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**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 April 2020

**Commission File Number:**

**Canaan Inc.**

(Registrant's name)

**30/F, Dicara Silver Tower**

**29 Jiefang East Road**

**Jiangan District, Hangzhou, 310016**

**People's Republic of China**

(Address of principal executive office)

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

Form 20-F  Form 40-F

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):  Yes  No

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):  Yes  No

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## Unaudited Fourth Quarter and Full Year 2019 Financial Results

On April 9, 2020, Canaan Inc. (the “Company”) announced its unaudited fourth quarter and full year 2019 financial results.

| Exhibits<br>Number | Description   |
|--------------------|---|
| 99.1               | <a href="#">Canaan Inc. Reports Unaudited Fourth Quarter and Full Year 2019 Financial Results</a> |

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**SIGNATURES**

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

Canaan Inc.

Date: April 9, 2020

By: /s/ Quanfu Hong  
Name: Quanfu Hong  
Title: Chief Financial Officer

## Canaan Inc. Reports Unaudited Fourth Quarter and Full Year 2019 Financial Results

Hangzhou, China, April 9, 2020 (GLOBE NEWSWIRE) -- Canaan Inc. (NASDAQ: CAN) ("Canaan" or the "Company"), a leading high-performance computing solutions provider, today announced its unaudited financial results for the fourth quarter of 2019 and full year ended December 31, 2019.

### Fourth Quarter 2019 Operating and Financial Highlights

**Total computing power sold** increased by 86.6% to 2.9 million Thash/s from 1.6 million Thash/s in the same period of 2018.  
**Total net revenues** increased 66.8% to RMB463.2 million (US\$66.5 million) from RMB277.7 million in the same period of 2018.  
**Gross loss** was RMB673.4 million (US\$96.7 million) compared to a gross profit of RMB11.6 million in the same period of 2018.  
**Net loss** was RMB798.2 million (US\$114.7 million) compared to RMB27.5 million in the same period of 2018.  
**Non-GAAP adjusted net loss** was RMB750.5 million (US\$107.8 million) compared to RMB23.1 million in the same period of 2018.

### Full Year 2019 Operating and Financial Highlights

**Total computing power sold** increased by 47.1% to 10.5 million Thash/s from 7.2 million Thash/s in 2018.  
**Total net revenues** were RMB1,422.6 million (US\$204.3 million) compared to RMB2,705.3 million in 2018.  
**Gross loss** was RMB516.0 million (US\$74.1 million) compared to a gross profit of RMB508.2 million in 2018.  
**Net loss** was RMB1,034.5 million (US\$148.6 million) compared to a net income of RMB122.4 million in 2018.  
**Non-GAAP adjusted net loss** was RMB764.3 million (US\$109.8 million) compared to non-GAAP adjusted net income of RMB141.0 million in 2018.

“The success of our initial public offering in November 2019 has elevated the global recognition of our brand and demonstrated the attractiveness of our value proposition to the investment community,” commented Mr. Nangeng Zhang, Chairman and Chief Executive Officer of Canaan. “During the fourth quarter of 2019, we recorded solid top-line year over year growth while further solidifying our market leadership in spite of the increased Bitcoin price volatility in the quarter. To fuel our growth in the years to come, we will remain focused on the optimization of our supply chains, enhancement of our product offerings, and execution of our new business initiatives. We are confident that our efforts in these areas will improve our ability to further diversify our revenue streams, capture the tremendous growth opportunities within the IC industry, and overcome any potential market obstacles in the future.”

Mr. Quanfu Hong, Chief Financial Officer of Canaan, stated, “Our total net revenues in the fourth quarter grew by 66.8% year over year, driven by increases in total computing power sold in the period. Looking forward, we will continue to invest in the development of our core research and development capabilities and expand into the fields of artificial intelligence and supercomputing. We firmly believe that investment into these new initiatives will position us well to capture those opportunities that will inevitably arise in the wake of the pandemic.”

### Fourth Quarter 2019 Financial Results

**Total net revenues** in the fourth quarter of 2019 increased by 66.8% to RMB463.2 million (US\$66.5 million) from RMB277.7 million in the same period of 2018. The growth was mainly driven by increases in total computing power sold. During the fourth quarter of 2019, total computing power sold increased by 86.6% year over year to 2.9 million Thash/s from 1.6 million Thash/s in the same period of 2018.

**Cost of revenues** in the fourth quarter of 2019 was RMB1,136.7 million (US\$163.3 million) compared to RMB266.1 million in the same period of 2018. The increase was primarily due to inventories and prepayments write down of RMB729.0 million (US\$104.7 million), which was a result of the significant drop in the Bitcoin price throughout the issue of the financial

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statements, which drives the significant decrease in both the demand and selling price, as well as the increase in sales volume in terms of Thash.

**Gross loss** in the fourth quarter of 2019 was RMB673.4 million (US\$96.7 million) compared to a gross profit of RMB11.6 million in the same period of 2018.

**Total operating expenses** in the fourth quarter of 2019 were RMB127.7 million (US\$18.3 million) compared to RMB86.2 million in the same period of 2018.

Research and development expenses in the fourth quarter of 2019 were RMB63.6 million (US\$9.1 million) compared to RMB51.1 million in the same period of 2018. The increase was mainly due to higher share-based compensation expenses in the fourth quarter of 2019. As a percentage of total net revenues, research and development expenses in the fourth quarter of 2019 decreased to 13.7% from 18.4% in the same period of 2018 due to the increase in revenue.

Sales and marketing expenses in the fourth quarter of 2019 were RMB7.7 million (US\$1.1 million) compared to RMB4.4 million in the same period of 2018. The increase was primarily due to a higher amount in compensation expenses paid to the Company's sales and marketing staff as a result of the increase in product sales during the fourth quarter of 2019. As a percentage of total net revenues, sales and marketing expenses in the fourth quarter of 2019 increased slightly to 1.7% from 1.6% in the same period of 2018.

General and administrative expenses in the fourth quarter of 2019 were RMB56.4 million (US\$8.1 million) compared to RMB30.6 million in the same period of 2018. The increase was mainly due to higher share-based compensation expenses in the fourth quarter of 2019. As a percentage of total net revenues, general and administrative expenses in the fourth quarter of 2019 increased to 12.2% from 11.0% in the same period of 2018.

**Loss from operations** in the fourth quarter of 2019 was RMB801.2 million (US\$115.1million) compared to RMB74.5 million in the same period of 2018.

**Net loss attributable to ordinary shareholders** in the fourth quarter of 2019 was RMB798.2 million (US\$114.7 million) compared to RMB27.5 million in the same period of 2018.

**Non-GAAP adjusted net loss** in the fourth quarter of 2019 was RMB750.5 million (US\$107.8 million) compared to RMB23.1 million in the same period of 2018. Non-GAAP adjusted net loss excludes share-based compensation expense. For further information, please refer to "Use of Non-GAAP Financial Measures" in this release.

**Basic and diluted net loss per ADS** for the fourth quarter of 2019 was RMB5.34 (US\$0.77) compared to RMB0.21 in the same period of 2018. Each ADS represents 15 of the Company's Class A ordinary shares.

As of December 31, 2019, the Company had **cash and cash equivalents** of RMB516.6 million (US\$74.2 million) compared to RMB258.9 million as of December 31, 2018.

#### **Full Year 2019 Financial Results**

**Total net revenues** in 2019 were RMB1,422.6 million (US\$204.3 million) compared to RMB2,705.3 million in 2018. The decrease was mainly due to the decline in ASP per Thash sold, which in turn was the result of the Bitcoin price drop that began in 2018. The decrease was partially offset by increases in total computing power sold, which increased by 47.1% year over year to 10.5 million Thash/s in 2019 from 7.2 million Thash/s in 2018.

**Cost of revenues** in 2019 decreased by 11.8% to RMB1,938.6 million (US\$278.5 million) from RMB2,197.2 million in 2018 as a result of realization of inventories and prepayments write down of RMB589.5 million which was recorded in 2018, partially offset by the increase in sales volume of Thash.

**Gross loss** in 2019 was RMB516.0 million (US\$74.1 million) compared to a gross profit of RMB508.2 million in 2018.

**Total operating expenses** in 2019 were RMB538.5 million (US\$77.4 million) compared to RMB375.1 million in 2018.

Research and development expenses in 2019 decreased by 10.9% to RMB169.0 million (US\$24.3 million) from RMB189.7 million in 2018, primarily due to the contraction of research and development projects.

Sales and marketing expenses in 2019 decreased by 43.4% to RMB21.9 million (US\$3.1 million) from RMB38.7 million in 2018, primarily due to the decrease in sales, as the compensation of our sales and marketing personnel is linked to the actual sales of products.

General and administrative expenses in 2019 were RMB347.6 million (US\$49.9 million) compared to RMB146.7 million in 2018. General and administrative expenses in 2019 included RMB247.4 million (US\$35.5million) of share-based compensation expenses. The higher share-based compensation was mainly due to the excess of appraised fair value of ordinary shares transferred from existing shareholders to other existing shareholders who were also employees.

**Loss from operations** in 2019 was RMB1,054.5 million (US\$151.5 million) compared to income from operations of RMB133.0 million in 2018.

**Net loss attributable to ordinary shareholders** in 2019 was RMB1,034.5 million (US\$148.6 million) compared to net income attributable to ordinary shareholders of RMB122.4 million in 2018.

**Non-GAAP adjusted net loss** in 2019 was RMB764.3 million (US\$109.8 million) compared to non-GAAP adjusted net income of RMB141.0 million in 2018. Non-GAAP adjusted net loss and non-GAAP adjusted net income excludes share-based compensation expense. For further information, please refer to "Use of Non-GAAP Financial Measures" in this release..

**Basic and diluted net loss per ADS** in 2019 was RMB7.21 (US\$1.04) compared to basic and diluted net income per ADS of RMB0.93 in 2018.

## **Business Outlook**

The first challenge that the Company is facing in 2020 is the COVID-19 outbreak. At the current stage of development, our top priority is the health and safety of our employees. As a result of the impact of the COVID-19 outbreak, a widespread health crisis that adversely affected general commercial activities, the economies, financial markets, as well as the cryptocurrency market activities, we have lowered our expectations for business in the year of 2020. For the first quarter of 2020, the Company expects total revenues not less than RMB60 million. This forecast reflects the Company's current and preliminary views on the market and operational conditions, which are subject to change.

## **Conference Call Information**

The Company's management team will hold a Direct Event conference call on Thursday, April 9, 2020, at 8:00 A.M. Eastern Time (or 8:00 P.M. Beijing Time on the same day) to discuss the financial results. Details for the conference call are as follows:

Event Title: Canaan Inc. Fourth Quarter and Full Year 2019 Earnings Conference Call  
Conference ID: #2844497  
Registration Link: <http://apac.directeventreg.com/registration/event/2844497>

All participants must use the link provided above to complete the online registration process in advance of the conference call. Upon registering, each participant will receive a set of participant dial-in numbers, the Direct Event passcode, and a unique access PIN, which can be used to join the conference call.

A replay of the conference call will be accessible through April 16, 2020, by dialing the following numbers:

International: +61-2-8199-0299

|                             |                 |
|-----------------------------|-----------------|
| United States Toll Free:    | +1-855-452-5696 |
| Mainland China Toll Free:   | 400-632-2162    |
| Hong Kong, China Toll Free: | 800-963-117     |

A live and archived webcast of the conference call will also be available at the Company's investor relations website at [investor.canaan-creative.com](http://investor.canaan-creative.com).

## **About Canaan Inc.**

Established in 2013, Canaan Inc. provides high-performance computing solutions to efficiently solve complex problems. In 2016, Canaan successfully initiated the production of its first 16nm chip and passed the test to receive China's national high-tech enterprise certification. In 2018, Canaan achieved major technological breakthroughs to launch the K210, the world's first-ever RISC-V-based edge artificial intelligence (AI) chip, which is now widely used for access control in situations such as smart door locks and more. Canaan Inc. is currently focused on the R&D of advanced technology, including such areas as AI chips, AI algorithms, AI architectures, system on a chip (SoC) integration and chip integration. Using the AI chip as its base, Canaan Inc. has established an intellectual value chain. Canaan Inc. also provides a suite of AI service solutions and is able to tailor these solutions to the needs of its partners. For more information, please visit: [investor.canaan-creative.com](http://investor.canaan-creative.com).

## **Exchange Rate Information**

This announcement contains translations of certain RMB amounts into U.S. dollars ("US\$") at specified rates solely for the convenience of the reader. Unless otherwise stated, all translations from RMB to US\$ were made at the rate of RMB6.9618 to US\$1.00, the noon buying rate in effect on December 31, 2019, in the H.10 statistical release of the Federal Reserve Board. The Company makes no representation that the RMB or US\$ amounts referred could be converted into US\$ or RMB, as the case may be, at any particular rate or at all.

## **Safe Harbor Statement**

This announcement contains forward-looking statements. These statements are made under the "safe harbor" provisions of 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" and similar statements. Among other things, the business outlook and quotations from management in this announcement, as well as Canaan Inc.'s strategic and operational plans, contain forward-looking statements. Canaan Inc. may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission ("SEC") on Forms 20-F and 6-K, 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 Canaan Inc.'s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company's goals and strategies; the Company's future business development, financial condition and results of operations; the expected growth of the Bitcoin industry and the price of Bitcoin; the Company's expectations regarding demand for and market acceptance of its products, especially its Bitcoin mining machines; the Company's expectations regarding maintaining and strengthening its relationships with production partners and customers; the Company's investment plans and strategies, fluctuations in the Company's quarterly operating results; competition in its industry in China; and relevant government policies and regulations relating to the Company and cryptocurrency. Further information regarding these and other risks is included in the Company's filings with the SEC, including its registration statement on Form F-1, as amended, and its annual reports on Form 20-F. All information provided in this press release and in the attachments is as of the date of this press release, and Canaan Inc. does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

## **Use of NonGAAP Financial Measures**

In evaluating Canaan's business, the Company considers and uses adjusted net income as a supplemental measure to review and assess its operating performance. The presentation of this non-GAAP financial measure is not intended to be considered

in isolation or as a substitute for financial information prepared and presented in accordance with U.S. GAAP. The Company defines adjusted net income (loss) as net income (loss) excluding sharebased compensation expense.

Canaan believes that adjusted net income helps to identify underlying trends in the Company's business that could otherwise be distorted by the effect of the expenses that the Company excludes in adjusted net income. The Company believes that adjusted net income provides useful information about our operating results, enhances the overall understanding of Canaan's past performance and future prospects and allows for greater visibility with respect to key metrics used by the Company's management in its financial and operational decision-making.

The non-GAAP financial measure "adjusted net income (loss)" is not defined under U.S. GAAP, is not presented in accordance with U.S. GAAP and has limitations as an analytical tool. One of the key limitations of using adjusted net income (loss) is that it does not reflect all of the items of income and expense that affect the Company's operations. Share-based compensation has been and may continue to be incurred in Canaan's business and is not reflected in the presentation of adjusted net income (loss). Further, the non-GAAP financial measure "adjusted net income (loss)" may differ from the non-GAAP information used by other companies, including peer companies, and therefore their comparability may be limited.

#### **Investor Relations Contact**

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**CANAAN INC.**  
**UNAUDITED CONSOLIDATED BALANCE SHEETS**  
(all amounts in thousands of RMB, except share and per share data, or as otherwise noted)

|   | As of December 31, |                |                |
|---|--------------------|----------------|----------------|
|   | 2018<br>RMB        | 2019<br>RMB    | 2019<br>US\$   |
| <b>ASSETS</b>   |                    |                |                |
| <b>Current assets:</b>  |                    |                |                |
| Cash and cash equivalents   | 258,940            | 516,607        | 74,206         |
| Restricted cash   | 286,270            | 8,239          | 1,183          |
| Short-term investments  | —                  | 11,005         | 1,581          |
| Accounts receivable   | 23,687             | 2,872          | 413            |
| Inventories   | 585,672            | 196,067        | 28,163         |
| Prepayments and other current assets  | 186,737            | 206,020        | 29,593         |
| Income tax receivable   | 27,054             | —              | —              |
| Amounts due from related parties  | 68                 | —              | —              |
| <b>Total current assets</b>   | <b>1,368,428</b>   | <b>940,810</b> | <b>135,139</b> |
| <b>Non-current assets:</b>  |                    |                |                |
| Property, equipment and software  | 27,926             | 22,602         | 3,247          |
| Right-of-use assets, net  | —                  | 22,764         | 3,270          |
| Other non-current assets  | 6,340              | 5,250          | 754            |
| <b>Total non-current assets</b>   | <b>34,266</b>      | <b>50,616</b>  | <b>7,271</b>   |
| <b>Total assets</b>   | <b>1,402,694</b>   | <b>991,426</b> | <b>142,410</b> |
| <b>LIABILITIES, AND SHAREHOLDERS' EQUITY</b>  |                    |                |                |
| <b>Current liabilities</b>  |                    |                |                |
| Short-term debts  | 1,049,011          | 99,903         | 14,350         |
| Accounts payable  | 47,240             | 99,050         | 14,228         |
| Notes payable   | —                  | 27,462         | 3,945          |
| Contract liabilities  | 6,904              | 8,288          | 1,190          |
| Income tax payable  | 609                | —              | —              |
| Accrued liabilities and other current liabilities   | 57,952             | 40,691         | 5,845          |
| Lease liabilities, current  | —                  | 9,838          | 1,413          |
| <b>Total current liabilities</b>  | <b>1,161,716</b>   | <b>285,232</b> | <b>40,971</b>  |
| <b>Non-current liabilities:</b>   |                    |                |                |
| Lease liabilities, non-current  | —                  | 13,399         | 1,925          |
| <b>Total liabilities</b>  | <b>1,161,716</b>   | <b>298,631</b> | <b>42,896</b>  |
| <b>Shareholders' equity:</b>  |                    |                |                |
| Ordinary shares (US\$0.00000005 par value; 1,000,000,000,000 shares authorized, 2,000,000,000 and 2,372,222,222 shares issued, 1,948,376,000 and 2,350,123,270 shares outstanding as of December 31, 2018 and 2019, respectively) | 1                  | 1              | —              |
| Subscriptions receivable from shareholders  | (1)                | (1)            | —              |
| Treasury stocks (US\$0.00000005 par value; 51,624,000 and 22,098,952 shares as of December 31, 2018 and 2019, respectively)   | —                  | —              | —              |
| Additional paid-in capital  | 154,970            | 1,631,609      | 234,366        |
| Statutory reserves  | 97,307             | 97,307         | 13,977         |
| Accumulated other comprehensive loss  | (65,230)           | (55,542)       | (7,978)        |
| Retained earnings (accumulated deficit)   | 53,931             | (980,579)      | (140,851)      |
| <b>Total shareholders' equity</b>   | <b>240,978</b>     | <b>692,795</b> | <b>99,514</b>  |
| <b>Total liabilities and shareholders' equity</b>   | <b>1,402,694</b>   | <b>991,426</b> | <b>142,410</b> |

**CANAAN INC.**  
**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(all amounts in thousands of RMB, except share and per share data, or as otherwise noted)

|   | For the three months ended December 31, |                  |                  | For the years ended December 31, |                    |                  |
|---|---|------------------|------------------|----------------------------------|--------------------|------------------|
|   | 2018                                    | 2019             | 2019             | 2018                             | 2019               | 2019             |
|   | RMB                                     | RMB              | US\$             | RMB                              | RMB                | US\$             |
| <b>Net revenues</b>   |   |                  |                  |                                  |                    |                  |
| Products revenue  | 276,948                                 | 448,289          | 64,393           | 2,698,594                        | 1,392,859          | 200,072          |
| Leases revenue  | —                                       | 11,267           | 1,618            | —                                | 24,548             | 3,526            |
| Service revenue   | 185                                     | 1,877            | 270              | 5,956                            | 2,668              | 383              |
| Other revenues  | 547                                     | 1,814            | 261              | 741                              | 2,548              | 366              |
| <b>Total net revenues</b>   | <b>277,680</b>                          | <b>463,247</b>   | <b>66,541</b>    | <b>2,705,291</b>                 | <b>1,422,623</b>   | <b>204,347</b>   |
| Cost of revenues  | (266,055)                               | (1,136,676)      | (163,273)        | (2,197,172)                      | (1,938,626)        | (278,466)        |
| <b>Gross profit (loss)</b>  | <b>11,625</b>                           | <b>(673,429)</b> | <b>(96,732)</b>  | <b>508,119</b>                   | <b>(516,003)</b>   | <b>(74,119)</b>  |
| <b>Operating expenses:</b>  |   |                  | —                |                                  |                    |                  |
| Research and development expenses                                       | (51,140)                                | (63,609)         | (9,137)          | (189,680)                        | (168,982)          | (24,273)         |
| Sales and marketing expenses  | (4,419)                                 | (7,684)          | (1,104)          | (38,731)                         | (21,917)           | (3,148)          |
| General and administrative expenses                                     | (30,590)                                | (56,446)         | (8,108)          | (146,684)                        | (347,633)          | (49,934)         |
| <b>Total operating expenses</b>   | <b>(86,149)</b>                         | <b>(127,739)</b> | <b>(18,394)</b>  | <b>(375,095)</b>                 | <b>(538,532)</b>   | <b>(77,355)</b>  |
| <b>Income (loss) from operations</b>                                    |   |                  | —                |                                  |                    |                  |
| Interest income   | 1,337                                   | 1,793            | 258              | 4,234                            | 3,853              | 553              |
| Investment income   | 911                                     | 179              | 26               | 3,162                            | 3,055              | 439              |
| Interest expense and guarantee fee                                      | (18,889)                                | (1,395)          | (200)            | (53,069)                         | (20,038)           | (2,878)          |
| Foreign exchange (loss) gains, net                                      | 1,470                                   | (1,392)          | (200)            | (1,178)                          | 6,809              | 978              |
| Value added tax refunds   | 7,111                                   | 905              | 130              | 110,231                          | 1,253              | 180              |
| Other (loss) income, net  | (621)                                   | 2,867            | 412              | 3,838                            | 25,093             | 3,604            |
| <b>Income (loss) before income tax expenses</b>                         | <b>(83,205)</b>                         | <b>(798,211)</b> | <b>(114,656)</b> | <b>200,242</b>                   | <b>(1,034,510)</b> | <b>(148,598)</b> |
| Income tax expense  | 55,689                                  | —                | —                | (77,810)                         | —                  | —                |
| <b>Net income (loss)</b>  | <b>(27,516)</b>                         | <b>(798,211)</b> | <b>(114,656)</b> | <b>122,432</b>                   | <b>(1,034,510)</b> | <b>(148,598)</b> |
| Foreign currency translation adjustment, net of nil tax                 | 2,306                                   | (3,272)          | (470)            | (65,230)                         | 9,688              | 1,392            |
| <b>Total comprehensive income (loss)</b>                                | <b>(25,210)</b>                         | <b>(801,483)</b> | <b>(115,126)</b> | <b>57,202</b>                    | <b>(1,024,822)</b> | <b>(147,206)</b> |
| <b>Weighted average number of shares used in per share calculation:</b> |   |                  |                  |                                  |                    |                  |
| — Basic   | 1,948,376,000                           | 2,240,601,754    | 2,240,601,754    | 1,964,499,660                    | 2,153,172,769      | 2,153,172,769    |
| — Diluted   | 1,948,376,000                           | 2,240,601,754    | 2,240,601,754    | 1,978,161,073                    | 2,153,172,769      | 2,153,172,769    |
| <b>Net earnings (loss) per share (cent per share)</b>                   |   |                  |                  |                                  |                    |                  |
| — Basic   | (1.41)                                  | (35.62)          | (5.12)           | 6.23                             | (48.05)            | (6.90)           |
| — Diluted   | (1.41)                                  | (35.62)          | (5.12)           | 6.19                             | (48.05)            | (6.90)           |
| <b>Share-based compensation expenses were included in:</b>              |   |                  |                  |                                  |                    |                  |
| Research and development expenses                                       | 2,401                                   | 17,649           | 2,535            | 9,611                            | 22,465             | 3,227            |
| Sales and marketing expenses  | 215                                     | 28               | 4                | 1,088                            | 358                | 51               |
| General and administrative expenses                                     | 1,779                                   | 30,018           | 4,312            | 7,887                            | 247,419            | 35,540           |

The table below sets forth a reconciliation of net income (loss) to adjusted net income (loss) for the years/period indicated:

|                                       | For the three months ended December 31, |         |         | For the years ended December 31, |           |         |
|---------------------------------------|---|---------|---------|----------------------------------|-----------|---------|
|                                       | 2018                                    | 2019    | 2019    | 2018                             | 2019      | 2019    |
|                                       | RMB                                     | RMB     | US\$    | RMB                              | RMB       | US\$    |
| Net income (loss)                     | (27.5)                                  | (798.2) | (114.7) | 122.4                            | (1,034.5) | (148.6) |
| Add: Share-based compensation expense | 4.4                                     | 47.7    | 6.9     | 18.6                             | 270.2     | 38.8    |
| Adjusted net income (loss)            | (23.1)                                  | (750.5) | (107.8) | 141.0                            | (764.3)   | (109.8) |