

Stock Symbol: 603236.SS

Short Business Name: Quectel



# **Quectel Wireless Solutions Co., Ltd.**

## **2025 Semi-Annual Financial Report**



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# 1 Main Accounting Data and Financial Indicators of the Company

## 1.1. Main Accounting Data

Unit: Yuan Currency: RMB

| Main Accounting Data  | In the Reporting Period<br>(January to June, 2025) | In the Same Period<br>of Last Year | YOY Growth (%) |
|---|--|------------------------------------|----------------|
| Operating Revenues  | 11,546,496,651.87                                  | 8,248,827,734.10                   | 39.98          |
| Total Profit  | 466,135,898.28                                     | 208,024,075.28                     | 124.08         |
| Net Profit Attributable to Shareholders of the Company  | 471,148,711.27                                     | 209,375,373.88                     | 125.03         |
| Net Profit Attributable to Shareholders of the Company after Deducting Non-recurring Gains and Losses | 451,239,567.64                                     | 188,520,567.64                     | 139.36         |
| Net Cash Flow from Operating Activities   | -807,421,644.62                                    | -335,989,539.88                    | N/A            |
|   | By the End of the<br>Reporting Period              | By the End of<br>Last Year         | YOY Growth (%) |
| Net Assets Attributable to Shareholders of the Company  | 4,402,271,118.27                                   | 4,036,864,182.54                   | 9.05           |
| Total Assets  | 13,906,754,110.79                                  | 12,980,186,345.52                  | 7.14           |

## 1.2. Main Financial Indicators

| Main Financial Indicators  | In the Reporting Period<br>(January to June, 2025) | In the Same Period<br>of Last Year | YOY Growth (%)               |
|--|--|------------------------------------|------------------------------|
| Basic Earnings per Share (Yuan/Share)  | 1.80   | 0.80                               | 125.00                       |
| Diluted Earnings per Share (Yuan/Share)  | 1.80   | 0.80                               | 125.00                       |
| Basic Earnings per Share After Deducting Non-Recurring Gains and Losses (Yuan/Share) | 1.72   | 0.72                               | 138.89                       |
| Weighted Average ROE (%)   | 11.07  | 5.69                               | Increased by 5.38 percentage |
| Weighted Average ROE After Deducting Non-Recurring Gains and Losses (%)              | 10.60  | 5.12                               | Increased by 5.48 percentage |

## 2 Financial Reports

### 2.1. Consolidated Balance Sheet

#### Consolidated Balance Sheet

June 30, 2025

Business name: Quectel Wireless Solutions Co., Ltd

Unit: Yuan Currency: RMB

| Items                               | June 30, 2025            | December 31, 2024        |
|-------------------------------------|--------------------------|--------------------------|
| <b>Current Assets</b>               |                          |                          |
| Cash and cash equivalents           | 1,088,214,756.12         | 1,836,721,352.98         |
| Bills Receivable                    | 429,033,699.45           | 487,556,353.98           |
| Accounts Receivable                 | 3,082,262,336.95         | 2,976,884,223.44         |
| Accounts Receivable Financing       | 682,297,137.65           | 412,206,510.62           |
| Prepayments                         | 98,698,020.34            | 69,351,421.91            |
| Other Receivables                   | 230,376,053.85           | 285,083,389.41           |
| Including: Interest Receivable      | 129,443.17               |                          |
| Inventories                         | 4,610,289,338.60         | 3,259,878,398.68         |
| Other Current Assets                | 629,509,338.02           | 735,563,331.14           |
| <b>Total Current Assets</b>         | <b>10,850,680,680.98</b> | <b>10,063,244,982.16</b> |
| <b>Non-current Assets</b>           |                          |                          |
| Long-term Equity Investments        | 39,358,564.00            | 39,361,954.07            |
| Other Equity Instrument Investments | 57,873,031.55            | 38,497,073.14            |
| Fixed Assets                        | 1,091,249,252.89         | 1,109,000,483.28         |
| Construction in Progress            | 568,041,073.33           | 440,391,333.75           |
| Right-of-Use Assets                 | 785,876,390.58           | 808,864,413.01           |
| Intangible Assets                   | 356,638,524.51           | 374,927,159.28           |
| Long-term Deferred Expenses         | 40,746,326.10            | 40,892,743.56            |
| Deferred Tax Assets                 | 36,953,367.58            | 31,130,435.48            |

|  |                          |                          |
|--|--------------------------|--------------------------|
| Other Non-Current Assets                         | 79,336,899.27            | 33,875,767.79            |
| Total Non-Current Assets                         | 3,056,073,429.81         | 2,916,941,363.36         |
| <b>Total Assets</b>                              | <b>13,906,754,110.79</b> | <b>12,980,186,345.52</b> |
| <b>Current Liabilities</b>                       |                          |                          |
| Short-term Borrowings                            | 1,487,492,608.15         | 730,078,996.08           |
| Trading Financial Liabilities                    | 12,393,498.20            |                          |
| Notes Payable                                    | 768,857,318.75           | 1,107,353,876.51         |
| Accounts Payable                                 | 4,714,511,423.53         | 4,296,894,413.77         |
| Contract Liabilities                             | 292,153,391.43           | 227,686,087.91           |
| Employee Salaries Payable                        | 275,412,105.01           | 380,614,171.95           |
| Taxes Payable                                    | 10,603,575.52            | 18,756,965.60            |
| Other Payables                                   | 13,484,007.91            | 9,914,228.71             |
| Non-current Liabilities Maturing within One Year | 723,961,750.12           | 816,958,562.51           |
| Other Current Liabilities                        | 354,624,465.39           | 238,547,004.32           |
| <b>Total Current Liabilities</b>                 | <b>8,653,494,144.01</b>  | <b>7,826,804,307.36</b>  |
| <b>Non-current Liabilities:</b>                  |                          |                          |
| Long-term Borrowings                             | 379,443,331.82           | 620,736,583.97           |
| Lease Liabilities                                | 456,442,820.40           | 470,917,575.04           |
| Deferred Revenues                                | 36,299,858.48            | 43,186,548.59            |
| Deferred Tax Liabilities                         | 32,497.50                | 62,265.85                |
| Total Non-current Liabilities                    | 872,218,508.20           | 1,134,902,973.45         |
| <b>Total Liabilities</b>                         | <b>9,525,712,652.21</b>  | <b>8,961,707,280.81</b>  |
| <b>Shareholders' Equity</b>                      |                          |                          |
| Share Capital                                    | 261,657,654.00           | 261,657,654.00           |
| Capital Reserve                                  | 2,033,387,627.51         | 2,022,762,246.54         |

|  |                          |                          |
|--|--------------------------|--------------------------|
| Other Comprehensive Income   | -62,641,815.34           | -55,723,322.70           |
| Special Reserve  | 1,905,124.33             | 1,457,573.52             |
| Surplus Reserve  | 142,875,039.57           | 142,875,039.57           |
| Undistributed Profit   | 2,025,087,488.20         | 1,663,834,991.61         |
| <b>Total Equity Attributable to Shareholders of Parent Company</b> | <b>4,402,271,118.27</b>  | <b>4,036,864,182.54</b>  |
| Minority Shareholders' Interest                                    | -21,229,659.69           | -18,385,117.83           |
| <b>Total Shareholders' Equity</b>                                  | <b>4,381,041,458.58</b>  | <b>4,018,479,064.71</b>  |
| <b>Total Liabilities and Shareholders' Equity</b>                  | <b>13,906,754,110.79</b> | <b>12,980,186,345.52</b> |

## 2.2. Consolidated Income Statement

### Consolidated Income Statement

January to June, 2025

Unit: Yuan Currency: RMB

| Items                             | In the First Half Year of 2025 | In the First Half Year of 2024 |
|-----------------------------------|--------------------------------|--------------------------------|
| <b>I. Total Operating Revenue</b> | <b>11,546,496,651.87</b>       | <b>8,248,827,734.10</b>        |
| Including: Operating revenue      | 11,546,496,651.87              | 8,248,827,734.10               |
| <b>II. Total Operating Costs</b>  | <b>11,006,546,119.98</b>       | <b>8,024,554,026.84</b>        |
| Including: Operating costs        | 9,501,105,991.17               | 6,752,312,138.55               |
| Taxes and surcharges              | 9,017,251.19                   | 7,201,896.71                   |
| Selling expenses                  | 289,814,553.84                 | 229,868,658.53                 |
| Administrative expenses           | 287,544,120.06                 | 206,063,888.32                 |
| Research & development expenses   | 881,699,863.65                 | 795,906,131.62                 |
| Finance expenses                  | 37,364,340.07                  | 33,201,313.11                  |
| Including: Interest expenses      | 36,647,544.17                  | 41,931,204.24                  |
| Interest income                   | 7,201,154.99                   | 8,926,239.32                   |

|   |                       |                       |
|---|-----------------------|-----------------------|
| Add: Other income   | 31,042,449.71         | 18,007,900.21         |
| Investment income<br>(loss expressed with "-")  | 4,879,179.93          | -335.80               |
| Including: Investment income<br>from associates and joint<br>ventures                           | -3,390.07             | -335.80               |
| Fair value gains<br>(loss expressed with "-")   | -12,430,980.28        |                       |
| Credit impairment losses<br>(loss expressed with "-")   | -35,796,742.06        | -14,258,534.59        |
| Asset impairment losses<br>(loss expressed with "-")  | -62,206,312.81        | -22,857,625.92        |
| Gains/loss on asset disposal<br>(loss expressed with "-")                                       | 1,264,391.75          | 5,186,369.56          |
| <b>III. Operating Profit<br/>(loss expressed with "-")</b>                                      | <b>466,702,518.13</b> | <b>210,351,480.72</b> |
| Add: Non-operating income   | 528,988.16            | 943,992.60            |
| Subtract: Non-operating expenses  | 1,095,608.01          | 3,271,398.04          |
| <b>IV. Total Profit<br/>(loss expressed with "-")</b>   | <b>466,135,898.28</b> | <b>208,024,075.28</b> |
| Subtract: Income tax expenses   | -2,938,722.84         | 3,908,690.19          |
| <b>V. Net Profit<br/>(loss expressed with "-")</b>  | <b>469,074,621.12</b> | <b>204,115,385.09</b> |
| 1. Classification by business continuity  |                       |                       |
| 1) Net profit from continuing<br>operations (loss expressed with<br>"-")                        | 469,074,621.12        | 204,115,385.09        |
| 2. Classification by ownership  |                       |                       |
| 1) Net profit attributable to<br>shareholders of parent<br>company (loss expressed with<br>"-") | 471,148,711.27        | 209,375,373.88        |
| 2) Minority interest (loss expressed<br>with "-")   | -2,074,090.15         | -5,259,988.79         |
| <b>VI. Other Comprehensive Income<br/>(Net of Tax)</b>  | <b>-6,918,492.64</b>  | <b>-4,346,450.41</b>  |
| 1. Other net after-tax comprehensive<br>income attributable to owners of the<br>parent company  | -6,918,492.64         | -4,346,450.41         |

|   |                       |                       |
|---|-----------------------|-----------------------|
| 1) Other comprehensive income that cannot be reclassified into profit or loss | -624,041.59           | -12,773,956.50        |
| Changes in fair value of other equity instrument investments                  | -624,041.59           | -12,773,956.50        |
| 2) Other comprehensive income to be reclassified to profit or loss            | -6,294,451.05         | 8,427,506.09          |
| Differences in translation of foreign currency financial statements           | -6,294,451.05         | 8,427,506.09          |
| <b>VII. Total Comprehensive Income</b>  | <b>462,156,128.48</b> | <b>199,768,934.68</b> |
| 1. Total comprehensive income attributable to shareholders of the parent      | 464,230,218.63        | 205,028,923.47        |
| 2. Total comprehensive income attributable to minority shareholders           | -2,074,090.15         | -5,259,988.79         |
| <b>VIII. Earnings per Share</b>   |                       |                       |
| 1. Basic earnings per share (Yuan/share)                                      | 1.80                  | 0.80                  |
| 2. Diluted earnings per share (Yuan/share)                                    | 1.80                  | 0.80                  |

## 2.3. Consolidated Cash Flow Statement

### Consolidated Cash Flow Statement

January to June, 2025

Unit: Yuan Currency: RMB

| Items  | In the First Half Year of 2025 | In the First Half Year of 2024 |
|--|--------------------------------|--------------------------------|
| <b>I. Cash Flows from Operating Activities</b>             |                                |                                |
| Cash received from sales of goods or rendering of services | 10,046,952,216.24              | 7,280,630,608.30               |
| Refunds of taxes   | 754,961,211.60                 | 655,811,752.54                 |
| Cash received from other operating activities              | 33,974,473.70                  | 33,631,299.40                  |
| Sub-total of cash inflows from operating activities        | 10,835,887,901.54              | 7,970,073,660.24               |



|   |                        |                        |
|---|------------------------|------------------------|
| Cash paid for goods and services  | 10,196,406,212.25      | 7,156,335,485.91       |
| Cash paid to and on behalf of employees   | 1,133,685,471.48       | 886,545,193.02         |
| Cash paid for all types of taxes  | 19,802,790.68          | 35,948,113.70          |
| Cash paid for other operating activities  | 293,415,071.75         | 227,234,407.49         |
| Sub-total of cash outflows from operating activities  | 11,643,309,546.16      | 8,306,063,200.12       |
| <b>Net Cash Flows from Operating Activities</b>   | <b>-807,421,644.62</b> | <b>-335,989,539.88</b> |
| <b>II. Cash Flows from Investing Activities</b>   |                        |                        |
| Net cash received from the disposal of fixed assets, intangible assets and other long-term assets         | 6,487,715.87           | 55,673.25              |
| Sub-total of cash inflows from investing activities   | 6,487,715.87           | 55,673.25              |
| Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets | 124,184,364.46         | 171,612,139.78         |
| Cash paid for the acquisition of investment   | 20,000,000.00          | 7,500,000.00           |
| Sub-total of cash outflows from investing activities  | 144,184,364.46         | 179,112,139.78         |
| <b>Net Cash Flows from Investing Activities</b>   | <b>-137,696,648.59</b> | <b>-179,056,466.53</b> |
| <b>III. Cash Flows from Financing Activities</b>  |                        |                        |
| Cash received by absorbing investments  |                        | 191,145.00             |
| Cash received from borrowings   | 1,639,263,967.74       | 749,754,974.74         |
| Sub-total of cash inflows from financing activities   | 1,639,263,967.74       | 749,946,119.74         |
| Cash paid to repay debts  | 1,276,946,896.00       | 352,842,999.20         |
| Cash paid for distribution of dividends, profits or for interest expenses                                 | 132,013,682.62         | 58,524,315.23          |

|  |                         |                         |
|--|-------------------------|-------------------------|
| Other cash paid related to financing activities                                    | 25,324,181.63           | 203,200,282.61          |
| Sub-total of cash outflows from financing activities                               | 1,434,284,760.25        | 614,567,597.04          |
| <b>Net Cash Flows from Financing Activities</b>                                    | <b>204,979,207.49</b>   | <b>135,378,522.70</b>   |
| <b>IV. Effect of Exchange Rate Fluctuation on Cash and Cash Equivalents</b>        | <b>-8,367,511.14</b>    | <b>-5,266,798.32</b>    |
| <b>V. Net Increase in Cash and Cash Equivalents</b>                                | <b>-748,506,596.86</b>  | <b>-384,934,282.03</b>  |
| Add: Balance of cash and cash equivalents at the beginning of the Reporting Period | 1,836,621,342.23        | 1,871,555,490.87        |
| <b>VI. Balance of Cash and Cash Equivalents by the End of the Reporting Period</b> | <b>1,088,114,745.37</b> | <b>1,486,621,208.84</b> |