

China's Tencent takes 5% stake in Tesla: SEC filing

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China's giant Tencent Holdings has taken a five percent stake in the Tesla electric car company as it moves to ramp up production, according to an official filing Tuesday.

Tencent paid about \$1.8 billion for the small share of Elon Musk's company, according to the document filed with the US Securities and Exchange Commission (SEC).

The Chinese technology company runs WeChat, the world's most popular messaging service, as well as many mobile game platforms.

In a statement last week on 2016 earnings it mentioned plans to expand its [smartphone games](#), and move into other emerging technologies, including cloud services.

Tesla, meanwhile, is planning to launch a mid-priced version of its all-electric car this year to tap into a broader market.

The company forecast in February that demand for its cars would show strong growth in the first half of this year, as orders for some models hit a record high, even while posting a loss at the end of last year.

Tesla in January also launched a "Gigafactory" with Panasonic to mass produce the lithium-ion battery cells used in energy storage products and the Model 3, which is priced at a moderate \$35,000.

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