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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)

GRANT OF OPTIONS
PURSUANT TO 2017 OPTION SCHEME

Pursuant to Rule 17.06A of the Listing Rules, the Board announces that on 23 March 2023, the Company granted 3,659,925 Options to subscribe for Shares to employee participants in accordance with the terms of the 2017 Option Scheme (subject to acceptance by the grantees).

Details of Grant of Options

The details of the Options granted to the grantees are as follows:

Date of grant: 23 March 2023

Grantees and number of Options granted: 3,659,925 Options to subscribe for Shares were granted to employee participants under the 2017 Option Scheme.

The above grant would not be subject to approval by the shareholders of the Company in general meeting. To the best knowledge of the Directors, as of the date of this announcement, none of the grantees is (i) a director, chief executive or substantial shareholder of the Company, or an associate (as defined under the Listing Rules) of any of them; (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under

the Listing Rules; or (iii) a related entity participant or a service provider (as defined under the Listing Rules) of the Company. The above grant would not result in the Shares issued and to be issued in respect of all options and awards granted to each grantee in the 12-month period up to and including the date of such grant in aggregate to be over 1% of the Shares in issue.

Exercise price of Options granted: Each Option shall entitle the holder to subscribe for one Share upon exercise of such Option at an exercise price of HK\$375.6 per Share. The Group will not provide any financial assistance to the grantees to facilitate the exercise of Options under the 2017 Option Scheme.

Closing price of the Shares on the date of grant: HK\$375.6 per Share

Exercise period of Options: Until the last day of the 7-year period after the date of grant of Options

Vesting period: The total vesting period for the Options granted to employee participants (i.e., the period between the grant date and the last vesting date) ranges from approximately 22 months to 48 months.

Pursuant to the Listing Rules and the rules of the 2017 Option Scheme, no options can be granted when the Company is in possession of inside information (as defined under Part XIVA of the Securities and Futures Ordinance). In respect of the Options granted to employee participants who are neither Directors nor senior management, the Options will be vested in several batches, with a total vesting period of more than 12 months. As such grant of Options was delayed by reason of the Company's possession of inside information, the period between the grant date and the first vesting date is less than 12 months to reflect the time from which the Options would have been granted. In respect of the Options granted to senior management, the vesting period of such Options is not less than 12 months.

Performance targets: Options were granted to senior management under the 2017 Option Scheme without performance targets. In view that (i) the grantees are employees of the Group who will contribute directly to the overall business performance, sustainable development and/or good corporate governance of the Group; (ii) the grant is a recognition for the grantees' past contributions to the Group; and (iii) the Options are subject to certain vesting conditions and terms of the scheme, which already cover situations where the Options will lapse in the event that the grantees cease to be employees of the Group, the Remuneration Committee is of the view that the grant of Options to senior management without performance targets is market competitive and aligns with the purpose of the 2017 Option Scheme.

Clawback/lapse mechanism: Where a grantee's service or employment with the Group has been terminated by the Group by reason of, among others, dishonesty or serious misconduct, incompetence or negligence in the performance of his/her duties, the grantee having been convicted of any criminal offence involving his/her integrity or honesty, the grantee will cease to be an eligible person and the Options granted will automatically lapse.

Number of Shares Available for Future Grants

As at the date of this announcement, the number of Options available for future grants under the 2017 Option Scheme is 273,363,860.

Reasons for Grant of Options

The grant of Options is to align the interests of the grantees with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to recognise the contributions made by the grantees and to attract and retain talent for the continuous operations and development of the Group.

DEFINITION

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

Term	Definition
“2017 Option Scheme”	the share option scheme of the Company adopted on 17 May 2017
“Board”	the board of Directors, such committee or sub-committee or person(s) delegated with the power and authority by the board of Directors to administer the 2017 Option Scheme
“Company”	Tencent Holdings Limited, a limited liability company organised and existing under the laws of the Cayman Islands and the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“employee participant(s)”	shall have the same meaning as set out in Rule 17.03A of the Listing Rules
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	share option(s) to subscribe for Shares to be granted under the 2017 Option Scheme

“Remuneration Committee”	the remuneration committee of the Company
“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
“Subsidiaries”	has the meaning ascribed thereto under the Listing Rules
“%”	per cent

By Order of the Board
Ma Huateng
Chairman

23 March 2023

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, Ian Charles Stone, Yang Siu Shun, Ke Yang and Zhang Xiulan.