For Immediate Release

TENCENT ANNOUNCES 2026 THIRD QUARTER RESULTS
Advancing across Models and Applications
Accelerating Evolution for the New AI Era

Hong Kong, 18 November 2026 – Tencent Holdings Limited (HKEX: 00700 (HKD Counter) and 80700 (RMB Counter), "Tencent" or "the Company"), a world-leading Internet and technology company in China, today announced the unaudited consolidated results for the quarter ended 30 September 2026 ("3Q2026").

Mr. Ma Huateng, Chairman and CEO of Tencent, said, "Our recent significant achievements across models and applications have accelerated Tencent's evolution for the new AI era. Hy4 has achieved China state-of-the-art AI model status, and Hy4 flash brings down inferences cost to deliver cost performance for real-world use cases. We believe WorkBuddy has grown to become the largest AI application in China, measured by total daily large language model token consumption by users. Our cloud services revenue growth rate increased, driven by WorkBuddy and as we allocated more compute to Model as a Service and GPU rental. Our core businesses remained resilient and vibrant as several evergreen games reached lifetime highs in DAU, and as Video Accounts increased engagement rapidly, particularly among young users, by enriching its content offering."

3Q2026 Financial Highlights

Revenues: +8% YoY, gross profit: +7% YoY, non-IFRS operating profit: -6% YoY

- **Total revenues** were RMB207.3 billion, up 8% over the third quarter of 2025 ("YoY").
- **Gross profit** was RMB115.9 billion, up 7% YoY.
- **On a non-IFRS basis,** which is intended to reflect core earnings by excluding certain one-time and/or non-cash items:
  - **Operating profit** was RMB68.1 billion, down 6% YoY. Operating margin decreased to 33% from 38% last year.
  - **Operating profit excluding New AI Products**[1] was RMB83.3 billion, increased by 8% YoY. Operating margin excluding new AI products contributions was 40%, stable from last year.
  - **Net profit** was RMB 68.4 billion, down 6% YoY.
  - **Net profit attributable to equity holders of the Company** was RMB66.5 billion, down 6% YoY.
  - **Basic earnings per share** were RMB7.382. **Diluted earnings per share** were RMB7.227.
- **On an IFRS basis**:
  - Operating profit was RMB59.1 billion, down 7% YoY. Operating margin decreased to 29% from 33% last year.
  - Net profit was RMB65.1 billion, up 0.3% YoY.
  - Net profit attributable to equity holders of the Company was RMB63.6 billion, up 0.8% YoY.
  - Basic earnings per share were RMB7.059. Diluted earnings per share were RMB6.947.
- **Capital expenditure payments** was RMB65.1 billion, up 225% YoY.
- **Total cash** was RMB525.7 billion, up 7% YoY. Net debt position totalled RMB13.7 billion.

[1] New AI products primarily consist of Hy, Yuanbao, CodeBuddy, WorkBuddy, and Xiaowei

- We recorded negative free cash flow of RMB69.1 billion for 3Q2026, as net cash generated from operating activities of RMB2.6 billion was more than offset by capital expenditure payments of RMB65.1 billion, media content payments of RMB4.6 billion and lease liability payments of RMB2.0 billion. Included in our operating cash flow were significant prepayments for compute procurement to support enhancements to our Hy model family, WorkBuddy inference needs, and development of AI capabilities across our products and services, as well as to meet external demand for our cloud services. Excluding the prepayments for compute procurement, our free cash flow would have been positive RMB16.9 billion.
- The **fair value of our shareholdings[2] in listed investee companies** (excluding subsidiaries) was RMB505.4 billion as at 30 September 2026, compared with RMB487.2 billion as at 30 June 2026. The carrying **book value of our shareholdings in unlisted investee companies** (excluding subsidiaries) was RMB397.2 billion as at 30 September 2026, compared with RMB387.9 billion as at 30 June 2026.
- During 3Q2026, the Company **repurchased** approximately 15.9 million shares on the Hong Kong Stock Exchange for an aggregate consideration of approximately HKD7.0 billion.

3Q2026 Management Discussion and Analysis

Revenues from VAS increased by 3% year-on-year to RMB98.3 billion for 3Q2026. Domestic Games revenues were RMB47.6 billion, up 11% year-on-year, driven by growth in revenues from games including Delta Force, VALORANT MOBILE and Honour of Kings. International Games revenues were RMB18.9 billion, down 9% year-on-year (or down 4% on a constant currency basis), reflecting a high base period arising from social media excitement around certain Supercell games and from copy sales of Dying Light: The Beast released in the year-ago period. Social Networks revenues decreased by 1% year-on-year to RMB31.8 billion.

Revenues from Marketing Services rose by 19% year-on-year to RMB43.0 billion for 3Q2026. We enhanced our AI-driven ad and content recommendation capabilities and introduced an AI-powered ad solution for content publishers that automates ad insertion and optimises placement timing and duration. Within the Weixin ecosystem, we deepened the integration of closed-loop marketing capabilities, enabling Mini Dramas, Mini Shops and other Weixin-integrated services to advertise more effectively within Weixin and other Tencent-managed ad properties. Major industry categories, notably consumer goods and local services, increased marketing spending on our platforms during the quarter.

Revenues from FinTech and Business Services rose by 9% year-on-year to RMB63.7 billion for 3Q2026. FinTech Services revenue growth arose from higher revenues from consumer loan and wealth management services. Business Services revenue growth was primarily driven by a 35% year-on-year increase in cloud services revenues, underpinned by increased demand for AI-related services and continued international expansion.

Operating Metrics

	As at 30 September 2026	As at 30 September 2025	Year-on-year change	As at 30 June 2026	Quarter-on-quarter change
		(in millions, unless specified)			
Combined MAU of Weixin and WeChat	**1,449**	1,414	2%	1,439	0.7%
Mobile device MAU of QQ	**533**	517	3%	520	3%
Fee-based VAS subscriptions[3]	**253**	265	-5%	259	-2%

[2] Including those held via special purpose vehicles, on an attributable basis
[3] Average daily number of subscriptions during the quarter

Business Review and Outlook

- In November, we released the **Hy4** model, with significant advances in foundational capabilities and deep model-product co-design, unlocking a broad range of real-world productivity use cases. Hy4 ranked first[4] among Chinese models at launch by Agent Arena, demonstrating superior real-world capabilities across signals such as task success, user satisfaction, and steerability.
- **WorkBuddy** became the most used AI product in China, measured by large language model token consumption, with over 10 million DAU collectively consuming over 100 trillion tokens per day, and rapidly increasing enterprise adoption.
- We expanded **Xiaowei**'s availability and use cases, and are deepening its integration with Mini Programs and Mini Shops to facilitate transactional activity.
- **Video Accounts** boosted engagement among young users through deeper collaboration with our internal game, music and TV show content, contributing to over 20% year-on-year increase in total time spent[5].
- **Delta Force** (released in 2024) and **VALORANT MOBILE** (released in 2025) each achieved lifetime high DAUs[5], demonstrating our ability to expand our new games' popularity beyond their launch dates, as well as players' enthusiasm for emerging and reinvigorated game categories.
- We launched a payment app, **TenPayGo**, that enables foreigners traveling in China to make purchases using overseas cards and digital wallets, and integrates convenient features such as paying for transit rides, handling tax refunds, and AI-powered translation.

For other detailed disclosure, please refer to our website https://www.tencent.com/en-us/investors.html, or follow us via Weixin Official Account (Weixin ID: TencentGlobal):

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[4] 6 November 2026
[5] 3Q2026

About Tencent

Tencent uses technology to enrich the lives of Internet users.

Our communication and social services, Weixin and QQ, connect users with each other and with digital content and services, both online and offline, making their lives more convenient. Our targeted marketing services helps advertisers reach out to hundreds of millions of consumers in China. Our FinTech and business services support partners' business growth and assist their digital upgrade.

We invest strategically in AI intelligence, applications and infrastructure, delivering practical utility to users, and empowering human creativity and productivity in the AI era. Tencent was founded in Shenzhen, China, in 1998. Tencent has been listed on the Stock Exchange of Hong Kong since 2004.

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Non-IFRS Financial Measures

To supplement the consolidated results of the Group ("the Company and its subsidiaries") prepared in accordance with IFRS, certain additional non-IFRS financial measures (in terms of operating profit, operating margin, profit for the period, profit attributable to equity holders of the Company, basic EPS and diluted EPS) have been presented in this press release. These unaudited non-IFRS financial measures should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with IFRS. In addition, these non-IFRS financial measures may be defined differently from similar terms used by other companies.

The Company's management believes that the non-IFRS financial measures provide investors with useful supplementary information to assess the performance of the Group's core operations by excluding certain non-cash items and certain impact of investment-related transactions. In addition, non-IFRS adjustments include relevant non-IFRS adjustments for the Group's major associates based on available published financials of the relevant major associates, or estimates made by the Company's management based on available information, certain expectations, assumptions and premises.

Forward-Looking Statements

This press release contains forward-looking statements relating to the business outlook, estimates of financial performance, forecast business plans and growth strategies of the Group. These forward-looking statements are based on information currently available to the Group and are stated herein on the basis of the outlook at the time of this press release. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realised in the future. Underlying these forward-looking statements are a lot of risks and uncertainties. In light of the risks and uncertainties, the inclusion of forward-looking statements in this press release should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and investors should not place undue reliance on such statements. The Board and the Company assume no obligation to correct or update the forward-looking statements contained in this announcement.

CONDENSED CONSOLIDATED INCOME STATEMENT

RMB in millions, unless specified

	Unaudited		
	3Q2026	3Q2025	2Q2026
Revenues	**207,336**	192,869	204,785
VAS	**98,326**	95,860	98,414
Marketing Services	**43,049**	36,242	43,565
FinTech and Business Services	**63,655**	58,174	60,286
Others	**2,306**	2,593	2,520
Cost of revenues	**(91,425)**	(84,071)	(86,352)
Gross profit	**115,911**	108,798	118,433
Gross margin	**56%**	56%	58%
Selling and marketing expenses	**(12,144)**	(11,468)	(11,869)
General and administrative expenses	**(44,077)**	(34,259)	(38,808)
Other gains/(losses), net	**(543)**	483	(480)
Operating profit	**59,147**	63,554	67,276
Operating margin	**29%**	33%	33%
Net gains/(losses) from investments and others	**10,057**	2,820	11,184
Interest income	**3,992**	4,256	4,202
Finance costs	**(3,487)**	(3,756)	(2,979)
Share of profit/(losses) of associates and joint ventures, net	**4,482**	7,854	(9,993)
Profit before income tax	**74,191**	74,728	69,690
Income tax expense	**(9,052)**	(9,785)	(11,713)
Profit for the period	**65,139**	64,943	57,977
Attributable to:			
Equity holders of the Company	**63,612**	63,133	56,022
Non-controlling interests	**1,527**	1,810	1,955
Non-IFRS operating profit	**68,073**	72,570	75,636
Non-IFRS profit attributable to equity holders of the Company	**66,519**	70,551	68,415
Earnings per share for profit attributable to equity holders of the Company (in RMB per share)			
- basic	**7.059**	6.952	6.207
- diluted	**6.947**	6.779	6.104
Non-IFRS earnings per share for profit attributable to equity holders of the Company (in RMB per share)			
- basic	**7.382**	7.769	7.581
- diluted	**7.227**	7.575	7.433

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

RMB in millions, unless specified

	Unaudited	
	3Q2026	3Q2025
Profit for the period	**65,139**	64,943
Other comprehensive income, net of tax:		
Items that may subsequently reclassified to profit or loss		
Share of other comprehensive income of associates and joint ventures	**(149)**	(722)
Transfer of share of other comprehensive income to profit or loss upon disposal and deemed disposal of associates and joint ventures	**(322)**	(92)
Net (losses)/gains from changes in fair value of financial assets at fair value through other comprehensive income	**(349)**	(18)
Transfer to profit or loss upon disposal of financial assets at fair value through other comprehensive income	**32**	(5)
Currency translation differences	**(7,748)**	(3,895)
Net movement in reserves for hedges and others	**(1,425)**	308
Items that will not be subsequently reclassified to profit or loss		
Share of other comprehensive income of associates and joint ventures	**(589)**	12
Net gains /(losses) from changes in fair value of financial assets at fair value through other comprehensive income	**31,155**	17,479
Currency translation differences	**(2,782)**	(966)
Net movement in reserves for hedges	**-**	(14)
	17,823	12,087
Total comprehensive income for the period	**82,962**	77,030
Attributable to:		
Equity holders of the Company	**79,549**	76,499
Non-controlling interests	**3,413**	531

OTHER FINANCIAL INFORMATION

RMB in millions, unless specified

	Unaudited		
	3Q2026	3Q2025	2Q2026
EBITDA (a)	**79,439**	80,357	85,776
Adjusted EBITDA (a)	**84,893**	86,698	91,372
Adjusted EBITDA margin (b)	**41%**	45%	45%
Interest and related expenses	**3,672**	3,206	3,212
Net cash / (debt) (c)	**(13,702)**	102,422	58,191
Capital expenditures (d)	**81,433**	12,983	52,784

Note:

(a) EBITDA is calculated as operating profit minus other gains/(losses), net, and adding back depreciation of property, plant and equipment, investment properties as well as right-of-use assets, and amortisation of intangible assets and land use rights. Adjusted EBITDA is calculated as EBITDA plus equity-settled share-based compensation expenses

(b) Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by revenues

(c) Net cash / (debt) represents period end balance and is calculated as cash and cash equivalents, plus term deposits and others, including highly liquid investment products held for treasury purposes, minus borrowings and notes payable

(d) Capital expenditures primarily consist of investments in IT infrastructure (including computer equipment, components, and software), data centres, land use rights, office premises and intellectual properties (excluding media content)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

RMB in millions, unless specified

	Unaudited As at 30 September, 2026	Audited As at 31 December, 2025
ASSETS		
Non-current assets		
Property, plant and equipment	**242,500**	149,905
Land use rights	**21,881**	22,339
Right-of-use assets	**19,188**	17,367
Construction in progress	**23,003**	9,670
Investment properties	**958**	950
Intangible assets	**199,993**	205,999
Investments in associates	**313,537**	342,409
Investments in joint ventures	**6,397**	6,303
Financial assets at fair value through profit or loss	**232,602**	207,157
Financial assets at fair value through other comprehensive income	**337,434**	356,640
Prepayments, deposits and other assets	**162,901**	24,540
Other financial assets	**2,678**	1,327
Deferred income tax assets	**34,286**	28,618
Term deposits	**41,215**	70,302
	1,638,573	1,443,526
Current assets		
Inventories	**727**	530
Accounts receivable	**50,062**	49,930
Prepayments, deposits and other assets	**160,469**	111,270
Other financial assets	**2,663**	4,201
Financial assets at fair value through profit or loss	**28,290**	35,929
Financial assets at fair value through other comprehensive income	**9,866**	8,781
Term deposits	**215,944**	236,801
Restricted cash	**8,406**	6,977
Cash and cash equivalents	**231,717**	141,041
	708,144	595,460
Total assets	**2,346,717**	2,038,986

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

RMB in millions, unless specified

	Unaudited As at 30 September, 2026	Audited As at 31 December, 2025
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	**-**	-
Share premium	**78,634**	63,796
Treasury shares	**(518)**	(3,450)
Shares held for share award schemes	**(10,807)**	(7,124)
Other reserves	**16,455**	90,494
Retained earnings	**1,127,817**	1,010,436
	1,211,581	1,154,152
Non-controlling interests	**86,363**	86,913
Total equity	**1,297,944**	1,241,065
LIABILITIES		
Non-current liabilities		
Borrowings	**291,379**	208,369
Notes payable	**159,328**	126,204
Long-term payables	**11,643**	10,544
Other financial liabilities	**5,636**	2,879
Deferred income tax liabilities	**20,790**	21,684
Lease liabilities	**14,587**	13,280
Deferred revenue	**1,994**	2,210
	505,357	385,170
Current liabilities		
Accounts payable	**199,176**	121,127
Other payables and accruals	**92,438**	96,496
Borrowings	**88,722**	42,618
Notes payable	**-**	10,542
Current income tax liabilities	**19,313**	18,558
Other tax liabilities	**5,474**	3,723
Other financial liabilities	**3,270**	3,992
Lease liabilities	**5,623**	5,386
Deferred revenue	**129,400**	110,309
	543,416	412,751
Total liabilities	**1,048,773**	797,921
Total equity and liabilities	**2,346,717**	2,038,986

RECONCILIATIONS OF THE GROUP'S NON-IFRS FINANCIAL MEASURES TO THE NEAREST MEASURES PREPARED IN ACCORDANCE WITH IFRS

RMB in millions, unless specified	As reported	Adjustments							Non-IFRS
		Share-based compensation (a)	Net (gains)/losses from investee companies (b)	Amortisation of intangible assets (c)	Impairment provisions/ (reversals) (d)	SSV & CPP and other donations (e)	Others (f)	Income tax effects (g)	
Unaudited three months ended 30 September 2026									
Operating profit	**59,147**	**7,115**	**–**	**1,621**	**–**	**190**	**–**	**–**	**68,073**
Share of profit/(loss) of associates and joint ventures, net	**4,482**	**898**	**1,294**	**1,881**	**50**	**–**	**221**	**–**	**8,826**
Profit for the period	**65,139**	**8,013**	**(8,839)**	**3,502**	**915**	**429**	**221**	**(932)**	**68,448**
Profit attributable to equity holders	**63,612**	**7,834**	**(8,780)**	**3,123**	**909**	**429**	**221**	**(829)**	**66,519**
Operating margin	**29%**								**33%**
Unaudited three months ended 30 June 2026									
Operating profit	67,276	6,579	–	1,602	–	179	–	–	75,636
Share of profit/(loss) of associates and joint ventures, net	(9,993)	1,327	12,834	1,356	188	–	647	–	6,359
Profit for the period	57,977	7,906	4,316	2,958	(2,064)	864	647	(2,013)	70,591
Profit attributable to equity holders	56,022	7,756	4,527	2,611	(2,064)	861	647	(1,945)	68,415
Operating margin	33%								37%

	As reported	Adjustments							Non-IFRS
		Share-based compensation (a)	Net (gains)/losses from investee companies (b)	Amortisation of intangible assets (c)	Impairment provisions/ (reversals) (d)	SSV & CPP (e)	Others (f)	Income tax effects (g)	
Unaudited three months ended 30 September 2025									
Operating profit	63,554	7,188	–	1,622	–	206	–	–	72,570
Share of profit/(loss) of associates and joint ventures, net	7,854	909	(555)	1,755	(1)	–	360	–	10,322
Profit for the period	64,943	8,097	1,703	3,377	(4,798)	321	360	(1,207)	72,796
Profit attributable to equity holders	63,133	7,905	1,730	3,003	(4,805)	321	360	(1,096)	70,551
Operating margin	33%								38%

Note:

(a) Including put options granted to employees of investee companies on their shares and shares to be issued under investee companies' share-based incentive plans which can be acquired by the Group, and other incentives

(b) Including net (gains)/losses on deemed disposals/disposals of investee companies, fair value changes arising from investee companies, and other expenses in relation to equity transactions of investee companies

(c) Amortisation of intangible assets resulting from acquisitions

(d) Mainly including impairment provisions/(reversals) for associates, joint ventures, goodwill and other intangible assets arising from acquisitions

(e) Mainly including donations and expenses incurred for the Group's Sustainable Social Value and Common Prosperity Programme ("SSV & CPP") initiatives

(f) Primarily non-recurring compliance-related costs and expenses incurred for certain litigation settlements of the Group and/or arising from investee companies

(g) Income tax effects of non-IFRS adjustments