UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of November, 2020

Commission File Number: 001-39316

BURNING ROCK BIOTECH LIMITED

(Registrant's Name)

601, 6/F, Building 3, Standard Industrial Unit 2 No.7 Luoxuan 4th Road, International Bio Island Guangzhou, Guangdong People's Republic of China (Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

| Form 20-F | ☑ Form | 40-F 🗆 |
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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

<u>Number</u> <u>Description of Document</u>

99.1 <u>Press release</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Burning Rock Biotech Limited

By: /s/ Leo Li

Name: Leo Li

Title: Chief Financial Officer

Date: November 20, 2020

Burning Rock Reports Third Quarter 2020 Financial Results

GUANGZHOU, China, November 20, 2020—Burning Rock Biotech Limited (NASDAQ: BNR, the "Company" or "Burning Rock"), a company focused on the application of next generation sequencing (NGS) technology in the field of precision oncology, today reported financial results for the three months ended September 30, 2020.

Recent Business Highlights

- **Early Detection.** Validated a new version of ELSA-seq to expand from 3 cancer types (lung, liver, and colon/rectum) to 6 cancer types (esophagus, pancreas, and ovary added). This demonstrates Burning Rock's continued progress on its blood-based, pan-cancer early detection R&D.
 - The new version of the ELSA-seq assay was able to detect more cancer types (liver, colon/rectum, esophagus, pancreas, lung, and ovary) at early stages (I-III), demonstrated higher specificity, and was able to predict the tissue of origin with high accuracy.
 - The validation data was presented at ESMO Asia Virtual Congress 2020 ("ESMO Asia") in a mini oral presentation (Company presentation link here: https://brbiotech.gcs-web.com/static-files/5856cf76-36ef-4a0e-8632-c654b5652187). At 99.5% specificity (95% confidence interval [95% CI] 96.7-100), the sensitivity from cross validation was 79.9% (95% CI 74.6-84.4). These results generally held in the pre-allocated independent validation set, which demonstrated 98.3% specificity (95% CI 95.8-99.4) and 80.6% sensitivity (95% CI 76.0-84.6). The results show a significant improvement of specificity compared to the earlier version of the test (presented in January 2020 at AACR Special Conference on Liquid Biopsy, poster link here: https://brbiotech.gcs-web.com/static-files/81388e0e-e5b5-4c34-baab-e7ddb41427e4), which showed 95.1% specificity (95% CI 91.2-97.4) and 80.8% sensitivity (95% CI 77.0-84.1).
 - In terms of identifying the location of the malignancies, the test produced a tissue-of-origin result in 98.6% of cases, and 81.0% (95% CI 77.2-84.3) of these predictions were correct.
 - **Therapy Selection.** Analytical validation data of Magnis BR using a 520-gene tissue-based panel and a 168-gene liquid-based panel was presented at the Association for Molecular Pathology (AMP) Annual Meeting in a platform presentation (abstract number TT04). Magnis BR demonstrated comparable testing accuracy, superior library quality repeatability, and shorter turnaround time compared to manual library preparation approach.
 - Magnis BR, Burning Rock's fully automated NGS library preparation system, is a key component of Burning Rock's strategy of empowering hospitals to run NGS tests in-house with minimized lab space and staff requirement. Its fully automated "walk-away" 9-hour overnight library preparation procedure enables hospitals to generate NGS reports in as quickly as 3 days.
 - As China's first and only capture-based fully automated NGS library preparation system, Magnis BR further strengthens Burning Rock's competitive position in the important in-hospital testing market.

Licensed-in the Myriad myChoice® test into China on an exclusive basis for collaborative drug development studies and clinics.

- Highly synergistic with Burning Rock's existing testing platforms, leveraging Burning Rock's strengths in oncology NGS testing and commercial access.
- This test offers significant benefits to Chinese patients with myChoice[®] regarded as the 'gold-standard' for determining HRD status, as PARP inhibitors demonstrate increasing significance in a range of cancer types.

Third Quarter 2020 Financial Results

Revenues were RMB123.9 million (US\$18.2 million) for the three months ended September 30, 2020, representing a 19.4% increase from RMB103.7 million for the same period in 2019, or a 28.8% increase compared to the average of 3Q19 and 4Q19. Sequentially, revenue increased by 15.8% from RMB107.0 million for the three months ended June 30, 2020.



- Revenue generated from central laboratory business was RMB89.9 million (US\$13.2 million) for the three months ended September 30, 2020, representing a 29.7% increase from RMB69.3 million for the same period in 2019, or a 20.5% sequential increase from RMB74.6 million for the three months ended June 30, 2020, primarily attributable to resumed volume growth of the Company's central laboratory business. Number of patients tested in the central laboratory channel was 8,644 for the three months ended September 30, 2020, representing a 27.7% increase from 6,769 for the same period in 2019, or a 19.2% increase from 7,252 for three months ended June 30, 2020.
- Revenue generated from in-hospital business was RMB31.7 million (US\$4.7 million) for the three months ended September 30, 2020, representing a 3.3% increase from RMB30.7 million for the same period in 2019, or a 41.6% increase compared to the average of 3Q19 and 4Q19. Sequentially, revenue generated from in-hospital business increased by 14.9% from RMB27.6 million for the three months ended June 30, 2020. Number of contracted partner hospitals in the in-hospital channel increased to 25 as of September 30, 2020 from 24 as of June 30, 2020 and 19 as of December 31, 2019.
- Revenue generated from pharma research and development services was RMB2.3 million (US\$0.3 million) for the three months ended September 30, 2020, representing a 38.7% decrease from RMB3.7 million for the same period in 2019, due to declined pharma testing volumes.

Cost of revenues was RMB32.3 million (US\$4.8 million) for the three months ended September 30, 2020, representing a 26.5% increase from RMB25.5 million for the same period in 2019, which was generally in line with the Company's continued business growth.

Gross profit was RMB91.6 million (US\$13.5 million) for the three months ended September 30, 2020, representing a 17.1% increase from RMB78.2 million for the same period in 2019. Gross margin was 73.9% for the three months ended September 30, 2020, compared to 75.4% for the same period in 2019.

Operating expenses were RMB216.2 million (US\$31.8 million) for the three months ended September 30, 2020, representing a 93.5% increase from RMB111.8 million for the same period in 2019.

- Research and development expenses were RMB69.3 million (US\$10.2 million) for the three months ended September 30, 2020, representing an 81.1% increase from RMB38.3 million for the same period in 2019, primarily due to (i) an increase in staff cost of research and development personnel, and (ii) an increase in share-based compensation expenses for options granted to research and development personnel.
- Selling and marketing expenses were RMB44.2 million (US\$6.5 million) for the three months ended September 30, 2020, representing a 3.7% increase from RMB42.6 million for the same period in 2019.
- General and administrative expenses increased significantly to RMB102.7 million (US\$15.1 million) for the three months ended September 30, 2020 from RMB30.9 million for the same period in 2019, primarily due to (i) an increase in share-based compensation expenses for options granted to general and administrative personnel, and (ii) an increase in staff cost of general and administrative personnel.

Net loss was RMB127.1 million (US\$18.7 million), compared to RMB32.2 million for the same period in 2019.

Cash, cash equivalents, restricted cash and short-term investments were RMB2.4 billion (US\$353.8 million) as of September 30, 2020.

2020 Financial Guidance

The Company reiterates its 2020 full-year revenue guidance of approximately RMB420 million (US\$61.9 million).

Conference Call Information

Burning Rock will host a conference call to discuss the third quarter 2020 financial results at 8:00 a.m. U.S. Eastern Time (9:00 p.m. Hong Kong time) on November 20, 2020.

Details of the conference call are as follows:

| International: | +65 67135090 |
|-----------------|----------------|
| U.S.: | +1 8456750437 |
| U.K.: | +44 2036214779 |
| Hong Kong: | +852 30186771 |
| China Mobile: | 4006208038 |
| China Landline: | 8008190121 |
| Conference ID: | 5637209 |

A replay of the conference call will be available for one week (dial-in number: +61 2 8199 0299; same conference ID as shown above).

About Burning Rock

Burning Rock Biotech Limited (NASDAQ: BNR), whose mission is to guard life via science, focuses on the application of next generation sequencing (NGS) technology in the field of precision oncology. Its business consists of i) NGS-based therapy selection testing for late-stage cancer patients, with the leading market share in China and over 185,000 tissue and liquid-based tests completed cumulatively, and ii) cancer early detection, which has moved beyond proof-of-concept R&D into the clinical validation stage.

For more information about Burning Rock, please visit: ir.brbiotech.com.

Safe Harbor Statement

This press release contains forward-looking statements. These statements constitute "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "target," "confident" and similar statements. Burning Rock may also make written or oral forward-looking statements in its periodic reports to the SEC, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about Burning Rock's beliefs and expectations, are forward-looking statements. Such statements are based upon management's current expectations and current market and operating conditions, and relate to events that involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond Burning Rock's control. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those contained in any such statements. All information provided in this press release is as of the date of this press release, and Burning Rock does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under applicable law.

Selected Operating Data

| | For the three months ended | | | | | | | |
|---|----------------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|--|
| | March 31, 2019 | June 30, 2019 | September 30, 2019 | December 31, 2019 | March 31, 2020 | June 30, 2020 | September 30, 2020 | |
| Central Laboratory Channel: | | | | | | | | |
| Number of patients tested | 5,336 | 6,047 | 6,769 | 7,576 | 4,680 | 7,252 | 8,644 | |
| Number of ordering physicians(1) | 984 | 1,059 | 1,155 | 1,222 | 810 | 1,175 | 1,194 | |
| Number of ordering hospitals ⁽²⁾ | 249 | 265 | 281 | 304 | 232 | 284 | 289 | |

(1) Represents physicians who on average order at least one test from us every month during a relevant period in the central laboratory channel.

(2) Represents hospitals whose residing physicians who on average order at least one test from us every month during a relevant period in the central laboratory channel.

| | | | | As of | | | |
|---|-------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|
| | March 31, 2019 | June 30, 2019 | September 30, 2019 | December 31, 2019 | March 31, 2020 | June 30, 2020 | September 30, 2020 |
| In-hospital Channel: | | | | | | | |
| Pipeline partner hospitals ⁽¹⁾ | 17 | 20 | 21 | 21 | 23 | 23 | 22 |
| Contracted partner hospitals ⁽²⁾ | 14 | 15 | 19 | 19 | 21 | 24 | 25 |
| Total number of partner hospitals | 31 | 35 | 40 | 40 | 44 | 47 | 47 |

(1) Refers to hospitals that are in the process of establishing in-hospital laboratories, laboratory equipment procurement or installation, staff training or pilot testing using the Company's products.

(2) Refers to hospitals that have entered into contracts to purchase the Company's products for use on a recurring basis in their respective in-hospital laboratories the Company helped them establish. Kit revenue is generated from contracted hospitals.

Selected Financial Data

| | For the three months ended | | | | | | | |
|---|----------------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|--|
| Revenues | March 31, 2019 | June 30, 2019 | September 30, 2019 | December 31, 2019 | March 31, 2020 | June 30, 2020 | September 30, 2020 | |
| | | | (| RMB in thousand | ls) | | | |
| Central laboratory channel | 72,807 | 63,394 | 69,304 | 70,749 | 46,141 | 74,607 | 89,899 | |
| In-hospital channel | 26,557 | 16,329 | 30,704 | 14,088 | 17,123 | 27,588 | 31,704 | |
| Pharma research and development channel | 5,101 | 5,090 | 3,716 | 3,838 | 4,065 | 4,776 | 2,278 | |
| Total revenues | 104,465 | 84,813 | 103,724 | 88,675 | 67,329 | 106,971 | 123,881 | |

| | For the three months ended | | | | | | | |
|---|----------------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|--|
| Gross profit | March 31, 2019 | June 30, 2019 | September 30, 2019 | December 31, 2019 | March 31, 2020 | June 30, 2020 | September 30, 2020 | |
| | | | (1 | RMB in thousands | 5) | | | |
| Central laboratory channel | 54,910 | 46,122 | 50,113 | 51,420 | 32,434 | 56,556 | 67,804 | |
| In-hospital channel | 19,870 | 12,571 | 25,412 | 319 | 10,126 | 19,269 | 22,410 | |
| Pharma research and development channel | 3,332 | 3,366 | 2,662 | 3,237 | 2,224 | 2,573 | 1,373 | |
| Total gross profit | 78,112 | 62,059 | 78,187 | 54,976 | 44,784 | 78,398 | 91,587 | |

| For the three months ended | | | | | | | |
|---|-------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|
| Share-based compensation expenses | March 31, 2019 | June 30, 2019 | September 30, 2019 | December 31, 2019 | March 31, 2020 | June 30, 2020 | September 30, 2020 |
| | | | (| RMB in thousands | 5) | | |
| Cost of revenues | 143 | 177 | 180 | 178 | 176 | 183 | 160 |
| Research and development expenses | 722 | 708 | 1,486 | 6,461 | 2,072 | 25,314 | 10,572 |
| Selling and marketing expenses | 364 | 517 | 485 | (131) | 253 | 491 | 341 |
| General and administrative expenses | 429 | 537 | 1,149 | 9,387 | 1,665 | 1,639 | 57,805 |
| Total share-based compensation expenses | 1,658 | 1,939 | 3,300 | 15,895 | 4,166 | 27,627 | 68,878 |

Burning Rock Biotech Limited Unaudited Condensed Statements of Comprehensive (Loss) Income

(in thousands, except for number of shares and per share data)

| | For the three months ended | | | | | | | |
|---|----------------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|-----------------------|
| | March 31, 2019 | June 30, 2019 | September 30, 2019 | December 31, 2019 | March 31, 2020 | June 30, 2020 | September 30, 2020 | September 30, 2020 |
| | RMB | RMB | RMB | RMB | RMB | RMB | RMB | US\$ |
| Revenues | 104,465 | 84,813 | 103,724 | 88,675 | 67,329 | 106,971 | 123,881 | 18,246 |
| Cost of revenues | (26,353) | (22,754) | (25,537) | (33,699) | (22,545) | (28,573) | (32,294) | (4,757) |
| Gross profit | 78,112 | 62,059 | 78,187 | 54,976 | 44,784 | 78,398 | 91,587 | 13,489 |
| Operating expenses: | | | | | | | | |
| Research and development | (21.427) | (24.002) | (20.270) | (52.220) | (40.01.0) | (71.176) | ((0.220)) | (10.011) |
| expenses Selling and marketing | (31,427) | (34,992) | (38,278) | (52,238) | (40,016) | (71,176) | (69,330) | (10,211) |
| expenses | (26,690) | (34,929) | (42,606) | (49,109) | (29,815) | (37,992) | (44,174) | (6,506) |
| General and administrative | (20,090) | (31,929) | (12,000) | (19,109) | (29,015) | (31,552) | (11,171) | (0,500) |
| expenses | (31,565) | (20,614) | (30,866) | (49,112) | (34,295) | (42,272) | (102,731) | (15,131) |
| Total operating expenses | (89,682) | (90,535) | (111,750) | (150,459) | (104,126) | (151,440) | (216,235) | (31,848) |
| Loss from operations | (11,570) | (28,476) | (33,563) | (95,483) | (59,342) | (73,042) | (124,648) | (18,359) |
| Interest income | 128 | 3,806 | 3,686 | 3,541 | 3,985 | 44 | 698 | 103 |
| Interest expense | (4,210) | (1,826) | (1,650) | (1,303) | (1,178) | 1,939 | (776) | (114) |
| Other (expense) income, net | (176) | (329) | (37) | (341) | (151) | 122 | (176) | (26) |
| Foreign exchange (loss) gain, net | (101) | 1,142 | 800 | (355) | 611 | (118) | (2,228) | (328) |
| Change in fair value of | | (2.45) | (1.400) | (1.1.50) | 2 502 | | | |
| warrant liability | (15.9(5) | (347) | (1,403) | (1,153) | 3,503 | (71.055) | (127.120) | (19.724) |
| Loss before income tax | (15,865) | (26,030) | (32,167) | (95,094) | (52,572) | (71,055) | (127,130) | (18,724) |
| Income tax expenses Net loss | (15,865) | (26,030) | (32,167) | (95,094) | (52,572) | (71,055) | (127,130) | (18,724) |
| | (13,003) | (20,030) | (32,107) | (93,094) | (32,372) | (71,033) | (127,130) | (10,724) |
| Net loss attributable to Burning Rock Biotech | | | | | | | | |
| Limited's shareholders | (15,865) | (26,030) | (32,167) | (95,094) | (52,572) | (71,055) | (127,130) | (18,724) |
| Accretion of convertible | (10,000) | (10,000) | (52,107) | (>0,0> !) | (02,072) | (,1,000) | (127,100) | (10,721) |
| preferred shares | (50,296) | (41,770) | (33,772) | (39,173) | (26,288) | (38,400) | | |
| Net loss attributable to | | | | | | | | |
| ordinary shareholders | (66,161) | (67,800) | (65,939) | (134,267) | (78,860) | (109,455) | (127,130) | (18,724) |
| Loss per share: Ordinary shares - basic and | | | | | | | | |
| diluted | (2.86) | (2.93) | (2.85) | (5.49) | (3.15) | (2.68) | _ | |
| Class A ordinary shares - | (1.00) | (=:>>) | (2.00) | (0.15) | (5.10) | (2.00) | | |
| basic and diluted | | | | _ | | | (1.22) | (0.18) |
| Class B ordinary shares - | | | | | | | | |
| basic and diluted | - | _ | _ | _ | _ | _ | (1.22) | (0.18) |
| Weighted average shares outstanding used in loss | | | | | | | | |
| per share computation: | | | | | | | | |
| Ordinary shares - basic and | | | | | | | | |
| diluted | 23,167,232 | 23,167,232 | 23,167,232 | 24,437,444 | 25,031,575 | 40,786,167 | _ | _ |
| Class A ordinary shares - | | | | | | | | |
| basic and diluted | | | — | — | — | — | 86,479,686 | 86,479,686 |
| Class B ordinary shares - basic and diluted | | | | | | | 17 224 949 | 17 224 949 |
| Other comprehensive (loss) | | | _ | | | | 17,324,848 | 17,324,848 |
| income, net of tax of nil: | | | | | | | | |
| Foreign currency translation | | | | | | | | |
| adjustments | (278) | (14,288) | 45,317 | (6,647) | 11,422 | (2,336) | (91,093) | (13,417) |
| Total comprehensive (loss) | (1(142) | (40.210) | 12 150 | (101 741) | (41.150) | (72.201) | (219.222) | (22.1.41) |
| income Total comprehensive (loss) | (16,143) | (40,318) | 13,150 | (101,741) | (41,150) | (73,391) | (218,223) | (32,141) |
| income attributable to | | | | | | | | |
| Burning Rock Biotech | | | | | | | | |
| Limited's shareholders | (16,143) | (40,318) | 13,150 | (101,741) | (41,150) | (73,391) | (218,223) | (32,141) |
| | | | 6 | | | | | |

Unaudited Condensed Statements of Comprehensive (Loss) Income

(in thousands, except for number of shares and per share data)

| | For the nine months ended | | | |
|--|---------------------------|-----------------------|-----------------------|--|
| | September 30, 2019 | September 30, 2020 | September 30, 2020 | |
| | RMB | RMB | <u>US</u> \$ | |
| Revenues | 293,002 | 298,181 | 43,917 | |
| Cost of revenues | (74,644) | (83,412) | (12,286) | |
| Gross profit | 218,358 | 214,769 | 31,631 | |
| Operating expenses: | | | | |
| Research and development expenses | (104,697) | (180,522) | (26,588) | |
| Selling and marketing expenses | (104,225) | (111,981) | (16,493) | |
| General and administrative expenses | (83,045) | (179,298) | (26,408) | |
| Total operating expenses | (291,967) | (471,801) | (69,489) | |
| Loss from operations | (73,609) | (257,032) | (37,858) | |
| Interest income | 7,620 | 4,727 | 696 | |
| Interest expense | (7,686) | (15) | (2) | |
| Other expense, net | (542) | (205) | (30) | |
| Foreign exchange (loss) gain, net | 1,841 | (1,735) | (256) | |
| Change in fair value of warrant liability | (1,686) | 3,503 | 516 | |
| Loss before income tax | (74,062) | (250,757) | (36,934) | |
| Income tax expenses | | | | |
| Net loss | (74,062) | (250,757) | (36,934) | |
| Net loss attributable to Burning Rock Biotech Limited's shareholders | (74,062) | (250,757) | (36,934) | |
| Accretion of convertible preferred shares | (125,838) | (64,688) | (9,528) | |
| Net loss attributable to ordinary shareholders | (199,900) | (315,445) | (46,462) | |
| Loss per share for class A and class B ordinary shares: | | | | |
| Ordinary shares - basic and diluted | (8.63) | | _ | |
| Class A ordinary shares - basic and diluted | | (5.56) | (0.82) | |
| Class B ordinary shares - basic and diluted | | (5.56) | (0.82) | |
| Weighted average shares outstanding used in loss per share computation: | | | | |
| Ordinary shares - basic and diluted | 23,167,232 | | _ | |
| Class A ordinary shares - basic and diluted | _ | 39,446,747 | 39,446,747 | |
| Class B ordinary shares - basic and diluted | — | 17,324,848 | 17,324,848 | |
| Other comprehensive income (loss), net of tax of nil: | | | | |
| Foreign currency translation adjustments | 30,751 | (82,007) | (12,078) | |
| Total comprehensive loss | (43,311) | (332,764) | (49,012) | |
| Total comprehensive loss attributable to Burning Rock Biotech Limited's shareholders | (43,311) | (332,764) | (49,012) | |

Unaudited Condensed Consolidated Balance Sheets

(In thousands)

| | December 31, 2019 | As of September 30, 2020 | September 30, 2020 |
|--------------------------------------|----------------------|--------------------------------|-----------------------|
| ASSETS | RMB | RMB | US\$ |
| Current assets: | | | |
| Cash and cash equivalents | 94,235 | 2,061,566 | 303,636 |
| Restricted cash | 4,009 | 263 | 39 |
| Short-term investment | 313,988 | 340,505 | 50,151 |
| Accounts receivable | 88,822 | 93,839 | 13,821 |
| Contract assets | 909 | 20,257 | 2,984 |
| Amounts due from related parties | 74,368 | — | _ |
| Inventories | 58,116 | 69,805 | 10,281 |
| Prepayments and other current assets | 72,340 | 60,970 | 8,980 |
| Total current assets | 706,787 | 2,647,205 | 389,892 |
| Non-current assets: | | | |
| Equity method investment | 1,790 | 1,527 | 225 |
| Long-term investment | 38,369 | 37,456 | 5,517 |
| Property and equipment, net | 89,314 | 96,688 | 14,241 |
| Intangible assets, net | 343 | 3,455 | 509 |
| Other non-current assets | 10,954 | 16,162 | 2,380 |
| Total non-current assets | 140,770 | 155,288 | 22,872 |
| TOTAL ASSETS | 847,557 | 2,802,493 | 412,764 |

Unaudited Condensed Consolidated Balance Sheets (Continued)

(in thousands)

| | December 31, 2019 | September 30, 2020 | September 30, 2020 |
|---|----------------------|-----------------------|-----------------------|
| | RMB | RMB | US\$ |
| LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' (DEFICIT) EQUITY | | | |
| Current liabilities: | | | |
| Accounts payable | 12,348 | 30,284 | 4,460 |
| Deferred revenue | 49,539 | 67,109 | 9,884 |
| Capital lease obligations, current | 4,893 | 5,300 | 781 |
| Accrued liabilities and other current liabilities | 54,059 | 110,545 | 16,282 |
| Customer deposits | 4,104 | 16,076 | 2,368 |
| Short-term borrowing | 2,370 | 2,370 | 349 |
| Current portion of long-term borrowings | 37,129 | 37,208 | 5,480 |
| Total current liabilities | 164,442 | 268,892 | 39,604 |
| Non-current liabilities: | | | |
| Deferred government grants | 991 | 263 | 39 |
| Capital lease obligations | 4,816 | 787 | 116 |
| Long-term borrowings | 18,266 | _ | |
| Warrant liability | 23,503 | | |
| Total non-current liabilities | 47,576 | 1,050 | 155 |
| TOTAL LIABILITIES | 212,018 | 269,942 | 39,759 |
| Mezzanine equity: | | | |
| Series A convertible preferred shares | 186,991 | — | |
| Series B convertible preferred shares | 466,983 | _ | |
| Series C convertible preferred shares | 873,059 | | |
| Total mezzanine equity | 1,527,033 | | |
| Shareholders' (deficit) equity: | | | |
| Ordinary shares | 31 | _ | |
| Class A ordinary shares | | 114 | 17 |
| Class B ordinary shares | | 21 | 3 |
| Additional paid-in capital | 45,640 | 3,866,806 | 569,519 |
| Accumulated deficits | (946,464) | (1,261,682) | (185,826) |
| Accumulated other comprehensive income (loss) | 9,299 | (72,708) | (10,708) |
| Total shareholders' (deficit) equity | (891,494) | 2,532,551 | 373,005 |
| TOTAL LIABILITIES, MEZZANIE EQUITY AND SHAREHOLDERS' (DEFICIT) EQUITY | 847,557 | 2,802,493 | 412,764 |

Unaudited Condensed Statements of Cash Flows

(in thousands)

| | For | the three months end | led |
|---|------------------------------|------------------------------|--------------------------------------|
| | September 30, 2019 RMB | September 30, 2020 RMB | September 30, <u>2020</u> US\$ |
| Net cash used in operating activities | (17,395) | (37,052) | (5,457) |
| Net cash used in investing activities | (25,684) | (365,373) | (53,814) |
| Net cash used in financing activities | (22,878) | (20,939) | (3,084) |
| Effect of exchange rate on cash, cash equivalents and restricted cash | 5,501 | (81,043) | (11,936) |
| Net decrease cash, cash equivalents and restricted cash | (60,456) | (504,407) | (74,291) |
| Cash, cash equivalents and restricted cash at the beginning of period | 185,740 | 2,566,236 | 377,966 |
| Cash, cash equivalents and restricted cash at the end of period | 125,284 | 2,061,829 | 303,675 |

| | For the nine months ended | | |
|---|------------------------------|------------------------------|-------------------------------|
| | September 30, 2019 RMB | September 30, 2020 RMB | September 30, 2020 US\$ |
| Net cash (used in) generated from operating activities | (177,905) | 17,116 | 2,519 |
| Net cash used in investing activities | (368,922) | (72,884) | (10,734) |
| Net cash generated from financing activities | 570,643 | 2,097,242 | 308,891 |
| Effect of exchange rate on cash, cash equivalents and restricted cash | 6,134 | (77,889) | (11,471) |
| Net increase cash, cash equivalents and restricted cash | 29,950 | 1,963,585 | 289,205 |
| Cash, cash equivalents and restricted cash at the beginning of period | 95,334 | 98,244 | 14,470 |
| Cash, cash equivalents and restricted cash at the end of period | 125,284 | 2,061,829 | 303,675 |