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# 1. General

**1.1** These Measures are formulated to standardize the asset appraisal work of International Djibouti Industrial Park Operation FZCO (hereinafter referred to as "IDIPO") in accordance with the actual situation of the Company.

**1.2** These Provisions apply to IDIPO. Companies entrusted with management by IDIPO may refer to and implement them accordingly.

# 2. Economic Activities Involving Asset Appraisal

**2.1** If the Company engages in any of the following activities, the relevant assets shall be appraised:

(1) Transfer or acquisition of property rights;

(2) Change in the equity proportion held in non-listed companies;

(3) Merger, division, bankruptcy, or dissolution;

(4) Assets involved in litigation;

(5) Asset transfer or replacement;

(6) Leasing of all or part of the assets;

(7) Investment using non-monetary assets;

(8) Repayment of debts with non-monetary assets;

(9) Acquisition of assets;

(10) Acceptance of capital contribution in the form of non-monetary assets;

(11) Acceptance of non-monetary assets for debt settlement;

(12) Other matters requiring asset appraisal as stipulated by laws and administrative regulations.

**2.2** When the Company participates in capital increase or decrease of a non-listed company, resulting in changes in the equity proportion held by each company, the Company, as a shareholder, shall require the invested company to appraise all shareholders' equity and any non-monetary assets used for the capital increase.

**2.3** For the following economic activities, the Company may exempt the appraisal of the relevant state-owned assets:

(1) Transfer of non-integral assets where the book value does not exceed RMB 1 million (or equivalent foreign currency) and the original value accounts for 20% or less of the total fixed assets;

(2) Capital increase by the original shareholders in proportion to their existing shares (if non-monetary assets are contributed, those assets must be appraised).

## 3. Selection of Appraisal Institutions

**3.1** The Company shall select appraisal institutions based on the principles of fairness and impartiality, using methods such as bidding, competitive negotiation, or price comparison. For cases where bidding is required in accordance with the relevant regulations of the parent company, the appraisal institution shall be selected through public bidding or invitation to bid..

**3.2** For economic activities listed in Article 2 of these Provisions, the entrusting party for the appraisal institution shall be determined according to the following principles:

(1) If the appraisal object involved in the economic activity belongs to the Company's assets, the Company shall act as the entrusting party;

(2) If the appraisal object involved belongs to the property of the Company and its invested companies, the unit holding the property shall act as the entrusting party;

(3) For acquisition or acceptance of assets as specified in items 10) to 12) of Article 2, the company acquiring or accepting the assets shall act as the entrusting party.

**3.3** Appraisal institutions selected by the Company shall have a thorough understanding of the economic characteristics and relevant market information of the industry to which the appraisal object belongs, and shall possess qualifications, professional personnel, and expertise appropriate for the economic activity.

**3.4** The Company shall truthfully provide relevant information as required by the appraisal institution and shall be responsible for the authenticity, legality, and completeness of the provided information. The Company shall not interfere with the normal work of the appraisal institution in any form.

## 4. Use of Asset Appraisal Results

**4.1** The validity period of approved or filed asset appraisal results shall be one year from the appraisal reference date. The appraisal results shall be implemented after communication and confirmation with the relevant units.

## 5. Supplementary Provisions

**5.1** These Measures shall be interpreted and amended by the Finance Department of IDIPO.

**5.2** These Measures shall take effect from the date of issuance.