

For Immediate Release

Tencent to Acquire Wireless Service Provider

SHENZHEN, China, January 16, 2006 -- Tencent Holdings Limited (SEHK 700), a leading provider of Internet and mobile value-added services in China, today announces it will acquire 100% of Joymax Development Ltd ("Joymax"), a provider of wireless value-added services based in China.

The deal is to be settled in cash with an initial consideration based on their audited net asset value, and earn-out considerations based on their financial performance for 2006 and 2007.

Founded in January 2003, Joymax is currently a privately held company. Through its subsidiary in China, the company offers SMS-based wireless value added services primarily through mass media promotion. Joymax has accumulated an active paying SMS user base, and is positioned to diversify into other wireless value added services in the near future.

Leveraging their expertise in promoting wireless value added products through the increasingly popular mass media, Tencent can offer a wide range of wireless products via this channel in addition to its existing promotional channels. Chief Strategy and Investment Officer of Tencent, Mr. Martin Lau, said, "We see great value in Joymax's marketing and operational expertise, and believe they will help us to expand the distribution channels for our wireless business."

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About Tencent Holdings Limited

Tencent Holdings Limited is a leading provider of Internet and mobile & telecommunications value-added services in China. Tencent serves the largest instant messaging (IM) community in China as measured by registered IM user accounts. The Company's IM platform allows users to communicate in real-time across the Internet, and mobile and fixed line telecommunications networks using various terminal devices.

Tencent operates three principal lines of business: Internet value-added services, mobile and telecommunications value-added services and online advertising.

Shares of Tencent Holdings Limited are traded on the Main Board of The Stock Exchange of Hong Kong, under the stock code 700. For more information, please visit our corporate website at www.tencent.com.

Tencent currently offers three IM products – QQ, TM and RTX. QQ is a consumer IM communication product which offers a variety of entertainment and community features. TM is for professional IM communications in a business environment. RTX offers IM solution that allows an enterprise to operate and manage its own internal IM network.

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Important note:

This press release contains forward-looking statements relating to the business outlook, 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 realized in future. Underlying the forward-looking statements are a large number of risks and uncertainties. Further information regarding these risks and uncertainties is included in our other public disclosure documents.