

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 23, 2024

Faraday Future Intelligent Electric Inc.
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-39395

(Commission File Number)

84-4720320

(I.R.S. Employer
Identification No.)

**18455 S. Figueroa Street
Gardena, CA**

(Address of principal executive offices)

90248

(Zip Code)

(424) 276-7616

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.0001 per share	FFIE	The Nasdaq Stock Market LLC
Redeemable warrants, exercisable for shares of Class A common stock at an exercise price of \$11.50 per share	FFIEW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.03 Material Modifications to Rights of Security Holders

On February 23, 2024, Faraday Future Intelligent Electric Inc. (the “Company”) filed a second amendment (the “Certificate of Amendment”) to the Company’s Third Amended and Restated Certificate of Incorporation (as amended, the “Charter”) with the Secretary of State of the State of Delaware to effect a reverse stock split at a ratio of 1:3 (the “Reverse Stock Split”) and to set the number of authorized shares of common stock, par value \$0.0001 per share, of the Company (the “Common Stock”) to 463,312,500 (which is 1,389,937,500 divided by 3). The Certificate of Amendment was authorized by the stockholders of the Company at the Company’s Special Meeting of Stockholders held on February 5, 2024.

Pursuant to the Certificate of Amendment, effective as of 5:00 p.m., Eastern Time, on February 29, 2024 (the “Effective Time”), every three shares of the issued and outstanding Common Stock will be automatically converted into one share of Common Stock, without any change in par value per share and the number of authorized shares of Common Stock will be reduced to 463,312,500.

At the Effective Time, the number of shares of Common Stock reserved for issuance under the Company’s Amended and Restated 2021 Stock Incentive Plan, the Company’s Smart King Ltd. Equity Incentive Plan, and the Company’s Smart King Ltd. Special Talent Incentive Plan (collectively, the “Plans”), as well as the number of shares subject to the then-outstanding awards under each of the Plans, were proportionately adjusted, using the 1-for-3 ratio, rounded down to the nearest whole share. In addition, the exercise price of the then-outstanding options under each of the Plans was proportionately adjusted, using the 1-for-3 ratio, rounded up to the nearest whole cent. Proportionate adjustments were made to the number of shares of Common Stock issuable upon exercise or conversion of the Company’s outstanding warrants and convertible securities, as well as the applicable exercise or conversion prices.

The Company’s Class A Common Stock is expected to begin trading on The Nasdaq Capital Market on a split-adjusted basis at the opening of trading on March 1, 2024. The Class A Common Stock will continue trading on the Nasdaq Capital Market under the symbol “FFIE” with a new CUSIP number (307359 703). The Class B Common Stock will also have a new CUSIP number (307359 802). The Company’s publicly traded warrants will continue to be traded on the Nasdaq Capital Market under the symbol “FFIEW” and the CUSIP number for the warrants will remain unchanged. However, under the terms of the applicable warrant agreement, the number of shares of Class A Common Stock issuable on exercise of each warrant will be proportionately decreased. Specifically, following effectiveness of the Reverse Stock Split, every three shares of Class A Common Stock that may be purchased pursuant to the exercise of public warrants now represents one share of Class A Common Stock that may be purchased pursuant to such warrants. Accordingly, for the Company’s warrants trading under the symbol “FFIEW”, every three warrants will be exercisable for one share of Class A Common Stock at an exercise price of \$2,760.00 per share of Class A Common Stock.

No fractional shares of Common Stock will be issued as a result of the Reverse Stock Split. Stockholders who would otherwise receive a fractional share will instead be issued a full share in lieu of such fractional share. The Reverse Stock Split affected all record holders of the Common Stock uniformly and did not affect any record holder’s percentage ownership interest in the Company, except for de minimis changes as a result of the elimination of fractional shares. Holders of Common Stock who hold in “street name” in their brokerage accounts do not have to take any action as a result of the Reverse Stock Split. Their accounts will be automatically adjusted to reflect the number of shares owned. Stockholders of record will be receiving information from Continental Stock Transfer & Trust Company regarding their stock ownership following the Reverse Stock Split.

The foregoing description of the Certificate of Amendment is a summary and is qualified in its entirety by the terms of the Certificate of Amendment, a copy of which is filed as Exhibit 3.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 5.03 Amendment to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The disclosure set forth under Item 3.03 above is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On February 25, 2024, the Company issued a press release announcing the Reverse Stock Split and authorized share reduction. A copy of the press release is attached hereto as Exhibit 99.1, and incorporated in this Item 7.01 by reference.

On February 25, 2024, Matthias Aydt, Global CEO of the Company, issued an open letter to share an updated master plan 1.1 for the growth of the Company in 2024. A copy of the open letter is attached hereto as Exhibit 99.2, and incorporated in this Item 7.01 by reference.

As provided in General Instruction B.2 of Form 8-K, the information in this Item 7.01 and Exhibits 99.1 and 99.2 furnished hereunder shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall they be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 8.01 Other Events.

The information provided in Item 5.03 is hereby incorporated by reference.

The Company has registration statements on Form S-3 (Nos. [333-271664](#), [333-268972](#), [333-269729](#), [333-268722](#), [333-272745](#), [333-272354](#) and [333-274247](#)) and registration statements on Form S-8 (File No. [333-266901](#), [333-271662](#) and [333-274248](#)) on file with the Securities and Exchange Commission (the “Commission”). Commission regulations permit the Company to incorporate by reference future filings made with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of the offerings covered by registration statements filed on Form S-3 or Form S-8. The information incorporated by reference is considered to be part of the prospectus included within each of those registration statements. Information in this Item 8.01 of this Current Report on Form 8-K is therefore intended to be automatically incorporated by reference into each of the active registration statements listed above, thereby amending them. Pursuant to Rule 416(b) under the Securities Act, the amount of undistributed shares of Common Stock deemed to be covered by the effective registration statements of the Company described above are proportionately reduced as of the Effective Time to give effect to the Reverse Stock Split.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits. The following exhibits are filed with this Current Report on Form 8-K:

No.	Description of Exhibits
3.1	Second Certificate of Amendment to Third Amended and Restated Certificate of Incorporation of Faraday Future Intelligent Electric Inc.
99.1	Company Press Release.
99.2	Open Letter from Matthias Aydt.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FARADAY FUTURE INTELLIGENT ELECTRIC INC.

Date: February 26, 2024

By: /s/ Jonathan Maroko

Name: Jonathan Maroko

Title: Interim Chief Financial Officer

SECOND CERTIFICATE OF AMENDMENT
TO THE
THIRD AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
FARADAY FUTURE INTELLIGENT ELECTRIC INC.

Faraday Future Intelligent Electric Inc. (the “*Corporation*”), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (“*DGCL*”), hereby certifies as follows:

1. The name of the Corporation is Faraday Future Intelligent Electric Inc. (originally incorporated as Property Solutions Acquisition Corp.).
 2. The original Certificate of Incorporation of the Corporation (the “*Original Certificate*”) was filed with the Secretary of State of the State of Delaware on February 11, 2020.
 3. The Corporation amended and restated the Original Certificate, which was filed with the Secretary of State of the State of Delaware on July 21, 2020 (the “*Amended and Restated Certificate*”).
 4. The Corporation further amended and restated the Amended and Restated Certificate, which was filed with the Secretary of State of the State of Delaware on July 21, 2021 (the “*Second Amended and Restated Certificate*”).
 5. The Corporation has four times amended the Second Amended and Restated Certificate, (i) which certificate of amendment to the Second Amended and Restated Certificate was filed with the Secretary of State of the State of Delaware on November 22, 2022, (ii) which second certificate of amendment to the Second Amended and Restated Certificate was filed with the Secretary of State of the State of Delaware on March 1, 2023, (iii) which Certificate of Designation of Preferences, Rights and Limitations of Series A Preferred Stock was filed with the Secretary of State of the State of Delaware on June 16, 2023, and (iv) which Certificate of Elimination of Series A Preferred Stock was filed with the Secretary of State of the State of Delaware on August 24, 2023.
 6. The Corporation further amended and restated the Second Amended and Restated Certificate, which was filed with the Secretary of State of the State of Delaware on August 24, 2023 (the “*Third Amended and Restated Certificate*”).
 7. The Corporation has three times amended the Third Amended and Restated Certificate, (i) which Certificate of Designation of Preferences, Rights and Limitations of Series A Preferred Stock was filed with the Secretary of State of the State of Delaware on December 21, 2023, (ii) which Certificate of Elimination of Series A Preferred Stock was filed with the Secretary of State of the State of Delaware on February 5, 2024, and (iii) which certificate of amendment to the Third Amended and Restated Certificate was filed with the Secretary of State of the State of Delaware on February 5, 2024.
-

8. The first two paragraphs of Section 4.1 of the Third Amended and Restated Certificate of Incorporation are hereby amended and restated to read in its entirety as follows:

“**Section 4.1** Pursuant to the DGCL, at 5:00 p.m. Eastern Time on February 29, 2024 (the “**Effective Time**”) each set of three (3) shares of common stock, \$0.0001 par value per share (the “**Common Stock**”) issued and outstanding or held by the Corporation in treasury stock immediately prior to the Effective Time shall be combined into one (1) validly issued, fully paid and non-assessable share of Common Stock, without any further action by the Corporation or the holder thereof, subject to the treatment of fractional share interests as described below (the “**Reverse Stock Split**”). No certificates representing fractional shares of Common Stock shall be issued in connection with the Reverse Stock Split. Stockholders who otherwise would be entitled to receive fractional shares of Common Stock shall be entitled to receive the number of shares rounded up to the next whole number. Each certificate that immediately prior to the Effective Time represented shares of Common Stock (each, an “**Old Certificate**”) shall thereafter represent that number of shares of Common Stock into which the shares of Common Stock represented by the Old Certificate shall have been combined, subject to the elimination of fractional share interests as described above.

Immediately after the Effective Time, the total number of shares of all classes of capital stock that the Corporation is authorized to issue is 473,312,500 shares, consisting of two classes of stock: (i) 463,312,500 shares Common Stock, and (ii) 10,000,000 shares of Preferred Stock \$0.0001 par value per share (the “**Preferred Stock**”). The class of Common Stock shall be divided into two series of stock composed of (i) 443,625,000 shares of Class A Common Stock (the “**Class A Common Stock**”), and (ii) 19,687,500 shares of Class B Common Stock (the “**Class B Common Stock**”). For the avoidance of doubt, the Class A Common Stock and Class B Common Stock are separate series within a single class of Common Stock, and are referred to herein together as the “Common Stock.””

9. This Second Amendment to the Third Amended and Restated Certificate of Incorporation was duly adopted in accordance with the provisions of Section 242 of the DGCL.

[Signature Page Follows]

IN WITNESS WHEREOF, Faraday Future Intelligent Electric Inc. has caused this Certificate of Amendment to be signed by its Chief Executive Officer on this 21st day of February, 2024.

FARADAY FUTURE INTELLIGENT ELECTRIC INC.

By: /s/ Matthias Aydt

Name: Matthias Aydt

Title: Global Chief Executive Officer

Faraday Future Announces Reverse Stock Split and Authorized Share Reduction

Los Angeles, CA (February 25, 2024) -- Faraday Future Intelligent Electric Inc. (NASDAQ: FFIE) ("Faraday Future", "FF" or "Company"), a California-based global shared intelligent electric mobility ecosystem company, today announced that the Company intends to implement a reverse stock split of the issued and outstanding shares of the Company's common stock, par value \$0.0001 per share (the "common stock"), at a ratio of 1-for-3 (the "reverse stock split"), that is expected to become effective at 5:00 p.m. ET on February 29, 2024. The Company's common stock is expected to begin trading on a split-adjusted basis commencing upon market open on March 1, 2024.

As previously disclosed, at the Company's Special Meeting of Stockholders held on February 5, 2024, the Company's stockholders voted to approve a proposal authorizing the Board of Directors of the Company to amend the Company's Third Amended and Restated Certificate of Incorporation (as amended, the "Charter") to effect a reverse stock split of the Company's issued and outstanding common stock and a corresponding reduction in the total number of shares of common stock the Company is authorized to issue. As a result of the reverse stock split, every three shares of the Company's issued and outstanding common stock will be automatically combined and converted into one issued and outstanding share of common stock. The Company's Class A common stock will trade under a new CUSIP number, 307359 703, effective March 1, 2024, and remain listed on the Nasdaq Capital Market under the symbol "FFIE." The Company's Class B common stock will have a new CUSIP number, 307359 802, effective March 1, 2024. The Company's publicly traded warrants will continue to be traded on the Nasdaq Capital Market under the symbol "FFIEW" and the CUSIP number for the warrants will remain unchanged. However, under the terms of the applicable warrant agreement, the number of shares of Class A Common Stock issuable on exercise of each warrant will be proportionately decreased. Specifically, following effectiveness of the Reverse Stock Split, every three shares of Class A Common Stock that may be purchased pursuant to the exercise of public warrants now represents one share of Class A Common Stock that may be purchased pursuant to such warrants. Accordingly, for the Company's warrants trading under the symbol "FFIEW", every three warrants will be exercisable for one share of Class A Common Stock at an exercise price of \$2,760 per share of Class A Common Stock. The reverse stock split reduces the number of shares of common stock issuable upon the conversion of the Company's outstanding convertible securities, and the exercise or vesting of its outstanding stock options, restricted stock units and private warrants in proportion to the ratio of the reverse stock split and causes a proportionate increase in the conversion and exercise prices of such convertible securities, stock options, restricted stock units and private warrants. In addition, the authorized shares of Common Stock will be reduced from 1,389,937,500 to 463,312,500.

No fractional shares of common stock will be issued as a result of the reverse stock split. Stockholders of record who would otherwise be entitled to receive a fractional share will be entitled to receive from the Company one full share of the post-reverse stock split common stock. The reverse stock split impacts all holders of the Company's common stock proportionally and will not impact any stockholder's percentage ownership of the Company common stock.

Faraday Future has chosen its transfer agent, Continental Stock Transfer & Trust Company, to act as exchange agent for the reverse stock split. Stockholders owning shares via a bank, broker or other nominee will have their positions automatically adjusted to reflect the reverse stock split and will not be required to take further action in connection with the reverse stock split, subject to brokers' particular processes.

Additional information about the Reverse Stock Split and the related Charter amendment can be found in the Company's definitive proxy statement filed with the Securities and Exchange Commission on January 10, 2024, as supplemented on January 24, 2024.

ABOUT FARADAY FUTURE

Faraday Future is the pioneer of the Ultimate AI TechLuxury ultra spire market in the intelligent EV era, and the disruptor of the traditional ultra-luxury car civilization epitomized by Ferrari and Maybach. FF is not just an EV company, but also a software-driven intelligent internet company. Ultimately FF aims to become a User Company by offering a shared intelligent mobility ecosystem. FF remains dedicated to advancing electric vehicle technology to meet the evolving needs and preferences of users worldwide, driven by a pursuit of intelligent and AI-driven mobility.

FOLLOW FARADAY FUTURE:

<https://www.ff.com/>
<https://www.ff.com/us/mobile-app/>
<https://twitter.com/FaradayFuture>
<https://www.facebook.com/faradayfuture/>
<https://www.instagram.com/faradayfuture/>
www.linkedin.com/company/faradayfuture/

FORWARD LOOKING STATEMENTS

This press release includes “forward looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements, which include statements regarding the expected timing and implementation of the reverse split and the commencement of trading of the Company’s post-split common stock, involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the Company’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include, among others: the Company’s ability to continue as a going concern and improve its liquidity and financial position; the Company’s ability to remediate its material weaknesses in internal control over financial reporting; risks related to the restatement of the Company’s previously issued consolidated financial statements; the Company’s limited operating history and the significant barriers to growth it faces; the Company’s history of losses and expectation of continued losses; increased operating expenses; incorrect assumptions and analyses developed by management; the market performance of the Company’s common stock; the Company ability to regain compliance with Nasdaq listing requirements; the Company’s ability to execute on its plans to develop and market its vehicles and the timing of these development programs; the Company’s estimates of the size of the markets for its vehicles and cost to bring those vehicles to market; the rate and degree of market acceptance of the Company’s vehicles; the success of other competing manufacturers; the performance and security of the Company’s vehicles; the Company’s ability to receive funds from, satisfy the conditions precedent of, and close on the various financings described elsewhere by the Company; the result of current and future financing efforts, the failure of any of which could result in the Company seeking protection under the Bankruptcy Code; the Company’s indebtedness; the Company’s ability to cover future warranty claims; insurance coverage; the outcome of the Securities and Exchange Commission (“SEC”) investigation relating to the matters that were the subject of the Special Committee investigation; the success of the Company’s remedial measures taken in response to the Special Committee findings; the Company’s dependence on its suppliers and contract manufacturers; the Company’s ability to develop and protect its technologies; the Company’s ability to protect against cybersecurity risks; general economic and market conditions impacting demand for the Company’s products; risks related to the Company’s operations in China; risks related to the Company’s stockholders who own a significant amount of the Company’s common stock; potential cost, headcount and salary reduction actions may not be sufficient or may not achieve their expected results; the ability of the Company to attract and retain directors and employees; any adverse developments in existing legal proceedings or the initiation of new legal proceedings; and volatility of the Company’s stock price. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of the Company’s Annual Report on Form 10-K/A for the year ended December 31, 2022 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, as well as the risk factors incorporated by reference in Item 8.01 of the Current Report on Form 8-K/A filed with the SEC on December 28, 2023, and other documents filed by the Company from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and the Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

CONTACTS

Investors (English): ir@faradayfuture.com
Investors (Chinese): cn-ir@faradayfuture.com
Media: john.schilling@ff.com

Faraday Future Announces Updated Master Plan 1.1 to Strategically Position Itself for Growth in 2024

- **An open letter from Matthias Aydt, Global CEO of Faraday Future.**

Los Angeles, CA (Feb. 25, 2024) -- Faraday Future Intelligent Electric Inc. (NASDAQ: FFIE) ("Faraday Future", "FF" or "Company"), a California-based global shared intelligent electric mobility ecosystem company, today released an open letter from Matthias Aydt, Global CEO of FF, to share an updated master plan 1.1 for the growth of Faraday Future in 2024.

Opportunities and Accomplishments

I'm issuing this letter to align expectations as to where FF stands today and where we hope to lead FF in 2024. FF has made great strides in the past 12 months, under limited funding and strong headwinds from the markets, including the changing landscape of the EV business.

FF entered the revenue generation phase in 2023 and established a closed-loop operation from user acquisition and delivery to user operations while launching the process of adding industry leaders and partnering with our first users and Co-Creation Officers. There were significant changes in FF's business foundation, including the addition of a new management team that we believe collectively boasts the strongest capabilities in the history of FF. We believe that during this critical period for business growth, the Company is now structurally best positioned for the next development phase since its inception.

- FF is only one of five new EV companies globally that has passed US homologation requirements, others include Tesla, Lucid, Rivian, and Fisker.
 - \$3 billion invested capital to date to create an industry leading EV platform, I.A.I. technology, product development and manufacturing capabilities.
 - 660 patents filed or issued utility and design patents for both EV and I.A.I. technology competitiveness.
 - 10,000 capacity - future potential annual production capacity at FF's self-operated manufacturing facility in Hanford, California with \$200+ million invested.
 - Dual Home Deep cultural roots in both the US and China provide competitive advantage across two of the largest EV markets with anticipated movement into the Middle East Markets in 2024.
 - High-profile vehicle owners and Co-Creation Officers such as Chris Brown, Motev and others, demonstrating strong brand power.
 - Direct sales online with anticipated targeted in-person experience centers and FF partner stores across target markets such as the US, China, Europe, and the Middle East.
 - Phase Two of the Company's Three-Phase Delivery Plan for the Company's FF 91 2.0 Futurist Alliance launched in the third quarter 2023.
-

FF also signed an agreement with the Abu Dhabi Investment Office (ADIO) to unleash generative AI and advanced EVs for Abu Dhabi's SAVI cluster. Abu Dhabi's SAVI cluster builds on the strength of Abu Dhabi's industrial base and supports the UAE's target of half of all cars on the roads being electric by 2050.

The Middle East market presents exciting opportunities for smart and autonomous vehicles and is well aligned with FF product technology and brand positioning. We look forward to this being our first of many future endeavors and collaborations in the Middle East.

We believe that the FF 91 2.0 is a vehicle uniquely positioned to provide new markets representing a new generation of aiEV users with a fully integrated, optimized software and hardware architecture to create a true All-Ability Hypercar. This vehicle includes full connectivity and personalized AI services and features.

Key Deliverables Since Previous Announcement of FF's Master Plan on October 2023

- Gradually evolving the corporate orientation and direction towards a continuous operation with similar priorities in regard to production and sales as well as enhancing the product power of the product palette.
- Actively managing costs and expenses and focusing on improving Company-wide efficiency.
- Expanding our market presence into TechLuxury markets beyond the U.S with adequate volumes.
- Focusing on cashflow breakeven and next growth steps.
- Continuous product and technology enhancements to maintain unique position in the market.
- Took action to investigate short selling to protect shareholder interest.

Have resulted in:

- A lean and flat organization dedicated to Product Definition, Product Execution, Product Delivery, User Operation, Corporate Development and supporting functional areas.
- Manufacturing, supply chain and product quality improvements.
- Reasonable cost structure and optimized costs and expenses.
- A successful market launch in one of the most important TechLuxury markets, the UAE.
- Confirmation of a solidified execution plan for 2024 and 2025 and beyond with clearer projection of profitability.
- A start of definition and conceptualization of the next generation revolutionizing product enhancement.
- Communications with various securities brokers regarding our short selling analysis.

Product and Technology

FF 91 comes from our disruptive approach to innovation across intelligent technology, user-centric design, and EV propulsion. It is a user-centric experience designed for people with many talents, many obligations and many goals in life. FF has addressed these complex needs in a single vehicle that combines the luxury of an intelligent connected space, with the capabilities of a hyper-dynamic EV powertrain and predictive AI architecture. Together, these elements work to elevate a user's potential, and provide them the ultimate freedom to do what they want, when they want and how they want.

The FF 91 has tri-motor powertrain capability, 1050 hp, is faster than Lamborghini Urus, and has a reported 381 miles EPA.

It is also the first AI capable car able to run Zoom, ChatGPT, livestream, has a strong computing capacity with self-designed software and hardware platform including Nvidia chips and 5G*3 access point connectivity.

As we recently announced, we continuously keep our product at the forefront through over-the-air (OTA) upgrades. These OTA upgrades significantly enhance the interaction between the user's smartphone and their vehicle, making functions more intuitive and user-friendly. In addition to supporting conventional functions like unlocking doors, air conditioning, and charging, it also enables comprehensive control of in-car screens, enhancing the experience of in-car entertainment and work activities.

Beyond the outstanding performance, technology, and agility of our product we have discussed in the past, we would request that everyone who has the chance to get into our car should take that opportunity to be amazed by the experience.

Financial Updates

We are continuing to make progress on future funding and believe we will successfully close on an additional round of capital from strategic and financial investors. We are currently also working to tighten restrictions to convertible note holders for their conversion and paused both our ATM program and ELOC.

We are succeeding in reducing our monthly cash burn by cutting back on spending that is no longer necessary given our more advanced stage of development while continuing to balance investments into the business that are critical to moving the Company forward.

We are prioritizing cash flow breakeven over volume to avoid scaling production too quickly, which has been an issue for many competitors. As such, we believe we will be cash flow breakeven at a lower vehicle production/delivery figure than that of our competitors. Additionally, our market (in terms of price point) is far less crowded.

Cost Reduction: Bill of Materials (BoM)

Significant reduction in cost - some of this is coming naturally with improvements in manufacturing efficiency but we are also targeting specific elements of the BoM, switching suppliers, and/or insourcing the production where available and cost effective.

This is yielding meaningful, fruitful results – one example was taking a key component of the vehicle bringing the production in-house, this led to approximately \$50,000 savings on a single element of the BoM. We are working on various other opportunities and low-hanging fruit that still exists in terms of continuously and meaningfully reducing the BoM in the near term.

Next Steps

1. **Operations:** Operation optimization and upgrade to achieve sustainability in the near future.
 - Cost reduction and spending efficiency, including daily operation and FF91 material cost.
 - Continue product deliveries to celebrities and opinion leaders.
 - Achieve industry-leading advantages in product and technology powers and “Ultimate AI TechLuxury” Top Brand momentum through the FF Co-Creation model.
 - Focus on U.S, China Dual Home market & Middle East 3rd Pole.
 - Achieve industrial implementation in the Middle East, access and localization of products and technologies, and establishment of a user ecosystem.
2. **Product and technology:** Continuously enhance the product and technology powers of the FF 91 2.0.
 - Middle East product planning and implementation: Launch FF 91 2.0 aiFalcon this year.
 - Research and develop the next-generation product FF 92, maintaining FF’s leading edge in product and technology powers.
 - Focus on the application research and development of AI technology, continue to lead in the vertical application of generative AI in the mobility field.
3. **Manufacturing/Supply Chain:** Progress the equipment commissioning and upgrading of FF ieFactory to lay the foundation for increased production.
 - Comprehensively improve the factory manufacturing system and promote the continuous upgrade of the production and manufacturing quality system.
 - Promote global supply chain integration and establish a global strategic supplier system.
 - Further promote supplier quality and capacity enhancement and improve the supply chain quality performance system and cost reduction.
4. **Funding and Finance:**
 - Continue and accelerate current plans to bring strategic investors.
 - Globally optimize and upgrade the Company’s financial system in the three regions, improve financial efficiency, and establish healthy and sustainable cash management.

We believe that FF has the foundations to support future growth, subject to obtaining additional needed funding. We’ve triumphed over the challenging moments many times in our past, and FF has been bolstered by many achievements. Since the start of deliveries in 2023, and leading into 2024, the Company has consistently taken measures to reduce operational and supply chain costs in support of our strategic objectives.

We believe that these steps will only help us succeed moving forward. With our unique DNA and the support of our global employees, our present and future users, and our many stakeholders, we remain steadfast in our belief that we stand on the cusp of an extraordinary surge of energy and success!

Sincerely,

Matthias Ayd

FORWARD LOOKING STATEMENTS

This communication includes “forward looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this communication the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements, which include statements regarding the ability of the Company to execute on its updated master plan and its overall effectiveness, involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the Company’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include, among others: the Company’s ability to continue as a going concern and improve its liquidity and financial position; the Company’s ability to remediate its material weaknesses in internal control over financial reporting; risks related to the restatement of the Company’s previously issued consolidated financial statements; the Company’s limited operating history and the significant barriers to growth it faces; the Company’s history of losses and expectation of continued losses; increased operating expenses; incorrect assumptions and analyses developed by management; the market performance of the Company’s common stock; the Company ability to regain compliance with Nasdaq listing requirements; the Company’s ability to execute on its plans to develop and market its vehicles and the timing of these development programs; the Company’s estimates of the size of the markets for its vehicles and cost to bring those vehicles to market; the rate and degree of market acceptance of the Company’s vehicles; the success of other competing manufacturers; the performance and security of the Company’s vehicles; the Company’s ability to receive funds from, satisfy the conditions precedent of, and close on the various financings described elsewhere by the Company; the result of current and future financing efforts, the failure of any of which could result in the Company seeking protection under the Bankruptcy Code; the Company’s indebtedness; the Company’s ability to cover future warranty claims; insurance coverage; the outcome of the Securities and Exchange Commission (“SEC”) investigation relating to the matters that were the subject of the Special Committee investigation; the success of the Company’s remedial measures taken in response to the Special Committee findings; the Company’s dependence on its suppliers and contract manufacturers; the Company’s ability to develop and protect its technologies; the Company’s ability to protect against cybersecurity risks; general economic and market conditions impacting demand for the Company’s products; risks related to the Company’s operations in China; risks related to the Company’s stockholders who own a significant amount of the Company’s common stock; potential cost, headcount and salary reduction actions may not be sufficient or may not achieve their expected results; the ability of the Company to attract and retain directors and employees; any adverse developments in existing legal proceedings or the initiation of new legal proceedings; and volatility of the Company’s stock price. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of the Company’s Annual Report on Form 10-K/A for the year ended December 31, 2022 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, as well as the risk factors incorporated by reference in Item 8.01 of the Current Report on Form 8-K/A filed with the SEC on December 28, 2023, and other documents filed by the Company from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and the Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

CONTACTS

Investors (English): ir@faradayfuture.com

Investors (Chinese): cn-ir@faradayfuture.com

Media: john.schilling@ff.com