



Second Quarter 2024 Results

August 2024



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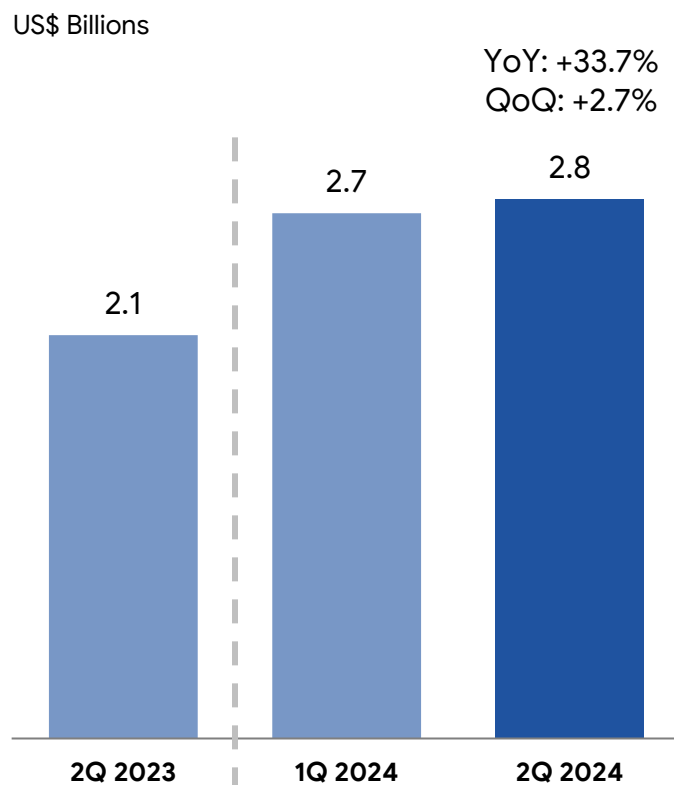


Second Quarter 2024 Results Overview

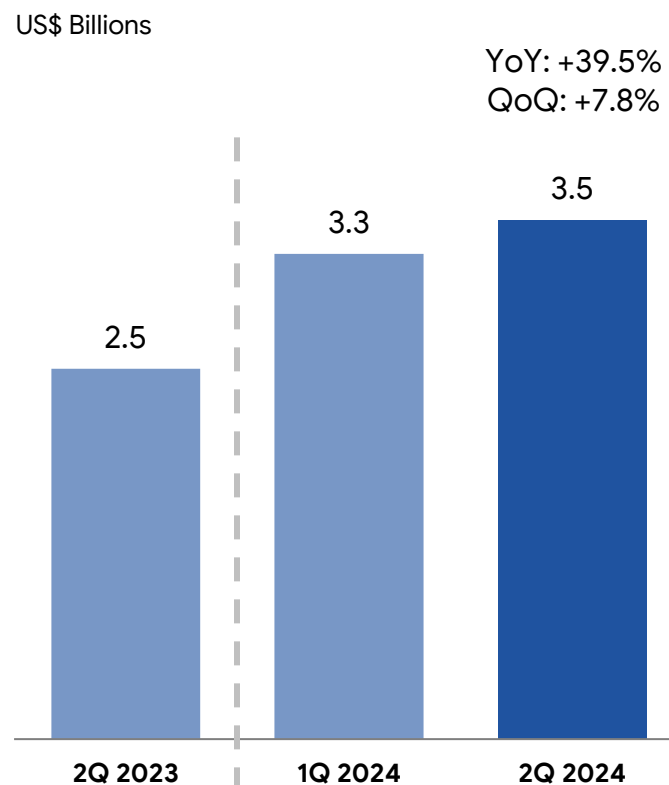


Strong Growth Momentum from 1Q Continuing into 2Q

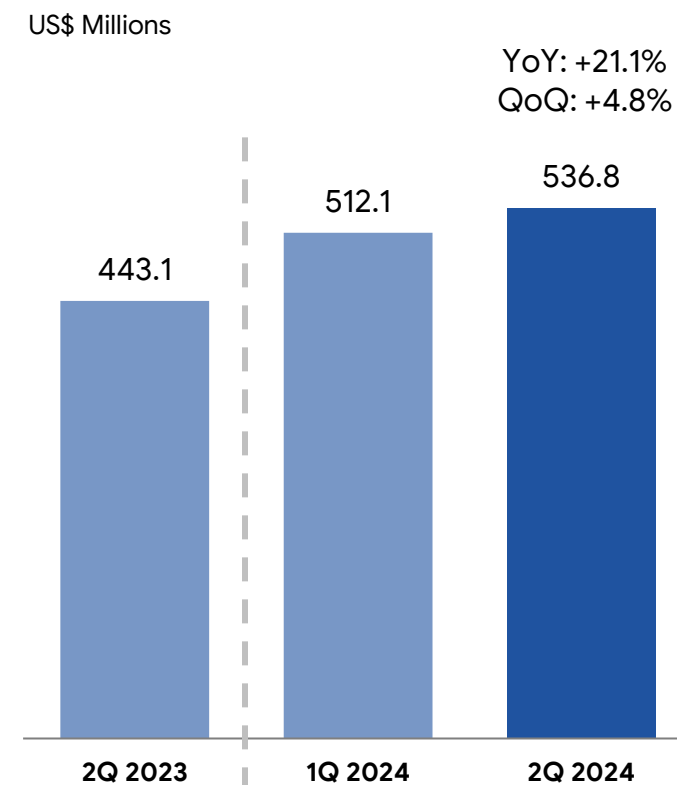
E-commerce GAAP Revenue



Digital Financial Services Loans Principal Outstanding¹



Digital Entertainment Bookings²



Note: Financial figures are unaudited.

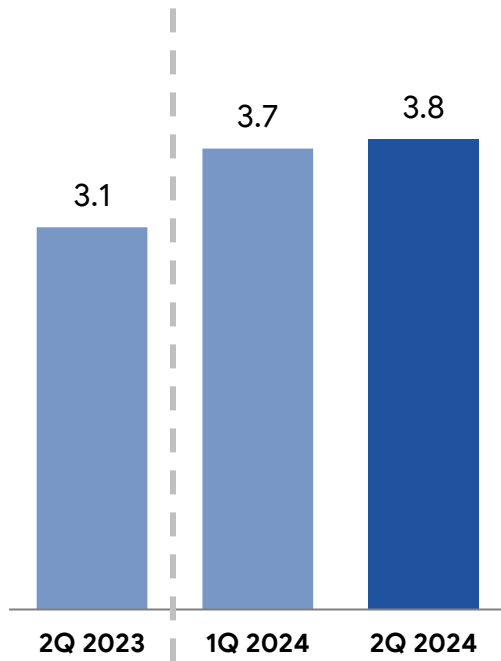
1. Consumer and SME loans principal outstanding including both on-book and off-book loans. Off-book loans principal outstanding mainly refers to channeling arrangements, which is lending by other financial institutions on our platform.
2. GAAP revenue for the digital entertainment segment plus change 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.



2Q 2024 Financial Performance

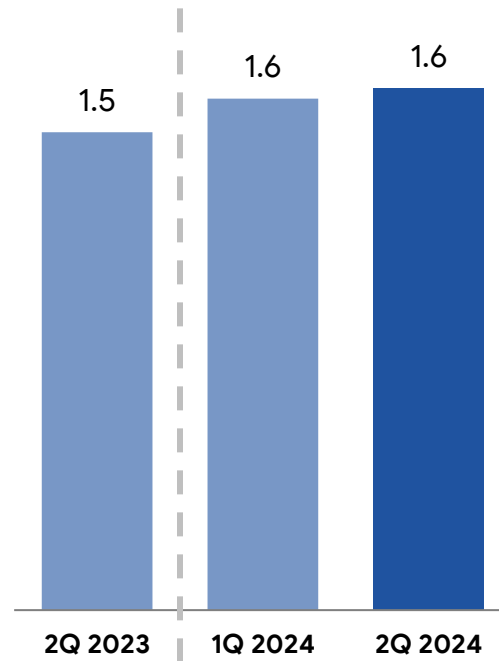
GAAP Revenue

US\$ Billions



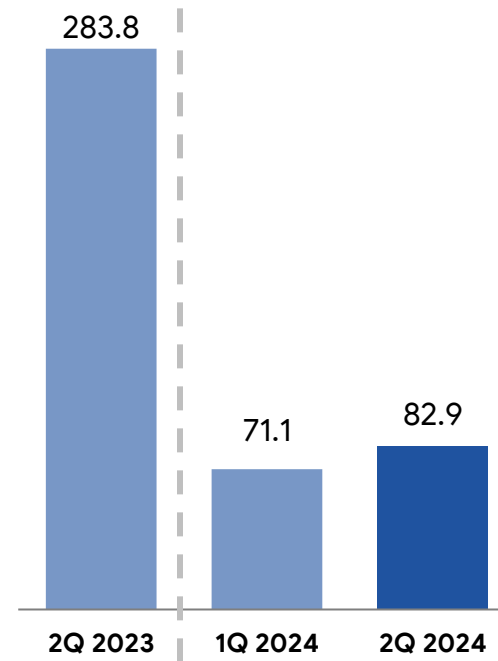
Gross Profit

US\$ Billions



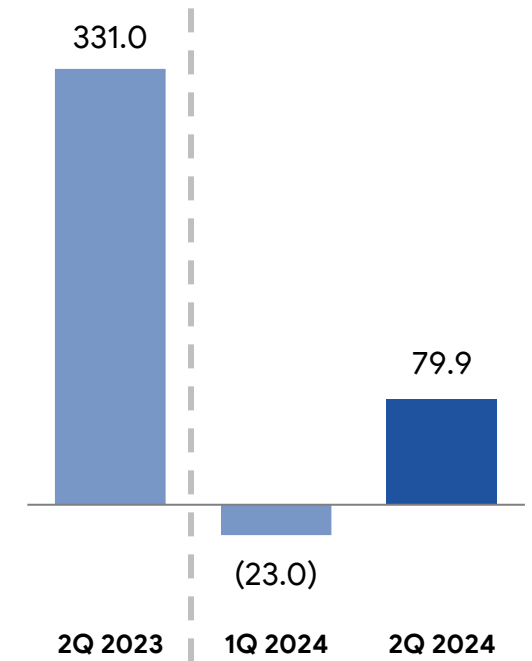
Operating Income

US\$ Millions



Net Income/(Loss)

US\$ Millions

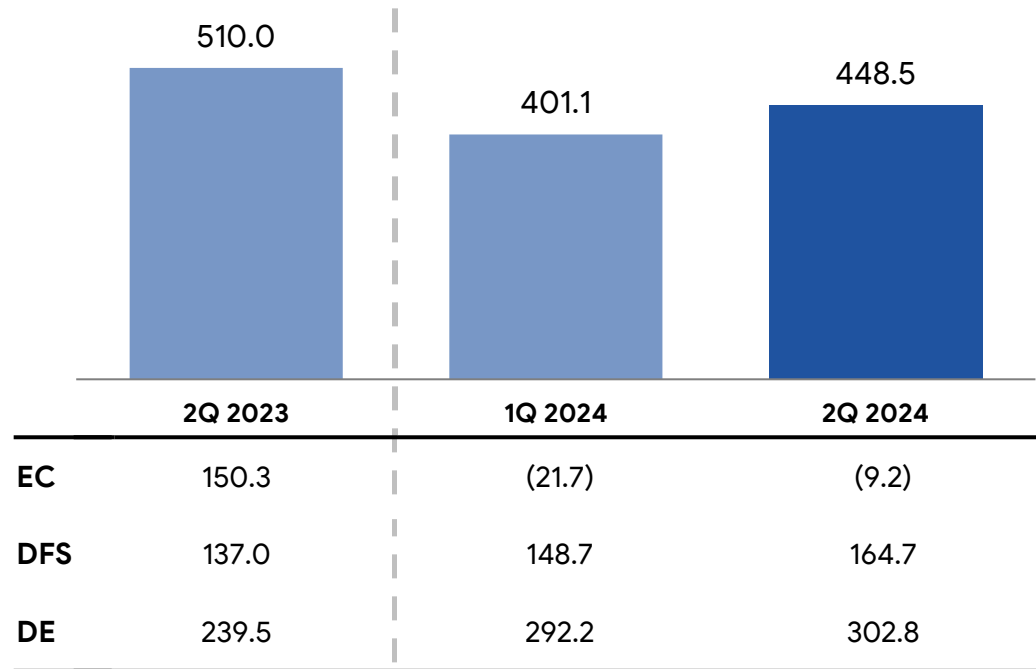


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2Q 2024 Profitability and Cash Position

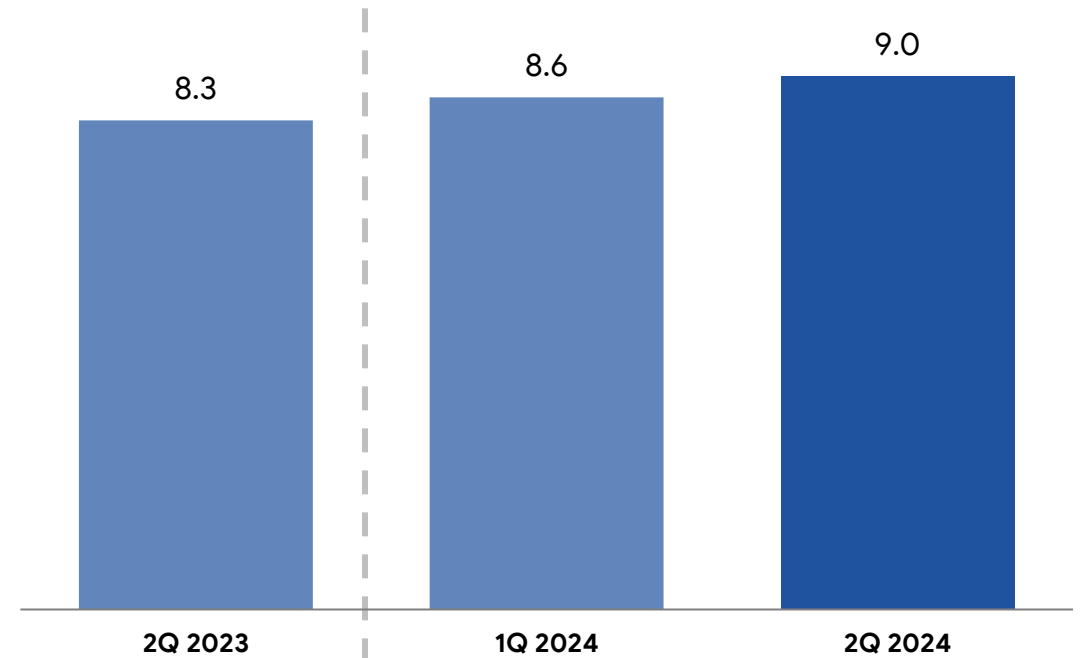
Adjusted EBITDA

US\$ Millions



Cash Position¹

US\$ Billions



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

1. Cash, cash equivalents, short-term and other treasury investments. Other treasury investments currently consist of group treasury related investments, such as available-for-sale sovereign bonds and corporate bonds, classified as part of long-term investments and securities purchased under agreements to resell relating to our banking operations.



2Q 2024 Segmental Breakdown

US\$ Millions	E-commerce	Digital Financial Services	Digital Entertainment	Other Services	Unallocated Expenses ¹	Consolidated
Revenue	2,821.3	519.3	435.6	30.7	-	3,806.9
Operating (loss)/income	(84.8)	151.3	210.1	(9.0)	(184.7)	82.9
Adjusted EBITDA	(9.2)	164.7	302.8	(6.0)	(3.9)	448.5

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

1. Unallocated expenses are mainly related to share-based compensation and general and corporate administrative costs such as professional fees and other miscellaneous items that are not allocated to segments. These expenses are excluded from segment results as they are not reviewed by the CODM as part of segment performance.



Second Quarter 2024 Business Highlights

Healthy and Sustainable Growth while Improving Profit Profile

Maintaining sizable lead over peers; revising full-year guidance upward

- Happy with market share in Southeast Asia and our sizable lead over peers in the region
- Expect that Shopee will become adjusted EBITDA positive from 3Q 2024
- Revising up guidance for Shopee's 2024 full year GMV growth rate to mid-20%

Improving ad take rate & live streaming unit economics

- Improved onboarding features and ad algorithms, also launched Live Ads feature on Shopee Live
- In 2Q 2024, sellers who pay for ads increased by more than 20% YoY
- In Indonesia in June 2024, 1 in every 4 active streamers paid for Live Ads

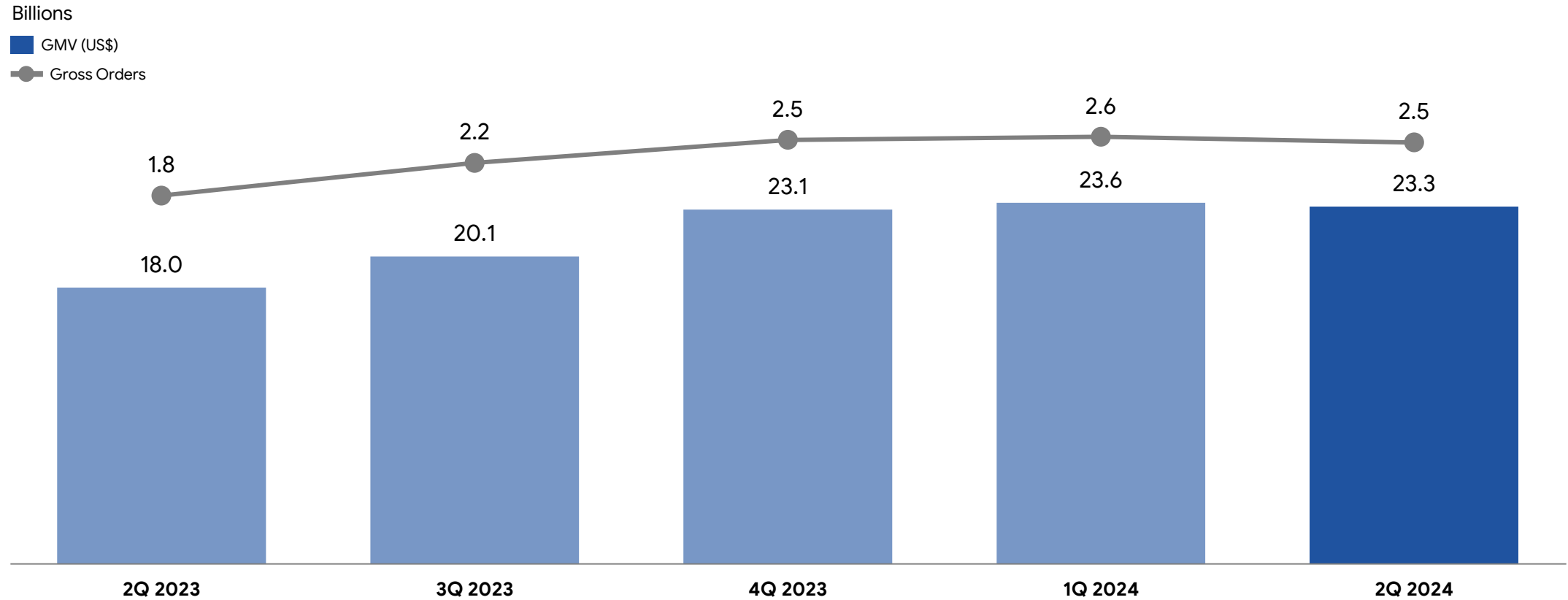
Service quality continues to be a differentiating brand factor

- Logistics investments to improve network coverage and delivery speed are paying off
 - SPX Express has improved delivery speed while reducing cost: In 2Q 2024, >70% of SPX Express orders in Asia delivered within 3 days with cost per order declining 8%
- Data-driven tech improvements to return-refund process: >50% of return-and-refund cases in Asia resolved within 1 day



E-commerce

GMV and Gross Orders



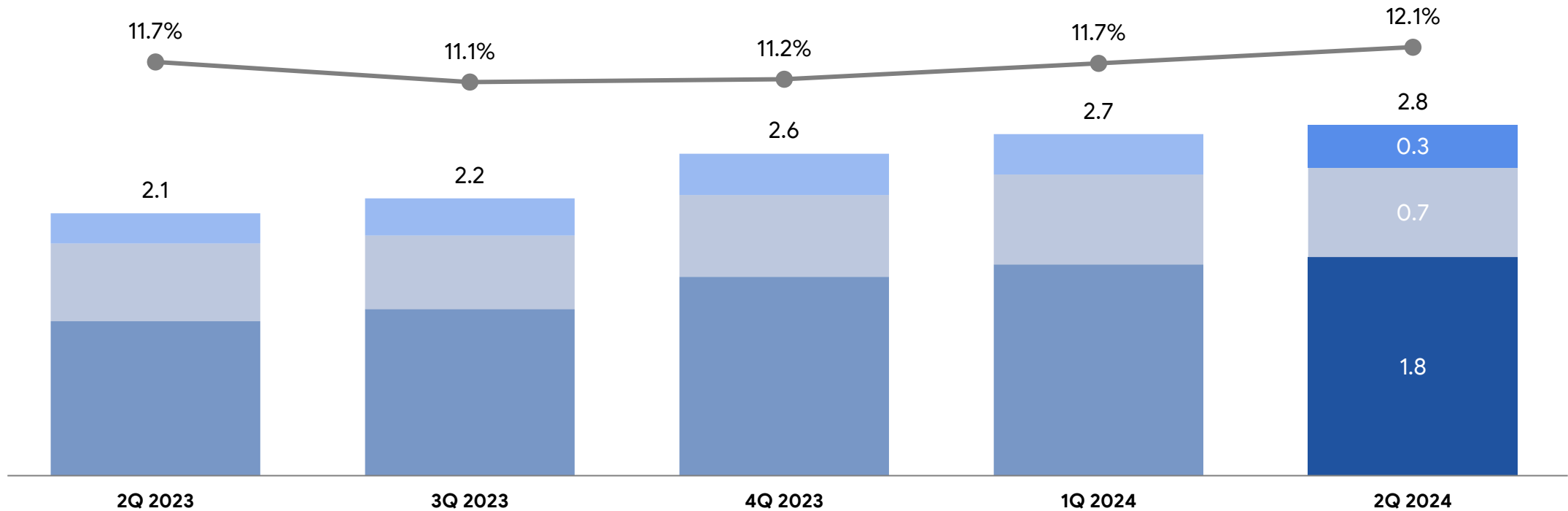


E-commerce

GAAP Revenue & Take Rate¹

US\$ Billions

■ Core Marketplace Revenue ■ Product Revenue
■ Value-added Services Revenue ● GAAP Take Rate¹



Note: Financial figures are unaudited.

1. GAAP revenue as a percentage of GMV.



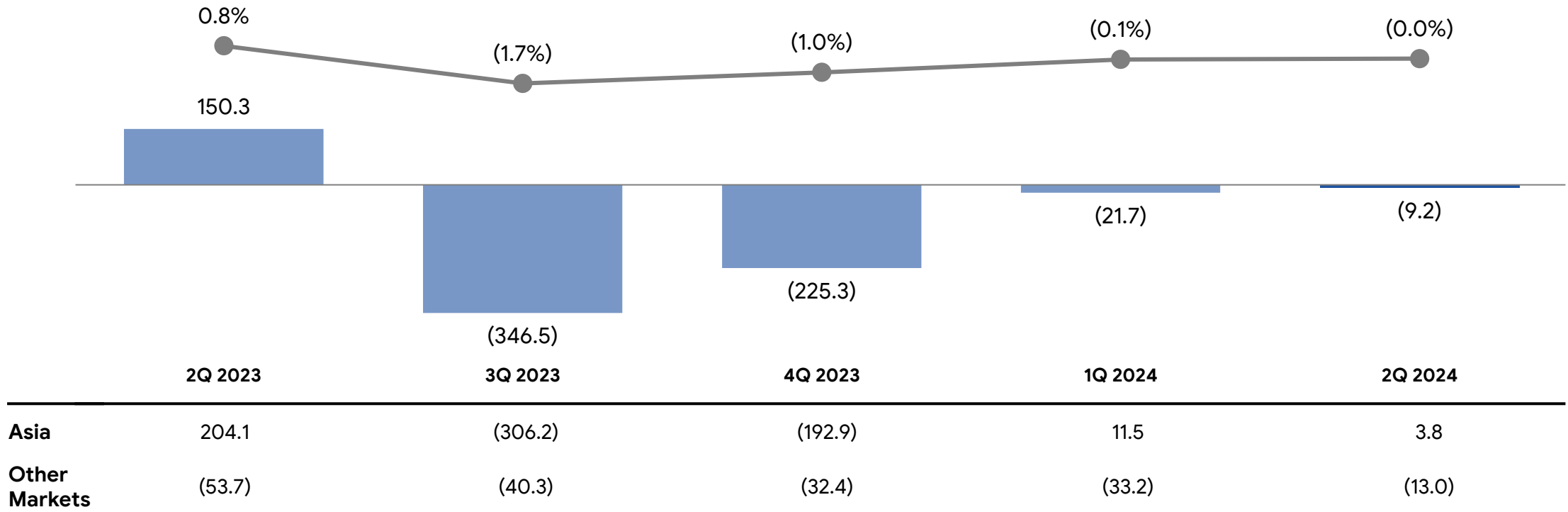
E-commerce

Adjusted EBITDA

US\$ Millions

■ Adjusted EBITDA

● Adjusted EBITDA as % of GMV



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

Strong Growth Momentum in Loan Book and Profitability

Consumer and SME credit business continues to be a primary driver of revenue and profit growth

On-Shopee: Leveraging large Shopee user base to acquire new customers cost-efficiently

- In 2Q 2024, registered over 4 million first-time borrowers of our credit products, more than 2x compared to one year ago

Off-Shopee: Expanding credit use cases

- In Indonesia, partnered with 1,000+ merchants on SPayLater loans for mobile phones – first player to provide instant credit approval for this category at scale

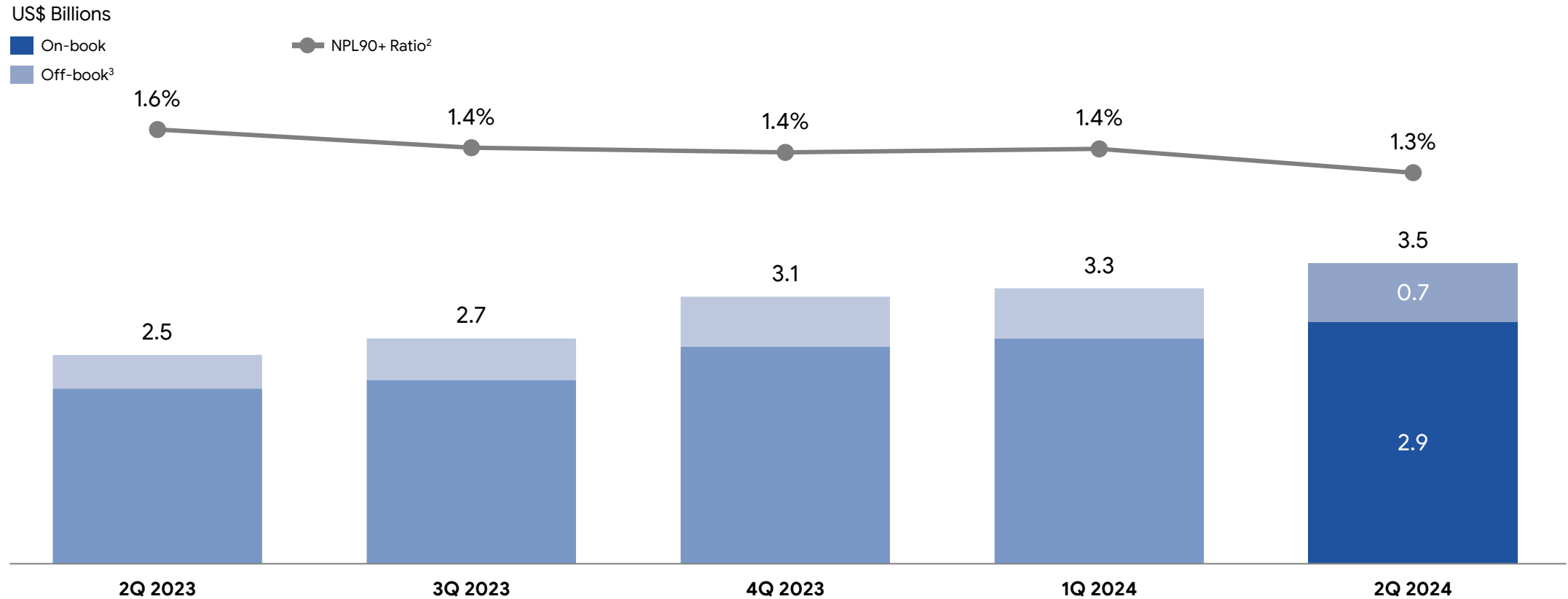
Strong loan book and user base growth with prudent risk management

- Loans principal outstanding reached U\$3.5 billion at the end of 2Q 2024, up almost 40% YoY and 8% QoQ
- NPL90+ as a % of total consumer and SME loans principal outstanding¹ held steady at 1.3% in 2Q 2024
- 21 million consumer and SME loans active users², up 58% YoY and 14% QoQ in 2Q 2024

1. Non-performing loans past due by more than 90 days as a percentage of consumer and SME loans principal outstanding, which includes both on-book and off-book loans principal outstanding.

2. Users with loans outstanding by the end of the quarter.

Loans Principal Outstanding¹ and NPL90+ Ratio²



1. Consumer and SME loans principal outstanding.

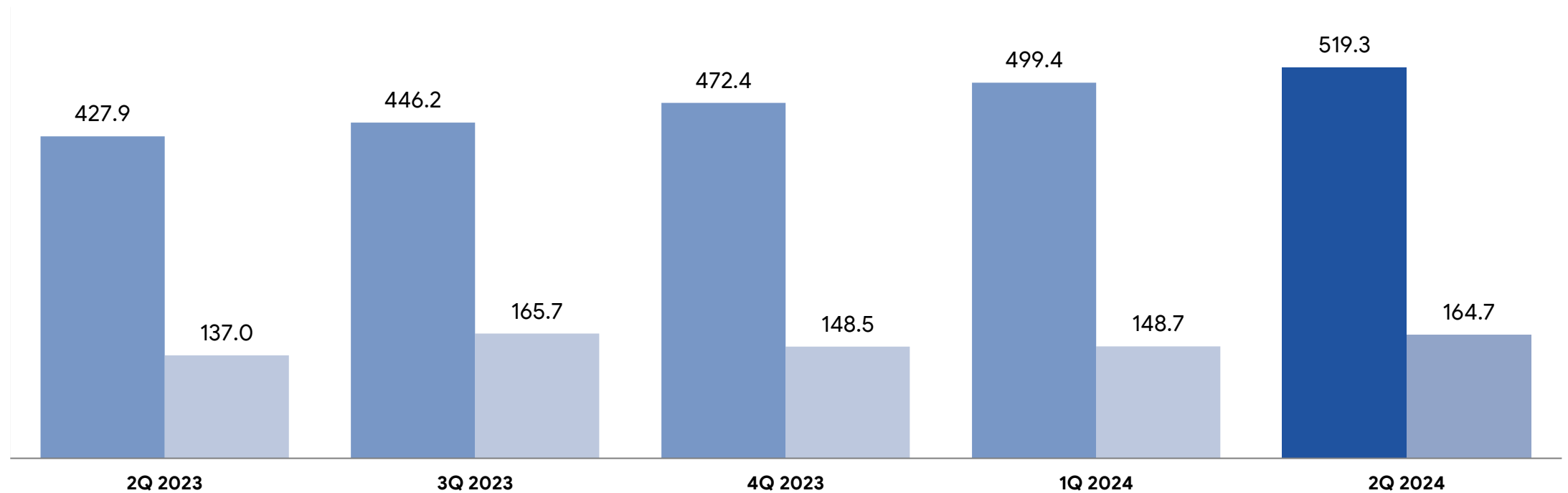
2. Non-performing loans past due by more than 90 days as a percentage of consumer and SME loans principal outstanding, which includes both on-book and off-book loans principal outstanding.

3. Off-book loans principal outstanding mainly refers to channeling arrangements, which is lending by other financial institutions on our platform.

GAAP Revenue and Adjusted EBITDA

US\$ Millions

■ GAAP Revenue
■ Adjusted EBITDA





Delivered a Strong Quarter Led by Free Fire's Growth

Free Fire is the main contributor to bookings growth

Free Fire demonstrating ability to be an evergreen franchise, with a highly engaged user base and strong word-of-mouth social pull

- More than 100m DAU on Free Fire every day throughout 2Q 2024
- Free Fire was the most downloaded mobile game globally in 2Q 2024¹

Continuing to take user-centric approach with exciting content and new launches

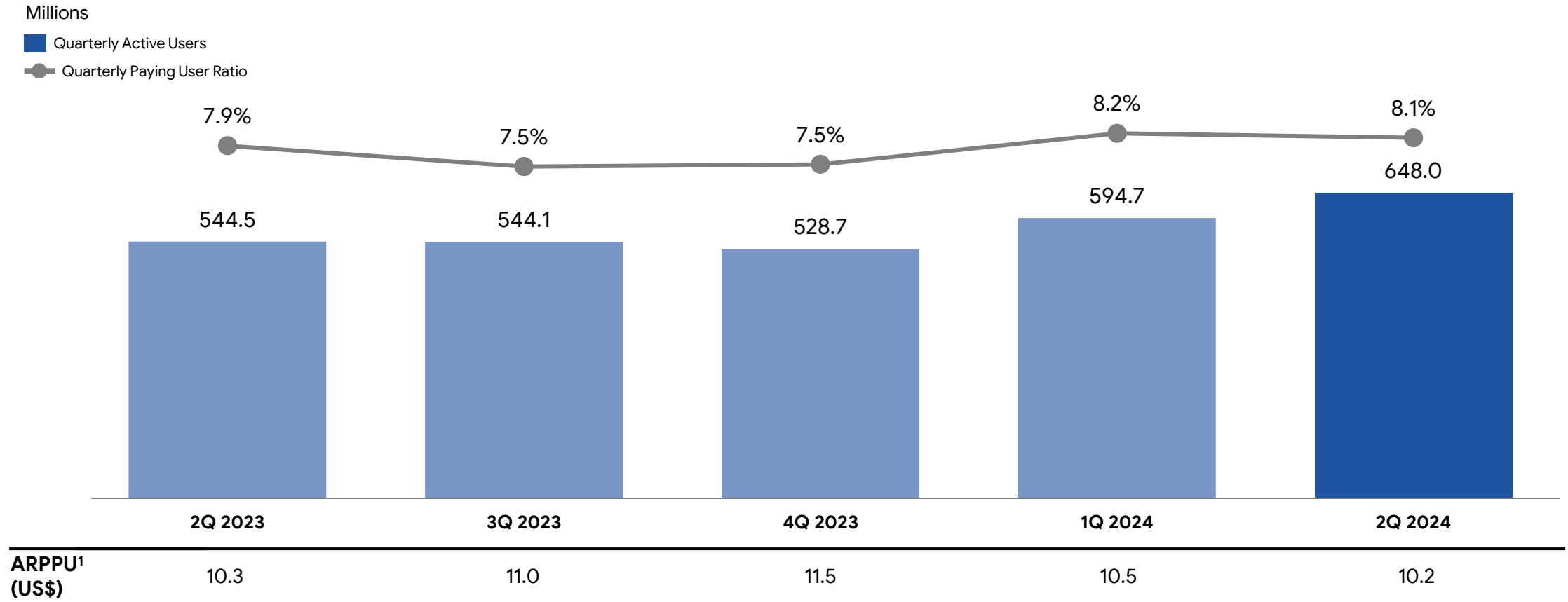
- Released our 7th anniversary Free Fire campaign, our largest in-game event of the year designed to evoke memories of the game's early years – very well received by gamers
- Up next: Launching Need for Speed: Mobile in Taiwan, Hong Kong and Macau later this year in partnership with Tencent and Electronic Arts

1. According to Sensor Tower.



Digital Entertainment

Quarterly Active Users, Quarterly Paying User Ratio and ARPPU¹

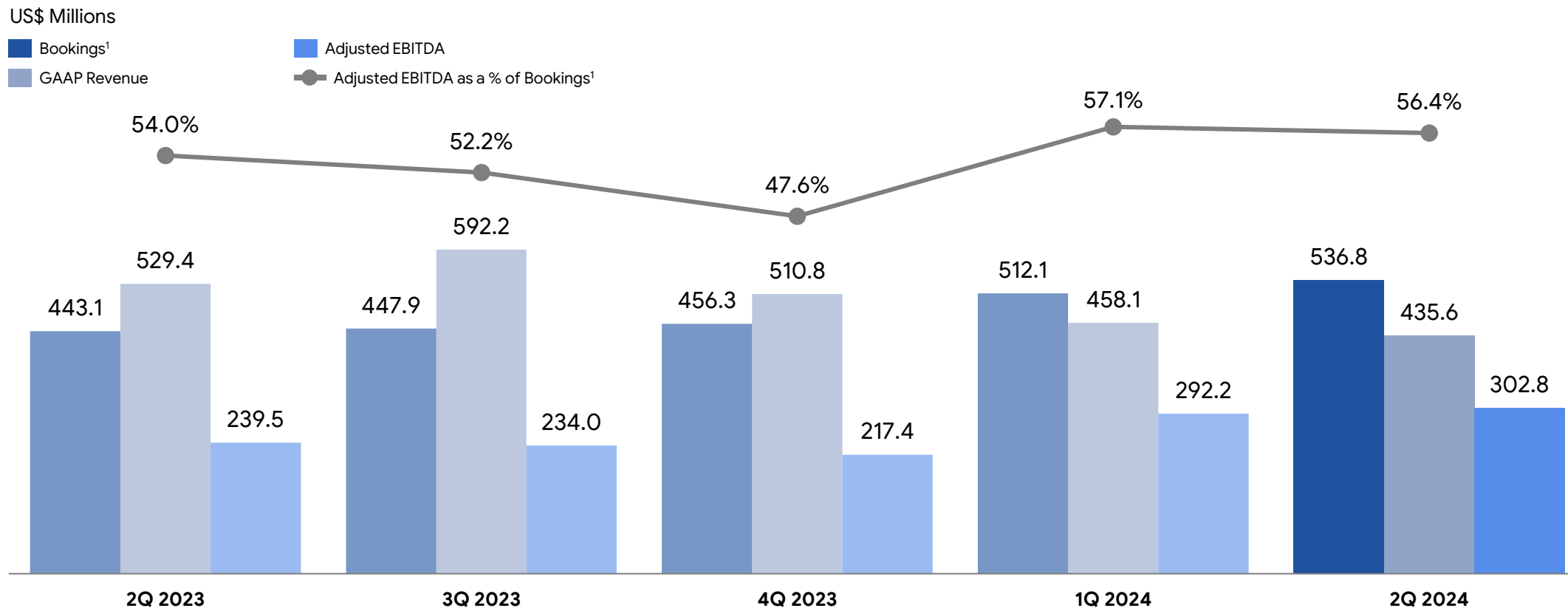


1. Average bookings per paying user.



Digital Entertainment

Bookings¹, GAAP Revenue and Adjusted EBITDA



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Appendix

GAAP Operating Income and Non-GAAP EBITDA Reconciliation

US\$ Thousands	2Q 2023	2Q 2024
E-commerce		
<i>Operating income / (loss)</i>	65,550	(84,762)
<i>Depreciation and amortization</i>	84,789	75,582
E-commerce Adjusted EBITDA	150,339	(9,180)
Digital Financial Services		
<i>Operating income / (loss)</i>	120,966	151,261
<i>Depreciation and amortization</i>	15,995	13,417
Digital Financial Services Adjusted EBITDA	136,961	164,678
Digital Entertainment		
<i>Operating income / (loss)</i>	296,457	210,078
<i>Net effect of changes in deferred revenue & its related cost</i>	(65,360)	86,546
<i>Depreciation and amortization</i>	8,362	6,176
Digital Entertainment Adjusted EBITDA	239,459	302,800

GAAP Operating Income and Non-GAAP EBITDA Reconciliation

US\$ Thousands	2Q 2023	2Q 2024
Other Services		
<i>Operating income / (loss)</i>	(10,034)	(9,003)
<i>Depreciation and amortization</i>	2,845	3,045
Other Services Adjusted EBITDA	(7,189)	(5,958)
Group		
<i>Operating income / (loss)</i>	283,813	82,894
<i>Net effect of changes in deferred revenue & its related cost</i>	(65,360)	86,546
<i>Depreciation and amortization</i>	111,991	98,220
<i>Share-based compensation</i>	179,577	180,813
Total Adjusted EBITDA	510,021	448,473