

SHANG PROPERTIES, INC.
CORPORATE GOVERNANCE COMMITTEE CHARTER

The Corporate Governance Committee shall assist the Board in steering the Corporation through its observance of good corporate governance, and guiding the Corporation in creating sustainable value for its shareholders and stakeholders.

Duties and Functions

1. Oversee the implementation of the corporate governance framework and periodically review the said framework to ensure that it remains appropriate in light of material changes to the Corporation's size, complexity and business strategy, as well as its business and regulatory environments;
2. Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conduct an annual self-evaluation of its performance;
3. Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
4. Recommend continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
5. Adopt corporate governance policies and ensure that these are reviewed and updated regularly, and consistency implemented in form and substance;
6. Propose and plan relevant trainings for the members of the Board;
7. Determine the nomination and election process for the Corporation's directors (regular and independent) and has the special duty of defining the general profile of board members that the Corporation may need and ensure appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and
8. Establish a formal and transparent procedure to develop a policy for determining the remuneration of officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates.

The Corporate Governance Committee shall also assume the functions of the Corporation's nomination committee. The detailed responsibilities concomitant to said function are as set forth in the Corporation's Manual of Corporate Governance.

Meetings

The Committee shall meet at least three times a year or as often as it deems necessary to keep abreast of corporate governance developments and to assess, evaluate, and review the Corporation's observance of the provisions of its Manual of Corporate Governance.

The Corporate Governance Committee shall meet regularly prior to, or following, meetings of the Board of Directors. The Corporate Governance Committee shall report regularly to the Board and shall keep written minutes of its meetings. The members of the Corporate Governance Committee shall select a chair who will preside at each meeting of the Corporate Governance Committee and, in consultation with the other members of the Corporate Governance Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting. A majority of the members of the Corporate Governance Committee present in person or by electronic means allowed under the rules of the Securities and Exchange Commission shall constitute a quorum.

Members

The Committee shall be composed of at least three members, majority of whom shall be independent directors, including the Chairman of the Committee.



AUDIT COMMITTEE CHARTER

I. ORGANIZATION

This Charter governs the function of the Audit Committee (the "Committee") of Shang Properties, Inc. (the "Company"). The Committee shall be appointed by the Board and shall be composed of at least three (3) appropriately qualified non-executive directors of the board, majority of whom including the Chairman shall be independent. At least one (1) of the members, or a majority of the members, where possible, shall have the relevant background, knowledge, skills and/or experience in the areas of accounting, auditing and finance. The Chairman of the Audit Committee should not be the chairman of the Board or any other committees. Each member shall have adequate understanding at the least or competence at the most of the company's financial management systems and environment.

The members of the Committee shall serve until their successors shall be duly elected and qualified. Unless a Chairperson is elected by the Board, the members of the Committee may designate a Chairperson by majority vote of the full Committee membership. The Chairperson will chair all regular sessions of the Committee and set the agenda for the Committee meetings.

II. PURPOSE

The Audit Committee shall provide assistance to the board of directors in fulfilling its general oversight responsibility to the Company and to its shareholders, potential shareholders, the investment community, and others relating to:

- (i) The integrity of the Company's accounting and financial reporting practices and internal controls, the financial statements and reports of the Company and the Company's internal and external audit practices;
- (ii) The Company's compliance with legal and regulatory requirements;
- (iii) The external auditor's qualifications and independence; and
- (iv) The performance of the Company's internal audit function and external auditors.

III. MEETINGS

The Committee will meet at least four times annually, or more frequently as their responsibilities dictate. To maintain free and open communication, the Audit Committee shall meet with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meet with the head of the internal audit.

IV. RESPONSIBILITIES AND DUTIES

The Audit Committee shall be responsible for overseeing the senior management in establishing and maintaining an adequate, effective and efficient internal control framework. It shall ensure that systems and processes are designed to provide reasonable assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations and safeguarding of assets.

In discharging its oversight role, the Committee is empowered to study or investigate any matter or concern brought to its attention that it deems appropriate. The Committee shall be given full access to the Company's internal audit group, management, personnel, external auditors, books, records and facilities as necessary to carry out these responsibilities and the power to retain at the expense of the Company independent outside counsel or other experts or advisers as it determines necessary to carry out its duties.

While the Committee has the responsibilities and powers set forth in this charter, it is the Management who is responsible for the preparation, presentation, and integrity of the Company's financial statements and for the appropriateness of the accounting principles and reporting policies, along with the maintenance of effective internal controls over financial reporting. The external auditors are responsible for auditing the Company's financial statements, expressing an opinion on management's assessment that the company maintained effective internal controls over financial reporting.

As a guide, the following sections of this charter set forth the responsibilities and duties of the Committee.

Internal Audit

- (i) Recommend the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
- (ii) Through the Internal Audit (IA) Department, monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances shall be place in order to (i) safeguard the Corporation's resources and ensure their effective utilization, (ii) prevent occurrence of fraud and other irregularities, (iii) protect the accuracy and reliability of the Corporation's financial data, and (d) ensure compliance with applicable laws and regulations;
- (iii) Oversee the Internal Audit Department and recommend the appointment and/or grounds for approval, retention (and termination, as the case may be) of the company's internal auditors. The Audit Committee shall also approve the terms and conditions for outsourcing internal audit services;

- (iv) Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, the Internal Auditor shall directly report to the Audit Committee;
- (v) Perform oversight functions over the Corporation's Internal Auditors. The Audit Committee shall ensure the independence of Internal Auditors, and that they are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit function;
- (vi) Review and monitor Management's responsiveness to the Internal Auditor's findings and recommendations;
- (vii) Review and discuss with management and internal auditors the responsibilities, budget and staffing of the Company's internal audit function; including the Company's annual audit plan, activities, audit scope, frequency, status of activities, significant findings, recommendations and management's response;

External Audit/ Financial Reporting

Strengthen external auditor's independence and improve audit quality:

- (i) Recommend to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the Corporation, and provide an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders. For removal of the external auditor, the reasons for removal or change shall be disclosed to the regulators and the public through the Corporation's website and required disclosures;
- (ii) 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 duplications of efforts;
- (iii) Perform oversight functions over the Corporation's External Auditors. The Audit Committee shall ensure the independence and objectivity of External Auditors, and that they are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit function;
- (iv) Review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. The Committee shall review, at least annually, the performance, suitability and effectiveness of the external auditors;
- (v) 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 total fees paid to him and to the Corporation's overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if

allowed, shall be disclosed in the Corporation's Annual Report and Annual Corporate Governance Report;

- (vi) Review and approve the Interim and Annual Financial Statements of the Corporation before their submission to the Board with particular focus on the following:
- Any change/s in accounting policies and practices
 - Areas where a significant amount of judgement has been exercised
 - Significant adjustments resulting from the audit
 - Going concern assumptions
 - Compliance with accounting standards
 - Compliance with tax, legal and regulatory requirements; and
- (vii) Review the disposition of the recommendations in the External Auditor's management letter.

Legal/Compliance

- (i) Coordinate, monitor and facilitate compliance with laws, rules and regulations
- (ii) Review, with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements or operations;
- (iii) Review and investigate any matters pertaining to the integrity of management, including conflicts of interest;
- (iv) Prepare all reports required of it to be included in the Company's proxy statement, pursuant to and in accordance with applicable rules and regulations of the Securities and Exchange Commission;

Risk Management and Related Party Transactions

- (i) Perform the functions of the Board Risk Oversight Committee and/or Related Party Transactions Committee.

Board Reporting

- (i) Report regularly to the Board and maintain minutes or other records of meetings and activities of the Committee
- a. with respect to any issues that arise regarding the quality or integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the performance and independence of the Company's external auditors or the performance of the internal audit function; and
 - b. with respect to such other matters that are relevant to the Committee's discharge of its responsibilities.

V. ANNUAL PERFORMANCE EVALUATION


The Committee shall perform a review and evaluation, at least annually, of its performance and its members, including reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess the adequacy of this Charter at least annually and recommend to the Board any changes in the Charter that the Committee considers necessary.

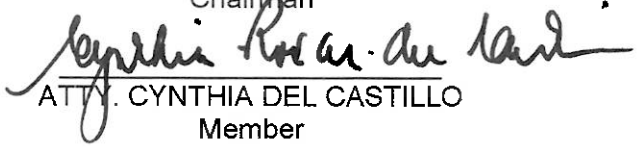
Prepared by:




MICHELLE CHING
Secretary

Approved by:

THE AUDIT COMMITTEE


MAXIMO LICAUCO III
Chairman


ATTY. CYNTHIA DEL CASTILLO
Member


BENJAMIN RAMOS
Member

Date: May 09, 2018