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Document Approval

Document Information

Effective Date	Reference No.
2025-5-6	IDIPO-FIN-02

Document Change Log

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

1. General

1.1. In order to strengthen the management of accounting archives for International Djibouti Industrial Parks Operation FZCO (hereinafter referred to as "IDIPO" or "the Company"), and in accordance with relevant national laws and regulations, as well as the Financial Management Policy of China Merchants Port Holdings Co., Ltd., this policy is formulated based on the actual circumstances of the Company. Companies in which IDIPO holds an equity interest or which are under its entrusted management may refer to this policy for implementation.

1.2. The term "accounting archives" in this policy refers to various types of accounting records in textual, graphical, or other formats that are received or generated during the Company's accounting and financial activities and that have preservation value. These include electronic accounting records that are created, transmitted, and stored using computers or other electronic devices.
Documents such as financial budgets, plans, and policies shall be managed according to the document archive management regulations and do not fall under the scope of this policy.

1.3. The Company shall enhance leadership in the management of accounting archives. The Finance Department is responsible for the guidance, supervision, and inspection of all accounting archive work. A management system shall be established for the compilation, filing, safekeeping, access, and destruction of accounting archives. The archives must be managed by dedicated personnel, stored properly in designated areas, organized systematically, and easily accessible, with strict prevention of damage, loss, or leakage.

2. Scope and Requirements for Archiving

2.1. Scope of Archiving.

2.1.1. Accounting Vouchers: Original vouchers, journal vouchers, summary vouchers, and other accounting vouchers.

2.1.2. Accounting Books: General ledger, subsidiary ledger, journal, fixed asset cards, auxiliary ledgers, and other accounting books.

2.1.3. Financial Accounting Reports: Monthly, quarterly, and annual financial accounting reports; audited and adjusted annual financial reports; audit reports, including financial statements, supporting schedules, notes, and narrative explanations. Working papers for quarterly and annual reports; financial position and business activity analysis reports; externally audited financial reports and their working papers.

2.1.4. Other Materials: Bank reconciliation statements, bank statements, tax filing documents, other accounting-related materials that must be preserved, accounting archive transfer lists, archive inventory records, archive destruction records, appraisal reports for accounting archives, and other accounting documents with preservation value.

2.2. The company may use information technology such as computers and network communication systems to manage accounting archives. Electronic accounting records generated internally by the company may be stored in electronic format only—forming electronic accounting archives—if all of the following conditions are met:

2.2.1. The electronic accounting records originate from authentic and valid sources and are generated and transmitted through computers or other electronic devices;

2.2.2. The accounting system used can accurately, completely, and effectively receive and read electronic accounting data, output standard archivable formats of vouchers, ledgers, financial reports, and includes necessary processing and approval workflows;

2.2.3. The archival information system used can effectively receive, manage, and retrieve electronic accounting archives, meets long-term preservation requirements for electronic files, and establishes a searchable link between electronic and related paper archives;

2.2.4. Effective measures are in place to prevent tampering with electronic accounting archives;

2.2.5. A backup system for electronic accounting archives is in place to guard against the impact of natural disasters, accidents, and human interference;

2.2.6. The electronic accounting records are not deemed as having permanent or other critically important long-term preservation value.

2.3. Archiving Requirements.

2.3.1. Accounting archives generated annually must be sorted and compiled into volumes by the Finance Department according to archiving requirements, bound into booklets, and an archive inventory must be completed by the end of June of the following year.

2.3.2. Archived vouchers, ledgers, reports, and data must be complete, authentic, accurate, and properly maintained.

2.3.3. Accounting personnel are responsible for organizing, compiling, and assigning retention periods to the accounting archives.

2.3.4. For companies using computerized accounting systems, printed hard copies of the accounting records must still be retained as official archives.

3. Filing and Compilation

3.1. Accounting archives shall be classified using the method of "Organizational Unit – Type of Accounting Document (Financial Reports, Accounting Ledgers, Vouchers, Other Accounting Records) – Fiscal Year – Retention Period." That is, accounting archives generated in a given year shall be divided into four categories: vouchers, ledgers, financial reports, and other materials, and then compiled into appropriate storage units accordingly.

3.2. Financial reports shall be filed separately by year, quarter, and month. Ledgers shall be filed by book or volume, while vouchers shall be filed chronologically in combination with voucher codes and numbers. The thickness of each paper file should not exceed 6 cm; depending on the volume, it may be divided into one or more files. For electronic archives, the content must be reviewed and confirmed first, with clear documentation of the file format and detailed information. These shall be stored on media such as tapes, CDs, or hard drives. After filing, a proper file title must be created, including unit name, file name, start and end dates, document numbers, volume numbers, retention period, archive code, catalog code, file number, and the responsible person.

3.3. Accounting archives shall be numbered based on archive bureau guidelines using the “Accounting Document Type – Fiscal Year” classification system. The numbering must be unique, scalable, and stable over the long term.

3.4. The retention catalog of accounting archives, also known as the file inventory, should be compiled systematically and scientifically for easy retrieval. Accounting archives of a unit can be listed separately by document type and category. The catalog must at least include: file number, category, title, start and end dates, retention period, number of sheets (e.g., total vouchers, ledger pages), and remarks.

3.5. Before filing, all metal materials must be removed, documents folded neatly, and securely bound. Covers should be neatly labeled. Use Arabic numerals to indicate the year, volume, and file numbers on the cover and spine.

3.6. Accounting archives are categorized into permanent and temporary retention. Temporary retention is generally divided into 10-year and 30-year periods. The retention period is calculated from the first day after the end of the relevant fiscal year. (Appendix: *Accounting Archive Retention Periods*)

3.6.1. The retention periods specified in this policy represent the minimum required periods. In principle, all types of accounting archives shall be retained in accordance with the periods listed in the attached table.

3.6.2. If the name of an archive item does not exactly match the file names listed in the appendix, the retention period shall be determined based on similar types of archives.

4. Handover of Accounting Archives

4.1. In the event of termination of the company due to cancellation, dissolution, bankruptcy, or other reasons, the accounting archives generated prior to the termination and deregistration process shall be temporarily managed by the competent business authority or property owner of the company.

4.2. When accounting archives are transferred between companies, both the transferring and receiving parties must complete the formal handover procedures, and the transferring party must prepare an Accounting Archive Handover Inventory.

4.2.1. During the handover, both parties must verify and confirm each item listed in the handover inventory, including the archive title, volume number, number of books, start and end fiscal years, archive numbers, required retention period, and retention duration to date. Any damage or missing pages must be noted in the remarks.

For paper archives, the original binding and packaging must be preserved during handover.

For electronic accounting archives, both the electronic records and their source data must be transferred, and file formats must comply with national archive management regulations. Archives with special formats must be handed over together with their reading platforms.

4.2.2. The receiving party must verify the accuracy, completeness, usability, and security of the electronic archives before accepting them.

4.3. If a company is split and the original company remains, the surviving entity shall retain custody of all accounting archives, and the other party(ies) may consult or copy archives related to their business.

4.3.1. If the original company is dissolved after the split, the accounting archives shall be retained by one party through mutual agreement, while all parties may consult or copy business-related accounting records.

4.3.2. Original vouchers related to unresolved accounting matters during the company split must be separately extracted and held by the responsible business party, with formal handover procedures completed accordingly.

4.4. If company business is transferred to another entity, the accounting archives shall remain with the original company, while the receiving company may consult or copy records related to its business. Any unresolved accounting items and their original vouchers shall be separately extracted and retained by the relevant business party, with proper handover procedures.

4.5. In the case of a company merger, if the original company is dissolved or only one entity remains, the merged company shall be responsible for unified retention of all original accounting archives.
If all merging parties continue to exist independently, each party shall retain its own original accounting archives.

4.6. During the handover of accounting archives, both parties must conduct a detailed item-by-item transfer based on the Accounting Archive Handover Inventory. Company representatives from both sides must supervise the process. After the handover is completed, both the handling personnel and supervising personnel must sign and affix official seals on the handover inventory, with each party keeping a copy for record.

5. Preservation

5.1. After the end of each fiscal year, the company's accounting archives shall be stored in designated cabinets managed by the Finance Department, with a specifically assigned person responsible for safekeeping. Cashiers are not permitted to concurrently manage accounting archives.

5.2. Accounting archives must be accompanied by a systematic and scientific file index and necessary retrieval tools to ensure convenient access.

5.3. In accordance with archive storage room management requirements, strict safety and confidentiality regulations must be followed. Regular inspections shall be conducted and recorded.

5.4. Accounting archives retained by the company may not be loaned out. In special circumstances, they may be accessed or copied with the approval of the company's responsible leader, and proper registration procedures must be followed. It is strictly prohibited to mark, unbind, or alter any accounting archives during access or copying.

5.5. Access to accounting archives by internal personnel must be approved by the head of the Finance Department. Access by external organizations requires an official letter of introduction and approval by the company's supervising leader.

5.6. The company shall maintain proper records of all accounting archives received, transferred, appraised, and accessed.

6. Appraisal and Destruction

6.1. The company shall regularly appraise accounting archives that have reached the end of their retention period and issue an Accounting Archive Appraisal Report. Archives that are deemed still valuable after appraisal shall have their retention periods reassigned. Those that have expired and are confirmed to have no further value may be destroyed.

6.2. The appraisal of accounting archives shall be led by the Finance Department and jointly conducted with personnel from the Administration Department, Internal Audit, and Discipline Inspection departments.

6.3. Except under the circumstances described, accounting archives that have reached the end of their retention period may be destroyed following this procedure:

6.3.1. The Administration Department, in coordination with the Finance Department, shall propose a destruction recommendation and prepare an Accounting Archive Destruction Inventory, listing the archive title, volume number, number of books, fiscal years covered, archive number, required retention period, actual retention period, and destruction date.

6.3.2. The personnel in charge, the heads of the Finance and Administration Departments, and the company's authorized representative must sign the destruction inventory with their opinions.

6.3.3. During destruction, both the Administration and Finance Departments must assign personnel to supervise the destruction process. Supervisors must check and verify all accounting archives to be destroyed against the inventory list. After destruction, they must sign and stamp the inventory and report the destruction process to company management.

6.3.4. The destruction of electronic accounting archives must comply with national regulations and be supervised jointly by personnel from the Administration, Finance, and IT departments.

6.4. Original vouchers related to unsettled claims, debts, or other pending matters must not be destroyed, even if the retention period has expired. For paper archives, they shall be separately filed and stored. For electronic archives, they shall be separately transferred and stored until the matter is fully resolved. Such separately handled archives must be clearly recorded in the Accounting Archive Appraisal Report, Destruction Inventory, and Retention Inventory.

7. Supplementary Provision

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

7.2. This policy shall come into effect from the date of issuance. Any previous regulations that conflict with this policy shall be superseded and governed by it.

Appendix I:

Item	File Name	Storage period	Remarks
Part 1	**Accounting documents**		
1	Original voucher	30 years	
2	Accounting vouchers	30 years	
Part 2	**Accounting books**		
3	General Ledger	30 years	
4	Detailed account	30 years	
5	Journal account	30 years	
6	Fixed asset card		5 years of storage after scrapping and clearing of fixed assets
7	Other auxiliary books	30 years	
Part 3	**Financial accounting reports**		
8	Monthly, quarterly and semi-annual financial accounting reports	10 years	
9	Annual financial accounting report	Permanent	
10	Audit Report	Permanent	
Part 4	**Other accounting information**		
11	Bank balance reconciliation	10 years	

12	Bank Statement	10 years	
13	Tax Declaration statement3	30 years	
14	Accounting File Transfer List	30 years	
15	Accounting file custody list	Permanent	
16	Accounting File Destruction List	Permanent	
17	Accounting Files Appraisal Opinion	Permanent	