

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



Quectel Wireless Solutions Co., Ltd.

2021 Q3 Financial Report



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1 Main Accounting Data and Financial Indicators

Unit: Yuan Currency: RMB

Item	Reporting Period (Jul.–Sept.)	YOY Growth (%)	From the beginning of the year to the end of the Reporting Period	YOY Growth (%)
Operating revenues	3,160,557,081.35	84.73	7,476,115,147.89	77.66
Net profits attributable to shareholders of the Company	103,443,659.72	86.91	236,915,335.35	89.53
Net profits attributable to shareholders of the Company excluding non-recurring profit or loss	104,365,928.51	93.67	224,956,343.58	127.92
Net cash flow from operating activities	N/A	N/A	-1,317,721,344.26	N/A
Basic earnings per share (Yuan/share)	0.71	86.91	1.63	88.14
Diluted earnings per share (Yuan/share)	0.71	86.91	1.63	88.14
Weighted average ROE (%)	3.37	Up by 0.25 percentage	8.84	Up by 1.73 percentage
	End of the Reporting Period	End of last year		Growth (%)
Total assets	8,067,293,410.13	4,601,246,090.65		75.33
Equity attributable to shareholders of the Company	3,119,452,084.53	1,868,676,298.94		66.93

2 Financial Reports

Consolidated Balance Sheet

Sept. 30, 2021

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

Unit: Yuan Currency: RMB

Items	Sept. 30, 2021	Dec. 31, 2020
Current Assets:		
Cash and cash equivalents	584,560,228.60	610,586,920.47
Accounts receivable	1,001,222,755.84	871,530,879.09
Accounts receivable financing	687,047,340.87	398,913,363.61
Prepayments	376,172,272.62	88,414,738.74
Other receivables	85,923,666.53	42,368,946.26
Inventories	3,064,567,984.70	1,438,194,584.07
Other current asset	874,950,975.05	261,420,150.49
Total current assets	6,674,445,224.21	3,711,429,582.73
Non-current Assets:		
Long-term equity investment	44,880,578.45	40,454,408.69
Other equity instrument investment	60,000,000.00	60,000,000.00
Fixed assets	1,029,137,485.92	571,514,752.29
Construction in process	15,405,160.97	23,904,831.58
Right-of-use assets	46,451,126.11	
Intangible assets	114,049,476.08	93,892,521.03
Long-term deferred expenses	70,666,101.09	68,401,355.42
Deferred tax assets	9,891,622.34	16,075,215.23
Other non-current assets	2,366,634.96	15,573,423.68
Total non-current assets	1,392,848,185.92	889,816,507.92
Total assets	8,067,293,410.13	4,601,246,090.65
Current Liabilities:		

Short-term borrowings	1,560,674,945.32	873,005,577.06
Trading Financial Liabilities	2,871,752.35	30,414,901.58
Notes payable	623,476,156.50	270,117,823.98
Account payable	2,060,850,427.35	1,224,867,557.32
Contract liability	170,112,381.16	69,260,718.27
Employee salaries payable	190,452,864.90	159,458,055.54
Taxes payable	10,313,926.52	10,123,809.41
Other payables	9,095,775.68	1,761,488.14
Non-current liabilities that will come due within one year	15,055,009.35	
Other current liabilities	11,720,276.09	4,109,860.41
Total current liabilities	4,654,623,515.22	2,643,119,791.71
Non-current Liabilities:		
Long-term borrowings	257,477,500.00	89,450,000.00
Lease liabilities	31,429,960.38	
Deferred revenue	4,310,350.00	
Total Non-current liabilities	293,217,810.38	89,450,000.00
Total liabilities	4,947,841,325.60	2,732,569,791.71
Shareholders' equity		
Share capital	145,370,828.00	107,016,000.00
Capital reserve	2,193,867,414.54	1,164,264,045.66
Other comprehensive income	101,613.62	79,126.96
Surplus reserve	52,975,347.58	52,975,347.58
Retained earnings	727,136,880.79	544,341,778.74
Total equity attributable to parent company	3,119,452,084.53	1,868,676,298.94
Total shareholders' equity	3,119,452,084.53	1,868,676,298.94
Total liabilities and shareholders' equity	8,067,293,410.13	4,601,246,090.65

Consolidated Income Statement

Jan. to Sept. 2021

Unit: Yuan Currency: RMB

Item	2021 Q1 to Q3 (Jan. to Sept.)	2020 Q1 to Q3 (Jan. to Sept.)
I. Revenue	7,476,115,147.89	4,208,077,542.43
Including: Operating revenue	7,476,115,147.89	4,208,077,542.43
II. Total operating costs	7,259,281,001.99	4,097,417,083.69
Including: Costs of sales	6,094,367,930.65	3,352,118,086.23
Taxes and surcharges	10,827,178.55	6,474,062.00
Selling expenses	222,120,627.63	159,684,375.41
Administrative expenses	176,651,017.98	120,389,220.14
Research and development expenses	738,142,534.00	437,089,495.12
Finance expenses	17,171,713.18	21,661,844.79
Including: Interest expenses	15,886,274.18	10,237,152.18
Interest income	5,051,183.83	2,654,801.51
Add: Other income	23,696,743.48	21,576,794.24
Investment income (loss expressed with "-")	-8,993,157.99	2,663,451.67
Including: Investment income from associates and joint ventures		-397,762.18
Fair value gains (loss expressed with "-")	-3,968,159.33	
Credit impairment losses (loss expressed with "-")	21,337,709.81	-16,285,722.07
Asset impairment losses (loss expressed with "-")	-8,825,355.17	-4,049,488.40
Gains/loss on asset disposal (loss expressed with "-")	-890,537.89	-137,664.08
III. Operating profit (loss expressed with "-")	239,191,388.81	114,427,830.10
Add: Non-operating income	3,944,001.25	8,424,129.58
Subtract: Non-operating expenses	36,461.82	1,355,832.27

IV. Total profit (loss expressed with "-")	243,098,928.24	121,496,127.41
Subtract: Income tax expenses	6,183,592.89	-3,506,366.49
V. Net profit (loss expressed with "-")	236,915,335.35	125,002,493.90
Net profit from continuing operations (loss expressed with "-")	236,915,335.35	125,002,493.90
Net profit attributable to shareholders of the parent company (loss expressed with "-")	236,915,335.35	125,002,493.90
VI. Other comprehensive income (net of tax)	-616,106.38	250,578.17
A. Other net comprehensive incomes attributable to owners of the Parent Company	-616,106.38	250,578.17
1. Other comprehensive income not to be reclassified into profit or loss		-34,181.32
(1) Changes in the fair value of other equity instrument investments		-34,181.32
2. Other comprehensive income to be reclassified into profit or loss	-616,106.38	284,759.49
(2) Translation difference of foreign currency financial statements	-616,106.38	284,759.49
VII. Total comprehensive income	236,299,228.97	125,253,072.07
A. Total comprehensive income attributable to shareholders of the parent company	236,299,228.97	125,253,072.07
VIII. Earnings per share		
A. Basic earnings per share (Yuan/share)	1.63	0.87
B. Diluted earnings per share (Yuan/share)	1.63	0.87

Consolidated Cash Flow Statement

Jan. to Sept. 2021

Unit: Yuan Currency: RMB

Item	2021 Q1 to Q3 (Jan. to Sept.)	2020 Q1 to Q3 (Jan. to Sept.)
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	6,543,943,304.19	4,350,240,431.34
Refunds of taxes	397,454,606.40	261,118,256.52
Cash received from other operating activities	37,425,214.28	38,695,346.81
Sub-total of cash inflows from operating activities	6,978,823,124.87	4,650,054,034.67
Cash paid for goods and services	7,263,247,208.29	4,500,458,763.36
Cash paid to and on behalf of employees	720,510,205.22	464,375,702.77
Cash paid for all types of taxes	30,205,586.33	28,825,340.12
Cash paid for other operating activities	282,581,469.29	177,311,487.47
Sub-total of cash outflows from operating activities	8,296,544,469.13	5,170,971,293.72
Net cash flows from operating activities	-1,317,721,344.26	-520,917,259.05
II. Cash flows from investing activities:		
Cash received from disposal or returns of investments	530,000,000.00	460,000,000.00
Cash received from returns on investments	4,039,452.06	3,886,791.64
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	11,965.00	4,184.67
Sub-total of cash inflows from investing activities	534,051,417.06	463,890,976.31
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	503,257,498.62	444,229,974.65
Cash paid for the acquisition of investment	535,000,000.00	161,000,000.00
Sub-total of cash outflows from investing activities	1,038,257,498.62	605,229,974.65
Net cash flows from investing activities	-504,206,081.56	-141,338,998.34

III. Cash flows from financing activities:		
Cash received by absorbing investments	1,060,856,140.84	
Cash received from borrowings	1,679,818,229.56	848,486,179.10
Sub-total of cash inflows from financing activities	2,740,674,370.40	848,486,179.10
Cash repayments of borrowings	853,463,233.08	198,792,113.92
Cash paid for distribution of dividends, profits or for interest expenses	77,336,624.56	51,217,108.10
Other cash paid related to financing activities	13,615,003.88	
Sub-total of cash outflows from financing activities	944,414,861.52	250,009,222.02
Net cash flows from financing activities	1,796,259,508.88	598,476,957.08
IV. Effect of exchange rate fluctuation on cash and cash equivalents	-358,297.28	-1,664,028.35
V. Net increase in cash and cash equivalents	-26,026,214.22	-65,443,328.66
Add: Balance of cash and cash equivalents at the beginning of the period	610,486,442.82	597,574,871.10
VI. Balance of cash and cash equivalents at the end of the period	584,460,228.60	532,131,542.44