

## AUDIT COMMITTEE CHARTER

This Audit Committee Charter (the “Audit Committee Charter”) was adopted by the Board of Directors (the “Board”) of Burning Rock Biotech Limited, a Cayman company (the “Company”) on January 31, 2020, and shall become effective immediately upon the completion of the Company’s initial public offering of its ordinary shares, in the form of American Depositary Shares, in the United States and elsewhere.

- 1. Purpose; Limitations on Duties.** The purpose of the Audit Committee (the “Committee”) is to assist the Board in overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company and to prepare the annual report of the Audit Committee required by applicable United States Securities and Exchange Commission (the “SEC”) disclosure rules. In doing so, it is the responsibility of the Committee to provide an open avenue of communication between the Board, management, internal audit department (or other personnel responsible for the internal audit function) and the independent auditors. Among the matters the Committee will oversee are (a) the Company’s accounting and financial reporting processes, (b) the integrity of the Company’s financial statements, (c) the Company’s compliance with legal and regulatory requirements, (d) the independent auditors’ qualifications and independence, (e) the performance of Company’s internal audit, accounting and financial controls and independent auditors, and (f) any other matters falling within the Committee’s authority or responsibility under the applicable laws and regulations.

The function of the Committee is oversight. The management of the Company is responsible for the preparation, presentation and integrity of the Company’s financial statements. The management is solely responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The independent auditors are responsible for planning and carrying out a proper audit of the Company’s annual financial statements and other procedures. In fulfilling their responsibilities hereunder, it is recognized that members of the Committee are not full-time employees of the Company and are not, and do not represent themselves to be, performing the functions of auditors or accountants. As such, it is not the duty or responsibility of the Committee or its members to conduct “field work” or other types of auditing or accounting reviews or procedures or to set auditor independence standards.

The independent auditors for the Company are accountable to the Committee, as representatives of the shareholders. The Committee is directly responsible for the appointment, compensation and oversight of the work of the independent auditors (including resolving disagreements between management and the independent auditors regarding financial reporting). The Committee has the authority and responsibility to appoint, retain and terminate the Company’s independent auditors (subject, if applicable, to stockholder ratification). The Company’s independent auditors shall report directly to the Committee.

- 2. Membership; Appointment; Financial Expert.** The Committee will consist of one or more directors of the Board, each of whom must be an “audit committee

independent director” pursuant to SEC rules and shall satisfy the independent requirements of NASDAQ and Rule 10A-3(b)(1) under the Securities Exchange Act of 1934 (the “Exchange Act”), both of which are set forth in Annex A hereto.

No Committee member shall simultaneously serve on the audit committees of more than three other public companies, unless as otherwise approved by the Board. The members of the Committee will be appointed by and serve at the discretion of the Board. The chairperson of the Committee (the “Chairperson”) will be appointed by the Board. Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. In addition, at least one member of the Committee is an “audit committee financial expert” defined in Item 16A of Form 20-F, the requirements for which are set forth in Annex B hereto. Section 13(a) of the Exchange Act requires the Company to disclose whether or not one member of the Committee is an audit committee financial expert.

- 3. Specific Responsibilities and Duties.** The Board delegates to the Committee the express responsibility and authority to:

**3.1 Independent Auditors.**

- (a) Selection and Fees.** Be solely and directly responsible for the appointment, compensation, retention, evaluation, and oversight of the work of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and, where appropriate, the termination and replacement of such firm. Such independent auditors shall report directly to and be ultimately accountable to the Committee. The Committee has the ultimate authority to approve all audit engagement fees and terms, with the costs of all engagements borne by the Company.
- (b) Audit Team.** Review the experience and qualifications of the senior members of the independent auditors’ team.
- (c) Scope of Audit.** Review, evaluate and approve the annual engagement proposal of the independent auditors (including the proposed scope and approach of the annual audit).
- (d) Lead Audit Partner Review, Evaluation and Rotation.** Review and evaluate the lead partner of the independent auditors, monitor compliance by the Company’s independent auditors with the audit partner rotation requirements contained in the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated by the SEC thereunder.
- (e) Pre-Approval of Audit and Non-Audit Services.** Pre-approve all auditing services and all non-audit services permitted to be performed

by the independent auditors, and to consider whether the performance by the outside auditors of non-audit services is compatible with maintaining the independence of the outside auditors. Such pre-approval may be given as part of the Committee's approval of the scope of the engagement of the independent auditors or on an engagement-by-engagement basis or pursuant to pre-established policies. In addition, the authority to pre-approve non-audit services may be delegated by the Committee to one or more of its members, but such member's or members' non-audit service approval decisions must be reported to the full Committee at the next regularly scheduled meeting. The Company shall disclose in its annual reports (and periodic reports, if any) required by Section 13(a) of the Exchange Act any approval of non-audit services during the period covered by the applicable report. The independent auditors shall not be retained to perform the non-audit functions prohibited by applicable law and the rules of the SEC. A list of prohibited non-audit functions, as defined in Section 10A(g) of the Exchange Act, is set forth in Annex C hereto.

- (f) **Statement from Independent Auditors.** At least annually, obtain and review a statement from the independent auditors (it being understood that the independent auditors are responsible for the accuracy and completeness of such report) describing:
- (i) the independent auditors' internal quality-control procedures;
  - (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues; and
  - (iii) all relationships between the independent auditors and the Company (including a description of each category of services provided by the independent auditors to the Company and a list of the fees billed for each such category);
- (g) **Statement of Fees from Independent Auditors.** The independent auditors shall submit to the Committee annually a formal written statement of the fees billed in each of the last two fiscal years for each of the following categories of services rendered by the independent auditors:
- (i) the audit of the Company's annual financial statements or services that are normally provided by the independent auditors in connection with statutory and regulatory filings or engagements;

- (ii) assurances and related services, not included in clause (i) that are reasonably related to the performance of the audit or review of the Company's financial statements, in the aggregate and by each service;
  - (iii) tax compliance, tax advice and tax planning services, in the aggregate and by each service; and
  - (iv) all other services rendered by the independent auditors, in the aggregate and by each service.
- (h) **Hiring Policies.** Set clear hiring policies for employees and former employees of the independent auditors. At a minimum, these policies shall provide that any registered public accounting firm may not provide audit services to the Company if the chief executive officer, chief financial officer, controller, chief accounting officer or any person serving in an equivalent capacity for the Company was employed by the registered public accounting firm and participated in the audit of the Company within one year of the initiation of the current audit.
- (i) **Review Problems.** Review with the independent auditors any audit problems or difficulties the independent auditors may have encountered in the course of its audit work, and management's responses, including: (i) any restrictions on the scope of activities or access to requested information and (ii) any significant disagreements with management and management's responses to such matters.
- (j) **Material Communications.** Discuss with the independent auditors any communications between the audit team and the independent auditors' national office regarding auditing or accounting issues that the engagement presented.
- (k) **Accounting Adjustments.** Discuss with the independent auditors any accounting adjustments that were noted or proposed by the independent auditors but were "passed on" (as immaterial or otherwise).
- (l) **Internal Audit Function.** Discuss with the independent auditors the responsibilities, budget and staffing of the Company's internal audit function.
- (m) **Management or Internal Control Letters.** Discuss with the independent auditors any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Company.

### 3.2 Financial Reporting.

- (a) **Annual Financials.** Review and discuss with management and the independent auditors the Company’s annual audited financial statements (including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”), any unusual or non-recurring items, the nature and substance of significant reserves, the adequacy of internal controls and other matters that the Committee deems material, prior to the public release of such information. Obtain from the independent auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Exchange Act. Recommend to the Board whether the annual audited financial statements should be included in the Company’s Annual Report on Form 20-F.
- (b) **Interim Financials.** Review and discuss with management and the independent auditors the Company’s interim financial statements (including the Company’s disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”), the results of the independent auditors’ reviews of the interim financial statements, and other matters that the Committee deems material prior to the public release of such information.
- (c) **Accounting Principles.** Review with management and the independent auditors major issues regarding accounting principles and financial statement presentations, including any material changes in the selection or application of the principles followed in prior years and any items required to be communicated by the independent auditors in accordance with AICPA Statement of Auditing Standards (“SAS”) 61, including any of the following:
- deficiencies noted in the audit in the design or operation of internal controls;
  - consideration of fraud in a financial statement audit;
  - detection of illegal acts;
  - the independent auditors’ responsibility under generally accepted auditing standards;
  - any restriction on audit scope;
  - significant accounting policies;
  - significant issues discussed with the national office respecting auditing or accounting issues presented by the engagement;
  - management judgments and accounting estimates;
  - any accounting adjustments arising from the audit that were noted or proposed by the auditors but were passed (as immaterial or otherwise);
  - the responsibility of the independent auditors for other information in documents containing audited financial statements;
  - disagreements with management;
  - consultation by management with other accountants;

- major issues discussed with management prior to retention of the independent auditors;
  - difficulties encountered with management in performing the audit;
  - the independent auditors' judgments about the quality of the entity's accounting principles;
  - reviews of interim financial information conducted by the independent auditors; and
  - the responsibilities, budget and staffing of the Company's internal audit function.
- (d) **Judgments.** Review reports prepared by management or by the independent auditors relating to significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including an analysis of the effect of alternative U.S. generally accepted accounting principles ("GAAP") methods on the Company's financial statements and a description of any transaction as to which management obtained an SAS 50 letter.
- (e) **Press Releases.** Discuss earnings press releases with management (including the type and presentation of information to be included in earnings press releases), as well as financial information and earnings guidance provided to analysts and rating agencies.
- (f) **Regulatory Developments.** Review with management and the independent auditors the effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the Company's financial statements.

### 3.3 Internal Audit and Risk Management.

- (a) **Internal Audit and Controls.** Review and approve the internal audit charter, which sets forth the authority and responsibility of the internal audit function. Review the budget, qualifications, activities, effectiveness and organizational structure of the internal audit function, the performance, appointment and replacement of the lead internal auditor, and summaries of material internal audit reports and management's responses. Review major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of control deficiencies. Meet periodically with the internal auditor to discuss the responsibilities, budget and staffing of the internal audit function and any issues that the internal auditor believes warrant the Committee's attention. Discuss with the internal auditor any significant reports to management prepared by the internal auditor and any responses from management. Perform an annual assessment of the internal audit function.
- (b) **Risk Assessment and Risk Management.** Discuss policies with respect to risk assessment and risk management periodically with the

management, internal auditors, and independent auditors, and the Company's plans or processes to monitor, control and minimize such risks and exposures.

### 3.4 Financial Reporting Processes; CEO and CFO Certifications.

- (a) **Internal and External Controls.** In consultation with the independent auditors, the Company's internal auditors and the Company's financial and accounting personnel, review the integrity, adequacy and effectiveness of the Company's financial reporting processes, accounting and financial controls, both internal and external, and elicit any recommendations for the improvement of such internal control procedures or particular areas where new or more detailed controls or procedures are desirable. Ensure that the Company's independent auditors have sufficient access to and time to review such internal control procedures so that the Company may obtain from the independent auditors the Attestation of the Company's Independent Auditor as to the Company's internal controls and procedures in connection with the filing of the Company's Annual Report on Form 20-F and otherwise in accordance with Item 15(c) of Form 20-F.
- (b) **Consider Changes.** Review major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies.
- (c) **Reporting Systems.** Establish regular and separate systems of reporting to the Committee by each of (i) management, (ii) the independent auditors and (iii) the internal auditors regarding any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments.
- (d) **Reports from Independent Auditors.** Discuss with and obtain from the independent auditors in connection with any audit, prior to filing the Company's audit report with the SEC, a report relating to the Company's annual audited financial statements including:
  - (i) a description of all critical accounting policies and practices to be used by the Company;
  - (ii) analysis prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors;

- (iii) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles;
  - (iv) major issues as to the adequacy of the Company's internal controls and any specific audit steps adopted in light of material control deficiencies; and
  - (v) all other material written communications between the independent auditors and management, including any management letter or schedule of unadjusted differences.
- (e) **CEO and CFO Certifications.** Discuss with the Chief Executive Officer and the Chief Financial Officer the processes involved in and any material required as a result of the Form 20-F certification process concerning deficiencies in design or operation of internal controls or any fraud involving management or employees with a significant role in the Company's internal controls.

### 3.5 Legal and Regulatory Compliance.

- (a) **Related Party Transactions.** Conduct an appropriate review of all proposed related party transactions, including proposed amendments to existing related party transactions. Management of the Company shall not cause the Company to enter into any new related party transaction unless such transaction is approved by the Committee or relates to transactions previously adopted by the Board and approved by the Committee.
- (b) **Reports from Others.** Obtain such reports from management, auditors, the general counsel, tax advisors or any regulatory agency as the Committee deems necessary regarding regulatory compliance, transactions with affiliates, and other legal matters that may have a material effect on the Company's financial statements and the consideration of those matters in preparing the financial statements. Discuss with the Company's outside counsel any legal matters brought to the Committee's attention that could reasonably be expected to have a material impact on the Company's financial statements. Request assurances from management, the internal auditor manager and the independent auditor that the Company's foreign subsidiaries and foreign affiliated entities, if any, are in conformity with applicable legal requirements, including disclosure of affiliated party transactions.
- (c) **Complaints.** Establish procedures for the receipt, retention and treatment of complaints received by the Company from Company employees regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by



Company employees of concerns regarding questionable accounting, auditing and other matters.

- (d) **Others.** Investigate any matter brought to the attention of the Committee that is considered appropriate and is within the scope of its responsibilities, including any matters required by the rules of the SEC to be reported to the Committee by management.

**3.6 Annual Evaluation of Audit Committee Charter.** Review and reassess the adequacy of this Audit Committee Charter and the performance of the Committee at least annually and recommend any proposed changes to the Board, as appropriate, and publish this Audit Committee Charter as required by applicable law.

**4. Reports to Board, Meetings and Minutes.**

**4.1 Reports and Recommendations.** Regularly report to the Board on the Committee's activities, and its conclusions with respect to the independent auditors, and make appropriate recommendations to the Board.

**4.2 Executive Sessions.** The Committee shall meet periodically (with such frequency as it determines) with each of the independent auditors, internal auditors (or other personnel responsible for the Company's internal audit function) and management in separate executive sessions to discuss any matters that the Committee or these groups believe should be discussed privately.

**4.3 Other Meetings.** Other meetings will be with such frequency, and at such times, as the Chairperson, or a majority of the Committee, determines, but no less frequently than once every fiscal quarter. Special meetings of the Committee may be called by the Chairperson and will be called promptly upon the request of any two Committee members. The agenda of each meeting will be prepared by the Chairperson and circulated, if practicable, to each member prior to the meeting date. Unless the Committee or the Board adopts other procedures, the provisions of the Company's memorandum and articles of association, as amended and restated from time to time (collectively, the "Articles"), applicable to meetings of Board committees will govern meetings of the Committee.

**4.4 Minutes.** The Committee shall ensure that minutes of each meeting are recorded and approved at the next meeting.

**5. Resources and Authority.** The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special or independent counsel, auditors or other experts and advisors, as it deems necessary or appropriate, without seeking approval of the Board or management.

The Company shall provide for appropriate funding, as determined solely in the Committee's discretion, for payment of compensation to any such persons employed

by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6. **Rules and Procedures.** Except as expressly set forth in this Audit Committee Charter or the Company's Articles, or as otherwise provided by law or NASDAQ Stock Market Rules, the Committee shall establish its own rules and procedures.
7. **Declaration of Interest.** A member may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at such meeting, provided that such member has declared the nature of his interest at the meeting at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting after he knows that he is or has become so interested, unless (a) such proposed contract or arrangement would reasonably be likely to affect such members' status as an "Independent Director" as defined under the applicable laws and stock exchange rules, or (b) disqualified by the chairman of the Committee.
8. **Language Version.** This Charter is written in both English and Chinese. In case of any discrepancy between the Chinese version and the English version, the English version shall prevail.
9. **Others.** This Charter is subject to subsequent revision and interpretation by the Board.