TYK Medicines, Inc
浙江同源康醫藥股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2410)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024; RESIGNATION OF NON-EXECUTIVE DIRECTOR; AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

FINANCIAL HIGHLIGHTS

	Year ended December 31,			
	2024	2023	Changes	
	RMB'000	*RMB'000*	*RMB'000*	*%*
Research and development costs	**235,446**	249,252	(13,806)	(5.5)
Administrative expenses	**108,332**	59,306	49,026	82.7
Total comprehensive loss for the year	**387,928**	383,171	4,757	1.2

ANNUAL RESULTS

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2024, together with the comparative figures for the year ended December 31, 2023. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee and audited by Ernst & Young, the independent auditor of the Company.

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2024

	Notes	**2024** ***RMB'000***	2023 *RMB'000*
Revenue	*5*	**107**	–
Cost of sales		**(93)**	–
Gross profit		**14**	–
Other income and gains	*6*	**30,542**	25,428
Research and development costs		**(235,446)**	(249,252)
Administrative expenses		**(108,332)**	(59,306)
Other expenses and losses	*7*	**(1,131)**	(15)
Finance costs	*9*	**(12,817)**	(22,236)
Change in fair value of redemption liabilities on equity shares		**(60,758)**	(77,790)
LOSS BEFORE TAX	*8*	**(387,928)**	(383,171)
Income tax expense	*10*	**–**	–
LOSS FOR THE YEAR		**(387,928)**	(383,171)
Attributable to:			
Owners of the Company		**(386,955)**	(382,427)
Non-controlling interests		**(973)**	(744)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(387,928)**	(383,171)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (expressed in RMB)			
Basic and diluted	*12*	**(1.15)**	(1.32)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2024

	Notes	**2024** ***RMB'000***	2023 *RMB'000*
NON-CURRENT ASSETS			
Restricted bank deposit		**–**	4,683
Property, plant and equipment		**159,575**	157,510
Right-of-use assets		**50,260**	92,335
Intangible assets		**62,412**	68,071
Prepayments and other receivables		**74,471**	16,830
Total non-current assets		**346,718**	339,429
CURRENT ASSETS			
Prepayments and other receivables		**76,175**	40,387
Financial assets at fair value through profit and loss ("**FVTPL**")	*13*	**–**	6,001
Restricted bank deposit		**–**	491
Cash and bank balances	*14*	**460,463**	186,830
		536,638	233,709
Assets of a disposal company classified as held for sale		**32,337**	–
Total current assets		**568,975**	233,709
CURRENT LIABILITIES			
Trade and other payables	*15*	**118,706**	133,429
Redemption liabilities on equity shares		**–**	1,145,324
Interest-bearing bank and other borrowings	*16*	**144,175**	–
Lease liabilities		**26,188**	22,226
		289,069	1,300,979
Liabilities directly associated with the assets classified as held for sale		**12**	–
Total current liabilities		**289,081**	1,300,979

	Notes	2024 ***RMB'000***	2023 *RMB'000*
NET CURRENT ASSETS/(LIABILITIES)		**279,894**	(1,067,270)
TOTAL ASSETS LESS CURRENT LIABILITIES		**626,612**	(727,841)
NON-CURRENT LIABILITIES			
Deferred income		**44,360**	48,281
Other long-term payables		**103,205**	84,408
Lease liabilities		**6,485**	19,503
Total non-current liabilities		**154,050**	152,192
Net assets/(liabilities)		**472,562**	(880,033)
EQUITY/(DEFICIENCY IN EQUITY)			
Equity attributable to owners of the Company			
Share capital		**370,836**	307,356
Reserves		**98,252**	(1,191,836)
		469,088	(884,480)
Non-controlling interests		**3,474**	4,447
Total equity/(deficits)		**472,562**	(880,033)

1. CORPORATE AND GROUP INFORMATION

TYK Medicines, Inc (the "**Company**") was incorporated in China on November 2, 2017 and its H shares are listed on the Main Board of the Stock Exchange since August 20, 2024. The registered office address of the Company is Room 1403-2, 14th Floor, Tower A, Changxing World Trade Building, No. 1278 Mingzhu Road, Changxing Economic Development Zone, Huzhou, Zhejiang Province, the PRC. The principal place of business of the Company in the PRC and in Hong Kong is 8th Floor, Building T2, China Eastern Binjiang Center, No. 277 Longlan Road, Xuhui District, Shanghai, the PRC and Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong, respectively.

The Company is a drug discovery research and development centre. The Group is principally engaged in the research, development and commercialisation of pharmaceutical products.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, except for redemption liabilities on equity shares and wealth management products which have been measured at fair value. Disposal groups held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current (the "**2020 Amendments**")*
Amendments to HKAS 1	*Non-current Liabilities with Covenants (the "**2022 Amendments**")*
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The nature and the impact of the revised HKFRS Accounting Standards are described below:

a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

   The Group has reassessed the terms and conditions of its liabilities as at January 1, 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[3]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to HKAS 21	*Lack of Exchangeability*[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2]

[1] Effective for annual periods beginning on or after January 1, 2025

[2] Effective for annual periods beginning on or after January 1, 2026

[3] Effective for annual/reporting periods beginning on or after January 1, 2027

[4] No mandatory effective date yet determined but available for adoption

These new and revised HKFRS Accounting Standards are not expected to have any significant impact on the Group's financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the development and commercialisation of pharmaceutical products. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

Since all of the Group's non-current assets were located in China, no geographical information in accordance with HKFRS 8 *Operating Segments* is presented.

5. REVENUE

An analysis of revenue is as follows:

Revenue from contracts with customers

(a) Disaggregated revenue information

	2024	2023
	RMB'000	*RMB'000*
Type of services		
Research and development services	**107**	–
Timing of revenue recognition		
Transferred at a point in time	**107**	–

(b) Performance obligations

Research and development services

The revenue from research and development services is expected to be recognised during the period in which the services are being rendered.

6. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	2024	2023
	RMB'000	*RMB'000*
Other income		
Government grants related to income	**19,675**	16,245
Government grants related to interest-free financing	**7,291**	6,075
Bank interest income	**2,017**	700
Gains		
Investment income on financial assets at FVTPL	**1,264**	3,025
Fair value loss on financial assets at FVTPL	**(1)**	(726)
Gain on termination of a lease contract	**2**	8
Foreign exchange gains, net	**294**	101
Total	**30,542**	25,428

7. OTHER EXPENSES AND LOSSES

	2024	2023
	RMB'000	*RMB'000*
(Gain)/Loss on disposals of property, plant and equipment	**(40)**	10
Donation to not-for-profit organisations	**1,100**	5
Others	**71**	–
Total	**1,131**	15

8. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2024	2023
	RMB'000	*RMB'000*
Cost of services provided	**93**	–
Depreciation of property, plant and equipment*	**9,272**	7,798
Depreciation of right-of-use assets**	**14,393**	14,185
Amortisation of intangible assets***	**5,659**	5,659
Research and development costs:		
Current year expenditure	**170,353**	185,408
(Gain)/Loss on disposal of items of property, plant and equipment	**(40)**	10
Expenses relating to short-term leases	**955**	923
Listing expenses	**27,229**	8,004
Staff costs (including directors' emoluments)****:		
– Salaries, discretionary bonuses, allowances and benefits in kind	**57,696**	63,918
– Pension scheme contributions	**2,615**	3,026
– Share-based payment compensation	**12,467**	3,887
	72,778	70,831

* The depreciation of property, plant and equipment is included in "Cost of sales", "Research and development costs" and "Administrative expenses" in profit or loss.

** The depreciation of right-of-use assets is included in "Research and development costs" and "Administrative expenses" in profit or loss.

*** The amortisation of intellectual property is included in "Research and development costs" in profit or loss.

**** The staff cost is included in "Cost of sales", "Research and development costs" and "Administrative expenses" in profit or loss.

9. FINANCE COSTS

	2024	2023
	RMB'000	*RMB'000*
Interest on lease liabilities	**1,509**	2,358
Interest expenses of government funding	**7,612**	6,370
Interest on bank loans	**3,451**	–
Transaction cost on issue of redemption liabilities on equity shares	**245**	13,508
Total	**12,817**	22,236

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and/or operate.

China

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the Enterprise Income Tax ("**EIT**") rate of the PRC subsidiaries was 25% during the year except for the Company which was subject to tax concession as set out below.

The Company was accredited as a "High and New Technology Enterprise" ("**HNTE**") in 2022. Therefore, the Company was entitled to a preferential EIT rate of 15% for a three-year period since 2022. The qualification as a HNTE is subject to review by the relevant tax authority in the PRC every three years.

	2024	2023
	RMB'000	*RMB'000*
Loss before tax	**(387,928)**	(383,171)
Tax at the statutory tax rate (15%)	**(58,189)**	(57,476)
Effect of different tax rates enacted by local authorities	**(7,317)**	(5,413)
Additional deductible allowance for research and development expenses	**(36,202)**	(40,030)
Deductible temporary difference and tax losses not recognised	**101,166**	102,537
Expenses not deductible for tax	**542**	382
Tax charge at the Group's effective rate	**–**	–

The Group has unused tax losses of RMB1,874,874,000 available for offset against future profits as of December 31, 2024 (2023: RMB1,267,691,000). The tax losses of the entity will expire in one to ten years for offsetting against taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in the subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits in the foreseeable future will be available against which the tax losses can be utilised.

According to the EIT Law, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income effective from October 1, 2022.

11. DIVIDENDS

No dividend was paid or declared by the Company during the year (2023: nil).

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 288,774,000 and 337,616,000 outstanding for the years ended December 31, 2023 and 2024, respectively.

The Group had no potentially dilutive ordinary shares in issue during the years ended December 31, 2023 and 2024.

The calculation of basic and loss per share is based on:

	2024	2023
	RMB'000	*RMB'000*
Loss		
Loss attributable to ordinary equity holders of the parent	**(386,955)**	(382,427)
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation	**337,616,000**	288,774,000
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Express in RMB)		
Basic and diluted	**(1.15)**	(1.32)

13. FINANCIAL ASSETS AT FVTPL

	2024	2023
	RMB'000	*RMB'000*
Wealth management products	**–**	6,001

These wealth management products were issued by banks in China. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

The fair values are based on cash flows discounted using the expected yield rate and are within Level 2 of the fair value hierarchy.

14. CASH AND BANK BALANCES

Time deposits

	Note	**2024** ***RMB'000***	2023 *RMB'000*
Bank deposits with original maturity of more than three months when acquired (i)		**60,475**	–
Pledged deposits (ii)	*16(b)*	**25,000**	–
Denominated in RMB		**85,475**	–

(i) They represent time deposits with initial terms of over three months when acquired in commercial banks with annual return rates ranging from 1.45% and 1.55% (2023: nil). None of these deposits are either past due or impaired. None of these deposits are pledged.

(ii) They represent pledged deposits in a commercial bank for a bank loan. None of these deposits are either past due or impaired. Further details are set out in Note 16 to the financial statements.

Cash and cash equivalents

	2024	2023
	RMB'000	*RMB'000*
Cash and cash equivalents	**374,988**	186,830
Denominated in		
HKD	**280,912**	–
RMB	**90,597**	186,824
USD	**3,479**	6

The RMB is not freely convertible into other currencies, however, under China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

15. TRADE AND OTHER PAYABLES

	2024	2023
	RMB'000	*RMB'000*
Trade payables	**19,642**	32,167
Payroll payables	**4,251**	10,253
Accrued expenses for research and development services	**41,463**	36,688
Accrued listing expense	**2,204**	3,868
Other taxes payables	**6,975**	459
Other payables		
– Payables for property, plant and equipment	**29,299**	32,671
– Payables for transaction cost on issue of redemption liabilities on equity shares	**–**	13,508
– Advance receivable from disposing a subsidiary	**10,000**	–
– Others	**4,872**	3,815
Total	**118,706**	133,429

An ageing analysis of the trade payables as at the end of the year, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 3 months	**15,115**	28,406
3 to 6 months	**3,297**	3,403
6 months to 1 year	**1,202**	356
Over 1 year	**28**	2
Total	**19,642**	32,167

The trade payables are non-interest-bearing and payable on demand, which are normally settled on terms of 1 to 3 months.

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

		2024	
	Effective interest rate (%)	**Maturity**	***RMB'000***
Current			
Bank loans – unsecured	**3.45-3.90**	**2025**	**120,404**
Bank loans – secured	**3.20**	**2025**	**23,771**
Total			**144,175**

	2024
	RMB'000
Analysed into:	
Bank loans:	
Within one year	**144,175**

(a) All bank loans are denominated in RMB.

(b) Certain of the Group's bank loans are secured by the pledge of certain of the Group's time deposits amounting to RMB25,000,000.

BUSINESS HIGHLIGHTS

The Company was listed on the Stock Exchange on August 20, 2024. During the Reporting Period, we have made the following progress with respect to our product pipeline and business operations:

- **Critical Developments of our Core Product TY-9591**

  We commenced the subject enrollment for a pivotal Phase II clinical trial of TY-9591 monotherapy as first-line treatment in brain metastases from lung cancer with EGFR mutations in August 2023. In November 2024, we completed an enrollment of 224 patients that is qualified for conditional marketing approval (patient enrollment qualified for full marketing approval is still ongoing). We are now at the stage of data cleansing and statistical analysis and will submit the relevant Pre-NDA in April 2025. We expect to formally submit an NDA application for conditional marketing in the second quarter (Q2) of 2025. In addition, we are currently conducting a registrational Phase III clinical trial of TY-9591 monotherapy as first-line treatment in locally advanced (stage IIIb to IV) or metastatic lung cancer with EGFR L858R mutation in China, for which we had completed a patient enrollment of 528 subjects in February 2025. We expect to complete the enrollment of all patients for this clinical trial in 2025 and to submit NDA in 2026. To fully explore the potential of TY-9591, we also applied for and received IND approval for conducting Phase II and Phase III clinical trials of TY-9591 in combination with pemetrexed and cisplatin or carboplatin as first-line treatment in advanced or metastatic lung cancer with EGFR mutations in March 2024. Up to the date of this announcement, we did not receive any concerns or objections regarding to our clinical development plans from the NMPA. We started the preparation for Phase II trial in November 2024 and officially initiated the site in February 2025. We expected to complete the patient enrollment for the Phase II trial in the second half of 2025, and to communicate with CDE for confirmatory clinical study in the first quarter of 2026.

- **Critical Developments of Our Key Product TY-302**

  We are currently conducting a Phase II clinical trial of TY-302 as treatment for breast cancer, which will enter registrational clinical phase in 2026. In addition, we will commence a Phase II clinical trial of TY-302 in combination with abiraterone for the first-line treatment of prostate cancer in the first half of 2025.

- **Critical Developments of Our Key Product TY-2136b**

  We obtained FDA's implied IND approval in November 2021 and is conducting a Phase I clinical trial in the U.S. Leveraging Phase I clinical data collected, we plan to communicate with the FDA and carefully design our future clinical development plan of TY-2136b in the U.S.

- **Crtical Developments of Other Drug Candidates**

TY-2699a

We are currently conducting a Phase I clinical trial of TY-2699a monotherapy or combination therapy in locally advanced or metastatic solid tumors (especially in HR+/HER2-breast cancer, triple-negative breast cancer (TNBC), SCLC, pancreatic cancer and head and neck cancer) in China. Presently, we have completed single-dose escalation studies in 5 dose groups (5mg, 10mg, 20mg, 40mg and 30mg, bid). All single-dose escalation studies are expected to be completed in the first half of 2025. In addition, in January 2025, we obtained an approval from the NMPA for a clinical trial of the product in combination with various dosing regimens for treatment of advanced/metastatic solid tumors (breast cancer, pancreatic cancer, and head and neck squamous cell carcinoma (HNSCC) such as nasopharyngeal carcinoma (NPC)) and expected to commence a Phase Ib/II clinical trial of drug combinations in the second half of 2025.

TY-0540

We are currently conducting a Phase I clinical trial of TY-0540 monotherapy in advanced solid tumors and have completed single-dose escalation studies in 5 dose groups (5mg, 10mg, 20mg, 30mg and 40mg, bid), and have officially initiated the extended cohort studies of monotherapy (30mg) in breast cancer and ovarian cancer in February 2025. Meanwhile, a formal approval was obtained from the NMPA in February 2025 for the product to be used in the clinical trial of TY-0540 in combination with fulvestrant (氟維司群) for the treatment of patients with locally advanced/recurring metastatic breast cancer and the clinical trial of TY-0540 in combination with enzalutamide (恩扎盧胺) for treatment of patients with locally advanced/recurring metastatic pancreatic cancer.

TY-1091

We are currently conducting a Phase I clinical trial of TY-1091 for treatment of RET fusion-positive solid tumors in China.

TY-4028

We have obtained FDA's implied IND approval and the NMPA's IND approval in April 2023 and June 2023, respectively.

TY-1054

We have obtained FDA's implied IND approval for conducting a clinical trial of TY-1054 for treatment of solid tumors in April 2024. In addition, we have submitted an IND application to the NMPA for conducting a clinical trial of TY-1054 for treatment of solid tumors in April 2024, and had obtained IND approval in July 2024.

- **Listing on the Stock Exchange**

On August 20, 2024, the Company was successfully listed on the Stock Exchange following the completion of the issue of 47,880,000 H Shares at the price of HK$12.10 per share. The total gross proceeds arising from the Global Offering amounted to approximately HK$579.3 million. For details of any of the foregoing, please refer to other sections of this annual results announcement and, where applicable, the Prospectus, the Company's prior announcements published on the websites of the Stock Exchange and the Company and prior press releases published on the Company's website.

I. BUSINESS REVIEW

Overview

We are a clinical-stage biopharmaceutical company committed to the discovery, acquisition, development and commercialization of differentiated targeted therapies to address unmet medical needs in cancer treatment. Since our inception in 2017, we have built a pipeline with 12 drug candidates, including Core Product TY-9591, seven clinical stage products, and four preclinical stage or early clinical development stage products. We are currently conducting a pivotal Phase II clinical trial of TY-9591 monotherapy as first-line treatment of brain metastases from lung cancer with epidermal growth factor receptor ("**EGFR**") mutations in China, as well as a registrational Phase III clinical trial of TY-9591 monotherapy as first-line treatment in locally advanced (stage IIIb to IV) or metastatic NSCLC with EGFR L858R mutation in China.

Products and Pipeline

The following chart shows our drug candidates as of the date of this announcement:

	Product[1]	Target	Indication	Regimen	Preclinical / IND-Enabling / Ph I/Ia / Ph Ib/II / Pivotal/ Registrational Ph II/Ph III	Current Status/ Upcoming Milestone	Commercial Rights/Partner
Clinical Stage	★ TY-9591	3rd-Generation EGFR-TKI	NSCLC with brain metastasis (1L)	Mono	Pivotal Phase II trial ongoing in China	NDA submission in Q2 2025	China
			EGFR L858R LC (1L)	Mono	Registrational Phase III trial ongoing in China	NDA submission in 2026	
			NSCLC (1L)	Combo	Phase II trial ongoing in China	Ph II ongoing	
	☆ TY-302	CDK4/6	Breast cancer (2L+)	Combo	Phase II trial ongoing in China	Enter Registrational Trial in 2026	China
			Prostate cancer (1L)	Combo	Phase II trial ongoing in China	Enter Ph II in Q2 2025	
	☆ TY-2136b	ROS1/NTRK	ROS1/NTRK-mutant solid tumor	Mono	Phase Ib study ongoing in China	Ph Ib ongoing	Livzon (Greater China)[2]
			ROS1/NTRK-mutant NSCLC	Mono	Phase I trial ongoing in the U.S.	Ph I ongoing	Ex-Greater China
	TY-2699a	CDK7	Breast cancer, Pancreatic cancer, Head and neck squamous cell carcinoma	Mono/Combo	Phase Ib/II trial ongoing in China	Ph Ib/II ongoing	Global
					IND approval in the U.S.	IND approved	
	TY-0540	CDK2	Breast cancer, Ovarian cancer, Metastatic castration-resistant prostate cancer	Mono/Combo	Phase Ia/Ib trial ongoing in China	Ph Ib/II ongoing	Global
					IND approval in the U.S.	IND approved	
	TY-1091	RET	RET-fusion positive solid tumor, RET-mutation medullary thyroid cancer	Mono	Phase I trial ongoing in China	Ph I ongoing	Global
					IND approval in the U.S.	IND approved	
	TY-4028	EGFR Exon 20	EGFR exon 20 insertion NSCLC	Mono	IND approval in China	IND approved	Global
					IND approval in the U.S.	IND approved	
	TY-1054	YAP-TEAD	Solid tumor	-	IND approval in China	IND approved	Global
					IND approval in the U.S.	IND approved	
Preclinical Stage	CDK4	CDK4	Solid tumor	-		Enter IND-enabling in 2025	Global
	EGFR (PROTAC)	EGFR (PROTAC)	NSCLC	-		Enter IND-enabling in 2025	Global
	PI3Kα	PI3Kα	Solid tumor	-		Enter IND-enabling in 2026	Global
	CDK4/2	CDK4/2	Solid tumor	-		Enter IND-enabling in 2026	Global

★ Core Product ☆ Key Product

Abbreviations: 1L = first line; 2L+ = third or later-line; EGFR = epidermal growth factor receptor; CDK = cyclin-dependent kinase; ROS1 = ROS proto-oncogene 1; NTRK = neurotrophic tyrosine receptor kinase; RET = rearranged during transfection; YAP = yes associated protein; TEAD = transcriptional enhanced associate domain; PROTAC = proteolysis-targeting chimera; NSCLC = non-small cell lung cancer; LC = lung cancer; Ph = Phase; NDA = new drug application; Q2 = second quarter.

Notes:

(1) The relevant intellectual property rights for TY-9591 and TY-302 were acquired from Changzhou Runnuo Biotechnology Co., Ltd. (常州潤諾生物科技有限公司) and Boji Medical Technology Co., Ltd. (博濟醫藥科技股份有限公司), and Tetranov Pharmaceutical, respectively. We have developed these two drug candidates at our own costs since preclinical stage. Except for these two drug candidates, all other drug candidates were internally discovered and developed by us.

(2) We have out-licensed the rights to develop, manufacture and commercialize TY-2136b in the Greater China to Livzon. We maintain the rights to develop and commercialize this drug candidate in the rest of the world.

Source: Company data

OUR PRODUCTS AND PRODUCT CANDIDATES

As a company focused on the development of small molecule targeted therapies for cancer treatment, we have built a pipeline with 12 drug candidates. An introduction to these products is listed below:

Core Product TY-9591 — A Third-Generation EGFR-TKI

TY-9591 is a tyrosine kinase inhibitor ("**TKI**") developed for patients with brain metastases from EGFR-mutated lung cancer and has outstanding efficacy for patients with brain metastases from EGFR-mutated lung cancer. TY-9591 can effectively cross the blood-brain barrier and irreversibly bind to EGFR mutants including exon 19 deletion, exon 21 L858R mutation, exon 19 deletion/T790M mutation, and L858R/T790M mutation, ultimately inhibiting the proliferation and metastasis of cancer cells. TY-9591 was developed through modifications of osimertinib to enhance its safety, allowing for a higher administration dosage and thus, potentially, improved efficacy. Specifically, TY-9591 was modified by replacing certain hydrogens in osimertinib with deuterium to reduce or slow down the breakdown of osimertinib. Such modification may retain the advantages of osimertinib, but also affect the way that osimertinib is metabolized, which may reduce the formation of the metabolite TY-9591-D1 (AZ5104). Based on preclinical studies, TY-9591-D1 (AZ5104) is showed to have much higher affinity to normal cells that express EGFR without mutations, and thus is the major cause of adverse events ("**AEs**") of TY-9591 and osimertinib. By reducing the production of TY-9591-D1, TY-9591 is expected to be safer than osimertinib and can be administered at a higher dose level, leading to improved antitumor efficacy and a higher level of blood-brain entry. In a Phase I clinical trial in healthy subjects, we investigated the mean drug metabolite concentration-time profiles after a single oral dose of 80mg TY-9591 and osimertinib in healthy subjects. Compared to osimertinib, the results showed an approximately 50% reduction in metabolite TY-9591-D1 exposure levels after TY-9591 administration, indicating that TY-9591 may have an improved safety profile than osimertinib. In addition, although not a head-to-head comparison, clinical data from our Phase Ib study showed that TY-9591 has demonstrated promising efficacy and safety profile with the median PFS of 21.5 months, confirmed objective response rate ("**ORR**") of 85.9% and confirmed disease control rate ("**DCR**") of 94.9% in lung cancer patients with EGFR mutations (L858R/exon 19 deletion).

We are currently investigating TY-9591 in brain metastases from lung cancer with EGFR mutations and in locally advanced (stage IIIb to IV) or metastatic lung cancer with EGFR L858R mutation. While there are a number of third-generation EGFR-TKIs approved for marketing in China and worldwide, no drug for brain metastases from lung cancer has been approved for marketing, demonstrating urgent unmet clinical needs. Results from our Phase Ib and Phase II clinical studies of TY-9591 monotherapy in advanced NSCLC have demonstrated a strong clinical efficacy. Among 29 evaluable lung cancer treatment-naïve patients with brain metastases enrolled in these studies, we observed that 25 patients reached intracranial partial response ("**PR**") and four reached complete response ("**CR**"), with an intracranial ORR of 100%. Although not a head-to-head comparison, this outcome outperformed the confirmed 77% intracranial ORR observed in NSCLC patients with brain metastases treated by osimertinib in the Phase III FLAURA trial. In the Phase II study, we observed that the overall incidence of serious adverse events ("**SAEs**") was only 8.3% and treatment-related SAEs was as low as 8.3%, demonstrating a favorable safety profile.

Furthermore, TY-9591 may deliver improved efficacy as compared to osimertinib in lung cancer patients with the EGFR L858R mutation. Osimertinib exhibited a median progression-free survival ("**PFS**") of 18.9 months for both EGFR exon 19 deletion and L858R mutation. However, lung cancer patients with EGFR L858R mutation showed significantly shorter PFS of 14.4 months as compared to 21.4 months PFS observed in EGFR exon 19 deletion cases, according to the Phase III FLAURA study. Therefore, there exists an unmet clinical need to enhance the clinical outcomes for lung cancer patients with EGFR L858R mutation. Clinical data from our Phase Ib study showed that among lung cancer patients with EGFR L858R mutation, first-line TY-9591 treatment achieved a significantly prolonged median PFS as compared to osimertinib treatment in the Phase III FLAURA trial (19.3 months in 36 patients vs. 14.4 months in 104 patients) based on a non-head-to-head comparison. Since the PFS data for lung cancer patients with EGFR L858R mutation from the FLAURA China cohort is not publicly available, and the efficacy data from the FLAURA global cohort is generally better than that of the China cohort, we compared our clinical results with the data for lung cancer patients with EGFR L858R mutation from the FLAURA global cohort.

We commenced the subject enrollment for a pivotal Phase II clinical trial of TY-9591 monotherapy as first-line treatment in brain metastases from lung cancer with EGFR mutations in August 2023. In November 2024, we completed an enrollment of 224 patients that is qualified for conditional marketing approval (patient enrollment qualified for full marketing approval is still ongoing). We are now at the stage of data cleansing and statistical analysis and will submit the relevant Pre-NDA in April 2025. We expect to formally submit an NDA application for conditional marketing in the second quarter (Q2) of 2025. In addition, we are conducting a registrational Phase III clinical trial of TY-9591 monotherapy as first-line treatment in locally advanced (stage IIIb to IV) or metastatic lung cancer with EGFR L858R mutation in China, for which we had completed a patient enrollment of 528 subjects in February 2025. We expect to complete the enrollment of all patients for this clinical trial in 2025 and to submit NDA in 2026. To fully explore the potential of TY-9591, we also applied for and received IND approval for conducting Phase II and Phase III clinical trials of TY-9591 in combination with pemetrexed and cisplatin or carboplatin as first-line treatment in advanced or metastatic lung cancer with EGFR mutations in March 2024. Up to the date of this announcement, we did not receive any concerns or objections regarding to our clinical development plans from the NMPA. We started the preparation for Phase II trial in November 2024 and officially initiated the site in February 2025. We expected to complete the patient enrollment for the Phase II trial in the second half of 2025, and to communicate with CDE for confirmatory clinical study in the first quarter of 2026.

TY-302

TY-302 is a potent, selective oral cyclin-dependent kinase 4/6 ("**CDK4/6**") inhibitor developed for treatment of advanced solid tumors, including breast cancer and prostate cancer. Targeting CDK4/6, a key cell cycle regulator, TY-302 suppresses the phosphorylation of retinoblastoma protein ("**Rb**"), preventing proliferation of cancer cells. TY-302 was modified by H/D exchange of palbociclib, the best-selling CDK4/6 inhibitor in the world. Based on the preliminary safety data collected through our current Phase I/II clinical trial, TY-302 achieved an improved safety profile in respect of AEs in general, especially AEs related to infectious disease, skin and subcutaneous tissue and GI system, based on a non-head-to-head comparison.

We are currently conducting a Phase II clinical trial of TY-302 for treatment of breast cancer and will enter the registrational clinical stage in 2026. We observed that TY-302 achieved a DCR of 71.4% in 14 enrolled breast cancer patients who had previously failed second-line or multiple lines of therapy. We expect to further investigate the combination therapy of TY-302 with toremifene in third- or later-line estrogen receptor positive ("**ER+**")/human epidermal growth factor receptor 2-negative ("**HER2-**") breast cancer that has progressed after second-line endocrine therapy. Breast cancer is the most common cancer in women, and its incidence rises with age, increasing year by year as women age. ER+/HER2- breast cancer is the most common breast cancer subtype, accounting for approximately 70% of the patients.

We will commence a Phase II clinical trial of TY-302 in combination with abiraterone for treatment of prostate cancer in the first half of 2025, exploring TY-302 in combination with abiraterone for treatment of metastatic castration-resistant prostate cancer ("**mCRPC**"), an advanced prostate cancer that is challenging to treat with and does not respond to the standard of care treatment, endocrine therapy. Prostate cancer is an epithelial malignant tumor of the prostate and the most common malignant tumor in the male genitourinary system. After receiving hormone therapy, almost all patients with advanced prostate cancer eventually develop CRPC, and mCRPC is the leading cause of death among them. The primary goals of treatment for mCRPC are symptom control and delaying progression.

TY-2136b

TY-2136b is an independently developed, oral ROS proto-oncogene 1 ("**ROS1**")/neurotrophic tyrosine receptor kinase ("**NTRK**") inhibitor used for the treatment of solid tumors. It was designed to efficiently bind with the active kinase conformation and avoid steric interference from a variety of clinically drug-resistant mutations. The compact structure is believed to allow TY-2136b to precisely and efficiently bind into the adenosine triphosphate ("**ATP**") binding pocket of the kinase, and potentially circumvent the steric interference that results in resistance to bulkier kinase inhibitors. Our current primary focus lies on NSCLC with ROS1 or NTRK mutation.

TY-2136b has demonstrated encouraging safety profile in preclinical studies. In addition, according to our preclinical data, TY-2136b is not only effective against ROS1/NTRK oncogenic gene mutations, but also exhibits high selectivity of ROS1 and NTRK mutations such as ROS1 G2032R mutation and NTRK G595R, which commonly contribute to resistance against existing ROS1/NTRK drugs. Specifically, despite its targeting multiple mutations, TY-2136b does not interfere with JAK/STAT signaling pathway, inhibit Ba/F3 cells overexpressing ABL1 (H396P) mutant kinase, or disrupt SRC kinase activity. In addition, its preliminary efficacy against ROS1 and NTRK mutations has been demonstrated across multiple animal models, showcasing its potential

to address drug resistance against existing ROS1/NTRK drugs. As a result, the FDA has granted Orphan Drug Designation to TY-2136b for the treatment of ROS1-positive, NTRK fusion-positive, anaplastic lymphoma kinase ("**ALK**")-positive or leukocyte receptor tyrosine kinase ("**LTK**")-positive NSCLC. Furthermore, its potential has been recognized and endorsed by Livzon and we have out-licensed the Greater China rights of TY-2136b to Livzon.

We are conducting a Phase I clinical trial in the U.S. under FDA's implied IND approval obtained in November 2021. Leveraging Phase I clinical data, we will communicate with the FDA and prudently design our future clinical development plan of TY-2136b in the U.S.

OTHER PIPELINE PRODUCTS

Our clinical products include the followings:

- TY-2699a is a selective CDK7 inhibitor designed for the treatment of advanced/metastatic solid tumors. Our preclinical studies showed that TY-2699a potentially has improved safety window with blood-brain barrier penetration capability. TY-2699a received implied IND approval from the FDA and IND approval from the NMPA in February 2023 and May 2023, respectively. We are currently conducting a Phase I clinical trial of TY-2699a monotherapy or combination therapy in locally advanced or metastatic solid tumors (especially in HR+/HER2-breast cancer, triple-negative breast cancer (TNBC) and SCLC, pancreatic cancer, head and neck cancer) in China. We have currently completed monotherapy dose-escalation studies across 5 dose groups (5mg, 10mg, 20mg, 40mg, and 30mg, bid) and expect to complete the entire monotherapy dose-escalation phase in the first half of 2025. In addition, we received NMPA approval for conducting clinical trials of TY-2699a under different administration regimens for the treatment of advanced/metastatic solid tumors (breast cancer, pancreatic cancer, nasopharyngeal carcinoma, and other head and neck squamous cell carcinomas) in January 2025. We expect to commence a Phase Ib/II combination therapy trials in the second half of 2025.

- TY-0540 is a selective CDK2 inhibitor intended for the treatment of breast cancer, ovarian cancer, prostate cancer and other solid tumors. We received implied IND approval from the FDA for conducting Phase I/II clinical trials of TY-0540 for the treatment of advanced solid tumors and the IND approval from the NMPA for conducting Phase I clinical trials of TY-0540 in June 2023 and September 2023, respectively. We are currently conducting a Phase I clinical trial of TY-0540 monotherapy in solid tumors in China. We have currently completed monotherapy dose-escalation studies across 5 dose groups (5mg, 10mg, 20mg, 30mg, and 40mg, bid) and officially initiated an expansion study of 30mg monotherapy for breast cancer and ovarian cancer in February 2025. Concurrently, we received an official approval from NMPA for conducting clinical trials of TY-0540 in combination with Fulvestrant for locally advanced/recurrent metastatic breast cancer and TY-0540 in combination with Enzalutamide for locally advanced/recurrent metastatic prostate cancer in February 2025.

- TY-4028 is a potent, irreversible, oral exon 20 insertion-TKI, targeting locally advanced or metastatic NSCLC with EGFR exon 20 or HER2 exon 20 insertions. Patients with exon 20 insertions are associated with primary resistance to targeted EGFR-TKIs and correlate with a poor patient prognosis. TY-4028 presents an innovative, targeted therapy for this specific subset of NSCLC patients. We received implied IND approval from the FDA and the IND approval from the NMPA in April 2023 and June 2023, respectively.

- TY-1091 is a potent and selective rearranged during transfection proto-oncogene ("**RET**") inhibitor. It is intended for the treatment of advanced NSCLC with RET gene fusion, advanced medullary thyroid cancer ("**MTC**") with RET gene mutation and other advanced solid tumors with RET gene alterations. We received implied IND approval from the FDA and the IND approval from the NMPA in August 2022 and December 2022, respectively. We are currently conducting a Phase I clinical trial of TY-1091 in RET fusion-positive solid tumors in China.

- TY-1054 is a small molecule, oral YAP-TEAD inhibitor developed for cancer treatment. The Hippo pathway plays an essential role in cell proliferation, tissue regeneration, and tumorigenesis, the hyperactivation of which induces metastasis, chemoresistance, and the attribute of cancer stem cells. Its dysregulation contributes to 10% of all cancers, including lung cancer, gastric cancer, colon cancer, cervical cancer, ovarian cancer, breast cancer, melanoma, hepatocellular carcinoma and squamous cell carcinoma. The pathway is activated through binding of the YAP/TAZ complex to palmitoylated TEAD. Despite the urgent need to develop a therapeutic strategy to curb the dysregulated pathway, YAP/TAZ is difficult to be directly targeted with small molecule inhibitors, because of the lack of a catalytic niche. Therefore, targeting small molecules that block the palmitoylation of TEAD is an effective strategy. We obtained the implied approval from the FDA for conducting clinical trials of TY-1054 in solid tumors in April 2024. In addition, we submitted an IND application to the NMPA for conducting clinical trials of TY-1054 in solid tumors in April 2024, and obtained IND approval in July 2024.

In addition, we are developing a number of drug candidates in preclinical or early clinical development stage, including CDK4, EGFR (PROTAC), PI3Kα and CDK4/2.

Cautionary Statement as required by Rule 18A.08(3) of the Listing Rules: There is no assurance that our Company will ultimately develop, market and/or commercialize TY-9591, TY-302, TY-2136b, TY-2699a, TY-0540, TY-4028, TY-1091, TY-1054, CDK4, EGFR(PROTAC), PI3Kα, CDK4/2 or any other product candidates successfully. Shareholders and potential investors of our Company are advised to exercise due care when dealing in the Shares.

OUR TECHNOLOGY PLATFORMS

We have established four proprietary and fully-integrated technology platforms centered around the development of new small molecule drugs, which enable us to direct our efforts towards candidates with the best potential to become clinically active, cost-effective and commercially viable drugs:

- **Drug design and screening platform:** Our drug design and screening platform is a small molecule drug discovery platform, currently focusing on kinase. This platform comprises two important functions, namely, kinase biology and small molecule drug discovery. Notably, all our drug candidates (except TY-9591 and TY-302) were conceived and synthesized within this platform, and have garnered recognition from domestic pharmaceutical companies. For example, we out-licensed the Greater China rights of TY-2136b to Livzon when it was in the preclinical stage.

- **Druggability evaluation platform:** Equipped with a druggability evaluation platform, we are capable to conduct a wide range of R&D activities in-house, including drug metabolism and pharmacokinetics ("**DMPK**") studies, in vivo and in vitro bioactivity studies (including animal modeling), toxicity studies, physicochemical characterization, and chemistry, manufacture, and controls processes ("**CMC**") of drug candidates. We are capable to evaluate the efficacy of our drug candidates including kinase inhibitors in-house.

- **Translational medicine platform:** Our translational medicine platform enables us to conduct research on the pathogenesis of tumors and neurological disorders, and systematically search for and identify potential biomarkers and new drug targets. Using genomics, transcriptomics and proteomics methods, we can systematically assess drug effects.

- **AIDD/CADD platform:** Our artificial intelligence drug design (AIDD)/computer-aided drug design (CADD) platform is dedicated to aiding our internal drug discovery team. The artificial intelligence drug design (AIDD) platform integrates cutting-edge computational methods and tools to enhance and refine the computing power and the construction of algorithmic systems. Leveraging extensive internal data and existing business strengths, the Company has expanded into the artificial intelligence drug design (AIDD) sector through a combination of in-house R&D and external collaborations. The project is progressing smoothly, with the local deployment of large language model (LLM) to be completed. Subsequent tasks, including algorithm optimization, training with the latest biomedical data, and application scenario development, will be carried out in a structured manner. AIDD/CADD platform has yielded several pipeline products. For example, TY-2136b, designed to target tyrosine kinases ROS1/NTRK, emerged during lead optimization in CADD. TY-2699a, a CDK7 inhibitor, employed AIDD/CADD in compound design, highlighting the value of AIDD in identifying overlooked aspects to improve therapeutic window.

RESEARCH AND DEVELOPMENT

We consistently devote resources to R&D to pave way for long-term growth. Our R&D costs in 2023 and 2024 amounted to RMB249.3 million and RMB235.4 million respectively. Our in-house R&D capabilities, built on our proprietary technology platforms, are backed by our R&D centers in Huzhou, Zhejiang and Zhengzhou, Henan. Our R&D centers are equipped with advanced laboratories and state-of-art equipment and instruments such as liquid chromatography, liquid chromatography mass spectrometer, and nuclear magnetic resonance. We believe that our integrated capabilities give us the agility to formulate our innovation, registration, commercialization and product optimization strategies that can navigate us through rapidly changing market needs, enable us to improve pipeline viability and expedite the product development cycle at a lower cost. As of December 31, 2024, we had 110 members in our R&D team, around 57% of whom held master's or doctoral degrees in relevant fields. The expertise of our team members spans the entire spectrum of drug development, encompassing drug discovery, medicinal chemistry design and virtual screening, preclinical pharmaceutical research, drug testing and purification, formulation development, clinical research, regulatory submissions and platform construction.

COMMERCIALIZATION

Building upon the existing organizational structure, the Company is progressively expanding its commercialization team to tap into market potential by continuously exploring product sales opportunities and diversifying brand promotion efforts. Through participation in academic conferences, industry partnerships, and platform collaborations, the Company aims to elevate brand recognition within the industry in diversified brand promotion forms.

II. FINANCIAL REVIEW

Revenue

The Group's revenue basically depends on the proceeds generated pursuant to the exclusive license agreement (the "**Livzon Agreement**") with Livzon Pharmaceutical Group Inc. ("**Livzon**") to research, develop, improve, manufacture, use, sell, contract and commercialize ROS1/NTRK/ALK multi-target small molecule broad-spectrum tyrosine kinase inhibitor ("**TY-2136b**") in Greater China.

Our revenue increased from RMB nil for the year ended December 31, 2023 to RMB107,000 for the year ended December 31, 2024 primarily attributable to the increase in revenue from R&D services.

Cost of Sales

Our cost of sales increased from RMB nil for the year ended December 31, 2023 to RMB93,000 for the year ended December 31, 2024 because of the costs incurred by providing R&D technical services.

Gross Profit and Gross Profit Margin

As a result of the reasons described above, our overall gross profit increased from RMB nil for the year ended December 31, 2023 to RMB14,000 for the year ended December 31, 2024. The gross profit margin for the year ended December 31, 2024 was 13.1% primarily attributable to the increase in revenue from R&D technical services.

Other Income and Gains

During the Reporting Period, our other income and gains primarily consisted of government grants, investment income on financial assets at FVTPL, bank interest income and government grants related to interest-free financing.

The Group's other income and gains for the year ended December 31, 2024 was RMB30,542,000, representing an increase of RMB5,114,000 compared to RMB25,428,000 for the year ended December 31, 2023, mainly due to the increase in government grants and bank interest income, partially offset by the decrease in investment income on financial assets at FVTPL.

Research and Development Costs

During the Reporting Period, our R&D costs consisted of (i) trial and testing expenses for our drug candidates, primarily in relation to the engagement of CROs, CDMOs, principal investigators, and other service providers; (ii) staff costs mainly relating to salaries, bonus and other welfare for our R&D personnel; (iii) depreciation and amortization expenses in relation to our R&D equipment and instruments, as well as intangible assets which were used for R&D purpose; (iv) costs of materials consumed in the course of our R&D activities; and (v) other R&D costs, mainly comprising travelling and transportation expenses of our R&D personnel, intellectual property costs and other miscellaneous expenses.

The Group's R&D costs for the year ended December 31, 2024 was RMB235,446,000, representing a decrease of 5.5% compared to RMB249,252,000 for the year ended December 31, 2023. The decrease was primarily attributable to the decrease in preclinical R&D expenses.

The following table sets forth a breakdown of our R&D costs for the dates indicated:

	The year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Trial and testing expenses	**154,608**	176,191
Staff costs	**45,417**	45,650
Depreciation and amortization expenses	**19,677**	18,194
Materials consumed	**2,998**	4,611
Others	**12,746**	4,606
Total	**235,446**	249,252

Administrative Expenses

During the Reporting Period, our administrative expenses primarily consisted of (i) staff costs mainly relating to salaries, bonus and other welfare for our administrative personnel; (ii) general office expenses mainly comprising office expenses, hospitality expenses, travelling and transportation expenses, and utilities used for administrative purpose; (iii) depreciation and amortization expenses for offices, equipment and other assets which were used for administrative purpose; (iv) professional service fees mainly paid to legal advisors, auditors, asset valuers and recruitment consultants; (v) listing expenses; and (vi) other administrative expenses, mainly including tax and surcharges and other miscellaneous expenses.

The Group's administrative expenses for the year ended December 31, 2024 was RMB108,332,000, representing an increase of 82.7% compared to RMB59,306,000 for the year ended December 31, 2023. The increase was primarily attributable to the increase in listing expenses and expenses related to daily operation.

Finance Costs

During the Reporting Period, our finance costs primarily consisted of (i) interest on lease liabilities; (ii) interest expenses of government funding; (iii) bank loan interests; and (iv) transaction cost on issue of redemption liabilities on equity shares.

The Group's finance costs for the year ended December 31, 2024 was RMB12,817,000, representing a decrease of 42.4% compared to RMB22,236,000 for the year ended December 31, 2023. The decrease in finance costs was primarily attributable to the decrease in transaction cost on issue of redemption liabilities on equity shares and interest on lease liabilities, partially offset by the increase in interest expenses of government funding and bank loan interests.

Other Expenses and Losses

Our other expenses and losses increased from RMB15,000 for the year ended December 31, 2023 to RMB1,131,000 for the year ended December 31, 2024.

Income Tax Expenses

The Group did not generate any profits for the years ended December 31, 2024 and 2023. Therefore, there was no income tax.

Loss for the Year

Based on the factors described above, our loss for the Reporting Period increased by 1.2% from RMB383,171,000 for the year ended December 31, 2023 to RMB387,928,000 for the year ended December 31, 2024.

Liquidity and Capital Resources

As at December 31, 2024, the Group had cash and bank balances of RMB460,463,000, including, cash and cash equivalents of RMB374,988,000, term deposits with initial terms of more than 3 months of RMB60,475,000 and pledged deposits of RMB25,000,000. The cash and bank balances increased by 146.5% from RMB186,830,000 as at December 31, 2023. The increase was primarily due to the followings:

- For the year ended December 31, 2024, our net cash used in operating activities was RMB308,252,000, mainly attributable to (i) our loss before tax of RMB387,928,000, as adjusted to reflect non-cash and/or non-operating items, which principally included change in fair value of redemption liabilities on equity shares of RMB60,758,000, depreciation of right-of-use assets of RMB14,393,000, amortization of intangible assets of RMB5,659,000, listing expenses of RMB27,229,000, charge of share-based payment compensation expenses of RMB12,467,000, and finance costs of RMB12,817,000; and (ii) a decrease in trade and other payables of RMB7,111,000.

- For the year ended December 31, 2024, our net cash used in investing activities was RMB135,858,000, primarily attributable to (i) purchase of financial assets at FVTPL of RMB767,168,000; and (ii) purchase of time deposits with original maturity of more than 3 months of RMB120,475,000, partially offset by the disposal of financial assets at FVTPL of RMB774,432,000.

- For the year ended December 31, 2024, our net cash generated from financing activities was RMB632,080,000, primarily as a result of new bank loans of RMB154,150,000 and net proceeds from the Global Offering of RMB580,683,000.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

Capital Expenditure

During the Reporting Period, the Group's total capital expenditure amounted to approximately RMB73,622,000, which was mainly used in purchases of items of property, plant and equipment.

We regularly incur capital expenditures to purchase and maintain our property, plant and equipment in order to enhance our research and development capabilities and expand our business operations. Historically, we have funded our capital expenditures mainly through equity financing and bank borrowings.

Borrowings

As at December 31, 2024, our borrowings were RMB144,175,000 and there was no borrowing as at December 31, 2023. The borrowings were secured and unsecured short-term bank loans with various commercial banks, with effective interest rates ranging from 3.2% to 3.9% per annum. Among them, RMB23,771,000 was fixed-rate loans, and RMB120,404,000 was floating-rate loans. As at December 31, 2024, the Group has no unutilized bank facilities available. As of December 31, 2024, the Group's gearing ratio (total liabilities as a percentage of total assets) was approximately 48.4%, while it was approximately 253.5% as of December 31, 2023.

Commitments

The Group had the following contractual commitments at the end of the Reporting Period:

	Year ended December 31	
	2024	2023
	RMB'000	*RMB'000*
Property, plant and equipment	**36,433**	15,540

Pledge of Assets

As of December 31, 2024, save for the pledge of certain deposit of the Group as security for the Group's borrowings, the Group did not have any major assets pledged.

Contingent Liabilities

As of December 31, 2024, the Group did not have any material contingent liabilities.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in this announcement and the Prospectus, as at December 31, 2024, we did not hold any significant investments, and none of our investments accounted for over 5% of the Company's total asset. For the Reporting Period, except for the potential disposal of the entire equity interest in a subsidiary to an Independent Third Party before our Listing with a consideration of RMB34,900,000 which we are still in the process of completing this transaction, the Group did not have material acquisitions or disposals.

Foreign Currency Risk

The Group was not exposed to significant currency risk, and did not experience any material impact on our operations resulting from fluctuation in exchange rates during the Reporting Period. However, our management monitors our foreign currency risk exposure and will review and adjust our currency risk measures in accordance with our needs. During the Reporting Period, we did not hedge against any foreign exchange fluctuations.

Employees and Remuneration Policies

As at December 31, 2024, we had 153 employees in total. The remuneration package of our employees includes basic salaries, bonuses, and employee benefits, which are generally determined by their qualifications, industry experience, position and performance. We make contributions to social insurance and housing provident funds as required by the PRC laws and regulations. In addition, we provide relevant training to our employees in order to improve their skills and knowledge. We have also adopted the Employee Incentive Scheme in recognition of the contribution of our employees. In addition, we provide relevant training to our employees in order to improve their skills and knowledge.

Future Plan of Material Investment or Acquisition of Assets

Save as disclosed in the Prospectus, the Group did not have detailed future plans for any material investment or acquisition of capital assets as of the date of this announcement.

III. FUTURE AND OUTLOOK

Continuously enhance R&D capabilities and drive business development

Our core competitiveness lies in our understanding of diseases and the mechanisms of drug action. To date, we have achieved remarkable results, and in the future, we will continue to strengthen these capabilities. Meanwhile, we recognize that drugs with new targets and mechanisms of action will enhance our competitiveness in the pharmaceutical industry. Therefore, we have developed several innovative candidate drugs targeting the following relevant targets: YAP-TEAD, CDK4, and EGFR (PROTAC), and plan to continue developing these candidates. Additionally, we plan to actively invest in in-house R&D to seize market opportunities and identify and develop innovative compounds.

With the rapid development of antibody – drug conjugate (ADC) technology, traditional ADC strategies mainly rely on highly toxic chemical toxins as drug payloads. However, the mechanism of action of such toxins is relatively single, and their toxicity is often difficult to precisely control, which may lead to off-target toxicity and safety risks. To overcome the limitations of traditional ADCs, based on our profound experience in small molecule drug development, the Company will embark on the development of a new generation of ADCs. We will make full use of innovative technologies such as highly active small molecule inhibitors, PROTAC (proteolysis-targeting chimeras), and molecular glues, and combine them with the mature antibody technologies in the market to create more efficient and safer next-generation ADCs.

We expect that the next-generation ADC drugs, with their precise targeting and innovative design of small molecule payloads, will break through the boundaries of traditional ADCs in tumor treatment and expand into a wider range of unmet clinical needs. The next-generation ADCs will redefine the boundaries of "targeted therapy" - from oncology to chronic diseases, and from cell killing to functional regulation. Through the in-depth integration of small molecule technologies (such as highly active small molecule inhibition and the catalytic degradation properties of PROTAC and molecular glues), we are expected to provide transformative solutions for diseases that are beyond the reach of traditional therapies.

Incorporate artificial intelligence models and gradually build an industrial production system

The Company will continue to research and develop self – developed cutting-edge products that meet market demand. By leveraging artificial intelligence models and collaborating with top foreign teams, our in-house team can effectively develop new molecules. Relying on our internal team and external AI drug discovery platforms, the Company aims to achieve more breakthroughs in drug R&D, thereby improving R&D efficiency and value, injecting new impetus into the upgrading and development of the Company's business, and promoting the Company's sustainable development. The "New Solid – Dosage Form Factory Project" is an industrialization project of the Company, which adds tablet and capsule production lines. After the completion of this project, the Company's annual production capacity can reach 150 million tablets or capsules, meeting the production requirements for clinical drugs and partial commercialization of the TY-9591 product. The civil engineering of the first phase project passed the completion acceptance on June 30, 2024. It is expected that the production lines of the first phase construction will obtain GMP compliance certification by the end of June 2026 and be ready for production. We believe that the completion of this project will provide production support for the commercialization of more pipeline products.

Explore partnership opportunities and establish commercialization capability to increase the value of our drug candidates

We plan to continue to actively explore business collaboration opportunities with leading industry participants to accelerate our development timelines and maximize the clinical and commercial value of our drug candidates in other key international markets. For example, we will consider forging partnerships with multinational corporations to out-license the overseas rights of our assets as and when appropriate.

Meanwhile, we plan to enhance our business development team, which will continue to closely monitor and keep abreast of the evolving clinical demands, to pursue global opportunities to in-license new drug candidates. We may also selectively acquire or invest in innovative technologies to enhance our R&D capabilities or explore potential combination therapy partners for TY-9591. We will emphasize on assets that have potential synergies with our current pipeline and technology pipeline, and/or have best-in-class and/or first-in-class potential.

The Company's commercialization team has been preliminarily established. The core management personnel possess rich experience in promotion and commercialization. The Company will continuously and steadily advance the construction of the commercialization team to meet its commercial promotion needs. The Company will continue to integrate its advantages in capital, talent, and technology, improve the clinical research platform, accelerate the construction of the industrialization base, and actively promote the commercialization process. We also intend to establish sales and marketing capabilities through a combination of in-house efforts and working with external partners to leverage their sales and marketing expertise and well established networks and resources.

OTHER INFORMATION

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Reporting Period (2023: nil).

CORPORATE GOVERNANCE

We are committed to achieving high standards of corporate governance with a view to safeguarding the interest of our Shareholders. The Company has adopted the CG Code as its own code of corporate governance after the Listing.

From the Listing Date to December 31, 2024, our Company complied with all the code provisions as set out in Part 2 of the CG Code, save and except for the following deviation:

Under paragraph C.2.1 of part 2 of the CG code, the roles of chairperson and chief executive should be separate and should not be performed by the same individual. Dr. WU Yusheng ("**Dr. Wu**") is the chairperson of the Board and the chief executive officer of the Company. With experience in the pharmaceutical industry and having served in the Company since its establishment, Dr. Wu is in charge of overseeing the overall management, business operation and strategies of the Group. Despite the fact that the roles of the chairperson of the Board and the chief executive officer of the Company are both performed by Dr. Wu, which constitutes a deviation from paragraph C.2.1 of part 2 of the CG code, the Board considers that vesting the roles of both the chairperson of the Board and the chief executive officer of the Company all in Dr. Wu has the benefit of ensuring consistent leadership and more effective and efficient overall strategic planning of the Company.

The balance of power and authority is ensured by the operation of the Board and the senior management, each of which comprises experienced and diverse individuals. The Board currently comprises two executive Directors, four non-executive Directors and four independent non-executive Directors, following the resignation of Dr. DING Zhao as non-executive Director. Therefore, the Board possesses a strong independence element in its composition. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and the chief executive officer is necessary.

Our Company will continue to regularly review and monitor our corporate governance practices to ensure compliance with the CG Code and maintain a high standard of corporate governance practices.

Full details of our Company's corporate governance practices will be set out in the forthcoming Company's annual report for the year ended December 31, 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS

Since the Listing Date, the Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors and Supervisors.

The Model Code was only applicable from the Listing Date to December 31, 2024. Upon specific enquiries, all Directors and Supervisors confirmed that they have complied with the Model Code from the Listing Date to December 31, 2024.

The Company's relevant employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company from the Listing Date to December 31, 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Since the Listing Date and up to the date of this announcement, none of the Company or any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares). As at December 31, 2024 and date of this announcement, our Company did not hold any treasury Shares.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

Full Circulation

On December 18, 2024, The China Securities Regulatory Commission (CSRC) issued a filing notice ("**Filing Notice**") to the Company regarding the application submitted by the Company on behalf of some shareholders to the CSRC for converting a total of 173,641,645 Unlisted Shares they held into H shares and listing on the Stock Exchange ("**Conversion and Listing**"). According to the Filing Notice, the CSRC Filing in relation to the H Share Full Circulation, in respect of the conversion of 173,641,645 Unlisted Shares held by 25 shareholders of the Company into 173,641,645 H shares has been completed. Furthermore, the Listing Approval was granted by the Stock Exchange on February 10, 2025. The conversion of 173,641,645 Unlisted Shares into H shares had been completed on February 18, 2025, and the listing of the Converted H Shares on the Stock Exchange have commenced at 9:00 a.m. on February 19, 2025.

Please refer to the announcements of the Company dated December 19, 2024, February 10, 2025 and February 18, 2025 for details.

Save as disclosed above, the Group did not have any other material subsequent events after the Listing Date and up to the date of this announcement.

AUDIT COMMITTEE

The Board has established the Audit Committee with written terms of reference in accordance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The Audit Committee is composed of two independent non-executive directors, Mr. ZHANG Senquan and Dr. LENG Yuting, and one non-executive director, Dr. LI Jun. Mr. ZHANG Senquan serves as the Chairman of the Audit Committee, and he possesses the appropriate professional qualifications required by Rules 3.10(2) and 3.21 of the Listing Rules.

The main responsibilities of the Audit Committee include, but not limited to:

(i) Supervising the issuer's financial reporting system, risk management and internal control system;

(ii) Acting as the main representative between the Company and the external auditor, and being responsible for monitoring the relationship between the two;

(iii) Performing other duties and responsibilities assigned by the Board, including but not limited to:

- Proposing the engagement or replacement of the external auditor, and supervising and evaluating the work of the external auditor;
- Directing the internal audit work, and supervising the Company's internal audit system and its implementation;
- Coordinating the communication among the management, the internal audit department and relevant departments with the external audit firm;
- Reviewing the Company's financial reports and expressing opinions thereon, and examining the Company's financial information and its disclosure;
- Reviewing the Company's internal control system and evaluating the effectiveness of internal control;
- Examining matters related to the appointment or dismissal of the Company's chief financial officer, and providing professional opinions to the Board for consideration; and
- Other matters stipulated by laws, administrative regulations, rules, securities regulatory authorities and authorized by the Company's Board.

The Audit Committee, together with the management, has reviewed the accounting standards and policies adopted by the Group, and discussed internal control and financial reporting matters, including the review of the audited consolidated financial statements for the year ended December 31, 2024.

SCOPE OF WORK OF ERNST & YOUNG

The financial data set out in this announcement in the consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income and the related notes of the Group for the year ended December 31, 2024, have been checked by Ernst & Young, the auditor of the Group, and are consistent with the data in the consolidated financial statements of the Group for the Reporting Period. The work carried out by Ernst & Young in this regard does not constitute an assurance engagement conducted in accordance with the Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements (issued by the Hong Kong Institute of Certified Public Accountants). Accordingly, Ernst & Young has not expressed any opinion or assurance conclusion on this announcement.

ANNUAL GENERAL MEETING

The Company will hold its Annual General Meeting on June 26, 2025. The notice of the Annual General Meeting will be published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.tykmedicines.com) and despatched to the Shareholders (if requested) in the manner required by the Listing Rules in due course.

CLOSURE OF THE H SHARE REGISTER AND ASCERTAINING OF ELIGIBILITY FOR ATTENDING THE AGM

In order to determine the holders of H shares who are entitled to attend and vote at the upcoming Annual General Meeting, the H Share register of the Company will be closed from June 23, 2025 to June 26, 2025 (both dates inclusive), during which no H Share transfer will be registered.

To be eligible to attend the Annual General Meeting and vote, all completed transfer documents (accompanied by the relevant share certificates) must be submitted to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration before 4:30 p.m. on June 20, 2025.

PUBLICATION OF THE 2024 CONDENSED CONSOLIDATED ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tykmedicines.com). The 2024 annual report of the Company containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company and despatched to the Shareholders (if requested) in due course.

RESIGNATION OF NON-EXECUTIVE DIRECTOR

The Board hereby announces that Dr. DING Zhao ("**Dr. Ding**") has tendered his resignation as a non-executive Director of the Company, with effect from March 27, 2025, in order to devote more time to other business commitments. Dr. Ding confirmed that he has no claim against the Company in respect of his resignation and has no disagreement with the Board and the Company. Dr. Ding further confirmed that there is no other matter in relation to his resignation that should be brought to the attention of the Shareholders and the Stock Exchange. The Board would like to express its sincere gratitude and appreciation to Dr. Ding for his valuable contributions to the Company during his tenure of services as a non-executive Director.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Pursuant to Rule 13.51(1) of the Listing Rules, the Board hereby announces that the Board has proposed to make the following amendments to the existing Articles of Association (the "**Proposed Amendments to the Articles**"), for the purposes of, among others, (i) in view of the Company's business needs; (ii) reflecting the current Company Law of the People's Republic of China (《中華人民共和國公司法》) which took effect on July 1, 2024; and (iii) reflecting the Company's recent completion of full circulation of H Shares. The Proposed Amendments to the Articles are as follows:

Articles before amendment	Articles after amendment
Article 3 Upon filing with the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") on July 4, 2024, the Company made an initial public offering of 192,586,173 overseas listed foreign shares ("H Shares"). The H Shares were listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on August 20, 2024. Shares issued by a company but not listed or quoted on domestic or overseas stock exchanges are referred to as unlisted shares. After issuance and listing of shares overseas by the Company, shareholders holding unlisted shares of the Company may convert their unlisted shares into overseas listed shares that are listed for trading on overseas stock exchanges, as permitted by relevant laws, administrative regulations and departmental rules. The listing and trading of such shares on overseas stock exchanges shall also be subject to the regulatory procedures, regulations and requirements of the domestic and overseas stock markets. In the case of the conversion of the abovementioned unlisted shares into overseas listed shares that are listed for trading on overseas stock exchanges, it is not required to convene a shareholders' general meeting to vote on the matter.	**Article 3** Upon filing with the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") on July 4, 2024, the Company made an initial public offering of 192,586,173 overseas listed foreign shares ("H Shares"). The H Shares were listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on August 20, 2024. Shares issued by a company but not listed or quoted on domestic or overseas stock exchanges are referred to as unlisted shares. After issuance and listing of shares overseas by the Company, shareholders holding unlisted shares of the Company may convert their unlisted shares into overseas listed shares that are listed for trading on overseas stock exchanges, as permitted by relevant laws, administrative regulations and departmental rules. The listing and trading of such shares on overseas stock exchanges shall also be subject to the regulatory procedures, regulations and requirements of the domestic and overseas stock markets. In the case of the conversion of the abovementioned unlisted shares into overseas listed shares that are listed for trading on overseas stock exchanges, it is not required to convene a shareholders' general meeting to vote on the matter. On December 18, 2024, after further filing with the China Securities Regulatory Commission, the Company converted the remaining 173,641,645 unlisted shares into overseas listed foreign shares. The Company has an aggregate of 366,227,818 H Shares in issue.

Articles before amendment	Articles after amendment
Article 14 Registered in accordance with the law, the Company's business scope is as follows: technology development, transfer and service of new drugs, medical devices, health products and intermediates of drugs, entrusted drug production, drug production, medical research and experimental development, information consulting services (except for the content of special administrative measures for the entry of foreign investment) (for items subject to approval according to law, approvals from the relevant authorities must be obtained prior to the commencement of operation).	**Article 14** Registered in accordance with the law, the Company's business scope is as follows: ~~technology development, transfer and service of new drugs, medical devices, health products and intermediates of drugs,~~ licensed items: entrusted drug production, drug production (for items subject to approval according to law, approvals from the relevant authorities must be obtained prior to the commencement of operation and the specific items shall be subject to the approval results), drug retail, drug wholesale. General items: medical research and experimental development; technical services, technical development, technical consultation, technical exchanges, technical transfer, technical promotion; information consulting services (excluding information consulting services that require licenses) (Except for items subject to approval according to law, independently carry out business activities according to law with a business license). ~~(except for the content of special administrative measures for the entry of foreign investment) (for items subject to approval according to law, approvals from the relevant authorities must be obtained prior to the commencement of operation).~~
Article 197 The Articles of Association shall be effective and come into force from the date on which it was passed by Company's extraordinary general meeting. When amended, it shall take effect upon approval by a special resolution at a shareholders' general meeting.	**Article 197** The Articles of Association shall be effective and come into force from the date on which it was passed by Company's ~~extraordinary~~ general meeting. When amended, it shall take effect upon approval by a special resolution at a shareholders' general meeting.

Save as disclosed above, the contents of the other articles of the Articles of Association remain unchanged. The Proposed Amendments to the Articles are subject to the consideration and approval of the Shareholders by way of a special resolution at the forthcoming AGM and will become effective upon approval by the Shareholders at the AGM. A circular containing, among others, details in respect of the Proposed Amendments to the Articles, together with the notice of the AGM and the related proxy form, will be sent to the Shareholders in the manner as they elect to receive corporate communications and published on the websites of the Stock Exchange and the Company in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

"AGM" or "Annual General Meeting"	the forthcoming annual general meeting of the Company to be held on June 26, 2025
"Articles of Association"	the articles of association of the Company currently in force
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"Board of Supervisors"	the board of Supervisors
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "the PRC"	the People's Republic of China excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Companies Ordinance"	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
"Company" or "our Company"	TYK Medicines, Inc (浙江同源康醫藥股份有限公司), a joint stock company incorporated in the PRC with limited liability on November 2, 2017
"Director(s)"	the director(s) of the Company or any one of them
"Global Offering"	has the meaning as ascribed to it in the Prospectus
"Group", "our Group", "our", "we", or "us"	the Company and its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it

"H Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and to be listed on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Listing"	listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	August 20, 2024, on which the H Shares were listed and dealings in the H Shares first commenced on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Prospectus"	the prospectus of the Company dated August 12, 2024
"Reporting Period"	the year ended December 31, 2024
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including both Unlisted Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Supervisor(s)"	member(s) of the Board of Supervisors
"Tetranov Pharmaceutical"	Tetranov Pharmaceutical (Zhengzhou) Co., Ltd.(鄭州泰基鴻諾醫藥股份有限公司)(formerly known as Tetranov Pharmaceutical Technology (Zhengzhou) Co., Limited(鄭州泰基鴻諾藥物科技有限公司)), a company incorporated in the PRC with limited liability on November 26, 2007 and one of our controlling shareholders

"Unlisted Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each and are not listed on any stock exchange
"U.S. dollars" or "USD"	United States dollars, the lawful currency of the United States
"%"	per cent

By Order of the Board
TYK Medicines, Inc
(浙江同源康醫藥股份有限公司)
Dr. WU Yusheng
Chairman, Executive Director and Chief Executive Officer

Hong Kong, March 27, 2025

As at the date of this announcement, the Board comprises Dr. WU Yusheng and Dr. JIANG Mingyu as executive Directors, Dr. LI Jun, Dr. GU Eric Hong, Dr. MENG Xiaoying and Mr. HE Chao as non-executive Directors, and Mr. ZHANG Senquan, Dr. LENG Yuting, Dr. XU Wenqing and Dr. SHEN Xiuhua as independent non-executive Directors.