

SE **BUSINESS**

HD **Goodman accepts joint S\$1.6b bid from Wilmar and First Pacific**

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SYDNEY — Australian food **company** Goodman Fielder has accepted a A\$1.4 **billion** (S\$1.6 **billion**) joint takeover offer from Singapore commodity giant Wilmar International and **Hong Kong** investment **firm** First Pacific after the bidders lifted an initial proposal by 7.7 per cent.

The **board** of Australia's biggest baker will unanimously recommend the 70-Australian-cents-a-share proposal and let the bidders conduct due diligence for four weeks, the Sydney-based **firm** said in a regulatory filing yesterday.

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Wilmar, the world's biggest palm-oil producer, already owns 10 per cent of Goodman Fielder. It will **buy** out the Australian **company** with First Pacific through a 50-50 joint venture. A successful takeover would add brands such as Meadow Fresh yogurt, Olive Grove margarine and Wonder White **bread** to Wilmar and First Pacific's **Chinese** and South-east Asia-based consumer businesses.

The revised offer on Thursday, up from the original 65-Australiancents-a-share one made on April 28, gives Goodman Fielder an enterprise value of A\$1.92 **billion**, equivalent to 7.9 times its A\$243.7 **million** in earnings before interest, taxes, depreciation and amortisation in the most recent 12-month period.

Rising incomes in nearby Asian markets have stoked interest in acquiring food-related firms in Australia. About US\$12 **billion** (S\$15 **billion**) in deals have been announced in the country's food and agricultural sector over the past five years, including the offer for Goodman Fielder, showed data compiled by Bloomberg. BLOOMBERG

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