

Tencent 腾讯

CORPORATE OVERVIEW

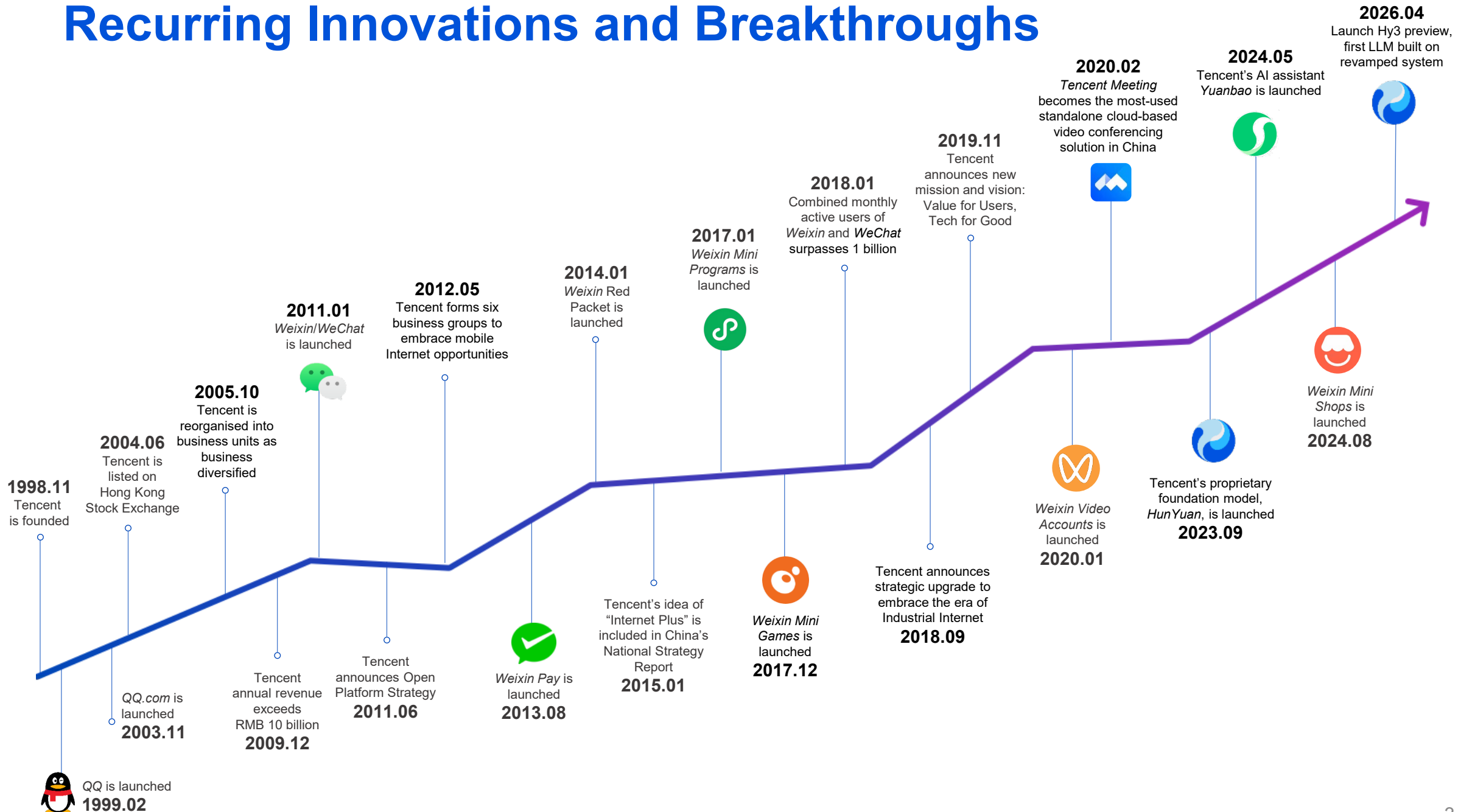
June 2026

1. *Business Overview*

2. *Financials*

3. *Tech for Good*

Recurring Innovations and Breakthroughs



Resilient Growth through Cycles

What we have achieved since our listing in 2004...

657x

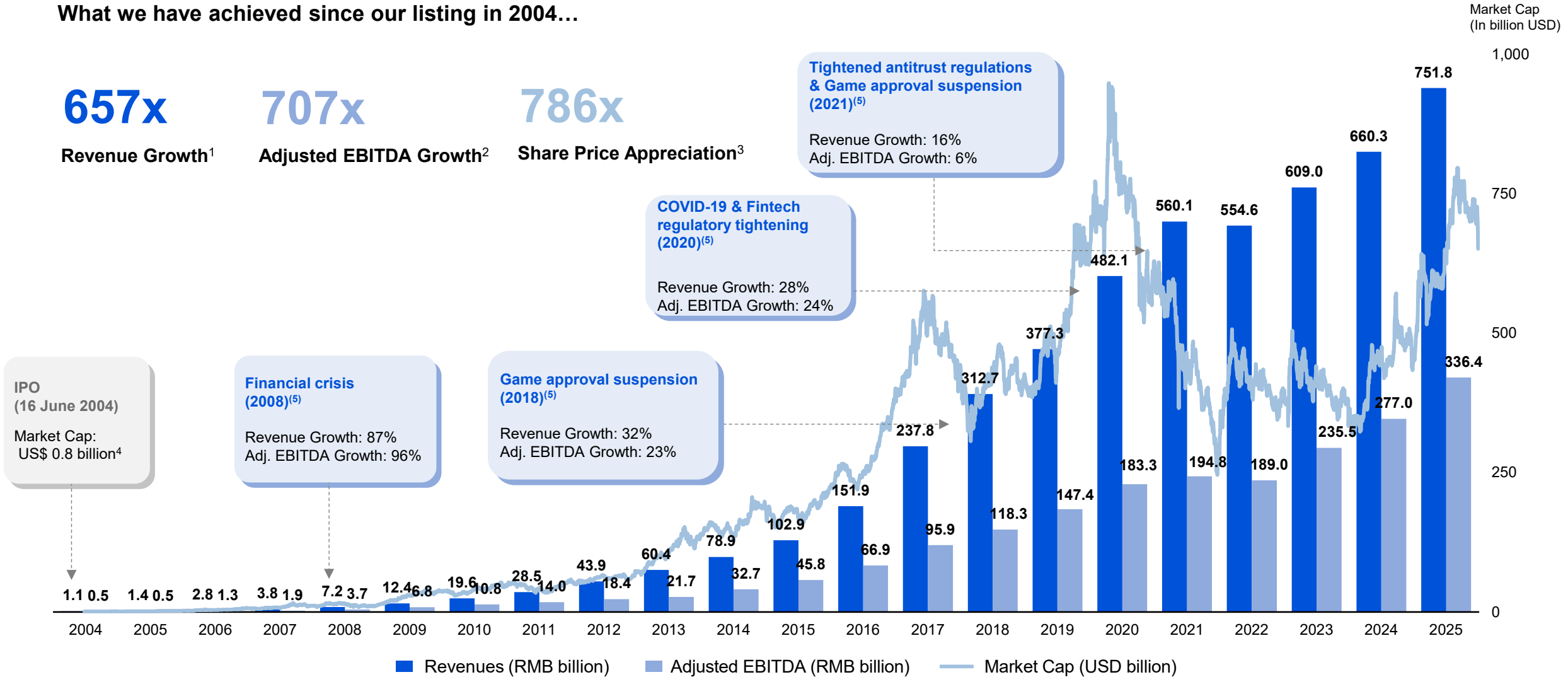
Revenue Growth¹

707x

Adjusted EBITDA Growth²

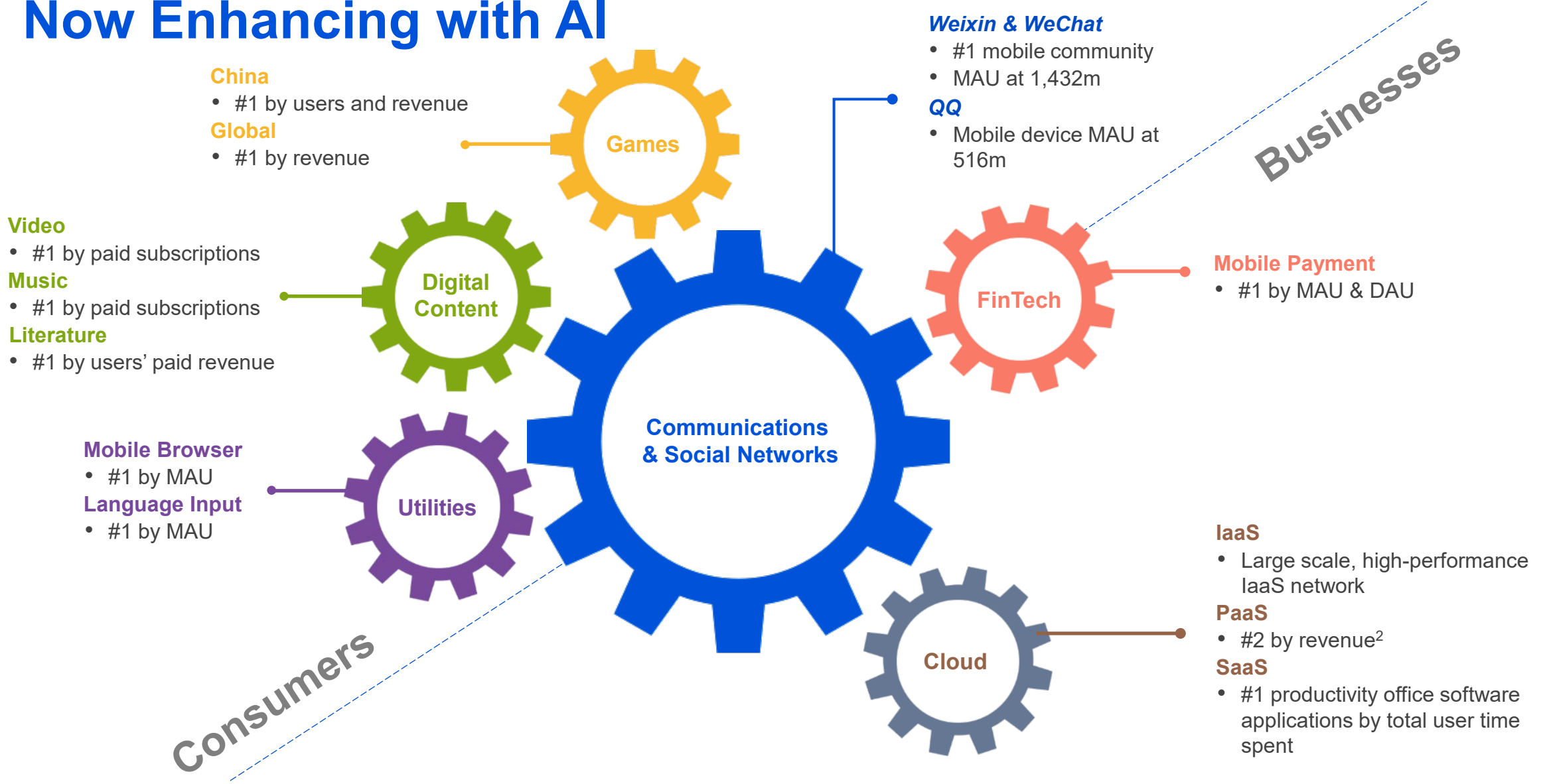
786x

Share Price Appreciation³



1. Growth of 2025 revenues over 2004 revenues.
 2. Growth of 2025 Adjusted EBITDA over 2004 Adjusted EBITDA. Adjusted EBITDA consists of EBITDA plus equity-settled share-based compensation expenses
 3. Growth of market capitalisation on Dec 31, 2025 over market capitalisation at IPO on Jun 16, 2004
 4. Based on market capitalisation at IPO on Jun 16, 2004
 5. YoY growth from 2007 to 2008 for financial crisis; YoY growth from 2017 to 2018 for game approval suspension; YoY growth from 2019 to 2020 for the COVID-19 pandemic; YoY growth from 2020 to 2021 for tightened antitrust regulations and game approval suspension
 Sources: Bloomberg

Leading Ecosystem Built on Best-in-class Products, Now Enhancing with AI



1. All rankings above refer to China market, unless otherwise stated. Company data and QuestMobile, 1Q26
 2. IDC Quarterly Public Cloud Services Tracker, 4Q25

Hy Foundation Model: Accelerating Progress

1 With a new team led by AI-native researchers, we comprehensively revamped our system for building models





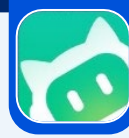
2 Hy3 preview: a leading model in its size, with practical utility and inference cost efficiency





1 Source: OpenRouter cumulative token usage (sum of prompt and completion tokens) from 23 April to 28 May 2026

Early Lead in Agentic AI Deployment Positions us for Driving Broader Adoption via Weixin




Productivity Platforms

-  **CodeBuddy**
AI creating code
-  **Claws**
Open-source AI engaging in general computer use
-  **WorkBuddy**
AI operating productivity software


Gateways

-  **Weixin** Gateway of **45%** surveyed Claw users for controlling agentic AI
-  **WeCom** Gateway of **36%** surveyed Claw users for controlling agentic AI
- The most used gateways for controlling agentic AI¹**

Achievements

-  **Rapid organic growth**
-  **80%** retention rate among active users²
-  **88%** retention rate among paying users²

Next steps

-  **AI Agents within Weixin ecosystem**

1. Survey among OpenClaw users in April 2026 by Growth Blackbox Institute
2. Next day retention rate of *CodeBuddy* and *WorkBuddy* as of 4 Jun 2026

Weixin Ecosystem Uniquely Suited for Agentic AI Deployment at Scale



Chat

#1

- *Weixin Chat* is the most foundational digital service in China, with over **1.4 billion MAU¹**, the highest daily usage frequency among all major applications, and rising average time spent per user
- Universally distributed communication tools, text-plus-voice interface, and embedded social graph together render *Weixin* as **ideal application for controlling AI**



Mini Programs

#1

- **Ecosystem of millions of Mini Programs** in which users can access products and services in an integrated and efficient manner
- AI agents will also utilize *Mini Programs*, providing **ready-made ecosystem** with millions of deployable Skills



Mini Shops

Emerging

- **Centralized eCommerce gateway** with notable GMV growth
- **Enhancing customer service and merchandise recommendation** with foundation model, driving higher sales conversion and greater efficiency for merchants



Video Accounts

#2

- **#2 short video service** by DAU in China, and total time spent grew over **20% year-on-year²**
- **Scaling up the number of parameters and enhancing the algorithm for content recommendation model**, enabling delivery of more relevant content to users, and therefore increasing time spent per user



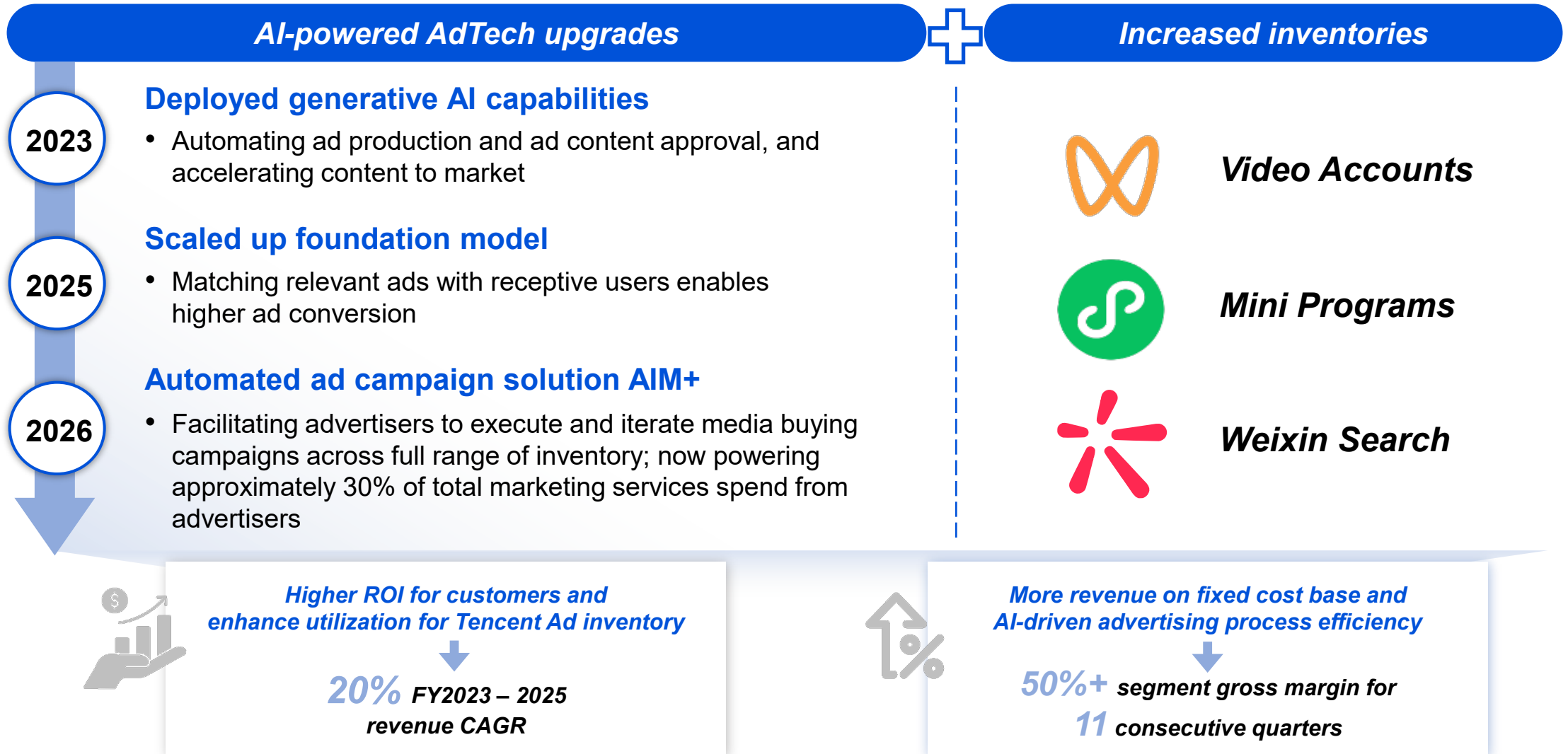
Weixin Search

Emerging

- **The only search engine** providing access to personal content, proprietary content within *Weixin*, and open internet content
- **Rapidly growing total query volume and RPM³** benefitting from AI-powered ranking and multimodal AI search

1. In 1Q2026; MAU for *Weixin* and *WeChat* combined
2. In 2025 and 1Q2026
3. Revenue per mille

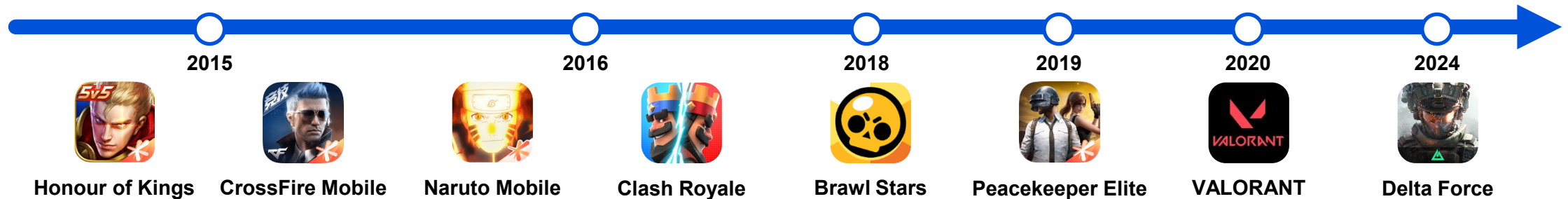
Marketing Services – Clear Proof Point for AI Enhancing Revenue and Profitability



Games – Robust Performance from Evergreen Games and Success from New Games, with Monetization Uplift from AI

- ▶ Largest game company in the world – RMB242 billion games segment revenue in 2025
- ▶ Globally successful – International markets contributing 32% of games segment revenue in 2025
- ▶ In-house expertise across value chain – Multiple successful in-house studios each possessing strong development, publishing and operation capabilities
- ▶ Partner of choice – Long term win-win relationships with emerging studios and category leaders

Successful New Releases Layer onto Sustained Performance of Existing Hit Games



In-house Studios



Emerging Studios



Category Leading Partners



Pioneer in AI application in games

- Generative AI accelerates monetizable content production speed and scale
- AI powered virtual teammates provide coaching and support, enhancing user experience
- AI enabled CRM tools boost user acquisition, engagement and retention

FinTech – Market Leader Operating at Scale in Data Intensive Domains Suitable for Future AI Deployment



Commercial payment service

- #1 mobile payment provider in China
- Resilient revenue growth due to increasing number of transactions, as we add more online and offline use cases



Wealth management platform

- A leading platform for wealth management solutions, serving the mass market
- Average assets per user and number of users both increasing year-on-year

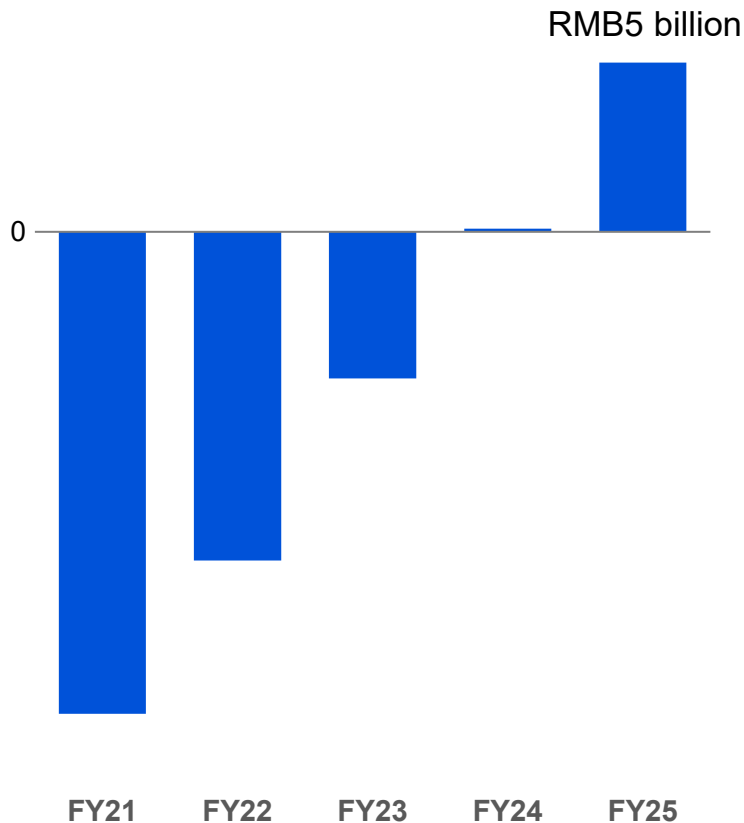


Consumer lending facilitation

- A distribution channel primarily for licensed financial institutions to originate short-term consumption related loans to our payment service users
- Early stage in deploying AI to enhance credit scoring process, and further reduce non-performing loan rates

Tencent Cloud – Becoming an Evergreen Business with Procurement of GPUs Unlocking AI Revenue

Cloud services adjusted operating profit/(loss)



- We are a leading cloud service provider, leveraging our understanding of software to support **substantial “internal cloud needs” as well as external customers** across industries and worldwide
- We started to focus on high-quality cloud revenue growth in 2022, and delivered **RMB5 billion adjusted operating profit in 2025**, despite constrained availability of GPUs and our decision to prioritise internal AI use cases
- **Tencent Cloud now offers full-stack AI agent solutions** so that customers can integrate our security infrastructure, skillhubs and Weixin/QQ/WeCom control interfaces into their choice of models and agents. To serve internal AI use cases and demand from external customers for Tencent Cloud AI infrastructure and solutions, we are increasing **our GPU capacity during course of 2026**
- Tencent Cloud’s **international business grew revenue over 40% YoY in 1Q26**, captured rising demand from international customers who are adopting multi-cloud and hybrid strategies to achieve greater flexibility, performance and data sovereignty

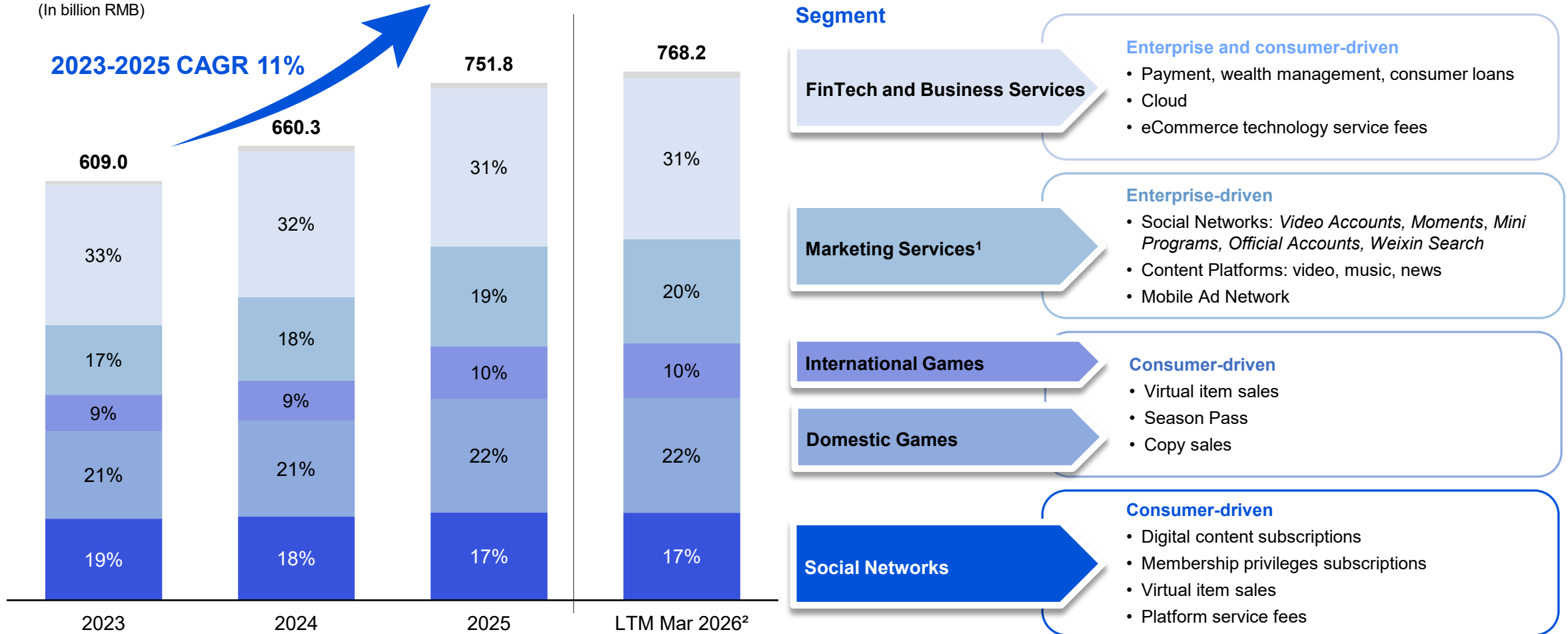
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High Quality and Sustainable Growth across Diversified Revenue Streams

Total Revenue and Segmental Breakdown
(In billion RMB)



1. Starting 3Q24, we renamed this revenue segment from 'Online Advertising' to 'Marketing Services' to better represent the breadth of our marketing solutions and accompanying technology services across our online marketing properties
 2. Last twelve month ended Mar 31, 2026

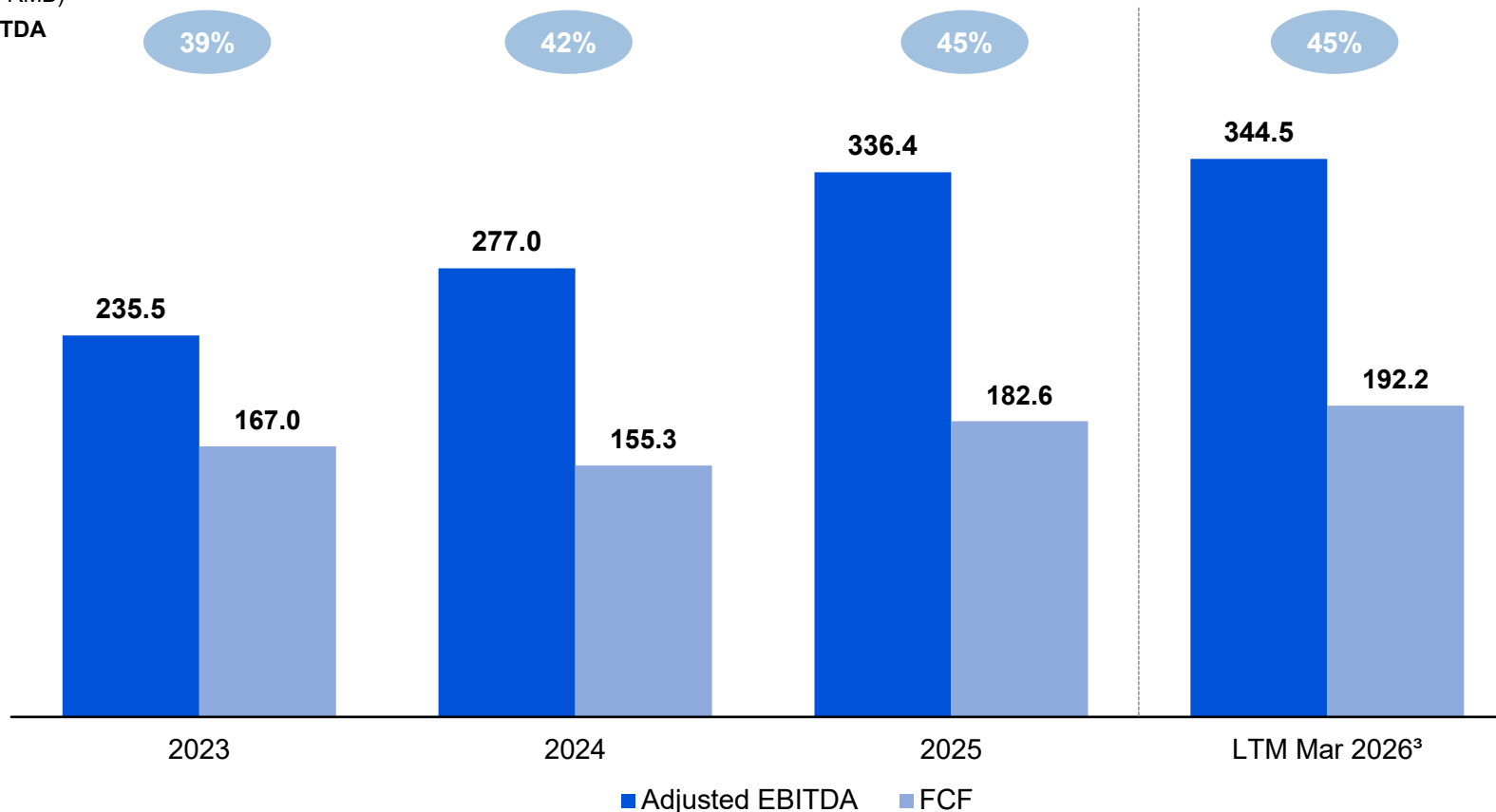
Expanding Margins and Strong Cash Flow Generation

Adjusted EBITDA¹ and Free Cash Flow (FCF)²

Key Metrics

(In billion RMB)

Adj. EBITDA
Margin



20%
Adj. EBITDA
2023-2025 CAGR

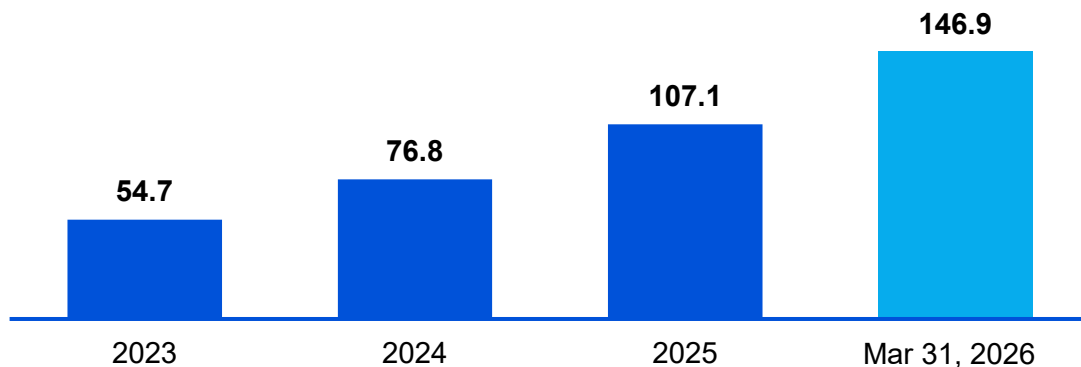
45%
Adj. EBITDA Margin
2025

54%
FCF Conversion⁴
2025

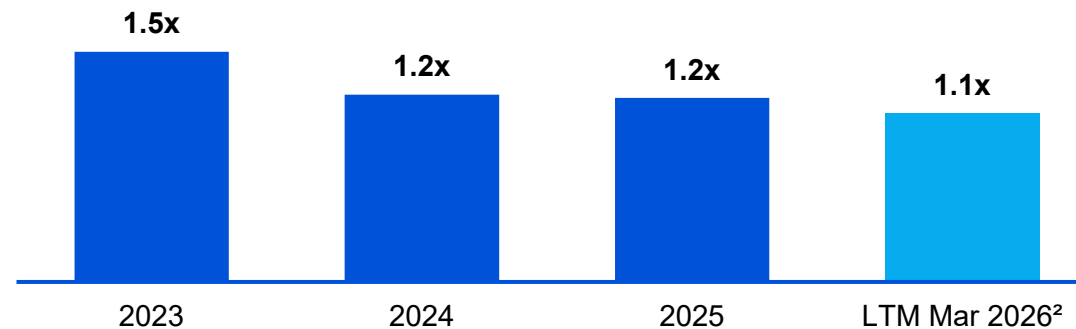
- Adjusted EBITDA consists of EBITDA plus equity-settled share-based compensation expenses
- Starting from 2020, free cash flow was adjusted by subtracting payments for media content and lease liabilities, in addition to subtracting payments for capital expenditure from operating cash flow
- Last twelve month ended Mar 31, 2026
- FCF Conversion = FCF / Adjusted EBITDA; In 2025

Prudent Capital Management and Robust Credit Metrics

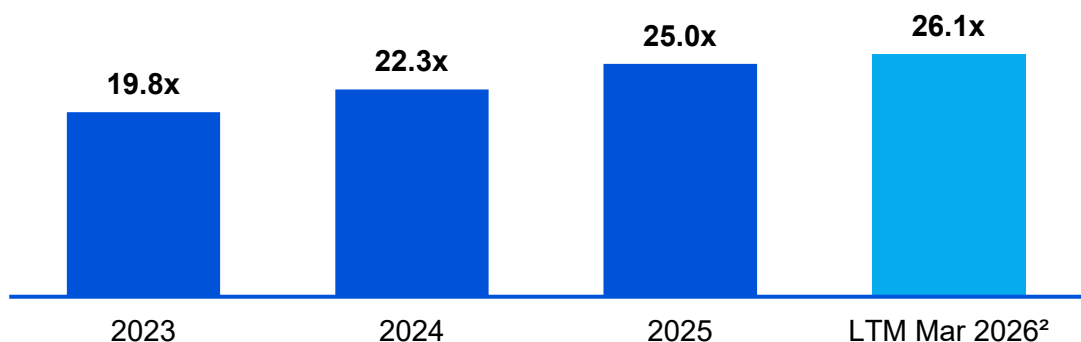
Net cash position (in billion RMB)



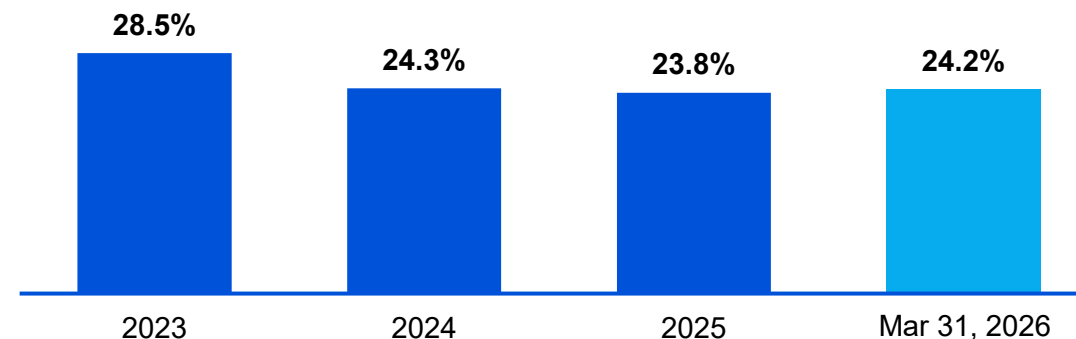
Gross debt / Adjusted EBITDA¹



Adjusted EBITDA / Interest expense



Gross debt / Total capitalization³

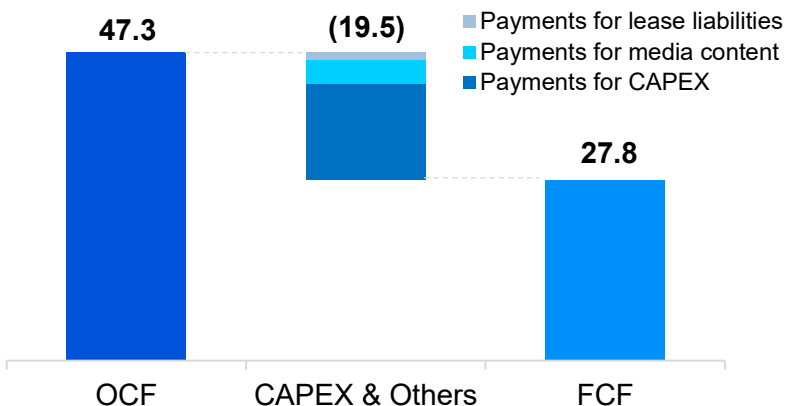


1. Gross debt consists of borrowings and notes payable; Adjusted EBITDA consists of EBITDA plus equity-settled share-based compensation expenses
2. Last twelve month ended 31 Mar, 2026
3. Total capitalisation consists of gross debt plus total equity (book value)

Strong Cashflow and Ample Highly Liquid Assets Support Shareholder Return and Investment

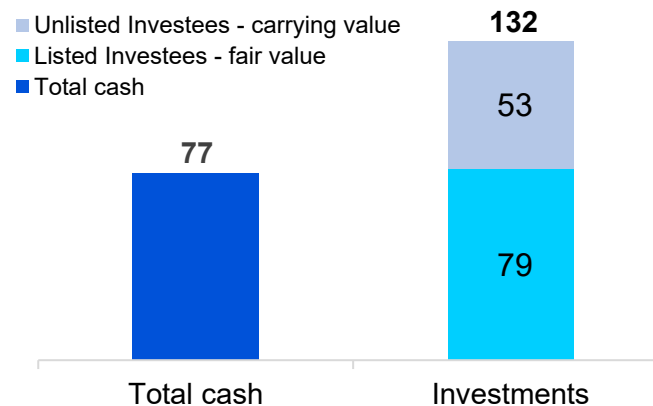
Robust free cash flow (LTM Mar 31, 2026)¹

(In billion USD)



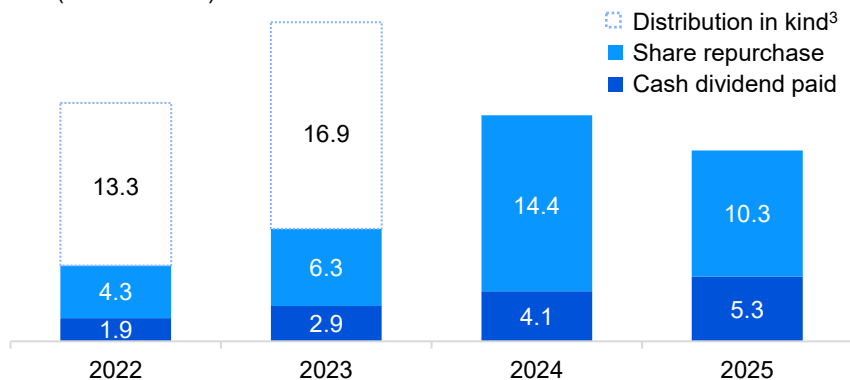
Sizeable cash and investment portfolio^{1,2}

(In billion USD)



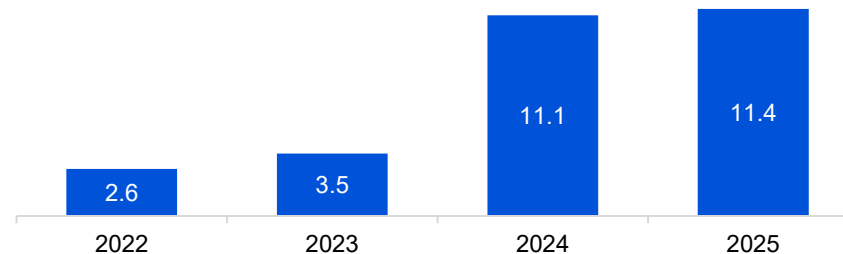
Return of capital to shareholders¹

(In billion USD)



Capital Expenditure¹

(In billion USD)



1. As at Mar 31, 2026, USD1 to RMB6.9194, USD1 to HKD7.8367

2. Investment portfolio consists of: a) our shareholdings (including those held via special purpose vehicles, fair value on an attribute basis) in listed investee companies (excluding subsidiaries) (defined as "Listed Investees"); and b) our shareholdings in unlisted investees companies (excluding subsidiaries) (defined as "Unlisted Investees")

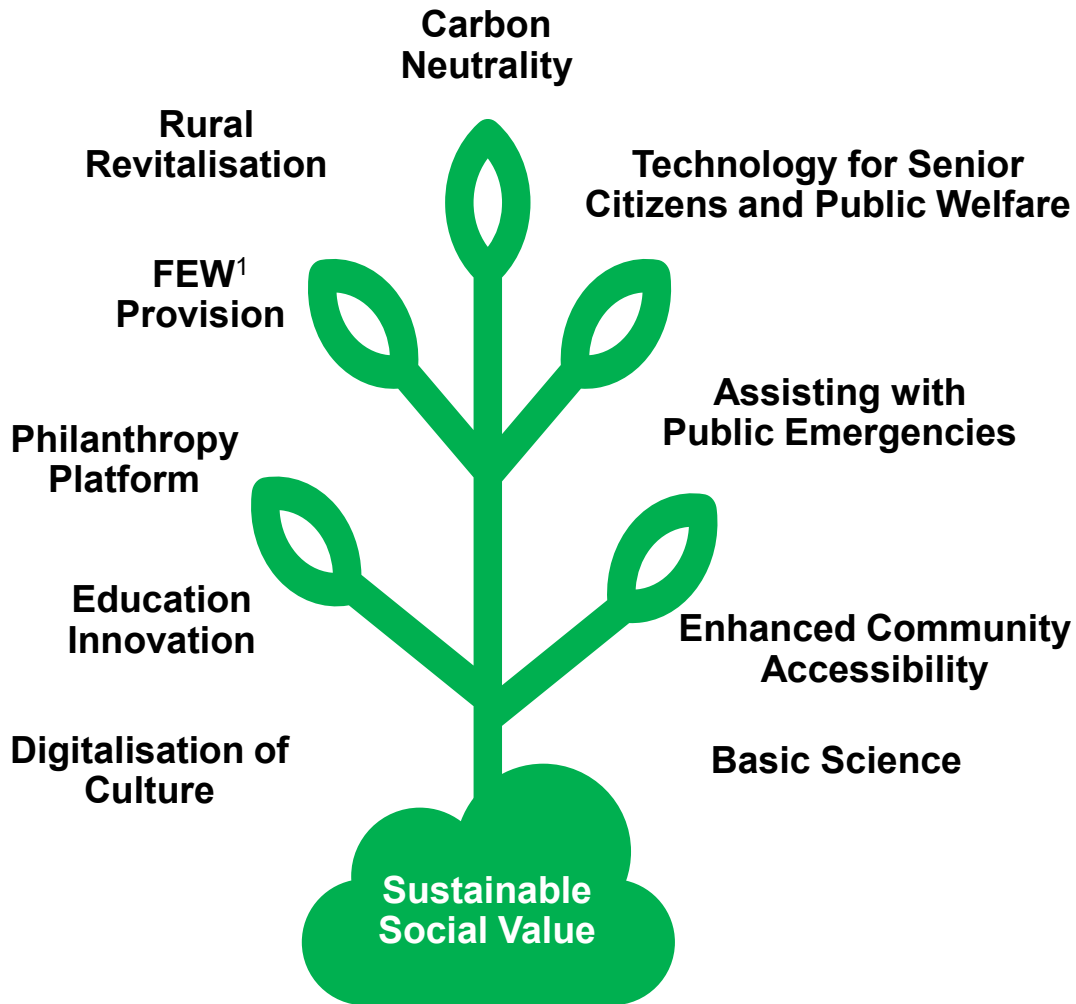
3. Based on closing share price on dispatch date(s) for JD.com (Mar 25, 2022) and Meituan (Mar 24, 2023)

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Harnessing our Technology and Platform to Create Social Value



Established Sustainable Social Value Org (SSV) in Apr 2021, to deploy social value initiatives in a professional and entrepreneurial way

Contributed to common prosperity with new commitment in Aug 2021

Pursue long-term social value leveraging our technology and products:

- **Facilitate philanthropic digitalisation** by providing capital, technology and resources
- **Fund basic scientific research** with a commitment of RMB10 billion over 10 years via New Cornerstone Investigator Programme
- Building a **public AED emergency response platform** leveraging IoT solutions and *Weixin Mini Programs*
- **Support rural revitalisation** by nurturing administrative and business talents in rural areas
- Leverage digital tools and user reach to help **preserve cultural heritage** e.g., assisting the successful inclusion of Beijing Central Axis into UNESCO World Heritage List

1. Food, Energy and Water

Our ESG Commitment and Approach

Integrate social responsibility into products and services

Environment

- Committed to achieving **Carbon Neutrality** in our own operations and supply chain, and shifting to 100% renewable energy **by 2030**
- Net-zero target by 2050 and absolute greenhouse gas emission reduction targets are validated by SBTi
- Published our **Biodiversity Statement**, outlining our commitment to developing businesses in an eco-friendly way

Social

- Our **Giving for Good** campaign promoted charity as part of everyday life, by leveraging our social network, digital tools and offline partners, users engaged in over 530 million philanthropic acts in 2025
- Signed up to the **Women's Empowerment Principles**
- Signed **AI Safety Commitment** to demonstrate commitment to AI risk management and governance

Governance

- **Enhanced board independence and diversity** with 63% INED and 25% female representation
- **Uphold corporate integrity** through implementation of Sunshine Code of Conduct and anti-fraud policy
- Joined the **United Nations Global Compact** as signatory in Aug 2023

Industry Recognition



1st in Best ESG¹ for 5 consecutive years and 1st in Best Company Board¹

MSCI ESG Rating: A | Sustainalytics ESG risk score: 17.2 – Low Risk² | S&P Global ESG Score: 61³

1. By Institutional Investor in 2025, in Asia (ex-Japan) Internet sector, combined votes from sell-side and buy-side
2. Out of 100, the lower the better, as of Jun 10, 2026
3. Out of 100, the higher the better, as of Nov 13, 2025

Tencent Holdings Limited

Corporate Overview

Thank you!



<https://www.tencent.com/ir>