

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



Quectel Wireless Solutions Co., Ltd.

2020 Annual Financial Report



Contents

Contents	1
1. Main Accounting Data and Financial Indicators	2
1.1. Main Accounting Data	2
1.2. Main Financial Indicators	2
2. Financial Reports	3
Consolidated Balance Sheet	3
Consolidated Income Statement	5
Consolidated Cash Flow Statement	7

1. Main Accounting Data and Financial Indicators

1.1. Main Accounting Data

Unit: Yuan Currency: RMB

	2020	2019	Fluctuation (%)	2018
Total assets	4,601,246,090.65	2,931,973,545.61	56.93	1,292,448,613.62
Revenues	6,105,779,381.15	4,129,746,036.13	47.85	2,701,473,995.49
Net profits attributable to shareholders of the Company	189,015,964.80	148,001,477.82	27.71	180,485,212.16
Net profits attributable to shareholders of the Company excluding non-recurring profit or loss	170,074,205.56	134,838,343.05	26.13	170,403,764.16
Net assets attributable to shareholders of the Company	1,868,676,298.94	1,714,723,122.18	8.98	655,299,024.64

1.2. Main Financial Indicators

Net cash flow from operating activities	-398,540,204.22	-143,946,666.41	Not Applicable	84,305,901.32
Basic earnings per share (Yuan/share)	1.77	1.62	9.26	2.25
Diluted earnings per share (Yuan/share)	1.77	1.62	9.26	2.25
Weighted average ROE (%)	10.57	13.34	-2.77	32.21

2. Financial Reports

Consolidated Balance Sheet

Dec. 31, 2020

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

Unit: Yuan Currency: RMB

Items	Dec. 31, 2020	Dec. 31, 2019
Current Assets:		
Cash and bank balances	610,586,920.47	601,191,423.32
Financial assets held for trading		301,118,055.56
Accounts receivable	871,530,879.09	480,932,487.85
Accounts receivable financing	398,913,363.61	178,553,333.41
Prepayments	88,414,738.74	15,026,229.99
Other receivables	42,368,946.26	35,718,179.44
Inventories	1,438,194,584.07	724,338,080.95
Other current asset	261,420,150.49	221,122,770.18
Total current assets	3,711,429,582.73	2,558,000,560.70
Non-current Assets:		
Long-term equity investment	40,454,408.69	
Other equity instrument investment	60,000,000.00	60,000,000.00
Fixed assets	571,514,752.29	159,112,536.14
Construction in process	23,904,831.58	21,768,111.39
Intangible assets	93,892,521.03	53,785,328.05
Long-term deferred expenses	68,401,355.42	44,694,624.82
Deferred tax assets	16,075,215.23	5,609,982.41
Other non-current assets	15,573,423.68	29,002,402.10
Total non-current assets	889,816,507.92	373,972,984.91
Total assets	4,601,246,090.65	2,931,973,545.61
Current Liabilities:		

Short-term borrowings	873,005,577.06	236,535,945.54
Trading Financial Liabilities	30,414,901.58	
Notes payable	270,117,823.98	127,045,352.65
Account payable	1,224,867,557.32	723,773,777.03
Advances from customers		29,136,712.76
Contract liability	69,260,718.27	
Employee salaries payable	159,458,055.54	94,749,548.93
Taxes payable	10,123,809.41	4,684,557.45
Other payables	1,761,488.14	1,324,529.07
Other current liabilities	4,109,860.41	
Total current liabilities	2,643,119,791.71	1,217,250,423.43
Non-current Liabilities:		
Long-term borrowings	89,450,000.00	
Total Non-current liabilities	89,450,000.00	
Total liabilities	2,732,569,791.71	1,217,250,423.43
Shareholders' equity		
Share capital	107,016,000.00	89,180,000.00
Capital reserve	1,164,264,045.66	1,172,630,636.96
Other comprehensive income	79,126.96	21,323.70
Surplus reserve	52,975,347.58	35,468,387.85
Retained earnings	544,341,778.74	417,422,773.67
Total equity attributable to parent company	1,868,676,298.94	1,714,723,122.18
Total shareholders' equity	1,868,676,298.94	1,714,723,122.18
Total liabilities and shareholders' equity	4,601,246,090.65	2,931,973,545.61

Consolidated Income Statement

Jan. to Dec. 2020

Unit: Yuan

Currency: RMB

Item	2020	2019
I. Revenue	6,105,779,381.15	4,129,746,036.13
Including: Operating revenue	6,105,779,381.15	4,129,746,036.13
II. Total operating costs	5,926,331,841.32	3,982,036,060.84
Including: Costs of sales	4,870,620,652.64	3,256,180,032.99
Taxes and surcharges	7,618,509.80	7,101,926.42
Selling expenses	197,897,412.90	202,063,698.01
Administrative expenses	184,044,750.10	127,790,047.09
Research and development expenses	706,678,736.86	361,645,466.78
Finance expenses	-40,528,220.98	27,254,889.55
Including: Interest expenses	15,299,756.95	6,660,819.06
Interest income	3,665,221.68	3,954,030.36
Add: Other income	50,697,741.07	12,710,079.20
Investment income (loss expressed with "-")	-4,153,056.86	2,331,250.00
Including: Investment income from associates and joint ventures	-545,591.31	
Fair value gains (loss expressed with "-")	-30,414,901.58	360,071.08
Credit impairment losses (loss expressed with "-")	-21,690,254.80	-13,803,046.33
Asset impairment losses (loss expressed with "-")	-394,400.48	-3,909,970.71
Gains/loss on asset disposal (loss expressed with "-")	-317,005.12	
III. Operating profit (loss expressed with "-")	173,175,662.06	145,398,358.53
Add: Non-operating income	8,371,223.22	10,782.43
Subtract: Non-operating expenses	2,979,930.86	55,855.76

IV. Total profit (loss expressed with "-")	178,566,954.42	145,353,285.20
Subtract: Income tax expenses	-10,449,010.38	-2,648,192.62
V. Net profit (loss expressed with "-")	189,015,964.80	148,001,477.82
Net profit from continuing operations (loss expressed with "-")	189,015,964.80	148,001,477.82
Net profit attributable to shareholders of the parent company (loss expressed with "-")	189,015,964.80	148,001,477.82
VI. Other comprehensive income (net of tax)	57,803.26	-46,901.81
A. Other net comprehensive incomes attributable to owners of the Parent Company	57,803.26	-46,901.81
1. Other comprehensive income to be reclassified into profit or loss	57,803.26	-46,901.81
(1) Foreign currency exchange reserves	57,803.26	-46,901.81
VII. Total comprehensive income	189,073,768.06	147,954,576.01
A. Total comprehensive income attributable to shareholders of the parent company	189,073,768.06	147,954,576.01
VIII. Earnings per share		
A. Basic earnings per share (Yuan/share)	1.77	1.62
B. Diluted earnings per share (Yuan/share)	1.77	1.62

Consolidated Cash Flow Statement

Jan. to Dec. 2020

Unit: Yuan

Currency: RMB

Item	2020	2019
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	4,866,622,849.20	3,499,883,811.23
Refunds of taxes	279,427,365.14	257,003,327.77
Cash received from other operating activities	72,451,439.36	19,165,180.20
Sub-total of cash inflows from operating activities	5,218,501,653.70	3,776,052,319.20
Cash paid for goods and services	4,689,142,674.03	3,286,391,494.07
Cash paid to and on behalf of employees	656,777,223.21	438,857,181.89
Cash paid for all types of taxes	24,198,804.37	24,464,530.09
Cash paid for other operating activities	246,923,156.31	170,285,779.56
Sub-total of cash outflows from operating activities	5,617,041,857.92	3,919,998,985.61
Net cash flows from operating activities	-398,540,204.22	-143,946,666.41
II. Cash flows from investing activities		
Cash received from disposal or returns of investments	300,000,000.00	300,000,000.00
Cash received from returns on investments	3,061,213.86	2,331,250.00
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	422,379.92	
Sub-total of cash inflows from investing activities	303,483,593.78	302,331,250.00
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	551,487,817.85	233,954,963.16
Cash paid for the acquisition of investment	41,000,000.00	660,757,984.48
Sub-total of cash outflows from investing activities	592,487,817.85	894,712,947.64
Net cash flows from investing activities	-289,004,224.07	-592,381,697.64

III. Cash flows from financing activities		
Cash received by absorbing investments		902,000,112.83
Cash received from borrowings	2,446,902,558.64	275,093,961.81
Sub-total of cash inflows from financing activities	2,446,902,558.64	1,177,094,074.64
Cash repayments of borrowings	1,693,230,747.88	101,777,690.55
Cash paid for distribution of dividends, profits or for interest expenses	53,273,614.01	3,481,788.33
Sub-total of cash outflows from financing activities	1,746,504,361.89	105,259,478.88
Net cash flows from financing activities	700,398,196.75	1,071,834,595.76
IV. Effect of exchange rate fluctuation on cash and cash equivalents	57,803.26	3,604,675.73
V. Net increase in cash and cash equivalents	12,911,571.72	339,110,907.44
Add: Balance of cash and cash equivalents at the beginning of the period	597,574,871.10	258,463,963.66
VI. Balance of cash and cash equivalents at the end of the period	610,486,442.82	597,574,871.10