

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



Quectel Wireless Solutions Co., Ltd.

2022 Q3 Financial Report



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1 Key Financial Indicators

Unit: Yuan Currency: RMB

Item	Reporting Period (Jul.–Sept.2022)	YOY Growth (%)	From the beginning of the year to the end of the Reporting Period	YOY Growth (%)
Operating revenues	3,447,484,054.44	9.08	10,136,240,870.10	35.58
Net profits attributable to shareholders of the Company	158,810,142.60	53.52	435,517,681.54	83.83
Net profits attributable to shareholders of the Company excluding non-recurring profit or loss	75,998,783.88	-27.18	331,065,889.96	47.17
Net cash flow from operating activities	N/A	N/A	360,672,827.00	N/A
Basic earnings per share (Yuan/share)	0.84	53.52	2.30	83.83
Diluted earnings per share (Yuan/share)	0.84	53.52	2.30	83.83
Weighted average ROE (%)	4.60	Up by 1.23 percentage	12.93	Up by 4.09 percentage
	End of the Reporting Period	End of last year		Growth (%)
Total assets	9,327,421,371.72	8,140,021,182.48		14.59
Equity attributable to shareholders of the Company	3,530,278,398.68	3,208,461,512.18		10.03

2 Financial Reports

Consolidated Balance Sheet

Sept. 30, 2022

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

Unit: Yuan Currency: RMB

Items	Sept. 30, 2022	Dec. 31, 2021
Current Assets:		
Cash and cash equivalents	1,261,811,410.94	1,133,108,786.50
Financial Assets Held for Trading	37,862,431.70	
Notes receivable	313,800,054.23	370,754,212.89
Accounts receivable	1,001,222,755.84	871,530,879.09
Accounts receivable financing	126,460,682.30	184,607,663.43
Prepayments	371,257,699.26	121,334,307.70
Other receivables	106,109,698.13	127,835,091.95
Inventories	3,190,357,717.25	2,698,770,780.18
Other current asset	323,249,197.44	384,601,592.37
Total current assets	7,507,139,411.97	6,594,990,986.41
Non-current Assets:		
Long-term equity investment	44,409,299.15	44,453,625.28
Other equity instrument investment	50,508,031.40	30,000,000.00
Fixed assets	1,194,872,005.35	1,136,407,407.14
Construction in process	3,808,653.58	30,356,163.46
Right-of-use assets	57,871,371.90	45,004,186.49
Intangible assets	339,476,318.10	118,341,358.58
Long-term deferred expenses	72,021,639.13	67,877,889.01
Deferred tax assets	23,840,036.23	12,940,646.16
Other non-current assets	33,474,604.91	59,648,919.95
Total non-current assets	1,820,281,959.75	1,545,030,196.07
Total assets	9,327,421,371.72	8,140,021,182.48
Current Liabilities:		

Short-term borrowings	2,023,490,770.65	1,668,978,745.82
Notes payable	746,186,218.16	566,043,022.98
Accounts payable	1,983,607,198.29	1,694,648,497.91
Contract liability	147,587,500.26	88,013,887.95
Employee salaries payable	298,122,309.97	278,719,156.38
Taxes payable	33,547,735.63	16,918,241.94
Other payables	13,929,097.72	5,809,834.20
Non-current liabilities that will come due within one year	68,740,613.76	29,271,565.01
Other current liabilities	221,203,866.62	286,902,785.88
Total current liabilities	5,536,415,311.06	4,635,305,738.07
Non-current Liabilities:		
Long-term borrowings	191,587,500.00	232,560,000.00
Lease liabilities	32,885,116.43	31,326,660.45
Deferred revenue	28,146,349.89	31,528,158.56
Deferred Tax Liabilities	5,679,364.75	
Total Non-current liabilities	258,298,331.07	295,414,819.01
Total liabilities	5,794,713,642.13	4,930,720,557.08
Shareholders' equity		
Share capital	188,982,076.00	145,370,828.00
Capital reserve	2,169,292,292.00	2,196,234,767.20
Other comprehensive income	-54,286,473.84	-31,491,318.70
Surplus reserve	87,893,859.52	87,893,859.52
Retained earnings	1,138,396,645.00	810,453,376.16
Total equity attributable to parent company	3,530,278,398.68	3,208,461,512.18
Minority Shareholders' Interest	2,429,330.91	839,113.22
Total shareholders' equity	3,532,707,729.59	3,209,300,625.40
Total liabilities and shareholders' equity	9,327,421,371.72	8,140,021,182.48

Consolidated Income Statement

Jan. to Sept. 2022

Unit: Yuan Currency: RMB

Item	2022 Q1 to Q3 (Jan. to Sept.)	2021 Q1 to Q3 (Jan. to Sept.)
I. Revenue	10,136,240,870.10	7,476,115,147.89
Including: Operating revenue	10,136,240,870.10	7,476,115,147.89
II. Total operating costs	9,758,319,188.78	7,259,281,001.99
Including: Costs of sales	8,190,779,292.89	6,094,367,930.65
Taxes and surcharges	7,204,978.02	10,827,178.55
Selling expenses	338,622,082.39	222,120,627.63
Administrative expenses	212,641,378.20	176,651,017.98
Research and development expenses	945,553,714.28	738,142,534.00
Finance expenses	63,517,743.00	17,171,713.18
Including: Interest expenses	28,022,163.50	15,886,274.18
Interest income	2,021,923.15	5,051,183.83
Add: Other income	43,956,393.40	23,696,743.48
Investment income (loss expressed with "-")	40,314,590.32	-8,993,157.99
Including: Investment income from associates and joint ventures	5,673.87	640,027.27
Fair value gains (loss expressed with "-")	37,862,431.70	-3,968,159.33
Credit impairment losses (loss expressed with "-")	-4,860,367.72	21,337,709.81
Asset impairment losses (loss expressed with "-")	-65,922,312.30	-8,825,355.17
Gains/loss on asset disposal (loss expressed with "-")	286,920.60	-890,537.89
III. Operating profit (loss expressed with "-")	429,559,337.32	239,191,388.81
Add: Non-operating income	3,024,658.12	3,944,001.25
Subtract: Non-operating expenses	1,579,688.09	36,461.82

IV. Total profit (loss expressed with "-")	431,004,307.35	243,098,928.24
Subtract: Income tax expenses	-5,180,883.51	6,183,592.89
V. Net profit (loss expressed with "-")	436,185,190.86	236,915,335.35
A. Classification by business continuity		
1. Net profit from continuing operations (loss expressed with "-")	436,185,190.86	236,915,335.35
B. Classification by ownership		
1. Net profit attributable to shareholders of parent company (loss expressed with "-")	435,517,681.54	236,915,335.35
2. Minority interest (loss expressed with "-")	667,509.32	
VI. Other comprehensive income (net of tax)	-22,795,155.13	-616,106.38
A. Other net comprehensive incomes attributable to owners of the Parent Company	-22,795,155.13	-616,106.38
1. Other comprehensive income not to be reclassified into profit or loss	-14,491,941.60	
(1) Changes in the fair value of other equity instrument investments	-14,491,941.60	
2. Other comprehensive income to be reclassified into profit or loss	-8,303,213.53	-616,106.38
(2) Translation difference of foreign currency financial statements	-8,303,213.53	-616,106.38
VII. Total comprehensive income	413,390,035.73	236,299,228.97
A. Total comprehensive income attributable to shareholders of the parent company	412,722,526.41	236,299,228.97
B. Total comprehensive income attributable to minority shareholders	667,509.32	
VIII. Earnings per share		
A. Basic earnings per share (Yuan/share)	2.30	1.25
B. Diluted earnings per share (Yuan/share)	2.30	1.25

Consolidated Cash Flow Statement

Jan. to Sept. 2022

Unit: Yuan Currency: RMB

Item	2022 Q1 to Q3 (Jan. to Sept.)	2021 Q1 to Q3 (Jan. to Sept.)
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	10,211,454,492.16	6,543,943,304.19
Refunds of taxes	666,409,953.73	397,454,606.40
Cash received from other operating activities	82,139,560.48	37,425,214.28
Sub-total of cash inflows from operating activities	10,960,004,006.37	6,978,823,124.87
Cash paid for goods and services	9,180,148,486.08	7,263,247,208.29
Cash paid to and on behalf of employees	1,104,874,118.01	720,510,205.22
Cash paid for all types of taxes	69,485,621.93	30,205,586.33
Cash paid for other operating activities	244,822,953.35	282,581,469.29
Sub-total of cash outflows from operating activities	10,599,331,179.37	8,296,544,469.13
Net cash flows from operating activities	360,672,827.00	-1,317,721,344.26
II. Cash flows from investing activities:		
Cash received from disposal or returns of investments		530,000,000.00
Cash received from returns on investments	50,000.00	4,039,452.06
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	110,199.97	11,965.00
Cash received from other investing activities	41,640,000.00	
Sub-total of cash inflows from investing activities	41,800,199.97	534,051,417.06
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	395,658,735.30	503,257,498.62
Cash paid for the acquisition of investment	34,999,973.00	535,000,000.00
Cash paid for other investing activities	41,640,000.00	
Sub-total of cash outflows from investing activities	472,298,708.30	1,038,257,498.62

Net cash flows from investing activities	-430,498,508.33	-504,206,081.56
III. Cash flows from financing activities:		
Cash received by absorbing investments	2,315,772.83	1,060,856,140.84
Including: Cash received by the subsidiary from absorbing investments of minority shareholders	2,315,772.83	
Cash received from borrowings	1,489,141,700.38	1,679,818,229.56
Sub-total of cash inflows from financing activities	1,491,457,473.21	2,740,674,370.40
Cash repayments of borrowings	1,218,956,564.12	853,463,233.08
Cash paid for distribution of dividends, profits or for interest expenses	125,594,156.85	77,336,624.56
Other cash paid related to financing activities	34,103,966.27	13,615,003.88
Sub-total of cash outflows from financing activities	1,378,654,687.24	944,414,861.52
Net cash flows from financing activities	112,802,785.97	1,796,259,508.88
IV. Effect of exchange rate fluctuation on cash and cash equivalents	85,725,519.80	-358,297.28
V. Net increase in cash and cash equivalents	128,702,624.44	-26,026,214.22
Add: Balance of cash and cash equivalents at the beginning of the period	1,133,008,786.50	610,486,442.82
VI. Balance of cash and cash equivalents at the end of the period	1,261,711,410.94	584,460,228.60