IDIPO	**FINANCING GUARANTEE MANAGEMENT MEASURES POLICY**	Reference No	IDIPO-FIN-005
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INTERNATIONAL DJIBOUTI INDUSTRIAL PARKS OPERATION FZCO
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1. General Provisions

1.1 These Measures are formulated in accordance with relevant laws and regulations, the *Financial Management System of China Merchants Port Group Co., Ltd.*, and other regulatory documents, with the purpose of mitigating financing guarantee risks for International Djibouti Industrial Parks Operation FZCO (hereinafter referred to as "IDIPO"), standardizing financing guarantee activities, and strengthening internal control over financing guarantee operations.

1.2 These Measures apply to Djibouti International Free Trade Zone Operation Company. Affiliated companies may refer to these Measures for implementation. If an affiliated company applies for financing guarantees from companies within the China Merchants Port system, it shall comply with the provisions of these Measures.

1.3 The term "financing guarantee" in these Measures refers to various forms of guarantees provided by the Company, subject to compliance with these Measures, to support financing activities such as obtaining bank credit lines, loans, bond issuances, fund products, trust products, asset management plans, debt plans, and financial leasing for companies within the China Merchants Port system or affiliated companies. These guarantees include general guarantees, joint liability guarantees, mortgages, pledges, as well as implicit guarantees such as joint loan agreements, deficiency payment commitments, comfort letters, and liquidity support letters.

1.4 The Company shall adhere to the following principles when conducting financing guarantee activities:

1.4.1 Prudent Guarantee Principle: The Company shall prioritize unsecured financing. If guarantees are necessary, they shall be provided only after strict review and on the premise of ensuring business operations and stable development.

1.4.2 Equivalence of Rights and Responsibilities Principle: When providing guarantees to its subsidiaries (excluding wholly-owned subsidiaries) or affiliated companies, the Company shall require other shareholders to assume financing guarantee responsibilities proportionate to their shareholding.

1.4.3 Controllable Risk Principle: The Company shall categorize and analyze financing guarantee activities, identify risks, and strictly mitigate recourse risks. In principle, guarantees shall only be provided to subsidiaries or affiliated companies with sustainable operations and debt repayment capabilities.

1.5 The Company shall strengthen risk control in key aspects or stages of financing guarantee activities, including but not limited to:

1.5.1 Defining the scope, conditions, procedures, limits, and prohibited matters for guarantee management;

1.5.2 Conducting rigorous guarantee evaluations and clarifying approval authorities, procedures, and responsibilities;

1.5.3 Implementing effective control measures for guarantee execution, strictly reviewing guarantee contracts, monitoring the guarantee process, managing guarantee collateral and related documentation, and promptly concluding guarantee procedures.

1.6 Unless the context requires otherwise or specified herein, the following terms or abbreviations in these Measures shall have the meanings set forth below:

1.6.1 China Merchants Port: China Merchants Port Group Co., Ltd.;

1.6.2 Group: China Merchants Group Limited;

1.6.3 IDIPO (or the Company): International Djibouti Industrial Parks Operation FZCO;

1.6.4 Subsidiary: A wholly-owned subsidiary invested by the Company, a subsidiary with over 50% controlling equity, or a subsidiary with less than 50% controlling equity but under the Company's operational control;

1.6.5 Each Company: Refers to China Merchants Port and its subsidiaries;

1.6.7 Affiliated Company: A legal entity jointly established by IDIPO and other partners in which IDIPO does not hold a controlling stake or consolidate financial statements;

1.6.8 Company Within the Group System: One or more companies under the Group;

1.6.9 Guarantor: A company within the Group system that provides financing guarantees;

1.6.10 Guaranteed Party: A company within the Group system or an affiliated company whose financing activities are guaranteed.

2. Management of Financing Guarantee Entities

2.1 Financing guarantee entities are categorized as guarantors and guaranteed parties. The guaranteed party shall meet all of the following conditions:

2.1.1 It shall be a subsidiary or affiliated company of the guarantor, or another company within the Group system with an equity relationship to the guarantor. In principle, there shall be a direct equity relationship between the guarantor and the guaranteed party.

2.1.2 It shall be an independent legal entity capable of independently assuming civil liabilities.

2.1.3 In principle, it shall possess sustainable operational capabilities and debt repayment capacity.

2.1.4 It shall maintain good creditworthiness, have no defaulted debts, and no major violations of laws or regulations in the past three years.

2.2 In principle, the Company shall not provide guarantees to subsidiaries or affiliated companies undergoing restructuring or bankruptcy liquidation, insolvent entities, those with three or more consecutive years of losses and negative net operating cash flow, or other entities deemed by China Merchants Port as lacking sustainable operational capacity or posing significant guarantee risks. The Company shall not provide guarantees to financial subsidiaries, nor shall companies within the China Merchants Port system without direct equity relationships provide mutual guarantees. If guarantees are objectively necessary under controllable risks for the above cases, approval from China Merchants Port is required.

2.3 The Company shall conduct financing guarantee activities within its means, reasonably controlling the scale of guarantees provided as a guarantor based on its financial capacity. In principle, the financing guarantee amount for a single company shall not exceed 50% of the Company's net assets.

2.4 The Company shall provide guarantees to its subsidiaries and affiliated companies in proportion to its shareholding. It shall not provide guarantees exceeding its shareholding ratio to affiliated companies and, in principle, shall not do so for subsidiaries. If exceeding the shareholding ratio for subsidiaries is necessary, full counter-guarantees must be obtained, and approval from the China Merchants Port Board of Directors and subsequent approval from the Group Board of Directors are required.

2.5 The Company shall not provide any form of guarantee to legal or non-legal entities outside the China Merchants Port system. It shall not provide financing guarantees to fund-invested enterprises other than its subsidiaries.

3. Management of Financing Guarantee Plans

3.1 China Merchants Port's management of the Company's financing guarantees includes financing guarantee quota management and financing guarantee liability management. The financing guarantee quota amount refers to the guaranteed amount specified in the guarantee contract when both the guarantee contract and the financing contract it guarantees have been signed but the financing has not yet been drawn. The financing guarantee liability amount refers to the actual drawn amount under the financing guaranteed by the contract.

3.2 In the fourth quarter of each year, the Company shall prepare the annual financing guarantee plan for the following year as required by China Merchants Port, which shall be submitted level-by-level for approval. The annual financing guarantee plan shall include:

3.2.1 Under existing financing guarantee quotas: the planned additional financing guarantee liability amount for the following year and the projected year-end financing guarantee liability balance;

3.2.2 Plans for new financing guarantee quotas, including: guarantor, guaranteed party and their operational/financial status, guaranteed amount, guarantee method, guarantee term, guarantee fee rate, etc.;

3.2.3 Under new financing guarantee quotas: the projected financing guarantee liability amount for the following year and the projected year-end financing guarantee liability balance;

3.2.4 For cases involving guarantees to entities lacking sustainable operational capacity, guarantees exceeding shareholding ratios to subsidiaries, or mutual guarantees between companies within the China Merchants Port system without direct equity relationships, detailed explanations of the necessity and risk control measures shall be provided.

3.3 For new financing guarantee quotas and financing guarantee liability activities within the approved annual financing guarantee plan, the Company shall submit each item to China Merchants Port for approval before execution.

3.4 Guarantee activities outside the annual financing guarantee plan shall be submitted level-by-level to China Merchants Port for approval. If material changes occur to key guarantee terms during implementation of the approved annual plan, the above approval procedures shall be repeated. Key guarantee terms include guarantor, guaranteed amount, guarantee term, and guarantee method.

4. Execution Management of Financing Guarantees

4.1 When conducting financing guarantees, the guaranteed party shall submit a guarantee application to its parent company. The application shall detail:Basic information of the guaranteed party,Guarantee method and content,Guarantee scope and amount,Guarantee period,Reasons for the guarantee application,Fund arrangement of the guaranteed party,Impact analysis on the guaranteed party's overall debt, Impact analysis on the guarantor's potential liabilities

4.2 For implicit guarantees described in Article 3 of these Measures, whether included in the financing plan or not, the Company must obtain prior case-by-case approval from China Merchants Port.

4.3 The guarantor shall execute guarantee contracts according to prescribed procedures based on China Merchants Port's approval. The guarantor must require the guaranteed party to:Regularly submit financial accounting reports,Timely report guarantee implementation status
For multiple guarantors jointly guaranteeing the same financing, the contract must clearly specify each guarantor's share and liability.

4.4 For existing guarantees requiring contract amendments due to changes in key terms requested by financial institutions, the guarantor must complete new evaluation and approval procedures as for new guarantees.

4.5 When providing guarantees exceeding shareholding ratios to subsidiaries after approval:Minority shareholders or third parties must provide full-value counter-guarantees through mortgages/pledges,Collateral must have clear ownership without disputes,Assets under seizure/pledge cannot be used, Collateral valuation and registration with authorities are required

4.6 For guarantees exceeding shareholding ratios to listed subsidiaries or subsidiaries with employee/shareholder plans where counter-guarantees are unavailable: China Merchants Port approval is required, Reasonable guarantee fees shall be charged based on recourse risk levels,Must comply with regulatory requirements

4.7 The Company shall strengthen management of counter-guarantee assets by: Safely keeping collateral and documentation, Regularly verifying asset status and value, Ensuring asset security and integrity

4.8 Financing guarantees shall be incorporated into internal control systems with: Regular inventory checks,Risk analysis focusing on:Credit status changes,Fund usage,Project progress,Repayment execution,Borrower's liquidity

4.9 Upon identifying potential recourse risks:Submit written report to China Merchants Port within one business day, Take asset preservation measures immediately, Report creditor recourse requests on the same day

4.10 When fulfilling guarantee obligations:Confirm recourse scope/amount per contract,Exercise legal recovery rights against guaranteed party, Enforce counter-guarantees if applicable

4.11 Guarantors shall:Release guarantees upon financing maturity,Complete mortgage/pledge release procedures,Terminate all guarantee responsibilities accordingly.

5. Supervision and Management

5.1 The Company shall strengthen internal control supervision and inspection of financing guarantee operations, clearly define the duties and authorities of supervisory personnel, and conduct regular inspections of financing guarantee activities at its subsidiaries.

5.2 The key aspects of internal control supervision and inspection for financing guarantee operations shall include:

5.2.1 Establishment of relevant positions and personnel
Focus on verifying whether financing guarantee approval procedures and corresponding personnel responsibilities have been properly established as required.

5.2.2 Implementation of authorization and approval procedures
Focus on examining:

Whether guaranteed parties meet requirements

Whether risk assessments are scientifically sound
Whether approval processes comply with regulations
Whether any unauthorized approvals exist

5.2.3 Approval status of guarantee operations
Focus on verifying:

Whether approval processes follow prescribed procedures
Whether approval comments on guarantee contracts are properly implemented

5.2.4 Implementation of monitoring and reporting
Focus on checking:

Whether regular monitoring reports on guaranteed parties' financial risks and project implementation are submitted
Whether the security and integrity of counter-guarantee assets are maintained

5.2.5 Timely release of guarantee obligations upon contract expiration

5.3 For departments or personnel failing to follow prescribed approval procedures or violating financing guarantee regulations, the Company shall impose accountability in accordance with the China Merchants Port Group Co., Ltd. Measures for Investigating Liability for Irregular Business Operations and Investments.

6. Supplementary Provisions

6.1 The Finance Department of IDIPO shall be responsible for interpreting and amending these Measures.

6.2 These Measures shall take effect from the date of promulgation.