

# Billionaire's deal helps POWER his ...



## OUTBACK ODYSSEY



### INSIDE STORY CAMERON ENGLAND CHIEF BUSINESS REPORTER

CHINESE billionaire Gui Goujue's multimillion-dollar sponsorship of Port Adelaide Football Club is about much more than his newfound love of AFL.

The original playsheet told of the Shanghai property developer's keen desire to bring footy to China. The club's biggest-ever benefactor did not ask for so much as a logo on the guernsey in return.

But it soon emerged that Mr Gui's largesse was inextricably linked to his bid to buy the nation's biggest pastoral empire, South Australian-based S. Kidman and Co, which is set to be sold for a rumoured \$350 million. The property development company Mr Gui founded in 1999, Shanghai Cred Real Estate, is a major player in the Kidman bid from Shanghai Pengxin and bidding partner Australian Rural Capital, which has been reported as the leading contender to buy the Kidman cattle empire.

But Mr Gui's pledge to sponsor the club, for a rumoured \$1 million per year over three years, should not be viewed as a cynical bid to curry favour with the South Australian public, (or at least those who support Port).

The fact that Mr Gui has also set up a philanthropic body — the Virtue Australia Foundation — along with John Taplin, the former Pro Vice-Chancellor (International) of Adelaide University, is an

indication that he sees his relationship with South Australia and Australia as long term.

In the West, such a commitment might be characterised as an act of good faith.

But in China, the more nuanced concept of "guanxi" comes into play.

It is a concept that does not translate exactly — but it de-

scribes the interplay of mutual obligation, trust and reciprocity which builds up over time between associates, business partners and even family members.

The foundation was set up in September last year, when Mr Gui was in Adelaide signing off on the deal and taking in what is understood to be his first and only live game of AFL



**DEAL:** Prime Minister Malcolm Turnbull watches over the signing of the Port Adelaide sponsorship deal yesterday and, top, cattle being trucked from a Kidman company station.

Shanghai next year.

The PM told the world's most populous nation the "extraordinary athleticism" of what he regards as the national game put it ahead of union, rugby league and soccer.

"AFL is the most exciting football code," he said. "It is the leaping, jumping flying game, where the big men fly, as they say, and where possession is everything, possession is everything. It is a game that moves faster than any other."

### DANIEL MEERS STEVEN SCOTT

PRIME Minister Malcolm Turnbull, who used to play rugby, has declared the AFL to be the "most exciting football code" in Australia.

Mr Turnbull, a rugby union front-rower for Sydney University in his younger days and Roosters supporter in the NRL, yesterday stood alongside AFL boss Gillon McLachlan in China to announce a Port Adelaide premiership

Creek's support of the Australian Open Tennis and fellow Chinese developer Datong's support of Adelaide United spring to mind in the sporting arena.

Government connections are also highly valued when doing business in China, with the Prime Minister's presence in Shanghai yesterday to oversee the deal being inked, and contact between Premier Jay Weatherill and Mr Gui, who



needed to allow any sale to progress.

Kidman & Co has been up for sale for just more than a year. The Federal Government stopped any full sale of the Kidman assets from going ahead on November 19 last year, citing national interest grounds because Anna Creek station, on the southwest corner of Lake Eyre, is on the Woomeera weapons testing range. The consortium involving Shanghai Pengxin and Australian Rural Capital said earlier this week the sale process was highly confidential and it wasn't commenting on speculation.

S. Kidman & Co managing director Greg Campbell said any claims were totally premature until Mr Morrison made a ruling on which foreign bidders could buy the business.

Mr Gui's company Shanghai Zenith (Australia) Investment Holdings bought a 189,000ha cattle lease in the Kimberley region of Western Australia for \$8.75 million in January. The board of that company includes Adelaide corporate lawyer Marcus La Vincente, who is a partner with the local arm of Minter Ellison, but he was unavailable for comment yesterday.

Mr Gui's company Shanghai Cred bought the 1100ha Peppers Carrington golf resort near Auckland in 2011.

While he will no doubt enjoy watching Port win on the field, Mr Gui clearly has bigger victories in sight.

There has been regular speculation that Shanghai Pengxin is the leading bidder, with a decision from Treasurer Scott Morrison about who will be allowed to buy the property

up a first-world economy. "Our economy is better for foreign investment," said Koch who, signed a three-year multimillion-dollar sponsorship deal with Shanghai-based investor Gui Goujue.

Koch described criticism of the Power's involvement in China — where Port Adelaide wants to play an official AFL game next year — as a throwback to the 1980s when Japanese investment in Australia was feared. "Those decisions are for governments," Koch

### MICHELANGELO RUCCI

PORT Adelaide president David Koch has not only defended his AFL club's new links to China, but wants more — despite criticism of encouraging foreigners to claim major Australian assets.

Koch — who was stuck at Hong Kong airport as bad weather wrecked his plans to be at the biggest moment of his Power presidency — said that opening Australia to foreign investment was vital to holding



**NEW TEAM?:** Mr Turnbull with a Roosters jersey.

## Big man flies flag for footy

## Nation needs this, says Koch

told *The Advertiser* in Shanghai. "But ask the farmers what they want. Ask yourself, if you are selling your house and an overseas buyer offers the dollars, do you say: 'forget it — I will only sell to a local at a lower price?'"

"Not many will do that. For us as a football club, we are telling Chinese businesses to invest in Australia — and the best way to connect with Australians is through our Australian football. We are saying: 'Port Adelaide is your club.'"

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**PAGE 96: GREAT HAUL IN CHINA**