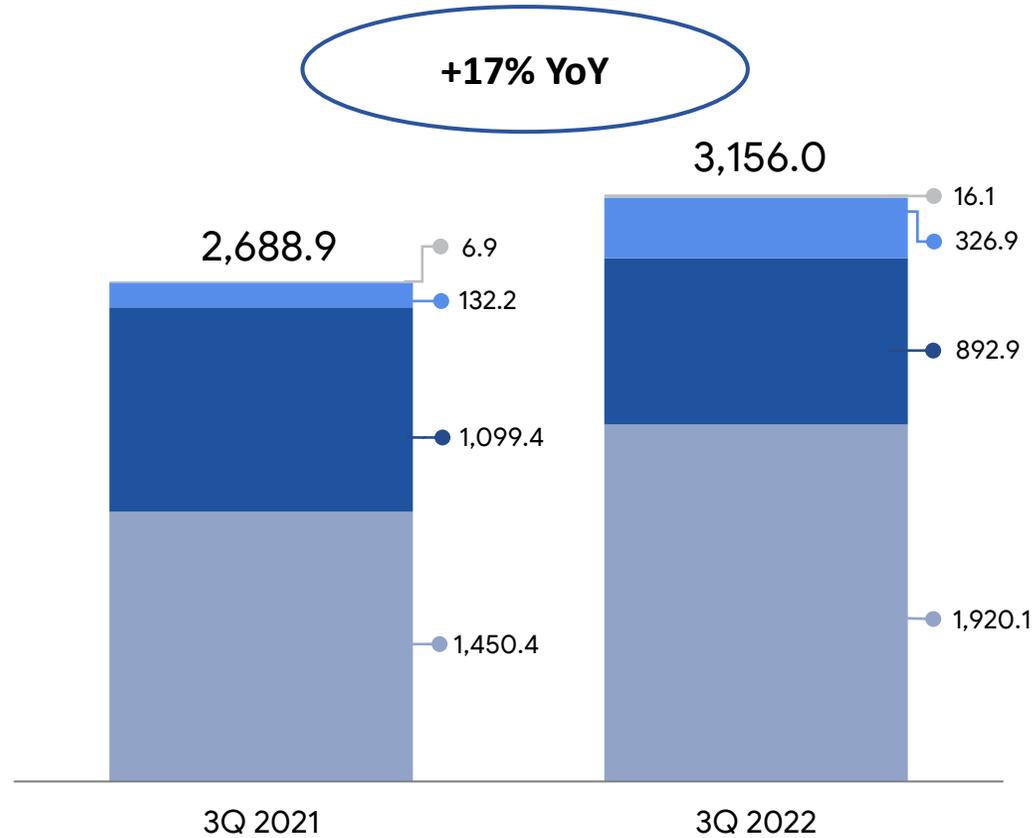
This presentation does not contain all relevant information relating to Sea or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of Sea. Nothing contained in this presentation shall be relied upon as a promise or representation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



Total GAAP Revenue

US\$ Millions

- EC GAAP Revenue
- DFS GAAP Revenue
- DE GAAP Revenue
- Other Services GAAP Revenue¹



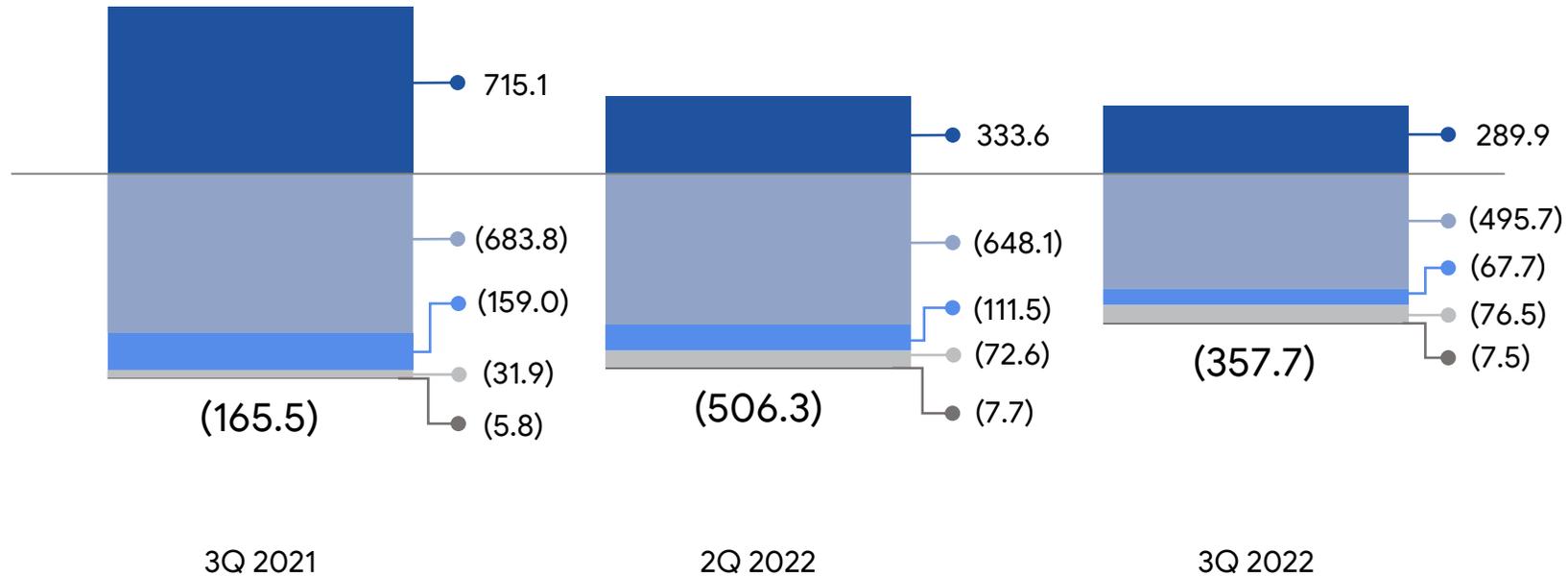
Note: Financial figures are unaudited.

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

Total Adjusted EBITDA

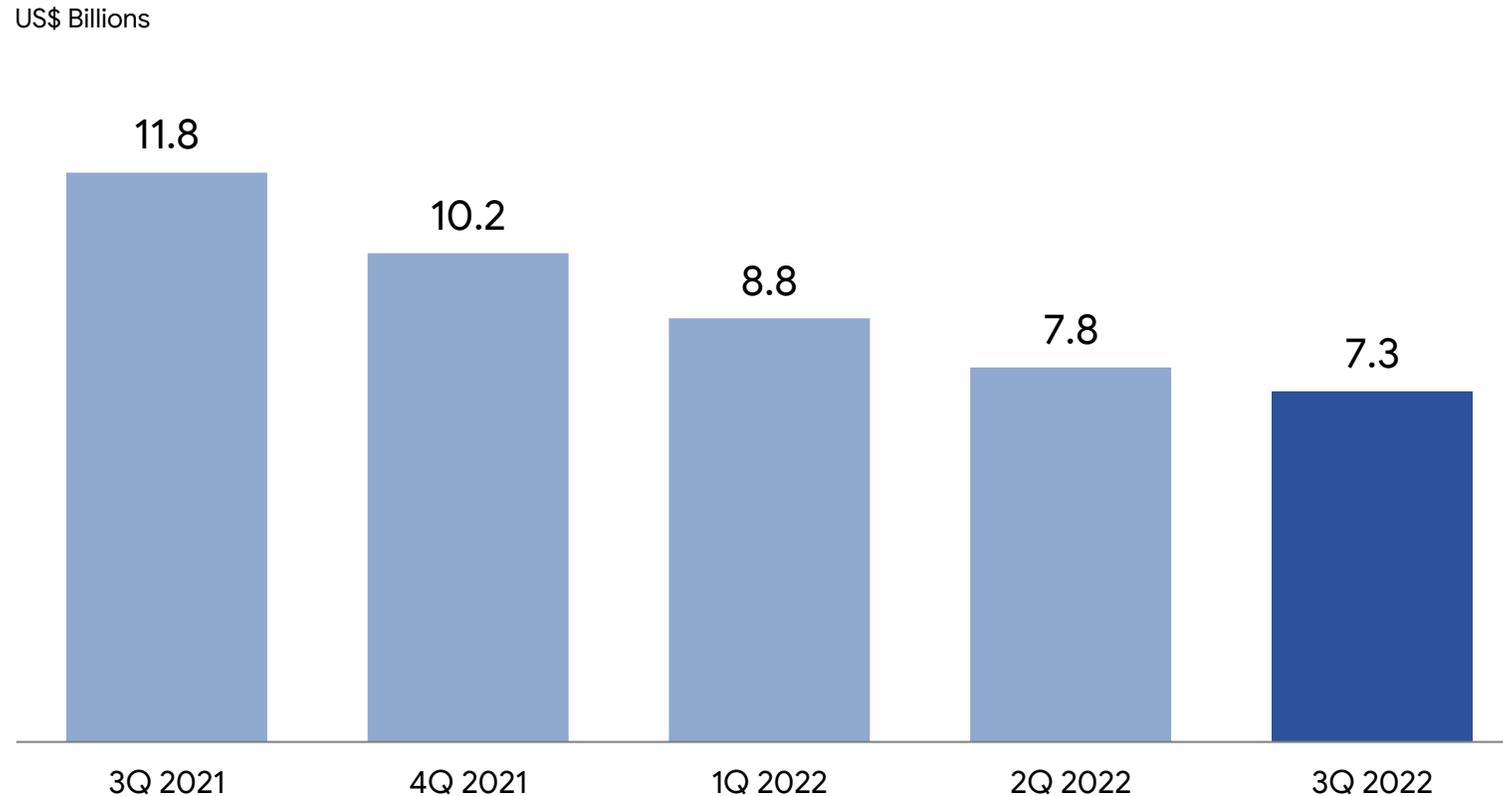
US\$ Millions

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



After adjusting for US\$77.4 million of severance and early lease termination related costs for the quarter, adjusted EBITDA improved by 44.7% quarter-on-quarter.

Cash, Cash Equivalents and Short-term Investments



As of September 30, 2022, cash, cash equivalents and short-term investments was US\$7.3 billion, representing a net change of US\$(485.1) million from June 30, 2022.



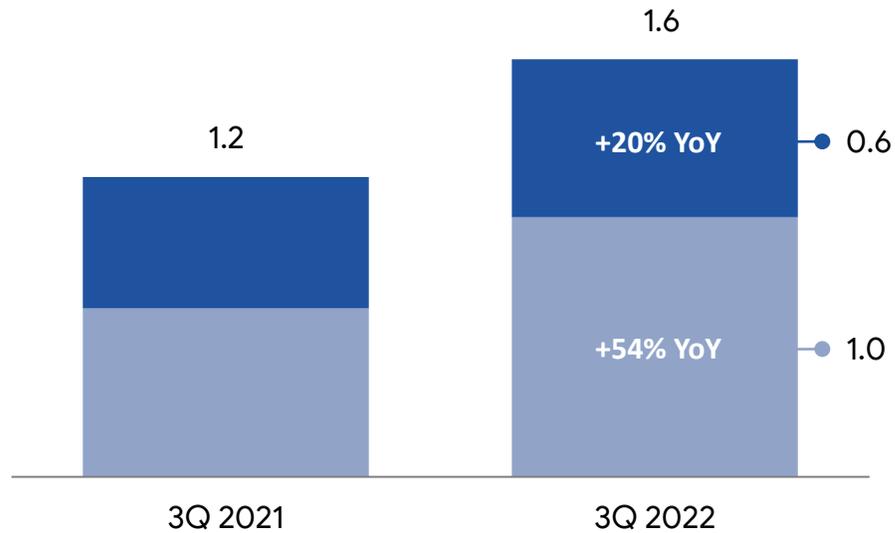
E-commerce

GAAP Marketplace Revenue

US\$ Billions

+39% YoY

- Core Marketplace Revenue
- Value-added Services Revenue

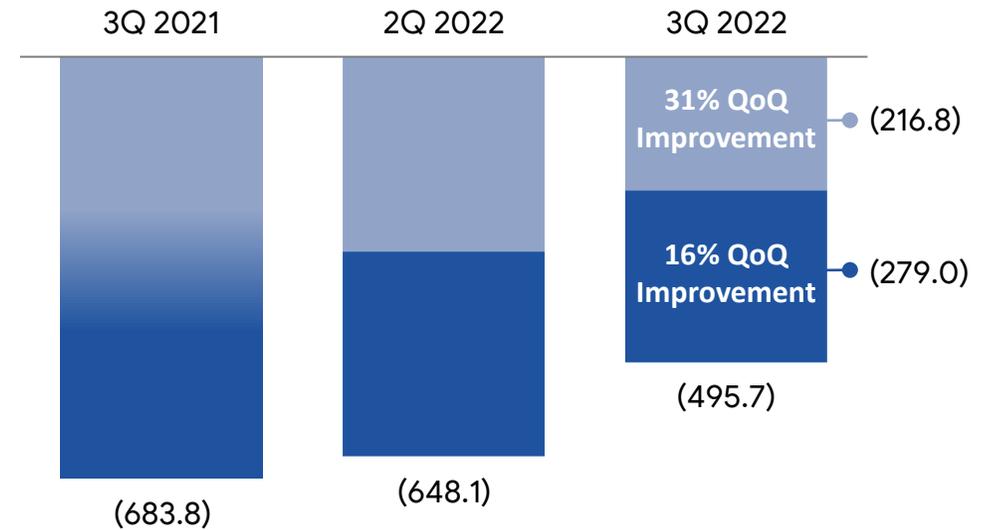


Adjusted EBITDA¹

US\$ Millions

28% YoY & 24% QoQ Improvement

- Asia Markets Adjusted EBITDA
- Other Markets Adjusted EBITDA



Note: Financial figures are unaudited

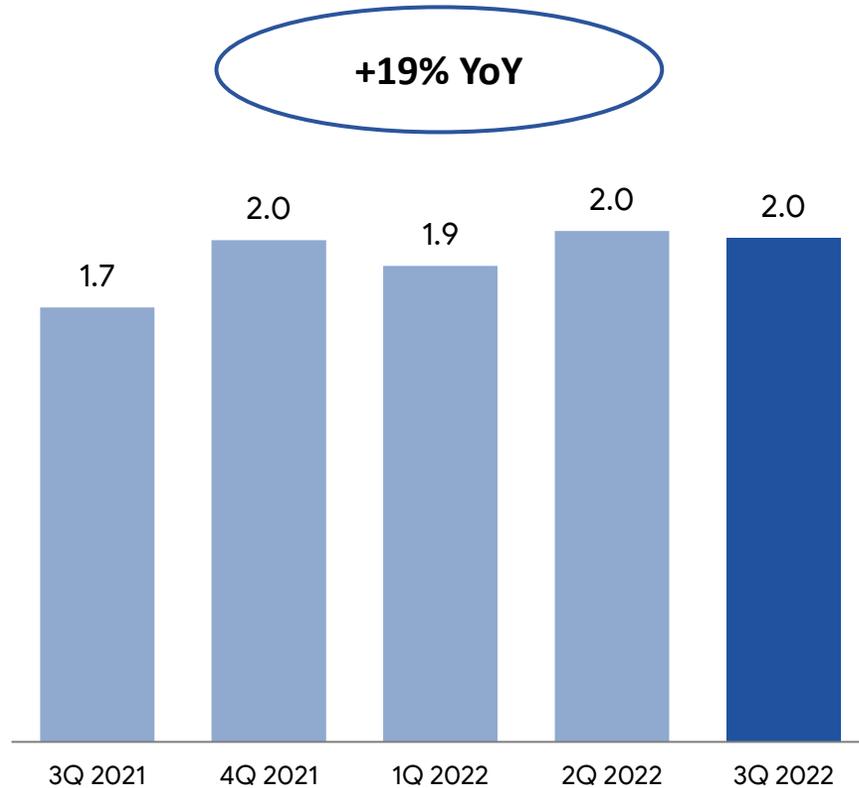
1. Includes allocation of headquarters' common expenses to respective region.



E-commerce

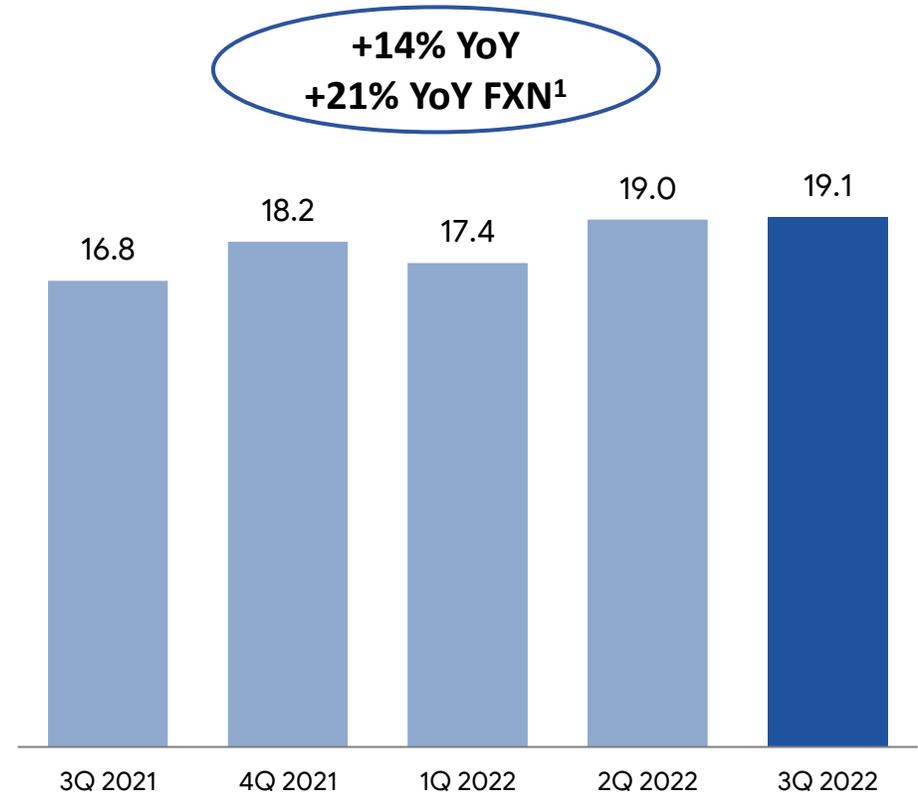
Gross Orders

Billions



GMV

US\$ Billions



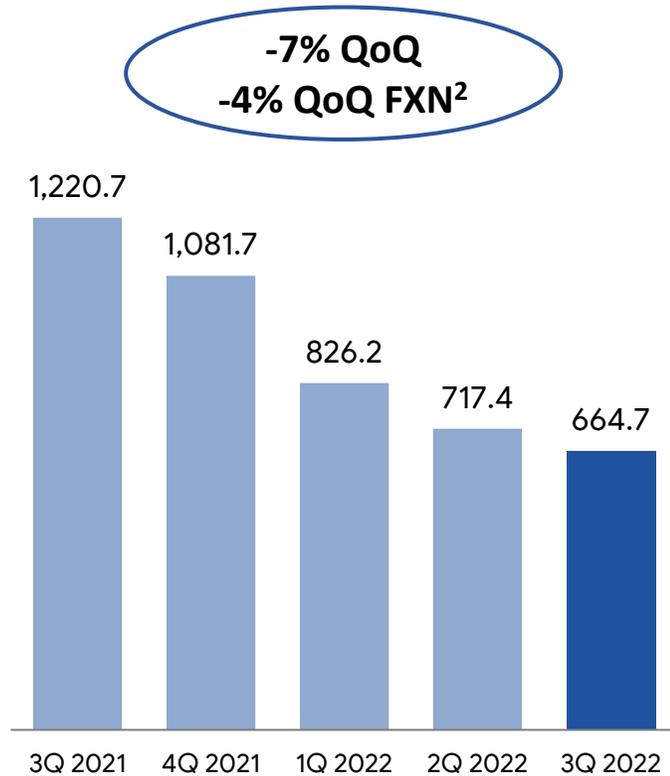
1. Current and comparative prior period local currency amounts are converted into United States dollars using the same exchange rates, rather than the actual exchange rates during the respective periods.



Digital Entertainment

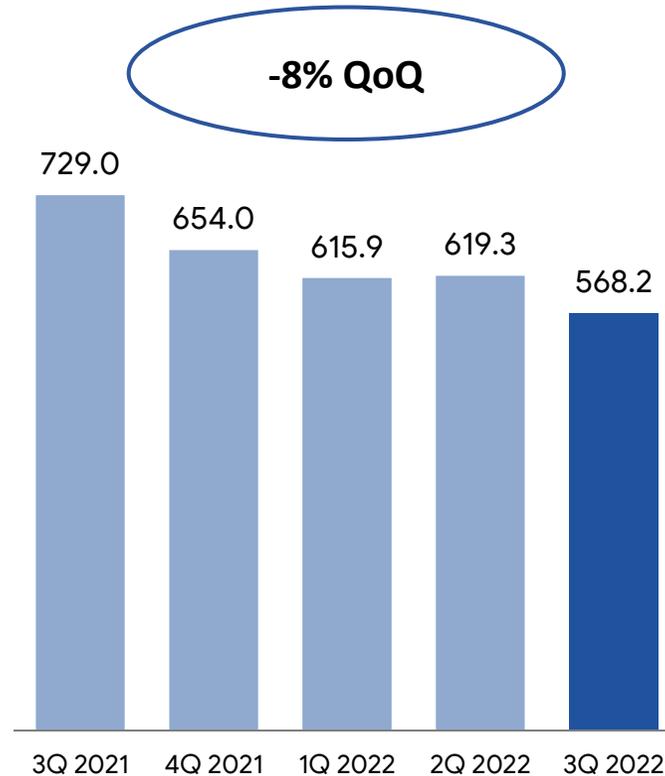
DE Bookings¹

US\$ Millions



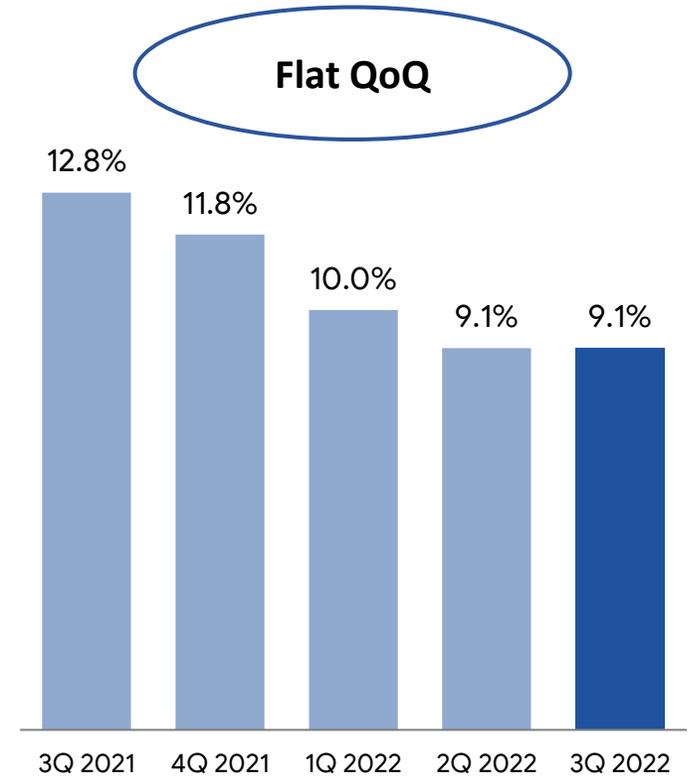
Quarterly Active Users

Millions



Quarterly Paying User Ratio

%



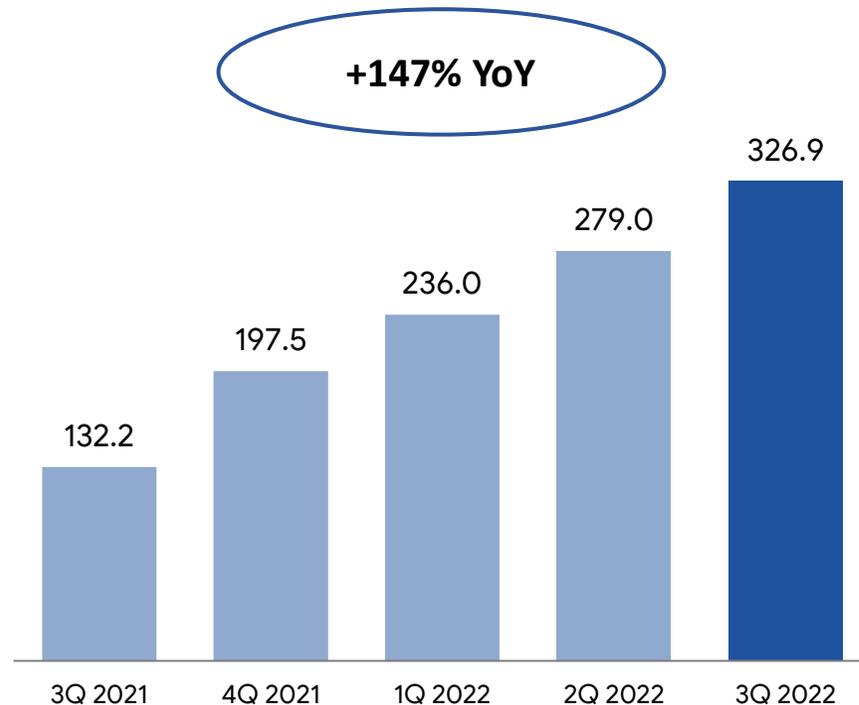
Note: Financial figures are unaudited.

1. 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.

2. Current and comparative prior period local currency amounts are converted into United States dollars using the same exchange rates, rather than the actual exchange rates during the respective periods.

GAAP Revenue

US\$ Millions



As of the end of the third quarter 2022:



Total loans receivable was US\$2.2 billion, net of allowance for credit losses of US\$253.4 million.



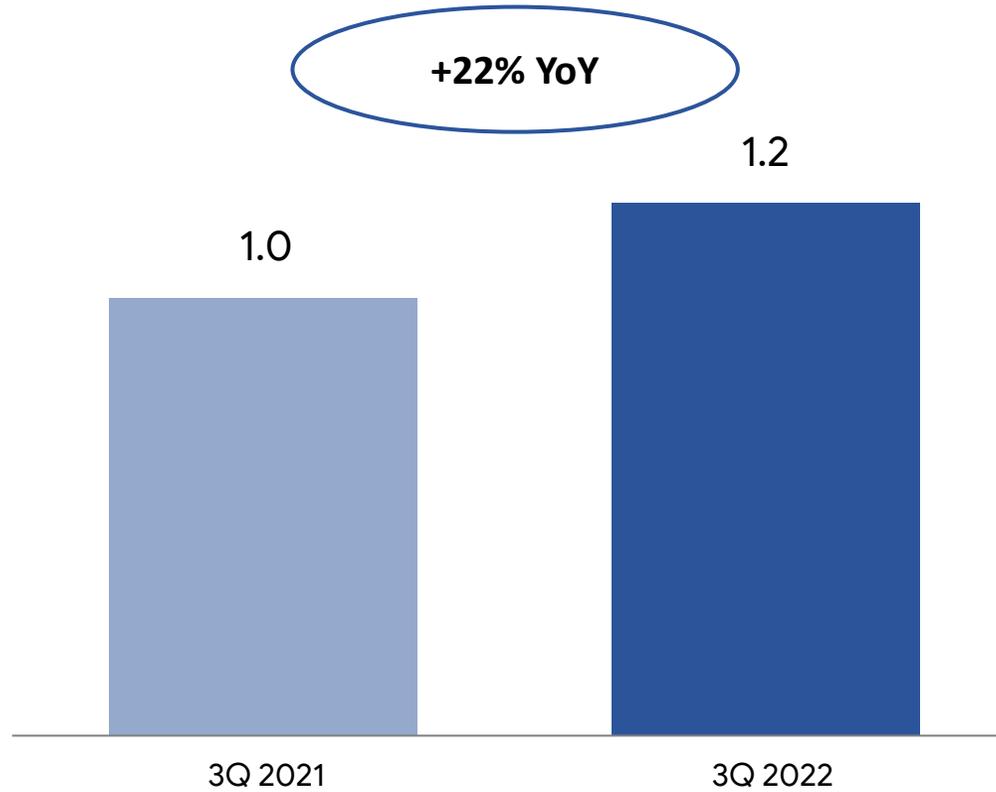
Non-performing loans past due by more than 90 days represented less than 4% of our total gross loans receivable.



The weighted average tenure of loans outstanding was approximately 4 months.

Total Gross Profit

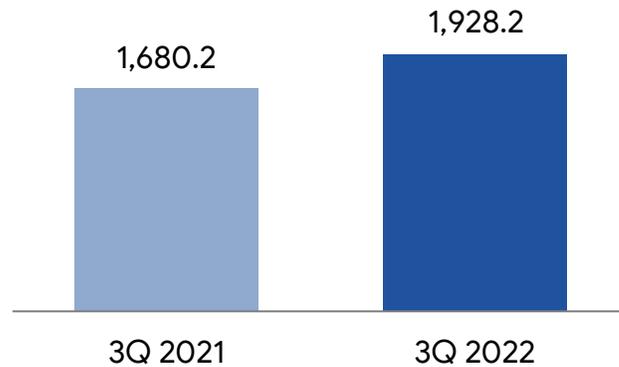
US\$ Billions



Cost and Expense Trends

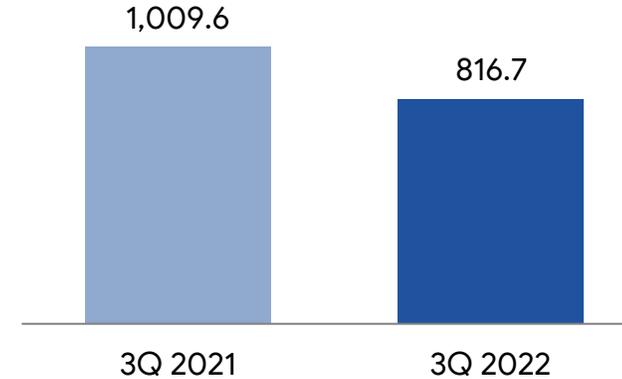
Cost of Revenue

US\$ Millions



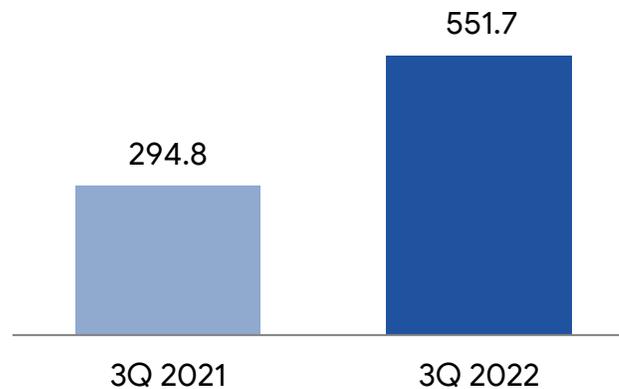
Sales & Marketing Expenses

US\$ Millions



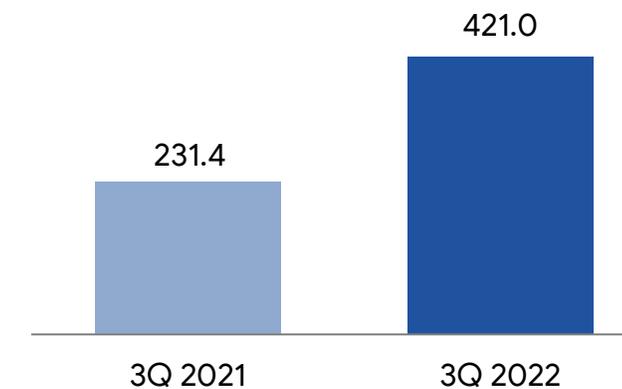
General & Administrative Expenses

US\$ Millions



Research & Development Expenses

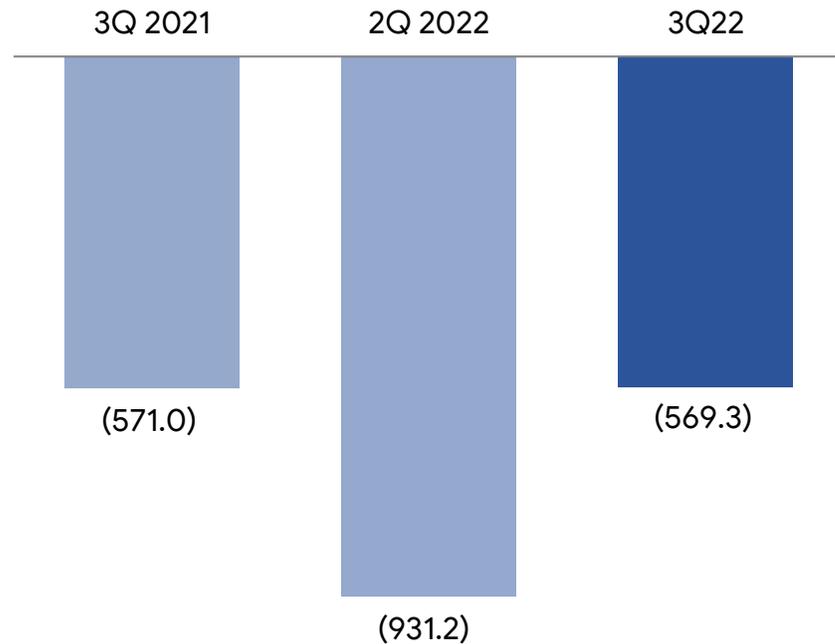
US\$ Millions



Net Loss and Net Loss Excluding Share-based Compensation

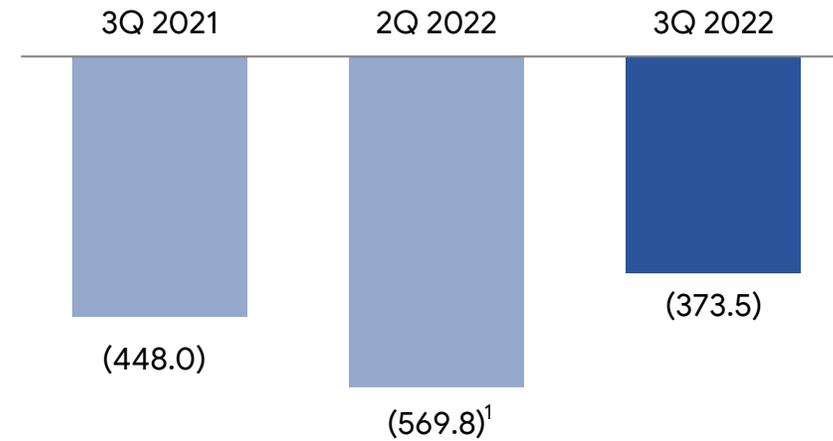
Net Loss

US\$ Millions



Net Loss Excluding Share-based Compensation

US\$ Millions



After adjusting for US\$85.4 million of severance and early lease termination related costs for the quarter, total net loss excluding share-based compensation improved by 49.4% quarter-on-quarter¹.

Note: Financial figures are unaudited. Please refer to the appendix for details on reconciliation between net loss, and net loss excluding share-based compensation.

1. 2Q 2022 net loss excluding share-based compensation is also adjusted for impairment of goodwill for the quarter. Please refer to the appendix for details on reconciliation between net loss, and net loss excluding share-based compensation and impairment of goodwill.



Appendix

Reconciliation Between GAAP and Non-GAAP EBITDA

US\$ Thousands	3Q 2021	2Q 2022	3Q 2022
Digital Entertainment			
Operating income / (loss)	611,673	456,811	456,952
Net effect of changes in deferred revenue & its related cost	93,707	(134,100)	(177,874)
Depreciation and amortization	9,759	10,908	10,801
Digital Entertainment Adjusted EBITDA	715,139	333,619	289,879
E-commerce			
Operating income / (loss)	(741,399)	(726,127)	(586,148)
Depreciation and amortization	57,586	77,982	90,413
E-commerce Adjusted EBITDA	(683,813)	(648,145)	(495,735)
Digital Financial Services			
Operating income / (loss)	(166,127)	(122,735)	(82,462)
Depreciation and amortization	7,090	11,218	14,716
Digital Financial Services Adjusted EBITDA	(159,037)	(111,517)	(67,746)

Reconciliation Between GAAP and Non-GAAP EBITDA

US\$ Thousands	3Q 2021	2Q 2022	3Q 2022
Other Services			
<i>Operating income / (loss)</i>	(33,913)	(75,604)	(80,711)
<i>Depreciation and amortization</i>	1,993	3,049	4,181
Other Services Adjusted EBITDA	(31,920)	(72,555)	(76,530)
Group			
<i>Operating income / (loss)</i>	(458,556)	(836,696)	(495,644)
<i>Net effect of changes in deferred revenue & its related cost</i>	93,707	(134,100)	(177,874)
<i>Depreciation and amortization</i>	76,428	103,157	120,111
<i>Share-based compensation</i>	122,967	184,108	195,755
<i>Impairment of goodwill</i>	-	177,280	-
Total Adjusted EBITDA	(165,454)	(506,251)	(357,652)



Reconciliation Between Net Loss and Net Loss Excluding Share-based Compensation and Impairment of Goodwill

US\$ Thousands	3Q 2021	2Q 2022	3Q 2022
<i>Group</i>			
<i>Net loss</i>	<i>(570,981)</i>	<i>(931,199)</i>	<i>(569,275)</i>
<i>Share-based compensation</i>	<i>122,967</i>	<i>184,108</i>	<i>195,755</i>
<i>Impairment of goodwill</i>	<i>-</i>	<i>177,280</i>	<i>-</i>
Net loss excluding share-based compensation and impairment of goodwill	(448,014)	(569,811)	(373,520)