

Stock Symbol: 603236.SS

Short Business Name: Quectel



# Quectel Wireless Solutions Co., Ltd.

## 2024 Semi-Annual Financial Report



## Contents

<b>Contents</b> .....	<b>1</b>
<b>1 Main Accounting Data and Financial Indicators of the Company</b> .....	<b>2</b>
1.1. Main Accounting Data .....	2
1.2. Main Financial Indicators .....	2
<b>2 Financial Reports</b> .....	<b>3</b>
2.1. Consolidated Balance Sheet .....	3
2.2. Consolidated Income Statement .....	5
2.3. Consolidated Cash Flow Statement .....	7

# 1 Main Accounting Data and Financial Indicators of the Company

## 1.1. Main Accounting Data

Main Accounting Data	In the Reporting Period (January to June, 2024)	In the Same Period of Last Year	YOY Growth (%)
Operating Revenues	8,248,827,734.10	6,511,850,624.80	26.67
Net Profit Attributable to Shareholders of the Company	209,375,373.88	-115,373,422.21	N/A
Net Profit Attributable to Shareholders of the Company after Deducting Non-recurring Gains and Losses	188,520,567.64	-154,664,592.83	N/A
Net Cash Flow from Operating Activities	-335,989,539.88	155,619,715.65	-315.90
	By the End of the Reporting Period	By the End of Last Year	YOY Growth (%)
Net Assets Attributable to Shareholders of the Company	3,730,263,610.00	3,632,571,680.63	2.69
Total Assets	11,385,691,030.82	11,233,006,183.51	1.36

## 1.2. Main Financial Indicators

Main Financial Indicators	In the Reporting Period (January to June, 2024)	In the Same Period of Last Year	YOY Growth (%)
Basic Earnings per Share (Yuan/Share)	0.80	-0.44	N/A
Diluted Earnings per Share (Yuan/Share)	0.80	-0.44	N/A
Basic Earnings per Share After Deducting Non-Recurring Gains and Losses (Yuan/Share)	0.72	-0.59	N/A
Weighted Average ROE (%)	5.69	-3.15	Increased by 8.84 percentage
Weighted Average ROE After Deducting Non-Recurring Gains and Losses (%)	5.12	-4.22	Increased by 9.34 percentage

## 2 Financial Reports

### 2.1. Consolidated Balance Sheet

#### Consolidated Balance Sheet

June 30, 2024

Business name: Quectel Wireless Solutions Co., Ltd

Unit: Yuan Currency: RMB

Items	June 30, 2024	December 31, 2023
<b>Current Assets</b>		
Cash and cash equivalents	1,486,721,209.59	1,871,655,491.62
Bills Receivable	379,757,949.57	376,754,505.53
Accounts Receivable	2,147,328,825.39	1,653,066,678.77
Accounts Receivable Financing	412,823,373.13	352,986,002.70
Prepayments	201,170,700.44	100,821,995.99
Other Receivables	84,925,366.58	238,533,690.49
Inventories	3,616,740,240.11	3,523,491,182.17
Other Current Assets	411,772,384.54	417,202,048.55
<b>Total Current Assets</b>	<b>8,741,240,049.35</b>	<b>8,534,511,595.82</b>
<b>Non-current Assets</b>		
Long-term Equity Investments	39,356,691.76	39,357,027.56
Other Equity Instrument Investments	29,083,733.00	34,357,689.50
Fixed Assets	1,112,959,030.59	1,188,407,962.63
Construction in Progress	155,851,324.96	101,984,612.77
Right-of-Use Assets	792,766,147.57	818,157,652.37
Intangible Assets	386,487,378.96	395,553,938.52
Long-term Deferred Expenses	58,269,186.07	67,267,501.22
Deferred Tax Assets	25,435,758.03	28,867,072.11

Other Non-Current Assets	44,241,730.53	24,541,131.01
Total Non-Current Assets	2,644,450,981.47	2,698,494,587.69
<b>Total Assets</b>	<b>11,385,691,030.82</b>	<b>11,233,006,183.51</b>
<b>Current Liabilities</b>		
Short-term Borrowings	1,005,538,617.79	719,557,936.65
Notes Payable	1,396,548,547.40	1,282,326,865.14
Accounts Payable	2,514,359,364.07	2,775,732,195.78
Contract Liabilities	227,337,338.33	218,695,562.18
Employee Salaries Payable	212,745,038.76	243,194,739.83
Taxes Payable	13,537,641.60	36,949,704.66
Other Payables	14,903,459.57	10,694,417.24
Including: Dividends payable	7,009,670.47	
Non-current Liabilities Maturing within One Year	130,174,887.71	88,246,148.02
Other Current Liabilities	162,628,717.34	199,788,157.09
<b>Total Current Liabilities</b>	<b>5,677,773,612.57</b>	<b>5,575,185,726.59</b>
<b>Non-current Liabilities:</b>		
Long-term Borrowings	1,521,262,008.75	1,436,800,106.49
Lease Liabilities	438,683,138.48	557,514,018.10
Deferred Revenues	31,082,200.55	39,261,118.38
Deferred Tax Liabilities	61,049.23	41,167.24
Total Non-current Liabilities	1,991,088,397.01	2,033,616,410.21
<b>Total Liabilities</b>	<b>7,668,862,009.58</b>	<b>7,608,802,136.80</b>
<b>Shareholders' Equity</b>		
Share Capital	264,574,906.00	264,574,906.00
Capital Reserve	2,122,897,200.66	2,116,906,062.95
Subtract: Treasury Stock	105,848,324.92	20,848,388.78

Other Comprehensive Income	-48,312,860.42	-43,966,410.00
Special Reserve	1,060,769.57	606,623.29
Surplus Reserve	142,875,039.57	142,875,039.57
Undistributed Profit	1,353,016,879.54	1,172,423,847.60
<b>Total Equity Attributable to Shareholders of Parent Company</b>	<b>3,730,263,610.00</b>	<b>3,632,571,680.63</b>
Minority Shareholders' Interest	-13,434,588.76	-8,367,633.92
<b>Total Shareholders' Equity</b>	<b>3,716,829,021.24</b>	<b>3,624,204,046.71</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>11,385,691,030.82</b>	<b>11,233,006,183.51</b>

## 2.2. Consolidated Income Statement

### Consolidated Income Statement

January to June, 2024

Unit: Yuan Currency: RMB

Items	In the First Half Year of 2024	In the First Half Year of 2023
<b>I. Total Operating Revenue</b>	<b>8,248,827,734.10</b>	<b>6,511,850,624.80</b>
Including: Operating revenue	8,248,827,734.10	6,511,850,624.80
<b>II. Total Operating Costs</b>	<b>8,024,554,026.84</b>	<b>6,656,992,516.53</b>
Including: Operating costs	6,752,312,138.55	5,367,882,197.25
Taxes and surcharges	7,201,896.71	5,362,807.72
Selling expenses	229,868,658.53	228,511,196.33
Administrative expenses	206,063,888.32	206,447,750.57
Research & development expenses	795,906,131.62	832,285,970.96
Finance expenses	33,201,313.11	16,502,593.70
Including: Interest expenses	41,931,204.24	45,821,514.83
Interest income	8,926,239.32	10,217,438.56

Add: Other income	18,007,900.21	16,026,476.15
Investment income (loss expressed with "-")	-335.80	6,281,969.33
Including: Investment income from associates and joint ventures	-335.80	16,694.68
Fair value gains (loss expressed with "-")		19,502,284.19
Credit impairment losses (loss expressed with "-")	-14,258,534.59	7,851,958.75
Asset impairment losses (loss expressed with "-")	-22,857,625.92	-19,435,546.32
Gains/loss on asset disposal (loss expressed with "-")	5,186,369.56	-34,450.37
<b>III. Operating Profit (loss expressed with "-")</b>	<b>210,351,480.72</b>	<b>-114,949,200.00</b>
Add: Non-operating income	943,992.60	1,313,324.69
Subtract: Non-operating expenses	3,271,398.04	3,778,055.87
<b>IV. Total Profit (loss expressed with "-")</b>	<b>208,024,075.28</b>	<b>-117,413,931.18</b>
Subtract: Income tax expenses	3,908,690.19	940,746.17
<b>V. Net Profit (loss expressed with "-")</b>	<b>204,115,385.09</b>	<b>-118,354,677.35</b>
1. Classification by business continuity		
1) Net profit from continuing operations (loss expressed with "-")	204,115,385.09	-118,354,677.35
2. Classification by ownership		
1) Net profit attributable to shareholders of parent company (loss expressed with "-")	209,375,373.88	-115,373,422.21
2) Minority interest (loss expressed with "-")	-5,259,988.79	-2,981,255.14
<b>VI. Other Comprehensive Income (Net of Tax)</b>	<b>-4,346,450.41</b>	<b>14,012,061.29</b>
1. Other net after-tax comprehensive income attributable to owners of the parent company	-4,346,450.41	14,012,061.29

1) Other comprehensive income that cannot be reclassified into profit or loss	-12,773,956.50	16,328,253.87
c) Changes in fair value of other equity instrument investments	-12,773,956.50	16,328,253.87
2. Other comprehensive income to be reclassified to profit or loss	8,427,506.09	-2,316,192.58
f) Differences in translation of foreign currency financial statements	8,427,506.09	-2,316,192.58
<b>VII. Total Comprehensive Income</b>	<b>199,768,934.68</b>	<b>-104,342,616.06</b>
1. Total comprehensive income attributable to shareholders of the parent	205,028,923.47	-101,361,360.92
2. Total comprehensive income attributable to minority shareholders	-5,259,988.79	-2,981,255.14
<b>VIII. Earnings per Share</b>		
1. Basic earnings per share (Yuan/share)	0.80	-0.44
2. Diluted earnings per share (Yuan/share)	0.80	-0.44

### 2.3. Consolidated Cash Flow Statement

#### Consolidated Cash Flow Statement

January to June, 2024

Unit: Yuan Currency: RMB

Items	In the First Half Year of 2024	In the First Half Year of 2023
<b>I. Cash Flows from Operating Activities</b>		
Cash received from sales of goods or rendering of services	7,280,630,608.30	6,435,443,879.70
Refunds of taxes	655,811,752.54	434,079,144.56
Cash received from other operating activities	33,631,299.40	21,502,659.60
Sub-total of cash inflows from operating activities	7,970,073,660.24	6,891,025,683.86



Cash paid for goods and services	7,156,335,485.91	5,368,626,090.42
Cash paid to and on behalf of employees	886,545,193.02	1,118,407,991.17
Cash paid for all types of taxes	35,948,113.70	5,220,133.08
Cash paid for other operating activities	227,234,407.49	243,151,753.54
Sub-total of cash outflows from operating activities	8,306,063,200.12	6,735,405,968.21
<b>Net Cash Flows from Operating Activities</b>	<b>-335,989,539.88</b>	<b>155,619,715.65</b>
<b>II. Cash Flows from Investing Activities</b>		
Cash received from returns on investments		30,000,000.00
Cash received from investment incomes		90,097.42
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	55,673.25	41,214.60
Sub-total of cash inflows from investing activities	55,673.25	30,131,312.02
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	171,612,139.78	149,916,651.37
Cash paid for the acquisition of investment	7,500,000.00	
Sub-total of cash outflows from investing activities	179,112,139.78	149,916,651.37
<b>Net Cash Flows from Investing Activities</b>	<b>-179,056,466.53</b>	<b>-119,785,339.35</b>
<b>III. Cash Flows from Financing Activities</b>		
Cash received by absorbing investments	191,145.00	
Cash received from borrowings	749,754,974.74	735,388,651.54
Sub-total of cash inflows from financing activities	749,946,119.74	735,388,651.54
Cash paid to repay debts	352,842,999.20	767,319,248.05
Cash paid for distribution of dividends, profits or for interest expenses	58,524,315.23	246,389,537.44

Other cash paid related to financing activities	203,200,282.61	21,141,109.62
Sub-total of cash outflows from financing activities	614,567,597.04	1,034,849,895.11
<b>Net Cash Flows from Financing Activities</b>	<b>135,378,522.70</b>	<b>-299,461,243.57</b>
<b>IV. Effect of Exchange Rate Fluctuation on Cash and Cash Equivalents</b>	<b>-5,266,798.32</b>	<b>30,705,056.11</b>
<b>V. Net Increase in Cash and Cash Equivalents</b>	<b>-384,934,282.03</b>	<b>-232,921,811.16</b>
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	1,871,555,490.87	2,198,795,359.92
<b>VI. Balance of Cash and Cash Equivalents by the End of the Reporting Period</b>	<b>1,486,621,208.84</b>	<b>1,965,873,548.76</b>