Stock Code: 603236.SS

Short Business Name: Quectel

Quectel Wireless Solutions Co., Ltd.

2026 Semi-Annual Financial Report

Contents

1 Key Accounting Data and Financial Indicators of the Company

1.1. Key Accounting Data

Unit: Yuan Currency: RMB

Main Accounting Data	In the Reporting Period (January to June, 2026)	In the Same Period of Last Year	YOY Growth (%)
Operating Revenues	15,259,467,738.89	11,546,496,651.87	32.16
Total Profit	590,144,198.43	466,135,898.28	26.60
Net Profit Attributable to Shareholders of the Company	602,318,436.34	471,148,711.27	27.84
Net Profit Attributable to Shareholders of the Company after Deducting Non-recurring Gains and Losses	582,226,989.72	451,239,567.64	29.03
Net Cash Flow from Operating Activities	-378,336,700.43	-807,421,644.62	N/A
	By the End of the Reporting Period	**By the End of Last Year**	**YOY Growth (%)**
Net Assets Attributable to Shareholders of the Company	7,362,682,689.51	6,851,982,269.99	7.45
Total Assets	21,776,164,682.43	16,914,382,041.40	28.74

1.2. Key Financial Indicators

Main Financial Indicators	In the Reporting Period (January to June, 2026)	In the Same Period of Last Year	YOY Growth (%)
Basic Earnings per Share (Yuan/Share)	1.49	1.29	15.50
Diluted Earnings per Share (Yuan/Share)	1.49	1.29	15.50
Basic Earnings per Share After Deducting Non-Recurring Gains and Losses (Yuan/Share)	1.44	1.23	17.07
Weighted Average ROE (%)	8.38	11.07	Decreased by 2.69 percentage
Weighted Average ROE After Deducting Non-Recurring Gains and Losses (%)	8.11	10.60	Decreased by 2.49 percentage

2 Financial Reports

2.1. Consolidated Balance Sheet

Consolidated Balance Sheet

June 30, 2026

Business name: Quectel Wireless Solutions Co., Ltd

Unit: Yuan Currency: RMB

Items	June 30, 2026	December 31, 2025
Current Assets		
Cash and Cash Equivalents	2,000,738,686.47	2,377,113,084.72
Trading Financial Assets	750,616,352.73	
Notes Receivable	648,847,852.04	547,252,143.97
Accounts Receivable	4,700,309,528.71	3,618,398,982.69
Accounts Receivable Financing	572,212,001.42	390,583,736.13
Prepayments	649,412,008.39	258,270,452.58
Other Receivables	236,650,092.99	301,038,101.26
Inventories	7,781,162,579.56	5,524,849,779.36
Other Current Assets	814,784,709.99	624,273,331.38
Total Current Assets	18,154,733,812.30	13,641,779,612.09
Non-current Assets		
Long-term Equity Investments	105,901,487.57	45,230,572.24
Other Equity Instrument Investments	70,983,913.08	61,910,121.24
Investment Property	188,567,122.80	
Fixed Assets	1,736,939,011.57	1,837,496,857.93
Construction in Progress	199,765.09	182,330.38
Right-of-Use Assets	833,843,172.56	781,236,052.68
Intangible Assets	343,449,483.49	349,838,697.55
Development Expenditure	891,173.12	

Long-term Deferred Expenses	130,696,766.53	75,728,338.08
Deferred Tax Assets	57,911,618.31	45,099,662.50
Other Non-Current Assets	152,047,356.01	75,879,796.71
Total Non-Current Assets	3,621,430,870.13	3,272,602,429.31
Total Assets	**21,776,164,682.43**	**16,914,382,041.40**
Current Liabilities		
Short-term Borrowings	3,042,355,594.82	1,727,981,717.60
Notes Payable	2,541,398,430.62	989,796,745.09
Accounts Payable	6,080,703,676.45	5,183,552,386.50
Contract Liabilities	492,473,380.51	247,480,255.49
Employee Salaries Payable	504,430,326.63	503,460,484.03
Taxes Payable	16,170,932.99	27,434,422.14
Other Payables	10,532,906.53	11,115,605.87
Non-current Liabilities Maturing within One Year	81,944,285.44	42,170,386.09
Other Current Liabilities	499,138,443.60	364,953,600.70
Total Current Liabilities	**13,269,147,977.59**	**9,097,945,603.51**
Non-current Liabilities:		
Long-term Borrowings	519,895,898.50	444,258,856.47
Lease Liabilities	511,794,647.63	462,751,977.89
Provisions	26,698,728.00	
Deferred Revenues	120,728,329.91	86,373,078.78
Deferred Tax Liabilities		49,519.45
Total Non-current Liabilities	1,179,117,604.04	993,433,432.59
Total Liabilities	14,448,265,581.63	10,091,379,036.10
Shareholders' Equity		
Share Capital	402,952,787.00	287,823,419.00
Capital Reserve	4,104,995,368.38	4,216,508,352.17

Other Comprehensive Income	-31,085,569.77	-44,593,822.39
Special Reserve	2,901,384.90	2,271,139.33
Surplus Reserve	143,911,709.50	143,911,709.50
Retained Earnings	2,739,007,009.50	2,246,061,472.38
Total Equity Attributable to Shareholders of Parent Company	**7,362,682,689.51**	**6,851,982,269.99**
Minority Shareholders' Interest	-34,783,588.71	-28,979,264.69
Total Shareholders' Equity	**7,327,899,100.80**	**6,823,003,005.30**
Total Liabilities and Shareholders' Equity	**21,776,164,682.43**	**16,914,382,041.40**

2.2. Consolidated Income Statement

Consolidated Income Statement

January to June, 2026

Unit: Yuan Currency: RMB

Items	In the First Half Year of 2026	In the First Half Year of 2025
I. Total Operating Revenue	**15,259,467,738.89**	**11,546,496,651.87**
Including: Operating revenue	15,259,467,738.89	11,546,496,651.87
II. Total Operating Costs	**14,601,047,254.89**	**11,006,546,119.98**
Including: Operating costs	12,404,060,384.16	9,501,105,991.17
Taxes and surcharges	16,915,487.53	9,017,251.19
Selling expenses	367,263,976.63	289,814,553.84
Administrative expenses	497,032,999.20	287,544,120.06
Research & development expenses	1,227,759,291.35	881,699,863.65
Finance expenses	88,015,116.02	37,364,340.07
Including: Interest expenses	26,182,833.86	36,647,544.17
Interest income	2,612,126.10	7,201,154.99

Add: Other income	49,097,418.19	31,042,449.71
Investment income (loss expressed with "-")	3,138,240.94	4,879,179.93
Including: Investment income from associates and joint ventures	856,609.05	-3,390.07
Fair value gains (loss expressed with "-")	616,352.73	-12,430,980.28
Credit impairment losses (loss expressed with "-")	-21,832,549.90	-35,796,742.06
Asset impairment losses (loss expressed with "-")	-67,766,393.95	-62,206,312.81
Gains/loss on asset disposal (loss expressed with "-")	-270,281.63	1,264,391.75
III. Operating Profit (loss expressed with "-")	**621,403,270.38**	**466,702,518.13**
Add: Non-operating income	269,042.72	528,988.16
Subtract: Non-operating expenses	31,528,114.67	1,095,608.01
IV. Total Profit (loss expressed with "-")	**590,144,198.43**	**466,135,898.28**
Subtract: Income tax expenses	-6,369,913.89	-2,938,722.84
V. Net Profit (loss expressed with "-")	**596,514,112.32**	**469,074,621.12**
1. Classification by business continuity		
1) Net profit from continuing operations (loss expressed with "-")	596,514,112.32	469,074,621.12
2. Classification by ownership		
1) Net profit attributable to shareholders of parent company (loss expressed with "-")	602,318,436.34	471,148,711.27
2) Minority interest (loss expressed with "-")	-5,804,324.02	-2,074,090.15
VI. Other Comprehensive Income (Net of Tax)	**13,508,252.62**	**-6,918,492.64**
1. Other net after-tax comprehensive income attributable to owners of the parent company	13,508,252.62	-6,918,492.64

1) Other comprehensive income that cannot be reclassified into profit or loss	9,073,791.84	-624,041.59
c) Changes in fair value of other equity instrument investments	9,073,791.84	-624,041.59
2. Other comprehensive income to be reclassified to profit or loss	4,434,460.78	-6,294,451.05
f) Differences in translation of foreign currency financial statements	4,434,460.78	-6,294,451.05
VII. Total Comprehensive Income	**610,022,364.94**	**462,156,128.48**
1. Total comprehensive income attributable to shareholders of the parent company	615,826,688.96	464,230,218.63
2. Total comprehensive income attributable to minority shareholders	-5,804,324.02	-2,074,090.15
VIII. Earnings per Share		
1. Basic earnings per share (Yuan/share)	1.49	1.29
2. Diluted earnings per share (Yuan/share)	1.49	1.29

2.3. Consolidated Cash Flow Statement

Consolidated Cash Flow Statement

January to June, 2026

Unit: Yuan Currency: RMB

Items	In the First Half Year of 2026	In the First Half Year of 2025
I. Cash Flows from Operating Activities		
Cash received from sales of goods or rendering of services	12,191,584,202.95	10,046,952,216.24
Refunds of taxes	942,777,331.16	754,961,211.60
Cash received from other operating activities	86,333,838.14	33,974,473.70
Sub-total of cash inflows from operating activities	13,220,695,372.25	10,835,887,901.54

Cash paid for goods and services	11,562,072,838.10	10,196,406,212.25
Cash paid to and on behalf of employees	1,601,768,137.55	1,133,685,471.48
Cash paid for all types of taxes	35,062,428.86	19,802,790.68
Cash paid for other operating activities	400,128,668.17	293,415,071.75
Sub-total of cash outflows from operating activities	13,599,032,072.68	11,643,309,546.16
Net Cash Flows from Operating Activities	**-378,336,700.43**	**-807,421,644.62**
II. Cash Flows from Investing Activities		
Cash received from recovery of investments	1,250,000,000.00	
Cash received from returns on investments	2,281,631.88	
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	5,814,263.38	6,487,715.87
Sub-total of cash inflows from investing activities	1,258,095,895.26	6,487,715.87
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	451,248,552.46	124,184,364.46
Cash paid for the acquisition of investment	2,060,000,000.00	20,000,000.00
Sub-total of cash outflows from investing activities	2,511,248,552.46	144,184,364.46
Net Cash Flows from Investing Activities	**-1,253,152,657.20**	**-137,696,648.59**
III. Cash Flows from Financing Activities		
Cash received from borrowings	1,953,179,414.35	1,639,263,967.74
Sub-total of cash inflows from financing activities	1,953,179,414.35	1,639,263,967.74
Cash paid to repay debts	532,208,078.43	1,276,946,896.00
Cash paid for distribution of dividends, profits or for interest expenses	132,211,347.46	132,013,682.62

Other cash paid related to financing activities	30,841,988.05	25,324,181.63
Sub-total of cash outflows from financing activities	695,261,413.94	1,434,284,760.25
Net Cash Flows from Financing Activities	1,257,918,000.41	204,979,207.49
IV. Effect of Exchange Rate Fluctuation on Cash and Cash Equivalents	-2,803,041.03	-8,367,511.14
V. Net Increase in Cash and Cash Equivalents	-376,374,398.25	-748,506,596.86
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	2,377,011,821.70	1,836,621,342.23
VI. Balance of Cash and Cash Equivalents at the End of the Reporting Period	2,000,637,423.45	1,088,114,745.37