



# 海昌海洋公园

HAICHANG OCEAN PARK

Stock code: 2255.HK

育梦·育爱·育快乐

DREAM LOVE JOY

# Disclaimer

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# Leading Industry Position

- ◆ **Largest** marine theme park operator in China
- ◆ **Top 10** theme park operator worldwide in for two consecutive years
- ◆ Listed on HKEx in March 2014, constituent of the **MSCI Global Small Cap Indexes**

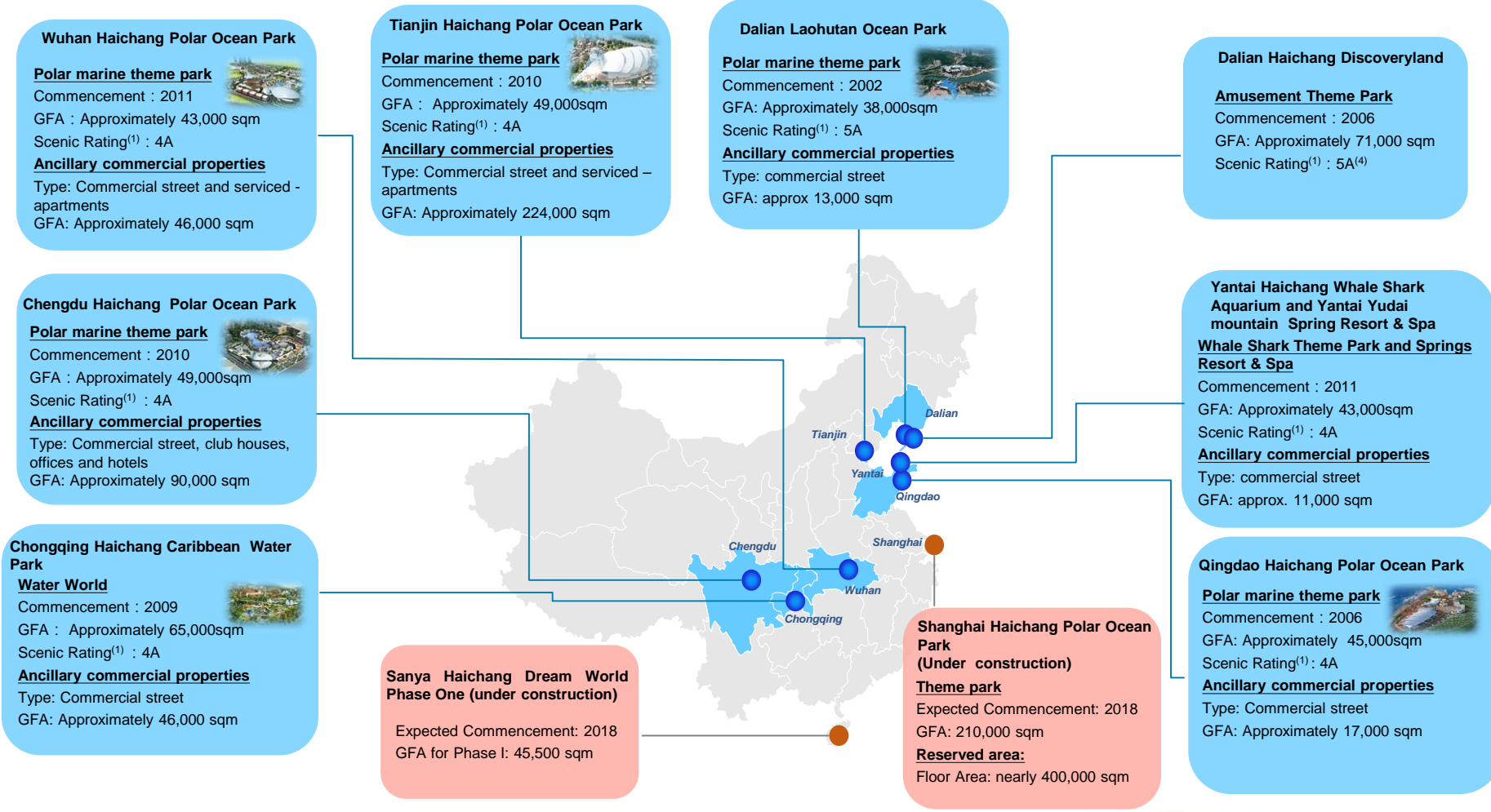


- ◆ Park Site Area: Approx. **2 mn** sqm
- ◆ Admission Attendance\* for Theme Parks since 2002: Approx. **100 million**
- ◆ Collection of Animals: nearly **50,000**
- ◆ Largest Water Volume in China: **100,000 m<sup>3</sup>**



\*Note: The number of visitors that purchasing in-park services or products doesn't count in the total attendances statistics

# National Network



**Remark :**

- (1) National tourism scenic quality committee rating
- (2) For the water park, no ground construction, thus construction area is zero
- (3) Including the development of properties in the construction area, excluding properties held for future development of the construction area
- (4) The 5A rating was awarded to Dalian Golden Pebble Beach National Tourist Resort Dalian Discoveryland formed an integral part for providing visitors with entertainment experience

# Largest Animal Collection in China with Leading Animal Care Expertise

Nearly 50,000 marine and polar animals

Industry leading animal care and management expertise



Beluga



Polar Bear



Seal



Sea Lion



Walrus



Whale Shark



Dolphin



Penguin



False Killer Whale



Shark

- Establish and maintain stable relationship with top international animal suppliers and rare polar animal suppliers



- Provide our animals with a natural environment
- Successfully produced **over 600** aquatic animals & large-size sharks of five species in a decade



- Provide a suitable living environment,
- Expert team that works to enrich animal environments and focuses on research in adjusting and managing animal emotions



- Active participation in animal protection and rescue in China via establishing animal rescue centers and setting up dedicated rescue platforms

Our marine and polar animal collection top in China.  
Animal care expertise are at industry leading positions world-wide.

# Outstanding Operational Capabilities





# Influential Strategic Investors with Proven Track Record

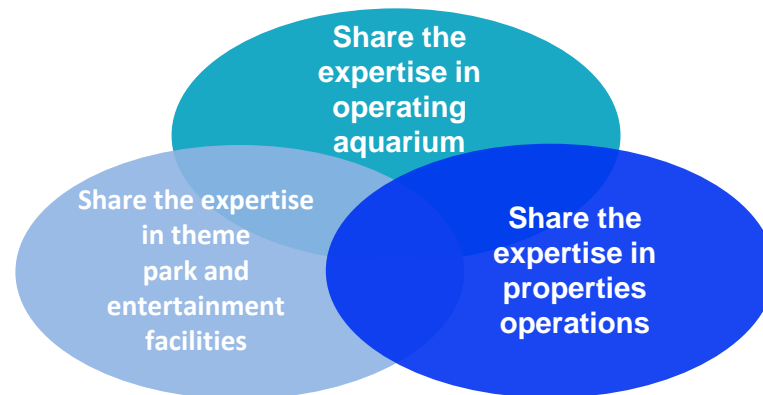
## International Strategic Investors



### Experience

- The biggest strategic investor, Orix, is a Japanese enterprise group listed on both NYSE and Tokyo Stock Exchange
- The business scope covers corporate finance, lease, investment and real estate development
- Investments include three aquariums and several resort hotels in Japan, especially the well-known Enosui Aquarium and Sky Tree Town Aquarium

### Support to Us



## China Domestic Strategic Investors



- Hony Capital, the second largest strategic investor of Haichang, is a leader and pioneer in China's Private Equity industry
- Hony Capital focuses on China market with business covering M&A and growth investment. It provides supports in development strategies, management structure, executive recruitment, internal control and incentive plans



Internationally renowned private equities and strategic investors support our business model.



# Financial Performance





# Income Statement Summary

( RMB Million )	2016	2015	Change	Change%
Total Revenue	<b>1,649.7</b>	1,416.8	232.9	16.4%
- Revenue from Park Operation	<b>1,429.1</b>	1,295.8	133.3	10.3%
- Sales from Ancillary Commercial Property	<b>220.6</b>	121.0	99.6	82.3%
Cost of Sales	<b>748.3</b>	630.4	117.9	18.7%
- Park	<b>630.2</b>	577.0	53.2	9.2%
- Ancillary commercial properties	<b>118.1</b>	50.8	67.3	132.6%
Gross Profit	<b>901.4</b>	786.5	114.9	14.6%
Net Income	<b>217.9</b>	250.0	(32.1)	-12.8%
Core Net Profit *	<b>224.3</b>	168.6	55.7	33.1%

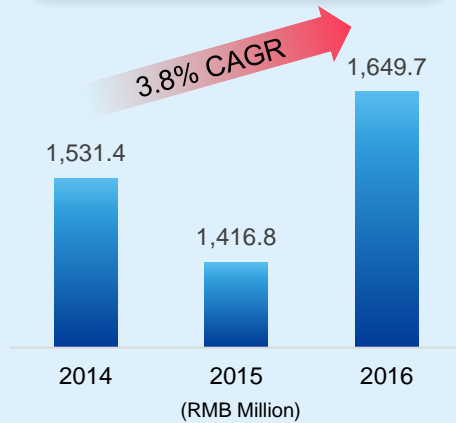
Note: Core net profit refers to the net profit excluding the gain or loss on change in fair value of investment properties and the effect of the corresponding income tax



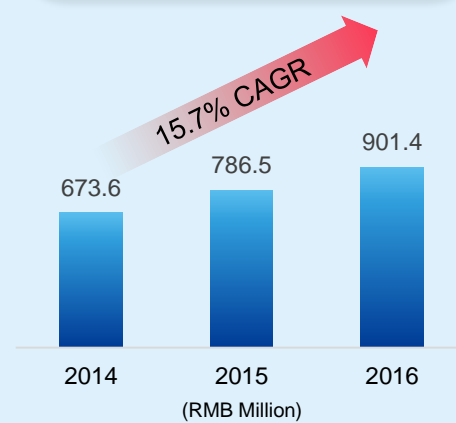


# Overall Revenue, Park Revenue, GP Maintained Steady Growth

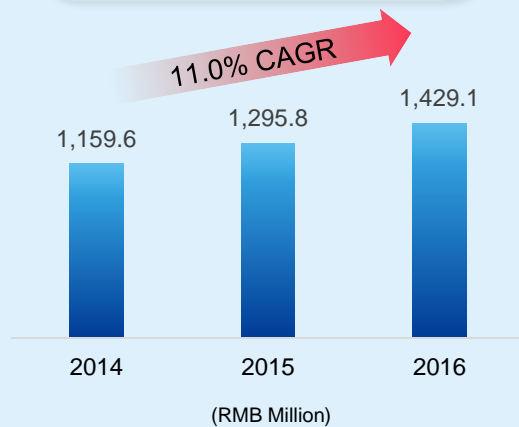
### Overall Revenue



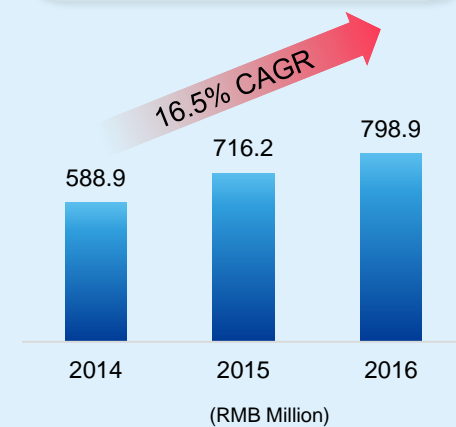
### Overall GP



### Revenue from Park Operation



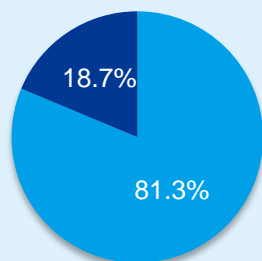
### Park GP



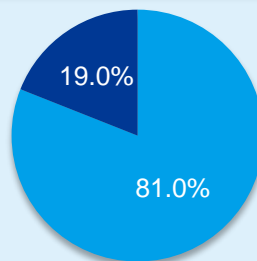


# Revenue Structure Continuously Optimized, Sales Channel Constantly Improved

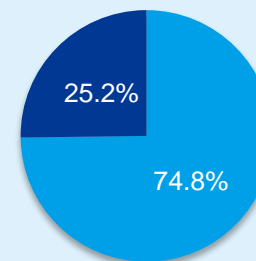
## Park Revenue Composition



2014



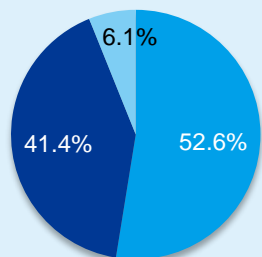
2015



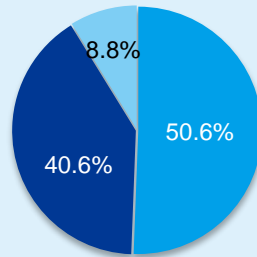
2016

- Revenue from ticket sales
- Revenue from in-park spendings

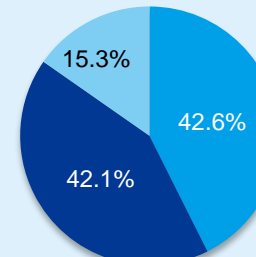
## Visitor Composition



2014



2015



2016

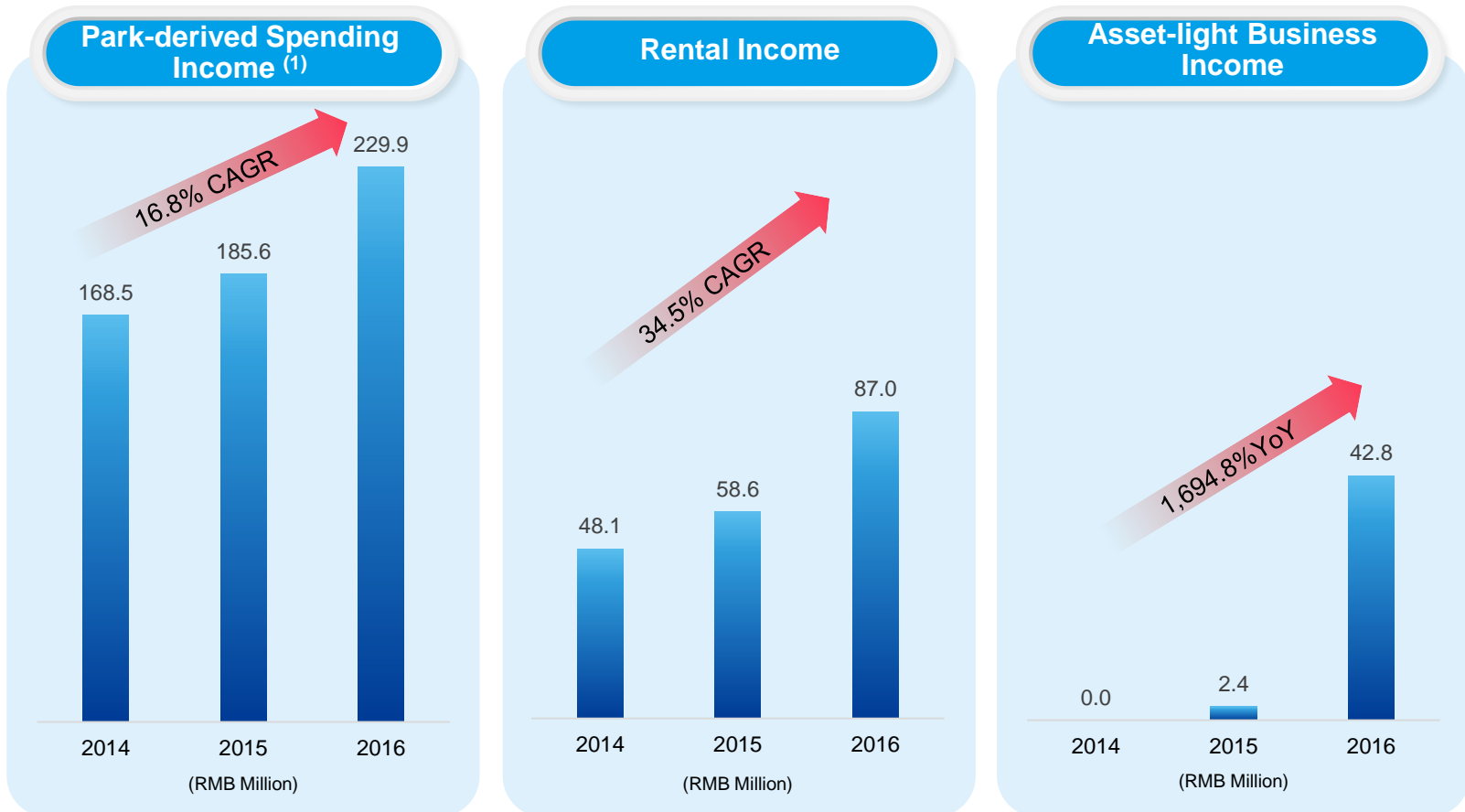
- Group
- Individual
- Online

Note: The visitor composition is established based on the ticket attendance (excluding Dalian Laohutan Ocean Park)





# In-park Revenue Kept Increasing Asset-light Business Development Accelerated



(1) Park-derived spending income includes income from merchandise, catering and in-park paid entertainment programs, and hotel operation income.



# Balance Sheet Summary

( RMB Million )	31 Dec 2016	31 Dec 2015	Change (%)
<b>Monetary Capital<sup>(1)</sup></b>	<b>880.0</b>	977.0	-9.9%
<b>Total Assets</b>	<b>9,199.1</b>	8,351.2	10.2%
<b>Total Liabilities<sup>(2)</sup></b>	<b>4,980.3</b>	4,356.0	14.3%
<b>Total Bank Loans</b>	<b>2,901.6</b>	2,366.0	22.6%
<b>Total Equity</b>	<b>4,218.8</b>	3,995.2	5.6%
<b>Net Gearing Ratio<sup>(3)</sup></b>	<b>46.7%</b>	34.4%	+12.3pts
<b>Debt to Assets Ratio<sup>(4)</sup></b>	<b>54.1%</b>	52.2%	+1.9pts

(1) Monetary Capital = Cash and Cash Equivalents + Restricted Funds;

(2) Total Liabilities = Short-term Interest-bearing Debts + Long-term Interest-bearing Debts;

(3) The net liabilities of the Group included interest-bearing bank borrowings and other borrowings, amounts due to related companies, less cash and cash equivalents and amounts due from related companies;

(4) Debt to Assets Ratio=Total Liabilities/Total Assets

# Business Review





# New Projects Construction Well on Track Further Expansion via Asset-Light Model

## Shanghai Project

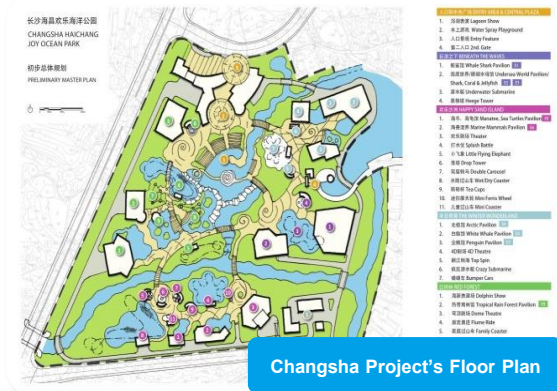
- All major venues are work-in-progress
- Core operational team on board
- Started preparation for soft opening

## Sanya Project

- Positioned as the first immersive marine-themed entertainment complex
- Completed the project filing and design approval process
- Commenced constructions in 2H 2016

## Pipeline Projects

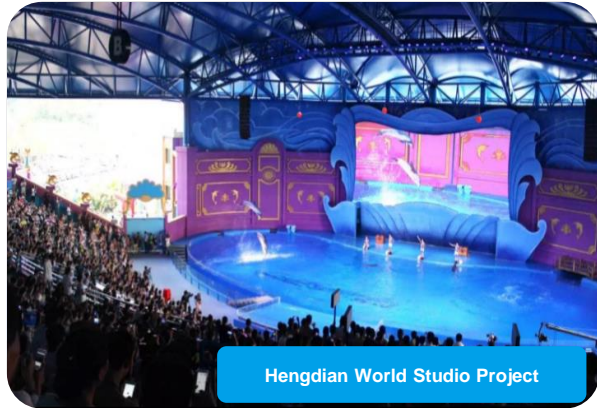
- Through SP M&A fund, cooperation with property developers or asset-light model, expand to new market like Zhengzhou
- Pilot asset-light expansion model through Changsha Project







# Asset-light Business Scale up in 2016



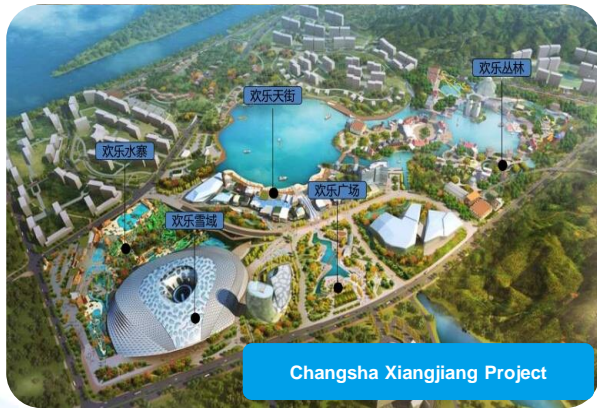
Hengdian World Studio Project



Nanning Rongshengtianhe Plaza Project



Shijiazhuang Rongdingtianxia Mozoo Park



Changsha Xiangjiang Project



Shanxi Xinzhou Aquarium



Nanning Ocean Carnival



# Cultural IP Platform Has Taken Shape

Brand



海昌海洋公园  
HAICHANG OCEAN PARK

Core Values

育梦·有爱·有快乐  
Dream Love Joy

【Core IP】  
Seven  
Guardians



【Associated IP】  
Seven Guardians'  
Friends



Major  
Products

- Emoji package
- Short animations
- Illustration books
- Children's theatres
- Animation serials
- Animation movies
- Themed catering
- Themed venues
- Themed entertainment
- Themed landscape
- Themed shows
- Themed festivals

Enriched Contents

Separately released cultural product

Application to in-park derivatives

Channel  
Expansions

Promote the brand values

Brand connotation Marketing

Monetization

Added values for existing businesses

IP authorization in future



# 2017 Outlook





# Stick to Existing Development Strategies

NO.1 Marine-Cultural Tourism and Leisure Brand in China  
Become An International Marine Related Tourism Platform Enterprise

## Tourism and Leisure Destination Model

Consolidate

## Marine Culture-Themed Innovative Business Model

### Epitaxial Expansion

- Strategic planning around the nation
- Marine-culture diversified and interactive business model
- Cooperation with leading enterprises

Expand

### Organic Growth

- Upgrade the existing parks
- Integrate and optimize portfolio
- Regional tourism & leisure destinations

Extend

### Innovative Business

- Consultancy & management services
- Interactive technology & metropolis leisure entertainment
- Marine culture & Creative IP





Thank You!