

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



Quectel Wireless Solutions Co., Ltd.

2022 Semi-Annual Financial Report



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1. Main Accounting Data and Financial Indicators

1.1. Main Accounting Data

Main Accounting Data	Reporting Period (Jan. – Jun. 2022)	Same Period of Last Year	YOY Growth (%)
Operating Revenues	6,688,756,815.66	4,315,558,066.54	54.99
Net Profit Attributable to Shareholders of the Company	276,707,538.94	133,471,675.62	107.32
Net Profit Attributable to Shareholders of the Company after Deducting Non-recurring Gains and Losses	255,067,106.08	120,590,415.06	111.52
Net Cash Flow from Operating Activities	638,164,718.89	-616,463,109.61	N/A
	End of the Reporting Period	End of Last Year	YOY Growth (%)
Net Assets Attributable to Shareholders of the Company	3,379,280,418.30	3,208,461,512.18	5.32
Total Assets	9,069,430,796.54	8,140,021,182.48	11.42

1.2. Main Financial Indicators

Main Financial Indicators	Reporting Period (Jan. – Jun. 2022)	Same Period of Last Year	YOY Growth (%)
Basic Earnings per Share (Yuan/Share)	1.46	0.71	105.63
Diluted Earnings per Share (Yuan/Share)	1.46	0.71	105.63
Basic Earnings per Share after Deducting Non-recurring Gains and Losses (Yuan/Share)	1.35	0.64	110.94
Weighted Average ROE (%)	8.27	5.41	2.86 percentage point
Weighted Average ROE after Deducting Non-recurring Gains and Losses (%)	7.62	4.89	2.73 percentage point

2. Financial Reports

Consolidated Balance Sheet

June 30, 2022

Name of enterprise: Quectel Wireless Solutions Co., Ltd

Unit: Yuan Currency: RMB

Items	Jun. 30, 2022	Dec. 31, 2021
Current Assets:		
Cash and cash equivalents	1,408,589,557.02	1,133,108,786.50
Financial Assets Held for Trading	14,366,031.56	

Bills Receivable	393,634,529.22	370,754,212.89
Accounts Receivable	1,652,992,581.77	1,573,978,551.39
Accounts Receivable Financing	74,718,532.70	184,607,663.43
Prepayments	345,310,422.95	121,334,307.70
Other Receivables	174,427,767.87	127,835,091.95
Inventories	3,193,734,731.05	2,698,770,780.18
Other Current Assets	245,234,728.04	384,601,592.37
Total Current Assets	7,503,008,882.18	6,594,990,986.41
Non-current Assets		
Long-term Equity Investments	44,424,839.21	44,453,625.28
Other Equity Instrument Investments	57,858,659.00	30,000,000.00
Fixed Assets	1,168,151,652.57	1,136,407,407.14
Constructions in Process	13,668,624.63	30,356,163.46
Right-of-Use Assets	51,031,850.90	45,004,186.49
Intangible Assets	112,462,532.72	118,341,358.58
Long-term Deferred Expenses	69,138,831.98	67,877,889.01
Deferred Tax Assets	18,648,347.97	12,940,646.16
Other Non-current Assets	31,036,575.38	59,648,919.95
Total Non-current Assets	1,566,421,914.36	1,545,030,196.07
Total Assets	9,069,430,796.54	8,140,021,182.48
Current Liabilities		
Short-term Borrowings	1,649,586,716.23	1,668,978,745.82
Notes Payable	457,546,950.81	566,043,022.98
Accounts Payable	2,574,077,012.59	1,694,648,497.91
Contract Liabilities	118,368,228.70	88,013,887.95
Employee Salaries Payable	262,061,147.72	278,719,156.38
Taxes Payable	24,723,131.11	16,918,241.94
Other Payables	44,554,706.26	5,809,834.20
Including: Interests Payable		
Dividends Payable	34,002,909.72	
Non-current Liabilities Maturing within One Year	69,201,958.46	29,271,565.01
Other Current Liabilities	238,310,086.35	286,902,785.88
Total Current Liabilities	5,438,429,938.23	4,635,305,738.07
Non-current Liabilities:		
Long-term Borrowings	187,935,804.48	232,560,000.00
Lease Liabilities	30,141,252.80	31,326,660.45
Deferred Revenues	29,273,619.45	31,528,158.56
Deferred Tax Liabilities	2,154,904.73	
Total Non-current Liabilities	249,505,581.46	295,414,819.01
Total Liabilities	5,687,935,519.69	4,930,720,557.08
Shareholders' Equity		
Share Capital	188,982,076.00	145,370,828.00

Capital Reserve	2,162,158,768.77	2,196,234,767.20
Other Comprehensive Income	-39,340,788.37	-31,491,318.70
Surplus Reserve	87,893,859.52	87,893,859.52
Retained Earnings	979,586,502.38	810,453,376.16
Total Equity Attributable to Parent Company	3,379,280,418.30	3,208,461,512.18
Minority Shareholders' Interest	2,214,858.55	839,113.22
Total Shareholders' Equity	3,381,495,276.85	3,209,300,625.40
Total Liabilities and Shareholders' Equity	9,069,430,796.54	8,140,021,182.48

Consolidated Income Statement

Jan. to Jun., 2022

Unit: Yuan Currency: RMB

Items	Half Year of 2022	Half Year of 2021
I. Revenue	6,688,756,815.66	4,315,558,066.54
Including: Operating revenue	6,688,756,815.66	4,315,558,066.54
II. Total operating costs	6,406,764,869.37	4,211,583,848.69
Including: Costs of sales	5,422,176,103.61	3,535,855,395.36
Taxes and surcharges	7,763,269.51	8,555,425.48
Selling expenses	215,415,699.92	123,146,621.35
Administrative expenses	125,023,670.35	102,741,861.11
Research and development expenses	582,454,268.31	443,535,882.43
Finance expenses	53,931,857.67	-2,251,337.04
Including: Interest expenses	22,238,308.70	8,664,032.50
Interest income	1,194,024.19	3,344,936.41
Add: Other income	28,005,098.48	16,300,190.60
Investment income (loss expressed with "-")	21,213.93	-8,392,126.64
Including: Investment income from associates and joint ventures	21,213.93	-546,737.47
Fair value gains (loss expressed with "-")	-1,616,465.55	5,165,560.31
Credit impairment losses (loss expressed with "-")	-2,297,501.24	27,032,421.25
Asset impairment losses (loss expressed with "-")	-32,197,869.94	-4,058,632.32
Gains/loss on asset disposal (loss expressed with "-")	302,890.15	-12,630.00
III. Operating profit (loss expressed with "-")	274,209,312.12	140,009,001.05
Add: Non-operating income	1,364,406.64	2,580,939.95
Subtract: Non-operating expenses	1,545,075.29	36,461.82
IV. Total profit (loss expressed with "-")	274,028,643.47	142,553,479.18
Subtract: Income tax expenses	-3,552,797.08	9,081,803.56
V. Net profit (loss expressed with "-")	277,581,440.55	133,471,675.62

A. Classification by business continuity		
1. Net profit from continuing operations (loss expressed with "-")	277,581,440.55	133,471,675.62
B. Classification by ownership		
1. Net profit attributable to shareholders of parent company (loss expressed with "-")	276,707,538.94	133,471,675.62
2. Minority interest (loss expressed with "-")	873,901.61	
VI. Other comprehensive income (net of tax)	-7,849,469.67	3,943,071.84
Net after-tax other comprehensive income attributable to owners of the parent company	-7,849,469.67	3,943,071.84
1. Other comprehensive income that cannot be reclassified into profit or loss	-7,141,314.00	
Changes in fair value of other equity instrument investments	-7,141,314.00	
2. Other comprehensive income to be reclassified to profit or loss	-708,155.67	3,943,071.84
Differences in translation of foreign currency financial statements	-708,155.67	3,943,071.84
VII. Total comprehensive income	269,731,970.88	137,414,747.46
A. Total comprehensive income attributable to shareholders of the parent	268,858,069.27	137,414,747.46
B. Total comprehensive income attributable to minority shareholders	873,901.61	
VIII. Earnings per share		
A. Basic earnings per share (Yuan/share)	1.46	0.71
B. Diluted earnings per share (Yuan/share)	1.46	0.71

Consolidated Cash Flow Statement

Jan. to Jun., 2022

Unit: Yuan Currency: RMB

Items	Half year of 2022	Half year of 2021
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	6,998,742,986.59	3,685,558,328.00
Refunds of taxes	489,786,646.79	251,330,138.28
Cash received from other operating activities	54,888,840.15	27,863,598.01
Sub-total of cash inflows from operating activities	7,543,418,473.53	3,964,752,064.29
Cash received from sales of goods or rendering of services	5,960,867,111.28	3,849,236,795.90
Cash paid to and on behalf of employees	736,719,678.46	553,131,723.67
Cash paid for all types of taxes	42,454,393.26	16,371,985.41
Cash paid for other operating activities	165,212,571.64	162,474,668.92
Sub-total of cash outflows from operating activities	6,905,253,754.64	4,581,215,173.90

Net cash flows from operating activities	638,164,718.89	-616,463,109.61
II. Cash flows from investing activities		
Cash received from returns on investments	50,000.00	
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	110,199.97	3,340.00
Sub-total of cash inflows from investing activities	160,199.97	3,340.00
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	134,526,438.47	408,879,477.76
Cash paid for the acquisition of investment	34,999,973.00	530,000,000.00
Cash paid for other investing activities	41,640,000.00	
Sub-total of cash outflows from investing activities	211,166,411.47	938,879,477.76
Net cash flows from investing activities	-211,006,211.50	-938,876,137.76
III. Cash flows from financing activities		
Cash received by absorbing investments	1,917,165.65	1,060,856,140.84
Cash received from borrowings	704,948,915.32	1,065,555,563.91
Sub-total of cash inflows from financing activities	706,866,080.97	2,126,411,704.75
Cash repayments of borrowings	783,150,683.57	484,251,758.96
Cash paid for distribution of dividends, profits or for interest expenses	86,303,675.61	57,341,396.31
Other cash paid related to financing activities	24,866,600.58	9,076,669.26
Sub-total of cash outflows from financing activities	894,320,959.76	550,669,824.53
Net cash flows from financing activities	-187,454,878.79	1,575,741,880.22
IV. Effect of exchange rate fluctuation on cash and cash equivalents	35,777,141.92	-741,693.71
V. Net increase in cash and cash equivalents	275,480,770.52	19,660,939.14
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	1,133,008,786.50	610,486,442.82
VI. Balance of cash and cash equivalents at the end of the Reporting Period	1,408,489,557.02	630,147,381.96