

Lungyen Life Service Corp.

Articles of Incorporation

Section I – General Provisions

- Article 1 The Company shall be incorporated, as a company limited by shares, under the Company Law, and its name shall be 龍巖股份有限公司 in the Chinese language, and “Lungyen Life Service Corp. in the English language.
- Article 2 The scope of business of the Company shall be as follow:
1. H701010 Residents and buildings development and rental business
 2. H701040 Specific professional area development business
 3. H701060 New towns and new community development business
 4. F111090 Construction materials wholesale business
 5. F205040 Furniture, beddings, kitchen utensils and appliances, and fixtures retail business
 6. F211010 Construction materials retail business
 7. I503010 Landscape and interior design business
 8. H701050 Investments in the construction of public works business
 9. H703090 Real estate trade business
 10. H703100 Real estate rental business
 11. H703110 Senior homes business
 12. H701080 Urban renewal and reconstruction business
 13. JZ99141 Funeral facilities operations business
 14. JZ99151 Funeral and liturgical services business
 15. J202010 Industrial incubation business
 16. J901020 General hotel business
 17. J701040 Recreational club business
 18. J701070 Information and leisure business
 19. JJ801030 Tournament and leisure stadium business
 20. JZ99050 Agency services business
 21. JZ99090 Festive general service business
 22. F401010 International trade business
 23. F206060 The ritual supplies retail business
 24. F203010 Food, sundries and beverage retail business
 25. F201070 Flower retail business
 26. F201010 Agricultural products retail business
 27. F399040 Non-store retail business
 28. J101030 Waste collection business
 29. J101040 Waste disposal business

30. JZ99990 Unclassified services business
31. H704031 Real estate brokerage business
32. H704041 Real estate marketing agency business
33. G801010 Warehousing
34. In addition to the chartered business, the business not prohibited or restricted by law

- Article 3 The Company may provide endorsement and guarantee and act as a guarantor.
- Article 4 The Company may invest in other companies as a shareholder with limited liability and the total investment amount is not limited to the threshold of 40% of the paid-in capital.
- Article 5 The Company shall have its headquarters located in Taipei City and if necessary, branches can be established domestically or overseas with the approval of the Board of Directors.
- Article 6 Deleted

Section II – Capital Stock

- Article 7 The Company's authorized capital stock amounts to NT\$6 billion with 600 million shares issued at a par value of NT\$10. The Board of Directors is authorized to have stock shares issued separately, in which, NT600 million divided into 60 million shares at a par value of NT\$10 shall be reserved for subscription when the stock option is exercised
- Article 8 All shares certificates of the Company shall be issued in registered form after being signed by or affixed with the seal of at least 3 Directors, sequentially numbered and stamped with the corporate seal; also, the stock shares are issued after being certified by the certification agency designated by the competent authority.
- Article 8-1 The Company may issue registered stock without printing share certificates, provided that, any shares shall be recorded by a centralized securities custodian.
- Article 9 All matters regarding the Company's shares shall be conducted in accordance with the "Criteria Governing Handling of Stock Affairs by Public Stock Companies" and other relevant laws and regulations.

Section III – Shareholders' Meeting

- Article 10 Shareholders' meetings may be ordinary meetings and extraordinary shareholders' meetings. Ordinary meetings shall be convened annually within six months after the end of each fiscal year. Extraordinary meetings shall be convened when necessary in accordance with applicable laws. A notice with purpose(s) for convening the meeting shall be sent to all shareholders at least thirty (30) days in advance for an ordinary meeting and fifteen (15) days in advance for an extraordinary meeting.
- Article 11 The shareholders' meeting shall be chaired by Chairperson of the Board of Directors. In the event the Chairperson of the Board of Directors is absent, one director shall be designated to serve as Chair; in the absence of such a designation, the directors shall elect one among themselves to serve as Chair.

Article 12 Each share shall be entitled to one vote, except those with restricted voting rights or no voting rights granted under Article 179 of the Company Act.
Shareholders may execute their voting rights in writing or via an electronic voting system. The voting method shall be stated in the meeting notice for shareholders' meeting.

Article 13 A shareholder who is unable to attend the shareholders' meeting in person may have a representative appointed to attend the meeting with a signed or sealed proxy letter issued in accordance with Article 177 of the Company Law and Article 25.1 of the Securities and Exchange Act.

Article 14 The Company's resolution shall only be reached when the meeting is attended by shareholders representing more than one half of the total issued shares and the resolution is approved by the majority of valid vote present at the meeting, unless otherwise provided for in the Company Act.

Article 15 The resolutions reached in the shareholders' meeting shall be documented in the minutes of the meeting in accordance with Article 183 of the Company Act

Section IV –Board of Directors and Audit Committee

Article 16 The Company shall have 5 to 11 Directors who are competent individuals elected in the shareholders' meeting. The term of office for Directors shall be three year, and all Directors shall be eligible for re-election. The registered shares held by Directors are processed in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies."

Article 16-1 For the number of Directors of the Company referred to above, the 3 to 5 Independent Directors are elected from the nominees who are nominated by the shareholders from the list of candidates in accordance with Article 192.1 of the Company Act.
The election of Independent Directors and Directors shall be held together; provided, however, the number of Independent Directors and Directors elected shall be calculated separately.
The professional qualifications, restrictions on shareholdings and concurrent positions held, method of nomination and election of Independent Directors shall be handled in accordance with Securities and Exchange Act and relevant regulations.

Article 16-2 In compliance with Article 14-4 of the Securities and Exchange Act, the Company shall establish the Audit Committee, which shall be composed of the entire number of Independent Directors. Scope of responsibilities and regulations for the Company's Audit Committee shall be governed by relevant laws and regulations.

Article 16-3 A notice of convening a Board meeting shall be given to each Director in writing, via electronic mail or fax before 7 days prior to the meeting date.

Article 17 In the event that no new Directors can be elected immediately after the expiration of a term of office, the current Directors shall continue to perform their duties until the new Directors are elected and assume their office. However, the competent authority may demand the Company to elect new Directors within a certain time period or the current Board of Directors may be dismissed automatically on the expiration of the term of office.

- Article 18 The Board of Directors shall be organized by the Directors. The Chairperson of the Board of Directors shall be elected among Directors by a majority of the Directors present at a meeting attended by two-thirds of all Directors. The Chairperson of the Board of Directors shall be the authorized representative of the Company externally and execute all matters of the Company in accordance with relevant laws, regulations and resolutions of the Board meeting and Shareholders' internally.
- Article 19 The Company's business policies and other important matters shall be resolved by the Board of Directors. Except for the first board meeting, each term shall be convened by the Board of Directors in accordance with Article 203 of the Company Act, the Chairperson of the Board of Directors shall convene and chair Board meetings thereafter. In the event that the Chairperson of the Board of Directors is unable to perform his/her duties, the Chairperson of the Board of Directors shall designate a representative to act on his/her behalf; however, in the absence of such a designation, a representative shall be elected from among the Directors.
- Article 20 Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a Board meeting shall require the approval of a majority of the Directors in attendance at a Board of Directors meeting attended by a majority of all Directors. A Director unable to attend in person may issue a proxy stating the scope of authorization with respect to the reasons for convening the meeting to appoint another Director to attend the meeting. Any proxy may be appointed by one person only.
- Directors attending the Board meeting through a video conference will be deemed attendance in person.
- Article 21 The resolutions of the Board meeting shall be documented in the meeting minutes and signed or sealed by the Chairperson, and distributed to Directors within 20 days after the meeting. The minutes shall record the essentials and results of the proceedings and preserved with the attendance book and proxy in the Company.
- Article 22 Deleted
- Article 23 The remuneration payable to the Chairperson of the Board of Directors, Directors and Independent Directors shall be decided at the Board meeting according to their contributions to the Company and also with reference to the industry payout standard. The Board of Directors may, depending on the actual needs, acquire liability insurance for all the Directors throughout the service term with the attendance of a majority of the directors and the consent of a majority of the directors present.

Section V – Management and Employees

- Article 24 The Company may have a manager designated with the appointment, dismissal and remuneration processed in accordance with the Company Act.
- Article 25 Deleted

Section VI – Accounting

Article 26 The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year.

Article 27 After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the ordinary shareholders meeting for acceptance:

1. Business Report;
2. Financial Statements;
3. Proposal Concerning Appropriation of Earning or Covering of Losses

Article 28 The Company shall set aside not less than 1% of its annual profit, if any, as employee bonus and not more than 2% as compensation to Directors; provided, however, that the Company shall have reserved a sufficient amount to offset its accumulated losses, if any.
Employ bonus may be distributed in the form of stocks or cash. The employees qualifying for such distribution may include qualified employees of subsidiaries of the Company.

Article 28-1 The Company shall not pay dividends when there are no earning for a certain fiscal year. Before paying dividends, the Company shall first pay out taxes, offset its losses in previous years and set aside a legal capital reserve at 10% of the earnings left over, until the accumulated legal capital reserve has equaled the total capital of the Company; and then set aside special capital reserve or reverse special capital reserve for the decrease in shareholders' equity of the year. The remainder earning after paying dividends shall be distributed according to an appropriation plan proposed by the Board of Directors and approved in the shareholders' meeting.
The Company's dividend policy was set up to protect shareholders' rights and fulfill the capital demand according to future capital plan. Dividends may be distributed in the form of stocks or cash, of which the cash dividends shall be considered first and not less than 10% of the total shareholders' bonus.

Section VII – Supplementary Provisions

Article 29 The organizational rules and by-laws of the Company shall be prescribed by the Board of the Directors.

Article 30 Any matters not provided for in these Articles of Incorporation shall be governed by the Company Act and other relevant laws and regulations.

Article 31 These Articles of Incorporation were made on February 27, 1987 and amended on:
The 1st amendment: March 20, 1987.
The 2nd amendment: January 18, 1991.
The 3rd amendment: September 2, 1992.
The 4th amendment: December 31, 1993.
The 5th amendment: March 1, 1995.
The 6th amendment: July 15, 1996.
The 7th amendment: March 19, 1997.

The 8th amendment: April 26, 1997.
The 9th amendment: October 24, 1997.
The 10th amendment: May 18, 1998.
The 11th amendment: December 4, 1998.
The 12th amendment: May 6, 1999.
The 13th amendment: June 22, 2001.
The 14th amendment: June 30, 2002.
The 15th amendment: February 8, 2006.
The 16th amendment: February 8, 2006.
The 17th amendment: June 15, 2007.
The 18th amendment: August 1, 2008.
The 19th amendment: June 10, 2009.
The 20th amendment: October 29, 2009.
The 21st amendment: October 12, 2010.
The 22nd amendment: June 28, 2011.
The 23rd amendment: June 6, 2012.
The 24th amendment: June 17, 2014.
The 25th amendment: June 18, 2016.
The 26th amendment: June 17, 2016.
The 27th amendment: June 20, 2018