



Display Options ▼

 Related Dow Jones Intelligent Indexing™



## FINANCIAL REVIEW

Market Wrap - Street Talk

## Chinese billionaire revealed as Hoyts mystery suitor

Sarah Thompson, ANTHONY MACDONALD, Jake Mitchell

Edited by Sarah Thompson, Anthony Macdonald and Jake Mitchell

432 words

432 words  
12 December 2014

The Australian Financial Review

THE AFNR

First

14

English

Copyright 2014. Fairfax Media Management Pty Limited.

China's 149th richest person, Sun Xishuang, who has links to cinema giant Dalian Wanda, is the mystery bidder for cinema chain Hoyts Group.

According to documents sent to Hoyts' offshore lenders on Thursday, Sun Xishuang is the owner of ID Leisure International Capital, the entity seeking to buy Hoyts from Australian private equity firm Pacific Equity Partners.

Sun Xishuang is chairman of Dalian Yifang Group, one of the biggest property developers in China, and is both the investor and fund manager of ID Leisure.

Forbes says Beijing-based Mr Sun is worth \$US1.3 billion (\$1.6 billion) and is China's 149th richest person.

However, it is understood Mr Sun also has links to China's [Dalian Wanda Group](#), including a 6.3 per cent stake in Hong Kong-listed [Dalian Wanda Commercial Properties](#).

And, perhaps more relevantly, he is believed to have a 4.2 per cent interest in Wanda Cinemas.

Dalian Wanda, which has long been touted as the group most likely to take Hoyts off PEP's hands, paid nearly \$US3 billion for North American cinema theatre chain AMC Entertainment in May 2012.

According to offshore lending sources, PEP sent documents to lenders on Thursday which revealed the man behind ID Leisure. The documents come as Australia's largest private equity investor is seeking lender approval for the transaction.

Street Talk last week revealed that PEP was in talks to sell Hoyts to ID Leisure and was seeking a signed deal by the end of the year.

Hoyts is one of the final investments in PEP's portfolio. It is understood Hoyts is held across PEP's third and fourth funds, although much of the original equity has been returned to investors through dividend recapitalisations including a hugely successful recapitalisation in the US Term Loan B market last year.

Hoyts is the region's second-largest cinema operator with about 450 screens and 44 cinema complexes, according to PEP's website.

It also has a movies-to-home offering and owns the Val Morgan cinema advertising brand.

The company met with offshore equity investors in September, ahead of a potential \$800 million initial public offering. Hoyts chief executive Damian Keogh said the focus was on growing the company's premium cinema offering, where customers spent an average three times more on a trip to the movies.

However, the IPO plans were cut short as the trade talks ramped up. UBS and Gilbert + Tobin are advising PEP.

Fairfax Media Management Pty Limited

Document AFNR000020141211eacc00033