

Notice of 2025 Annual General Shareholders' Meeting

(Summary Translation)

To: The Shareholders

Dear Sir/Madam,

- I. The 2025 Annual General Shareholders' Meeting (hereinafter as "Meeting") of Senhwa Biosciences Inc. will be convened at 10:00 a.m., Wednesday on June 25, 2025 in 2F, No. 223, Section 3, Peishin Rd., Hsintien Dist., New Taipei City 231030, Taiwan (Taipei Innovation City Convention Center). Reception at the Meeting place begins at 9:30 a.m., the agenda of which is as follows:
 1. Reported Matters: (1) 2024 Business Report; (2) 2024 Final Accounts Report Audited by the Audit Committee; (3) Accumulated Loss and Implementation Report of Steady Operation Plan of Fourth Quarter of Year 2024; (4) 2024 Related Party Transaction Report.
 2. Ratification Matters: (1) Ratification of 2024 Business Report and Financial Statement; (2) Ratification of 2024 Loss Recovery Statement Proposal.
 3. Matters for Discussion: (1) Proposal for Amendments to the Articles of Incorporation; (2) Proposal for Issuance of New Restricted Shares for Employees; (3) Details of the Release from Non-Compete Restrictions for Current Directors and Their Representatives.
 4. Extempore Motions.
- II. Proposal: Proposal for the Issuance of Restricted Employee Shares:
 1. The details of the proposed issuance of restricted employee shares are as follows:
 - (1) Total Issuance Amount: The total issuance amount is NT\$7,000,000, with a par value of NT\$10 per share, for a total of 700,000 common shares. The actual number of shares to be issued shall be determined by a resolution of the board of directors after the proposal has been approved by the Shareholders' Meeting and the competent authority.
 - (2) Issuance Terms
 - A. Issuance Price: The restricted employee shares will be issued free of charge, at an issuance price of NT\$0.
 - B. Vesting Conditions:
 1. Indicator A: Employment Commencement
 - a. Eligible Recipients: Newly hired key employees of the Company.
 - b. Vesting Schedule:
 - (a) Upon the first anniversary of the issuance date of the Restricted Employee Shares, 40% of the shares shall vest for employees who remain employed by the Company.
 - (b) Upon the second anniversary of the issuance date, an additional 30% of the shares shall vest for employees who remain employed by the Company.
 - (c) Upon the third anniversary of the issuance date, the remaining 30% of the shares shall vest for employees who remain employed by the Company.
 2. Indicator B:
 - a. Eligible Recipients: Employees who have made special or significant contributions to the Company's business operations and development.
 - b. Vesting Schedule: Upon the first anniversary of the issuance date of the Restricted Employee Shares, 100% of the shares shall vest for employees who remain employed by the Company.
 2. The above share quantities shall be calculated and rounded to the nearest whole number, with the first decimal place rounded up.
 3. The above years refer to full-time employment.
 - C. Handling of Employees Who Do Not Meet the Vesting Conditions or in Case of Inheritance: If the employee does not meet the vesting conditions, the company will recover the shares without compensation and cancel them. Other matters will be handled in accordance with the issuance rules set by the Company.

2. Employee Eligibility Conditions and the Number of Shares to be Granted or Subscribed
 - (1) Only full-time employees who have already joined the Company as of the date of the restricted employee rights new stock issuance, as well as employees of the Company's domestic and overseas controlling or subsidiary companies, are eligible.
 - (2) The actual employees to be granted shares and the number of restricted employee rights new shares they will receive will be determined based on factors such as seniority, job grade, job performance, special achievements, and other conditions that need to be considered for management purposes. The Chairman will approve these and submit them to the board of directors for resolution. However, if the recipient is a director and/or manager, prior approval from the Compensation Committee is required; for non-managerial employees, the matter should first be discussed by the Audit Committee.
 - (3) The number of restricted employee rights new shares granted to any employee will be handled in accordance with the Securities Offering and Issuance Guidelines.
3. The Necessity for Issuing Restricted Employee Rights New Shares: The issuance of restricted employee rights new shares is necessary to attract and retain the professional talents required by the Company. It aims to enhance employees' sense of loyalty and belonging to the Company, in order to jointly create benefits for the Company and its shareholders.
- 4 Possible Capitalized Amount, Dilution of Earnings Per Share, and Other Impacts on Shareholder Equity: If estimated based on the closing price of NT\$44.25 per share on March 7, 2025, and assuming all conditions for the issuance of restricted employee rights new shares are met, the maximum possible capitalized amount would be NT\$30,975,000. If the issuance occurs in early August 2025, the possible capitalized amounts for the years 2025 to 2028 would be approximately NT\$9,035,000, NT\$14,584,000, NT\$4,646,000, and NT\$2,710,000, respectively, based on the conditions met. Based on the total shares outstanding of 89,743,620 shares as of March 12, 2025, the possible annual increase in the Company's loss per share from 2025 to 2028 would be approximately NT\$0.10, NT\$0.16, NT\$0.05, and NT\$0.03, respectively. The dilution effect on earnings per share is limited, and thus, there is no significant impact on shareholder equity.
5. Other Important Matters:
 - (1) The restricted employee rights new shares proposed for issuance by the Company shall be filed with the competent authority for approval within one year from the resolution of the shareholders' meeting. The shares may be issued once or in installments, as needed, within two years from the date the competent authority's notice of the filing is received.
 - (2) Matters such as attendance, proposals, speeches, voting rights, and other shareholder rights at the shareholders' meeting shall be executed according to the trust agreement.
 - (3) After this proposal is submitted for a resolution at the shareholders' meeting, the board of directors is authorized to file and issue the shares with the competent authority in accordance with relevant laws. For matters not covered, unless otherwise stipulated by law, the board of directors is fully authorized to revise or execute them in accordance with relevant laws.

- III. Pursuant to Article 172 of the Company Act, essential contents shall be posted on the website of Market Observation Post System (website: <http://mops.twse.com.tw/mops/web/index>), enter the stock code to select the e-book-annual report and relevant materials of the shareholders' meeting-reference materials for various proposals of the shareholders' meeting.
- IV. In accordance with Article 165 of the Company Law, stock transfer registration was suspended from April 27, 2025, to June 25, 2025.
- V. We hereby issue this letter together with a Notice of Attendance and Proxy Statement. To attend the Meeting in person, please sign or place your seal in the Attendance Notice (do not need to send it back) and register in person at the Meeting on the scheduled meeting date; to attend by a proxy, please refer to the Proxy Statement to fill in and deliver to the Company's stock agency, SinoPac Securities Corporation, the Registrar and Transfer Department of Stock Affairs, five(5) days prior to the Meeting so as to further send the attendance card to the proxy.

- VI. Shareholders, solicitors and authorized agents should bring their identity documents for verification when attending the Meeting.
- VII. The Company will compile a summary statement of the relevant information by shareholders through solicitation of the proxy and disclose the content on the website of Securities and Future Institute (website: <https://free.sfi.org.tw>) no later than May 23, 2025. For further information, please visit the website.
- VIII. Shareholders may exercise their voting rights by way of electronic transmission during the period from May 26, 2025 to June 22, 2025. Please login in the "electronic voting platform for shareholders' meeting" on the website of Taiwan Depository & Clearing Corporation and exercise votes in accordance with the instruction. (Website: <https://stockservices.tdcc.com.tw>)
- IX. The proxies and the electronic voting results for the Meeting will be verified by the Department of Stock Affairs, SinoPac Securities Corporation.
- X. It's highly appreciated that you handle the matters accordingly.

Sincerely Yours,

**Board of Directors,
Senhwa Biosciences, Inc.**