HAICHANG OCEAN PARK HOLDINGS LTD.
海昌海洋公園控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2255)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2015

FINANCIAL HIGHLIGHTS

- Revenue increased by approximately 0.8% to approximately RMB532.1 million
- Profit for the Period improved from approximately RMB54.2 million for the six-month period ended 30 June 2014 to approximately RMB65.4 million for the six-month period ended 30 June 2015
- Profit for the Period attributable to owners of the parent improved from approximately RMB58.4 million for the six-month period ended 30 June 2014 to approximately RMB62.7 million for the six-month period ended 30 June 2015

RESULTS

The board of directors (the “Board” or the “Directors”) of Haichang Ocean Park Holdings Ltd. (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six-month period ended 30 June 2015, together with the comparative financial information as follows:

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2015

	Notes	For the six months ended 30 June 2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited) (Restated)
REVENUE	5	**532,081**	527,750
Cost of sales		**(317,601)**	(368,226)
GROSS PROFIT		**214,480**	159,524
Other income and gains	5	**159,464**	240,452
Selling and marketing expenses		**(39,559)**	(56,546)
Administrative expenses		**(108,098)**	(125,999)
Other expenses		**(3,488)**	(943)
Finance costs	6	**(80,957)**	(109,206)
PROFIT BEFORE TAX		**141,842**	107,282
Income tax expenses	7	**(76,449)**	(53,073)
PROFIT FOR THE PERIOD		**65,393**	54,209
Attributable to:			
Equity holders of the parent		**62,659**	58,404
Non-controlling interests		**2,734**	(4,195)
		65,393	54,209
EARNINGS PER SHARE			
– Basic and diluted (RMB cents)	8	**1.57**	1.62

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	For the six months ended 30 June	
	2015	2014
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
		(Restated)
PROFIT FOR THE PERIOD	**65,393**	54,209
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):		
Exchange differences on translation of foreign operations	**4,343**	9,532
Net other comprehensive income to be reclassified to profit or loss in subsequent periods, net of tax	**4,343**	9,532
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods (net of tax):		
Exchange differences on translation of foreign operations	**(2,406)**	12,180
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods, net of tax	**(2,406)**	12,180
Other comprehensive income/(loss), net of tax	**1,937**	21,712
TOTAL COMPREHENSIVE INCOME, NET OF TAX	**67,330**	75,921
Attributable to:		
Equity holders of the parent	**64,596**	80,116
Non-controlling interests	**2,734**	(4,195)
	67,330	75,921

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	**30 June 2015** *RMB'000* **(Unaudited)**	31 December 2014 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**2,601,260**	2,639,312
Investment properties		**2,258,000**	1,935,000
Prepaid land lease payments		**1,052,037**	350,355
Intangible assets		**6,957**	7,655
Available-for-sale investment		**19,170**	19,170
Deferred tax assets		**91,618**	121,943
Long-term prepayments		**40,732**	17,845
Total non-current assets		**6,069,774**	5,091,280
CURRENT ASSETS			
Completed properties held for sale		**489,919**	474,457
Properties under development		**313,049**	549,859
Gross amount due from a contract customer		**82,408**	89,112
Inventories		**16,967**	14,882
Trade receivables		**97,130**	58,148
Available-for-sale investment		**200**	45,200
Prepayments, deposits and other receivables		**81,829**	75,732
Due from related companies		**5,521**	1,802
Due from a non-controlling equity holder		**17,831**	–
Pledged bank balances		**2,102**	482,099
Cash and cash equivalents		**725,014**	1,551,446
Total current assets		**1,831,970**	3,342,737
CURRENT LIABILITIES			
Trade and bills payables		**296,709**	345,958
Other payables and accruals		**277,034**	281,323
Due to related companies		**1,198**	5,035
Advances from customers		**53,089**	78,227
Interest-bearing bank and other borrowings	*9*	**745,224**	1,310,613
Government grants		**20,760**	20,760
Deferred revenue		**9,838**	8,086
Tax payables		**233,961**	221,816
Total current liabilities		**1,637,813**	2,271,818
NET CURRENT ASSETS		**194,157**	1,070,919
TOTAL ASSETS LESS CURRENT LIABILITIES		**6,263,931**	6,162,199

	Note	30 June 2015 RMB'000 (Unaudited)	31 December 2014 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	*9*	**1,495,188**	1,459,523
Government grants		**798,827**	818,655
Deferred tax liabilities		**174,372**	156,019
Total non-current liabilities		**2,468,387**	2,434,197
NET ASSETS		**3,795,544**	3,728,002
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Share capital: nominal value		**2,451**	2,451
Reserves		**125,042**	111,318
Share capital and other statutory capital reserves		**127,493**	113,769
Other reserves		**3,514,417**	3,463,317
		3,641,910	3,577,086
Non-controlling interests		**153,634**	150,916
TOTAL EQUITY		**3,795,544**	3,728,002

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2015

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 21 November 2011 with limited liability. The registered office address of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company's subsidiaries are principally engaged in the development, construction and operation of theme parks, property development and investment and hotel operations in the People's Republic of China (the "PRC"). In the opinion of the directors of the Company, the Company's immediate and ultimate holding company was Haichang Group Limited, a company incorporated in the British Virgin Islands (the "BVI") at 30 June 2015.

2.1 BASIS OF PREPARATION

The unaudited interim financial information for the six months ended 30 June 2015 (the "Interim Financial Information") has been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The Interim Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2014.

Basis of consolidation

The financial information of the subsidiaries is prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of three elements of control described in the accounting policy for subsidiaries in the Group's audited financial statements for the year ended 31 December 2014. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 BASIS OF PRESENTATION

Pursuant to the group reorganisation (the "Reorganisation") as more fully explained in the section "HISTORY, REORGANIZATION AND CORPORATE STRUCTURE" in the Company's prospectus dated 28 February 2014 for the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the companies now comprising the Group in January 2014 other than 上海海昌極地海洋世界有限公司 ("Shanghai Haichang"), the property holding and investment business of 大連世博房地產開發有限公司 (a related company of the Company), 大連海昌發現王國主題公園有限公司("Discoveryland") and 重慶海昌加勒比海旅遊發展有限公司("Chongqing Caribbean").

In January 2014, the Group completed its acquisition of Shanghai Haichang and the property holding and investment business of 大連世博房地產開發有限公司. In December 2014, the Group completed its acquisitions of Discoveryland and Chongqing Caribbean as further detailed in note 3.2.

The consolidated financial information has been prepared by applying the principle of pooling of interest method accounting as if the Reorganisation and acquisitions of Shanghai Haichang, the property holding and investment business of 大連世博房地產開發有限公司, Discoveryland and Chongqing Caribbean had been completed since 1 January 2014 because the Company's acquisition of the companies now comprising the Group should be regarded as a business combination under common control as the Company and the companies now comprising the Group were under common control both before and after the completion of the Reorganisation and the acquisitions of Shanghai Haichang, the property holding and investment business of 大連世博房地產開發有限公司, Discoveryland and Chongqing Caribbean.

The shares of the Company were listed on the Stock Exchange on 13 March 2014.

The consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the six months ended 30 June 2014 include the results and cash flows of all companies now comprising the Group from the earliest date presented or since the date when the subsidiaries and/or businesses first came under the common control of the controlling shareholders, where this is a shorter period. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the Reorganisation.

Equity interests in subsidiaries and/or businesses held by parties other than the controlling shareholders prior to the Reorganisation are presented as non-controlling interests in equity in applying the principles of merger accounting.

All intra-group transactions and balances have been eliminated on consolidation.

3.1 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2014, except for the adoption of new standards and interpretations effective as of 1 January 2015. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below. Although these new standards and amendments are applied for the first time in 2015, they do not have a material impact on the annual consolidated financial statements of the Group or the interim condensed consolidated financial information of the Group.

The nature and the impact of each new standard or amendment are described below:

Amendments to IAS 19 *Defined Benefit Plans: Employee Contributions*

IAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. These amendments are effective for annual periods beginning on or after 1 July 2014. These amendments are not relevant to the Group, since none of the entities within the Group has defined benefit plans with contributions from employees or third parties.

Annual Improvements 2010-2012 Cycle

These improvements are effective from 1 July 2014 and the Group has applied these amendments in the Interim Financial Information. They include:

IFRS 2 ***Share-based Payment***

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

- A performance condition must contain a service condition

- A performance target must be met while the counterparty is rendering service

- A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group

- A performance condition may be a market or non-market condition

- If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied

The above definitions are consistent with how the Group has identified any performance and service conditions which are vesting conditions in previous periods, and thus these amendments do not impact the Group's accounting policies.

IFRS 3 ***Business Combinations***

The amendment is applied prospectively and clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable). This is consistent with the Group's current accounting policy, and thus this amendment does not impact the Group's accounting policy.

IFRS 8 ***Operating Segments***

The amendments are applied retrospectively and clarify that:

- An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'

- The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

The Group has not applied the aggregation criteria in IFRS 8.12. The Group has presented the reconciliation of segment assets to total assets in previous periods and continues to disclose the same in note 4 in the Interim Financial Information as the reconciliation is reported to the chief operating decision maker for the purpose of her decision making.

IAS 16 ***Property, Plant and Equipment and IAS 38 Intangible Assets***

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data by either adjusting the gross carrying amount of the asset to market value or by determining the market value of the carrying value and adjusting the gross carrying amount proportionately so that the resulting carrying amount equals the market value. In addition, the accumulated depreciation or amortisation is the difference between the gross and carrying amounts of the asset. The Group did not record any revaluation adjustments during the current interim period.

IAS 24 ***Related Party Disclosures***

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Annual Improvements 2011-2013 Cycle

These improvements are effective from 1 July 2014 and the Group has applied these amendments in the Interim Financial Information. They include:

IFRS 3 ***Business Combinations***

The amendment is applied prospectively and clarifies for the scope exceptions within IFRS 3 that:

- Joint arrangements, not just joint ventures, are outside the scope of IFRS 3
- This scope exception applies only to the accounting in the financial statements of the joint arrangement itself

The Company is not a joint arrangement, and thus this amendment is not relevant to the Group and its subsidiaries.

IFRS 13 ***Fair Value Measurement***

The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 (or IAS 39, as applicable). The Group does not apply the portfolio exception in IFRS 13.

IAS 40 ***Investment Property***

The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that IFRS 3, and not the description of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or a business combination. In previous periods, the Group has relied on IFRS 3, not IAS 40, in determining whether an acquisition is of an asset or is a business acquisition. Thus, this amendment does not impact the accounting policy of the Group.

3.2 PRIOR PERIOD RESTATEMENT

Restatement of prior period's financial information as a result of business combinations for entities under common control

Pursuant to an agreement entered into on 24 September 2013 between Haichang Asia Investment Limited (a related company of the Company), Orix (China) Investment Company Limited ("Orix", a company established in the PRC, a related company of the Company), 大連海昌集團有限公司 ("Haichang Group", a related company of the Company) and Haichang Holdings (Hong Kong) Limited ("Haichang Hong Kong", a subsidiary of the Company), Haichang Hong Kong would acquire the entire equity interest in Discoveryland.

Pursuant to an agreement entered into on 23 September 2013 between 大連海昌旅遊集團有限公司 ("Dalian Tourism", a subsidiary of the Company) and 大連海昌房地產集團有限公司 ("Haichang Property Group", a related company of the Company), Dalian Tourism would acquire the entire equity interest in Chongqing Caribbean.

Further details of the foregoing agreements (the "Share Subscription Agreements") are set out in the section headed "HISTORY, REORGANIZATION AND CORPORATE STRUCTURE" of the Company's prospectus for the public offering dated 28 February 2014.

In December 2014, the Group completed the acquisitions of Discoveryland and Chongqing Caribbean at purchase considerations of approximately RMB416,621,000 and RMB10,211,000, respectively. Since the Company, Discoveryland and Chongqing Caribbean were under the common control of Mr. Qu Naijie ("Mr. Qu", a director and shareholder of the Company) before and after the completion of the aforesaid acquisitions, the business combination of Discoveryland and Chongqing Caribbean has been accounted for under the pooling of interest method.

Business combinations arising from transfers of interests in entities that are under the control of the holder that controls the Group are accounted for as if the acquisitions had occurred at the beginning of the reporting period or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the acquired entities' financial statements.

Upon transfer of interest in an entity to another entity that is under the control of the equity holder that controls the Group, any difference between the Group's interest in the carrying value of the assets and liabilities and the cost of transfer of interest in the entity is recognised directly in equity.

The condensed consolidated statement of comprehensive income includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The opening balances as at 1 January 2014 and comparative information for the six months ended 30 June 2014 have been restated in the condensed consolidated financial information. The quantitative impact on the financial information is summarised below:

Restated condensed consolidated statement of profit or loss for the period ended 30 June 2014

	As previously reported *RMB'000* (Unaudited)	Effect of prior period adjustments *RMB'000*	As restated *RMB'000* (Unaudited)
REVENUE	451,202	76,548	527,750
Cost of sales	(292,097)	(76,129)	(368,226)
GROSS PROFIT	159,105	419	159,524
Other income and gains	233,588	6,864	240,452
Selling and marketing expenses	(48,502)	(8,044)	(56,546)
Administrative expenses	(109,911)	(16,088)	(125,999)
Other expenses	(50)	(893)	(943)
Finance costs	(108,769)	(437)	(109,206)
PROFIT BEFORE TAX	125,461	(18,179)	107,282
Income tax expenses	(52,228)	(845)	(53,073)
PROFIT FOR THE PERIOD	73,233	(19,024)	54,209
Attributable to:			
Equity holders of the parent	73,623	(15,219)	58,404
Non-controlling interests	(390)	(3,805)	(4,195)
	73,233	(19,024)	54,209
EARNINGS PER SHARE			
– Basic and diluted (RMB cents)	2.04	(0.42)	1.62

Restated condensed consolidated statement of other comprehensive income for the period ended 30 June 2014

	As previously reported *RMB'000* (Unaudited)	Effect of prior period adjustments *RMB'000*	As restated *RMB'000* (Unaudited)
PROFIT FOR THE PERIOD	73,233	(19,024)	54,209
OTHER COMPREHENSIVE INCOME			
Net other comprehensive income to be reclassified to profit or loss in subsequent periods, net of tax	9,532	–	9,532
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of tax	12,180	–	12,180
Other comprehensive income, net of tax	21,712	–	21,712
TOTAL COMPREHENSIVE INCOME, NET OF TAX	94,945	(19,024)	75,921
Attributable to:			
Equity holders of the parent	95,335	(15,219)	80,116
Non-controlling interests	(390)	(3,805)	(4,195)
	94,945	(19,024)	75,921

Restated condensed consolidated statement of cash flows for the period ended 30 June 2014

	As previously reported *RMB'000* (Unaudited)	Effect of prior period adjustments *RMB'000*	As restated *RMB'000* (Unaudited)
Cash and cash equivalents at beginning of period	495,936	2,892	498,828
Net cash flows used in operating activities	(32,763)	(4,373)	(37,136)
Net cash flows from investing activities	1,458,978	35,861	1,494,839
Net cash flows used in financing activities	(126,020)	(14,695)	(140,715)
Effect of foreign exchange rate changes, net	13,882	–	13,882
Cash and cash equivalents as stated in the statement of financial position	1,810,013	19,685	1,829,698

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) the parks operations segment engages in the development, construction and operation of theme parks;

(b) the property development and holding segment engages in property sales, the provision of construction services and the management of the Group's developed and operating properties for rental income potential and for capital appreciation; and

(c) the others segment engages in hotel operations and the provision of services to guests.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax from continuing operations.

Segment assets exclude intangible assets, available-for-sale investments, deferred tax assets, trade receivables, prepayments, deposits and other receivables, pledged deposits and cash and cash equivalents as these assets are managed on a group basis.

The Group's liabilities are managed on a group basis.

No further geographical segment information is presented as over 90% of the Group's revenue from external customers is derived from its operation in Mainland China and over 90% of the Group's non-current assets are located in Mainland China.

Operating segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments for the six-month period from 1 January to 30 June:

Six months from 1 January to 30 June 2015 (Unaudited)	**Parks operations** *RMB'000*	**Property development and holding** *RMB'000*	**Others** *RMB'000*	**Total** *RMB'000*
Segment revenue				
Sales to external customers and total revenue	**419,924**	**106,928**	**5,229**	**532,081**
Revenue				**532,081**
Segment results	**169,047**	**42,335**	**3,098**	**214,480**
Reconciliation:				
Unallocated income				**159,464**
Unallocated expenses				**(151,145)**
Finance costs				**(80,957)**
Profit before tax				**141,842**

30 June 2015 (Unaudited)	**Parks operations** *RMB'000*	**Property development and holding** *RMB'000*	**Others** *RMB'000*	**Total** *RMB'000*
Segment assets	**3,756,034**	**3,148,897**	**–**	**6,904,931**
Reconciliation:				
Corporate and other unallocated assets				**996,813**
Total assets				**7,901,744**
Segment liabilities	**–**	**–**	**–**	**–**
Reconciliation:				
Corporate and other unallocated liabilities				**4,106,200**
Total liabilities				**4,106,200**
Other segment information				
Reversal of impairment losses in the statement of profit or loss	**(204)**	**–**	**–**	**(204)**
Depreciation and amortisation				
Unallocated				**766**
Segment	**98,276**	**–**	**–**	**98,276**
Capital expenditure*				
Unallocated				**68**
Segment	**49,771**	**–**	**–**	**49,771**

* Capital expenditure consists of additions to property, plant and equipment, investment properties and intangible assets.

Six months from 1 January to 30 June 2014 (Unaudited) (Restated)	Parks operations *RMB'000*	Property development and holding *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment revenue				
Sales to external customers and total revenue	355,452	167,379	4,919	527,750
Revenue				527,750
Segment results	102,194	54,412	2,918	159,524
Reconciliation:				
Unallocated income				240,452
Unallocated expenses				(183,488)
Finance costs				(109,206)
Profit before tax				107,282

31 December 2014	Parks operations *RMB'000*	Property development and holding *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment assets	3,034,657	3,048,428	–	6,083,085
Reconciliation:				
Corporate and other unallocated assets				2,350,932
Total assets				8,434,017
Segment liabilities	–	–	–	–
Reconciliation:				
Corporate and other unallocated liabilities				4,706,015
Total liabilities				4,706,015
Six months from 1 January to 30 June 2014 (Unaudited) (Restated)				
Other segment information				
Impairment losses recognised/(reversed) in the statement of profit or loss	(97)	3,703	–	3,606
Depreciation and amortisation				
Unallocated				679
Segment	94,806	–	–	94,806
Capital expenditure*				
Unallocated				48
Segment	31,343	21,878	–	53,221

* Capital expenditure consists of additions to property, plant and equipment, investment properties and intangible assets.

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents income from the sale of tickets by theme park operation, and the sale of goods by restaurant and store operations, in-park recreation income, income from hotel operations, income from the sale of properties, and gross rental income received and receivable from investment properties, an appropriate proportion of contract revenue of construction contracts for the six months ended 30 June 2015 and 2014, net of business tax and other surcharges.

		For the six months ended 30 June	
		2015	2014
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited) (Restated)
Revenue			
Tickets sales		**359,525**	305,023
Property sales		**78,326**	128,229
Food and beverage sales		**31,106**	27,923
Sale of merchandise		**14,450**	14,921
Rental income		**28,602**	21,904
In-park recreation income		**14,843**	7,585
Construction contracts		**–**	17,246
Income from hotel operations		**5,229**	4,919
		532,081	527,750
Other income			
Government grants		**24,420**	45,748
Bank interest income		**12,094**	4,451
Interest income from related companies		**–**	10,433
Income from insurance claims		**16,003**	6,895
Foreign exchange gains		**–**	16,095
Others		**5,695**	4,136
		58,212	87,758
Gain			
Gain on revaluation upon reclassification from completed properties held for sale and changes in fair value of investment properties, net		**101,252**	152,694
		101,252	152,694
		159,464	240,452

6. FINANCE COSTS

	For the six months ended 30 June	
	2015	2014
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited) (Restated)
Interest on bank loans and other borrowings	**86,939**	118,654
Interest on finance leases	**727**	5,265
Total interest expenses on financial liabilities not at fair value through profit or loss	**87,666**	123,919
Less: Interest capitalised	**(6,709)**	(14,713)
	80,957	109,206

7. INCOME TAX

Provision for PRC corporate income tax (the "CIT") has been provided at the applicable income tax rate of 25% for the six months ended 30 June 2015 (six months ended 30 June 2014: 25%) on the assessable profits of the Group's subsidiaries in Mainland China.

According to the requirements of the Provisional Regulations of the PRC on Land Appreciation Tax ("LAT") effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective from 27 January 1995, all income from the sale or transfer of state-owned leasehold interests on land, buildings and their attached facilities in Mainland China is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for property sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

The Group has estimated, made and included in tax provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the tax authorities might disagree with the basis on which the provision for LAT is calculated.

Income tax in the consolidated statement of profit or loss represents:

	For the six months ended 30 June	
	2015	2014
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited) (Restated)
Current – Mainland China:		
Charge for the period – CIT	**24,435**	16,208
LAT	**3,336**	339
	27,771	16,547
Deferred tax	**48,678**	36,526
Total tax charge for the period	**76,449**	53,073

8. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent for the six months ended 30 June 2015, and the weighted average number of ordinary shares issued during the period on the assumption that the capitalisation issue of 2,885,608,004 shares has been effective on 1 January 2014.

The calculation of the basic earnings per share amounts is based on:

	30 June 2015 *RMB'000* **(Unaudited)**	30 June 2014 *RMB'000* (Unaudited) (Restated)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**62,659**	58,404
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**4,000,000,000**	3,605,555,556

There were no potentially dilutive ordinary shares in issue during the periods and therefore the diluted earnings per share is not presented.

9. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2015 *RMB'000* **(Unaudited)**	31 December 2014 *RMB'000*
Finance lease payables	**2,903**	42,718
Other loans – secured	**148,048**	167,626
Bank loans – secured	**2,089,461**	2,559,792
	2,240,412	2,770,136
Current:		
Finance lease payables	**880**	40,213
Other loans – secured	**49,023**	38,997
Bank loans – secured	**200,000**	441,179
Current portion of non-current loans – secured	**495,321**	790,224
	745,224	1,310,613
Non-current:		
Finance lease payables	**2,023**	2,505
Other loans – secured	**99,025**	128,629
Bank loans – secured	**1,394,140**	1,328,389
	1,495,188	1,459,523
Repayable:		
Within one year or on demand	**745,224**	1,310,613
In the second year	**554,892**	375,064
In the third to fifth years, inclusive	**694,846**	819,259
Over five years	**245,450**	265,200
	2,240,412	2,770,136

10. SUBSEQUENT EVENTS

Pursuant to a special resolution by the shareholders at the annual general meeting of the Company held on 25 June 2015, the name of the Company has been changed from "Haichang Holdings Ltd." to "Haichang Ocean Park Holdings Ltd." with effect from 30 June 2015. The registration of the new name of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) took effect from 24 July 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Review

In 2015, as the economic growth of China entered the "new normal" phase, the PRC tourism industry maintained fast growth, whereas tourism spending and investment both saw good momentum. Due to feeble growth in overall investment, lacking new attractions for spending and increasing difficulty to stabilize growth, it is increasingly apparent that the tourism industry has become a new driver for accelerating economic growth and also a new growth point for expanding domestic demand.

In the first half of 2015, tourism investment in China continued to grow rapidly. According to the China National Tourism Administration, tourism investments actually made nationwide increased by 28.0% year-on-year to approximately RMB301.8 billion, up by approximately 16 percentage points as compared with the growth of investments in the tertiary industry. Comparing to the traditional industries suffering from weak investment as a result of overcapacity, the tourism industry was picking up amid poor market sentiments, which fully demonstrated its role as a driver of economic growth.

In the meantime, tourism consumption in China continued to heat up. According to National Bureau of Statistics, the number of domestic tourist visits in the first half of 2015 was 2.024 billion, representing a year-on-year growth of 9.9%. The number of visitors received at tourist scenic spots and tourism revenue grew by 8.7% and 12.4% year-on-year respectively, of which, the increase in revenue from ticket sales at scenic spots was as high as 8.3%. Domestic tourism spending increased by 14.5% to RMB1.65 trillion, which was 4 percentage points higher than the growth in total retail sales of consumer goods.

Various favorable policies

In 2015, a series of favorable tourism policies were promulgated. In January 2015, the Office of the State Council published an explanatory schedule for the "Several Opinions of the State Council on Promoting the Reform and Development of the Tourism Industry" which further defined the division of policies and the implementation timeline to accelerate the overall development of the industry. In March 2015, Mr. Li Keqiang, Premier of the State Council of China, put forth in the government work report the objectives and initiatives for tourism industry development in relation to increasing tourism and leisure spending, implementing the paid leave system, promoting the brand building of national tourism and diversifying tourism development, etc.

In July 2015, new policies were proposed at the executive meeting of the State Council to promote tourism investment and spending through reform and innovation, including improving the tourist spending environment, fostering rural tourism to alleviate poverty, exploring new attractions for tourism spending as well as encouraging the adoption of public-private-partnership and other models of investment to construct and operate tourism projects. In August, the Office of the State Council issued the "Several Opinions of the Office of the State Council on Further Promoting Tourism Investment and Consumption", highlighting the development of tourism investment and spending as new support for stable growth, structural adjustment and improvement in people's livelihood for the first time, which covers six areas and 26 specific policies and measures including optimizing leave arrangements, formulating implementation measures for the paid leave system and stimulating the demand for tourism spending. These new policies play a significant role in promoting the development of the tourism industry and enhancing the people's livelihood.

Positive industry trend

Based on the tourism trend report released by the China Tourism Academy, the tourism economy is expected to be "optimistically positive" in the second half of 2015. The total number of tourists received in 2015 will mark a new record of 4.10 billion, translating into total tourism revenue of RMB3.84 trillion. According to the national tourism investment report published by the China National Tourism Administration, it is expected that the direct tourism investments throughout 2015 will reach RMB1 trillion and exceed RMB3 trillion in the next three years. Looking ahead, the industry will continue to see a positive growth trend and the driving forces are mainly attributable to the following:

Consumption upgrade among Chinese citizens: As the PRC economy takes off, consumption of the Chinese residents is shifting from goods to services. The tourism industry is one of the highly attractive targets of consumption. Continuous improvement in the purchasing power of residents and spending pattern is the main driver for the development of the tourism industry.

Well-established transportation network: In recent years, China has increased its investments in infrastructure facilities and construction, as evidenced particularly in the continuous improvement in the network of highways, high-speed railways and civil aviation routes. These help boost the travel rate significantly and drive the growth in tourism revenue, which significantly promote the development of the PRC tourism industry.

Accelerated pace of urbanization: Based on the characteristics of tourism market development, the purchasing power of urban residents in China is significantly higher than that of rural residents. Currently, travel spending per capita among urban residents is almost double than that among rural residents. As the level of urbanization steadily increases, the size of tourism markets in the cities and towns as the source of tourists will further expand, alongside with an increase in travel purchasing power.

A number of favorable policies: Industry policy is a reflection of the government's direction. In 2015, the roll out of a number of tourism policies has brought into play the integral role of the tourism industry in driving domestic demand and promoting consumption, which further strengthened the industry's strategic position in the PRC economy.

China, as the Asian Pacific core growth driver in the global tourism segment, is taking an increasingly important role. Currently, the PRC tourism industry is entering into a new phase characterized by popularity and industrial development with growing travel demand as well as diversified and personalized tourist consumption behavior. Benefiting from the favorable policies, tourism industry in China is now in the golden age and is expected to usher in more growth opportunities.

Business Review

Under the backdrop of industry development, the Group took into account its own characteristics and formulated the strategic development objective of becoming "the first marine tourism and leisure brand and an international marine-featured tourism and leisure brand name in China" at the beginning of the year. To achieve such objective, the Group focused on the following aspects in the first half of 2015.

In respect of brand building, in order to strengthen the customers' awareness of brand value, the Group comprehensively accelerated the rebranding process to increase brand recognition and reputation by accumulating brand assets, improving the corporate identity system and standardizing the sub-project visual identification system. Since the original company name "Haichang Holdings" has a rather vague business attribute with low market recognition, the Group has been officially renamed to "Haichang Ocean Park". The new name is expected to improve the corporate image and position, and highlight the principal business and core competitiveness of the Company. At the same time, riding on the ground-breaking ceremony of the Shanghai Haichang Polar Ocean Park project, the Company kicked off a nationwide branding event which aroused great public interest and became a hot topic. In addition, the Group also optimized its brand value and expanded its market penetration through crossover brand cooperation. During the first half of 2015, the Group worked with peers including Ocean Park Hong Kong, Ly.com, Meituan.com and Dianping.com as well as upstream and downstream business partners respectively in strategic development, marketing, ticket sales and other aspects.

On the marketing front, in order to accurately identify target customers and analyze their needs, the Group carried out a tourist mapping analysis at the beginning of 2015 from four dimensions, namely place of origin, age group, transportation means and media for receiving information to identify the key target customer groups and effectively formulated the overall marketing strategies: penetrate the regional market, focus on online channels. On the basis of such strategy, the Group introduced the "Second Polar Snow Festival – Antarctic Fairy Tale Village", "Haichang Young Traveller – Going to Treasure Island to Discover the Blue", Haichang's festival month "1st June Children's Month" and other branding and marketing events.

Furthermore, in respect of sales channels, the Group actively developed the online and mobile terminal markets according to the major characteristics and behavioral habits of the target customer groups. First of all, the Group succeeded in building a complete network distribution platform, by finishing the construction of a self-owned platform, a Tmall flagship store, OTA websites and third-party distribution platforms. Secondly, to fully capitalize on the channel value, the Group and the Tmall flagship store joined hands with Alitrip.com to commence the "Ma Shang You" event, which topped the sales chart at Tmall platform during May Day Festival. Through strategic cooperation with Ly.com, the Group also mapped out complete network newsy marketing for special products, and held the "Customer Experience Contest" and created the parent-child travel brand "Happy Childhood" through famous TV show "Dad! Where Are We Going?". These successfully fostered the sale of products with online features and exposed the brand of the Group at the same time.

Leveraging on the above effective marketing campaigns and targeted channel distribution, for the six months ended 30 June 2015, the Group recorded growth in both the number of admission attendance (measured by the number of visitors based on actual admission) and ticket attendance (measured by the number of visitors based on ticket sales) of its eight theme parks it currently owns and operates. The number of admission attendance of the Group's eight theme parks increased by approximately 13.15% from approximately 3,965,000 for the six months ended 30 June 2014 to approximately 4,486,000 for the same period in 2015. The ticket attendance of the Group's eight theme parks grew by approximately 14.48% from approximately 2,881,000 for the six months ended 30 June 2014 to approximately 3,298,000 for the same period in 2015.

In respect of theme park operation, the Group took proactive measures to optimize, enrich and innovate new in-park products with the aim of improving service quality and effectively enhancing the experience of visitors. Firstly, the Group continued to upgrade and modify the hardware of its existing theme parks and had completed the upgrading and expansion of Qingdao Haichang Polar Ocean World during the period. To ensure operational safety and high quality of service, the Group also took the initiative to measure the "maximum carrying capacity" at all of its theme parks and improved the "safety management system". Secondly, the Group continued to innovate products and services of its existing theme parks. For example, the Group built intelligent parks and made use of the technology to enhance the interactive experience of visitors. The Group also opened up some feeding backfields and laboratory areas to visitors to allow breeders to share their interesting experiences with animals and to pass on marine scientific knowledge on a regular basis. Furthermore, the Group also strengthened the planning and packaging of performing productions, increased the cultural contents and enriched the mode of performance. During the period, the Group launched a new large-scale melodramatic water show "Magic Tahili" which was well-received by visitors. Thirdly, to achieve the synergy between the ancillary commercial properties and the theme parks, the Group increased the proportion of self-owned properties and optimized the structure of the ancillary commercial properties, resulting in a significant overall increase in the occupancy rate and an increase in the rental level of the properties. Fourthly, the Group continued to reinforce the development and sales of in-park spending products. The Group self-developed more than 200 "Haichang Ocean Park" cartoon products and endeavored to turn the theme stores and specialty kiosks into part of the theme park landscape by building a brand-new store image and optimizing the in-park tour routes, aiming at enhancing the overall quality of theme parks. Fifthly, the Group vigorously developed innovative paid entertainment products with interactive experience to create a growth point. Among which, the "Overnight in Polar Zone" product, which is well-received by visitors, has been developed as a regular product and is available for sale at Haichang's Tmall flagship store. During the period, revenue from in-park spending increased by 18.6% year-on-year, of which, revenue from innovative paid entertainment products with interactive experience significantly increased by 95.7%.

In the areas of animal welfare, conservation and scientific research, the Group advocates the philosophy of animal protection and endeavors to enhance the animal conservation related core competitiveness with a view to enhancing the Group's global leading position in relevant sectors. In the first half of 2015, the Group succeeded to breed 21 large polar animals and topped China in terms of breeding quantity. As a corporate citizen, the Group also plays an active role in fulfilling its corporate social responsibility. During the period, the Group repeatedly and voluntarily worked with local fisheries authorities to gratuitously rescue injured and miscaught marine animals including rescuing them onsite, bringing them back to the backfield for temporary isolated retention, assisting them to recover as well as releasing them into the wild according to the actual conditions of the rescued animals. Furthermore, the Group continuously focused on scientific research, and innovation and actively applied its scientific achievements to productivity. In April 2015, the Group was invited to attend the 2015 Annual Meeting of the Alliance of Marine Mammal Parks and Aquariums (AMMPA) as guest speaker. The Group presented a report themed "The Status and Challenges of Aquariums in China" at the meeting and gave a briefing to the attending international peers on the Group's importance and current leading advantages in the development of aquariums in China. The Group, together with Ocean Park Hong Kong, International Marine Animal Trainers' Association (IMATA) and the Special Committee of Chinese Association of Natural Science Museums, organized training classes for international animal trainers and invited several world-class animal trainers to give lectures and conduct training assessment.

Business Outlook

Shanghai Haichang Polar Ocean Park

The Group won the bid for the land use rights of the relevant land lots on 16 January 2015 and successfully held the project's ground-breaking ceremony on 29 March 2015. In 13 July 2015, the Group accomplished another important milestone upon obtaining the approval for environment impact assessment for the Shanghai project. Currently, transportation facilities in the neighbourhood of the project are increasingly established. In particular, the Shanghai Metro Line No. 16 has been in full operation. Visitors can get to Dishui Lake where the project is located directly by metro. The station is only one kilometre away from the project. Furthermore, the project is situated at a popular location where, other than the Shanghai Disneyland, another world class snow themed tourism project will be built in Lingang. The difference between those projects will create synergy and promote Shanghai Pudong as the largest tourist destination in East Asia.

The Group expects that the letter of approval for the project will be obtained in August 2015 and various detailed design proposals relating to project implementation will be gradually in place in the second half of the year. It is expected to commence full-scale construction in 2015.

Sanya Haichang Dream World

In the first of 2015, the Group adjusted the project planning of Sanya Haichang Dream World according to the guiding opinions of the Sanya government. On 9 June, the planning design of the project obtained the approval in principle by the Sanya Municipal Government. The new project will have a marine culture theme focusing on the story line of "Maritime Silk Road", where the project's functional areas are divided by theme but are connected through "Maritime Silk Road" to create a large-scale open-spaced integrated tourism, entertainment and leisure project.

The Group will complete the planning of the theatrical show that blends marine animals performances with high-tech for the project within this year.

Marine Cultural Innovative Business

In order to promote the growth model of "Marine Cultural Innovation" proposed in early 2015, the Group completed registration of two new platform companies in the first half of the year, which will be used to develop technology and management exportation services as well as marine-featured indoor children's entertainment products. Such move will realize the diversified development of the Group.

Aquarium operation consultancy and aquarium techniques management services:

As stated in the voluntary announcement of the Group published in May 2015, the Group has signed agreements with Guangzhou Zhengjia, Qinhuangdao Saintland and Zhejiang Hengdian respectively on the provision of aquarium operation consultancy and aquarium techniques management services. Accordingly, the Group began to provide aquariums or marine theme parks operated by Guangzhou Zhengjia, Qinhuangdao Saintland and Zhejiang Hengdian in China with technical consultancy and management services during the period.

The Group plans to further develop potential management and techniques outsourcing projects in Hunan, Guangxi, Hebei and other areas to increase the Company's market share and brand awareness in the project areas.

Innovative marine-featured indoor children's entertainment products:

The Group has completed the development of certain products, including Haichang Mini Ocean World, Family Entertainment Centre, Haichang Ocean Light Park and etc. relating to the children's entertainment area which has further enriched the product mix. In the future, the Group can therefore integrate those products according to its needs. Its first children's entertainment product project is expected to commence operation in the second half of 2015.

Going forward, the Group plans to implement the children's entertainment business through a combination of different product modules based on different business segments and customers' needs so as to attract more visitors. Meanwhile, the Group will continue to standardize its relevant products and services and explore investment and business models that can be quickly replicated. The Group is also positioned to integrate the above products with traditional products of the parks and develop upgrade proposals for kids' amusement area within its various theme parks.

Marine cultural entertainment products and creative intellectual property:

In order to continuously improve the capacity for production of entertainment focusing on the marine culture theme, the Group has set up specialized teams and has actively cooperated with international entertainment and multimedia technology companies to develop 4D and 5D marine culture films with self-developed cartoon images, which will be screened inside existing theme parks. The process of idolizing self-developed cartoon images could therefore be significantly shortened and the "Haichang Ocean Park" brand's cultural connotation could be therefore extended.

The Group plans to further develop themed merchandise by integrating self-developed cartoon images to enrich its own cultural and entertainment product lines. At the same time, the Group will make use of and extend intellectual property rights to increase productivity by developing thematic film and television, games, books, performing arts and other businesses through a combination of online and offline methods.

Financial Review

Revenue

For the six-month period ended 30 June 2015, the Group recorded a turnover of approximately RMB532.1 million (30 June 2014: approximately RMB527.8 million), representing an approximately 0.8% increment compared with the corresponding period of last year. The slight increase in turnover was attributed to a decrease in property sales, which offsets the increase in turnover from the park operations segment and the increase in rental income from its property holding segment.

Revenue generated from park operations and other segments increased by approximately 18.0% from approximately RMB360.4 million for the six months ended 30 June 2014 to approximately RMB425.2 million for the six months ended 30 June 2015, primarily due to an increase in ticket sales, food and beverage sales, in-park fee-charging entertainment projects and hotel operations, which was mainly driven by the increase in the number of ticket attendance. For the six months ended 30 June 2015, the ticket attendance of the eight theme parks increased to approximately 3.298 million visitors from approximately 2.88 million visitors for the six months ended 30 June 2014. Revenue generated from sales of tickets therefore increased by 17.9% from approximately RMB305.0 million for the six months ended 30 June 2014 to approximately RMB359.5 million for the six months ended 30 June 2015.

Revenue generated from non-ticket sales increased by approximately 18.6% from approximately RMB55.3 million for the six months ended 30 June 2014 to approximately RMB65.6 million for the six months ended 30 June 2015.

Revenue generated from property development and holding segment decreased by approximately 36.1% from approximately RMB167.4 million for the six months ended 30 June 2014 to approximately RMB106.9 million for the six months ended 30 June 2015, of which revenue generated from property sales decreased by approximately 46.2% from approximately RMB145.5 million to approximately RMB78.3 million, and revenue generated from rental income increased by approximately 30.6% from approximately RMB21.9 million to approximately RMB28.6 million.

Cost of Sales

The Group's cost of sales decreased by approximately 13.7% from approximately RMB368.2 million for the six-month period ended 30 June 2014 to approximately RMB317.6 million for the six-month period ended 30 June 2015, which was mainly due to the decrease in the cost of sales as a result of the significant decrease in property sales.

Gross Profit

For the six months ended 30 June 2015, the Group's overall gross profit increased by approximately 34.5% to approximately RMB214.5 million (same period in 2014: RMB159.5 million) and overall gross profit margin increased by approximately 40.3% (same period in 2014: 30.2%).

Segment gross profit of the Group's park operations and other segments increased by approximately 63.7% to approximately RMB172.1 million (same period in 2014: RMB105.1 million) and segment gross profit margin of the Group's park operations and other segments improved from approximately 29.2% for the six months ended 30 June 2014 to approximately 40.5% for the six months ended 30 June 2015, primarily due to the increase in revenue generated from its theme parks as a result of the higher admission attendance of its theme parks and the relatively stable operating expenses of most of its theme parks during the same period.

Segment gross profit of the Group's property development and holding segment decreased by approximately 22.2% to approximately RMB42.3 million (for the six months ended 30 June 2014: RMB54.4 million). Segment gross profit margin of the Group's property development and holding segment was approximately 39.6% (same period in 2014: 32.5%). The increase in gross profit margin of this segment was mainly due to the increase of property rental income and the difference in the types of properties sold compared to the prior period.

Other Income and Gains

The Group's other income and gains decreased by approximately 33.7% from approximately RMB240.5 million for the six-month period ended 30 June 2014 to approximately RMB159.5 million for the six-month period ended 30 June 2015, mainly due to the decrease in realisation of deferred income government grants as a result of the decrease in property sales as well as the decrease in the fair value gain on investment properties.

Selling and Marketing Expenses

The Group's selling and marketing expenses decreased by approximately 29.9% from approximately RMB56.5 million for the six-month period ended 30 June 2014 to approximately RMB39.6 million for the six-month period ended 30 June 2015, mainly due to the absence of additional increase in promotion and advertising expenses on the Group's theme parks in the first half of 2015 as incurred for the purpose of the initial public offering (the "IPO") in the first half of 2014.

Administrative Expenses

The Group's administrative expenses decreased by approximately 14.2% from approximately RMB126.0 million for the six-month period ended 30 June 2014 to approximately RMB108.1 million for the six-month period ended 30 June 2015, mainly due to the significant decrease in its consulting fees subsequent to the completion of the IPO of the Company.

Finance Costs

The Group's finance costs decreased by approximately 25.8% from approximately RMB109.2 million for the six-month period ended 30 June 2014 to approximately RMB81.0 million for the six-month period ended 30 June 2015, mainly due to a decrease in the total amount of bank loans and other borrowings of the Group and the optimisation of its debt structure.

Income Tax Expenses

The Group's income tax expenses increased by approximately 43.9% from approximately RMB53.1 million for the six-month period ended 30 June 2014 to approximately RMB76.4 million for the six-month period ended 30 June 2015, mainly due to an increase in profit before tax.

Profit for the Period

As a result of the foregoing, the profit of the Group for the period increased from approximately RMB54.2 million for the six-month period ended 30 June 2014 to approximately RMB65.4 million for the six-month period ended 30 June 2015, while the net profit margin increased from approximately 10.3% for the six- month period ended 30 June 2014 to approximately 12.3% for the six-month period ended 30 June 2015. During the same period, the profit attributable to owners of the parent increased from approximately RMB58.4 million for the six-month period ended 30 June 2014 to approximately RMB62.7 million for the six-month period ended 30 June 2015.

Liquidity and Financial Resources

As at 30 June 2015, the Group had current assets of approximately RMB1,832.0 million (as at 31 December 2014: approximately RMB3,342.7 million). The Group had cash and bank deposits of approximately RMB725.0 million (as at 31 December 2014: approximately RMB1,551.4 million) and its pledged bank balances amounted to approximately RMB2.1 million (as at 31 December 2014: approximately RMB482.1 million). The decrease in cash and bank deposits for the six-month period ended 30 June 2015 was mainly attributable to the payment of land premium for the Shanghai project of approximately RMB728.1 million and the repayment of part of the loan principal in the first half of 2015. The current ratio of the Group was approximately 1.12 (as at 31 December 2014: 1.47).

Total equity of the Group as at 30 June 2015 was approximately RMB3,795.5 million (as at 31 December 2014: approximately RMB3,728.0 million). As at 30 June 2015, the total interest-bearing bank and other borrowings of the Group was approximately RMB2,240.4 million (as at 31 December 2014: RMB2,770.1 million).

As at 30 June 2015, the Group had a net gearing ratio of 39.3% (as at 31 December 2014: 19.9%). The net liabilities of the Group include interest-bearing bank and other borrowings, amounts due to related companies, less cash and cash equivalents, pledged bank balances and amounts due from related companies. The increase of the net gearing ratio for the six months ended 30 June 2015 was mainly attributable to the significant decrease in cash and cash equivalents as a result of the payment of land premium of the Shanghai project of approximately RMB728.1 million and the repayment of part of the loan principal in the first half of 2015.

As indicated by the above figures, the Group has maintained stable financial resources to execute its future commitments and future investments for expansion. The Board believes that the existing financial resources will be sufficient to execute future expansion plans and, if necessary, the Group will be able to obtain additional financing with favourable terms.

Capital structure

The share capital of the Company comprises ordinary shares for the six-month ended 30 June 2015.

Contingent Liabilities

	30 June 2015 *RMB'000* **(Unaudited)**	31 December 2014 *RMB'000* (Audited)
Guarantees in respect of mortgage facilities granted to the purchasers of the Group's properties*	**66,314**	51,788

* The Group provided guarantees in respect of mortgage facilities granted by certain banks to the purchasers of the Group's completed properties held for sale. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal titles of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends after the execution of the purchaser's collateral agreement.

The Group did not incur any material losses during the periods in respect of the guarantees provided for mortgage facilities granted to the purchasers of the Group's completed properties held for sale. The Directors consider that in case of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty, and therefore no provision has been made in connection with the guarantees.

Foreign Exchange Rate Risk

The Group mainly operates in China. Other than bank deposits and bank borrowings denominated in foreign currency, the Group is not exposed to material foreign exchange rate risk. Appreciation in RMB would have a positive effect on the repayment of interest and bank borrowings denominated in foreign currency.

During the six months ended 30 June 2015, the exchange rate of RMB against the United States dollar and the Hong Kong dollar increased slightly, the Directors expect that any fluctuation in the exchange rate of RMB will not have material adverse effect on the operation of the Group.

Staff Policy

When taking into account the eight theme parks of the Group, the Group had approximately 2,486 full-time employees and approximately 1,444 temporary workers in the PRC and Hong Kong as at 30 June 2015 (31 December 2014: 2,405 full-time employees and 400 temporary workers). The Group offers a comprehensive and competitive remuneration, retirement schemes and benefit package to its employees. Discretionary bonus is offered to the Group's staff depending on their performance. The Group and its employees in the PRC are required to make contribution to a social insurance scheme in the PRC. The Group and its employees in the PRC are required to make contribution to fund the endowment insurance and unemployment insurance at the rates specified in the relevant PRC laws and regulations. During the six-month period ended 30 June 2015, all full-time employees in Hong Kong have participated in the Mandatory Provident Fund Scheme or recognised occupational retirement scheme.

The Group sets its emolument policy with regard to the prevailing market conditions and individual performance and experience.

Purchases, Redemption or Sale of Listed Securities of the Company

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six-month period ended 30 June 2015.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Corporate Governance

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "Code") contained in Appendix 14 to the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange as its own code of corporate governance.

The Company has been in compliance with the code provisions of the Code for the six-month period ended 30 June 2015 except as disclosed below.

Under code provision A.6.7 of the Code, all non-executive Directors are recommended to attend general meetings of the Company. However, all non-executive Directors of the Company (including independent non-executive Directors) were absent from the annual general meeting of the Company held on 25 June 2015 (the "AGM") due to pre-arranged business commitments.

Under code provision E.1.2 of the Code, the chairman of the Board is recommended to attend annual general meetings of the Company and to invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) of the Company to attend. Mr. Qu Naijie, being the chairman of the Board, was absent from the AGM due to a pre-arranged business commitment. Mr. Wang Xuguang was chosen as the chairman of the AGM. The chairmen of all the committees of the Company were absent from the AGM due to pre-arranged business commitments.

Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct for securities transactions by Directors. The Company has made specific enquiries to all Directors and all Directors have confirmed that they have strictly complied with the Model Code during the period under review.

Audit Committee

As at the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely Prof. Fang Hongxing, Mr. Sun Jianyi and Prof. Xie Yanjun, all of whom are independent non-executive Directors. Prof. Fang Hongxing is the chairman of the Audit Committee.

The Audit Committee has reviewed together with the Directors and the Company's external auditor the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2015.

Interim Dividend

The Board does not recommend payment of any interim dividend for the six-month period ended 30 June 2015.

Forward Looking Statements

This announcement includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believe", "estimate", "anticipate", "expect", "intend", "may", "will" or "should" or, in each case, their negative, or other variations or similar terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects and growth strategies, and the industry in which the Group operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which the Group operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this announcement. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which the Group operates are consistent with the forward looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods.

Publication of Information on the Websites of the Stock Exchange and of the Company

This interim results announcement of the Company for the six-month period ended 30 June 2015 is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.haichangoceanpark.com.

Appreciation

Lastly, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our management and all our fellow staff for their contributions to our development. Also, I would like to extend my deepest appreciation to our shareholders, business partners, customers and professional advisors for their support and confidence in making the Group have a more prosperous and fruitful future.

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

Dalian, the People's Republic of China, 24 August 2015

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 Prof. Fang Hongxing, Mr. Sun Jianyi and Prof. Xie Yanjun.