For Immediate Release

TENCENT ANNOUNCES 2025 ANNUAL AND FOURTH QUARTER RESULTS
Healthy Core Business Growth Reinforced by AI
Increasing AI Investments to Unlock New Opportunities

Hong Kong, 18 March 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 audited consolidated results for the year ended 31 December 2025 ("FY2025") and the unaudited consolidated results for the quarter ended 31 December 2025 ("4Q2025").

Mr. Ma Huateng, Chairman and CEO of Tencent, said, "We sustained healthy growth rates in 2025, as AI capabilities improved our ad targeting and supported more engagement with our games, and as our cloud business delivered improving revenue growth and profit at scale. Our highly resilient and cash generative core businesses provide us with the resources to fund our increasing investments in AI, including recruiting top-tier AI talent and upgrading our AI infrastructure. The increasing intelligence of our HY 3.0 large language model, and the utility of our AI products such as Yuanbao, WorkBuddy, and QClaw, are encouraging early signs that these investments will unlock new opportunities. People enjoy consuming and being entertained, and derive satisfaction from creating and being productive, and it is Tencent's privilege to provide AI services that can enhance our users' capabilities across these dimensions."

FY2025 Financial Highlights

Revenues: +14% YoY, gross profit: +21% YoY, non-IFRS[1] operating profit: +18% YoY

Total revenues were RMB751.8 billion, up 14% over 2024 ("YoY").

Gross profit was RMB422.6 billion, up 21% 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 RMB280.7 billion, up 18% YoY. Operating margin increased to 37% from 36% last year.
- **Net profit** was RMB 267.0 billion, up 18% YoY.
- **Net profit attributable to equity holders of the Company** was RMB259.6 billion, up 17% YoY.
- **Basic earnings per share** were RMB28.577. **Diluted earnings per share** were RMB27.877.

On an IFRS basis:

- Operating profit was RMB241.6 billion, up 16% YoY. Operating margin was stable at 32% compared to 2024.
- Net profit was RMB229.8 billion, up 17% YoY.
- Net profit attributable to equity holders of the Company was RMB224.8 billion, up 16% YoY.
- Basic earnings per share were RMB24.749. Diluted earnings per share were RMB24.153.

Capital expenditure was RMB79.2 billion, up 3% YoY.

Total cash was RMB494.9 billion, up 19%. **Free cash flow** was RMB182.6 billion, up 18% YoY. **Net cash position** totalled RMB107.1 billion, up 40%.

The fair value of our shareholdings[2] in listed investee companies (excluding subsidiaries) totalled RMB672.7 billion as at 31 December 2025, compared with RMB800.8 billion as at 30 September 2025. The carrying book value of our shareholdings in unlisted investee companies (excluding subsidiaries) was RMB363.1 billion as at 31 December 2025, compared with RMB345.2 billion as at 30 September 2025.

During FY2025, the Company repurchased approximately 153.4 million shares on the Hong Kong Stock Exchange for an aggregate consideration of approximately HKD80.0 billion.

[1] Non-IFRS adjustments excludes share-based compensation, M&A related impact such as net (gains)/losses from investee companies, amortisation of intangible assets, impairment provisions/(reversals), SSV & CPP, income tax effects and others

[2] Including those held via special purpose vehicles, on an attributable basis

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

RMB in millions, unless specified

	Audited As at 31 December, 2025	Audited As at 31 December, 2024
ASSETS		
Non-current assets		
Property, plant and equipment	**149,905**	80,185
Land use rights	**22,339**	23,117
Right-of-use assets	**17,367**	17,679
Construction in progress	**9,670**	12,302
Investment properties	**950**	801
Intangible assets	**205,999**	196,127
Investments in associates	**342,409**	290,343
Investments in joint ventures	**6,303**	7,072
Financial assets at fair value through profit or loss	**207,157**	204,999
Financial assets at fair value through other comprehensive income	**356,640**	302,360
Prepayments, deposits and other assets	**24,540**	42,828
Other financial assets	**1,327**	1,076
Deferred income tax assets	**28,618**	28,325
Term deposits	**70,302**	77,601
	1,443,526	1,284,815
Current assets		
Inventories	**530**	440
Accounts receivable	**49,930**	48,203
Prepayments, deposits and other assets	**111,270**	101,044
Other financial assets	**4,201**	4,750
Financial assets at fair value through profit or loss	**35,929**	9,568
Financial assets at fair value through other comprehensive income	**8,781**	3,345
Term deposits	**236,801**	192,977
Restricted cash	**6,977**	3,334
Cash and cash equivalents	**141,041**	132,519
	595,460	496,180
Total assets	**2,038,986**	1,780,995

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

RMB in millions, unless specified

	Audited As at 31 December, 2025	Audited As at 31 December, 2024
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	**-**	-
Share premium	**63,796**	43,079
Treasury shares	**(3,450)**	(3,597)
Shares held for share award schemes	**(7,124)**	(5,093)
Other reserves	**90,494**	47,129
Retained earnings	**1,010,436**	892,030
	1,154,152	973,548
Non-controlling interests	**86,913**	80,348
Total equity	**1,241,065**	1,053,896
LIABILITIES		
Non-current liabilities		
Borrowings	**208,369**	146,521
Notes payable	**126,204**	130,586
Long-term payables	**10,544**	10,201
Other financial liabilities	**2,879**	4,203
Deferred income tax liabilities	**21,684**	18,546
Lease liabilities	**13,280**	13,897
Deferred revenue	**2,210**	6,236
	385,170	330,190
Current liabilities		
Accounts payable	**121,127**	118,712
Other payables and accruals	**96,496**	84,032
Borrowings	**42,618**	52,885
Notes payable	**10,542**	8,623
Current income tax liabilities	**18,558**	16,586
Other tax liabilities	**3,723**	4,038
Other financial liabilities	**3,992**	6,336
Lease liabilities	**5,386**	5,600
Deferred revenue	**110,309**	100,097
	412,751	396,909
Total liabilities	**797,921**	727,099
Total equity and liabilities	**2,038,986**	1,780,995

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 (e)	Others (f)	Income tax effects (g)	
					Unaudited three months ended 31 December 2025				
Operating profit	**60,338**	**7,210**	**–**	**1,594**	**–**	**376**	**–**	**–**	**69,518**
Share of profit/(loss) of associates and joint ventures, net	**6,832**	**773**	**(26)**	**1,522**	**46**	**–**	**–**	**–**	**9,147**
Profit for the period	**59,089**	**7,983**	**(7,479)**	**3,116**	**3,617**	**1,338**	**–**	**(953)**	**66,711**
Profit attributable to equity holders	**58,260**	**7,902**	**(7,515)**	**2,793**	**2,812**	**1,338**	**–**	**(896)**	**64,694**
Operating margin	**31%**								**36%**
					Unaudited three months ended 31 December 2024				
Operating profit	51,478	6,140	–	1,416	–	441	–	–	59,475
Share of profit/(loss) of associates and joint ventures, net	9,253	1,003	(3,799)	1,176	116	–	–	–	7,749
Profit for the period	51,467	7,143	(6,888)	2,592	1,760	1,109	–	(706)	56,477
Profit attributable to equity holders	51,324	7,034	(6,931)	2,396	1,037	1,109	–	(657)	55,312
Operating margin	*30%*								*34%*
					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

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 (e)	Others (f)	Income tax effects (g)	
					Year ended 31 December 2025				
Operating profit	**241,562**	**31,859**	**–**	**6,345**	**–**	**890**	**–**	**–**	**280,656**
Share of profit/(loss) of associates and joint ventures, net	**23,740**	**3,553**	**(1,268)**	**6,534**	**538**	**–**	**360**	**–**	**33,457**
Profit for the year	**229,801**	**35,412**	**(8,203)**	**12,879**	**(2,242)**	**2,570**	**360**	**(3,612)**	**266,965**
Profit attributable to equity holders	**224,842**	**34,711**	**(7,896)**	**11,498**	**(3,117)**	**2,570**	**360**	**(3,342)**	**259,626**
Operating margin	***32%***								***37%***
					Year ended 31 December 2024				
Operating profit	208,099	23,424	–	5,294	–	991	3	–	237,811
Share of profit/(loss) of associates and joint ventures, net	25,176	4,423	(4,289)	5,478	847	–	–	–	31,635
Profit for the year	196,467	27,847	(18,646)	10,772	10,636	2,570	3	(2,455)	227,194
Profit attributable to equity holders	194,073	27,230	(18,770)	9,994	9,836	2,570	3	(2,233)	222,703
Operating margin	*32%*								*36%*

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

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

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(g) Income tax effects of non-IFRS adjustments