

Chinese tech company Tencent acquires 5 percent Tesla stake

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Chinese tech giant Tencent Holdings has acquired a 5 percent stake in electric car maker Tesla Inc.

Tencent spent \$1.8 billion acquiring 8.2 million shares during Tesla's stock offering earlier this month, according to documents filed with the U.S. Securities and Exchange Commission. Tesla held the offering to raise money for its first mass-market car, the Model 3, which is due out later this year.

Shenzhen-based Tencent is one of the largest tech companies in Asia, with revenue of \$21.9 billion in 2016. It operates [social networking](#) and online payment platforms and games.

Tencent is also among the backers of Chinese electric vehicle startup Future Mobility Corp.

CEO Elon Musk remains Tesla's biggest shareholder, with a 21 percent stake.

Tesla shares rose 3.4 percent to \$279.38 in afternoon trading.

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