



# **2026 Annual Shareholders' Meeting**

## **Meeting Agenda (Translation)**

**May 25<sup>th</sup>, 2026**



# FARADAY

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## **Procedure for the 2026 Annual Shareholders' Meeting**

- 1 、 Call the Meeting to Order
- 2 、 Chairperson Takes Chair
- 3 、 Chairperson Remarks
- 4 、 Report Items
- 5 、 Ratification Items
- 6 、 Discussion Items
- 7 、 Questions and Motions
- 8 、 Adjournment



## **2026 Agenda of Annual Shareholders' Meeting**

**1** ∙ **Time:** 9:00 a.m., May 25<sup>th</sup>, 2026

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

**3** ∙ **How to convene :** Physical Shareholders' Meeting

**4** ∙ **Attendance:** All Shareholders and Equity Representatives

**5** ∙ **Chairperson:** Chia-Tsung Hung, Chairperson of the Board of Directors

**6** ∙ **Chairperson Remarks**

**7** ∙ **Report Items**

- (1) 2025 Business Report.
- (2) Audit Committee's Review Report on the 2025 Financial Statements.
- (3) 2025 Profit Distribution for Employees and Directors.
- (4) Report on 2025 Remuneration of Directors.

**8** ∙ **Ratification Items**

- (5) 2025 Business Report and Financial Statements.
- (6) Proposal for Distribution of 2025 Profits.

**9** ∙ **Discussion Items**

- (1) Proposal for the Issuance of 2026 New Restricted Employee Shares.
- (2) Proposal to Release Directors from Non-Competition Restrictions.

**10** ∙ **Questions and Motions**

**11** ∙ **Adjournment**

## **2.1 Report Items**

### **Report I**

**Proposed by the Board of Directors**

#### **2025 Business Report.**

Explanatory Notes:

- (1) 2025 Business Report is attached on Pages 10~11, Attachments 3.1.
- (2) Submitted for Review.

### **Report II**

**Proposed by the Board of Directors**

#### **Audit Committee's Review Report on the 2025 Financial Statements.**

Explanatory Notes:

- (1) The 2025 Audit Committee's Review Report is attached on Page 12, Attachments 3.2.
- (2) Submitted for Review.

### **Report III**

**Proposed by the Board of Directors**

#### **2025 Profit Distribution for Employees and Directors.**

Explanatory Notes:

- (1) The 2025 Profit Distribution for Employees and Directors was approved by the 11<sup>th</sup> Board Meeting with Faraday's 12<sup>th</sup> 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\$ 1,218,885 and for Employees is NT\$ 36,463,422 (including for non-executive employees is NT\$ 10,262,886).
- (2) Submitted for Review.

### **Report IV**

**Proposed by the Board of Directors**

#### **Report on 2025 Remuneration of Directors.**

Explanatory Notes:

- (1) Policy, System, Standards, and Structure of Director Remuneration

The remuneration for the Company's directors (including independent directors) is determined in accordance with Articles 16 and 27 of the Articles of Incorporation, as well as relevant payment regulations. The remuneration levels are established based on their responsibilities, associated risks, and time commitment. The remuneration structure comprises fixed compensation, attendance fees, and variable remuneration. Remuneration is distributed to all directors (including independent directors) in recognition of their collective contribution to corporate governance and operations. The final allocation is weighted based on performance evaluation results and the number of days served.

(2) Linkage between Compensation and Performance Evaluation Results

The Company conducts regular Board Performance Evaluations. The relevant weightings and achievement outcomes in 2025 are as follows:

- A. Operating Performance (50%): Compensation levels are rigorously assessed based on 2025 actual operating results, referencing KPIs including annual revenue, pre-tax profit, and ROE.
  - B. Sustainability and Governance (20%): Remuneration is linked to environmental sustainability initiatives, OHS performance, and the ranking trajectory in the Corporate Governance Evaluation.
  - C. Internal and External Evaluation Results (20%): The Board achieved a self-assessment score of 4.97 (Excellent). Furthermore, an external professional evaluation was simultaneously completed by TIRI.
  - D. Peer Benchmarking (10%): Compensation levels are benchmarked against the semiconductor industry average to ensure competitive and reasonable.
- (3) The remuneration paid to Directors (including Independent Directors) in 2025, includes the remuneration policy, individual remuneration components, and specific amounts, please refer to Pages 13~14, Attachments 3.3.
- (4) Submitted for Review.

## **2.2 Ratification Items**

### **Proposal I**

**Proposed by the Board of Directors**

#### **2025 Business Report and Financial Statements.**

Explanatory Notes:

- (1) The Company's 2025 Financial Statements have been audited by Independent Auditors, Hu, Shen-Jie and Yang, Yu-Ni, of Ernst & Young, Taiwan. These Financial Statements, together with the Business Report, were approved by a resolution of the 11<sup>th</sup> Meeting of the 12<sup>th</sup> Board of Directors and subsequently reviewed by the Audit Committee, which has issued an Audit Report accordingly.
- (2) For the aforementioned The 2025 Business Report and Financial Statements, please refer to Attachment 3.1 on Pages 10~11, Attachments 3.4 and Attachments 3.5 on Pages 15~32.
- (3) Submitted for Recognition.

Resolutions:

### **Proposal II**

**Proposed by the Board of Directors**

#### **Proposal for Distribution of 2025 Profits.**

Explanatory Notes:

- (1) The 2025 Earnings Distribution Table of the Company has been approved by a resolution of the 11<sup>th</sup> meeting of the 12<sup>th</sup> Board of Directors and subsequently reviewed by the Audit Committee. Please refer to Attachments 3.6 on Page 33.
- (2) Regarding this earnings distribution, a cash dividend of NT\$468,990,563 is proposed to be distributed as shareholder bonuses, representing approximately NT\$1.8 per share. Cash dividends will be calculated proportionally and rounded down to the nearest whole NT\$ dollar. Any fractional amounts less than one dollar arising from this calculation shall be transferred to the Company's Employee Welfare Committee.
- (3) The Board of Directors has been authorized to empower the Chairman to determine the ex-dividend record date, the dividend payment date, and other related matters. Furthermore, should there be any change in the number of outstanding common shares due to factors such as share buybacks, transfer or cancellation of treasury shares, or issuance of new shares for cash, resulting in a change in the dividend payout rate, the Chairman is fully authorized to handle all such adjustments at his sole discretion.
- (4) Submitted for Recognition.

Resolutions:

## 2.3 Discussion Items

### Proposal I

Proposed by the Board of Directors

#### Proposal for the Issuance of 2026 New Restricted Employee Shares.

Explanatory Notes:

- (1) In order to attract and retain key outstanding talents required by the Company, motivate employees, and enhance their commitment and sense of belonging to the Company to jointly create value for the Company and its shareholders, the Company proposes the issuance of 2026 New Restricted Employee Shares. This issuance shall be conducted in accordance with Article 267 of the Company Act, Article 22 of the Securities and Exchange Act, and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" (hereinafter referred to as the "Offering Regulations") promulgated by the FSC.
- (2) The key terms and conditions for the issuance of the New Restricted Employee Shares are as follows:
  - A. Total Issuance Amount:

The maximum number of shares to be issued is 4,000,000 common shares, with a par value of NT\$10 per share, totaling NT\$40,000,000. The application for issuance shall be filed in multiple tranches within one year from the date of the shareholders' meeting resolution. The actual issuance may occur in a single or multiple tranches within two years from the date the effective notice of the filing from the competent authority arrives. The actual number of shares issued and the associated expenses will be calculated based on the share price at the time of grant. The Board of Directors is authorized by law to determine and subsequently announce the final number of shares to be issued.
  - B. Issuance Conditions:
    - a. Issuance Price:

The shares shall be issued at NT\$0 per share, representing a gratuitous issuance to employees without cash consideration.
    - b. Vesting Conditions:

The RSAs shall be granted subject to the following vesting conditions:

      - (a) Employees who remain employed by the Company or its subsidiaries through the following periods starting from the grant date (i.e., the base date of the capital increase for the RSAs) and satisfy the performance conditions required by the Board of Directors, shall be entitled to the following vesting percentages. For any shares that fail to meet the vesting conditions, the Company shall acquire and cancel such shares without consideration in accordance with the law:
        - 1 year of continued employment: 33% vested
        - 2 years of continued employment: 33% vested
        - 3 years of continued employment: 34% vested
      - (b) If an employee's individual performance appraisal within the year prior to each

vesting date fails to meet performance indicators, the Company will redeem the shares for no consideration and cancel them in accordance with the law.

However, for employees who are not directors or executive officers of the Company, the vesting of their shares may be fully or partially granted or deferred, subject to the approval of the Chairman.

(c) After being granted the RSAs, if an employee violates the RSA rules, the Trust Agreement, or the Employment Contract, Non-Disclosure Agreement, Corporate Governance Best Practice Principles, Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, Information Security Policy, Privacy Policy, Non-Competition Agreement, or Work Rules of the Company or its subsidiaries, the Company reserves the right to acquire and cancel the unvested RSAs without consideration.

c. Type of Shares to be Issued: New Common Shares of the Company.

d. Handling of Non-fulfillment of Vesting Conditions or Inheritance: Please refer to Article 5, Paragraph (IV) of the RSAs rules for details.

C. Eligibility Criteria and Number of Shares to be Granted:

a. Eligibility Criteria:

Eligibility is limited to employees of the Company and its domestic and overseas subsidiaries. The actual employees to be granted and the number of shares awarded will be determined by considering factors such as seniority, job grade, individual performance, work efficiency, overall contribution, special achievements, or other managerial considerations. The distribution standards shall be formulated and reviewed by the Chairman. Employees holding positions as Directors or executive officers must first obtain the consent of the Compensation and Remuneration Committee, while employees not holding such positions must first obtain the consent of the Audit Committee, before the final determination is submitted to the Board of Directors for approval.

b. Number of Shares Granted:

In accordance with Paragraph 1, Article 56-1 of the Offering Regulations, the cumulative number of shares an individual employee may subscribe to under ESOs, combined with the cumulative number of RSAs obtained by said employee, shall not exceed 0.3% of the total issued shares. Furthermore, the total combined with shares granted under Article 56, Paragraph 1 of the Offering Regulations shall not exceed 1% of the total issued shares. However, with special approval from the Central Competent Authority of the relevant industry, the aforementioned ratios may not apply. The identification and calculation of said shares shall be conducted in accordance with the Offering Regulations and relevant laws. Should the competent authority update the relevant regulations, the updated laws and regulations shall prevail.

- D. Necessary reasons for the issuance of Restrictive Employee Shares:  
To attract and retain professional talent required by the Company, motivate employees, and enhance their commitment and sense of belonging, with the aim of collectively creating interests for the Company and its shareholders.
- E. Estimated expensed amount, dilution of EPS, and other impacts on shareholders' equity:
- a. The Company shall measure the fair value of the shares on the grant date and recognize related expenses over the vesting period. The maximum number of RSAs to be issued, as proposed for resolution at the 2026 Annual Shareholders' Meeting, is 4,000,000 shares, with an issue price of NT\$0 per share. Assuming all vesting conditions are fully met, the total estimated expensed amount is approximately NT\$597,520 thousand (pro forma calculation based on the closing price of NT\$154 on March 11, 2026). If issued on January 1, 2027, the estimated annual expensed amounts for 2027 to 2029 are NT\$363,491 thousand, NT\$166,310 thousand, and NT\$67,719 thousand, respectively.
  - b. Based on the Company's current outstanding shares (i.e., 260,550,313 shares), the estimated reduction in EPS for 2027 to 2029 after expensing is NT\$1.40, NT\$0.64, and NT\$0.26, respectively. The dilution to the Company's EPS is limited; therefore, there is no material impact on shareholders' equity.
- F. Restrictions on the rights of employees prior to meeting the vesting conditions:
- a. Before the vesting conditions are met, employees who have been allocated RSAs may not sell, mortgage, transfer, give as a gift, pledge, or otherwise dispose of the RSAs, except in the case of inheritance.
  - b. Rights to attend, propose, speak, and vote at Annual Shareholders' Meeting shall be executed by the trustee or custodian bank in accordance with the agreement.
- G. Other important covenants (including stock trust and custody, etc.):  
The RSAs issued by the Company shall be held in custody under a trust agreement before the vesting conditions are met.
- (3) Upon approval by the Annual Shareholders' Meeting, the Board of Directors shall establish the "Issuance Rules for 2026 Restricted Employee Shares" in accordance with the mandatory disclosure items required by relevant laws and regulations, and subsequently file for issuance in one or multiple tranches. For the Company's 2026 RSA Issuance Rules, please refer to Attachment 3.7 on Pages 34 to 38.
- (4) Regarding the issuance of RSAs, should the competent authorities require any amendments or adjustments to the relevant content in the future, it is proposed that the Annual Shareholders' Meeting authorize the Board of Directors or its authorized person(s) with full power to handle all related matters.
- (5) Any restrictions, important covenants, or matters not covered herein regarding this RSA issuance shall be handled in accordance with relevant laws and regulations, as well as the Issuance Rules established by the Company.

(6) Submitted for Resolution.

Resolutions:

## Proposal II

Proposed by the Board of Directors

### Proposal to Release Directors from Non-Competition Restrictions.

Explanatory Notes:

- (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) For the purpose of diversifying business operations and enhancing operational performance, the Company’s current directors have taken on additional concurrent positions as listed in the table below:

Title	Name	Newly Added Concurrent Company	Business Scope	Newly Added Concurrent Position
Director	Kuo-Yung Wang	Artery Technology Corporation	General Investment	President
		Artery Technology Company	R&D, sales, and after-sales service of MCUs	President
		Artery Technology Co., Ltd.	R&D, sales, and after-sales service of MCUs	President

- (3) In the event that a Director of the Company invests in or operates another company with a business scope identical or similar to that of the Company and serves as a Director, provided that such activities do not prejudice the interests of the Company, it is proposed that the Annual Shareholders’ Meeting approve to release Directors from non-competition restrictions.
- (4) Submitted for Resolution.

Resolutions:

## 2.4 Questions and Motions

## 2.5 Adjournment

## Attachments 3.1 : 2025 Business Report

### FARADAY TECHNOLOGY CORPORATION

#### 2025 Business Report

Dear Shareholders,

2025 represented a definitive milestone for Faraday Technology Corporation under the strategic vision of "Connecting the Industry, Accelerating the Leap." Over the past three-year strategic cycle, the Company has successfully executed its planned roadmap: in 2023, we validated our technical proficiency by surpassing the entry barriers for advanced process design; in 2024, we initiated a comprehensive organizational transformation through "Business Model 2.0" to optimize global resource allocation; and in 2025, the Company officially entered its transitional expansion phase. Amidst the structural tailwinds driven by Artificial Intelligence (AI) within the global semiconductor industry, Faraday has successfully evolved from a leader in mature nodes into a premier ASIC provider with dual competencies in "Advanced Process Design" and "Advanced Packaging Integration," securing a dominant position in the primary market for next-generation semiconductor demand.

For 2025, Faraday's consolidated revenue reached NT\$18.0 billion, representing a 63% YoY increase and achieving a historical peak, with Basic EPS of NT\$2.81. While Silicon IP revenue recorded NT\$1.52 billion (a 3% YoY decrease), MP revenue delivered robust performance, surging 96% YoY to NT\$141.9 billion, also setting a record high. NRE revenue exhibited a significant structural shift, growing 2% YoY to NT\$2.29 billion, demonstrating that the Company is in a critical inflection point where technological accumulation is successfully being converted into profitability momentum.

#### **Substantive Transformation in Advanced Nodes: Establishing Leading Indicators for Future Mass Production**

Faraday's NRE business has achieved growth for five consecutive years, resulting in a qualitative optimization of our revenue mix

- **Expansion of Advanced Process NRE Contribution**  
The contribution of advanced nodes (14nm and below) to total NRE revenue surged from 4% in 2023 to 49% in 2025. This signifies Faraday's successful migration into high-margin, high-entry-barrier technical domains. This leading indicator portends structural growth potential for the Company's future mass production revenue streams.
- **Validation of Frontier Technical Prowess**  
We successfully concluded the development of an Intel 18A test chip, incorporating high-end ARM Neoverse processor IP. This achievement serves as a PoC for our capability to handle cutting-edge transistor architectures and provides empirical evidence of our technological depth.
- **Multi-Foundry Collaborative Ecosystem**  
Through strategic alliances with UMC, Samsung, Intel, and our newly formalized partnership with GlobalFoundries, Faraday's process roadmap now encompasses a full spectrum from 14nm to Intel 18A. This "cross-foundry, cross-node" agility provides the Company with superior supply chain resilience and strategic flexibility in capacity allocation.

#### **Capitalizing on Advanced Packaging: Achieving the Inaugural 3D Packaging Milestone**

As semiconductor design pivots toward Heterogeneous Integration, Faraday has extended its competitive advantages from individual SoC design to system-level integration:

- **Implementation of 3D Packaging Solutions:**  
By leveraging Customized High Bandwidth Memory (CUBE) and Wafer-on-Wafer (WoW) technologies, we have precisely addressed the stringent requirements for low power

consumption and high bandwidth in Edge AI applications. The successful acquisition of our first 3D packaging design win this year signifies Faraday's proficiency in managing complex supply chain orchestration and Heterogeneous Integration. This capability enables our clients to accelerate the commercialization of their products within the highly competitive AI silicon market.

### **Capturing Full-Spectrum AI Opportunities: Enhancing Group Synergies**

In 2025, AI applications transitioned from Cloud AI to Edge AI and Endpoint AI. The rapid expansion of Faraday's AI-related revenue confirms our readiness to serve as a core engine for AI implementation:

- **Holistic AI Solutions**  
Faraday utilizes advanced process and packaging technologies to provide silicon solutions that offer optimized cost-performance (P/C) ratios for high-performance AI accelerators and peripheral ICs.
- **Group Synergistic Effects:**  
In the Endpoint AI sector, our subsidiary, Artery Technology, offers a diversified portfolio of MCU solutions that complement the parent company's SoC services, collectively building a comprehensive AI silicon ecosystem.

### **Internalizing ESG Principles: Strengthening Corporate Sustainability and Resilience**

Faraday has integrated Sustainable Development into its corporate DNA, continuing to earn prestigious international accolades in ESG:

- Ranked in the top 5% of the Corporate Governance Evaluation for listed companies and attained the highest AAA rating in the TIP Taiwan Sustainability Index.
- Selected for the "Top 100 Carbon Competitiveness" by Business Weekly for two consecutive years, aligning with TCFD and SASB disclosure trends.
- Recipient of the "Best Companies to Work for in Asia" award by HR Asia, maintaining a competitive edge in human capital management and talent retention within the semiconductor industry.

### **Strategic Vision: Entering a Milestone of Structural Growth**

In 2025, we executed our strategic roadmap with precision and achieved tangible results. Looking ahead, we will continue to enhance our technological capabilities, strengthen strategic partnerships, and penetrate structural opportunities presented by AI. Adhering to our core mission of "Advancing Human Well-being through Technology," we remain committed to the sustainable enhancement of long-term shareholder value. We extend our sincere gratitude for your continued support.

### **Charting a Forward-Looking Vision, Entering a New Era of Structural Growth**

In 2025, we advanced steadily along our established roadmap, delivering tangible results. Moving forward, we will continue to enhance our technological capabilities, deepen strategic partnerships, and fully leverage the structural opportunities brought by AI. Guided by our founding mission, "Improve Human Welfare with Technological Innovation", we remain committed to steadily enhancing corporate value and rewarding our shareholders' long-term trust. We sincerely appreciate all of your continued support.

Chairman: Chia-Tsung Hung

President: Kuo-Yung Wang

Accounting Officer: Wen-Ju Tseng

## **Attachments 3.2 : Audit Committee's Review Report**

### **Audit Committee's Review Report**

The Board of Directors had prepared and presented the Company's 2025 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 2026 Annual Shareholders' Meeting

**Audit Committee Convener:** Wan-Fen Zhou

February 10, 2026

### Attachments 3.3 : General Remuneration of Directors (Including Independent Directors) in 2025

December 31, 2025

Unit: Thousand dollars/Thousand shares

Title	Name	Directors' remuneration								The total amount of (A + B + C + D) and proportion of net income after tax		Relevant remuneration received by part-time employee						The total amount of (A + B + C + D + E + F + G) and proportion of net income after tax		Receive r emunerati on from r einvestme nt outside subsidiar y or pare nt compa ny		
		Remuneration (A)		Retirement pension (B)		Director's emoluments (C)		Business execution expense (D)				Salary, bonus and special expense (E)		Retirement pension (F)		Employee compensation (G)						
		The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company		All companies in financial statements		The Company	All companies in financial statements			
Chairman	Representative of UMC: Chia-Tsung Hung(Note 2)	720	720	-	-	406	406	150	150	6,438 (0.88%)	6,438 (0.88%)	47,132	47,132	-	-	1,888	-	1,888	-	55,458 (7.58%)	55,458 (7.58%)	None
Director	Representative of UMC: Ying-Sheng Shen (Note 2)	720	720	-	-	406	406	150	150													
Director	Representative of UNIMICRON: Cheng-Li Huang(Note 2)	720	720	-	-	406	406	150	150													
Director	Kuo-Yung Wang	720	720	-	-	-	-	150	150													
Director	Shih-Chin Lin	720	720	-	-	-	-	150	150													
Director	Wen-Ju Tseng	720	720	-	-	-	-	150	150	3,330 (0.46%)	3,330 (0.46%)	-	-	-	-	-	-	-	3,330 (0.46%)	3,330 (0.46%)	None	
Independent Director	Bing-Kuan Luo	960	960	-	-	-	-	150	150													
Independent Director	Wan-Fen Zhou	960	960	-	-	-	-	150	150													
Independent Director	Li-Ying Yeh	960	960	-	-	-	-	150	150													

- Please specify the payment policy, system, standard and structure of independent directors' remuneration; and state the relevance of payment remuneration amount according to the factors of responsibilities, risks, and time invested. (Note 1)
- Except disclosed in the above table, the received remuneration in the most recent year from the service provided from directors of board (such as serving as consultant of parent company, all companies inside financial statements, non-employee of reinvestment business): None

Note 1 : Remuneration policies, systems, standards, and structure, and the correlation between the amount of remuneration paid and the responsibilities, risks, time spent, and other factors:

#### 1. Remuneration Policies, Systems, Standards, and Structure

- The remuneration for the Company's Independent Directors consists primarily of fixed compensation, handled in accordance with the Articles of Incorporation and relevant regulations. It is determined by considering the time invested and the level of responsibility in areas such as corporate governance, financial oversight, internal

control systems, and risk management. To maintain independence and objectivity, Independent Directors' remuneration is, in principle, not directly linked to the Company's short-term operating performance. The payment standards and amounts are reviewed by the Compensation and Remuneration Committee and submitted to the Board of Directors for resolution.

- (2) The remuneration for Directors is determined in accordance with the Articles of Incorporation, taking into account the Company's overall operating results, the Directors' duties, and their level of involvement. Payments are made following review by the Compensation and Remuneration Committee and resolution by the Board of Directors.
  - (3) The payment and disclosure of directors' remuneration are handled in compliance with the "Compensation and Remuneration Committee Charter" and the "Regulations Governing Information to be Published in Annual Reports of Public Companies" to ensure the reasonableness, transparency, and alignment of the system with corporate governance principles.
2. Correlation with the Remuneration Amount
- (1) The remuneration of Independent Directors primarily reflects their supervisory functions, professional judgment, and the degree of involvement in the Board of Directors and functional committees. It is designed without a direct link to the Company's short-term profit performance.
  - (2) The remuneration for Directors is determined by comprehensively considering the Company's operating outcomes, financial performance, and the Directors' contributions to the Company's long-term development.
  - (3) The reasonableness of directors' remuneration is evaluated annually by the Compensation and Remuneration Committee and submitted to the Board of Directors for resolution.

Note 2: Regarding the remuneration of Juridical Person Directors and their representatives, the remuneration and business execution expenses are paid to the individuals; however, the Director's remuneration is paid to the Juridical Person.



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## 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, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other 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, 2025 and 2024, and their consolidated financial performance and cash flows for the years ended December 31, 2025 and 2024, 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 Financial Statements Audit and Attestation Engagements of 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 the 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 2025 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\$17,992,808 thousand for the year ended December 31, 2025, including sale of goods, rendering of services and silicon intellectual property license in the amount of NT\$14,187,081 thousand, NT\$2,287,910 thousand and NT\$1,517,817 thousand, constituting 78.85%, 12.71% and 8.44% 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 of transactions 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 with the Group's customers for service provided, and inspecting evidence of client acceptance for deliverables, 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(17).

### **Other Matter – Making Reference to the Audits of Other Auditors**

We did not audit the financial statements of certain subsidiaries, whose statements reflect total assets of NT\$1,745,531 thousand and NT\$1,560,212 thousand, constituting 9.22% and 8.51% of total consolidated assets as of December 31, 2025 and 2024, respectively, and total operating revenues of NT\$1,860,848 thousand and NT\$2,135,406 thousand, constituting 10.34% and 19.30% of consolidated operating revenues for the years ended December 31, 2025 and 2024, 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 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, are responsible for overseeing the financial reporting process of the Group.

## **Auditors' 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 auditors' 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 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 auditors' 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 auditors' 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 2025 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' 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, 2025 and 2024.

/s/Hu, Shen-Chieh

/s/Yang, Yu-Ni

Ernst & Young, Taiwan

February 10, 2026

## 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, 2025 and December 31, 2024  
(Expressed in thousands of New Taiwan Dollars)

Assets	Note	As of		Liabilities and Equity	Note	As of	
		December 31, 2025	December 31, 2024			December 31, 2025	December 31, 2024
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and cash equivalents	4, 6(1)	\$ 7,265,576	\$ 8,310,879	Short-term loans	6(12), 12	\$ 25,000	\$ 25,000
Financial assets at fair value through profit or loss, current	4, 6(2)	20,454	23,307	Financial liabilities at fair value through profit or loss, current	4, 6(2), 6(25)	93,292	65,497
Contract assets, current	4, 6(17), 6(18)	12,052	1,799	Contract liabilities, current	4, 6(17)	1,422,397	683,073
Notes receivable, net	4, 6(4), 6(18)	-	22,395	Notes payable		4	4
Accounts receivable, net	4, 6(5), 6(18)	1,484,984	796,594	Accounts payable		1,202,565	1,071,241
Accounts receivable - related parties, net	4, 6(5), 6(18), 7	241,156	234,760	Accounts payable - related parties	7	446,832	603,360
Other receivables		662,679	199,617	Payables on equipment		1,208	1,934
Current tax assets	4	10,626	7,018	Other payables	6(13), 7	1,225,893	1,152,437
Inventories, net	4, 5, 6(6)	955,459	1,073,517	Current tax liabilities	4, 6(23)	208,405	213,426
Disposal group held for sale	4, 6(26)	42,557	-	Liabilities directly associated with disposal groups held for sale	4, 6(26)	13,975	-
Other current assets	6(7), 7	303,787	277,713	Lease liabilities, current	4, 6(19), 12	32,310	36,918
Costs to fulfil a contract, current	6(17)	201,221	76,544	Other current liabilities		12,642	19,387
Total current assets		11,200,551	11,024,143	Total current liabilities		4,684,523	3,872,277
<b>Non-current assets</b>				<b>Non-current liabilities</b>			
Financial assets at fair value through profit or loss, non-current	4, 6(2), 6(26)	1,280,204	1,024,515	Financial liabilities at fair value through profit or loss, non-current	4, 6(2), 6(25)	-	91,432
Financial assets at fair value through other comprehensive income, non-current	4, 6(3)	2,911,070	2,459,636	Deferred tax liabilities	4, 6(23)	221,699	153,689
Financial assets measured at amortized cost, non-current	4, 6(8), 8	176,821	125,992	Lease liabilities, non-current	4, 6(19), 12	269,077	301,042
Property, plant and equipment	4, 6(9)	616,626	581,509	Other non-current liabilities	6(13)	228,147	438,229
Right-of-use assets	4, 6(19)	630,879	719,480	Total non-current liabilities		718,923	984,392
Intangible assets	4, 6(10), 7	1,760,902	2,114,900	<b>Total liabilities</b>		5,403,446	4,856,669
Deferred tax assets	4, 6(23)	109,461	89,898	<b>Equity attributable to the parent company</b>			
Refundable deposits	7	56,352	103,486	Capital	6(15)		
Defined benefit assets, non-current	4, 6(14)	38,798	28,427	Common stock		2,605,503	2,605,503
Other non-current assets	6(11)	150,582	58,015	Additional paid-in capital	6(15)	4,325,263	4,325,263
Total non-current assets		7,731,695	7,305,858	Retained earnings	6(15)		
				Legal reserve		2,178,455	2,073,387
				Unappropriated earnings		2,987,265	3,134,356
				Other components of equity		959,874	936,176
				Equity attributable to the parent company		13,056,360	13,074,685
				<b>Non-controlling interests</b>	6(15)	472,440	398,647
				<b>Total equity</b>		13,528,800	13,473,332
<b>Total assets</b>		\$ 18,932,246	\$ 18,330,001	<b>Total liabilities and equity</b>		\$ 18,932,246	\$ 18,330,001

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, 2025 and 2024

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

	Note	For the years ended December 31	
		2025	2024
Operating revenues	4, 6(17), 7	\$ 17,992,808	\$ 11,064,852
Operating costs	6(6), 6(10), 6(20), 7	(13,135,315)	(6,013,493)
Gross profit		4,857,493	5,051,359
Operating expenses	6(10), 6(20), 7		
Selling expenses		(435,959)	(451,979)
Administrative expenses		(676,688)	(537,273)
Research and development expenses		(3,211,083)	(2,956,912)
Expected credit gains (losses)	6(18)	18,621	(34,518)
Total operating expenses		(4,305,109)	(3,980,682)
Operating income		552,384	1,070,677
Non-operating income and expenses			
Interest income	6(21)	92,992	110,938
Other income	6(21)	105,710	120,954
Other gains and losses	6(21)	260,661	51,756
Finance costs	6(21)	(10,114)	(11,271)
Total non-operating income and expenses		449,249	272,377
Income before income tax		1,001,633	1,343,054
Income tax expense	4, 6(23)	(228,654)	(271,162)
Net income		772,979	1,071,892
Other comprehensive income (loss)	4, 6(22)		
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans		10,371	11,516
Unrealized gains (loss) from equity instruments investments measured at fair value through other comprehensive income		74,275	(210,230)
Income tax relating to items that will not be reclassified to profit or loss		(1,392)	3,147
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(60,214)	87,295
Income tax relating to items that may be reclassified to profit or loss		12,815	(4,679)
Other comprehensive income (loss) (net of income tax)		35,855	(112,951)
Total comprehensive income (loss)		\$ 808,834	\$ 958,941
Net income attributable to:			
Stockholders of the parent		\$ 731,331	\$ 1,041,465
Non-controlling interests		41,648	30,427
		\$ 772,979	\$ 1,071,892
Comprehensive income attributable to:			
Stockholders of the parent		\$ 763,326	\$ 920,207
Non-controlling interests		45,508	38,734
		\$ 808,834	\$ 958,941
Earnings per share (NT\$)	6(24)		
Earnings per share-basic		\$ 2.81	\$ 4.04
Earnings per share-diluted		\$ 2.80	\$ 4.04

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, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

	Equity Attributable to the Parent						Total	Non-Controlling Interests	Total Equity
	Common Stock	Additional Paid-in Capital	Retained Earnings		Other Equity				
			Legal 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, 2024	\$ 2,485,503	\$ 705,700	\$ 1,914,531	\$ 3,361,010	\$ (87,977)	\$ 1,154,624	\$ 9,533,391	\$ 321,159	\$ 9,854,550
Appropriation and distribution of 2023 retained earnings									
Legal reserve	-	-	158,856	(158,856)	-	-	-	-	-
Cash dividends	-	-	-	(1,118,476)	-	-	(1,118,476)	-	(1,118,476)
Net income in 2024	-	-	-	1,041,465	-	-	1,041,465	30,427	1,071,892
Other comprehensive income (loss) in 2024	-	-	-	9,213	74,309	(204,780)	(121,258)	8,307	(112,951)
Total comprehensive income (loss) in 2024	-	-	-	1,050,678	74,309	(204,780)	920,207	38,734	958,941
Issuance of shares	120,000	3,619,563	-	-	-	-	3,739,563	-	3,739,563
Non-controlling interests	-	-	-	-	-	-	-	38,754	38,754
Balance as of December 31, 2024	<u>\$ 2,605,503</u>	<u>\$ 4,325,263</u>	<u>\$ 2,073,387</u>	<u>\$ 3,134,356</u>	<u>\$ (13,668)</u>	<u>\$ 949,844</u>	<u>\$ 13,074,685</u>	<u>\$ 398,647</u>	<u>\$ 13,473,332</u>
Balance as of January 1, 2025	\$ 2,605,503	\$ 4,325,263	\$ 2,073,387	\$ 3,134,356	\$ (13,668)	\$ 949,844	\$ 13,074,685	\$ 398,647	\$ 13,473,332
Appropriation and distribution of 2024 retained earnings									
Legal reserve	-	-	105,068	(105,068)	-	-	-	-	-
Cash dividends	-	-	-	(781,651)	-	-	(781,651)	-	(781,651)
Net income in 2025	-	-	-	731,331	-	-	731,331	41,648	772,979
Other comprehensive income (loss) in 2025	-	-	-	8,297	(51,259)	74,957	31,995	3,860	35,855
Total comprehensive income (loss) in 2025	-	-	-	739,628	(51,259)	74,957	763,326	45,508	808,834
Non-controlling interests	-	-	-	-	-	-	-	28,285	28,285
Balance as of December 31, 2025	<u>\$ 2,605,503</u>	<u>\$ 4,325,263</u>	<u>\$ 2,178,455</u>	<u>\$ 2,987,265</u>	<u>\$ (64,927)</u>	<u>\$ 1,024,801</u>	<u>\$ 13,056,360</u>	<u>\$ 472,440</u>	<u>\$ 13,528,800</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, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31		Description	For the years ended December 31	
	2025	2024		2025	2024
<b>Cash flows from operating activities:</b>			<b>Cash flows from investing activities:</b>		
Net income before tax	\$ 1,001,633	\$ 1,343,054	Acquisition of financial assets at fair value through other comprehensive income	\$ (377,159)	\$ (100,000)
Adjustments for non-cash gain or loss:			Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	4,200
Depreciation	191,488	151,884	Acquisition of financial assets measured at amortized cost	(50,000)	(50,000)
Amortization	737,096	657,727	Proceeds from redemption of financial assets measured at amortized cost	-	44,790
Expected credit (gain) loss	(18,621)	34,518	Acquisition of financial assets at fair value through profit or loss	-	(967,757)
Gain on financial assets and liabilities at fair value through profit or loss	(278,669)	(35,427)	Acquisition of subsidiaries (net of cash received)	(37,747)	(482,179)
Interest expense	10,114	11,271	Acquisition of property, plant and equipment	(161,742)	(148,159)
Interest income	(92,992)	(110,938)	Disposal of property, plant and equipment	79	348
Dividend income	(72,389)	(72,410)	Increase in refundable deposits	(865)	(7,479)
Share-based payment expenses	28,285	58,317	Decrease in refundable deposits	29,576	13,991
Others	(218)	(889)	Acquisition of intangible assets	(501,700)	(870,000)
Changes in operating assets and liabilities:			Net cash used in investing activities	(1,099,558)	(2,562,245)
Contract assets	(10,253)	1,162			
Accounts receivable	(669,769)	502,487	<b>Cash flows from financing activities:</b>		
Accounts receivable - related parties	(6,396)	42,248	Decrease in short-term loans	-	(69,872)
Other receivables	65,236	(106,783)	Cash payments for the principal portion of the lease liabilities	(50,123)	(353,972)
Inventories	(421,384)	113,693	Cash dividends	(781,651)	(1,118,476)
Prepayments	(119,760)	(33,996)	Proceeds from issuing shares	-	3,720,000
Other current assets	13,102	54,905	Net cash (used in) provided by financing activities	(831,774)	2,177,680
Costs to fulfil a contract	(124,677)	34,214	Effect of exchange rate changes on cash and cash equivalents	(28,260)	80,025
Other operating assets	(1,378)	(6,307)			
Financial liabilities held for trading	(178)	(38)	Net (decrease) increase in cash and cash equivalents	(1,030,037)	2,596,073
Contract liabilities	739,324	(118,463)	Cash and cash equivalents at beginning of the year	8,310,879	5,714,806
Accounts payable	131,324	421,496	Cash and cash equivalents at end of the year	\$ 7,280,842	\$ 8,310,879
Accounts payable - related parties	(156,528)	251,140			
Other payables	4,601	(7,836)			
Other current liabilities	(6,745)	(3,825)	Reconciliation of the balances of cash and cash equivalents at end of period		
Cash generated from operations	942,246	3,181,204	Cash and cash equivalents balances on the consolidated balance sheets	\$ 7,265,576	\$ 8,310,879
Interest received	102,447	98,249	Cash and cash equivalents included in non-current assets held for sale	15,266	-
Dividend received	72,389	72,410	Cash and cash equivalents at end of period	\$ 7,280,842	\$ 8,310,879
Interest paid	(10,114)	(11,271)			
Income tax paid	(177,413)	(439,979)			
Net cash provided by operating activities	929,555	2,900,613			

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



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## 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, 2025 and 2024, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2025 and 2024, and notes to the parent company only financial statements, including the summary of material accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other 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, 2025 and 2024, and its financial performance and cash flows for the years ended December 31, 2025 and 2024, 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 Financial Statements Audit and Attestation Engagements of 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 the 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 2025 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\$15,631,213 thousand for the year ended December 31, 2025, including sale of goods, rendering of services and silicon intellectual property license in the amount of NT\$12,198,684 thousand, NT\$2,113,264 thousand and NT\$1,319,265 thousand, constituting 78.04%, 13.52% and 8.44% 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 detail of transactions 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 with the Company's customers for service provided, and inspecting evidence of client acceptance for deliverables, 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(17).

## **Other Matter – Making Reference to the Audits of Other 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\$1,232,049 thousand and NT\$1,224,211 thousand, representing 7.12% and 7.28% of total assets as of December 31, 2025 and 2024, respectively. The related shares of profits from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$36,467 thousand and NT\$71,651 thousand, representing 4.46% and 5.94% of the net income before tax for the years ended December 31, 2025 and 2024, respectively, and the related shares of other comprehensive income from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$(28,630) thousand and NT\$20,165 thousand, representing (89.48)% and (16.63)% of the other comprehensive income, for the years ended December 31, 2025 and 2024, 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, are responsible for overseeing the financial reporting process of the Company.

## **Auditors' 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 auditors' 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 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 auditors' 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 auditors' 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 safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2025 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditors' 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/ Hu, Shen-Chieh

/s/ Yang, Yu-Ni

Ernst & Young, Taiwan

February 10, 2026

#### 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, 2025 and December 31, 2024  
(Expressed in thousands of New Taiwan Dollars)

Assets	Note	As of		Liabilities and Equity	Note	As of	
		December 31, 2025	December 31, 2024			December 31, 2025	December 31, 2024
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and cash equivalents	4, 6(1)	\$ 4,028,540	\$ 5,158,584	Financial liabilities at fair value through profit or loss, current	4, 6(2)	\$ 395	\$ 885
Contract assets, current	4, 6(17), 6(18), 7	161,289	50,689	Contract liabilities, current	4, 6(17), 7	839,420	326,503
Accounts receivable, net	4, 6(4), 6(18)	1,057,627	169,512	Accounts payable		1,175,573	1,031,642
Accounts receivable - related parties, net	4, 6(4), 6(18), 7	690,626	667,710	Accounts payable - related parties	7	344,632	458,892
Other receivables	7	714,634	201,832	Payables on equipment		4,357	1,890
Inventories, net	4, 5, 6(5)	571,486	644,626	Other payables	6(13), 7	1,239,938	1,089,669
Other current assets	6(6)	122,252	260,040	Current tax liabilities	4, 6(23)	168,410	171,339
Costs to fulfil a contract, current	6(17)	88,597	57,255	Lease liabilities, current	4, 6(19), 12	4,909	6,592
Total current assets		7,435,051	7,210,248	Other current liabilities		9,280	9,730
				Total current liabilities		3,786,914	3,097,142
<b>Non-current assets</b>				<b>Non-current liabilities</b>			
Financial assets at fair value through other comprehensive income, non-current	4, 6(3)	2,453,197	2,238,516	Deferred tax liabilities	4, 6(23)	88,198	66,721
Financial assets measured at amortized cost, non-current	4, 6(7), 8	175,216	125,362	Lease liabilities, non-current	4, 6(19), 12	155,254	168,765
Investments accounted for using the equity method	4, 6(8)	5,133,991	4,869,334	Other non-current liabilities	6(13)	228,147	415,834
Property, plant and equipment	4, 6(9)	581,230	546,168	Total non-current liabilities		471,599	651,320
Right-of-use assets	4, 6(19)	148,877	165,260	<b>Total liabilities</b>		4,258,513	3,748,462
Intangible assets	4, 6(10)	1,105,072	1,454,537	<b>Equity</b>			
Deferred tax assets	4, 6(23)	80,268	81,515	Capital	6(15)		
Refundable deposits		16,410	53,591	Common stock		2,605,503	2,605,503
Defined benefit assets, non-current	4, 6(14)	38,798	28,427	Additional paid-in capital	6(15)	4,325,263	4,325,263
Other non-current assets	6(11)	146,763	50,189	Retained earnings	6(15)		
Total non-current assets		9,879,822	9,612,899	Legal reserve		2,178,455	2,073,387
				Unappropriated earnings		2,987,265	3,134,356
				Other components of equity		959,874	936,176
				<b>Total equity</b>		13,056,360	13,074,685
<b>Total assets</b>		\$ 17,314,873	\$ 16,823,147	<b>Total liabilities and equity</b>		\$ 17,314,873	\$ 16,823,147

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 COMPREHENSIVE INCOME

For the years ended December 31, 2025 and 2024

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

	Note	For the years ended December 31	
		2025	2024
Operating revenues	4, 6(17), 7	\$ 15,631,213	\$ 8,368,365
Operating costs	6(5), 6(10), 6(20), 7	(11,943,406)	(4,590,379)
Gross profit		3,687,807	3,777,986
Unrealized gross loss on sales		1,894	73,007
Gross profit, net		3,689,701	3,850,993
Operating expenses	6(10), 6(20), 7		
Selling expenses		(160,713)	(176,105)
Administrative expenses		(443,280)	(341,620)
Research and development expenses		(2,777,884)	(2,395,771)
Expected credit gains (losses)	6(18)	3,589	(27,249)
Total operating expenses		(3,378,288)	(2,940,745)
Operating income		311,413	910,248
Non-operating income and expenses			
Interest income	6(21)	61,633	66,808
Other income	6(21)	77,153	78,525
Other gains and losses	6(21)	(10,036)	8,803
Financial costs	6(21)	(3,548)	(3,788)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method		380,943	144,933
Total non-operating income and expenses		506,145	295,281
Income before income tax		817,558	1,205,529
Income tax expense	4, 6(23)	(86,227)	(164,064)
Net income		731,331	1,041,465
Other comprehensive income (loss)	4, 6(22)		
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans		10,371	11,516
Unrealized gain (loss) from equity instruments investment measured at fair value through other comprehensive income		214,681	(226,070)
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method		(140,406)	15,840
Income tax relating to items that will not be reclassified to profit or loss		(1,392)	3,147
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(66,852)	34,500
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method		2,778	44,488
Income tax relating to items that may be reclassified to profit or loss		12,815	(4,679)
Other comprehensive income (loss) (net of income tax)		31,995	(121,258)
Total comprehensive income		\$ 763,326	\$ 920,207
Earnings per share (NT\$)	6(24)		
Earnings per share-basic		\$ 2.81	\$ 4.04
Earnings per share-diluted		\$ 2.80	\$ 4.04

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, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

	Common Stock	Additional Paid-in Capital	Retained Earnings		Other Equity		Total Equity
			Legal 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, 2024	\$ 2,485,503	\$ 705,700	\$ 1,914,531	\$ 3,361,010	\$ (87,977)	\$ 1,154,624	\$ 9,533,391
Appropriation and distribution of 2023 retained earnings							
Legal reserve	-	-	158,856	(158,856)	-	-	-
Cash dividends	-	-	-	(1,118,476)	-	-	(1,118,476)
Net income in 2024	-	-	-	1,041,465	-	-	1,041,465
Other comprehensive income (loss) in 2024	-	-	-	9,213	74,309	(204,780)	(121,258)
Total comprehensive income (loss) in 2024	-	-	-	1,050,678	74,309	(204,780)	920,207
Issuance of shares	120,000	3,619,563	-	-	-	-	3,739,563
Balance as of December 31, 2024	<u>\$ 2,605,503</u>	<u>\$ 4,325,263</u>	<u>\$ 2,073,387</u>	<u>\$ 3,134,356</u>	<u>\$ (13,668)</u>	<u>\$ 949,844</u>	<u>\$ 13,074,685</u>
Balance as of January 1, 2025	\$ 2,605,503	\$ 4,325,263	\$ 2,073,387	\$ 3,134,356	\$ (13,668)	\$ 949,844	\$ 13,074,685
Appropriation and distribution of 2024 retained earnings							
Legal reserve	-	-	105,068	(105,068)	-	-	-
Cash dividends	-	-	-	(781,651)	-	-	(781,651)
Net income in 2025	-	-	-	731,331	-	-	731,331
Other comprehensive income (loss) in 2025	-	-	-	8,297	(51,259)	74,957	31,995
Total comprehensive income (loss) in 2025	-	-	-	739,628	(51,259)	74,957	763,326
Balance as of December 31, 2025	<u>\$ 2,605,503</u>	<u>\$ 4,325,263</u>	<u>\$ 2,178,455</u>	<u>\$ 2,987,265</u>	<u>\$ (64,927)</u>	<u>\$ 1,024,801</u>	<u>\$ 13,056,360</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, 2025 and 2024  
(Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31		Description	For the years ended December 31	
	2025	2024		2025	2024
<b>Cash flows from operating activities:</b>			<b>Cash flows from investing activities:</b>		
Net income before tax	\$ 817,558	\$ 1,205,529	Acquisition of financial assets measured at amortized cost	\$ (50,000)	\$ (50,000)
Adjustments for non-cash gain or loss:			Acquisition of investments accounted for using equity method	(160,000)	(2,336,868)
Depreciation	108,636	81,544	Acquisition of property, plant and equipment	(134,064)	(125,422)
Amortization	695,148	614,429	Increase in refundable deposits	-	(1,850)
Expected credit (gain) loss	(3,589)	27,249	Decrease in refundable deposits	20,423	11,291
(Gain) loss on financial assets and liabilities at fair value through profit or loss	(312)	8,218	Acquisition of intangible assets	(463,033)	(853,861)
Interest expense	3,548	3,788	Net cash used in investing activities	(786,674)	(3,356,710)
Interest income	(61,633)	(66,808)			
Dividend income	(72,364)	(72,373)	<b>Cash flows from financing activities:</b>		
Share-based payment expenses	-	19,563	Cash payments for principal portion of the lease liabilities	(5,823)	(6,356)
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	(380,943)	(144,933)	Cash dividends	(781,651)	(1,118,476)
Unrealized loss on sales	(1,894)	(73,007)	Proceeds from issuance of shares	-	3,720,000
Others	(155)	-	Net cash (used in) provided by financing activities	(787,474)	2,595,168
Changes in operating assets and liabilities:					
Contract assets	(110,600)	(24,158)	Net (decrease) increase in cash and cash equivalents	(1,130,044)	1,803,938
Accounts receivable	(884,526)	166,143	Cash and cash equivalents at beginning of the year	5,158,584	3,354,646
Accounts receivable - related parties	(22,916)	499,689	Cash and cash equivalents at end of the year	\$ 4,028,540	\$ 5,158,584
Other receivables	17,733	(83,227)			
Inventories	(466,302)	56,855			
Prepayment	46,097	(32,604)			
Other current assets	11,875	6,676			
Costs to fulfill a contract	(31,342)	34,967			
Financial liabilities held for trading	(178)	(39)			
Contract liabilities	512,917	(47,875)			
Accounts payable	143,931	403,466			
Accounts payable - related parties	(114,260)	148,823			
Other payables	79,932	43,867			
Other current liabilities	(450)	(2,889)			
Cash generated from operations	285,911	2,772,893			
Interest received	70,686	54,333			
Dividend received	146,064	72,373			
Interest paid	(3,548)	(3,788)			
Income tax paid	(55,009)	(330,331)			
Net cash provided by operating activities	444,104	2,565,480			

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

## Attachments 3.6 : 2025 Statement of Profit Distribution

### FARADAY TECHNOLOGY CORPORATION 2025 Statement of Profit Distribution

Unit : NT\$ dollars

Item	Amount
Unappropriated Earnings - Beginning	2,247,637,678
Add: Re-measured Amount of the Defined Benefit Plan	8,296,377
Unappropriated Earnings after Adjustment	2,255,934,055
Net Income After Tax	731,331,336
Less: Appropriated Legal Reserve	(73,962,771)
Distributable Earning	2,913,302,620
Distributions:	
Cash Dividend to Shareholders (NT\$1.8/per share)	(468,990,563)
Unappropriated Earnings - Ending	2,444,312,057

1. Pursuant to the Ministry of Finance's Decree No. 871941343 dated April 30, 1998, the distribution of earnings shall be conducted on an individual identification basis. The Company's principle for earnings distribution is to prioritize the distribution of undistributed earnings from 1998 and subsequent years. Any deficiency shall be covered by the cumulative undistributed earnings from years prior to 1998.
2. Should the dividend rate be affected and require adjustment due to changes in the number of outstanding shares, resulting from the buyback of the Company's shares, transfer, conversion, or cancellation of treasury shares, issuance or cancellation of RSAs, or cash capital increase, the Chairman of the Board is fully authorized to handle such adjustments at his sole discretion.
3. The cash dividend shall be calculated and rounded down to the nearest whole NT\$ Dollar. Any fractional amounts less than NT\$1 shall be aggregated and transferred to the Company's Employee Welfare Committee.
4. The Chairman of the Board is authorized to determine the record date and the payment date for the cash dividend distribution.

Chairman:  
Chia-Tsung Hung

President:  
Kuo-Yung Wang

Accounting Officer:  
Wen-Ju Tseng

## **Attachments 3.7 : Issuance Rules of 2026 New Restricted Employee Shares**

### **Faraday Technology Corporation Issuance Rules of 2026 New Restricted Employee Shares**

#### **1. Purpose of Issuance**

To attract and retain professional talent, motivate employees, and enhance their sense of belonging and commitment to the Company, thereby jointly creating value for the Company and its shareholders, the Company has established the Rules for the issuance of New Restricted Employee Shares in accordance with Article 267, Paragraph 9 of the Company Act and the Regulations Governing the Offering and Issuance of Securities by Securities Issuers (the "Offering and Issuance Regulations") promulgated by the FSC.

#### **2. Issuance Period**

The shares may be issued in one or multiple tranches within two years from the date the effective registration notice from the competent authority arrives, based on actual needs. The Board of Directors authorizes the Chairman to determine the actual date of issuance and other related operational matters.

#### **3. Eligibility, Allocation, and Approval Procedures**

- (1) The grant of RSAs is limited to full-time employees of the Company and its domestic or foreign subsidiaries. The definition of "subsidiaries" shall be determined in accordance with the criteria set forth in Articles 369-2, 369-3, 369-9 (Paragraph 2), and 369-11 of the Company Act. The list of eligible employees and the number of shares granted will be determined based on factors such as seniority, job grade, individual performance, work achievements, overall contribution, special merits, or other management-related considerations. The allocation standards will be approved by the Chairman. For employees who are Directors or Executive Officers, the grant must be reviewed and approved by the Compensation and Remuneration Committee; for employees who are not Directors or Executive Officers, the grant must be reviewed and approved by the Audit Committee, and submitted to the Board of Directors for resolution.
- (2) The cumulative number of shares an individual employee may subscribe to through Employee Stock Options under Article 56-1, Paragraph 1 of the Offering and Issuance Regulations, combined with the cumulative number of New Restricted Employee Shares obtained, shall not exceed 0.3% of the total issued shares. Furthermore, the combined total including options granted under Article 56, Paragraph 1 shall not exceed 1% of the total issued shares. However, with special approval from the central authority in charge of the relevant industry, the aforementioned ratios may be waived. The determination and

calculation of these limits shall be handled in accordance with the Offering and Issuance Regulations. In the event of any updates to the regulations by the competent authority, the updated laws and regulations shall prevail.

#### **4. Total Amount of Issuance**

The total amount of this New Restricted Employee Shares issuance is NT\$40,000,000, with a par value of NT\$10 per share, for a total issuance of 4,000,000 common shares.

#### **5. Terms and Conditions of Issuance**

##### **(1) Issuance Price**

The shares are issued at NT\$0 per share. This constitutes a gratuitous distribution to employees without cash consideration.

##### **(2) Vesting Conditions**

###### **A. The RSAs shall be granted subject to the following vesting conditions:**

(a) If an employee remains employed by the Company or its subsidiaries through the following periods starting from the grant date (the record date for the issuance of the RSAs) and meets the performance targets approved by the Board of Directors, the RSAs shall be vested in the following proportions. For any shares that fail to meet the vesting conditions, the Company will redeem such shares for no consideration and cancel them in accordance with the law:

1 year of continuous employment: 33% vested

2 years of continuous employment: 33% vested

3 years of continuous employment: 34% vested

(b) If an employee's individual performance appraisal for the year prior to each vesting date fails to meet the performance indicators set by the Company, the Company will redeem the shares for no consideration and cancel them in accordance with the law. However, for employees who are not Directors or Executive Officers of the Company, the vesting of their shares may be fully or partially granted or deferred, subject to the approval of the Chairman.

B. After being granted the New Restricted Employee Shares, if an employee violates the Rules, the Trust Agreement, or breaches the labor contract, confidentiality agreement, Corporate Governance Best Practice Principles, Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, Information Security Policy, Privacy Policy, Non-Compete Agreement, or Work Rules of the Company or its subsidiaries, the Company reserves the right to recover and cancel the unvested shares without consideration.

##### **(3) Class of Shares Issued**

The Company's newly issued common shares.

(4) Treatment of Unvested Shares or Inheritance

In the event that an employee fails to meet the vesting conditions or in the case of inheritance, the shares shall be handled as follows:

A. Termination of Employment (including Resignation, Dismissal, Retirement, or Severance)

If an employee resigns, is dismissed, retires, or has their labor contract terminated (severed) by the Company or its subsidiaries in accordance with the Labor Standards Act before the vesting period expires, the portion of the New Restricted Employee Shares that has not yet met the vesting conditions shall be recovered by the Company without consideration and subsequently cancelled, except for cases of transfer specified in Item D below. The term "termination" refers to the date of service termination as stipulated in the labor or employment contract.

B. Leave of Absence

For employees approved for a leave of absence by the Company or its subsidiaries, the calculation of the vesting period for unvested shares shall be suspended from the start date of the leave. The vesting period shall be deferred accordingly, or the treatment thereof shall be determined by the Chairman or an authorized supervisor.

C. Death or Disability/Death Resulting from Occupational Hazards

(a) Death: If an employee dies due to general illness or accident (non-occupational) during the vesting period, the unvested shares shall be deemed as failing to meet the vesting conditions on the date of death. The Company will recover and cancel the shares without consideration.

(b) Disability Resulting from Occupational Hazards: If an employee loses their ability to work or suffers from an occupational disease due to occupational hazards, and is certified by a physician as unable to continue employment, all unvested shares shall be deemed fully vested on the date of termination. The employee may then claim the shares (with restrictions removed) in accordance with the Rules and the Trust /Custody Agreement.

(c) Death Resulting from Occupational Hazards: If an employee dies due to occupational hazards, all unvested shares shall be deemed fully vested on the date of death. Their heirs may claim the shares (with restrictions removed) after completing legal inheritance procedures and providing relevant documentation, pursuant to the Civil Law and the Trust/Custody Agreement.

D. Transfer

If an employee requests a transfer to an affiliated enterprise or another company (excluding subsidiaries), the shares shall be handled according to "Termination of Employment" in Item 1. However, if an employee is assigned by the Company to a subsidiary, affiliate, or other company due to operational needs, their granted shares

shall remain unaffected by the transfer.

- E. Employees or their heirs shall claim the shares transferred upon fulfillment of vesting conditions in accordance with the terms of the Trust or Custody Agreement.
- F. In the event of organizational restructuring pursuant to the Business Mergers and Acquisitions Act, the Board of Directors is authorized to determine the treatment of any unvested New Restricted Employee Shares.

**6. Restrictions before employees meet the vesting conditions once the RSA are received or subscribed for:**

- (1) The New Restricted Employee Shares issued under the Rules shall be placed in a trust or held by a custodian bank in the name of the employee, in accordance with relevant laws and regulations. Prior to meeting the vesting conditions, the following restrictions shall apply to the granted shares:
  - A. Except for inheritance, employees may not sell, mortgage, transfer, gift, pledge, or otherwise dispose of the New Restricted Employee Shares.
  - B. Rights to attend, propose, speak, and vote at Shareholders' Meetings shall be exercised by the trustee or custodian bank in accordance with the terms of the agreement.
- (2) Except for the restrictions imposed by the trust or custody agreement mentioned above, the New Restricted Employee Shares granted to employees shall have the same rights as the Company's existing issued common shares before vesting. These rights include, but are not limited to, the right to receive dividends, bonuses, and distributions from the legal reserve and capital surplus, as well as subscription rights for cash capital increases and voting rights. Related operational procedures shall follow the trust/custody agreement.
- (3) Upon issuance, the New Restricted Employee Shares must be immediately placed into trust. Prior to the fulfillment of vesting conditions, employees may not request the return of the shares from the trustee for any reason or in any manner.
- (4) During the trust period, the Company is fully authorized to act as the agent for the employees in all dealings with the trust institution. This includes, but is not limited to, the negotiation, signing, amendment, extension, rescission, and termination of the Trust Agreement, as well as instructions regarding the delivery, utilization, and disposal of trust assets.
- (5) Trust Management Fees: The Company shall bear all relevant trust management fees incurred during the period the shares are held in trust. Any tax liabilities and other government fees arising from the acquisition of shares under the Rules shall be borne solely by the employee.

**7. Procedures for Granting New Shares**

- (1) After the employee is granted the New Restricted Employee Shares, the Company shall

register the number of shares in the Register of Shareholders and deliver the newly issued common shares or new share certificates via book-entry transfer. In accordance with the Trust Agreement or the Custody and Agent Agreement, these shares shall be placed under the custody of the trust institution or custodian bank during the restricted period.

- (2) The Company shall undergo amendment registration for the New Restricted Employee Shares in accordance with the law. Any taxes arising from the grant of these shares (including but not limited to Income Tax on Salaries) shall be borne by the employee pursuant to the laws of Taiwan. Prior to the removal of restrictions and transfer of shares, the Company may require the employee to prepay the withholding tax or authorize the Company to perform tax withholding in accordance with the law. If the employee fails to cooperate with the tax payment, the Company reserves the right to refuse the transfer of the shares for which the vesting conditions have been met.

## **8. Signing and Confidentiality**

Employees granted New Restricted Employee Shares shall comply with confidentiality obligations. Except as required by laws or competent authorities, employees shall not disclose the number of shares granted or any related details. Should an employee violate this provision and the Company deems the breach to be material, the employee shall immediately forfeit their eligibility for any unvested shares, and the Company shall have the right to recover and cancel such shares without consideration.

## **9. Other Material Matters**

- (1) The Rules shall be issued after being approved by at least two-thirds of the Directors present at a meeting attended by more than one-half of the total Directors, and subsequently filed with the competent authority for effective registration. The same applies to any amendments prior to issuance. During the review process by the authority, if amendments are required due to changes in laws or regulatory instructions, the Chairman is authorized to amend the Rules, which shall then be submitted to the Board of Directors for ratification before issuance.
- (2) Any matters not covered in the Rules shall be handled in accordance with relevant laws and regulations, or as authorized to the Board of Directors or its authorized person(s) for amendment or execution.
- (3) Regarding the recovery of unvested shares, the Chairman is authorized to represent the Company in handling matters related to amendment registration for capital reduction.

## **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, Article 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**

### **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, should 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 should 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 shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the base date fixed by the Company for distribution of dividends, bonus, or other benefits.

### **Chapter 3: Shareholders' Meeting**

#### **Article 10**

The Company's shareholders' meeting include two types of meetings as follows:

- I. Regular shareholders' meeting should be held by the Board of Directors within six months after the end of each fiscal year.
- II. Special shareholders' meeting should be convened according to law when necessary.

When the Company holds a shareholders' meeting, it should 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 shareholders' 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 shareholders' 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 shareholders' meeting. The procedures for attending shareholders' 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 shareholders' meeting, unless otherwise provided for in the Company Act, should 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 : The Board of 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 shareholder 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 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 should 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:

- I. Preparation of the business plan.
- II. The surplus earnings distribution or loss off-setting proposal
- III. Propose capital increase or decrease proposal.
- IV. Formulate important rules and contracts.
- V. Appoint and dismiss the General Manager of the Company.
- VI. The establishment and abolition of branches.
- VII. Prepare budgets and final accounts.
- VIII. Review of capital expenditures.
- IX. Other powers entrusted according to the Company Act or resolutions of the Shareholders' meetings.

#### **Article 18**

The chairman of the board should 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 chairman 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 general manager 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, in accordance with the provisions of Article 228 of the Company Act, should have the following books and reports prepared at the end of each fiscal year and should present them in the shareholders' meeting for resolutions.

- I. Business report
- II. Financial statements
- III. Proposal of surplus earnings distribution or loss off-setting.

### **Article 27**

The Company should appropriate no less than 1% of the earnings as employees' 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 accumulated losses, it should reserve the amount to make up for it in advance.

The Company should appropriate no less than 1% of the earnings as non-executive employees' remuneration based on the profit status of current year. However, the company's accumulated losses shall have been covered.

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

"The profit status of the current year" as used herein paragraph 1, should 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 should 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 should be reported to the shareholders' meeting.

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

- I. Withheld taxes.
- II. Loss off-setting.
- III. Appropriated 10% of the earnings as legal reserve.
- IV. Appropriated or reversed special reserve lawfully.
- V. 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 shareholder 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 submit the earnings distribution plan to the shareholder meeting for resolutions every year. 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. 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 should 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 should be reported to the shareholders' meeting. It is not applicable to the regulation of resolution for shareholder’s meeting in the provisions of this articles of incorporation.

**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 Incorporation established on May 25, 1993.

- The 1<sup>st</sup> amendment was made on June 19, 1997.
- The 2<sup>nd</sup> amendment was made on December 15, 1997.
- The 3<sup>rd</sup> amendment was made on July 16, 1998.
- The 4<sup>th</sup> amendment was made on March 16, 1999.
- The 5<sup>th</sup> amendment was made on June 17, 2000.
- The 6<sup>th</sup> amendment was made on June 9, 2001.
- The 7<sup>th</sup> amendment was made on June 17, 2002.
- The 8<sup>th</sup> amendment was made on June 3, 2003.
- The 9<sup>th</sup> amendment was made on June 15, 2004.
- The 10<sup>th</sup> amendment was made on June 14, 2005.
- The 11<sup>th</sup> amendment was made on June 12, 2006.
- The 12<sup>th</sup> amendment was made on June 11, 2007.
- The 13<sup>th</sup> amendment was made on June 13, 2008.
- The 14<sup>th</sup> amendment was made on June 10, 2009.
- The 15<sup>th</sup> amendment was made on June 15, 2010.
- The 16<sup>th</sup> amendment was made on June 15, 2011.
- The 17<sup>th</sup> amendment was made on June 12, 2012.
- The 18<sup>th</sup> amendment was made on June 9, 2015.
- The 19<sup>th</sup> amendment was made on June 15, 2016.
- The 20<sup>th</sup> amendment was made on May 24, 2022.
- The 21<sup>st</sup> amendment was made on May 24, 2023.
- The 22<sup>nd</sup> amendment was made on May 23, 2025.

## Appendix 4.3 : Shareholdings of All Directors

### FARADAY TECHNOLOGY CORPORATION Shareholding of All Directors

1. The statutory shareholdings of the Directors of the 12<sup>th</sup> terms of the Company are as follows:  
The number of common stock shares issued by the Company: 260,550,313 shares  
The statutory shareholdings of all Directors should be 12,000,000 shares.
2. As of March 27, 2026, the book closure date of the Annual Shareholders' Meeting, current shareholding of all Directors are as follows:

Title	Name	Shareholding	Shareholding ratio (%)
Chairperson	United Microelectronics Corporation Representative : Chia-Tsung Hung	35,962,705	13.80%
Director	United Microelectronics Corporation Representative : Ying-Sheng Shen	35,962,705	13.80%
Director	Unimicron Technology Corporation Representative : Cheng-Li Huang	124,634	0.05%
Director	Kuo-Yung Wang	403,231	0.15%
Director	Shih-Chin Lin	121,944	0.05%
Director	Wen-Ju Tseng	36,107	0.01%
Independent Director	Ping-Kuan Lo	0	—
Independent Director	Wan-fen Zhou	0	—
Independent Director	Li-Ying Yeh	0	—
<b>Total shareholdings of all Directors</b>		<b>36,648,621</b>	<b>14.06%</b>

Note: The Company has established an Audit Committee; therefore, the statutory shareholding requirements for supervisors do not apply.