

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



# Quectel Wireless Solutions Co., Ltd.

## 2021 Q1 Financial Report

Disclosure Date: April 29, 2021



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# 1 Key Accounting data and Financial Indicators

	End of Reporting Period	End of last year	Fluctuation (%)
Total assets	6,227,700,299.51	4,601,246,090.65	35.35
Net assets attributable to shareholders of the Company	2,993,701,799.53	1,868,676,298.94	60.20
	January–March 2021	January–March 2020	Fluctuation (%)
Net cash flow from operating activities	-260,787,938.31	-390,099,666.10	N/A
	January–March 2021	January–March 2020	Fluctuation (%)
Revenues	1,856,151,534.38	1,029,575,139.66	80.28
Net profits attributable to shareholders of the Company	60,520,545.72	33,918,449.02	78.43
Net profits attributable to shareholders of the Company excluding non-recurring profit or loss	50,084,389.38	11,648,748.07	329.96
Weighted average ROE (%)	2.68	1.96	0.72
Basic earnings per share (Yuan/share)	0.56	0.31	80.65
Diluted earnings per share (Yuan/share)	0.56	0.31	80.65

## 2 Financial Reports

### Consolidated Balance Sheet

Mar. 31, 2021

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

Unit: Yuan Currency: RMB

Items	Mar. 31, 2021	Dec. 31, 2020
<b>Current Assets:</b>		
Cash and bank balances	1,556,490,771.75	610,586,920.47
Accounts receivable	939,606,741.38	871,530,879.09
Accounts receivable financing	397,552,515.60	398,913,363.61
Prepayments	77,735,963.18	88,414,738.74
Other receivables	60,059,397.78	42,368,946.26
Inventories	1,782,430,682.90	1,438,194,584.07
Other current asset	460,772,290.33	261,420,150.49
<b>Total current assets</b>	<b>5,274,648,362.92</b>	<b>3,711,429,582.73</b>
<b>Non-current Assets:</b>		
Long-term equity investment	40,184,433.03	40,454,408.69
Other equity instrument investment	60,000,000.00	60,000,000.00
Fixed assets	599,190,616.51	571,514,752.29
Construction in process	8,460,250.80	23,904,831.58
Right-of-use assets	54,286,906.68	
Intangible assets	100,620,072.70	93,892,521.03
Long-term deferred expenses	72,769,821.73	68,401,355.42
Deferred tax assets	11,368,503.14	16,075,215.23
Other non-current assets	6,171,332.00	15,573,423.68
<b>Total non-current assets</b>	<b>953,051,936.59</b>	<b>889,816,507.92</b>
<b>Total assets</b>	<b>6,227,700,299.51</b>	<b>4,601,246,090.65</b>
<b>Current Liabilities:</b>		

Short-term borrowings	1,126,916,288.56	873,005,577.06
Trading Financial Liabilities	15,919,094.34	30,414,901.58
Notes payable	562,245,328.24	270,117,823.98
Account payable	1,262,318,404.59	1,224,867,557.32
Contract liability	54,757,073.15	69,260,718.27
Employee salaries payable	55,431,180.02	159,458,055.54
Taxes payable	3,944,098.19	10,123,809.41
Other payables	587,399.41	1,761,488.14
Non-current liabilities that will come due within one year	15,460,146.08	
Other current liabilities	3,488,144.77	4,109,860.41
<b>Total current liabilities</b>	<b>3,101,067,157.35</b>	<b>2,643,119,791.71</b>
<b>Non-current Liabilities:</b>		
Long-term borrowings	89,450,000.00	89,450,000.00
Lease liabilities	38,481,342.63	
Deferred revenue	5,000,000.00	
<b>Total Non-current liabilities</b>	<b>132,931,342.63</b>	<b>89,450,000.00</b>
<b>Total liabilities</b>	<b>3,233,998,499.98</b>	<b>2,732,569,791.71</b>
<b>Shareholders' equity</b>		
Share capital	111,823,714.00	107,016,000.00
Capital reserve	2,222,679,824.68	1,164,264,045.66
Other comprehensive income	1,444,629.47	79,126.96
Surplus reserve	52,975,347.58	52,975,347.58
Retained earnings	604,778,283.80	544,341,778.74
<b>Total equity attributable to parent company</b>	<b>2,993,701,799.53</b>	<b>1,868,676,298.94</b>
<b>Total shareholders' equity</b>	<b>2,993,701,799.53</b>	<b>1,868,676,298.94</b>
<b>Total liabilities and shareholders' equity</b>	<b>6,227,700,299.51</b>	<b>4,601,246,090.65</b>

# Consolidated Income Statement

Jan. to Mar. 2021

Unit: Yuan

Currency: RMB

Item	2021 Q1	2020 Q1
<b>I. Revenue</b>	<b>1,856,151,534.38</b>	<b>1,029,575,139.66</b>
Including: Operating revenue	1,856,151,534.38	1,029,575,139.66
<b>II. Total operating costs</b>	<b>1,800,167,176.81</b>	<b>1,011,985,379.05</b>
Including: Costs of sales	1,496,345,287.65	812,175,492.40
Taxes and surcharges	1,723,345.02	1,447,852.74
Selling expenses	54,378,550.86	40,404,652.95
Administrative expenses	44,776,860.05	36,894,328.34
Research and development expenses	199,515,389.88	116,292,867.82
Finance expenses	3,427,743.35	4,770,184.80
Including: Interest expenses	4,635,422.97	3,873,824.45
Interest income	1,054,941.05	931,283.36
Add: Other income	12,864,836.48	16,570,980.00
Investment income (loss expressed with "-")	-15,522,646.17	1,638,911.11
Including: Investment income from associates and joint ventures	-269,975.65	
Fair value gains (loss expressed with "-")	14,495,807.24	361,000.00
Credit impairment losses (loss expressed with "-")	-2,917,492.08	-10,722,670.34
Asset impairment losses (loss expressed with "-")	-321,614.65	-824,233.94
Gains/loss on asset disposal (loss expressed with "-")	-1,283.63	
<b>III. Operating profit (loss expressed with "-")</b>	<b>64,581,964.76</b>	<b>24,613,747.44</b>
Add: Non-operating income	645,293.05	8,409,303.94
Subtract: Non-operating expenses	0	1,000,000.00

<b>IV. Total profit (loss expressed with "-")</b>	<b>65,227,257.81</b>	<b>32,023,051.38</b>
Subtract: Income tax expenses	4,706,712.09	-1,895,397.64
<b>V. Net profit (loss expressed with "-")</b>	<b>60,520,545.72</b>	<b>33,918,449.02</b>
<b>Net profit from continuing operations (loss expressed with "-")</b>	<b>60,520,545.72</b>	<b>33,918,449.02</b>
<b>Net profit attributable to shareholders of the parent company (loss expressed with "-")</b>	<b>60,520,545.72</b>	<b>33,918,449.02</b>
<b>VI. Other comprehensive income (net of tax)</b>	<b>1,365,502.51</b>	<b>286,268.52</b>
A. Other net comprehensive incomes attributable to owners of the Parent Company	1,365,502.51	286,268.52
1. Other comprehensive income to be reclassified into profit or loss	1,365,502.51	286,268.52
(1) Foreign currency exchange reserves	1,365,502.51	286,268.52
<b>VII. Total comprehensive income</b>	<b>61,886,048.23</b>	<b>34,204,717.54</b>
A. Total comprehensive income attributable to shareholders of the parent company	61,886,048.23	34,204,717.54
<b>VIII. Earnings per share</b>		
<b>A. Basic earnings per share (Yuan/share)</b>	<b>0.56</b>	<b>0.31</b>
<b>B. Diluted earnings per share (Yuan/share)</b>	<b>0.56</b>	<b>0.31</b>

## Consolidated Cash Flow Statement

Jan. to Mar. 2021

Unit: Yuan

Currency: RMB

Item	2021 Q1	2020 Q1
<b>I. Cash flows from operating activities</b>		
Cash received from sales of goods or rendering of services	1,663,742,908.11	1,047,393,874.90
Refunds of taxes	130,460,691.47	89,892,539.46
Cash received from other operating activities	19,565,070.58	26,940,425.14
<b>Sub-total of cash inflows from operating activities</b>	<b>1,813,768,670.16</b>	<b>1,164,226,839.50</b>
Cash paid for goods and services	1,656,588,073.97	1,323,824,725.07
Cash paid to and on behalf of employees	338,302,370.03	174,130,940.17
Cash paid for all types of taxes	8,278,629.96	8,463,618.45
Cash paid for other operating activities	71,387,534.51	47,907,221.91
<b>Sub-total of cash outflows from operating activities</b>	<b>2,074,556,608.47</b>	<b>1,554,326,505.60</b>
<b>Net cash flows from operating activities</b>	<b>-260,787,938.31</b>	<b>-390,099,666.10</b>
<b>II. Cash flows from investing activities</b>		
Cash received from disposal or returns of investments		300,000,000.00
Cash received from returns on investments		2,756,666.67
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	3,340.00	
<b>Sub-total of cash inflows from investing activities</b>	<b>3,340.00</b>	<b>302,756,666.67</b>
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	72,090,577.42	82,405,032.83
Cash paid for the acquisition of investment		161,000,000.00
<b>Sub-total of cash outflows from investing activities</b>	<b>72,090,577.42</b>	<b>243,405,032.83</b>
<b>Net cash flows from investing activities</b>	<b>-72,087,237.42</b>	<b>59,351,633.84</b>



<b>III. Cash flows from financing activities</b>		
Cash received by absorbing investments	1,060,856,140.84	
Cash received from borrowings	476,662,243.74	286,276,074.21
<b>Sub-total of cash inflows from financing activities</b>	<b>1,537,518,384.58</b>	<b>286,276,074.21</b>
Cash repayments of borrowings	247,652,947.73	97,618,842.58
Cash paid for distribution of dividends, profits or for interest expenses	6,655,095.64	4,568,112.19
Other cash paid related to financing activities	4,860,728.73	
<b>Sub-total of cash outflows from financing activities</b>	<b>259,168,772.10</b>	<b>102,186,954.77</b>
<b>Net cash flows from financing activities</b>	<b>1,278,349,612.48</b>	<b>184,089,119.44</b>
<b>IV. Effect of exchange rate fluctuation on cash and cash equivalents</b>	<b>429,414.53</b>	<b>930,582.79</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>945,903,851.28</b>	<b>-145,728,330.03</b>
Add: Balance of cash and cash equivalents at the beginning of the period	610,486,442.82	597,574,871.10
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	<b>1,556,390,294.10</b>	<b>451,846,541.07</b>