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Haichang Holdings Ltd.

海昌控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2255)

PROPOSED CONNECTED TRANSACTION COOPERATION FRAMEWORK AGREEMENT IN RELATION TO DALIAN LAOHUTAN PARK

COOPERATION FRAMEWORK AGREEMENT

The Board is pleased to announce that on 15 April, 2014, Haichang China, Dalian Laohutan and Hutan Park (a state-owned enterprise established in the PRC) entered into a Cooperation Framework Agreement to record the Parties' intention to strengthen and extend the scope of its existing cooperation in relation to the operation and management of Dalian Laohutan Park.

The Cooperation Framework Agreement merely provides a framework of cooperation which will be subject to the approval of the PRC government and the terms of any definitive agreements which the Parties may separately enter into within 90 days upon the date of the Cooperation Framework Agreement. The Company will make further announcement as and when appropriate.

REASONS FOR ENTERING INTO THE COOPERATION FRAMEWORK AGREEMENT

Through Dalian Laohutan, a project company which the Group currently owns 58.3% equity interest (with the remaining interest of 41.7% owned by Hutan Park), the Group currently operates Dalian Laohutan Polar Aquarium, the Sea Animal Aquarium and the Happy Theater located in Dalian Laohutan Park. Since 2008, the Group has entered into ticketing cooperation agreements with Hutan Park. Under such an arrangement, Hutan Park is responsible for the sale of a single admission ticket to visitors for the entrance to the attractions located in Dalian Laohutan Park operated by the Group and Hutan Park itself at a price set out in the agreement. The agreements also provide a revenue split mechanism in respect of the amount of revenue received by the Group from the ticket sales.

The cooperation as contemplated under the Cooperation Framework Agreement will enhance and extend the existing cooperation between our Group and Hutan Park in relation to the operation and management of Dalian Laohutan Park. The cooperation will foster synergies between the management expertise, brands, know-how and facilities of the Parties. It is expected that the term of the cooperation will expire in April 2040. The Directors are of the view that the Cooperation Framework Agreement will bring mutual benefits to the Parties and is in the interests of the Company and its shareholders as a whole. As Hutan Park owns 41.7% of equity interest in Dalian Laohutan, Hutan Park is a substantial shareholder of the Company's subsidiary and is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Any such definitive agreement may constitute a connection transaction of the Company under Chapter 14A of the Listing Rules. The Company will comply with the relevant requirements under Chapter 14A of the Listing Rules when any definitive agreement is entered into.

As the projects and matters considered under the Cooperation Framework Agreement may or may not proceed, investors are advised to exercise caution when dealing in the securities of the Company.

KEY TERMS OF THE COOPERATION FRAMEWORK AGREEMENT

(1) Cooperation on Park Management and Cooperation

Hutan park shall solely appoint Dalian Laohutan to manage Dalian Laohutan Park and to operate certain attractions within the park and Dalian Laohutan shall have the right to use the facilities and certain assets (including but not limited to, admission ticket system, official website, intellectual property rights and copyrights) in relation to Dalian Laohutan Park which are currently owned by Hutan Park, provided that Dalian Laohutan shall pay an annual fee to Hutan Park, to be determined according to the formula as specified in the Cooperation Framework Agreement.

(2) Cooperation on Park Development

The Parties agree that subject to the condition that the brand name of “Dalian Laohutan Park” is retained and adopted, Dalian Laohutan shall have the right to develop, operate and manage any new attractions in Dalian Laohutan Park.

(3) Arrangement of Income and Expenses

The Parties agree that all the income and expenses generated by Dalian Laohutan Park shall be managed and audited by Dalian Laohutan.

(4) Development of New Projects

Haichang China and Dalian Laohutan shall be responsible for the development of new attractions in Dalian Laohutan Park and the establishment of the relevant facilities and be responsible for the construction and application for relevant regulatory approvals. Haichang China and Dalian Laohutan shall make relevant investments within a specified period of time and shall enjoy the ownership rights of the new assets added as a result of the investments.

(5) Management and Board of Dalian Laohutan

The Parties agree that the management team of Hutan Park will participate in and serve at the management level of Dalian Laohutan and Dalian Laohutan shall arrange for the employment of the relevant personnel and be responsible for their remuneration and welfare. Furthermore, Hutan Park shall be entitled to appoint directors to the board of directors of Dalian Laohutan so that at all times, two-fifth of the board of directors of Dalian Laohutan are representatives of Hutan Park.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have following meanings:

“Board”	the board of Directors
“Company”	Haichang Holdings Ltd., a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange
“Cooperation Framework Agreement”	the Cooperation Framework Agreement entered into by Haichang China, Dalian Laohutan and Hutan Park on 15 April, 2013
“Dalian Laohutan”	Dalian Laohutan Ocean Park Co., Ltd* (大連老虎灘海洋公園有限公司), a company established in the PRC and a subsidiary in which the Company owns 58.3% equity interests, with the remaining interests owned by Hutan Park
“Dalian Laohutan Park”	a park in Dalian operated by Hutan Park, within which a combination of tourist attractions are operated by Dalian Laohutan
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Haichang China”	Haichang (China) Co., Ltd.* (海昌(中國)有限公司), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Hutan Park”	Dalian Laohutan Marine Park* (大連老虎灘海洋公園), a state-owned enterprise established in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Parties”	collectively, Haichang China, Dalian Laohutan and Hutan Park

“PRC” the People’s Republic of China

“Stock Exchange” The Stock Exchange of Hong Kong Limited

* *The English translation is for identification purposes only.*

On behalf of the Board
Haichang Holdings Ltd.
Wang Xuguang
Executive Director and Chief Executive Officer

Hong Kong, 16 April 2014

As at the date of this announcement, the executive directors of the Company are Mr. Wang Xuguang, Mr. Zhao Wenjing and Mr. Qu Naiqiang; the non-executive directors of the Company are Mr. Qu Naijie, Mr. Makoto Inoue and Mr. Yuan Bing; and the independent non-executive directors of the Company are Mr. Fang Hongxing, Mr. Wei Xiaoan and Mr. Sun Jianyi.