

## NewsRoom

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Section: Business

### **Crown at a 34pc** premium on debut

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Even before trading began - two weeks late because of a wrangle with the Australian Stock Exchange over escrow arrangements on major shareholdings - there were signs the shares would be eagerly sought.

Only minutes before Crown hit the market, trading screens were showing buyers eager to get shares at \$1.80, 20 cents higher than the lowest selling price. But buyers reined in their bids with the result that the first sale went through at a fraction over \$1.60 a share and the day's high was \$1.758 .

Parties involved with the float said the closing price of \$1.61 was in line with expectations, and a creditable performance given the 24 points slide in the All Ordinaries index on the day.

Crown's chairman, Mr Lloyd Williams, said yesterday the fun had gone out of the listing because of the protracted discussions with the ASX over which shares would be placed in escrow for the first 12 months of the casino developer's listed life.

Mr Williams also confirmed yesterday that Crown's largest shareholder and his main company, Hudson Conway, was negotiating with its fellow founding shareholder in the casino, Federal Hotels, to take over its 10 per cent holding at an early date.

Federal's subsidiary, Mulawa Casinos (Vic) Pty Ltd, owns 35 million Crown shares and HudCon holds convertible preference shares that would give it control of Mulawa.

HudCon expects to have an agreement before the end of this financial year with Federal on buying it out, although HudCon has also granted Mr Kerry Packer's Consolidated Press group an option over the Mulawa stake so it may sell all or part of the Mulawa stake when the 12 months escrow period expires.

**Crownata34pc premium on debut, 1994 WLNR 5560257**

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Not only is HudCon removing Federal from the share register, but Mr Williams said Federal's managing director, Mr John Haddad, was leaving that group to become deputy chairman of Crown Management.

Crown also told its staff yesterday that it had poached the casino operations manager from Perth's Burswood Casino, Mr Thuy Trinh, who has joined Crown in the same capacity.

Despite a rejection by the Casino Control Authority of plans to increase the size of the casino project's hotel from 360 to 1000 rooms, Crown is still talking with the Victorian Government on the idea.

"The casino authority was concerned about the financial capabilities of Crown to build another 600 rooms," Mr Williams said.

"The Government was interested in the planning issues. We are working through that process with the Government at this moment. It's something we will work through for the next six months."

**--- Index References ---**

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