

HD Wilmar, First Pacific sweeten Goodman bid by A\$100M

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Wilmar, First Pacific sweeten Goodman bid by A\$100M, won't go higher without rival offer

May 16 (BusinessDesk) - Singapore-based Wilmar International and **Hong Kong**-listed investment **firm** First Pacific Co have sweetened their takeover bid for Australasian food ingredients maker Goodman Fielder by A\$100 **million**, but won't go any higher without a rival offer.

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Wilmar, the world's biggest palm **oil** processor, and First Pacific are offering to pay 70 Australian cents a share, or A\$1.37 **billion**, for full control of Goodman, up from a previous bid of 65 cents, or A\$1.27 **billion**, they said in separate statements today. The bid is a 4.1 percent premium to Goodman's last trading price of 67.2 Australian cents on the ASX. Goodman's **board** has until Friday night to open its books for due diligence and recommend the deal. The dual-listed shares were halted in New Zealand and Australia yesterday.

"The **company** and First Pacific will not increase the price further in the absence of a competing proposal," Wilmar said.

The Asian companies are seeking to **buy** Goodman through a scheme of arrangement, meaning they only need 75 percent support to take control rather than the 90 percent target for a hostile takeover.

Goodman's **board** knocked back their earlier offer as opportunistic and materially undervaluing the **company**.

Wilmar bought a 10 percent **stake** in Goodman in 2012, and registered interest in the food ingredients maker's assets which were up for **sale** at the time.

In February, Goodman forecast normalised annual earnings to be "broadly in line" with the previous year's A\$185.6 **million** as soaring **milk** prices and intense competition in baking goods eroded profitability.

The maker of household brands including Vogel's **bread**, Meadowfresh **milk** and yoghurt, and Meadowlea **butter** and margarine has been cost cutting, restructuring and divesting over the past three years, to focus on its core brands and reduce debt.

(BusinessDesk)

CO fdgl : Goodman Fielder Ltd

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