



2023 Annual Shareholders' Meeting

Meeting Agenda (Translation)

May 24, 2023



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2023 Annual Shareholders' Meeting Procedures

- 1 、 Call the Meeting to Order
- 2 、 Chairperson Takes Chair
- 3 、 Chairperson Remarks
4. 、 Reports on Company Affairs
5. 、 Proposals
- 6 、 Discussion
- 7 、 Questions and Motions
- 8 、 Adjournment



2023 Annual Shareholders' Meeting Agenda

1 、 Time: 9:00 a.m., May 24th, 2023

2 、 Place: No. 5, Li-Hsin Rd. III, Hsinchu Science Park, Hsinchu City, Taiwan (Faraday Hsinchu Headquarters)

3 、 How to convene : Physical shareholders' meetings

4 、 Attendance: All shareholders and equity representatives

5 、 Chairperson: Chia-Tsung Hung, Chairman of the Board of Directors

6 、 Chairperson Remarks

7 、 Reports on Company Affairs

- (1) 2022 Business Report.
- (2) Audit Committee's Review Report on the 2022 Financial Statements.
- (3) 2022 Profit Distribution for Employees and Directors.
- (4) Amendment to the “ Sustainable Development Best Practice Principles ”.

8 、 Proposals

- (1) Faraday’s 2022 Bussiness Report and Financial Statements.
- (2) Faraday’s 2022 Profit Distribution.

9 、 Discussion

- (1) Proposal of Release the new Prohibition on Directors from Participation in Competitive Business.
- (2) Amendment to the “Articles of Incorporation”.

10 、 Questions and Motions

11 、 Adjournment

2.1 · Reports on Company Affairs

Report I

Proposed by the Board of Directors

2022 Business Report.

Explanation:

- (1) Please refer to the Annex 3.1 on Page 7 ~ 8 of this Handbook for the 2022 business report.
- (2) Please review and inspect the details together.

Report II

Proposed by the Board of Directors

Audit Committee's Review Report on the 2022 Financial statements.

Explanation:

- (1) Please refer to the Annex 3.2 on Page 9 of this Handbook for the Audit Committee's 2022 Review Report.
- (2) Please review and inspect the details together.

Report III

Proposed by the Board of Directors

2022 Profit Distribution for Employees and Directors.

Explanation:

- (1) The 2022 Profit Distribution for Employees and Directors was approved by the 10th Board Meeting with Faraday's 11th term Board of Directors in accordance with the Articles of Incorporation. The Employees' and Directors' remuneration are to be distributed in cash. The total amount of cash remuneration for directors is NT\$6,332,985 and for employees is NT\$367,485,800.
- (2) Please review and inspect the details together.

Report IV

Proposed by the Board of Directors

Amendment to the “ Sustainable Development Best Practice Principles ”.

Explanation:

- (1) In order to conform to Public Announcement No.Taiwan-Stock-Governance-1110024366 of TWSE, the company hereby proposes to amend the “ Sustainable Development Best Practice Principles ”.
- (2) Please refer to the Annex 3.6 on Page 31 of this Handbook for the comparison table for amended articles.
- (3) Please review and inspect the details together.

2.2 、Proposals

Proposal I

Proposed by the Board of Directors

Faraday's 2022 Business Report and Financial Statements.

Explanation:

- (1) The Financial Statements of Faraday in 2022 have been audited and completed by independent auditors, Yang, Yu-Ni and Hsu, Hsin-Min , of Ernst & Young, Taiwan. Also Business Report and Financial Statements were approved by the 10th Board Meeting with Faraday's 11th term Board of Directors and examined by the Audit Committee of Faraday.
- (2) Please refer to Annex 3.1 on pages 7 ~ 8 and Annex 3.3 ~ Annex 3.4 on page 10 ~ 27 of this Handbook for the 2022 Business Report, independent auditors' audit report, and the above-mentioned Financial Statements.
- (3) Submit for approval.

Resolutions:

Proposal II

Proposed by the Board of Directors

Faraday's 2022 Profit Distribution.

Explanation:

- (1) Faraday's 2022 Earnings Distribution Table was approved by the 10th Board Meeting with Faraday's 11th term Board of Directors, and had been reviewed and completed by the Audit Committee. Please refer to the Annex 3.5 of this Handbook on page 28 for more details.
- (2) For this earnings distribution, a cash dividend of NT\$1,242,751,565 will be allocated to shareholders, and about NT\$5 per share will be distributed. It is calculated according to the distribution ratio and rounded up to the dollar (all below NT dollars will be rounded off), and the total amount of the odd share that is less than NT\$1 will be transferred to the Employee Welfare Committee of Faraday.
- (3) It is proposed that the Chairman be authorized by the Board of Directors to resolve the ex-dividend date, the distribution date of cash dividends, and other relevant issues; if the number of outstanding common shares of the company changes and the payout ratio changes accordingly, the chairman is also authorized with full power to adjust it.
- (4) Submit for approval

Resolutions:

2.3 、 Discussion

Proposal I

Proposed by the Board of Directors

Proposal of Release the newly-added Prohibition on Directors from Participation in Competitive Business.

Explanation:

- (1) According to the Company Act, Article 209, “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
- (2) In order to diversify the business operations and improve operational performance, the newly-added concurrent positions for current directors are listed in the below table:

Position	Name	Newly-added concurrent company	Business content	Newly-added concurrent positions
Director	Kuo-Yung,Wang	Sinble Technology Pte. Ltd.	IC design service	Chairperson
Director	Wen-Ju,Tseng	Sinble Technology Pte. Ltd.	IC design service	Director
Independent Director	Wan-Feng,Zhou	Silicon Integrated Systems Corp.	Electronic parts and components manufacturing	Director

- (3) The Directors of Faraday invest in or operate other companies with the same or similar business scope as Faraday and serve as directors; yet under the premise of not to harm Faraday's interests, it is proposed to submit to the Shareholders’ Meeting for permission to release the newly-added prohibition on Directors of Faraday from participation in competitive business.
- (4) Submit for approval.

Resolutions:

Proposal II

Proposed by the Board of Directors

Amendment to the “Articles of Incorporation”

Explanation:

- (1) In order to conform to the long-term financial planning and taking into account the interests of the shareholders, the company hereby proposes to amend the “Articles of Incorporation”.
- (2) Please refer to the Annex 3.7 on Page 30~31 of this Handbook for the comparison table for amended articles.
- (3) Submit for approval.

Resolutions:

2.4 、 Questions and Motions

2.5 、 Adjournment

Annex 3.1: 2022 Business Report

FARADAY TECHNOLOGY CORPORATION 2022 Business Report

Dear Shareholders,

Year of 2022 was full of challenges and opportunities for Faraday Technology. The turbulent geopolitical situation and global inflation brought uncertainties that acted as headwinds for the global economy. However, during the changes in supply and demand in the semiconductor industry, we cooperated closely with our supply chain and customers to stay informed of supply and demand changes and did our best to support our customers' growth. Internally, we focused on technological development and digitalization to improve operational efficiency by applying digital technology. By vertically and horizontally integrating the various valuable departments within the company, we generated a unique business model that accelerated overall operational growth. In 2022, Faraday had a fruitful year, achieving over NT\$10 billion in consolidated revenue, and setting new record-high revenues in Silicon Intellectual Property (IP), Non-Recurring Engineering (NRE), and Mass Production. Among the key three revenue categories, mass production revenue has grown continuously for four years and played a crucial role in operational growth. With the relentless efforts of all Faraday's global employees, we achieved a new milestone in 2022, setting historical highs in both consolidated revenues and profit. Consolidated revenue reached NT\$13.07 billion, a growth of 62% compared to the previous year, and the basic earnings per share grew by 112% to NT\$9.88.

The main operating results of Faraday in 2022 are as follows:

- Improvement in the penetration rate of key processes and a record high in Silicon Intellectual Properties (IP) revenue. Faraday is one of the few ASIC manufacturers with self-developed IPs, and its comprehensive database not only reduces design integration risks for customers but also generates revenue for the Company. In addition to investing in research and development of key process IP, Faraday also continues to develop advanced process IP platforms to meet customers' technical planning and process transfer needs. The impressive performance of the IP business is the result of the Company's long-term investment in IP technology development. In 2022, IP revenue grew 26% compared to the previous year, reaching a historical high of NT\$1.34 billion.
- ASIC business orders are stable along with Non-Recurring Engineering (NRE) revenue continuously reaching record highs. Faraday maintains close business relationship with customers, and with the support of a loyal customer base, the Company has consistently maintained a high level of design wins and order amounts throughout the year. In terms of applications, we primarily focus on niche applications with long product lifecycles, emphasizing the improvement of quality and efficiency. The main application areas cover four major fields: energy management, production efficiency, green energy, and quality of life, and the purposes and values of these applications are linked to sustainable development. In 2022, NRE revenue increased by 22%, reaching a new historical high of NT\$1.72 billion.
- The optimization of revenue structure has led to four consecutive years of growth in mass production. The business model of Faraday has resulted in a robust product application and customer base structure, enhancing the company's operational resilience and ability to withstand economic fluctuations. Mass production, as a regular source of revenue, has accounted for over 70% of the total revenue, strengthening the growth and predictability of revenue and enabling the company to achieve outstanding results against the odds. In 2022, the revenue from mass production increased significantly by 78% compared to the previous year, reaching a historical high of NT\$10 billion.

Faraday continues to innovate and invest in research and development resources. The technological breakthroughs and achievements of the company in the year 2022 include:

- Faraday Silicon Intellectual Property has obtained the ISO 26262 ASIL-D Ready certificate, the

highest level of automotive safety, awarded by the German automotive testing and certification organization SGS-TÜV.

- Successfully launched the SoCreative!VI™ A600 SoC development platform using the Samsung 14 LPP FinFET process. This platform is suitable for applications such as AIoT, edge computing, multimedia, and communication, and this platform can help customers shorten their time to market effectively.
- Completed the silicon verification of Gigabit Ethernet PHY IP in the UMC 28 HPC Plus process. This can assist customers in developing network communication and industrial control related applications more efficiently.
- Launched the FPGA-Go-ASIC™ verification platform, which includes SoCreative!™ SoC verification platform and an additional FPGA prototype platform to help customers accelerate circuit design and system verification.
- Published a set of IP combinations for the Samsung 14LPP FinFET process, including LPDDR4/4X PHY, MIPI D-PHY, V-by-One, FPD-link, LVDS I/O, ONFI I/O, and Memory Compilers, currently all available on Samsung SAFE™ IP platform.
- Introduced chip design services that can support multiple foundries' FinFET processes, utilizing Faraday's ASIC design experience and resources to assist customers in rapidly launching their products.
- Collaborated with Infineon on the UMC's 40uLP process to launch the SONOS embedded flash memory (eFlash) platform.

Faraday not only focuses on its core business, but also places great emphasis on implementing sustainable development practices, which have been well received by external stakeholders. The Company has won the "Excellence in Corporate Social Responsibility" from the Common Wealth Magazine for the first time and has shown outstanding performance throughout the year of 2022. In terms of corporate governance, Faraday has been ranked among the top 6% to 20% in two consecutive years in corporate governance evaluations, and has been included in the "Taiwan Corporate Governance 100 Index", "Taiwan Mid-Cap 100 Index", "Taiwan High Compensation 100 Index", and Harvard Business Review's "Taiwan Top 100 Best Performing CEOs for 2022". Additionally, the Company's commitment to quality management has earned the highest level of the "Excellence in Management Quality Award" with three stars from the Chinese Society of Quality, making Faraday the first IC design company to receive such honor. The Company also values talent cultivation, using prospective layouts and systematic mechanisms to develop and nurture talents, which has led to us receiving the "2022 National Talent Development Award" in the large corporates category from the Ministry of Labor. This award represents the highest honor in the national human resources field.

Looking towards to the future, Faraday will uphold the vision of "Inside of every IC, Faraday's value is in sight" and the management philosophy of "synergy for excellence", while continuously strengthening the Company's fundamentals. Faraday will work together with customers, supply chain partners, and all employees to practice sustainable business operations and continue moving forward on the path of sustainable development. Finally, we would like to express our gratitude to all shareholders for their long-term support of Faraday. Our entire team will continue to work hard to create the greatest value for our shareholders.

Chairman: Chia-Tsung, Hung

President: Kuo-Yung Wang

Accounting Officer: Wen-Ju Tseng

Annex 3.2: Audit Committee's Review Report

Audit Committee's Review Report

The board of directors had prepared and presented the Company's 2022 business report, financial statements (including consolidated and parent company only), and surplus earnings distribution proposals, of which, the financial statements (including consolidated and parent company only) were audited by Ernst & Young, Taiwan with independent auditors' report. The aforementioned business report, financial statements (including consolidated and parent company only), and the surplus earnings distribution proposal were reviewed by the Audit Committee and concluded to be in compliance with the Company Act and other relevant laws and regulations. The Audit Committee Review Report is hereby presented in accordance with Article 14 of the Securities Exchange Act and Article 219 of the Company Act for review and approval.

FARADAY TECHNOLOGY CORPORATION

The 2023 Annual Shareholders' Meeting

Audit Committee Convener: Bing-Kuan Luo

February 21, 2023

Annex 3.3: 2022 Consolidated Financial Statements with report of Independent Auditors

Independent Auditors' Report Originally Issued in Chinese

To Faraday Technology Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Faraday Technology Corporation and its subsidiaries (“the Group”) as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other Matter – Making Reference to the Audits of Component Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and their consolidated financial performance and cash flows for the years ended December 31, 2022 and 2021, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Operating revenues recognized by the Group amounted to NT\$13,065,155 thousand for the year ended December 31, 2022, including sale of goods, rendering of services and silicon intellectual property license in the amount of NT\$10,002,490 thousand, NT\$2,110,618 thousand and NT\$952,047 thousand, constituting 76.56%, 16.15% and 7.29% of consolidated operating revenues, respectively. Revenue is the main operating activity of the Group. Revenue includes application-specific integrated circuit (ASIC) products, and the services include non-recurring engineering (NRE) and silicon intellectual property license (IP). Revenue includes different sources such as sale of goods and services provided and judgement is exercised to determine the performance obligations and when those were satisfied. As a result, we determined the matter to be a key audit matter.

Our audit procedures included (but not limited to), assessing the appropriateness of the accounting policies of revenue recognition for sales of goods, rendering of services and silicon intellectual property license, testing the operating effectiveness of internal controls established by management for sale of goods, rendering of services and silicon intellectual property license, performing analytical procedures of gross margin by product, selecting samples to perform test of details including identification of performance obligations in contracts and verification of when performance obligations were satisfied, reviewing significant service agreements for terms of contracts, project milestones and relevant communication information related to client acceptance progress for service provided, and inspecting shipping documents and invoices to verify the accuracy of cut-off revenue time, etc. We also assessed the adequacy of accounting policy and disclosures of operating revenues. Please refer to Note 4(16) and Note 6(16).

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain subsidiaries, whose statements reflect total assets of NT\$1,121,758 thousand and NT\$820,526 thousand, constituting 8.30% and 6.82% of total consolidated assets as of December 31, 2022 and 2021, respectively, and total operating revenues of NT\$2,864,327 thousand and NT\$1,520,178 thousand, constituting 21.92% and 18.80% of consolidated operating revenues for the years ended December 31, 2022 and 2021, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Group, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Group. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2022 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion including an Other Matter Paragraph on the parent company only financial statements of Faraday Technology Corporation as of and for the years ended December 31, 2022 and 2021.

/s/Yang, Yu-Ni

/s/Hsu, Hsin-Min

Ernst & Young, Taiwan
February 21, 2023

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying consolidated financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

English Translation of Consolidated Financial Statements Originally Issued in Chinese
FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2022 and December 31, 2021
(Expressed in thousands of New Taiwan Dollars)

Assets	Note	As of		Liabilities and Equity	Note	As of	
		December 31, 2022	December 31, 2021			December 31, 2022	December 31, 2021
Current assets				Current liabilities			
Cash and cash equivalents	4, 6(1)	\$ 4,872,818	\$ 4,763,080	Short-term loans	6(11)	\$ 127,241	\$ -
Financial assets at fair value through profit or loss, current	4, 6(2)	21,889	26,296	Financial liabilities at fair value through profit or loss, current	4, 6(2)	1,896	-
Contract assets, current	4, 6(16), 6(17)	4,173	33,288	Contract liabilities, current	4, 6(16)	1,452,266	1,310,720
Notes receivable, net	6(17)	-	4,030	Notes payable		4	3
Accounts receivable, net	4, 6(4), 6(17)	1,163,789	780,987	Accounts payable		618,932	844,644
Accounts receivable - related parties, net	4, 6(4), 6(17), 7	189,927	153,567	Accounts payable - related parties	7	510,387	527,278
Other receivables		156,591	77,662	Payables on equipment		7,697	553
Inventories, net	4, 5, 6(5)	3,016,901	1,320,690	Other payables	6(12)	925,105	622,115
Other current assets	6(6), 7	204,786	191,142	Current tax liabilities	4, 6(22)	450,230	171,166
Costs to fulfill a contract, current	6(16)	123,358	41,412	Lease liabilities, current	4, 6(18), 12	49,862	18,353
Total current assets		9,754,232	7,392,154	Other current liabilities		12,257	10,851
				Total current liabilities		4,155,877	3,505,683
Non-current assets				Non-current liabilities			
Financial assets at fair value through other comprehensive income, non-current	4, 6(3)	1,953,282	2,915,438	Deferred tax liabilities	4, 6(22)	22,125	8,594
Financial assets measured at amortized cost, non-current	4, 6(7), 8	69,752	189,382	Lease liabilities, non-current	4, 6(18), 12	217,379	200,594
Property, plant and equipment	4, 6(8)	514,367	517,870	Long-term payables	6(12)	148,827	161,247
Right-of-use assets	4, 6(18)	255,483	211,436	Defined benefit liabilities, non-current	4, 6(13)	-	5,088
Intangible assets	4, 6(9)	614,985	505,049	Total non-current liabilities		388,331	375,523
Deferred tax assets	4, 6(22)	47,345	26,305	Total liabilities		4,544,208	3,881,206
Refundable deposits		139,064	115,021				
Defined benefit assets, non-current	4, 6(13)	18,057	-	Equity attributable to the parent company			
Other non-current assets	6(10)	146,238	163,850	Capital	6(14)		
Total non-current assets		3,758,573	4,644,351	Common stock		2,485,503	2,485,503
				Additional paid-in capital	6(14)	705,700	705,700
				Retained earnings	6(14)		
				Legal reserve		1,667,419	1,551,782
				Unappropriated earnings		3,262,319	1,727,050
				Other components of equity		478,245	1,369,937
				Equity attributable to the parent company		8,599,186	7,839,972
				Non-controlling interests	6(14)	369,411	315,327
				Total equity		8,968,597	8,155,299
Total assets		<u>\$ 13,512,805</u>	<u>\$ 12,036,505</u>	Total liabilities and equity		<u>\$ 13,512,805</u>	<u>\$ 12,036,505</u>

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	Note	For the years ended December 31,	
		2022	2021
Operating revenues	4, 6(16), 7	\$ 13,065,155	\$ 8,085,201
Operating costs	6(5), 6(19), 7	(6,689,746)	(3,995,272)
Gross profit		6,375,409	4,089,929
Operating expenses	6(9), 6(19), 7		
Selling expenses		(475,455)	(359,836)
Administrative expenses		(542,262)	(366,465)
Research and development expenses		(2,422,237)	(2,036,866)
Expected credit (losses) gains	6(17)	(14,041)	75,294
Total operating expenses		(3,453,995)	(2,687,873)
Operating income		2,921,414	1,402,056
Non-operating income and expenses			
Interest income	6(20)	33,175	12,618
Other income	6(20)	115,072	104,348
Other gains and losses	6(20)	(5,822)	(10,980)
Finance costs	6(20)	(6,367)	(5,863)
Total non-operating income and expenses		136,058	100,123
Income before income tax		3,057,472	1,502,179
Income tax expense	4, 6(22)	(547,004)	(212,131)
Net income		2,510,468	1,290,048
Other comprehensive income (loss)	4, 6(21)		
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans		20,657	551
Unrealized (losses) gains from equity instruments investments measured at fair value through other comprehensive income		(962,156)	669,476
Income tax relating to items that will not be reclassified to profit or loss		(4,132)	(110)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		75,557	(11,664)
Other comprehensive income (loss) (net of income tax)		(870,074)	658,253
Total comprehensive income		\$ 1,640,394	\$ 1,948,301
Net income attributable to:			
Stockholders of the parent		\$ 2,454,597	\$ 1,155,930
Non-controlling interests		55,871	134,118
		\$ 2,510,468	\$ 1,290,048
Comprehensive income (loss) attributable to:			
Stockholders of the parent		\$ 1,579,430	\$ 1,813,459
Non-controlling interests		60,964	134,842
		\$ 1,640,394	\$ 1,948,301
Earnings per share (NT\$)	6(23)		
Earnings per share-basic		\$ 9.88	\$ 4.65
Earnings per share-diluted		\$ 9.77	\$ 4.64

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

									Non-Controlling Interests	Total Equity
	Common Stock	Additional Paid-in Capital	Retained Earnings					Total		
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or Loss on Financial Assets Measured at Fair Value through Other Comprehensive Income			
Balance as of January 1, 2021	\$ 2,485,503	\$ 724,574	\$ 1,510,216	\$ 369,710	\$ 491,085	\$ (113,671)	\$ 826,520	\$ 6,293,937	\$ 47,057	\$ 6,340,994
Appropriation and distribution of 2020 retained earnings										
Legal reserve	-	-	41,566	-	(41,566)	-	-	-	-	-
Cash dividends	-	-	-	-	(248,550)	-	-	(248,550)	-	(248,550)
Reversal of special reserve	-	-	-	(369,710)	369,710	-	-	-	-	-
Net income in 2021	-	-	-	-	1,155,930	-	-	1,155,930	134,118	1,290,048
Other comprehensive income (loss) in 2021	-	-	-	-	441	(12,388)	669,476	657,529	724	658,253
Total comprehensive income (loss) in 2021	-	-	-	-	1,156,371	(12,388)	669,476	1,813,459	134,842	1,948,301
Change in subsidiaries' ownership	-	(18,874)	-	-	-	-	-	(18,874)	133,428	114,554
Balance as of December 31, 2021	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,551,782</u>	<u>\$ -</u>	<u>\$ 1,727,050</u>	<u>\$ (126,059)</u>	<u>\$ 1,495,996</u>	<u>\$ 7,839,972</u>	<u>\$ 315,327</u>	<u>\$ 8,155,299</u>
Balance as of January 1, 2022	\$ 2,485,503	\$ 705,700	\$ 1,551,782	\$ -	\$ 1,727,050	\$ (126,059)	\$ 1,495,996	\$ 7,839,972	\$ 315,327	\$ 8,155,299
Appropriation and distribution of 2021 retained earnings										
Legal reserve	-	-	115,637	-	(115,637)	-	-	-	-	-
Cash dividends	-	-	-	-	(820,216)	-	-	(820,216)	-	(820,216)
Net income in 2022	-	-	-	-	2,454,597	-	-	2,454,597	55,871	2,510,468
Other comprehensive income (loss) in 2022	-	-	-	-	16,525	70,464	(962,156)	(875,167)	5,093	(870,074)
Total comprehensive income (loss) in 2022	-	-	-	-	2,471,122	70,464	(962,156)	1,579,430	60,964	1,640,394
Non-controlling interests	-	-	-	-	-	-	-	-	(6,880)	(6,880)
Balance as of December 31, 2022	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,667,419</u>	<u>\$ -</u>	<u>\$ 3,262,319</u>	<u>\$ (55,595)</u>	<u>\$ 533,840</u>	<u>\$ 8,599,186</u>	<u>\$ 369,411</u>	<u>\$ 8,968,597</u>

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31,		Description	For the years ended December 31,	
	2022	2021		2022	2021
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$ 3,057,472	\$ 1,502,179	Acquisition of financial assets measured at amortized cost	\$ (54,112)	\$ (173,822)
Adjustments for non-cash gain or loss:			Proceeds from principal of financial assets measured at amortized cost upon maturity	173,800	873
Depreciation	118,856	100,139	Proceeds from disposal of investments accounted for using equity method	-	24,203
Amortization	353,856	304,915	Acquisition of property, plant and equipment	(85,575)	(40,551)
Expected credit loss (gain)	14,041	(75,294)	Proceeds from disposal of property, plant and equipment	-	84
Loss (gain) on financial assets and liabilities at fair value through profit or loss	6,303	(4,303)	Increase in refundable deposits	(24,043)	(103,591)
Interest expense	6,367	5,863	Acquisition of intangible assets	(387,012)	(295,546)
Interest income	(33,175)	(12,618)	Net cash used in investing activities	(376,942)	(588,350)
Dividend income	(90,321)	(69,730)			
Share-based payment expenses	43,181	26,674	Cash flows from financing activities:		
Others	(1,663)	(16)	Increase in short-term loans	127,241	-
Changes in operating assets and liabilities:			Cash payments for the principal portion of the lease liabilities	(38,744)	(39,165)
Contract assets	29,115	98,124	Cash dividends	(820,216)	(248,550)
Notes receivable	4,030	(2,670)	Change in non-controlling interests	(50,061)	87,880
Accounts receivable	(396,843)	(140,106)	Net cash used in financing activities	(781,780)	(199,835)
Accounts receivable - related parties	(36,360)	(23,313)	Effect of exchange rate changes on cash and cash equivalents	68,780	(2,916)
Other receivables	(78,698)	12,274			
Inventories	(1,696,211)	(820,056)	Net increase in cash and cash equivalents	109,738	1,714,749
Prepayments	43,495	(59,642)	Cash and cash equivalents at beginning of period	4,763,080	3,048,331
Other current assets	(8,497)	19,825	Cash and cash equivalents at end of period	\$ 4,872,818	\$ 4,763,080
Costs to fulfil a contract	(81,946)	(35,451)			
Contract liabilities	141,546	834,116			
Notes payables	1	-			
Accounts payable	(225,712)	362,869			
Accounts payable - related parties	(16,891)	364,338			
Other payables	219,865	111,874			
Other current liabilities	1,406	(8,059)			
Defined benefit liabilities	(2,488)	(2,866)			
Cash generated from operations	1,370,729	2,489,066			
Interest received	32,944	12,465			
Dividend received	90,321	69,730			
Interest paid	(6,367)	(5,863)			
Income tax paid	(287,947)	(59,548)			
Net cash provided by operating activities	\$ 1,199,680	\$ 2,505,850			

The accompanying notes are an integral part of the consolidated financial statements.

Annex 3.4: 2022 Parent Company Only Financial Statements with report of Independent Auditors

Independent Auditors' Report Originally Issued in Chinese

To Faraday Technology Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Faraday Technology Corporation (the “Company”) as of December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and notes to the parent company only financial statements, including the summary of significant accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other Matter – Making Reference to the Audits of Component Auditors* section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and cash flows for the years ended December 31, 2022 and 2021, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Operating revenues recognized by the Company amounted to NT\$11,466,455 thousand for the year ended December 31, 2022, including sale of goods, rendering of services and silicon intellectual property license in the amount of NT\$8,833,559 thousand, NT\$1,706,867 thousand and NT\$926,029 thousand, constituting 77.04%, 14.88% and 8.08% of operating revenues, respectively. Revenue is the main operating activity of the Company. Revenue includes application-specific integrated circuit (ASIC) products, and the services include non-recurring engineering (NRE) and silicon intellectual property license (IP). Revenue includes different sources such as sale of goods and services provided and judgement is exercised to determine the performance obligations and when those were satisfied. As a result, we determined the matter to be a key audit matter.

Our audit procedures included (but not limited to), assessing the appropriateness of the accounting policies of revenue recognition for sales of goods, rendering of services and silicon intellectual property license, testing the operating effectiveness of internal controls established by management for sale of goods, rendering of services and silicon intellectual property license, performing analytical procedures of gross margin by product, selecting samples to perform test of details including identification of performance obligations in contracts and verification of when performance obligations were satisfied, reviewing significant service agreements for terms of contracts, project milestones and relevant communication information related to client acceptance progress for service provided, and inspecting shipping documents and invoices to verify the accuracy of cut-off revenue time, etc. We also assessed the adequacy of accounting policy and disclosures of operating revenues. Please refer to Note 4(16) and Note 6(16).

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain subsidiaries, associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors. These subsidiaries, associates and joint ventures under equity method amounted to NT\$423,158 thousand and NT\$535,301 thousand, representing 3.57% and 5.01% of total assets as of December 31, 2022 and 2021, respectively. The related shares of profits from the subsidiaries, associates and joint ventures

under the equity method amounted to NT\$131,340 thousand and NT\$57,321 thousand, representing 4.63% and 4.33% of the net income before tax for the years ended December 31, 2022 and 2021, respectively, and the related shares of other comprehensive income from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$52,660 thousand and NT\$(17,173) thousand, representing (6.02)% and (2.61)% of the other comprehensive income, for the years ended December 31, 2022 and 2021, respectively.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We

also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2022 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/Yang, Yu-Ni

/s/Hsu, Hsin-Min

Ernst & Young, Taiwan

February 21, 2023

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying parent company only financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
FARADAY TECHNOLOGY CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2022 and December 31, 2021
(Expressed in thousands of New Taiwan Dollars)

Assets	Note	As of		Liabilities and Equity	Note	As of	
		December 31, 2022	December 31, 2021			December 31, 2022	December 31, 2021
Current assets				Current liabilities			
Cash and cash equivalents	4, 6(1)	\$ 2,244,993	\$ 1,885,398	Financial liabilities at fair value through profit or loss, current	4, 6(2)	\$ 1,896	\$ -
Financial assets at fair value through profit or loss, current	4, 6(2)	-	1,424	Contract liabilities, current	4, 6(16), 7	659,335	472,744
Contract assets, current	4, 6(16), 6(17), 7	40,546	75,630	Accounts payable		612,859	836,084
Notes receivable, net	6(17)	-	4,030	Accounts payable - related parties	7	432,172	487,166
Accounts receivable, net	4, 6(4), 6(17)	422,867	349,213	Payables on equipment		7,697	553
Accounts receivable - related parties, net	4, 6(4), 6(17), 7	1,126,534	635,549	Other payables	6(13), 7	807,790	524,795
Other receivables	7	153,948	71,415	Current tax liabilities	4, 6(22)	352,399	132,979
Inventories, net	4, 5, 6(5)	2,340,153	1,208,411	Lease liabilities, current	4, 6(18), 12	6,280	5,972
Other current assets	6(6), 7	210,137	168,232	Other current liabilities		7,921	8,112
Costs to fulfil a contract, current	6(16)	69,859	20,820	Total current liabilities		2,888,349	2,468,405
Total current assets		6,609,037	4,420,122				
Non-current assets				Non-current liabilities			
Financial assets at fair value through other comprehensive income, non-current	4, 6(3)	1,861,071	2,775,807	Deferred tax liabilities	4, 6(22)	15,956	8,475
Financial assets measured at amortized cost, non-current	4, 6(7), 8	25,072	15,050	Lease liabilities, non-current	4, 6(18), 12	188,754	190,900
Investments accounted for using the equity method	4, 6(8)	1,820,242	2,089,256	Long-term payables	6(13)	148,827	161,247
Property, plant and equipment	4, 6(9)	476,181	494,527	Defined benefit liabilities, non-current	4, 6(14)	-	5,088
Right-of-use assets	4, 6(18)	187,717	191,222	Total non-current liabilities		353,537	365,710
Intangible assets	4, 6(10)	569,762	441,312	Total liabilities		3,241,886	2,834,115
Deferred tax assets	4, 6(22)	33,933	17,243	Equity			
Refundable deposits		95,370	67,034	Capital	6(15)		
Defined benefit assets, non-current	4, 6(14)	18,057	-	Common stock		2,485,503	2,485,503
Other non-current assets	6(11)	144,630	162,514	Additional paid-in capital	6(15)	705,700	705,700
Total non-current assets		5,232,035	6,253,965	Retained earnings	6(15)		
				Legal reserve		1,667,419	1,551,782
				Unappropriated earnings		3,262,319	1,727,050
				Other components of equity		478,245	1,369,937
				Total equity		8,599,186	7,839,972
Total assets		\$ 11,841,072	\$ 10,674,087	Total liabilities and equity		\$ 11,841,072	\$ 10,674,087

The accompanying notes are an integral part of the parent company only financial statements.

FARADAY TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	Note	For the years ended December 31,	
		2022	2021
Operating revenues	4, 6(16), 7	\$ 11,466,455	\$ 6,710,159
Operating costs	6(5), 6(19), 7	(6,341,228)	(3,875,526)
Gross profit		5,125,227	2,834,633
Unrealized gross profit on sales		(52,486)	(994)
Gross profit, net		5,072,741	2,833,639
Operating expenses	6(10), 6(19), 7		
Selling expenses		(228,158)	(151,186)
Administrative expenses		(403,908)	(294,891)
Research and development expenses		(2,001,853)	(1,671,155)
Expected credit (losses) gains	6(17)	(4,927)	6,355
Total operating expenses		(2,638,846)	(2,110,877)
Operating income		2,433,895	722,762
Non-operating income and expenses			
Interest income	6(20)	7,259	2,824
Other income	6(20), 7	97,608	75,993
Other gains and losses	6(20)	(12,052)	(7,027)
Finance costs	6(20)	(4,285)	(4,496)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method		315,094	532,382
Total non-operating income and expenses		403,624	599,676
Income before income tax		2,837,519	1,322,438
Income tax expense	4, 6(22)	(382,922)	(166,508)
Net income		\$ 2,454,597	\$ 1,155,930
Other comprehensive income (loss)	4, 6(21)		
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans		20,657	551
Unrealized (losses) gains from equity instruments investment measured at fair value through other comprehensive income		(914,736)	763,065
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method		(47,420)	(93,589)
Income tax relating to items that will not be reclassified to profit or loss		(4,132)	(110)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		53,847	(12,388)
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method		16,617	-
Other comprehensive income (loss) (net of income tax)		(875,167)	657,529
Total comprehensive income		\$ 1,579,430	\$ 1,813,459
Earnings per share (NT\$)	6(23)		
Earnings per share-basic		\$ 9.88	\$ 4.65
Earnings per share-diluted		\$ 9.77	\$ 4.64

The accompanying notes are an integral part of the parent company only financial statements.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

FARADAY TECHNOLOGY CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

	Common Stock	Additional Paid-in Capital	Retained Earnings			Other Equity		Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or Loss on Financial Assets Measured at Fair Value through Other Comprehensive Income	
Balance as of January 1, 2021	\$ 2,485,503	\$ 724,574	\$ 1,510,216	\$ 369,710	\$ 491,085	\$ (113,671)	\$ 826,520	\$ 6,293,937
Appropriation and distribution of 2020 retained earnings								
Legal reserve	-	-	41,566	-	(41,566)	-	-	-
Cash dividends	-	-	-	-	(248,550)	-	-	(248,550)
Reversal of special reserve	-	-	-	(369,710)	369,710	-	-	-
Net income in 2021	-	-	-	-	1,155,930	-	-	1,155,930
Other comprehensive income (loss) in 2021	-	-	-	-	441	(12,388)	669,476	657,529
Total comprehensive income (loss) in 2021	-	-	-	-	1,156,371	(12,388)	669,476	1,813,459
Change in subsidiaries' ownership	-	(18,874)	-	-	-	-	-	(18,874)
Balance as of December 31, 2021	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,551,782</u>	<u>\$ -</u>	<u>\$ 1,727,050</u>	<u>\$ (126,059)</u>	<u>\$ 1,495,996</u>	<u>\$ 7,839,972</u>
Balance as of January 1, 2022	\$ 2,485,503	\$ 705,700	\$ 1,551,782	\$ -	\$ 1,727,050	\$ (126,059)	\$ 1,495,996	\$ 7,839,972
Appropriation and distribution of 2021 retained earnings								
Legal reserve	-	-	115,637	-	(115,637)	-	-	-
Cash dividends	-	-	-	-	(820,216)	-	-	(820,216)
Net income in 2022	-	-	-	-	2,454,597	-	-	2,454,597
Other comprehensive income (loss) in 2022	-	-	-	-	16,525	70,464	(962,156)	(875,167)
Total comprehensive income (loss) in 2022	-	-	-	-	2,471,122	70,464	(962,156)	1,579,430
Balance as of December 31, 2022	<u>\$ 2,485,503</u>	<u>\$ 705,700</u>	<u>\$ 1,667,419</u>	<u>\$ -</u>	<u>\$ 3,262,319</u>	<u>\$ (55,595)</u>	<u>\$ 533,840</u>	<u>\$ 8,599,186</u>

The accompanying notes are an integral part of the parent company only financial statements.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
 FARADAY TECHNOLOGY CORPORATION
 PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
 For the years ended December 31, 2022 and 2021
 (Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31,		Description	For the years ended December 31,	
	2022	2021		2022	2021
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$ 2,837,519	\$ 1,322,438	Acquisition of financial assets measured at amortized cost	\$ (10,022)	\$ (22)
Adjustments for non-cash gain or loss:			Acquisition of investments accounted for using equity method	-	(149,596)
Depreciation	60,849	63,174	Proceeds from capital return of investments accounted for using the equity method	266,183	-
Amortization	289,399	249,553	Acquisition of property, plant and equipment	(60,653)	(33,908)
Expected credit loss (gain)	4,927	(6,355)	Proceeds from disposal of property, plant and equipment	-	63
Loss (gain) on financial assets and liabilities at fair value through profit or loss	3,320	(2,928)	Increase in refundable deposits	(28,336)	(65,611)
Interest expense	4,285	4,496	Acquisition of intangible assets	(321,854)	(222,695)
Interest income	(7,259)	(2,824)	Net cash used in investing activities	(154,682)	(471,769)
Dividend income	(90,321)	(69,730)			
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	(315,094)	(532,382)	Cash flows form financing activities:		
Unrealized gross profit on sales	52,486	994	Cash payments for principal portion of the lease liabilities	(6,109)	(5,976)
Changes in operating assets and liabilities:			Cash dividends	(820,216)	(248,550)
Contract assets	35,084	245,897	Net cash used in financing activities	(826,325)	(254,526)
Notes receivable	4,030	(2,670)	Effect of exchange rate changes on cash and cash equivalents	(5,013)	8,510
Accounts receivable	(78,581)	(57,305)			
Accounts receivable - related parties	(490,985)	(219,965)	Net increase in cash and cash equivalents	359,595	641,337
Other receivables	(82,302)	79,354	Cash and cash equivalents at beginning of period	1,885,398	1,244,061
Inventories	(1,131,742)	(750,808)	Cash and cash equivalents at end of period	\$ 2,244,993	\$ 1,885,398
Prepayment	52,565	(58,306)			
Other current assets	(43,516)	1,372			
Costs to fulfil a contract	(49,039)	(18,845)			
Contract liabilities	186,591	371,805			
Accounts payable	(223,225)	311,707			
Accounts payable - related parties	(54,994)	269,631			
Other payables	179,593	109,489			
Other current liabilities	(191)	1,567			
Defined benefit liabilities	(2,488)	(2,866)			
Cash generated from operations	1,140,911	1,306,493			
Interest received	7,028	2,671			
Dividend received	378,804	92,390			
Interest paid	(4,285)	(4,496)			
Income tax paid	(176,843)	(37,936)			
Net cash provided by operating activities	\$ 1,345,615	\$ 1,359,122			

The accompanying notes are an integral part of the parent company only financial statements.

Annex 3.5: 2022 Statement of Profit Distribution

FARADAY TECHNOLOGY CORPORATION 2022 Statement of Profit Distribution

Unit : NT\$ dollars	
Item	Amount
Unappropriated earnings - beginning	791,196,245
Add: Re-measured amount of the defined benefit plan	16,525,534
Unappropriated earnings after adjustment	807,721,779
Net Income After Tax	2,454,597,030
Less: Appropriated legal reserve	(247,112,256)
Distributable Earning	3,015,206,553
Distributions:	
Cash dividend to shareholders (NT\$5/per share)	(1,242,751,565)
Unappropriated earnings - ending	1,772,454,988

1. According to the provisions of the Taiwan Finance and Taxation No. 871941343 Letter dated 4.30.1998 by the Ministry of Finance, the surplus earnings distribution should be recognized with the specific recognition method. The surplus earnings distribution principle of the Company is to distribute the surplus earnings accumulated after 1998 first, and the surplus earnings accumulated before 1998 will be distributed only if there is insufficient amount for distribution.
2. If the number of outstanding shares is affected by the repurchase of the Company's shares, the transfer, conversion, and cancellation of treasury shares, and employee stock warrants resulting in changes in the equity yield rate, the regular shareholders meeting will be requested to have the board of Directors authorized to handle it discretionarily.
3. The current cash dividend is calculated according to the distribution ratio and rounded up to the dollar, and the total amount of the odd share that is for less than NT\$1 is transferred to the Employee Welfare Committee of Faraday.
4. The chairman of the Board may be authorized to determine the base date for cash dividend payment and the date for stock dividend payment.

Chairman:
Chia-Tsung Hung

President:
Kuo-Yung Wang

Accounting Supervisor:
Wen-Ju Tseng

Annex 3.6: Comparison Table for Amended Articles of “ Sustainable Development Best Practice Principles”

Faraday Technology Corporation Comparison Table for Amended Articles of “Sustainable Development Best Practice Principles”

Content of Article after Amendment	Content of Article before Amendment	Description
<u>Article 27-1</u> <u>The company should continue to pour resources into cultural and artistic activities or cultural and creative industries through donation, sponsorship, investment, procurement, strategic cooperation, corporate voluntary technical services or other support modes to promote cultural development.</u>	<u>Article added</u>	Add this article according to The Public Announcement No. Taiwan-Stock-Governance-1110024366 announced by TWSE, in order to encourage the corporate to support cultural and artistic activities and promote cultural sustainable development
Article 31 The principles should be implemented after the board of directors grants the approval. The same procedure should be followed when the principles have been amended. The principles are established on April 26, 2022. <u>The first amendment was made on April 25, 2023.</u>	Article 31 The principles should be implemented after the board of directors grants the approval. The same procedure should be followed when the principles have been amended. The principles are established on April 26, 2022.	Add amended date and times.

Annex 3.7: Comparison Table for Amended Articles of “Articles of Incorporation”

Faraday Technology Corporation
Comparison Table for Amended Articles of “Articles of Incorporation ”

Content of Article after Amendment	Content of Article before Amendment	Description
<p>Article 27 The Company should appropriate no less than <u>1%</u> of the earnings as employee remuneration and no more than 2% of the earnings as director's remuneration based on the profit status of current year. However, if the Company still has previous losses, then the Company should make up for it.</p> <p>Paragraphs 2 ~ 5: Omitted</p> <p>The Company's dividend distribution policy depends on the Company's current and future investment environment, capital demand, domestic and foreign competition, capital budget, and other factors, taking into account the interests of shareholders, balancing dividends, and the Company's long-term financial planning. The board of directors is to submit the earnings distribution plan to the shareholder meeting for resolutions every year. <u>The Company shall take into consideration finance, business, business aspect, and other factors to distribute all distributable earnings of the current year. The distribution of shareholders can be paid in cash or with stock dividend.</u></p> <p>The dividend distributed of shareholders in the current year must be with a cash dividend amount for not less than 10% of the total dividend.</p>	<p>Article 27 The Company should appropriate no less than <u>10%</u> of the earnings as employee remuneration and no more than 2% of the earnings as director's remuneration based on the profit status of current year. However, if the Company still has previous losses, then the Company should make up for it.</p> <p>Paragraphs 2 ~ 5: Omitted</p> <p>The Company's dividend distribution policy depends on the Company's current and future investment environment, capital demand, domestic and foreign competition, capital budget, and other factors, taking into account the interests of shareholders, balancing dividends, and the Company's long-term financial planning. The board of directors is to submit the earnings distribution plan to the shareholder meeting for resolutions every year. <u>The Company's current business development is in a growth stage; therefore, business expansion plans and capital demands in the future are inevitable. The dividend distribution amount of the Company shall be no less than 50% of the after-tax profit of the current year.</u></p> <p>The dividend distributed of shareholders in the current year must be with a cash dividend</p>	<p>Amend this article in response to long-term financial planning, and taking into account the interests of shareholders.</p>

Content of Article after Amendment	Content of Article before Amendment	Description
	amount for not less than 10% of the total dividend.	
<p>Article 30 The initiators resolved in the “Initiator Meeting” to have the Company’s “Articles of Incorporation” established on May 25, 1993, and it shall be implemented from the registration date approved by the competent authority. The 1st amendment was made on June 19, 1997. The 2nd amendment was made on December 15, 1997. The 3rd amendment was made on July 16, 1998. The 4th amendment was made on March 16, 1999. The 5th amendment was made on June 17, 2000. The 6th amendment was made on June 9, 2001. The 7th amendment was made on June 17, 2002. The 8th amendment was made on June 3, 2003. The 9th amendment was made on June 15, 2004. The 10th amendment was made on June 14, 2005. The 11th amendment was made on June 12, 2006. The 12th amendment was made on June 11, 2007. The 13th amendment was made on June 13, 2008. The 14th amendment was made on June 10, 2009. The 15th amendment was made on June 15, 2010. The 16th amendment was made on June 15, 2011. The 17th amendment was made on June 12, 2012. The 18th amendment was made on June 9, 2015. The 19th amendment was made on June 15, 2016. The 20th amendment was made on May 24, 2022.</p> <p><u>The 21st amendment was made on May 24, 2023.</u></p>	<p>Article 30 The initiators resolved in the “Initiator Meeting” to have the Company’s “Articles of Incorporation” established on May 25, 1993, and it shall be implemented from the registration date approved by the competent authority. The 1st amendment was made on June 19, 1997. The 2nd amendment was made on December 15, 1997. The 3rd amendment was made on July 16, 1998. The 4th amendment was made on March 16, 1999. The 5th amendment was made on June 17, 2000. The 6th amendment was made on June 9, 2001. The 7th amendment was made on June 17, 2002. The 8th amendment was made on June 3, 2003. The 9th amendment was made on June 15, 2004. The 10th amendment was made on June 14, 2005. The 11th amendment was made on June 12, 2006. The 12th amendment was made on June 11, 2007. The 13th amendment was made on June 13, 2008. The 14th amendment was made on June 10, 2009. The 15th amendment was made on June 15, 2010. The 16th amendment was made on June 15, 2011. The 17th amendment was made on June 12, 2012. The 18th amendment was made on June 9, 2015. The 19th amendment was made on June 15, 2016. The 20th amendment was made on May 24, 2022.</p>	Add amended date and times.

Appendix 4.1 : Rules of Procedure for Shareholder Meetings

FARADAY TECHNOLOGY CORPORATION Rules of Procedure for Shareholder Meetings

Article 1: These Rules of procedures for the Company's shareholders meetings, except as otherwise provided by laws and regulations or the articles of the incorporation, shall be as provided in these Rules.

Article 2: Unless otherwise provided by laws or regulations, the Company's shareholders meetings shall be convened by the board of directors.

Changing the way of convening a shareholders meeting for the Company shall be obtained approval from the board of directors no later than sending the shareholders meeting notice.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. In addition, 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the designated professional shareholder services agent.

The shareholders meeting agenda and supplemental meeting materials in the preceding paragraph, the Company should provide to shareholders for review at the place of a shareholders meeting by the following ways:

1. When convening a physical shareholders meeting, the meeting materials shall be distributed on-site at the meeting place.
2. When convening a video-assisted shareholders meeting, the meeting materials shall be distributed on-site at the meeting place and be transmitted to the video conference platform by the electrical file.
3. The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the

meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under paragraph 1, Article 185, of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the matters mentioned above may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of paragraph 4, Article 172-1, of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the

reasons for exclusion of any shareholder proposals not included in the agenda.

Article 3: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company two business days before the date of the shareholders meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting via videoconferencing, a written notice of proxy cancellation shall be submitted to the Company two business days before the date of the shareholders meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4: (Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. or no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

When the Company convenes a shareholders meeting via videoconferencing, the venue for a shareholders meeting in the preceding paragraph has waived.

Article 5: (Preparation of documents such as the attendance book)

The time during which shareholder attendance registrations will be accepted in the preceding paragraph shall be at least 30 minutes before the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For a shareholders meeting by video conference, the Company shall accept shareholder attendance on the video conference platform 30 minutes before the meeting

commences. Shareholders who have completed attendance registrations will be deemed to have attended the meeting in person.

Shareholders shall attend the shareholders meeting by attendance card, sign-in card, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign or attending shareholders may hold a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda, annual report, attendance card, speaker's slip, ballot paper, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

For convening a shareholders meeting by video conference, shareholders who intend to attend the meeting via videoconferencing should register to the Company two business days before the date of the shareholders meeting.

For convening a shareholders meeting by video conference, the Company shall upload the meeting agenda, annual report, and other relevant information to the video conference platform of a shareholders meeting at least 30 minutes before the meeting commences, and continuously disclose the meeting data until the end of the meeting.

Article 5-1: (Specified matters for convening a video shareholders meeting by video conference in the meeting notice)

When the Company convenes a shareholders meeting by video conference, it shall specify the following matters in the shareholders meeting notice:

1. Ways of attending a video conference and exercising the right for shareholders.
2. If natural disaster, incident occurring, or other force majeure events that have resulted in malfunction of video conference platform or attending meeting via videoconferencing shall address at least the following matters:
 - (1) When the circumstances mentioned above occur and have resulted in malfunction that cannot be fixed continuously before the meeting, it is necessary to defer or resume the meeting.
 - (2) Shareholders who do not register to attend the original shareholders meeting by video conference shall not attend the deferred or resumed meeting.

- (3) For convening a video-assisted shareholders meeting, if it is unable to resume the meeting via videoconferencing, the number of shares represented by shareholders who attend the meeting via videoconferencing shall be deducted from the total number of shares represented by shareholders attending the meeting. If the total number of shares represented by shareholders attending the meeting has a quorum, the shareholders meeting shall be resumed. Shareholders who attend the meeting via videoconferencing, the number of shares shall be counted to the total number of shares represented by shareholders attending the meeting, but have waived his/her rights with respect to all proposals of that meeting.
- (4) Handling method for the following circumstance: All proposal resolutions have announced, but has not proceed to extraordinary motions.
3. When convening a shareholders meeting via videoconferencing, it shall be specified that shareholders who have difficulty in attending the meeting via videoconferencing shall provide appropriate alternative measures.

Article 6: (The chairman and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chairman, or, if there are no managing directors, one of the directors shall be appointed to act as chairman. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chairman.

When a managing director or a director serves as chairman, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chairman.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other

than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairman from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 7: (Documentation of a shareholders meeting by audio or video)

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. However, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

For convening a shareholders meeting by video conference, the Company shall keep records for enrollment, registration, sign-in, question, voting, and vote counting results of shareholders, and shall make an uninterrupted audio and video recording for the video conference.

For the information and recorded materials in the preceding paragraph, the Company shall keep in proper custody for the duration; and provide the audio/video data to those who are entrusted with holding video conference for safekeeping.

For convening a shareholders meeting by video conference, the Company is advised to make an audio and video recording with back-end operation interface of the video conference platform.

Article 8: Attendance at shareholders meetings shall be calculated based on numbers of shares.

The number of shares in attendance shall be calculated according to the shares indicated by the attendance book, sign-in cards handed in, and numbers of shares registered by video conference platform plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairman shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares,

the chairman shall declare the meeting adjourned. For convening a shareholders meeting by video conference, the Company shall publicly announce the shareholders meeting to be adjourned on the video conference platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. For convening a shareholders meeting by video conference, those who intend to attend the shareholders meeting via videoconferencing, shall register to the Company again according to Article 5.

Before finishing at the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chairman thinks that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 10: (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the

shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only appointed one of the representatives may speak on the same proposal. After an attending shareholder has spoken, the chairman may respond in person or appoint relevant personnel to respond.

For convening a shareholders meeting by video conference, shareholders who attend the meeting via videoconferencing shall ask questions in text on the video conference platform after the chairman calls the meeting to order and before the chairman declares the meeting adjourned. Each proposal shall not be raised more than twice, and it is limited to 200 words each time. This regulation is not applicable to Paragraph 1 to Paragraph 5.

If the question in the preceding paragraph does not violate the rules or exceed the scope of the agenda item, it is advised to disclose the question on the video conference platform of a shareholders meeting to be well-known.

Article 11: (Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based on the number of shares. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 12: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, Paragraph 2 of the Company Act.

When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two business days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or attend a shareholders meeting via videoconferencing, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and

decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company convenes a shareholders meeting by video conference, shareholders who attend the meeting via videoconferencing shall vote on each proposal and election through the video conference platform after the chairman call the meeting to order as well as shall finish the voting before the chairman announces the vote closed. Overtime will be deemed a waiver.

When convening a shareholders meeting by video conference, the chairman shall base on non-recurring count for votes to announce the vote/election results after announcing the vote closed.

When the Company convenes a video-assisted shareholders meeting, shareholders who register to attend the meeting via videoconferencing according to Article 6 intend to attend the meeting in person, he/she shall cancel the registration by the same means as he/she registers two business days before the date of shareholders meeting. Shareholders who cancel the registration over the time limit shall only attend the meeting via videoconferencing.

For shareholders who do not cancel to exercise voting rights by correspondence or electronic means and attend the shareholders meeting via videoconferencing, except for extraordinary motions, he/she shall not exercise the voting right to original proposals, shall not submit to amend the original proposals, or shall not exercise the voting right to amendments to the original proposals.

Article 13: The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with

the signatures of the monitoring personnel and kept in proper custody for at least one year. However, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 14: Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

For convening a shareholders meeting by video conference, the meeting minutes shall not only record the matters according to the preceding paragraph, but record the start/end time of a shareholders meeting, how to call a meeting, the chairman and meeting recorder's full name, and the actions taken when malfunction of video conference platform occurs or barrier to attending meeting via videoconferencing occurs because of natural disaster, incident occurring, or force majeure event.

When the Company convenes a shareholders meeting via videoconferencing, in addition to handle according to the preceding paragraph, it shall be specified in the shareholders meeting notice. For shareholders who have difficulty in attending the meeting via videoconferencing shall provide an alternative measure.

Article 15: (Public disclosure)

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, number of shares represented by correspondence or electronically, and shall make an express disclosure of the same at the place of the shareholders meeting. For convening a shareholders meeting by video conference, the Company shall upload the information as mentioned above to the video conference platform of a shareholders meeting at least 30 minutes before the meeting commences, and continuously disclose the meeting data until the end of the meeting.

When the Company convenes a shareholders meeting via videoconferencing and calls the meeting to order, it shall disclose the total number of issued shares represented by shareholders attending the meeting to the video conference platform, and also disclose the statistical tallies of the total numbers of voting rights and shares represented by shareholders attending the meeting during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16: (Maintaining order at the meeting place)

The meeting affairs staff of handling a shareholders meeting shall wear identification cards or arm bands.

The chairman may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or arm band bearing the word "Proctor."

For those who have the public address system at the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairman may restrain the shareholder from so doing.

When a shareholder defies the chairman's correction because of violating the rules of procedure or refuses to heed the call because of obstructing the proceedings, the chairman may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 17: (Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 18: (Information disclosure by video conference)

For convening a shareholders meeting by video conference, the Company shall immediately disclose the resolution results of each proposal and election to the video conference platform according to regulations after finishing the voting as well as shall continuously disclose at least 15 minutes after the chairman declares the meeting adjourned.

Article 19: (Location of chairman and meeting recorder for a shareholders meeting via videoconferencing)

When the Company convenes a shareholders meeting via videoconferencing, the chairman and meeting recorder shall be at the same location in Taiwan, and the chairman shall announce the address of the location during the meeting.

Article 20: (Handling for internet disconnection)

For convening a shareholders meeting by video conference, the Company shall provide shareholders with simple connection test before the meeting and also provide the relevant services timely before the meeting and during the meeting to assist in handling the technical issue about communications.

For convening a shareholders meeting by video conference, the chairman shall not only call the meeting to order but shall announce the circumstances that do not have to defer or resume the meeting according to paragraph 4, Articles 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies. Before the chairman declares the meeting adjourned, when malfunction of video conference platform occurs or barrier to attending meeting via videoconferencing occurs because of natural disaster, incident occurring, or force majeure event that have lasted for over 30 minutes, the meeting shall be deferred or resumed within five days. It is not applicable to Article 182 of the Company Act. For the circumstance in the preceding paragraph, shareholders who do not register to attend the original meeting via videoconferencing shall not attend the deferred or resumed meeting.

As to the to-be-deferred or to-be-resumed meeting according to the second paragraph, shareholders who have registered to attend the original shareholders meeting via videoconferencing and have finished the attendance registration do not attend the deferred or resumed meeting, the number of shares in the original shareholders meeting and exercised voting rights and election rights shall be included in the total number of shares represented by shareholders attending the meeting, voting rights, and election rights in the deferred or resumed meeting.

When holding the deferred or resumed shareholders meeting according to the second paragraph, as to proposals that have completed the voting and vote counting as well

as have announced the resolution results or a list of elected directors, shall not be necessary to re-discuss or adopt a resolution again.

For convening a video-assisted shareholders meeting, when the circumstances mentioned in the second paragraph occur and cannot be able to be resumed, the number of shares represented by shareholders who attend the meeting via videoconferencing shall be deducted from the total number of shares represented by shareholders attending the meeting. If the total number of shares represented by shareholders attending the meeting has a quorum, the shareholders meeting shall be to be resumed. Shall not be necessary to defer or resume the meeting according to the second paragraph.

For the circumstance in the preceding paragraph, shareholders who attend a shareholders meeting via videoconferencing, the number of shares shall be plus the total number of shares represented by shareholders attending the meeting, but have waived his/her rights with respect to all proposals of that meeting.

The Company regulates to defer or resume the meeting according to the second paragraph, and shall be based on the original date of the shareholders meeting to deal with relevant predecessor activities according to Paragraph 7, Active 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies.

The prescribed time period of shareholders meetings for the publicly owned corporation is regulated according to second half of Article 12 and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Company as well as paragraph 2, Articles 44-5, Article 44-15, and Paragraph 1, Articles 44-17 of Regulations Governing the Administration of Shareholder Services of Public Companies. The Company shall regulate the date to defer or resume a shareholders meeting according to the second paragraph.

Article 21: (Handling for digital divide)

When the Company convenes a shareholders meeting via videoconferencing, it shall appropriately provide shareholders who have difficulty in attending the meeting via videoconferencing with an alternative measure.

Article 22: These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

These Rules were enacted on July 16, 1998 with the 1st amendment made on June 9, 2015, and with the 2nd amendment made on May 24, 2022.

Appendix 4.2 : Articles of Incorporation (Before amended)

FARADAY TECHNOLOGY CORPORATION Articles of Incorporation

Chapter 1: General Rules

Article 1: The Company is organized in accordance with the provisions of the Company Act. The name of the Company is “智原科技股份有限公司” in Chinese and “FARADAY TECHNOLOGY CORPORATION” in English.

Article 2: The Company’s business operation is as follows:

I. CC01080 Electronic component manufacturing business

II. I501010 Product design business

III. F401010 International trade business

IV. I301020 Data processing services business

V. I301010 Information software service business

Research, development, design services, production, manufacturing, and sales of the following products:

I. Application-specific integrated circuit (ASIC) design

II. Application-specific integrated circuit (ASIC) design Intellectual Property and System Platform (IP & System Platform)

III. ASIC Electronic Design Automation Tools (ASIC EDA TOOLS)

Article 2-1: When the Company is a shareholder of unlimited liability in another company, the total amount of the Company’s investment in such other company is not subject to the requirement of not exceeding 40% of the amount of its own paid-in capital by Article 13 of the Company Act.

Article 3: The Company’s head office is located in Hsinchu Science Park. If necessary, the Company may establish branches domestically and abroad after the resolution of the board of directors and the approval of the competent authority.

Article 4: The Company announcement method may, pursuant to Article 28 of the Company Act.

Chapter 2: Shares

Article 5: The Company’s authorized capital is NT\$6 billion with 600 million shares issued at NT\$10 par; also, the Board of Directors is authorized to have the stock shares issued by installments. The issue price of each share is determined by the Board of Directors in

accordance with the Company Act or securities-related law and regulations.

Within the total capital amount stated in the preceding paragraph, stock warrants can be issued for an amount of NT\$550 million or less with 55 million shares issued at NT\$10 par. The board of directors is authorized to have the stock shares issued by installments depending on the business operation.

The transferees that the Company repurchases shares and transfers to the employees, the individuals entitled to the issuance of new shares, issuance of employee stock option certificates and issuance of Restricted Stock Awards, shall include the employees that meet certain condition controls or employees of subsidiaries.

Article 5-1: Employee stock warrants that are issued by the Company with a subscription price lower than the closing price of common stock shares issued by the Company on the issuance date should be issued with the consent of two thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares.

To transfer shares to employees at less than the average actual share repurchase price, the Company must have obtained the consent of two thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares.

Article 6: The Company's stock shares are ordered, numbered, affixed with the signatures or personal seals of the directors representing the Company, and should be duly certified or authenticated by the competent authority or its authorized issuance agency. The Company after having the stock shares issued may be exempted from printing any share certificate for the shares issued. When issues new shares, the certificate for the total number of shares issued currently may be printed collectively.

Article 7: Unless otherwise specified by laws and securities regulations, the shareholders of the Company shall handle securities matters, such as transfer, pledge, loss report, inheritance, gift, and seal report loss, change, or address change by "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 8: (Deleted)

Article 9: The entries of stock assignment/transfer in the shareholders' roster should not be altered within 60 days prior to the convening date of a regular shareholder meeting, or within 30 days prior to the convening date of a special shareholder meeting, or within 5 days prior to the base date fixed by the Company for distribution of dividends, bonus, or other

benefits.

Chapter 3: Shareholder Meetings

Article 10: The Company's shareholder meetings include two types of meetings as follows:

1. Regular shareholder meeting should be held by the Board of Directors within six months after the end of each fiscal year.
2. Special shareholder meeting should be convened according to law when necessary. When the Company holds a shareholders meeting, it shall be held by video conference or other methods announced by the central competent authority. When convening a shareholders meeting by video conference, shareholders who attend the meeting via videoconferencing will be deemed to have attended the meeting in person.

Article 11: The chairman of the board should chair the shareholder meeting. If the chairman of the board asks for leave or is unable to exercise his/her powers, one of the directors should be appointed to act on his/her behalf. If the chairman of the board has not appointed a representative, the directors should elect one person among them to act as the chairman.

Article 12: Shareholders should be informed of the date, place, and reason for a regular shareholders meeting to be convened 30 days in advance, and for a special shareholders meeting to be convened 15 days in advance.

Article 13: When the shareholders cannot attend the shareholder meeting for any reasons, they should provide the proxy form issued by the Company with the scope of authorization specified and then entrust a representative to attend the shareholder meeting. The procedures for attending a shareholder meeting by proxy should be handled in accordance with Article 177 of the Company Act and the provisions of the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" issued by the competent authority.

Article 14: Except in the circumstances otherwise provided for in Article 157, Paragraph 3 and Article 179 of the Company Act, the shareholders of the Company should have one voting power in respect of each share in his/her/its possession.

Article 15: Resolutions at a shareholders meeting should, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who

represent more than one-half of the total number of voting shares.

Chapter 4 :Board Directors, Audit Committee, and Managerial Officers

Article 16: The Company has seven to eleven directors for a term of three years who have the capacity to be elected in the shareholders meeting and are eligible for a second term. The shareholding ratio of all the directors is in accordance with the regulations of the securities competent authorities. The Company may purchase liability insurance for directors during the term of directors within the scope of their directorial duties by the legal liability for compensation.

The Company's independent directors among the number of directors specified in the preceding paragraph must be not less than three persons, and must be not less than one fifth of the number of directors. The board of directors is authorized to pay remuneration to the directors according to their level of participation in the operation of the Company and the value of their contribution, and with reference to the industry level.

A candidate nomination system is adopted for the election of directors and independent directors, the shareholders are to elect the directors from the candidate list in the meeting. Regarding the independent directors' professional qualifications, shareholdings, part-time restrictions, nomination and selection methods, and other matters to be complied with, it should be handled in accordance with the relevant regulations of the securities competent authority.

Article 16-1:According to the provision of Article 14-4 of the Securities and Exchange Act, the Company has an Audit Committee composed of by all independent directors; the number, term of service, power, rules of procedure for meetings and other matters of the Audit Committee shall be additionally stipulated according to the relevant laws and regulations of the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies" in the Audit Committee Charter.

Article 17: The board of directors is formed by directors with the powers illustrated as follows:

1. Preparation of the business plan.
2. The surplus earnings distribution or loss off-setting proposal
3. Propose capital increase or decrease proposal.
4. Formulate important rules and contracts.
5. Appoint and dismiss the General Manager of the Company.
6. The establishment and abolition of branches.
7. Prepare budgets and final accounts.
8. Review of capital expenditures.
9. Other powers entrusted according to the Company Act or resolutions of the shareholder meetings.

Article 18: The chairman of the board shall be elected by a majority of the directors at a meeting attending by two thirds of the directors. The chairman is internally the chairperson of the shareholders' meeting and the Board of Directors and represents the Company externally. The Board of Directors, depending on operational needs, may have the vice chairperson of the board elected by a majority of the directors at a meeting attending by two thirds of the directors.

Article 19 The board meeting of the Company, unless otherwise provided by the Company Act, should be convened by the chairman. Unless otherwise provided by the Company Act, resolutions of the board of directors should be adopted by a majority of the directors at a meeting attended by a majority of the directors. The board directors should be notified of the upcoming board meeting in writing, by email, or by fax.

Article 20: The chairperson of the board should preside the board meetings. When the chairperson of the board is on leave or cannot exercise his/her powers for any reason, the vice chairman should act in place of the chairperson. If there is not a vice chairman elected or the vice chairman is also on leave or cannot exercise his/her powers for any reason, the chairman should appoint one of the directors to act. If no such designation is made by the chairman, the directors should select one person among themselves to serve as chairman. The directors should attend the meeting in person, but may be represented by another director if they cannot attend the meeting in person for any reason. The representation stated in the preceding paragraph is limited to one proxy per director only.

Article 21: (Deleted).

Article 22: (Deleted).

Article 23: The Company has more than one president appointed. The appointment, dismissal, and remuneration of the president must be handled by Article 29 of the Company Act.

Article 24: The general managers should manage the company's business operation in accordance with the resolution of the board of directors.

Chapter 5 Accounting

Article 25: The Company's fiscal year is from January 1 to December 31. The final statements must be prepared at the end of each fiscal year.

Article 26: The Company's board of directors should, in accordance with the provisions of Article

228 of the Company Act, have the following books and reports prepared at the end of each fiscal year and should present them in the shareholder meetings for resolutions.

1. Business report
2. Financial statements
3. Surplus earnings distribution and loss off-setting proposal

Article 27: The Company shall appropriate no less than 10% as employee remuneration and no more than 2% as director's remuneration based on the profit status of current year. However, if the Company still has previous losses, then the Company should make up for it.

Employee remuneration may be in cash or stock, and the individuals entitled to cash or stock may include the employees that meet certain condition controls or employees of subsidiaries.

“The profit status of the current year” as used herein paragraph 1, shall refer to the profit before tax deducting the distribution of employee remuneration and directors' remuneration in the current year.

The distribution of employee remuneration and directors' remuneration shall be made by the board of directors with the attendance of more than two-thirds of the directors and the approval of more than half of the directors present, and shall be reported to the shareholders' meeting.

The Company's annual surplus earnings, if any, will be distributed in the following order:

1. Withheld taxes
2. Loss off-setting
3. Appropriated 10% of the earnings as legal reserve
4. Appropriated or reversed special reserve lawfully
5. The balance amount plus the unappropriated retained earnings is for the shareholder dividend. Except for the reserved amount is to be distributed in the future, the shareholder dividend is distributed according to the resolutions reached in the shareholders meeting.

The Company's dividend distribution policy depends on the Company's current and future investment environment, capital demand, domestic and foreign competition, capital budget, and other factors, taking into account the interests of shareholders, balancing dividends, and the Company's long-term financial planning. The board of directors is to submit the earnings distribution plan to the shareholders meeting for resolutions every year. The Company's current business development is in a growth stage; therefore, business expansion plans and capital demands in the future are inevitable. The dividend distribution amount of the Company shall be no less than 50% of the after-tax profit of the current year. The dividend distributed in the current year must be with a cash dividend amount for not less than 10% of the total dividend.

Article 27-1: The Company shall distribute all or part of dividends and bonus in cash authorized by the resolution of the board of directors with the attendance of more than two-thirds of the directors and the approval of more than half of the directors present, and shall be reported to the shareholders meeting. It is not applicable to the “Articles of Incorporation” for the relevant regulations of resolutions in a shareholders meeting.

Chapter 6 Supplemental Provisions

Article 28: The Company’s charters and enforcements rules should be formulated separately.

Article 29: Matters not specified in the Articles of Association should be handled in accordance with the provisions of the Company Act.

Article 30: The initiators resolved in the “Initiator Meeting” to have the Company’s Articles of Association established on May 25, 1993.

The 1st amendment was made on June 19, 1997

The 2nd amendment was made on December 15, 1997

The 3rd amendment was made on July 16, 1998

The 4th amendment was made on March 16, 1999

The 5th amendment was made on June 17, 2000

The 6th amendment was made on June 9, 2001

The 7th amendment was made on June 17, 2002

The 8th amendment was made on June 3, 2003

The 9th amendment was made on June 15, 2004

The 10th amendment was made on June 14, 2005

The 11th amendment was made on June 12, 2006

The 12th amendment was made on June 11, 2007

The 13th amendment was made on June 13, 2008

The 14th amendment was made on June 10, 2009

The 15th amendment was made on June 15, 2010

The 16th amendment was made on June 15, 2011

The 17th amendment was made on June 12, 2012

The 18th amendment was made on June 9, 2015

The 19th amendment was made on June 15, 2016

The 20th amendment was made on May 24, 2022.

Appendix 4.3 : Sustainable Development Best Practice Principles (Before amended)

FARADAY TECHNOLOGY CORPORATION

Sustainable Development Best Practice Principles

Chapter 1:General Overview

Article1: In order to fulfill the corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, Faraday hereby adopts the Principles of the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” to be followed.

Article2:This principles apply to the entire operations of the Company and its business group. The Company should actively fulfill the corporate social responsibility in the course of the business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on corporate social responsibility.

Article3:In fulfilling corporate social responsibility initiatives, the Company should, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

The Company should, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.

Article4:To implement corporate social responsibility initiatives, the Company is advised to follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of corporate social responsibility information.

Article5:The Company should take into consideration the correlation between the developments of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of the Company and its respective business groups as a whole on stakeholders, in establishing the policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs.

When a shareholder proposes a motion involving corporate social responsibility, the company's board of directors is advised to review and consider including it in the

shareholders meeting agenda.

Chapter 2: Exercising Corporate Governance

Article6: The Company is advised to follow the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the Code of Ethical Conduct for TWSE/TPEX Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article7: The directors of the company shall exercise the due care of good administrators to urge the company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.

The board of directors of the company is advised to give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its corporate social responsibility initiatives:

1. Identifying the company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines.
2. Making corporate social responsibility the guiding principle of the company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives.
3. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information.

The board of directors should appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue should be concrete and clear.

Article8: The Company is advised to, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in Paragraph 2 of the preceding article.

Article9: For the purpose of managing corporate social responsibility initiatives, the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis. The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.

Article10:The Company should, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.

Chapter 3: Fostering Sustainable Environment

Article11:The Company should follow relevant environmental laws, regulations and international standards to properly protect the environment and should endeavor to promote a sustainable environment when engaging in business operations and internal management.

Article12:The Company is advised to endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

Article13:The Company is advised to establish proper environment management systems based on the characteristics of their industries. Such systems should include the following tasks:

1. Collecting sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.
2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.

Article14:The Company is advised to establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.

Article15:The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:

1. Reduce resource and energy consumption of products and services.
2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve the recyclability and reusability of raw materials or products
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve the effectiveness of products and services.

Article16:To improve water use efficiency, the Company should properly and sustainably use water resources and establish relevant management measures.

The Company should construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article17:The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt climate related measures.

The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which should include the following:

1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.
2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.
3. Other indirect emissions: Emissions from corporate activities; emissions that are not indirect energy emissions; but originate from sources owned or controlled by other companies.

The Company is advised to compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The companies' carbon reduction strategies should include obtaining carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter 4:Preserving Public Welfare

Article18:The Company should comply with relevant laws and regulations, and the international bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

To fulfill its responsibility to protect human rights, the Company should adopt relevant management policies and processes, including:

1. Presenting a corporate policy or statement on human rights.
2. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes.
3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.
4. In the event of any infringement of human rights, the Company should disclose the processes for handling of the matter with respect to the stakeholders involved.

The Company should comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and

should ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company should provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised should be clear, convenient, and unobstructed. The Company should respond to any employee's grievance in an appropriate manner.

Article19:The Company should provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article20:The Company is advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and should endeavor to curb dangers to employees' safety and health and to prevent occupational accidents. The Company is advised to organize training on safety and health for their employees on a regular basis.

Article21:The Company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.
The Company should establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article22:The Company should establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.
The Company should respect the employee representatives' rights to bargain for the working conditions, and should provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives. The Company should,by reasonable means, inform employees of operation changes that might have material impacts.

Article22-1:The Company is advised to treat customers or consumers of its products or services in a fair and reasonable manner, including according to the following principles: fairness and good faith in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services,notification and disclosure, commensuration between compensation and performance, protection of the right to complain, professionalism of salespersons etc. Said company should also develop the

relevant strategies and specific measures for implementation.

Article23:The Company should take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company should ensure the transparency and safety of their products and services. They further should establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights,interests, health, or safety of consumers.

Article24:The Company should ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. The Company should follow relevant laws, regulations and international guidelines in regard to customer health and safety and customer privacy involved in, and marketing and labeling of, their products and services and should not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article25:The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society. The Company is advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, should comply with laws and regulations related to the Personal Information Protection.Act for respecting consumers' rights of privacy and should protect personal dataprovided by consumers.

Article26:The Company is advised to assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and should cooperate with their suppliers to jointly implement the corporate social responsibility initiative.

The Company is advised to establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, the Company are advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.

When the Company enters into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Article27:The Company should evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.

The Company is advised to, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc.,dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charitiesand local government agencies relating to community development andcommunity education to promote community development.

Chapter 5:Enhancing Disclosure of Corporate Social Responsibility Information

Article28:The Company should disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles and should fully disclose relevant and reliable information relating to their corporate social responsibility initiatives to improve information transparency.

Relevant information relating to corporate social responsibility which the company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies, and performance inimplementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information relating to corporate social responsibility initiatives.

Article29:The Company should adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing corporate social responsibility initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals.

Chapter 6:Supplementary Provisions

Article30:The Company should at all times monitor the development of domestic and foreign

corporate social responsibility standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.

Article31:The principles should be implemented after the board of directors grants the approval. The same procedure should be followed when the principles have been amended.The principles are established on April 26, 2022.

Appendix 4.4 : Current Shareholdings of All Directors

FARADAY TECHNOLOGY CORPORATION Shareholding of Directors

1.The statutory shareholdings of the directors of the 11th terms of the Company are as follows:

The number of common stock shares issued by the Company: 248,550,313 shares

The statutory shareholdings of all directors should be 12,000,000 shares.

2.As of March 26, 2023, the book closure date of the annual shareholders' meeting, current shareholding of all directors are as follows:

Title	Name	Shareholding	Shareholding ratio (%)
Chairman	United Microelectronics Corporation Representative : Chia-Tsung Hung	34,240,213	13.77
Director	United Microelectronics Corporation Representative : Ying-Sheng Shen	34,240,213	13.77
Director	Unimicron Technology Corporation Representative : Cheng-Li Huang	120,000	0.05
Director	Kuo-Yung Wang	371,990	0.15
Director	Shih-Chin Lin	160,000	0.06
Director	Wen-Ju Tseng	62,915	0.03
Independent director	Ning-Hai Jin	—	—
Independent director	Ping-Kuan Lo	—	—
Independent director	Wan-fen Zhou	—	—
Total shareholdings of all directors		34,955,118	14.06

Note: As Faraday has a majority of independent directors, and has established the Audit Committee that satisfies the requirements of the Securities and Exchange Act, the minimum shareholding requirements for directors and supervisors do not apply.