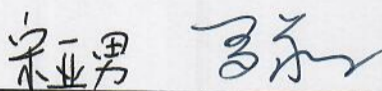
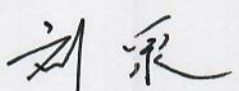
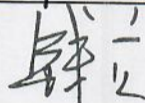


	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

Description	Name / Designation	Signature	Date
Prepared by	Doris, Mike		2025-5-6
Reviewed by	Benny		2025-5-6
Approved by	Alex		2025-5-6

Document Approval

Document Information

Effective Date	Reference No.
2025-5-6	IDIPO-FIN-001

Document Change Log

Ver. No.	Page No.	Description of Amendment	Approved by	Effective Date
V1.0		Initial release	Alex	2025-5-6

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

1. General

1.1. In order to strengthen the financial management of International Djibouti Industrial Parks Operation FZCO (hereinafter referred to as "IDIPO" or "the Company"), improve expense management, standardize financial accounting procedures and approval processes, and enhance internal controls, this policy is formulated based on the Financial Management Regulations of China Merchants Port Group Co., Ltd. and relevant internal control guidelines, in combination with the actual situation of the Company.

1.2. All reimbursement and payment applications for expenses must strictly follow the approval procedures outlined in this policy. Any payment that does not comply with the approval process or expense standards stipulated in this policy shall not be processed.

1.3. This policy applies to all departments within IDIPO and the companies entrusted to its management (hereinafter collectively referred to as "the Companies"). Investee companies may refer to this policy for implementation.

2. Cost budget control

2.1. Each department of IDIPO shall implement annual budget management for their expenses. Departments are required to prepare their annual budgets in accordance with the requirements of the Finance Department of China Merchants Port and relevant departments. The budgeting process should adhere to the principles of thrift and practicality.

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

2.2. Each department of IDIPO is responsible for preparing its own departmental expense budget. After being consolidated by the IDIPO Finance Department, the overall budget must be approved by the IDIPO General Manager's Office Meeting. The Finance Department is responsible for submitting the approved budget to China Merchants Port's Finance Department and other relevant departments for final approval.

2.3. The IDIPO Finance Department is responsible for the overall coordination and daily management of departmental expense budgets. This includes organizing, reporting, and monitoring the execution of budgets across departments, as well as regularly compiling and reporting budget performance as required.

2.4. All departments must strictly adhere to the approved budgets when incurring expenses. Budget overruns are not permitted without proper authorization. If a budget increase is necessary, it must first be approved by the IDIPO General Manager's Office Meeting and then submitted by IDIPO to China Merchants Port's Finance Department for final approval.

3. Staff Advance Management

3.1. IDIPO employees may apply for staff advance for business-related matters or travel, subject to prior approval. In principle, the amount shall not exceed USD 1,500 per employee. For special cases requiring a larger advance, a written explanation and prior approval from the IDIPO Finance Director and General Manager are required.

3.2. Employees holding Staff advance must return the full amount by December 31 each year or go through the renewal procedure. If not returned on time, the Finance Department will deduct the amount directly from the employee's monthly salary.

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

3.3. If travel requires foreign currency other than USD or Djiboutian Franc (DJF), the employee must exchange the currency at a bank on their own. Any unused foreign currency (other than USD or DJF) must also be handled by the employee personally, as the IDIPO Finance Department does not accept repayments in other currencies.

3.4. In cases where an employee holding staff advance is resigned, retired, or otherwise leaving the position, the IDIPO Finance Department shall recover the cash in advance upon receiving notice from the General Affairs Department or the employee's department.

3.5. To apply for staff advance, the employee must complete a payment request form specifying the purpose, date, currency, amount, and borrower's name. The request must be approved by the department manager and relevant supervising leader before being submitted to the Finance Department for processing.

4. Expense Approval

4.1. All business-related reimbursement documents must be approved by the relevant authorized personnel and reviewed for compliance by the IDIPO Finance Department before reimbursement can be processed.

4.2. Expense reimbursement documents shall follow a step-by-step approval process. No individual may approve their own reimbursement or payment requests, nor may they split a single expense into multiple submissions for separate approvals.

4.3. Reimbursement and payment requests submitted by employees at or below the department manager level must be approved by their department manager and the responsible supervising leader before being submitted to the IDIPO Finance Department for compliance review.

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

4.3.1. If the amount is less than or equal to USD 1,500, the Finance Department will proceed with payment.

4.3.2. If the amount exceeds USD 1,500, final approval from the General Manager is required.

4.4. For department managers, documents must be approved by the responsible company leader and then submitted to the IDIPO Finance Department for compliance review.

4.4.1. If the amount is less than or equal to USD 1,500, the Finance Department will handle the payment.

4.4.2. If the amount exceeds USD 1,500, final approval from the General Manager is required.

4.5. For expenses incurred by company leaders, the IDIPO Finance Department must first conduct a compliance review, followed by approval from the IDIPO Finance Director and final approval by the General Manager.

4.6. Special expenses include but are not limited to: compensation, employee hardship subsidies, external condolences, donations, sponsorships, fines, bonuses, travel expenses, and employee departure settlements.

5. Payment Requirements

5.1. In principle, all expenses should be settled by cheque or bank transfer. Valid and compliant supporting documents must be provided for all payments, including but not limited to pro forma invoices, official invoices, and receipts. For payments within mainland China, value-added tax (VAT) invoices or other legally recognized invoices must be provided.

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

5.2. Expense approval applications should be submitted within 10 working days of the expense being incurred, in accordance with the procedures outlined in Chapter 4. For expenses incurred during business trips or personal leave, the reimbursement application must be submitted within 10 working days upon returning to work.

5.3. Each payment application form should include only expenses of the same or similar nature. Personnel-related expenses such as salaries, social insurance, individual income tax, and labor protection costs must be submitted on a separate payment application form and shall not be mixed with other expense types.

5.4. The Finance Department is responsible for reviewing reimbursement documents to ensure they are complete and accurate, that the invoices are authentic and properly attached, that the approval process is complete, and that all expense amounts comply with the company's policies and standards.

5.5. If the approval authority is incorrect, original documents do not meet requirements, expense amounts are miscalculated, or the amount exceeds the standard without special approval from the General Manager, the Finance Department will return the documents to the applicant without processing.

5.6. Reimbursement forms and original documents must be completed and attached as follows:

5.6.1. Expense items must be correctly categorized, amounts must be accurately calculated, and currency formats must match in both words and figures. For foreign currencies, the exchange rate on the exchange slip shall prevail. If no exchange slip is provided, the average middle rate published by the State Administration of Foreign Exchange in the previous month shall be used.

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

5.6.2. Original documents should be grouped and attached by expense type for easy verification. Do not attach any receipts to the back side of the pages. All documents must be affixed to additional sheets of paper and placed behind the reimbursement form. Leave a 3 cm margin at the top of the reimbursement form for binding, and do not use metal materials (e.g., staples) for attaching documents.

5.6.3. For transportation expenses such as ferry, train, or flight tickets, all tickets should be grouped together. If traveling with personnel from other companies, specify whether any costs should be reimbursed by them and indicate the amount each person is responsible for.

5.6.4. Hotel accommodation expenses involving other travelers must include the names of those accompanying the applicant and a breakdown of their respective costs. If traveling with personnel from other companies, state whether any portion of the expense should be recovered from those companies.

5.7. In principle, the Finance Department shall make payment within seven working days upon receiving fully approved and compliant reimbursement documents.

5.8. Employees should deposit the reimbursement cheque at the bank by the end of the month in which it is issued. In case of special case, the employee must inform the Finance Department before month-end if the cheque has not been deposited and commit to a specific date for cashing it.

6. Employee Reimbursement Guidelines

6.1 Employee daily expenses include travel expenses, entertainment expenses, gift expenses, communication charges, transportation fees, office supplies, and low-value consumables.

Cumulative spending on these items within a budget period must not exceed the approved budget.

Travel Expense Reimbursement. Employees on business trips or leave must complete the Travel

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

Expense Reimbursement Form by category, including airfare, entertainment, accommodation, transportation, and other expenses, and submit supporting documents such as business trip or leave approval OA forms as required by policy. The form must include names of the travelers, travel dates, and a breakdown of expenses.

Transportation expenses include airfare, ferry, high-speed rail, taxi, subway, and bus fares. They do not include fuel, parking, or toll fees for private vehicles. Employees must use the approved mode of transport and submit official invoices for reimbursement. Requirements for invoices are as follows:

- Airfare, train, ferry: must provide official invoices;
- Taxi: must include fare receipt and fuel surcharge invoice (if applicable). For ride-hailing apps, a trip summary must also be submitted.
- Prepaid subway/bus cards (recharge): are not reimbursable.

Hotel accommodation expenses must be supported by valid invoices. Meal allowances do not require invoices but must be supported by the approved business trip OA form and the Travel Expense Reimbursement Form, indicating exact travel dates, locations, reimbursement type, and total amount.

If the employee's business trip and leave occur concurrently, both business trip and leave OA approvals must be submitted. Travel expenses incurred during the approved business trip period will not be counted against the annual leave travel allowance. Travel expenses during the approved leave period will be counted as part of the annual leave transportation allowance.

6.2 For entertainment expenses in mainland China, official tax invoices stamped by the restaurant must be submitted. For Djibouti, Hong Kong, or other overseas locations, printed or handwritten receipts signed or stamped by the restaurant are acceptable. If those are unavailable, machine-generated receipts or other supporting proof may be provided.

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

Additional requirements: The reimbursement must include the names of the guests, purpose, and number of attendees. The per-person cost must not exceed USD 80, and the total per event must not exceed USD 800. Any amount exceeding this must be approved by the General Manager.

6.3 According to the company's Procurement Policy, departments must submit a purchase OA application in advance for gift purchases. If the value of a single gift is $\leq$ USD 300, approval from the department's supervising leader is required. If the value of a single gift is $>$ USD 300, it must be paid by card (with card receipt attached), approved by the supervising leader and additionally approved by the General Manager.

The person in charge should fill out the Payment Application Form for reimbursement, and gift delivery should involve at least two employees.

6.4 For domestic mobile bills, official invoices from telecom providers must be submitted. If the invoiced amount is below the reimbursement cap, it will be reimbursed as invoiced. If it exceeds the cap, reimbursement will be made up to the cap only. Only the bill for the employee's personal phone number is reimbursable (one person, one number). Reimbursement limits are detailed in Appendix I.

6.5 In accordance with the Procurement Policy, reimbursement for office supplies and low-value consumables must be supported by:

- The purchase request OA form,
- Valid invoices or e-receipts,
- And submitted along with the Payment Application Form.

Note: For purchases exceeding USD 1,500, additional documentation must be provided per the Procurement Policy requirements.

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

7. Supplementary Provision

7.1. This policy shall be revised and interpreted by the Finance Department of IDIPO.

7.2. This policy shall take effect from the date of its issuance. Any previous provisions that conflict with this policy shall be superseded and governed by the terms herein.

Appendix I:

Items	Position				Remarks
	Top	Chinese	Beijing	Djibouti	

	EXPENSE APPROVAL AND PAYMENT MANAGEMENT POLICY	Reference No	IDIPO-FIN-001
		Version	V1.0
		Effective date	2025-5-6

		Management	employees	Office employees	Employees	
Telephone fee	Communication fee in Djibouti (DJF)	15000	10000		6000	
	Communication fee in China (RMB)	600	200	500		Reimbursement is based on the actual amount of domestic phone bills invoices, and only reimbursement is limited to the person's mobile phone number