



HD Asian companies make joint bid for Goodman Fielder

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Two Asian companies are making a joint bid to takeover Australian food **company** Goodman Fielder.

Singapore-based agribusiness **company** Wilmar International and **Hong Kong** investment **firm** First Pacific initially offered 65c a share on the 28th of April, in a bid that was dismissed by Goodman Fielder's chairman, Steven Gregg and chief executive, Chris Delaney.

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The offering has now been lifted to 70c a share, and **board** of Goodman Fielder has until 8pm AEST to decide on that offer.

Goodman Fielder shares are in a trading halt until Monday, unless the **company** makes a decision sooner.

The **company** owns **bread** brands like Helga's, Mighty Soft and Wonder White, as well as brands of baking products, **dairy** foods, spreads and salad dressings.

Agribusiness analyst at PAC Partners, Paul Jensz, says in recent times the **company** has had difficulty growing its earnings, and as a result the 70c a share offer, which values the deal at \$1.37 **billion**, is a reasonable offer.

He says Goodman Fielder's difficulty with earning growth has also made it a target for investors.

"Obviously when you're looking to **buy** as asset, you try and make your bid when things are tough for your target, so that's played a role, for sure," Mr Jensz said.

Unlike high profile takeovers in the agribusiness and food manufacturing space in the past year, this deal is not expected to drag out.

"The fact they're in a trading halt and they're talking to the potential acquirer, that's quickening things up a bit.

"There have been bids in the past where, say with Graincorp, they prolonged that engagement, this is quite a quick engagement over the last few weeks.

"But the resolution comes down to the detail of the acquirer and the target and the investors finding a common ground and that can take some time."

CO fdgl : Goodman Fielder Ltd

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RE saustr : South Australia | apacz : Asia Pacific | ausnz : Australia/Oceania | austr : Australia

IPD goodman

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