AUDIT COMMITTEE CHARTER
ACESITE (PHILS.) HOTEL CORPORATION

ARTICLE I. ESTABLISHMENT AND PURPOSE

Section 1. Establishment.

The Audit Committee (the "Committee") is hereby established by the Board of Directors (the "Board") to assist the Board in the performance of its oversight responsibilities and to promote sound corporate governance within the Corporation.

Section 2. Purpose.

The primary purpose of the Committee is to assist the Board in overseeing the Corporation's financial reporting process, internal control systems, internal and external audit functions, risk management activities, and compliance with applicable laws, rules, and regulations.

The Committee shall perform its functions independently and objectively, in accordance with this Charter and applicable laws, rules, and regulations.

ARTICLE II. COMPOSITION AND QUALIFICATIONS

Section 1. Composition.

The Committee shall consist of at least three (3) members, all of whom shall be members of the Board of Directors.

The members of the Committee shall preferably possess accounting and finance backgrounds. At least one (1) member shall be an Independent Director, and another member shall have audit experience.

Section 2. Chairperson.

The Chairperson of the Audit Committee shall be an Independent Director, who shall be designated by the Board from among the Committee members.

The Chairperson shall preside over Committee meetings, oversee the performance of its functions, and report its findings and recommendations to the Board.

Section 3. Term of Office.

The members of the Committee shall serve for such term as may be determined by the Board and shall continue to serve until their respective successors have been designated, unless earlier replaced or removed by the Board.

Any vacancy in the Committee shall be filled by the Board.

ARTICLE III. POWERS, FUNCTIONS AND RESPONSIBILITIES

Section 1. General Responsibilities.

The Committee shall assist the Board in the performance of its oversight responsibilities concerning the Corporation's financial reporting, internal control, audit processes, risk management, and regulatory compliance.

In the discharge of its responsibilities, the Committee shall have the following functions:

A. Financial Reporting and Internal Controls

a. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules, and regulations;

b. Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security;

c. Review the quarterly, half-year, and annual financial statements before their submission to the Board, with particular focus on the following matters:
   - Any changes in accounting policies and practices;
   - Major judgment areas;
   - Significant adjustments resulting from the audit;
   - Going concern assumptions; and
   - Compliance with tax, legal, and regulatory requirements.

B. Risk Management and Regulatory Compliance

a. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal, and other risks of the Corporation. This function shall

include the regular receipt from Management of information on the Corporation's risk exposures and risk management activities.

b. Monitor and facilitate compliance with applicable laws, rules, and regulations.

C. Internal and External Audit

a. Perform oversight functions over the Corporation's internal and external auditors. The Committee shall ensure that the internal and external auditors act independently of each other and that both auditors are given unrestricted access to all records, properties, and personnel necessary to enable them to perform their respective audit functions;

b. Review the annual internal audit plan to ensure its conformity with the objectives of the Corporation. The plan shall include the audit scope, resources, and budget necessary for its implementation;

c. Prior to the commencement of the audit, discuss with the external auditor the nature, scope, and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

d. Organize an internal audit department and consider the appointment of an independent Internal Auditor, including the terms and conditions of the Internal Auditor's engagement and removal;
e. Review the reports submitted by the internal and external auditors;

f. Establish and identify the reporting line of the Internal Auditor to enable the latter to properly fulfill his or her duties and responsibilities. The Internal Auditor shall functionally report directly to the Audit Committee.

The Committee shall ensure that, in the performance of the Internal Auditor's work, the Internal Auditor shall be free from interference by outside parties.

D. External Auditor Independence

a. Evaluate and determine the non-audit work, if any, of the external auditor and periodically review the non-audit fees paid to the external auditor in relation to the significance of such fees to the total annual income of the external auditor and to the Corporation's overall consultancy expenses.The Committee shall disallow

any non-audit work that will conflict with the duties of the external auditor or pose a threat to the auditor's independence. Any non-audit work allowed shall be disclosed in the Corporation's annual report.

ARTICLE IV. AUTHORITY OF THE COMMITTEE

Section 1. Access to Information and Records.

The Committee shall have access to the Corporation's books, records, documents, properties, personnel, and other information necessary for the proper performance of its functions.

The Committee may require Management, the Internal Auditor, the external auditor, and other concerned officers or employees to submit reports, explanations, and information relevant to matters under its consideration.

Section 2. Coordination with Auditors and Management.

The Committee shall maintain appropriate coordination with Management, the Internal Auditor, and the external auditor to ensure the effective performance of their respective responsibilities.

The Committee may conduct separate meetings with the Internal Auditor and external auditor, whenever necessary, to discuss audit findings, internal control weaknesses, compliance concerns, and other matters requiring the Committee's attention.

ARTICLE V. MEETINGS AND PROCEEDINGS

Section 1. Meetings.

The Committee shall meet regularly and whenever necessary to discharge its functions and responsibilities effectively.

Special meetings may be called by the Chairperson or upon the request of any Committee member when circumstances require immediate consideration of matters within the Committee's authority.

Section 2. Notice of Meetings.

Notice of each meeting shall be given to all Committee members within a reasonable period before the scheduled meeting. The notice shall specify the date, time, place, and matters to be considered.

Section 3. Quorum and Voting.

A majority of the members of the Committee shall constitute a quorum necessary to transact business.

All matters considered by the Committee shall be decided by the affirmative vote of a majority of the members present at a meeting where a quorum exists, unless a higher voting requirement is prescribed by applicable law, the By-Laws, or a Board resolution.

Section 4. Attendance and Participation.

The Committee may invite the President, Chief Executive Officer, Chief Financial Officer, Internal Auditor, external auditor, other officers, employees, or professional advisers to attend meetings and provide information or explanations relevant to matters under consideration.

The Committee may also meet separately with the Internal Auditor or external auditor without the presence of Management whenever necessary to ensure independent and candid discussions.

ARTICLE VI. REPORTING AND DOCUMENTATION

Section 1. Reporting to the Board.

The Committee shall regularly report to the Board on its activities, findings, recommendations, and other significant matters arising from the performance of its functions.

Matters requiring Board action or approval shall be elevated to the Board together with the Committee's findings and recommendations.

Section 2. Minutes and Records.

The Corporate Secretary or a designated Committee Secretary shall maintain the minutes of all Committee meetings and proceedings.

The minutes shall include the matters discussed, reports received, recommendations made, resolutions adopted, and other relevant matters.

All minutes, reports, and supporting documents shall be properly maintained as part of the official records of the Corporation.

ARTICLE VII. PERFORMANCE EVALUATION

Section 1. Annual Performance Evaluation.

The Committee shall review its performance annually with respect to the fulfilment of its functions and responsibilities as mandated in this Charter.

The results of the evaluation, including any identified areas for improvement and recommendations, shall be reported to the Board of Directors.

ARTICLE VIII. AMENDMENTS AND EFFECTIVITY

Section 1. Amendments.

This Charter may be amended, modified, or supplemented by the Board of Directors, whenever necessary, to ensure its continuing relevance and effectiveness and consistency with applicable laws, rules, regulations, and corporate governance requirements.

Section 2. Effectivity.

This Charter shall take effect upon its approval by the Board of Directors and shall remain in force unless amended, modified, or revoked by the Board.