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Tencent 腾讯
TENCENT HOLDINGS LIMITED
騰訊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 700)

**ISSUE OF NEW SHARES PURSUANT TO
SHARE AWARD SCHEME**

On 8 July 2019, the Board has resolved to issue a total of 34,182,154 new Shares pursuant to the general mandate granted by the shareholders of the Company at the 2019 AGM for the purpose of awarding a total of 13,026,938 Awarded Shares to 4,426 Awarded Persons and 21,155,216 Awarded Shares to 18,845 Awarded Persons granted under the 2013 Scheme during the period from August 2018 to June 2019 and on 8 July 2019, respectively. The Board shall cause to be paid the subscription money for the new Shares from the Company's resources into the Account. The independent Trustee shall subscribe for the new Shares in cash. Upon the allotment of the new Shares, the independent Trustee shall hold the new Shares in trust for the Awarded Persons and shall transfer such Shares to the Awarded Persons at no cost upon the satisfaction of the relevant vesting conditions specified by the Board at the time of making the Award.

The total number of Shares available for Awards under the 2013 Scheme is 71,854,236 before granting of the above Awards and shall not exceed 3% of the issued shares of the Company as at the date of adopting the 2013 Scheme. Following these Awards, there remains 37,672,082 Shares available under the 2013 Scheme for further Awards by the Board.

Reference is made to the 2013 Scheme adopted by the Board.

The Board has resolved to award a total of 21,155,216 Awarded Shares to 18,845 Awarded Persons on 8 July 2019 under the 2013 Scheme. In addition, a total of 13,026,938 Awarded Shares have been awarded to 4,426 Awarded Persons under the 2013 Scheme during the period from August 2018 to June 2019. Pursuant to the terms of the Scheme, the Awarded Shares shall either be acquired by the independent Trustee at the cost of the Company or be allotted to the independent Trustee under the general mandates granted by the shareholders of the Company at the general meetings from time to time and be held in trust for the Awarded Persons until the end of each vesting period.

On 8 July 2019, the Board has resolved to issue a total of 34,182,154 new Shares pursuant to the general mandate granted by the shareholders of the Company at the 2019 AGM, under which the maximum number of Shares that can be issued and allotted are 1,904,112,155 Shares, for the purpose of awarding a total of 13,026,938 Awarded Shares to 4,426 Awarded Persons and 21,155,216 Awarded Shares to 18,845 Awarded Persons granted under the 2013 Scheme during the period from August 2018 to June 2019 and on 8 July 2019, respectively. The issuance of these Shares are not subject to shareholders' approval. Except for the issue of Shares as mentioned in this announcement, at the date of this announcement, no new Share has been issued or allotted under the aforesaid general mandate. Pursuant to the Scheme, the Board shall cause to be paid the subscription money for the new Shares from the Company's resources into the Account. The independent Trustee shall subscribe for the new Shares in cash. Upon the allotment of the new Shares, the independent Trustee shall hold the new Shares in trust for the Awarded Persons and shall transfer such Shares to the Awarded Persons at no cost upon the satisfaction of the relevant vesting conditions specified by the Board at the time of making the Award. The grant of an aggregate of 34,182,154 Awarded Shares is made during the period from August 2018 to June 2019 and on 8 July 2019, and the vesting period of the Awarded Shares differs among the Awarded Persons. Generally, certain percentages of the total amount of the Awarded Shares granted will be vested on expiration of a period of time from the date of grant. The amount of Awarded Shares granted to each Awarded Person is subject to the position, experience and performance of each Awarded Person.

The Trustee and all of the 23,271 Awarded Persons and their respective ultimate beneficial owners, if any, are third parties independent of the Company and are not connected persons of the Company, and none of them is a director or a substantial shareholder (as defined under the Listing Rules) of the Group or an Excluded Person as at the time of granting the Awarded Shares.

The new Shares to be issued and allotted by the Company to the independent Trustee represent approximately 0.3590% of the Company's issued shares as at 8 July 2019 and approximately 0.3577% of the Company's enlarged issued shares after the allotment. The total number of Shares available for Awards under the 2013 Scheme is 71,854,236 before granting of the above Awards and shall not exceed 3% of the issued shares of the Company as at the date of adopting the 2013 Scheme. Following the aforementioned Awards, there remains 37,672,082 Shares available under the 2013 Scheme for further Awards by the Board.

The new Shares, when issued and fully paid, will rank pari passu among themselves and with the Shares in issue upon allotment of the new Shares, with the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment. Pursuant to the Scheme, the Trustee however shall not exercise the voting rights in respect of any Shares held in trust.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the 34,182,154 Awarded Shares.

Further information relating to the issue of the new Shares under the Scheme is set out below:

Securities to be issued: 34,182,154 Shares

Issue price (net): Shares shall be allotted to the independent Trustee at nominal value

Funds to be raised: Nil

Note: HK\$683.64, which is the total nominal value of the Shares to be issued, shall be paid from the Company's resources into the Account and shall be used by the independent Trustee as subscription money for the new Shares

Reasons for the issue: To recognise the contributions made by the Awarded Persons and to attract and retain talent for the continuous operations and development of the Group

Identity of the allottee: The independent Trustee, which holds the Awarded Shares in trust for the 23,271 Awarded Persons

Market price of the Shares: HK\$351, being the closing price of the Shares as at 8 July 2019

Fund raising activities in the past 12 months:

The Company has not engaged in any fund raising activities by any issue of Shares in the 12 months immediately preceding the date of this announcement

DEFINITION

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

Term	Definition
“2013 Scheme” or “Scheme”	the share award scheme adopted on 13 November 2013, constituted by the rules thereof, in its present form or as amended from time to time in accordance with the provisions thereof
“2019 AGM”	the annual general meeting of the Company held on 15 May 2019
“Account”	the bank accounts operated solely for the purposes of operating the 2013 Scheme which is held in trust for the benefit of the Awarded Persons
“Award(s)”	award(s) of Shares by the Board pursuant to the Scheme to the Awarded Person(s)
“Awarded Person(s)”	any Eligible Person (other than any Excluded Person) whom the Board may, from time to time, at its absolute discretion select for participation in the Scheme
“Awarded Shares”	in respect of an Awarded Person, such number of Shares determined by the Board and (i) issued by the Company to the Awarded Person, or (ii) purchased by the Trustee on the market, in either case out of cash paid by the Company by way of settlement to the Trustee pursuant to the Scheme
“Board”	the board of directors of the Company, such committee or sub-committee or person(s) delegated with the power and authority by the board of directors of the Company to administer the Scheme

“Company”	Tencent Holdings Limited, a limited liability company organised and existing under the laws of the Cayman Islands and whose Shares are listed on the Stock Exchange
“Eligible Person(s)”	any employee (whether full time or part time), executives or officers, directors (including executive, non-executive and independent non-executive directors) of any member of the Group or any Invested Entity and any consultant, adviser or agent of any member of the Group or of any Invested Entity, who have contributed or will contribute to the growth and development of the Group or any Invested Entity
“Excluded Person”	(i) at the time of the proposed grant of an Award, any connected person (as defined under the Listing Rules) of the Company other than directors or substantial shareholders of any member of the Group, or (ii) any Eligible Person who is resident in a place where the Award of the Awarded Shares and / or the vesting and transfer of the Awarded Shares pursuant to the terms of the Scheme is not permitted under the laws and regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Eligible Person
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which the Group holds an equity interest
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Share(s)”	ordinary share(s) of HK\$0.00002 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Trustee”	the trustee appointed by the Company for the administration of the Scheme
“%”	per cent

By Order of the Board
Ma Huateng
Chairman

8 July 2019

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Ma Huateng and Lau Chi Ping Martin;

Non-Executive Directors:

Jacobus Petrus (Koos) Bekker and Charles St Leger Searle; and

Independent Non-Executive Directors:

Li Dong Sheng, Iain Ferguson Bruce, Ian Charles Stone and Yang Siu Shun.