

Company Stock Code: 603236. SS
Short Name of the Company: Quectel



Quectel Wireless Solutions Co., Ltd.

2019 Annual Financial Report



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1. Main Accounting Data and Financial Indicators

1.1. Main Accounting Data

Unit: Yuan Currency: RMB

	2019	2018	Fluctuation (%)	2017
Total assets	2,931,973,545.61	1,292,448,613.62	126.85	806,416,280.30
Revenue	4,129,746,036.134	2,701,473,995.49	52.87	1,660,800,819.29
Net profits attributable to shareholders of the listed company	148,001,477.82	180,485,212.16	-18.00	81,513,812.13
Net profits excluding non-recurring profit or loss attributable to shareholders of the listed company	134,838,343.05	170,403,764.16	-20.87	76,326,878.40
Net assets attributable to shareholders of the listed company	1,714,723,122.18	655,299,024.64	161.67	465,427,565.86
Net cash flow from operating activities	-143,946,666.41	84,305,901.32	-270.74	16,900,381.68

1.2. Main Financial Indicators

operating activities	2019	2018	Fluctuation (%)	2017
Basic earnings per share (RMB/share)	1.94	2.70	-28.15	1.30
Diluted earnings per share (RMB/share)	1.94	2.70	-28.15	1.30
Weighted average ROE (%)	13.34	32.21	-18.87	22.97

2. Financial Reports

Consolidated Balance Sheet

Dec. 31, 2019

Name of enterprise: Quectel Wireless Solutions Co., Ltd.

Unit: Yuan Currency: RMB

Items	Dec. 31, 2019	Dec. 31, 2018
Current Assets:		
Cash and bank balances	601,191,423.32	283,455,763.66
Financial assets held for trading	301,118,055.56	
Notes receivable		31,632,857.05
Accounts receivable	480,932,487.85	211,524,659.06
Accounts receivable financing	178,553,333.41	
Prepayments	15,026,229.99	3,133,596.78
Other receivables	35,718,179.44	42,745,945.49
Inventories	724,338,080.95	494,655,325.54
Other current asset	221,122,770.18	117,134,548.67
Total current assets	2,558,000,560.70	1,184,282,696.25
Non-current Assets:		
Other equity instrument investment	60,000,000.00	
Fixed assets	159,112,536.14	68,290,112.57
Construction in process	21,768,111.39	
Intangible assets	53,785,328.05	19,921,820.25
Long-term deferred expenses	44,694,624.82	11,613,933.22
Deferred tax assets	5,609,982.41	2,961,789.79
Other non-current assets	29,002,402.10	5,378,261.54
Total non-current assets	373,972,984.91	108,165,917.37
Total assets	2,931,973,545.61	1,292,448,613.62
Current Liabilities:		

Notes payable	117,131,012.65	99,966,588.12
Account payable	763,400,302.97	461,847,377.84
Advances from customers	28,859,240.70	20,451,445.72
Employee salaries payable	41,008,266.21	36,504,750.46
Taxes payable	2,973,271.06	2,141,153.67
Other payables	4,533,255.53	2,350,020.30
Total current liabilities	1,194,441,294.66	664,414,645.03
Total liabilities	1,194,441,294.66	664,414,645.03
Shareholders' equity		
Share capital	89,180,000.00	66,880,000.00
Capital reserve	1,172,630,636.96	283,461,115.43
Surplus reserve	35,468,387.85	27,517,290.29
Retained earnings	311,585,016.77	240,025,138.72
Total shareholders' equity	1,608,864,041.58	617,883,544.44
Total liabilities and shareholders' equity	2,803,305,336.24	1,282,298,189.47

Consolidated Income Statement

Jan. to Dec. 2019

Unit: Yuan

Currency: RMB

Item	Year 2019	Year 2018
I. Revenue	4,129,746,036.13	2,701,473,995.49
Including: Operating revenue	4,129,746,036.13	2,701,473,995.49
II. Total operating costs	3,982,036,060.84	2,510,196,701.22
Including: Costs of sales	3,256,180,032.99	2,150,196,181.62
Taxes and surcharges	7,101,926.42	1,783,110.98
Selling expenses	202,063,698.01	123,495,656.24
Administrative expenses	127,790,047.09	72,725,527.78
Research and development expenses	361,645,466.78	163,602,845.18
Finance expenses	27,254,889.55	-1,606,620.58
Including: Interest expenses	6,660,819.06	3,225,120.96
Interest income	3,954,030.36	937,580.50
Add: Other income	12,710,079.20	9,981,569.45
Investment income (loss expressed with "-")	2,331,250.00	427,479.45
Gains/loss on fair value changes (loss expressed with "-")	360,071.08	
Credit impairment losses (loss expressed with "-")	-13,803,046.33	
Asset impairment losses (loss expressed with "-")	-3,909,970.71	-10,227,117.38
III. Operating profit (loss expressed with "-")	145,398,358.53	191,459,225.79
Add: Non-operating income	10,782.43	1,117,179.08
Subtract: Non-operating expenses	55,855.76	
IV. Total profit (loss expressed with "-")	145,353,285.20	192,576,404.87
Subtract: Income tax expenses	-2,648,192.62	12,091,192.71
V. Net profit (loss expressed with "-")	148,001,477.82	180,485,212.16

Net profit from continuing operations (loss expressed with "-")	148,001,477.82	180,485,212.16
Net profit attributable to shareholders of the parent company (loss expressed with "-")	148,001,477.82	180,485,212.16
VI. Other comprehensive income (net of tax)	-46,901.81	-83,162.08
A. Other net comprehensive incomes attributable to owners of the Parent	-46,901.81	-83,162.08
1. Other comprehensive income to be reclassified into profit or loss	-46,901.81	-83,162.08
(1) Foreign currency exchange reserves	-46,901.81	-83,162.08
VII. Total comprehensive income	147,954,576.01	180,402,050.08
A. Total comprehensive income attributable to shareholders of the parent	147,954,576.01	180,402,050.08
B. Consolidated income attributable to minority shareholders		
VIII. Earnings per share		
A. Basic earnings per share (RMB/share)	1.94	2.70
B. Diluted earnings per share (RMB/share)	1.94	2.70

Consolidated Cash Flow Statement

Jan. to Dec. 2019

Unit: Yuan

Currency: RMB

Item	Year 2019	Year 2018
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	3,499,883,811.23	2,498,432,109.95
Refunds of taxes	257,003,327.77	213,221,324.68
Cash received from other operating activities	19,165,180.20	13,232,181.15
Sub-total of cash inflows from operating activities	3,776,052,319.20	2,724,885,615.78
Cash paid for goods and services	3,286,391,494.07	2,299,729,531.49
Cash paid to and on behalf of employees	438,857,181.89	220,909,541.84
Cash paid for all types of taxes	24,464,530.09	29,993,320.70
Cash paid for other operating activities	170,285,779.56	89,947,320.43
Sub-total of cash outflows from operating activities	3,919,998,985.61	2,640,579,714.46
Net cash flows from operating activities	-143,946,666.41	84,305,901.32
II. Cash flows from investing activities		
Cash received from disposal or returns of investments	300,000,000.00	60,000,000.00
Cash received from returns on investments	2,331,250.00	427,479.45
Sub-total of cash inflows from investing activities	302,331,250.00	60,427,479.45
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	233,954,963.16	72,419,180.12
Cash paid for the acquisition of investment	660,757,984.48	
Sub-total of cash outflows from investing activities	894,712,947.64	72,419,180.12

Net cash flows from investing activities	-592,381,697.64	-11,991,700.67
III. Cash flows from financing activities		
Cash received from investment absorption	902,000,112.83	
Cash received from borrowings	275,093,961.81	60,653,308.92
Sub-total of cash inflows from financing activities	1,177,094,074.64	60,653,308.92
Cash repayments of borrowings	101,777,690.55	
Cash paid for distribution of dividends, profits or for interest expenses	3,481,788.33	2,231,583.76
Sub-total of cash outflows from financing activities	105,259,478.88	2,231,583.76
Net cash flows from financing activities	1,071,834,595.76	58,421,725.16
IV. Effect of exchange rate fluctuation on cash and cash equivalents	3,604,675.73	1,437,006.31
V. Net increase in cash and cash equivalents	339,110,907.44	132,172,932.12
Add: Balance of cash and cash equivalents at the beginning of the period	258,463,963.66	126,291,031.54
VI. Balance of cash and cash equivalents at the end of the period	597,574,871.10	258,463,963.66