

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



Quectel Wireless Solutions Co., Ltd.

2020 Q1 Financial Report



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1. Main Accounting Data and Financial Indicators

1.1. Main Accounting Data

Main Accounting Data	Reporting Period (January–March2020)	Same Period of Last Year	YOY Growth (%)
Operating Revenues	1,029,575,139.66	739,353,549.75	39.25
Net Profit Attributable to Shareholders of the Company	33,918,449.02	43,419,624.25	-21.88
Net Profit Attributable to Shareholders of the Company after Deducting Non-recurring Gains and Losses	11,648,748.07	42,844,323.20	-72.81
Net Cash Flow from Operating Activities	-390,099,666.10	-144,516,303.31	N/A
	End of the Reporting Period	End of Last Year	YOY Growth (%)
Net Assets Attributable to Shareholders of the Company	1,751,295,191.95	1,714,723,122.18	2.13
Total Assets	3,299,115,040.10	2,931,973,545.61	12.52

1.2. Main Financial Indicators

Main Financial Indicators	Reporting Period (January–March2020)	Same Period of Last Year	YOY Growth (%)
Basic Earnings per Share (Yuan/Share)	0.38	0.65	-41.54
Diluted Earnings per Share (Yuan/Share)	0.38	0.65	-41.54
Weighted Average ROE (%)	1.96	6.40	Decreased by 4.44 percentage point

2. Financial Reports

Consolidated Balance Sheet

March 31, 2020

Name of enterprise: Quectel Wireless Solutions Co., Ltd

Unit: Yuan Currency: RMB

Items	March 31, 2020	December 31, 2019
Current Assets:		
Cash and cash equivalents	453,135,816.06	601,191,423.32
Financial Assets Held for Trading	160,361,000.00	301,118,055.56
Accounts Receivable	692,939,714.01	480,932,487.85
Accounts Receivable Financing	101,860,448.21	178,553,333.41
Prepayments	41,461,951.95	15,026,229.99
Other Receivables	29,501,908.87	35,718,179.44

Inventories	1,218,252,948.61	724,338,080.95
Other Current Assets	187,577,584.48	221,122,770.18
Total Current Assets	2,885,091,372.19	2,558,000,560.70
Non-current Assets		
Long-term Equity Investments	1,000,000.00	-
Other Equity Instrument Investments	60,000,000.00	60,000,000.00
Fixed Assets	171,109,235.69	159,112,536.14
Construction in Progress	30,628,683.55	21,768,111.39
Right-of-Use Assets	767,860,624.73	59,978,502.25
Intangible Assets	53,952,254.46	53,785,328.05
Long-term Deferred Expenses	48,118,401.15	44,694,624.82
Deferred Tax Assets	7,505,380.05	5,609,982.41
Other Non-current Assets	41,709,713.01	29,002,402.10
Total Non-current Assets	414,023,667.91	373,972,984.91
Total Assets	3,299,115,040.10	2,931,973,545.61
Current Liabilities		
Notes Payable	205,621,743.48	127,045,352.65
Accounts Payable	794,616,142.77	723,773,777.03
Received in Advance	-	29,136,712.76
Contract Liabilities	59,025,382.11	-
Employee Salaries Payable	59,854,945.65	94,749,548.93
Taxes Payable	1,807,969.32	4,684,557.45
Other Payables	2,394,775.39	1,324,529.07
Total Current Liabilities	1,547,819,848.15	1,217,250,423.43
Non-current Liabilities:		
Total Liabilities	1,547,819,848.15	1,217,250,423.43
Shareholders' Equity		
Share Capital	89,180,000.00	89,180,000.00
Capital Reserve	1,174,997,989.19	1,172,630,636.96
Other Comprehensive Income	307,592.22	21,323.70
Special Reserve	-	-
Surplus Reserve	35,468,387.85	35,468,387.85
Undistributed Profit	451,341,222.69	417,422,773.67
Total Equity Attributable to Parent Company	1,751,295,191.95	1,714,723,122.18
Minority Shareholders' Interest	-	-
Total Shareholders' Equity	1,751,295,191.95	1,714,723,122.18
Total Liabilities and Shareholders' Equity	3,299,115,040.10	2,931,973,545.61

Consolidated Income Statement

January to March, 2020

Unit: Yuan Currency: RMB

Items	2020 Q1	2019 Q1
I. Revenue	1,029,575,139.66	739,353,549.75
Including: Operating revenue	1,029,575,139.66	739,353,549.75
II. Total Operating Costs	1,011,985,379.05	687,436,863.30
Including: Operating costs	810,089,017.01	579,367,694.22
Taxes and surcharges	1,447,852.74	1,716,984.51
Selling expenses	42,491,128.34	29,188,212.80
Administrative expenses	36,894,328.34	22,829,871.55
Research and development expenses	116,292,867.82	54,538,330.86
Finance expenses	4,770,184.80	-204,230.64
Including: Interest expenses	3,873,824.45	795,437.06
Interest income	931,283.36	238,666.44
Add: Other income	16,570,980.00	659,207.50
Investment income (loss expressed with "-")	1,638,911.11	-
Fair value gains (loss expressed with "-")	361,000.00	-1,616,465.55
Credit impairment losses (loss expressed with "-")	-10,722,670.34	-3,650,730.31
Asset impairment losses (loss expressed with "-")	-824,233.94	-596,163.15
III. Operating Profit (loss expressed with "-")	24,613,747.44	48,329,000.49
Add: Non-operating income	8,409,303.94	9,323.15
Subtract: Non-operating expenses	1,000,000.00	-
IV. Total Profit (loss expressed with "-")	32,023,051.38	48,338,323.64
Subtract: Income tax expenses	-1,895,397.64	4,918,699.39
V. Net Profit (loss expressed with "-")	33,918,449.02	43,419,624.25
A. Classification by business continuity		
1. Net profit from continuing operations (loss expressed with "-")	33,918,449.02	43,419,624.25
B. Classification by ownership		
1. Net profit attributable to shareholders of parent company (loss expressed with "-")	33,918,449.02	43,419,624.25
2. Minority interest (loss expressed with "-")	-	-
VI. Other Comprehensive Income (net of tax)	286,268.52	-578,767.34
Net after-tax other comprehensive income attributable to owners of the parent company	286,268.52	-578,767.34
1. Other comprehensive income that cannot be reclassified into profit or loss	-	-
Changes in fair value of other equity instrument investments	-	-

2. Other comprehensive income to be reclassified to profit or loss	286,268.52	286,268.52
Differences in translation of foreign currency financial statements	286,268.52	-578,767.34
VII. Total Comprehensive Income	34,204,717.54	42,840,856.91
A. Total comprehensive income attributable to shareholders of the parent	34,204,717.54	42,840,856.91
B. Total comprehensive income attributable to minority shareholders	-	-
VIII. Earnings per Share		
A. Basic earnings per share (Yuan/share)	0.38	0.38
B. Diluted earnings per share (Yuan/share)	0.38	0.38

Consolidated Cash Flow Statement

January to March, 2020

Unit: Yuan Currency: RMB

Items	2020 Q1	2019 Q1
I. Cash Flows from Operating Activities		
Cash received from sales of goods or rendering of services	1,047,393,874.90	602,510,237.69
Refunds of taxes	89,892,539.46	78,856,411.52
Cash received from other operating activities	26,940,425.14	2,403,517.56
Sub-total of cash inflows from operating activities	1,164,226,839.50	683,770,166.77
Cash paid for goods and services	1,323,824,725.07	685,293,976.18
Cash paid to and on behalf of employees	174,130,940.17	106,499,606.75
Cash paid for all types of taxes	8,463,618.45	1,824,660.52
Cash paid for other operating activities	47,907,221.91	34,668,226.63
Sub-total of cash outflows from operating activities	1,554,326,505.60	828,286,470.08
Net Cash Flows from Operating Activities	-390,099,666.10	-144,516,303.31
II. Cash Flows from Investing Activities		
Cash received from returns on investments	30,000,000.00	-
Cash received from investment incomes	2,756,666.67	-
Sub-total of cash inflows from investing activities	302,756,666.67	-
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	82,405,032.83	44,899,082.91
Cash paid for the acquisition of investment	161,000,000.00	-
Cash paid for other investing activities	-	41,640,000.00
Sub-total of cash outflows from investing activities	243,405,032.83	44,899,082.91
Net Cash Flows from Investing Activities	59,351,633.84	-44,899,082.91
III. Cash Flows from Financing Activities		
Cash received from borrowings	286,276,074.21	55,463,935.58
Sub-total of cash inflows from financing activities	286,276,074.21	55,463,935.58
Cash repayments of borrowings	97,618,842.58	41,186,887.80

Cash paid for distribution of dividends, profits or for interest expenses	4,568,112.19	1,009,166.79
Sub-total of cash outflows from financing activities	102,186,954.77	42,196,054.59
Net Cash Flows from Financing Activities	184,089,119.44	13,267,880.99
IV. Effect of Exchange Rate Fluctuation on Cash and Cash Equivalents	930,582.79	-884,551.10
V. Net Increase in Cash and Cash Equivalents	-145,728,330.03	-177,032,056.33
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	597,574,871.10	258,463,963.66
VI. Balance of Cash and Cash Equivalents at the End of the Reporting Period	451,846,541.07	81,431,907.33