

10 October 2025

Recommendation	Price Target	PT End Date	Price	Upside/Downside to PT
Overweight	\$230.00	30-Jun-26	\$180.82	27.20%

Sea Limited offers information technology services. The Company provides online personal computer and mobile digital content, e-commerce, and payment platforms. Sea serves customers worldwide.



Note: All analysts forecasts are as of last note published on 11-Sep-2025

Source: Bloomberg Finance L.P., World Trade estimates.

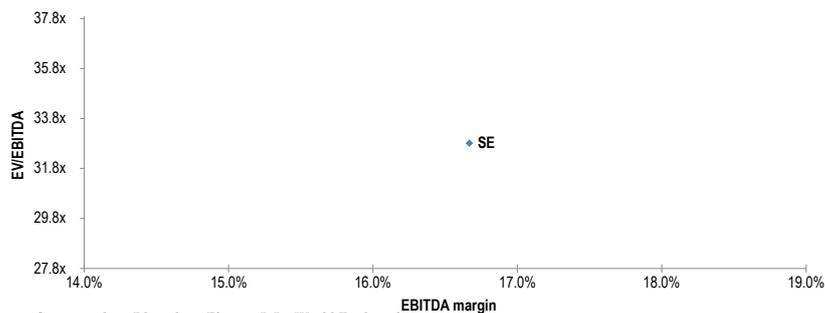
The Upside/Downside to PT is calculated based on the previous day's closing price which is quoted above.

Key Financials (\$mn, year end Dec)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	13,064	16,820	21,938	27,429	32,416
EBITDA	1,180	1,962	3,656	6,099	8,436
EBIT	224	662	2,169	4,229	5,883
Pretax Income	432	779	2,542	4,731	6,525
Net Profit	1,155	1,371	2,577	4,180	5,562
Total Assets	18,883	22,625	27,651	33,184	39,772
Shareholder Equity	6,594	8,372	10,969	15,153	20,718
Adjusted Net Debt/(Cash)	285	(796)	(2,706)	(6,402)	(10,914)
Capex	(261)	(280)	(439)	(549)	(648)
Free Cash Flow to firm	1,766	2,959	3,383	4,495	5,515
EPS (\$)	0.25	0.73	2.90	5.18	7.16
DPS	n/a	n/a	n/a	n/a	n/a

Key Ratios	FY23	FY24	FY25E	FY26E	FY27E
EBITDA Margin	9.0%	11.7%	16.7%	22.2%	26.0%
EBIT Margin	1.7%	3.9%	9.9%	15.4%	18.1%
Net Margin	8.8%	8.2%	11.7%	15.2%	17.2%
Payout Ratio	n/a	n/a	n/a	n/a	n/a
Net Debt/Equity (excl MI)	4.3%	NM	NM	NM	NM
FCF Yield	1.6%	2.7%	2.9%	3.9%	4.8%
P/E	N/A	246.1x	62.5x	34.9x	25.3x
EV/EBITDA	104.2x	62.1x	32.8x	19.1x	13.2x
ROE	18.8%	18.3%	26.7%	32.0%	31.0%

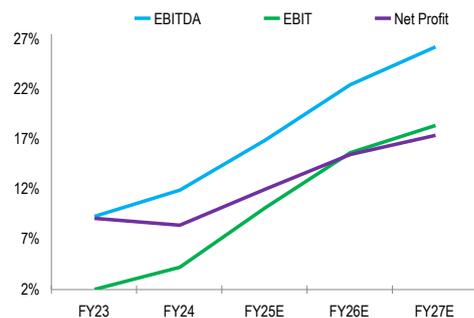
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Chart FY25



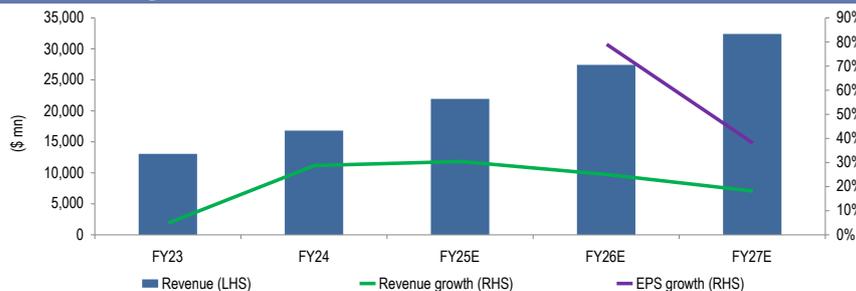
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Margin Analysis (SE)



Source: Company data, World Trade estimates.

Revenue and EPS growth



Source: Company data, World Trade estimates.

Company Data

Market Cap (USDmn)	115,043
Shares O/S (mn)	636
Float	n/a
Dividend Yield	n/a
EPS (\$)	2.90
3M - Avg daily volume (mn)	4.09
52 wk High/Low (\$)	199.30-92.50

WTS EPS Estimate		BBG EPS Estimate	
FY25E	FY26E	FY25E	FY26E
2.90	5.18	3.79	5.63

Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Analysis	Ticker	Fiscal Year End	Last Note Published	Rating	Price Target	Mkt Cap (\$mn)	EV/EBITDA		P/BV		P/E		ROE	
							FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Local peers														
Global peers														
Alibaba Group Holding Limited (B	BABA	2025/3	08-Oct-25	OW	\$240.00	379,092	13.9x	17.8x	2.6x	2.3x	21.1x	25.5x	15.7%	9.8%
JD.com, Inc.	JD	2024/12	14-Aug-25	NR	n/a	41,152	8.4x	5.0x	2.1x	1.9x	12.2x	9.3x	10.1%	12.4%
Sea Ltd	SE	2024/12	11-Sep-25	OW	\$230.00	115,043	32.8x	19.1x	10.5x	7.6x	62.5x	34.9x	26.7%	32.0%
Median							13.9x	17.8x	2.6x	2.3x	21.1x	25.5x	15.7%	12.4%
Mean							18.4x	13.9x	5.1x	3.9x	31.9x	23.2x	17.5%	18.1%
High							32.8x	19.1x	10.5x	7.6x	62.5x	34.9x	26.7%	32.0%
Low							8.4x	5.0x	2.1x	1.9x	12.2x	9.3x	10.1%	9.8%

Source: Company data, World Trade estimates.



Investment Thesis

We believe SE will deliver strong earnings growth underpinned by all its major business segments. With stable ecommerce competition, rising take-rates among all major players, and continued optimization of logistics and subsidies, we believe Shopee's growth can come with expanded margins. Moreover, strong growth in gamers and a potential pipeline of new content could underpin healthy growth in gaming gross bookings. In our view, the fintech business could re-rate and grow with increased product and geography mix and credit quality maintained. We are OW on SE.

Valuation

Our Jun-26 price target of \$230 is based on our sum-of-the-parts valuation. We value Garena's gaming business at 14x P/E, at a discount to the peer average due to the risks associated with a quasi-single title franchise. We value SE's ecommerce franchise at 25x EV/EBITDA, broadly in-line with MELI and CPNG. We value the fintech franchise at an EBITDA multiple of 15x, in line with peers' average.

Sea Ltd: SOTP valuation (\$ m)

Current valuation

Digital Entertainment

Target P/E multiple	14.0
Adj NI (\$ m)	1,122
Digital Entertainment Valuation	15,711

Ecommerce

EBITDA	3,490
EBITDA multiple	25.0
Ecommerce valuation	87,260
2025E GMV	148,445
Implied GMV multiple	0.59

Digital Financial Services

Target EBITDA multiple	15.0
2026E EBITDA	1,988
DFS valuation	29,815

Net Cash 13,635

Total Equity Value 146,420

Number of shares outstanding 636

Equity value per share 230

World Trade estimates.

Risks to Rating and Price Target