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+RQJ .RQJ 0D\ – Tencent Holdings Limited ("Tencent" or the "Company", 00700.HK), a leading provider of Internet value-added services in China, today announced the unaudited consolidated results for the first quarter ("1Q2023") ended Mar 31, 2023.

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5HYHQXHV <R< Q,)56 SURILW DWWULEXWDEOH WR HTXLW\ KROGHUV

- 7RWDO UHYHQXHV were RMB150 billion (USD21.8 billion[2]), an increase of 11% over the first quarter of 2022 ("YoY").
- 2Q D Q,)56 EDVLV which is intended to reflect core earnings by excluding certain one-time and/or non-cash items:
  - 2SHUDWLQJ SURILW was RMB48.4 billion (USD7 billion), an increase of 32% YoY. Operating margin increased to 32% from 27% last year.
  - 3URILW IRU WKH SHULRG was RMB33.4 billion (USD4.9 billion), an increase of 27% YoY. Net margin increased to 22% from 19% last year.
  - 3URILW DWWULEXWDEOH WR HTXLW\ KROGHUV for the quarter was RMB32.7 billion (USD4.7 billion), an increase of 27% YoY.
  - %DVLF HDUQLQJV per share were RMB3.148. 'LOXWHG HDUQLQJV per share were RMB3.053.
- 2Q D Q ,)56 :EDVLV
  - Operating profit was RMB40.4 billion (USD5.9 billion), an increase of 9% YoY. Operating margin was stable at 27%.
  - Profit for the period was RMB26.4 billion (USD3.8 billion), an increase of 11% YoY. Net margin was stable at 18%.
  - Profit attributable to equity holders of the Company for the quarter was RMB25.8 billion (USD3.8 billion), an increase of 10% YoY.
  - Basic earnings per share were RMB2.725. Diluted earnings per share were RMB2.639.
- 7RWDO Owere RMB370.5 billion (USD53.9 billion) at the end of the period.

Mr. Ma Huateng, Chairman and CEO of Tencent, said, "During the first quarter of 2023, we achieved solid revenue growth as our payment volumes benefitted from, and facilitated, domestic consumption recovery, our games revenue improved, and our advertising revenue sustained rapid growth. Our non-IFRS net profit increased at a faster pace, reflecting a positive revenue mix shift, operational efficiencies, and an easy base period. We are investing in our AI capabilities and cloud infrastructure to embrace the opportunities brought by foundation models, and expect AI to be a growth multiplier that enables us to better serve our users, customers, and society at large."

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Revenues from VAS increased by 9% to RMB79.3 billion for the first quarter of 2023 on a year-on-year basis.

[1] Non-IFRS adjustments excludes share-based compensation, M&A related impact such as net (gains)/losses from investee companies, amortisation of intangible assets and impairment provision/(reversals), SSV & CPP, income tax effects and others
[2] Figures stated in USD are based on USD1 to RMB6.8717