

Company Stock Code: 603236

Short Name of the Company: Quectel



Quectel Wireless Solutions Co., Ltd.

2021 Semi-Annual Financial Report

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1. Main Accounting Data and Financial Indicators

1.1. Main Accounting Data

Unit: Yuan Currency: RMB

Main Accounting Data	Reporting Period (Jan. – Jun.)	Same Period of Last Year	YOY Growth (%)
Operating Revenues	4,315,558,066.54	2,497,180,222.72	72.82
Net Profit Attributable to Shareholders of the Company	133,471,675.62	69,657,284.89	91.61
Net Profit Attributable to Shareholders of the Company after Deducting Non-recurring Gains and Losses	120,590,415.06	44,809,697.56	169.12
Net Cash Flow from Operating Activities	-616,463,109.61	-324,358,042.90	N/A
	End of the Reporting Period	End of Last Year	YOY Growth (%)
Net Assets Attributable to Shareholders of the Company	3,014,651,797.45	1,868,676,298.94	61.33
Total Assets	7,597,912,358.63	4,601,246,090.65	65.13

1.2. Main Financial Indicators

Main Financial Indicators	Reporting Period (Jan. – Jun.)	Same Period of Last Year	YOY Growth
Basic Earnings per Share (Yuan/Share)	0.93	0.48	93.75%
Diluted Earnings per Share (Yuan/Share)	0.93	0.48	93.75%
Basic Earnings per Share after Deducting Non-recurring Gains and Losses (Yuan/Share)	0.84	0.31	170.97%
Weighted Average ROE (%)	5.41	4.03	Up by 1.38 percentage
Weighted Average ROE after Deducting Non-recurring Gains and Losses (%)	4.89	2.59	Up by 2.30 percentage

2. Financial Reports

Consolidated Balance Sheet

Jun. 30, 2021

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

Unit: Yuan Currency: RMB

Items	Jun. 30, 2021	Dec. 31, 2020
Current Assets:		
Cash and bank balances	630,247,381.96	610,586,920.47
Financial assets held for trading	532,307,324.21	
Accounts receivable	1,044,774,421.04	871,530,879.09
Accounts receivable financing	477,100,984.75	398,913,363.61
Prepayments	77,943,335.37	88,414,738.74
Other receivables	69,822,774.40	42,368,946.26
Inventories	2,873,969,748.21	1,438,194,584.07
Other current assets	634,809,204.57	261,420,150.49
Total current assets	6,340,975,174.51	3,711,429,582.73
Non-current Assets:		
Long-term equity investment	39,907,671.21	40,454,408.69
Other equity instrument investment	60,000,000.00	60,000,000.00
Fixed assets	896,444,537.09	571,514,752.29
Construction in process	15,022,888.17	23,904,831.58
Right-of-use assets	50,413,906.01	
Intangible assets	107,996,336.45	93,892,521.03
Long-term deferred expenses	74,219,160.66	68,401,355.42
Deferred tax assets	6,993,411.67	16,075,215.23
Other non-current assets	5,939,272.86	15,573,423.68
Total non-current assets	1,256,937,184.12	889,816,507.92
Total assets	7,597,912,358.63	4,601,246,090.65
Current Liabilities:		
Short-term borrowings	1,301,614,567.86	873,005,577.06
Trading Financial Liabilities	8,904,549.60	30,414,901.58
Notes payable	556,856,195.06	270,117,823.98
Account payable	2,173,638,937.31	1,224,867,557.32

Contract liability	82,387,888.07	69,260,718.27
Employee salaries payable	108,343,407.20	159,458,055.54
Taxes payable	8,281,656.84	10,123,809.41
Other payables	23,355,005.14	1,761,488.14
Interest payable		
Dividend payable	13,665,990.60	
Non-current liabilities that will come due within one year	15,630,846.52	
Other current liabilities	7,037,337.47	4,109,860.41
Total current liabilities	4,286,050,391.07	2,643,119,791.71
Non-current Liabilities:		
Long-term borrowings	257,477,500.00	89,450,000.00
Contract liability	34,732,670.11	
Deferred revenue	5,000,000.00	
Total non-current liabilities	297,210,170.11	89,450,000.00
Total liabilities	4,583,260,561.18	2,732,569,791.71
Shareholders' Equity:		
Share capital	145,370,828.00	107,016,000.00
Capital reserve	2,191,500,062.85	1,164,264,045.66
Other comprehensive income	4,022,198.80	79,126.96
Surplus reserve	52,975,347.58	52,975,347.58
Retained earnings	620,783,360.22	544,341,778.74
Total equity attributable to parent company	3,014,651,797.45	1,868,676,298.94
Total shareholders' equity	3,014,651,797.45	1,868,676,298.94
Total liabilities and shareholders' equity	7,597,912,358.63	4,601,246,090.65

Consolidated Income Statement

Jan. to Jun., 2021

Unit: Yuan Currency: RMB

Items	Half Year of 2021	Half Year of 2020
I. Revenue	4,315,558,066.54	2,497,180,222.72
Including: Operating revenue	4,315,558,066.54	2,497,180,222.72
II. Total operating costs	4,211,583,848.69	2,445,454,312.63
Including: Costs of sales	3,535,855,395.36	1,988,965,756.66
Taxes and surcharges	8,555,425.48	4,037,799.77
Selling expenses	123,146,621.35	105,596,564.82
Administrative expenses	102,741,861.11	75,117,117.51
Research and development expenses	443,535,882.43	261,774,941.07
Finance expenses	-2,251,337.04	9,962,132.80
Including: Interest expenses	8,664,032.50	6,630,483.04
Interest income	3,344,936.41	1,840,703.70
Add: Other income	16,300,190.60	19,766,467.05
Investment income (loss expressed with "-")	-8,392,126.64	2,768,736.08
Fair value gains (loss expressed with "-")	5,165,560.31	
Credit impairment losses (loss expressed with "-")	27,032,421.25	-9,056,366.45
Asset impairment losses (loss expressed with "-")	-4,058,632.32	-3,997,279.52
Gains/loss on asset disposal (loss expressed with "-")	-12,630.00	-128,036.03
III. Operating profit (loss expressed with "-")	140,009,001.05	61,079,431.22
Add: Non-operating income	2,580,939.95	8,418,129.58
Subtract: Non-operating expenses	36,461.82	1,354,088.87
IV. Total profit (loss expressed with "-")	142,553,479.18	68,143,471.93
Subtract: Income tax expenses	9,081,803.56	-1,513,812.96
V. Net profit (loss expressed with "-")	133,471,675.62	69,657,284.89
1. Net profit from continuing operations (loss expressed with "-")	133,471,675.62	69,657,284.89
2. Net profit attributable to shareholders of the parent company (loss expressed with "-")	133,471,675.62	69,657,284.89
VI. Other comprehensive income (net of tax)	3,943,071.84	118,758.02

A. Other net comprehensive incomes attributable to owners of the parent	3,943,071.84	118,758.02
Other comprehensive income to be reclassified into profit or loss	3,943,071.84	118,758.02
(1) Foreign currency exchange reserves	3,943,071.84	118,758.02
VII. Total comprehensive income	137,414,747.46	69,776,042.91
A. Total comprehensive income attributable to shareholders of the parent	137,414,747.46	69,776,042.91
VIII. Earnings per share		
(1) Basic earnings per share (Yuan/share)	0.93	0.48
(2) Diluted earnings per share (Yuan/share)	0.93	0.48

Consolidated Cash Flow Statement

Jan. to Jun., 2021

Unit: Yuan Currency: RMB

Items	Half Year of 2021	Half Year of 2020
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	3,685,558,328.00	2,566,309,779.74
Refunds of taxes	251,330,138.28	160,731,251.29
Cash received from other operating activities	27,863,598.01	31,551,495.88
Sub-total of cash inflows from operating activities	3,964,752,064.29	2,758,592,526.91
Cash paid for goods and services	3,849,236,795.90	2,656,153,296.24
Cash paid to and on behalf of employees	553,131,723.67	290,826,818.46
Cash paid for all types of taxes	16,371,985.41	19,858,866.60
Cash paid for other operating activities	162,474,668.92	116,111,588.51
Sub-total of cash outflows from operating activities	4,581,215,173.90	3,082,950,569.81
Net cash flows from operating activities	-616,463,109.61	-324,358,042.90
II. Cash flows from investing activities		
Cash received from disposal or returns of investments		460,000,000.00
Cash received from returns on investments		3,886,791.64
Net cash received from the disposal of fixed assets, intangible assets and other long-term	3,340.00	1,600.00

assets		
Sub-total of cash inflows from investing activities	3,340.00	463,888,391.64
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	408,879,477.76	204,497,076.46
Cash paid for the acquisition of investment	530,000,000.00	161,000,000.00
Sub-total of cash outflows from investing activities	938,879,477.76	365,497,076.46
Net cash flows from investing activities	-938,876,137.76	98,391,315.18
III. Cash flows from financing activities		
Cash received by absorbing investments	1,060,856,140.84	
Cash received from borrowings	1,065,555,563.91	642,594,901.49
Sub-total of cash inflows from financing activities	2,126,411,704.75	642,594,901.49
Cash repayments of borrowings	484,251,758.96	176,840,662.94
Cash paid for distribution of dividends, profits or for interest expenses	57,341,396.31	49,189,941.33
Other cash paid related to financing activities	9,076,669.26	
Sub-total of cash outflows from financing activities	550,669,824.53	226,030,604.27
Net cash flows from financing activities	1,575,741,880.22	416,564,297.22
IV. Effect of exchange rate fluctuation on cash and cash equivalents	-741,693.71	974,022.05
V. Net increase in cash and cash equivalents	19,660,939.14	191,571,591.55
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	630,147,381.96	789,146,462.65