

China's Tencent posts Q3 income slide despite revenue growth

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Chinese giant Tencent is one of the biggest tech companies in the world.

Chinese internet giant Tencent announced on Wednesday a nine percent year-on-year dip in third-quarter net income, even as it posted growth in revenue over the same period.

The Shenzhen-based firm, which operates China's ubiquitous "super-app" WeChat, reported net income for the three-month period ending September 30 of 36.2 billion yuan (\$5.0 billion) in results published at the Hong Kong Stock Exchange.

But the slide in profits still beat expectations, according to Bloomberg, in a positive sign for domestic consumption in the entertainment sector.

Total third-quarter revenue for the tech giant stood at 154.6 billion yuan (\$21.3 billion), up 10 percent year-on-year and up four percent from the [second quarter](#).

The firm posted its latest results on the same day that Chinese authorities announced a surge in [retail sales](#) during October, boosted by an extended holiday at the start of the month.

Retail sales jumped 7.6 percent on-year in October, according to the National Bureau of Statistics, up from September's 5.5 percent and the highest growth since May.

The country slipped back into deflation last month, while exports continued to fall, highlighting the challenge for officials grappling with weak domestic consumption and a faltering recovery since Beijing abolished strict zero-COVID curbs in late 2022.

Following a long period of meteoric growth, Chinese tech firms have faced a stringent crackdown by authorities in recent years, which weighed heavily on their profitability.

Last quarter, Tencent's annual increase in [net income](#) to 26.17 billion yuan (\$3.6 billion)—an on-year jump of 41 percent—was the fastest recorded since 2021.

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