

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the Company making the offer and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.

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)

**PRICING OF US\$6 BILLION NOTES UNDER
GLOBAL MEDIUM TERM NOTE PROGRAMME**

References are made to the announcements of the Company dated 10 April 2014, 24 April 2015, 9 January 2018, 1 April 2019 and 25 May 2020 in relation to the establishment, increase of limit and update of the Programme and the proposed issue of the Notes under the Programme.

The Board is pleased to announce that on 27 May 2020 (New York time), the Company entered into a Subscription Agreement with the Managers with respect to the issue of the Notes under the Programme in an aggregate principal amount of US\$6 billion.

The estimated net proceeds from the issue of the Notes, after deducting underwriting fees, discounts and commissions, will amount to approximately US\$5.97 billion. The Company intends to use the net proceeds for refinancing and general corporate purposes.

The Notes are expected to be issued on 3 June 2020.

A listing eligibility letter has been issued to the Company for the listing and quotation of the Notes on the Stock Exchange. Admission of the Notes to the official list of the Stock Exchange and quotation of the Notes on the Stock Exchange are not to be taken as an indication of the merits of the Company or the Notes.

INTRODUCTION

References are made to the announcements of the Company dated 10 April 2014, 24 April 2015, 9 January 2018, 1 April 2019 and 25 May 2020 in relation to the establishment, increase of limit and update of the Programme and the proposed issue of the Notes under the Programme.

The Board is pleased to announce that on 27 May 2020 (New York time), the Company entered into a Subscription Agreement with the Managers with respect to the issue of the Notes under the Programme in an aggregate principal amount of US\$6 billion.

After the issue of the US\$6 billion Notes on 3 June 2020, the Company will have US\$18 billion in aggregate principal amount of notes outstanding under the Programme.

The Notes to be issued by the Company have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States. The Notes will only be offered (i) in the United States to qualified institutional buyers in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A or in transactions not subject to the registration requirements of the U.S. Securities Act and (ii) in offshore transactions to Non-U.S. Persons in compliance with Regulation S. None of the Notes will be offered to the public in Hong Kong, the United States, or any other jurisdictions, nor will the Notes be placed to any connected person(s) of the Company.

The estimated net proceeds from the issue of the Notes, after deducting underwriting fees, discounts and commissions, will amount to approximately US\$5.97 billion. The Company intends to use the net proceeds for refinancing and general corporate purposes.

The Notes are expected to be issued on 3 June 2020.

THE SUBSCRIPTION AGREEMENT

Date

27 May 2020 (New York time)

Parties to the Subscription Agreement

- (a) the Company as the issuer of the Notes; and
- (b) each of the Managers.

To the Company's best knowledge, information and belief, having made all reasonable enquiries, the Managers are independent third parties and are not connected person(s) of the Company.

The subscription and sale of the Notes are subject to the satisfaction, or waiver, of certain conditions precedent under the Subscription Agreement. In addition, the Subscription Agreement may be terminated under certain circumstances by the Joint Global Coordinators (on behalf of the Managers). Accordingly, the issue of the Notes may or may not proceed, and investors are reminded to exercise caution when dealing in the securities of the Company.

Principal terms of the Notes

The table below sets out the principal terms of the Notes:

Notes Offered	Amount Offered (US\$ billion)	Interest Rate (per annum)	Coupon Dates (of each year)	Maturity Date	Offer Price (of total principal amount)
January 2026 Notes	1.00	1.810%	26 January and 26 July	26 January 2026	99.988%
2030 Notes	2.25	2.390%	3 June and 3 December	3 June 2030	99.973%
2050 Notes	2.00	3.240%	3 June and 3 December	3 June 2050	99.943%
2060 Notes	0.75	3.290%	3 June and 3 December	3 June 2060	99.934%

Payment

All payments due under the Notes and the Trust Deed shall be payable and settled in U.S. dollars only.

Ranking of the Notes

The Notes are general obligations of the Company. The Notes are: (1) senior in right of payment to all of the Company's existing and future indebtedness expressly subordinated in right of payment to the Notes; (2) ranked at least equally with all other present and future unsecured and unsubordinated obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application; (3) effectively subordinated to all of the Company's existing and future secured indebtedness, to the extent of the value of the assets serving as security therefor; and (4) structurally subordinated to all existing and future indebtedness and other liabilities of the Company's Controlled Entities.

Events of Default

The events of default under the Notes include, among other things, default in the payment of principal, premium or interest, and default in the performance of or the breach of certain covenants under the Notes, the Agency Agreement or the Trust Deed.

If an event of default occurs, the principal amount of the Notes and any accrued and unpaid interest thereon will become due and payable immediately, subject to certain notice provisions.

Covenants

The Notes and the Trust Deed will limit the Company's ability to, among other things, incur liens and consolidate, merge or sell all or substantially all of its assets under certain circumstances.

Listing

A listing eligibility letter has been issued to the Company for the listing and quotation of the Notes on the Stock Exchange. Admission of the Notes to the official list of the Stock Exchange and quotation of the Notes on the Stock Exchange are not to be taken as an indication of the merits of the Company or the Notes.

Governing Law

The Notes, the Trust Deed and any non-contractual obligations arising out of or in connection with the Notes and the Trust Deed are governed by English law.

DEFINITION

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

Term	Definition
“2030 Notes”	US\$2.25 billion 2.390% senior notes that will mature on 3 June 2030
“2050 Notes”	US\$2.00 billion 3.240% senior notes that will mature on 3 June 2050
“2060 Notes”	US\$0.75 billion 3.290% senior notes that will mature on 3 June 2060
“Agency Agreement”	the Amended and Restated Issue and Paying Agency Agreement dated 24 April 2015 among the Company and the several agents party thereto
“Bank of China (Hong Kong)”	Bank of China (Hong Kong) Limited
“Barclays”	Barclays Bank PLC

“Board”	the board of directors of the Company
“BofA Securities”	Merrill Lynch (Asia Pacific) Limited
“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 SEHK
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlled Entities”	has the meaning ascribed to it in the terms and conditions of the Notes
“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C.
“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
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“ICBC (Asia)”	Industrial and Commercial Bank of China (Asia) Limited
“January 2026 Notes”	US\$1.00 billion 1.810% senior notes that will mature on 26 January 2026
“Joint Global Coordinators”	BofA Securities, HSBC, Morgan Stanley and Goldman Sachs

“J.P. Morgan”	J.P. Morgan Securities plc
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Managers”	BofA Securities, HSBC, Morgan Stanley, Goldman Sachs, Bank of China (Hong Kong), Mizuho Securities, Barclays, Credit Suisse, Deutsche Bank, ICBC (Asia), J.P. Morgan and SPDB International
“Mizuho Securities”	Mizuho Securities Asia Limited
“Morgan Stanley”	Morgan Stanley & Co. International plc
“Non-U.S. Persons”	persons who are not U.S. persons as defined under Regulation S
“Notes”	the January 2026 Notes, the 2030 Notes, the 2050 Notes and the 2060 Notes, collectively
“Programme”	the global medium term note programme established by the Company by way of a dealer agreement dated 10 April 2014 (as amended and restated by an amended and restated dealer agreement dated 24 April 2015 which was further amended on 1 April 2019 and 25 May 2020) and as updated and modified from time to time
“Regulation S”	Regulation S under the U.S. Securities Act
“Rule 144A”	Rule 144A under the U.S. Securities Act
“Share(s)”	the ordinary share(s) with par value of HK\$0.00002 each in the share capital of the Company
“SPDB International”	SPDB International Capital Limited

“Stock Exchange” or “SEHK”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement relating to the subscription and sale of the Notes
“Trust Deed”	the trust deed dated 10 April 2014 (as amended and restated by an amended and restated trust deed dated 24 April 2015 which was further amended on 1 April 2019 and 25 May 2020) between the Company as issuer of the Notes and DB Trustees (Hong Kong) Limited as trustee of the Notes, pursuant to which the Notes will be issued
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“US\$” or “U.S. dollars”	United States dollars, the lawful currency of the United States
“%”	per cent

By Order of the Board
Ma Huateng
Chairman

28 May 2020

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, Yang Siu Shun and Ke Yang.

This announcement contains forward-looking statements relating to the business outlook, estimates of financial performance, forecast business plans and growth strategies of the Group. These forward-looking statements are based on information currently available to the Group and are stated herein on the basis of the outlook at the time of this announcement. They are based on certain expectations, assumptions and premises, some of which are subjective or beyond our control. These forward-looking statements may prove to be incorrect and may not be realised in the future. Underlying these forward-looking statements are a lot of risks and uncertainties. In light of the risks and uncertainties, the inclusion of forward-looking statements in this announcement should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and investors should not place undue reliance on such statements.