

GalaxyCore Inc.

# **2025 Corporate Value and Return Enhancement Action Plan**



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## Company Profile



GalaxyCore Inc. (hereinafter referred to as "GalaxyCore" or "the Company"), which is committed to practicing its corporate mission of "Showcasing China's innovation and the integrity of Chinese enterprises worldwide", actively responds to and thoroughly implements the special action initiative for "corporate value and return enhancement". It always upholds that the investors are essential for markets and listed companies are foundations for markets as its core concept. In order to safeguard the legitimate rights and interests of all shareholders, the 2024 Corporate Value and Return Enhancement Action Plan was released on April 27, 2024 in reliance upon its firm belief in the Company's future development prospects and its deep recognition of the Company's long-term value. Subsequently, the Company released the Semi-annual Assessment Report on the 2024 Corporate Value and Return Enhancement Action Plan on August 16, 2024, which comprehensively and objectively demonstrated the remarkable results achieved by the Company in active deployment and conscientious implementation according to the Corporate Value and Return Enhancement Action Plan.

To further enhance the investors' confidence in the capital market and attract more long-term financial support and participation, the Company took the initiative to assume the main responsibility and conducted a comprehensive, thorough review of the implementation of the 2024 Corporate Value and Return Enhancement Action Plan. Besides, in combination with its own development strategies and actual operating conditions, the Company has drafted its 2025 Corporate Value and Return Enhancement Action Plan from six key perspectives, namely improving operations, increasing investors' returns, accelerating the development of new quality productive forces, strengthening communication with the investors, maintaining standardized operations, and strengthening the accountability for the "key minority", etc.

# In-depth Innovation of Operation Model and Product Mix for Comprehensive Improvement of Operations

1

The Company is one of the leading domestic and internationally renowned companies that design semiconductors and integrated circuits. Its principal businesses include R&D, design, manufacturing, packaging, testing and sales of CMOS image sensors and display driver chips. At present, the Company mainly provides QVGA (80,000-pixel) to 50 million-pixel CMOS image sensors, LCDs with resolution ranging between QQVGA and FHD+, as well as HD and FHD TDDI display driver chips. Mainly used in the field of mobile phones, the products are widely used in consumer electronics and industrial applications, including tablets, laptops, wearable devices, mobile payment and automotive electronics.

In 2024, the Company realized the operating revenue of RMB **6383.25 million**, with a year-on-year increase of **35.9%**. The net profit attributable to the owner of the parent company amounted to RMB **186.81 million**, with a year-on-year increase of **287.2%**. The net profit attributable to the owner of the parent company amounted to RMB **70.66 million** net of the nonrecurring profit and loss, with a year-on-year increase of **14.54%**. The EBITDA (earnings before interest, taxes, depreciation and amortization) approximately amounted to RMB **1.4 billion**, with a year-on-year growth of more than **100.00%**

2024

The Company Realized The Operating Revenue Of RMB	6383.25million	Year-On-Year Increase	35.9%
The Net Profit Attributable To The Owner Of The Parent Company Amounted To RMB	186.81million	Year-On-Year Increase	287.2%
The Net Profit Attributable To The Owner Of The Parent Company Amounted To RMB	70.66million	Year-On-Year Increase	14.54%
EBITDA (earnings before interest, taxes, depreciation and amortization)	1.4billion	Year-On-Year Increase	100.00%



In 2024, the Company's business development in its product lines tended to be diverse and favorable as a whole.

In the field of mobile CMOS image sensors, the Company's shipments of products with 13 million pixels and above increased rapidly, and its operating revenue increased significantly. Besides, the Company developed and iterated more high-performance products based on high-pixel single-chip technology and self-developed single-frame high dynamic range technology. Following the mass production of 32-megapixel products, 50-megapixel products also achieved mass production during the reporting period, recognized by many well-known domestic and foreign consumer electronics brands;

In the field of non-mobile CMOS image sensors, the Company continuously promoted 4 million and 8 million-pixel products to empower applications such as smart cities, smart homes, and conference systems. The shipments of 4 million-pixel products continuously increased, and 8-million pixel products were successfully put into mass production and shipment, thus further expanding the space for the Company to earn revenues;

In the business field of display driver chips, the Company introduced many well-known mobile phone brands of TDDI products with HD and FHD at home and abroad. The sales proportion of TDDI products further increased. Besides, the

Company continuously promoted the R&D of AMOLED display driver chips. AMOLED products will successively be launched for wearable devices and smart mobile phones.

Besides, the Company continuously deepened the Fab-Lite model. As a subsidiary of the Company, Galaxycore Semiconductor (Shanghai) Co., Ltd.(hereinafter referred to as "Galaxycore Semiconductor") further improved its self-operation capability, changing its products from 8-megapixel CMOS image sensors to those products with 13 million and above pixels. The unit value of the products increased, providing guarantee for Galaxycore Semiconductor to realize cash cost break-even. In addition, in 2024, Galaxycore Semiconductor successfully passed the IATF16949: 2016 Automotive Industry-quality Management System compliance certification, laying a solid foundation for Galaxycore Semiconductor to enter the automotive pre-installation market and provide high-quality automotive products for the industry.

In 2025, the Company will continue deepening the industrial layout, deeply adjust and optimize its product mix, strengthen the refined management of cost control, focus more on the development of core principal businesses, and fully promote the overall improvement of operations to ensure consolidation and enhancement of its comprehensive competitiveness:





## 01

### Further Improvement of the Product Mix for Guaranteeing Autonomy and Controllability of the Industrial Chain

In terms of its production capacity, Galaxycore Semiconductor mainly focuses on the production of mid to high-end CIS products. This is not only favorable for supplementing and improving the existing business lines, but also significantly updates the product line layout. It has laid a solid foundation for the Company to achieve in-depth resource integration on the chip design side and manufacturing side. It will significantly improve the Company's design capabilities and processes in the field of image sensors. In the second half of 2025, the Company expects to convert all the production capacity of Lingang Plant into high-pixel production capacity, further enhance its core competitiveness and provide strong support for it to expand its market share, consolidate and expand its leading advantages.

Besides, the Fab-Lite model empowers the Company with highly responsive chip R&D, design and development customization capabilities, which accurately meet the personalized customization needs of industry customers, thus winning orders from more brands. The Company will continue upholding its core business philosophy and strategic focus of "design and manufacturing integration", strive to improve R&D innovation efficiency and accelerate the process for its industrial chain to become autonomous and controllable.

In the future, the Company will unswervingly promote its planning for productizing the customer demand-oriented core technologies, ensure continuous leadership in technological R&D, and achieve accurate matching of factory production capacity. Through its unremitting efforts, the Company aims to catch up with and surpass international leading companies in terms of design, technologies and other capabilities, in an attempt to achieve leapfrog development.





## 02

### Achieving Development in Cost Reduction and Corporate Value Enhancement, and Improving Return on Capital Efficiency



With rich experience in manufacturing process innovation, it has created a series of characteristic process routes to cut costs while ensuring product performance. Compared with other products with the same performance, it has achieved leaner cost control. In addition, the Company continuously strengthens its liquidity risk management and increases the proportion of medium and long-term debts. The Company will continue strengthening the controllability of debt risks through measures such as diversifying financing sources and strengthening financial analysis and management systems, in order to provide solid financial support for its stable operation and sustainable development.

In the future, the Company will highly concentrate on the return on investment. In the process of actively deploying its industrial structure and vigorously promoting the upgrading of its product mix, the Company will thoroughly implement and earnestly implement the concept of cost reduction and corporate value enhancement, making every effort to create more substantial returns for investors and seek substantive benefits.

## 03

### Planning of the Industrial Layout in Advance and Deepening the Long-term Development of the Industry

In recent years, the wave of AI has brought about great innovations to terminals of consumer electronics, including existing markets such as mobile phones and PCs, as well as emerging industries such as AI glasses and robots. Meanwhile, the rapid development of new energy vehicles promotes the realization and continuous iteration of intelligent driving. The Company keeps paying attention to the impacts of emerging industries on the CIS industry, actively discusses and deploys relevant technical reserves and product R&D, including further developing the Company's original COM packaging technology, realizes cost reduction, miniaturization and heat reduction at the module level based on chip design, empowers the CIS products in the fields of automotive regulations and AI glasses, enhances the competitiveness of its products in emerging fields, makes full use of its advantages in the integration of R&D, manufacturing, packaging, test, and promotes the productization of core technologies in emerging fields.

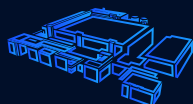
In addition, in order to actively respond to the call of the central government to "take integrated circuits as a strategic industry, cling to the industry, and achieve leapfrog development", further accelerate and promote its rapid business growth, the Company participates in the establishment of industrial funds, with a view to deeply integrating the extensive resources of partners from all parties, rich investment management experience and financial advantages of fund managers, to pool their efforts and concentrate on related industries (including integrated semiconductor circuits, new materials, new energies, high-end intelligent equipment and new-generation information technologies), in an attempt to achieve layout and breakthroughs in multiple cutting-edge scientific and technological fields, and in hope of working hand in hand with all partners to create brilliance and realize the wonderful vision of win-win development.

In the future, the Company will continue to uphold the concept of open cooperation, continuously expand and deepen its industrial layout. The Company will examine market dynamics and industry trends with a broader strategic vision, actively seek and seize development opportunities. Besides, the Company will always maintain keen insight, seek valuable opportunities for industrial synergy in a timely manner, further enhance its overall competitiveness, promote its leapfrog development in various businesses, and lay a solid foundation for its long-term development.



## Promoting Joint Development through R&D and Jointly Cultivating New Quality Productive Forces

## 2



The Company believes that for the new quality productive forces, creative and leading technologies are the foremost, followed by the scale effect. It is particularly important to form a certain scale and volume based on the technological innovations. Finally, the upstream and downstream synergy and promotion will be realized. The core enterprises that master new quality productive forces drive economies of scale through their own technological innovations, thus realizing coordinated development upstream and downstream.

In 2024, the Company continued promoting the progress of various key R&D projects that have reached domestic and international advanced levels based on its original high-pixel single-chip technologies, including R&D projects of miniaturized 0.6  $\mu\text{m}$  high-pixel CMOS image sensors, third-generation back-illuminated sub-micron high-pixel CMOS image sensor chips, smart wearable AMOLED display driver chips and second-generation new pixels. The Company sped up the transformation of core technologies into products, maintained its leadership and core competitiveness within the industry, and steadily promoted its development.

The Company will continue sticking to independent R&D, maintain stable R&D investment, actively implement the concept of "new quality productive forces", and create "high-technology, high-efficiency and high-quality" new quality productive forces based on the Fab-Lite operation model with innovation being the primary driving force:



01

Increasing Investment in R&D Resources, Breaking through Blockades, Shaping and Strengthening independent Technology Roadmaps

During the reporting period, the Company's research projects in progress were carried out steadily, and a series of key phased results with critical significance were achieved. For example, the 1.0 μm 50-megapixel GC50B2 was put on the market and was applied in the main rear camera of Transsion mobile phones in early 2025. Meanwhile, based on the innovative GalaxyCell ® 2.0 process, the Company launched two high-performance mobile phone image sensors: second-generation 0.7 μm 50-megapixel CIS GC50E1 and HDR 13-megapixel CIS GC13B0 with high frame rate, which achieved significant breakthroughs in pixel performance and brought purer image quality performance, which will meet the brands' higher requirements for image quality of mobile phones.

To facilitate the outcome transformation, the Company's R&D investment increased year by year, amounted to RMB 0.952 billion in 2024, with a year-on-year growth of 19.66%.

0.952billion  
2024 Company R&D Investment

19.66%  
Year-On-Year Increase

SN	Project name	Progress or phased results	Target to be achieved	Technical level	Specific application prospects
1	Second generation new pixel R&D project	In progress	Develop a 0.64μm 50M pixel image sensor, where a new pixel architecture is used for the 0.64μm pixels to fully isolate pixels.	Internationally advanced	CMOS image sensor chip
2	R&D project for miniaturized 0.6μm high-pixel CMOS image sensors	In progress	Develop 50M pixel image sensors based on ultra-small 0.61μm pixels and HD difference algorithm	Internationally advanced	CMOS image sensor chip
3	R&D project for miniaturized 0.6μm high-pixel CMOS image sensors	In progress	Add AON feature to high-performance 0.7μm BSI CMOS image sensors	Internationally advanced	CMOS image sensor chip
4	R&D project for miniaturized 0.6μm high-pixel CMOS image sensors	In progress	Develop OLED display driver chips for smartphones	Internationally advanced	CMOS image sensor chip
5	R&D project for high-performance 1.0μm high-pixel CMOS image sensors	In progress	Create high-performance 1.0 um high-pixel products through newly developed process technology, logical architecture, digital algorithm, analog circuit, and packaging technology	Internationally advanced	CMOS image sensor chip



6	R&D of the third generation back-illuminated submicron high pixel CMOS image sensor chips	In progress	Create high-performance 0.8 $\mu$ m BSI CMOS image sensors through newly developed process technology, logical architecture, digital algorithm, analog circuit, and packaging technology	Internationally advanced	CMOS image sensor chip
7	R&D of smart wearable AMOLED driver chips	In progress	Develop smart wearable AMOLED driver chips	Domestically advanced	Display driver chip
8	R&D of high performance and low cost QQVGA resolution display driver chips	In progress	Develop high performance and low cost QQVGA resolution (128RGB*160) display driver chips	Internationally advanced	Display driver chip
9	Add AON feature to high-performance 0.7 $\mu$ m BSI CMOS image sensors	In progress	Develop an excellent image sensor with optical format of 1/3. 75", image resolution of 1.3M (1,280×960), ultra-high photosensitivity, ultra-low noise and ultra-high dynamic range	Internationally advanced	CMOS image sensor chip
10	R&D of qHD TDDI chips for smartphones	In progress	Develop qHD TDDI LCD driver chips	Domestically advanced	Display driver chip

The Company also fully highlights the application for and protection of intellectual property rights in respect of the R&D outcomes. During the reporting period, it applied for 204 new intellectual property projects, and a total of its 58 intellectual property rights were granted. As of December 31, 2024, the Company was granted a total of 16 international patents, 273 domestic invention patents, and 214 utility models.

In the future, the Company's main goal is still to break through the technological leadership and monopoly represented by stacked technology architecture that has been built by international leading companies in the field of high-pixel CIS over many years, and to embark on an independent technology roadmap based on the high-pixel single-chip integration technology. Internally, the Company will build a more efficient endogenous product R&D model and create a closed-loop mechanism from product design to mass production, thus greatly improving its R&D efficiency, becoming cutting-edge within the industry in the field of high-pixel CIS, and satisfying the customers' ever-changing product requirements.



## 02

## Integration of Industry, Academia and Research, and Simultaneous Promotion of Talent Incentives to Consolidate the Foundation for the Echelon of Scientific Research Talents

In 2024, the Company actively participated in industry-academia-research cooperation activities in the industry of integrated circuits for the purpose of promoting scientific innovation, talent training, joint development, and win-win cooperation. The Company studied cutting-edge technology projects by working closely with several higher education and scientific research institutions. For instance, the Company jointly built practice bases with the higher education institutions, further promoting the deep integration of education and industries by building joint laboratories, hiring corporate tutors, empowering the higher education institutions in quality of talent training, and achieving mutual benefits and win-win results between schools and enterprises. It joined hands with the scientific research institutions to deeply explore the collaborative mode of the industry-academia-research cooperation platform, to jointly break through technical issues. The Company funded China Adolescents Science and Technology Innovation Contest, accurately focused on scientific and technological talents, and deeply explored the "future stars" with great potential.

Excellent talents are important foundations and driving forces for the development of semiconductor enterprises and sources of vitality for technological innovations. In 2024, the Company had a total of 923 R&D employees, with an increase of 240 compared with the same period of the preceding year, accounting for 44.5% of its employees. Among the R&D personnel, more than 50% held a master's degree or higher. The core technical R&D team was stable, and the echelon construction was further improved. The reserves of scientific research forces were further improved. Meanwhile, the Company attached great importance to the continuous investment in and the positive incentives for the R&D team, formulated and published an incentive plan, where the revenue from the product lines of 13 million pixels and above was taken as the assessment index, to fully mobilize the enthusiasm and creativity of the team, effectively enhance the cohesion of the core team and its own core competitiveness, and effectively combine the interests of itself, its shareholders and core team, so that all parties could pay attention to its long-term development and ensure the realization of the Company's development strategies and business objectives.

923

The Company Had A Total Of  
923 R&D Employees

240

An Increase Of 240 Compared With  
The Same Period Of The Preceding Yea

44.5%

Accounting For 44.5%  
Of Its Employees

50%

More Than 50% Held  
A Master's Degree Or Highe

In 2025, the Company will unswervingly adhere to the core "talent-oriented" concept, focus on the grand blueprint for future development planning, accurately adapt to the current trend of talent demand, attract and introduce diversified professional talents in order. The Company will meticulously build a talent echelon with reasonable structure and distinct levels, constantly improve its talent acquisition and training system, and continuously optimize the organizational structure of its R&D team. The Company will strive to build an excellent growth and development platform for every talent to lay a solid backup foundation for its medium and long-term sustainable development.



## Improving Internal Governance and Adhering to Standardized Operation

# 3

### 01

#### Establishing and improving the Institutional System and Empowering the Governance Hub

In accordance with the relevant provisions of pertinent laws, regulations and normative documents such as the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, and the Guidelines for the Articles of Association of Listed Companies, the Company has continuously improved its corporate governance structure. So far, the Company has established a standardized operation system with the shareholders' meeting, board of directors, special committees and senior management personnel as the core.

In 2024, the Company revised the Articles of Association and the rules of procedure for special committees of the Board of Directors, optimized the selection procedures of audit institutions, and formulated the selection system of the audit agency. According to the Administrative Measures for Independent Directors of Listed Companies and the Working System for Independent Directors, the Company further clarified the responsibilities of independent directors, optimized their methods for performing their duties, regularly evaluated their independence, and fully played their roles as independent directors.

In 2025, the Company will attach great importance to the latest revision and release of a series of regulatory rules such as the Guidelines for the Articles of Association of Listed Companies, and adjust its governance structure in a timely manner accordingly to ensure the standardization and compliance of its operations and effectively safeguard the legitimate rights and interests of its investors. Meanwhile, the Company will continuously deepen its construction of the internal control system, constantly improve and perfect the internal control system, comprehensively and systematically sort out its original systems in time pursuant to the latest laws, regulations and relevant provisions, and make necessary revisions, supplements and improvements based on its actual situation. In addition, the Company will strictly implement the internal control system, strengthen the supervision and inspection of its internal control, continuously improve its internal control management, effectively prevent and eliminate various risks, and promote its healthy, sustainable development.





## 02

### Building a Diversified Board of Directors to Facilitate Faster and Efficient Governance

In order to ensure the independence of the Board of Directors and the effectiveness of business decision-making, the Company has appointed an appropriate number of independent and external directors to ensure that the Board of Directors can exercise its powers independently and provide objective neutral suggestions in the Company's decision-making process. In 2024, the Company convened 9 meetings for the Board of Directors, 1 meeting for the Strategy Committee, 6 meetings for the Audit Committee, 2 meetings for the Nomination Committee, 4 meetings for the Remuneration and Evaluation Committee, and 1 special meeting for independent directors.

9

Organize and Convene a Board Meeting

1

Strategy Committee Meeting

6

Audit Committee Meeting

2

Nomination Committee Meeting

4

Compensation and Evaluation Committee Meeting

1

Independent Directors Special Meeting

In the future, the Company will continue to strengthen the diversification of the Board of Directors and strive to build a leadership core with insight and decision-making power. The Company will enrich the visions of the Board of Directors by attracting talents from different backgrounds, to better respond to the complex, ever-changing market environment, consider the demand of various stakeholders more comprehensively, make the Company's strategy formulation more realistic, and steadily promote the Company's sustainable development within the industry.





## 03

### Embracing the Concept of Sustainable Development and Improving ESG

The Company actively practices the ESG concept, further improves its ESG while pursuing economic benefits, promotes further integration of its ESG work into daily operations management, and enhances its sustainable development capability. The Company has disclosed ESG reports for three consecutive years to respond more comprehensively to the concerns of the capital market and the public about its sustainable development from the perspective of conveying corporate social responsibility.



In the future, the Company will focus on integrating its ESG concept into its corporate governance and systematically create a new model of sustainable development: By improving the governance structure and strengthening compliance risk control, it will lay a solid foundation for decision-making, take R&D and innovation as engines to promote industrial upgrading, continuously promote the talent value co-creation system and stimulate the internal vitality of the organization. Meanwhile, the Company will build a transparent and mutually trusting shareholder value transfer mechanism to continuously improve the value co-creation capability of the stakeholder network.



## 04

### Optimizing the Support System to Fully Guarantee the Independent Directors' Performance of Their Duties

The Company actively brings the roles of its independent and external directors into play in corporate governance, provides convenient conditions for them to perform their duties, fully reports its operating conditions and major matters to independent directors in time, and submits relevant documents to provide comprehensive and convenient conditions for the independent directors to perform their duties. The Company provides necessary working conditions and personnel support for the independent directors to perform their duties, and designates the office of the Board of Directors as for communication and liaison to ensure that the independent directors can carry out efficient on-site work.

In the future, the Company will continue implementing the reform requirements of the independent director system, further leverage the professional expertise of its independent directors, ensure that they can perform their duties independently and fairly, to provide a solid guarantee for its steady development.





## Consolidating the Responsibilities of the "Key Minority" and Facilitating "Stable, Favorable" Development of the Company

4

01

### Continuously Establishing a Scientific and Reasonable Remuneration Evaluation and Incentive System



The Company's remuneration system follows the basic logic of making every effort to create value, scientifically evaluating value and reasonably distributing value. The remuneration of senior management personnel consists of basic remuneration and performance bonus, among which, the latter shall be paid based on the annual operation and appraisal. The performance appraisal and remuneration of the Company's management are combined with the Company's long-term development and shareholder interests. The Company's management and shareholders share risks and benefits, which is conducive to stimulating the enthusiasm of the management, protecting the interests of the Company's shareholders and driving the Company's long-term stable development.

In the future, the Company will continuously adhere to the management mechanism that will place equal emphasis on incentives and assessments, closely focus on the key indicators of major projects, clarify the project responsibilities of departments at all levels, fully stimulate the innovation and creativity potential of the talent team, and comprehensively improve the operational efficiency and effectiveness of the organization. It will identify various risks, and promote its healthy, sustainable development.

02

### Strengthening the Compliance Awareness of the "Key Minority" and the Ability to Perform Their Duties



The Company attaches great importance to the standardized performance of duties by the "key minority" such as controlling shareholders, actual controllers, directors and senior managers. The Company always pays attention to the changes in regulatory policies, and conducts policy research and study, so that the "key minority" can adapt to changes under the regulatory environment in a timely manner. The Company regularly organizes relevant personnel to take part in the training hosted by regulatory authorities, listed companies and associations to cultivate compliance awareness.

In 2024, the "key minority" of the Company participated in relevant special training several times. In the future, the Company will continue actively arranging the directors, senior managers and other relevant personnel to participate in relevant training activities organized by China Securities Regulatory Commission, Shanghai Stock Exchange, China Association for Public Companies.. Furthermore, the Company plans to internally conduct or invite external intermediaries to the Company to conduct special training, which will cover corporate governance, information disclosure standards, independent directors' performance of duties, the latest policies and regulations. By continuously organizing and studying relevant laws, regulations and policy documents in the capital market, it will continuously improve the performance ability and professionalism of the "key minority", thereby continuously enhancing its standardized operation capability.



## 03

### **Voluntary Extension of the Lock-up Period Conveys Confidence in the Company's Future Development Prospect**



Being responsible to the public shareholders, the Company's controlling shareholders voluntarily extended the lock-up period of their 1,050,000,000 shares held by them in the Company and subject to the sales restrictions in the Company's initial public offering for 12 months from the date of expiry date of the lock-up period on August 18, 2024 to August 17, 2025. They promise not to transfer or reduce their holding of the Company's shares in any way during the lock-up period, to convey their confidence in the Company's future development prospects, maintain stability of the listed companies' valuation of listed, and safeguard the rights and interests of all investors.

In the future, the Company will establish a stock price stabilization mechanism according to the capital market conditions. In case of over significant short-term decline in the stock price, breaking below issue price and breaking below the net asset, it will take corresponding stock price stabilization measures, including stock repurchase, increased holding of the Company's stocks, to stabilize stock prices and enhance investor confidence.

## Expanding Investor Communication Channels and Increasing Transparency of Information Disclosure

5

01

### Steadily improving Information Disclosure and Efficiently Conveying Value of the Company



To continuously optimize information disclosure and investor relations management, and further improve the readability and effectiveness of information disclosure, the Company adopts visual forms such as one-picture reading to interpret its annual reports more intuitively, helping its investors better understand the Company's operating result, financial status and development strategies. In 2024, the Company released a total of 75 announcement documents. Among them, it voluntarily issued the Voluntary Announcement on Mass Production and Shipment of 50-megapixel Image Sensors and the Voluntary Announcement on Obtaining Government Subsidies. The Company comprehensively demonstrated its active efforts and remarkable achievements in operating performance, fulfillment of social responsibilities and sustainable development to its investors in multiple dimensions.

In addition to the legal information disclosure channels, the Company conveys its product information, technology introduction and other corporate news to its investors more comprehensively and in time through its official website, WeChat official account "GalaxyCore" and other channels, in order to strengthen its brand management and build a positive image in the capital market. Optimize the richness of the Company's external information release and improve the Company's information release management. implement the internal control system, strengthen the supervision and inspection of its internal control, continuously improve its internal control management, effectively prevent and eliminate various risks, and promote its healthy, sustainable development.

02

### Paying Attention to Investor Communications and Actively Expanding Communication Channels



The Company has always placed investor relations management in a crucial position. The Company conducts investor relations management through diversified channels such as investor hotline, investor mailbox and "SSE E-Interactive". During the reporting period, the Company spontaneously organized and held a total of 5 online performance exchange activities through Shanghai Stock Exchange to fully exchange information on performance, development strategies, product progress and other information in 2023 and the first three quarters of 2024. More than 200 investment organizations and over 300 investors participated in these conferences. The Company also actively organized and participated in a number of online and offline investor exchanges to enhance the investors' awareness of the Company's value through multiple exchanges. To cover a wider group of investors, the Company also set up a special telephone number and email address for investor relations to understand and answer the investors' questions in a timely manner, and strengthen communications with the investors through online channels such as the "SSE E-interactive".

In 2025, the Company will deepen the investor communications and plan to help the investors understand its strategic intentions and interpret its operating data through performance briefings, roadshows/reverse roadshows, and investor surveys involving the senior management. Besides, the Company will continue to explore various ways to improve the readability of information disclosure, effectively protect the shareholders' right to know, and continuously enhance market confidence and value identity.



## Paying Attention to Investor Returns and Sharing Development Results

6

### 22.5875<sub>million</sub>

Cumulative Share Repurchase

### 299.4441<sub>million</sub>

Total Amount of Funds Paid in RMB

The Company attaches great importance to the investor returns. On the basis of continuously doing a good job in its operation and focusing on its principal business to improve its performance, it makes full use of cash dividends and other methods to provide its investors with long-term and stable return on investment and shares its development achievements with all shareholders. Based on the confidence in the Company's future development and safeguarding of its investors' interests, the Company actively carries out share repurchase work. On March 5, 2024, its Board of Directors reviewed and approved the Proposal for Repurchasing the Company's Shares through Centralized Bidding Transactions. As of February 28, 2025, the Company completed the repurchase and actually repurchased 22.5875 million shares at a total price of RMB 299.4441 million (excluding stamp duty, transaction commission and other transaction costs).

In the future, it will continue to coordinate its development, performance growth, capital demand, taking into account the dynamic balance of the shareholders' immediate and long-term interests, formulate reasonable dividend policies, give priority to profit distribution by cash dividends on the premise of complying with relevant laws and regulations and the profit distribution policy under the Articles of Association, and strive to keep the amount of annual dividend not less than 30% of the net profit attributable to the parent company in the previous year to give back to the investors without any major investment plan or major cash expenditure arrangement.



## Other Matters

The Company will continuously evaluate the implementation of its Corporate Value and Return Enhancement Action Plan, and promptly perform its information disclosure obligations. It will continue concentrate on its principal business, and improve its core competence, profitability and risk management capability. It will effectively protect the interests of its investors, earnestly fulfill the responsibilities and obligations as a listed company, repay its investors for their trust, maintain its good market image, and promote stable, healthy development of the capital market with sound operations management, standardized corporate governance and positive investor returns.

The Company's planning, development strategy and other forward-looking statements involved in this Report are not fait accompli, and do not constitute a substantial commitment of the Company to investors.

Board of Directors of GalaxyCore Inc.

April 27 , 2025





Stock Abbreviation: Galaxycore

Stock Code: 688728



Howcasing China's Innovation And  
The Integrity Of Chinese Enterprises Worldwide