Articles of Incorporation

Chapter 1 General Provision

Article 1

The Company is organized in accordance with the Company Act, and named as Lucky Cement Corporation (the “Company”).

Article 2

The scope of business of the Company shall be as follows:

1. C901050 Cement and Concrete mixing Manufacturing.
2. C901990 Other Nonmetallic Mineral Products Manufacturing.
3. B202010 Nonmetallic Mining.
4. J101030 Waste Removing.
5. J101040 Waste Disposing.
6. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1

The total investment in the Company's external investment is not restricted, but it should be approved by the board of directors.

Article 3

The Company is located in Yilan County, Taiwan Province and may establish branches in other suitable locations when necessary.

Article 4

The Company’s announcement method is handled in accordance with the provisions of the Company Act.

Chapter 2 Shares

Article 5

Total capital of the Company is NT$4,986,460,460, which are divided into 498,646,046 shares and NT$10 per share; the shares are all ordinary share; of which the unissued portion authorizes the Board of Directors to issue shares on a separate basis.

Article 6

The Company's shares are registered and should be numbered and affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance thereof.

The shares issued by the Company are free to print, but they have to be registered by Governing Centralized Securities Depository Enterprises.

The transfer and creation of pledge for the shares registered with the centralized securities depositary enterprise shall be handled by the company or by way of book-entry transfer; Article 164 of the Company Act and Article 908 of the Civil Code shall not apply.

The preceding paragraph shall not apply to shares printed but not returned to the company.

Article 7

The shareholders of the Company should notify the Company's shareholding agency their name, address or residence for registering in the list of shareholders, and send seal card to the Company's shareholding agency to save and inspect; when seal card is change, it needed to send it again. When shareholders receive dividends, bonus or any writing contact with the Company, it will be certificated by the seal on seal card.

Article 8

When a share is transferred, renewed, lost or damaged, it shall be handled in accordance with the provisions of the Company Law and the Guidelines for Handling the Public Shares' Issuance of the Company's Shares, issued by the competent authority.

When there is any transferring, renewal, lost or damaging of shares, they shall be handled in accordance with the Company Act and Regulations Governing the Administration of Shareholder Services of Public Companies published by the competent authority.

Article 9

When the shareholder's seal is lost or damaged, he should fill the application for loss of the seal, and send his identity documents, new seal card and shares to the Company shareholding agency to register. After approval of replacement of the new seal and the new seal is registered, it will be effective in the next day unless it is declared that the effective date shall be on the same date.

Article 10

Every shareholders meeting will stop transfer the shares in 60 days before the meeting, or 30 days before the temporary shareholders meeting of, or 5 days before the record date fixed by the Company for distributing dividends, bonuses or other benefits.

Chapter 3 Shareholders meeting

Article 11

Shareholders' meetings of the Company are divided into the following two categories:

1. Regular shareholders meeting: held by the board of directors within 6 months after the end of the fiscal year.
2. Temporary shareholders meeting: except as otherwise provided in the Company Act, the board of directors convenes when it is necessary. In accordance with Article 173-1 of the Company Act, shareholders continuously holding 50% or more of the total number of outstanding shares of the Company for a period of three months or a longer time may convene a special shareholders' meeting. The calculation of the holding period and holding number of shares in the preceding paragraph shall be based on the holding at the time of share transfer suspension date in accordance with Paragraph Two or Three of Article 165 of the Company Act.

Article 12

The meeting date, location and convening reason should inform the shareholders before 30 days of convening regular shareholders meeting and 15 days of temporary shareholders meeting.

The Company has to inform previously the shareholders who hold less than one thousand shares of the registered shares with the announcement.

Notices of the Company's shareholders meeting convened with the consent of counterparties can be made electronically.

When the Company holds a shareholders meeting, it shall prepare the meeting handbook and publish the meeting handbook and the other relevant information of the meeting before the shareholders meeting.

Article 13

Except as otherwise provide in the Company Act, the shareholders meeting must have a shareholders representing more than half of the total number of shares attending the meeting. The resolutions of the shareholders meeting were made with the consent of more than half of the voting rights of the shareholders who attend the meeting.

The voting right is used in writing or electronically in shareholders meeting; the method should be informed in the notice of the shareholders meeting.

The shareholders who exercise the voting right in writing or electronically are regarded as attending; however; if the decision is provisional motion and amendments to the original motion, the above shareholders are regarded as waivers.

Article 14

Except as otherwise provide in laws and regulations, the shareholders of the Company shall have one voting right per share.

Article 15

The shareholders should fill the letter of attorney issued by the Company and specify the scope of authorization for the agent who attends the shareholders meeting. Except for the trust business or the shareholding agency approved by the competent authority for securities, the voting right of a person who are commissioned by two or more shareholders should not over than 3% of total amount of issued shares, and if it exceeds over than 3%, the exceeding voting right will not be calculated.

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 before 5 days before the date of the shareholders meeting. If 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, a written notice of proxy cancellation shall be submitted to the Company in 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 15-1

A shareholder intending to exercise voting rights by correspondence or electronic means shall deliver a written declaration of intent to the Company before 2 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, a written declaration of intent to retract the voting rights already exercised shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 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.

Article 16

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

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 chair from among themselves.

Article 17

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The minutes of the shareholders' meeting shall be signed or sealed by the chairman and shall be kept in the company together with the attendance book of the shareholders and the power of attorney.

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.

Chapter 4 Directors and Audit Committee

Article 18
The Company has seven directors of which three are independent directors. The term of office is three years. The directors have adopted the nomination system for candidates, and the shareholders meeting will select from candidate list in accordance with the provisions of the Company Act and may be reelected. The determination of the independent directors about professional qualifications, the shareholding, recognized part-time restrictions on independence, the nomination and selection methods and other compliance matters shall be handled in accordance with relevant laws and regulations.
The election of directors should follow the provisions of the Company Act, independent directors and non-independent directors should be elected together and calculate the number of elected places respectively.

Article 18-1
The Company shall set up the Audit Committee in accordance with the provisions of Article 14 -4 of the Securities Exchange Act. The audit committee is composed of all independent directors and is responsible for executing supervisors' duties in accordance with the Company Act, the Securities Exchange Act and other laws and regulations.
Members of the Audit Committee exercise of their duties and other compliance matters shall be handled in accordance with the relevant laws and regulations or the rules of the Company. The organizational rules of the Audit Committee shall be stipulated by the board of directors.

Article 19
The chairman shall be elected by the board of directors with more than two-thirds of the directors present and more than half of the directors present.

Article 20
The chairman of the board of directors represents the Company, when the chairman takes leave or fails to exercise his or her authority for any reason, the chairman of the board of directors shall appoint a director to act as the

agent. If the chairman of the board of directors does not appoint someone and directors shall elect one of them to act as the agent.

Article 21
Meetings of the board of directors shall be convened by the chairman of the board of directors.
The majority or more of the directors may, by filing a written proposal setting forth therein the subjects for discussions and the reasons, request the chairman of the board of directors to convene a meeting of the board of directors.
If the chairman of the board of directors fails to convene a meeting of board of directors within 15 days after the filing of the request under the preceding paragraph, the proposing directors may convene a meeting of board of directors on their own.
Except as otherwise provided by the Company Act, more than half of directors presents and more than half of the attending directors agrees to a resolution.

Article 21-1
The board of directors shall convene once every quarter. The convening notification with cause shall be sent to the directors seven days in advance. However, in the event of an emergency, they may be called at any time. The convening notification of the board of directors can be made by written, faxed or e-mail and so on.

Article 22
If a director cannot attend the board of directors in person for some reason, he or she may entrust other directors to represent him or her in accordance with law. The above-mentioned agent is limited to one person's entrustment.

Article 23
The duties of the board of directors are as follows:
1. Validate the internal controlling system and various important chapters of the Company.
2. Make decisions of the Company’s operating plan and business policy.
3. Plan the Company’s budgets and final accounts.
4. Study out of surplus distribution.
5. Study out of increasing or decreasing of the capital of the Company.

6. Compile the annual business report.
7. Audit the acquisition or disposal of the Company's important property.
8. Make decisions of establishment and abolition of branches.
9. Elect or dismiss the general manager and manager.
10. Appoint and dismiss the financial manager, accounting manager and internal audit supervisor.
11. Stipulate and amend the procedures of important financial business including the procedures of acquisition or disposal of assets, the procedures of engaging in derivatives trading, guidelines for lending of capital and guidelines for endorsements and guarantees.
12. Other duties are endued in accordance with the Securities and Exchange Act, the Company Act and the shareholders meeting.

Article 24

The resolutions of the board of directors shall be signed or sealed by the chairman and save at the company.

Article 25

The duties of audit committee are as follows:

1. Adoption or amendment of an internal control system pursuant to Article 14-1.
2. Assessment of the effectiveness of the internal control system.
3. Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
4. Audit a matter bearing on the personal interest of a director.
5. Audit a material asset or derivatives transaction.
6. Audit a material monetary loan, endorsement, or provision of guarantee.
7. Audit the offering, issuance, or private placement of any equity-type securities.
8. Audit the hiring or dismissal of an attesting CPA, or the compensation given thereto.
9. Audit the appointment or discharge of a financial, accounting, or internal auditing officer.
10. Audit annual and semi-annual financial reports with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant

(CPA).

11. Audit any other material matter so required by the Company or the Competent Authority.

Article 26

The Company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.

The Company shall report the insured amount, coverage, premium rate, and other important contents of the directors liability insurance it has obtained or renewed for directors, at the most recent board meeting.

Chapter 5 Manager

Article 27

The Company has a general manager to handle all business in accordance with the order of the chairman and the resolution of the board of directors. The company also has several managers to assist the general manager.

Article 28

The appointment and removal of the general manager is decided by the board of directors, the resolution of the board of directors will be made by more than half of directors present and more than half of the attending directors agree. The appointment and removal of the manager is propose by the general manager and decided by the board of directors, the resolution of the board of directors will be made by more than half of directors present and more than half of the attending directors agree. A person who is under any of the circumstances in Article 30 of the Company Act shall not act as a managerial personnel of a company. If he has been appointed as such, he shall certainly be discharged.

Chapter 6 Accounting

Article 29

The Company's fiscal year starts from January 1 to December 31. The final accounts shall be completed at the end of each fiscal year. After the annual accounts, the board of directors shall, in accordance with the provisions of the Company Act, make books and statements for each item that will be submitted to the audit committee before 30days of the shareholders meeting. The audit committee shall issue a report to the regular shareholders meeting

for approval.
The Company may explicitly provide for the surplus earning distribution or loss off-setting proposal may be proposed at the close of each half or one fiscal year.
The proposal of surplus earning distribution or loss off-setting, together with the business report and financial statements, shall be forwarded to the audit committee for their auditing, and afterwards be submitted to the board of directors for approval.
The Company distributing surplus earning in accordance with the provision of the preceding paragraph shall estimate and reserve the taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside. Where such legal reserve amounts equal to the total paid-in capital, this provision shall not apply.
The Company distributing surplus earning in the form of new shares to be issued by the Company in accordance with the provision of Paragraph Third shall follow the provisions of Article 240 of the Company Act; if such surplus earning is distributed in the form of cash, it shall be approved by a meeting of the board of directors.
Surplus earning distribution or loss off-setting proposal by the Company in accordance with the provisions of the preceding four paragraphs shall be made based on the financial statements audited or reviewed by a certified public accountant.

Article 30
If the Company's annual final account is profitable, it shall be allocated 3% profit for the employee's compensation. The Company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees’ compensation distributed in the form of shares or in cash; and in addition thereto a report of such distribution shall be submitted to the shareholders’ meeting. The distribution target shall include employees of the Affiliates that meet certain conditions. The board of directors can resolve that no more than 5% of the Company’s profit as the compensation paid for directors. The employees’ compensation and the remuneration distribution for directors shall be reported to the shareholders meeting. If the Company is unable to distribute its remuneration of employees and the directors, because the Company does not make any profit or no balance of profits less accumulated losses, it is no need to report to the board of directors and the

shareholders meeting.
The Company which has the profit distributed to employees in the form of shares by a resolution of the meeting of board of directors in accordance with the provision of the preceding paragraph may resolve, at the same meeting of the board of directors, to distribute the shares by way of new shares to be issued by the Company or existing shares to be re-purchased by the Company.
However, when the Company still has accumulated losses, it is necessary to reserve the amount of compensation in advance, and then remunerate the employees and pay directors according to the above ratio.
The distribution case for manager’s employee compensation and the remuneration for directors should be inspected by the Remuneration Committee and allocated.

Article 30-1
Considering the Company's future funding needs and long-term financial planning, and meeting shareholders’ demand for cash inflows, if there is net profit of the Company in annual final account, it shall be allocated 10% profit as legal reserve and allocated recognized net amount of the deduction in other equity interest in the current year as special reserve unless offset losses in previous years. The dividend allocation is from 40% to 80% of the total amount of the above balance and un-appropriated retained earnings in last year and the adjustments for un-appropriated retained earnings in the current year, If the dividend amount per share after the calculation by the 80% ceiling is still less than NT$ one dime it may be reserved and not allocated. The other matters were appointed the distribution proposal by the board of directors and submit it to the shareholders meeting for approval.
The ratio of the above surplus allocations and stock/cash ratios are determined by the board of directors depending on the actual profit and capital status of the current year, and the investment fund requirements and the degree of dilution of the Company’s earnings per share are considered too, and cash dividends or stock dividends are appropriately distributed. However, the allotment of stock dividends shall not exceed 20% of the issued share capital.
When the Company distributes the appropriated retained earnings, the calculation according to the second paragraph, if there are the retained earnings transferred into the current year or the earnings after tax is less than recognized amount of the deduction in other equity interest in the current

year. The earnings should be distributed after recognized special reserve from retained earnings or accumulated un-appropriated retained earnings in last year in accordance with laws.

Article 31
The dividends distribution of shareholders shall be limited to the shareholders who are recorded in the shareholder list on the dividend base day.

Article 32
The directors of the Company may be paid monthly according to the payment standard in the same industry, regardless of the profit and loss. The Company's shareholder or director acting as a manager or employee receives salary as a general employee.

Chapter 7 Supplementary Provisions
Article 33
The Company is allowed to guarantee the outsider.

Article 34
The Company's organizational procedures and operational regulations are Stipulated Separately.

Article 35
If there are any unfinished matters in the articles, it shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 36
The articles are concluded on March 25th, 1974.
First amendment was approved on July 5th, 1975.
Second amendment was approved on November 10th, 1975.
Third amendment was approved on September 10th, 1976.
Fourth amendment was approved on July 6th, 1977.
Fifth amendment was approved on September 20th, 1977.
Sixth amendment was approved on November 18th, 1977.
Seventh amendment was approved on June 26th, 1978.
Eighth amendment was approved on September 5th, 1979.
Ninth amendment was approved on November 20th, 1979.

Tenth amendment was approved on October 10th, 1980.
Eleventh amendment was approved on December 5th, 1980.
Twelfth amendment was approved on August 11th, 1982.
Thirteenth amendment was approved on June 25th, 1984.
Fourteenth amendment was approved on September 20th, 1984.
Fifteenth amendment was approved on June 20th, 1986.
Sixteenth amendment was approved on August 5th, 1986.
Seventeenth amendment was approved on December 30th, 1986.
Eighteenth amendment was approved on June s17th, 1988.
Nineteenth amendment was approved on July 15th, 1988.
Twentieth amendment was approved on July 1st, 1989.
The twenty-first amendment was approved on December 25th, 1989.
The twenty-second amendment was approved on April 7th, 1990.
The twenty-third amendment was approved on May 27th, 1991.
The twenty-fourth amendment was approved on May 18th, 1992.
The twenty-fifth amendment was approved on May 12th, 1993.
The twenty-sixth amendment was approved on May 31st, 1994.
The twenty-seventh amendment was approved on May 30th, 1995.
The twenty-eighth amendment was approved on June 5th, 1996.
The twenty-ninth amendment was approved on April 28th, 1997.
The thirtieth amendment was approved on April 16th, 1998.
The thirty-first amendment was approved on June 24th, 1999.
The thirty-second amendment was approved on June 21st, 2000.
The thirty-third amendment was approved on June 19th, 2001.
The thirty-fourth amendment was approved on June 18th, 2002.
The thirty-fifth amendment was approved on June 15th, 2004.
The thirty-sixth amendment was approved on June 14th, 2006.
The thirty-seventh amendment was approved on June 17th, 2010.
The thirty-eighth amendment was approved on June 19th, 2012.
The thirty-ninth amendment was approved on June 12th, 2015.
The fortieth amendment was approved on June 15th, 2016.
The forty-first amendment was approved on June 15th, 2018.
The forty-second amendment was approved on June 12th, 2019.

It is in forced on after the approval and registration of competent authorities, the amended is as same condition.

Lucky Cement Corporation

Chairman: CHEN, LIANG-CHUAN