



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

Quectel Wireless Solutions Co., Ltd.
2023 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 (January–June 2023)	Same Period of Last Year	YOY Growth (%)
Operating Revenues	6,511,850,624.80	6,688,756,815.66	-2.64
Net Profit Attributable to Shareholders of the Company	-115,373,422.21	276,707,538.94	-141.70
Net Profit Attributable to Shareholders of the Company after Deducting Non-recurring Gains and Losses	-154,664,592.83	255,067,106.08	-160.64
Net Cash Flow from Operating Activities	155,619,715.65	638,164,718.89	-75.61
	End of the Reporting Period	End of Last Year	YOY Growth (%)
Net Assets Attributable to Shareholders of the Company	3,431,950,434.85	3,720,246,850.43	-7.75
Total Assets	10,968,233,993.14	10,273,173,226.84	6.77

1.2. Main Financial Indicators

Main Financial Indicators	Reporting Period (January–June 2023)	Same Period of Last Year	YOY Growth (%)
Basic Earnings per Share (Yuan/Share)	-0.44	1.05	-141.90
Diluted Earnings per Share (Yuan/Share)	-0.44	1.05	-141.90
Basic Earnings per Share After Deducting Non-Recurring Gains and Losses (Yuan/Share)	-0.58	0.96	-160.42
Weighted Average ROE (%)	-3.15	8.27	Decreased by 11.42 percentage point
Weighted Average ROE After Deducting Non-Recurring Gains and Losses (%)	-4.22	7.62	Decreased by 11.84 percentage point

2. Financial Reports

Consolidated Balance Sheet

June 30, 2023

Name of enterprise: Quectel Wireless Solutions Co., Ltd

Unit: Yuan Currency: RMB

Items	June 30, 2023	December 31, 2022
Current Assets:		
Cash and cash equivalents	1,965,973,548.76	2,198,895,359.92
Financial Assets Held for Trading	42,547,946.15	23,045,661.96

Bills Receivable	426,554,539.80	288,267,958.90
Accounts Receivable	1,614,884,868.09	2,056,369,637.41
Accounts Receivable Financing	226,628,192.24	174,832,161.40
Prepayments	260,106,515.98	129,472,748.21
Other Receivables	101,480,625.67	153,516,286.09
Inventories	3,644,189,188.22	3,013,664,013.65
Other Current Assets	98,271,170.59	262,702,212.20
Total Current Assets	8,380,636,595.50	8,300,766,039.74
Non-current Assets		
Long-term Equity Investments	39,345,688.68	39,419,091.42
Other Equity Instrument Investments	37,790,970.44	51,462,716.57
Fixed Assets	1,195,302,181.30	1,219,128,608.85
Construction in Progress	5,294,234.90	98,395,710.59
Right-of-Use Assets	767,860,624.73	59,978,502.25
Intangible Assets	409,984,599.47	377,596,657.61
Long-term Deferred Expenses	65,449,784.14	72,409,305.53
Deferred Tax Assets	19,938,189.54	20,840,892.42
Other Non-current Assets	46,631,124.44	33,175,701.86
Total Non-current Assets	2,587,597,397.64	1,972,407,187.10
Total Assets	10,968,233,993.14	10,273,173,226.84
Current Liabilities		
Short-term Borrowings	1,639,103,275.55	2,015,119,188.34
Notes Payable	381,243,362.02	697,435,647.79
Accounts Payable	2,683,349,958.12	2,011,631,628.07
Contract Liabilities	163,787,892.95	177,471,576.39
Employee Salaries Payable	240,456,424.12	315,636,100.31
Taxes Payable	21,172,426.73	61,614,708.04
Other Payables	16,082,407.21	18,839,950.03
Non-current Liabilities Maturing within One Year	76,979,070.37	83,885,465.14
Other Current Liabilities	258,953,430.07	143,555,751.60
Total Current Liabilities	5,481,128,247.14	5,525,190,015.71
Non-current Liabilities:		
Long-term Borrowings	1,323,092,584.67	973,030,925.90
Lease Liabilities	714,164,336.28	31,071,394.76
Deferred Revenues	21,409,682.24	24,164,076.94
Total Non-current Liabilities	2,058,666,603.19	1,028,266,397.60
Total Liabilities	7,539,794,850.33	6,553,456,413.31
Shareholders' Equity		
Share Capital	264,574,906.00	188,982,076.00
Capital Reserve	2,098,883,543.87	2,172,856,355.00
Other Comprehensive Income	-41,170,775.37	-55,182,836.66
Special Reserve	432,787.92	

Surplus Reserve	142,865,339.97	142,865,339.97
Undistributed Profit	966,364,632.46	1,270,725,916.12
Total Equity Attributable to Parent Company	3,431,950,434.85	3,720,246,850.43
Minority Shareholders' Interest	-3,511,292.04	-530,036.90
Total Shareholders' Equity	3,428,439,142.81	3,719,716,813.53
Total Liabilities and Shareholders' Equity	10,968,233,993.14	10,273,173,226.84

Consolidated Income Statement

January to June, 2023

Unit: Yuan Currency: RMB

Items	Half Year of 2023	Half Year of 2022
I. Revenue	6,511,850,624.80	6,688,756,815.66
Including: Operating revenue	6,511,850,624.80	6,688,756,815.66
II. Total Operating Costs	6,656,992,516.53	6,406,764,869.37
Including: Operating costs	5,367,882,197.25	5,422,176,103.61
Taxes and surcharges	5,362,807.72	7,763,269.51
Selling expenses	228,511,196.33	215,415,699.92
Administrative expenses	206,447,750.57	125,023,670.35
Research and development expenses	832,285,970.96	582,454,268.31
Finance expenses	16,502,593.70	53,931,857.67
Including: Interest expenses	45,821,514.83	22,238,308.70
Interest income	10,217,438.56	1,194,024.19
Add: Other income	16,026,476.15	28,005,098.48
Investment income (loss expressed with "-")	6,281,969.33	21,213.93
Including: Investment income from associates and joint ventures	16,694.68	21,213.93
Fair value gains (loss expressed with "-")	19,502,284.19	-1,616,465.55
Credit impairment losses (loss expressed with "-")	7,851,958.75	-2,297,501.24
Asset impairment losses (loss expressed with "-")	-19,435,546.32	-32,197,869.94
Gains/loss on asset disposal (loss expressed with "-")	-34,450.37	302,890.15
III. Operating Profit (loss expressed with "-")	-114,949,200.00	274,209,312.12
Add: Non-operating income	1,313,324.69	1,364,406.64
Subtract: Non-operating expenses	3,778,055.87	1,545,075.29
IV. Total Profit (loss expressed with "-")	-117,413,931.18	274,028,643.47
Subtract: Income tax expenses	940,746.17	-3,552,797.08
V. Net Profit (loss expressed with "-")	-118,354,677.35	277,581,440.55
A. Classification by business continuity		
1. Net profit from continuing operations (loss expressed with "-")	-118,354,677.35	277,581,440.55
B. Classification by ownership		

1. Net profit attributable to shareholders of parent company (loss expressed with "-")	-115,373,422.21	276,707,538.94
2. Minority interest (loss expressed with "-")	-2,981,255.14	873,901.61
VI. Other Comprehensive Income (net of tax)	14,012,061.29	-7,849,469.67
Net after-tax other comprehensive income attributable to owners of the parent company	14,012,061.29	-7,849,469.67
1. Other comprehensive income that cannot be reclassified into profit or loss	16,328,253.87	-7,141,314.00
Changes in fair value of other equity instrument investments	16,328,253.87	-7,141,314.00
2. Other comprehensive income to be reclassified to profit or loss	-2,316,192.58	-708,155.67
Differences in translation of foreign currency financial statements	-2,316,192.58	-708,155.67
VII. Total Comprehensive Income	-104,342,616.06	269,731,970.88
A. Total comprehensive income attributable to shareholders of the parent	-101,361,360.92	268,858,069.27
B. Total comprehensive income attributable to minority shareholders	-2,981,255.14	873,901.61
VIII. Earnings per Share		
A. Basic earnings per share (Yuan/share)	-0.44	1.05
B. Diluted earnings per share (Yuan/share)	-0.44	1.05

Consolidated Cash Flow Statement

January to June, 2023

Unit: Yuan Currency: RMB

Items	Half year of 2023	Half year of 2022
I. Cash Flows from Operating Activities		
Cash received from sales of goods or rendering of services	6,435,443,879.70	6,998,742,986.59
Refunds of taxes	434,079,144.56	489,786,646.79
Cash received from other operating activities	21,502,659.60	54,888,840.15
Sub-total of cash inflows from operating activities	6,891,025,683.86	7,543,418,473.53
Cash paid for goods and services	5,368,626,090.42	5,960,867,111.28
Cash paid to and on behalf of employees	1,118,407,991.17	736,719,678.46
Cash paid for all types of taxes	5,220,133.08	42,454,393.26
Cash paid for other operating activities	243,151,753.54	165,212,571.64
Sub-total of cash outflows from operating activities	6,735,405,968.21	6,905,253,754.64
Net Cash Flows from Operating Activities	155,619,715.65	638,164,718.89
II. Cash Flows from Investing Activities		
Cash received from returns on investments	30,000,000.00	
Cash received from investment incomes	90,097.42	50,000.00

Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	41,214.60	110,199.97
Sub-total of cash inflows from investing activities	30,131,312.02	160,199.97
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	149,916,651.37	134,526,438.47
Cash paid for the acquisition of investment		34,999,973.00
Cash paid for other investing activities		41,640,000.00
Sub-total of cash outflows from investing activities	149,916,651.37	211,166,411.47
Net Cash Flows from Investing Activities	-119,785,339.35	-211,006,211.50
III. Cash Flows from Financing Activities		
Cash received by absorbing investments		1,917,165.65
Cash received from borrowings	735,388,651.54	704,948,915.32
Sub-total of cash inflows from financing activities	735,388,651.54	706,866,080.97
Cash repayments of borrowings	767,319,248.05	783,150,683.57
Cash paid for distribution of dividends, profits or for interest expenses	246,389,537.44	86,303,675.61
Other cash paid related to financing activities	21,141,109.62	24,866,600.58
Sub-total of cash outflows from financing activities	1,034,849,895.11	894,320,959.76
Net Cash Flows from Financing Activities	-299,461,243.57	-187,454,878.79
IV. Effect of Exchange Rate Fluctuation on Cash and Cash Equivalents	30,705,056.11	35,777,141.92
V. Net Increase in Cash and Cash Equivalents	-232,921,811.16	275,480,770.52
Add: Balance of cash and cash equivalents at the beginning of the Reporting Period	2,198,795,359.92	1,133,008,786.50
VI. Balance of Cash and Cash Equivalents at the End of the Reporting Period	1,965,873,548.76	1,408,489,557.02