Goodman Fielder Limited
ABN 51 116 399 430

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ASX/NZX ANNOUNCEMENT

12 December 2014

SCHEME BOOKLET REGISTERED WITH ASIC

- **Scheme Booklet, including Independent Expert's Report, registered with ASIC**
- **Independent Expert concludes Scheme is fair and reasonable and in the best interests of Goodman Fielder shareholders**
- **Scheme Booklet to be sent to shareholders on or about 22 December 2014**
- **Scheme meeting to be held on 26 February 2015**
- **NZX grants Goodman Fielder waiver from NZX Listing Rule 6.2.6(b) in relation to proxy voting**

Goodman Fielder today announced that the Australian Securities and Investments Commission had registered the Scheme Booklet in relation to the proposed acquisition of Goodman Fielder by Wilmar International Limited and First Pacific Company Limited via a Scheme of Arrangement ("Scheme").

If the Scheme is approved by the requisite majority of Goodman Fielder shareholders (other than certain excluded shareholders) and all other conditions precedent are satisfied or waived (as applicable), Goodman Fielder shareholders will receive a payment of A$0.675 cash per share on the implementation date (currently expected to be 17 March 2015*) or as soon as practicable thereafter.

A requisite majority means a majority in number (more than 50%) of Goodman Fielder shareholders (other than certain excluded shareholders) and at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme meeting by Goodman Fielder shareholders (other than certain excluded shareholders) present and voting at the Scheme meeting (either in person or by proxy).

A copy of the Scheme Booklet, which includes an Independent Expert's Report and a notice of Scheme meeting, is attached to this announcement. Copies of the Scheme Booklet will be sent to Goodman Fielder shareholders on or about 22 December 2014 (and those shareholders who have previously nominated an electronic means of notification to Goodman Fielder's share registry will be able to access the materials electronically).

The Independent Expert, Deloitte Corporate Finance Pty Limited, has concluded that the Scheme is fair and reasonable and therefore in the best interests of Goodman Fielder shareholders (other than certain excluded shareholders).

Deloitte has assessed the fair market value of Goodman Fielder at between A$0.646 and A$0.755 per share. The Scheme Consideration of A$0.675 cash per Goodman Fielder share is within this range. The conclusion of Deloitte should be read in conjunction with the full Independent Expert's Report and the Scheme Booklet.

The Board of Goodman Fielder continues to unanimously recommend that Goodman Fielder shareholders vote in favour of the Scheme, in the absence of a superior proposal.

The Scheme meeting will be held on 26 February 2015.

The voting rules for the Scheme meeting permit the Chairman of the Scheme meeting to vote any valid proxies received which do not nominate the identity of a proxy, or in respect of which the nominated proxy does not attend, or vote at, the Scheme meeting:

(a) in accordance with any direction in that proxy; or

(b) if no direction is included in that proxy, in favour of the resolution,

at the Scheme meeting.

NZX has granted Goodman Fielder a waiver from NZX Listing Rule 6.2.6(b) to permit proxy voting in the manner described above. This waiver is briefly described in section 11.9 of the Scheme Booklet and in the notice of Scheme meeting. A copy of NZX's waiver decision will be available on the NZX Market Announcement Platform once released by NZX.

Goodman Fielder will continue to keep shareholders updated on any material developments.

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** Dates are subject to change pending the progress of regulatory approvals.*

For further information contact:
Martin Cole
Director, Corporate Affairs
+61 2 8899 7272

Goodman Fielder is Australasia's leading listed food company. The company has an excellent portfolio of well known consumer brands in some of Australia and New Zealand's largest grocery categories, including MeadowLea, Praise, White Wings, Pampas, Mighty Soft, Helga's, Wonder White, Vogel's (under licence), Freya's, Edmonds, Meadow Fresh and Irvines. Our products cover every meal, including breakfast, lunch, dinner and snacks. We produce bread, milk, margarine, flour, dressings, condiments, mayonnaise, cake mix, pies, savouries, desserts, sauces, vinegar and cooking oils.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT ABOUT HOW TO DEAL WITH THIS DOCUMENT, YOU SHOULD CONTACT YOUR BROKER OR FINANCIAL, TAXATION, LEGAL OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

goodman fielder

GOODMAN FIELDER LIMITED

Scheme Booklet

In relation to a scheme of arrangement between Scheme Shareholders and Goodman Fielder which, if implemented, will result in Wilmar and First Pacific, through a special purpose vehicle, acquiring all the Scheme Shares.

THE GOODMAN FIELDER DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU **VOTE IN FAVOUR** OF THE SCHEME, IN THE ABSENCE OF A SUPERIOR PROPOSAL.

Each Goodman Fielder Director intends to vote the Goodman Fielder Shares they own or control in favour of the Scheme, in the absence of a Superior Proposal.

A Notice of Meeting is included as Annexure 6 to this Scheme Booklet, and a proxy form for the Scheme Meeting accompanies this Scheme Booklet.

The Scheme Meeting will be held at 10:00am (Sydney time) on 26 February 2015 at Goodman Fielder, T2, 39 Delhi Road, North Ryde, NSW.

FINANCIAL ADVISERS

CREDIT SUISSE

GRANT SAMUEL

LEGAL ADVISER

HERBERT SMITH FREEHILLS

Goodman Fielder Limited ABN 51 116 399 430

Disclaimer and important notices

GENERAL

You should read this Scheme Booklet in full before making any decision as to how to vote at the Scheme Meeting.

NATURE OF THIS DOCUMENT

This Scheme Booklet includes the explanatory statement for the Scheme required by subsection 412(1) of the Corporations Act.

This Scheme Booklet does not constitute or contain an offer to Goodman Fielder Shareholders, or a solicitation of an offer from Goodman Fielder Shareholders, in any jurisdiction.

ASIC, ASX AND NZX

A copy of this Scheme Booklet has been registered by ASIC for the purposes of subsection 412(6) of the Corporations Act. ASIC has been given the opportunity to comment on this Scheme Booklet in accordance with subsection 411(2) of the Corporations Act. Neither ASIC, nor any of its officers, takes any responsibility for the contents of this Scheme Booklet.

ASIC has been requested to provide a statement, in accordance with subsection 411(17)(b) of the Corporations Act, that it has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the time of the Court hearings to approve the Scheme.

A copy of this Scheme Booklet has been provided to ASX and NZX. None of ASX, NZX or their officers takes any responsibility for the contents of this Scheme Booklet.

IMPORTANT NOTICE ASSOCIATED WITH COURT ORDER UNDER SUBSECTION 411(1) OF THE CORPORATIONS ACT

The fact that, under subsection 411(1) of the Corporations Act, the Court has ordered that a meeting be convened and has approved the explanatory statement required to accompany the Notice of Meeting does not mean that the Court:

- has formed any view as to the merits of the proposed Scheme or as to how Goodman Fielder Shareholders should vote (on this matter Goodman Fielder Shareholders must reach their own conclusion); or
- has prepared, or is responsible for the content of, the explanatory statement.

DEFINED TERMS

Capitalised terms used in this Scheme Booklet are defined in Section 12 of this Scheme Booklet. Section 12 also sets out some rules of interpretation which apply to this Scheme Booklet.

NO INVESTMENT ADVICE

This Scheme Booklet has been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any Goodman Fielder Shareholder or any other person. The information and recommendations contained in this Scheme Booklet do not constitute, and should not be taken as, financial product advice. The Goodman Fielder Board encourages you to seek independent financial and taxation advice before making any investment decision and any decision as to whether or not to vote in favour of the Scheme.

This Scheme Booklet is important and requires your immediate attention. It should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme. In particular, it is important that you consider the potential risks of the proposed Scheme, as set out in Section 7 of this Scheme Booklet, and the views of the Independent Expert set out in the Independent Expert's Report contained in Annexure 2 to this Scheme Booklet.

If you are in doubt as to the course you should follow, you should consult an independent and appropriately licensed and authorised professional adviser.

FORWARD LOOKING STATEMENTS

Some of the statements appearing in this Scheme Booklet may be in the nature of forward looking statements. Forward looking statements or statements of intent in relation to future events in this Scheme Booklet (including in the Independent Expert's Report) should not be taken to be forecasts or predictions that those events will occur. Forward looking statements generally may be identified by the use of forward looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words. Similarly, statements that describe the objectives, plans, goals or expectations of Goodman Fielder, Wilmar, First Pacific, FPW, First Pacific SPV, or the Consortium are or may be forward looking statements. You should be aware that such statements are only opinions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Goodman Fielder, Wilmar, First Pacific, FPW, First Pacific SPV, or the Consortium operate, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected. None of Goodman Fielder, Wilmar, First Pacific, FPW, First Pacific SPV or the Consortium or their respective officers, directors, employees or advisers or any person named in this Scheme Booklet or involved in the preparation of this Scheme Booklet makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement. Accordingly, you are cautioned not to place undue reliance on those statements.

The forward looking statements in this Scheme Booklet reflect views held only at the date of this Scheme Booklet. Subject to any continuing obligations under the Listing Rules or the Corporations Act, Goodman Fielder, Wilmar, First Pacific, FPW, First Pacific SPV and the Consortium and their respective officers, directors, employees and advisers disclaim any obligation or undertaking to distribute after the date of this Scheme Booklet any updates or revisions to any forward looking statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

RESPONSIBILITY STATEMENT

Except as outlined below, the information contained in this Scheme Booklet has been provided by Goodman Fielder and is its responsibility alone. Except as outlined below, none of Wilmar, First Pacific, FPW or First Pacific SPV or any of their respective Subsidiaries, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of such information.

FPW has provided information about FPW and Wilmar. First Pacific SPV has provided information about First Pacific SPV and First Pacific. Each of FPW and First Pacific SPV are individually responsible for the information they have respectively provided. In addition, FPW and First Pacific SPV have jointly provided information about the Consortium Members acting as a Consortium, information about FPW and its intentions after implementation of the Scheme and information about the funding of the Scheme Consideration and they are each individually responsible for that information. None of Goodman Fielder, nor its directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the above information.

Greenwoods & Freehills has prepared the Australian Tax Adviser's Report in relation to the Scheme and takes responsibility for that report. None of Goodman Fielder, FPW, First Pacific SPV, Wilmar or First Pacific nor any of their respective Subsidiaries, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of the information contained in the Australian Tax Adviser's Report. The Australian Tax Adviser's Report is set out in Section 8.

Bell Gully has prepared the New Zealand Tax Adviser's Report in relation to the Scheme and takes responsibility for that report. None of Goodman Fielder, FPW, First Pacific SPV, Wilmar or First Pacific nor any of their respective Subsidiaries, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of the information contained in the New Zealand Tax Adviser's Report. The New Zealand Tax Adviser's Report is set out in Section 9.

Deloitte has prepared the Independent Expert's Report (as set out in Annexure 2 to this Scheme Booklet) and takes responsibility for that report. None of Goodman Fielder, FPW, First Pacific SPV, Wilmar or First Pacific nor any of their respective Subsidiaries, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report, except, in the case of Goodman Fielder, in relation to the information which it has provided to the Independent Expert.

No consenting party has withdrawn their consent to be named before the date of this Scheme Booklet.

FOREIGN JURISDICTIONS

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside Australia who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Scheme Booklet has been prepared in accordance with the laws of the Commonwealth of Australia and the information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations of a jurisdiction outside Australia.

FINANCIAL AMOUNTS

All financial amounts in this Scheme Booklet are expressed in Australian currency unless otherwise stated.

Any discrepancies between totals in tables or financial statements, or in calculations, graphs or charts are due to rounding.

All financial and operational information set out in this Scheme Booklet is current as at the date of this Scheme Booklet, unless otherwise stated.

CHARTS, MAPS AND DIAGRAMS

Any diagrams, charts, maps, graphs or tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available as at the Last Practicable Date.

TIMETABLE AND DATES

All times and dates referred to in this Scheme Booklet are times and dates in Sydney, Australia, unless otherwise indicated. All times and dates relating to the implementation of the Scheme referred to in this Scheme Booklet may change and, among other things, are subject to all necessary approvals from regulatory authorities.

PRIVACY

Goodman Fielder may collect personal information in the process of implementing the Scheme. The type of information that it may collect about you includes your name, contact details and information on your shareholding in Goodman Fielder and the names of persons appointed by you to act as a proxy, attorney or corporate representative at the Scheme Meeting as relevant to you. The collection of some of this information is required or authorised by the Corporations Act.

The primary purpose of the collection of personal information is to assist Goodman Fielder to conduct the Scheme Meeting and implement the Scheme. Without this information, Goodman Fielder may be hindered in its ability to issue this Scheme Booklet and implement the Scheme. Personal information of the type described above may be disclosed to the Goodman Fielder Share Registry, third party service providers (including print and mail service providers and parties otherwise involved in the conduct of the Scheme Meeting), authorised securities brokers, professional advisers, related bodies corporate of Goodman Fielder, regulatory authorities, and also where disclosure is otherwise required or allowed by law.

Goodman Fielder Shareholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. If you would like to obtain details of information about you held by the Goodman Fielder Share Registry in connection with Goodman Fielder Shares, please contact the Goodman Fielder Share Registry.

Goodman Fielder Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should ensure that they inform such an individual of the matters outlined above.

DATE OF SCHEME BOOKLET

This Scheme Booklet is dated 12 December 2014.

Contents

Letter from the Chairman of Goodman Fielder

12 December 2014

Dear fellow Goodman Fielder Shareholder,

On 2 July 2014, Goodman Fielder announced that it had entered into a Scheme Implementation Deed with Wilmar and First Pacific.

Under the Scheme Implementation Deed, if all Conditions Precedent are satisfied or waived (as applicable) and the Scheme proceeds, Wilmar and First Pacific, through FPW, will acquire all of the Goodman Fielder Shares not already owned or controlled by Wilmar or First Pacific for A$0.675 cash per Goodman Fielder Share.

You are receiving this Scheme Booklet because you are currently a Goodman Fielder Shareholder. So long as you remain a Goodman Fielder Shareholder (and are not an Excluded Shareholder) on the Scheme Record Date (which is currently expected to be 10 March 2015) and the Scheme becomes Effective, you will receive A$0.675 cash per Goodman Fielder Share you hold from FPW (**Scheme Consideration**). Goodman Fielder Shareholders will not pay any brokerage or stamp duty on the transfer of their Goodman Fielder Shares under the Scheme.

The Goodman Fielder Directors believe that the Scheme is in the best interests of Goodman Fielder Shareholders (not including Excluded Shareholders). Accordingly, the Goodman Fielder Directors unanimously recommend you vote in favour of the Scheme and the Goodman Fielder Directors intend to vote all the Goodman Fielder Shares they hold or control in favour of the Scheme, in each case in the absence of a Superior Proposal.

This Scheme Booklet contains details of the Scheme, including the basis for the Goodman Fielder Directors recommending the Scheme, and the Independent Expert's Report, together with information on how to cast your vote. I encourage you to read it carefully.

In recommending the Scheme, your directors have taken into account the following:

- **Significant premium to Goodman Fielder trading price:** The Scheme Consideration represents a premium of:
  - 22.7% to the Goodman Fielder closing share price of A$0.55 on 24 April 2014, the last trading day before the announcement of an initial, non-binding and conditional proposal from Wilmar and First Pacific; and
  - 27.7% to the volume weighted average price of Goodman Fielder Shares for the one month up to and including 24 April 2014.
- **The Independent Expert has concluded that the Transaction is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders):** The Goodman Fielder Board appointed Deloitte as an Independent Expert to review the Transaction and opine on whether the Scheme was fair and reasonable and accordingly in the best interests of Goodman Fielder Shareholders. Deloitte has assessed the full underlying value of Goodman Fielder at between A$0.646 and A$0.755 per Goodman Fielder Share and has therefore concluded that the Transaction is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders). The reasons why the Independent Expert reached this conclusion are set out in the Independent Expert's Report, a copy of which is included in Annexure 2.
- **Goodman Fielder Shares are likely to trade below the Scheme Consideration in the event the Scheme does not proceed:** The Goodman Fielder Directors believe that the Goodman Fielder Share price is likely to fall if the Scheme is not implemented and no Superior Proposal emerges.
- **The Scheme Consideration delivers certain cash value:** If implemented, the Scheme Consideration delivers certain cash proceeds expected to be paid to Goodman Fielder Shareholders in the first quarter of 2015.
- **Since the announcement of the Scheme, no Superior Proposal has emerged:** Since the announcement of the original non-binding and indicative proposal from Wilmar and First Pacific on 28 April 2014 and up to the date of this Scheme Booklet, no Superior Proposal has emerged, despite the Board having undertaken an active solicitation process prior to entry into the Scheme Implementation Deed. Your Directors are not aware of any Superior Proposal that is likely to emerge.

There may also be reasons why you may choose to vote against the Scheme, such as:

- You may disagree with the recommendation of the Goodman Fielder Directors or the conclusion of the Independent Expert.
- You may prefer to participate in any potential upside that may result from continuing to be a Goodman Fielder Shareholder.
- The taxation consequences of the Scheme may not suit your financial position.
- You may consider that there is a possibility that a Superior Proposal will emerge.

If the Scheme is not implemented and no Superior Proposal emerges, Goodman Fielder will continue as an independent entity listed on ASX and NZX and Scheme Shareholders will not receive the Scheme Consideration of A$0.675 cash per Scheme Share.

The Scheme Meeting will be held on 26 February 2015 at T2, 39 Delhi Road, North Ryde, NSW, at 10:00am (Sydney time).

Your vote is important. In order for the Scheme to proceed, the requisite majorities of Goodman Fielder Shareholders (other than Excluded Shareholders) must vote in favour of the Scheme. You can vote by attending the Scheme Meeting, or by appointing a proxy or attorney to attend the Scheme Meeting and vote on your behalf. A proxy form is provided with this Scheme Booklet. Alternatively you may lodge a proxy online at www.goodmanfielder.com.au or www.linkmarketservices.com.au (Australian register) or www.linkmarketservices.co.nz (New Zealand register). Further information on how to vote is provided in Section 4.9(b).

Goodman Fielder expects to release its half year results to 31 December 2014 on or around 11 February 2015, and you will have the opportunity to review the half year results prior to the Scheme Meeting. These half year results will be available on the ASX website (www.asx.com.au) and NZX website (www.nzx.com) and also on Goodman Fielder's website (www.goodmanfielder.com.au).

I encourage you to read this Scheme Booklet carefully and in its entirety, as it contains important information that will need to be considered before you vote on the Scheme Resolution required to implement the Scheme. I also encourage you to seek independent legal, financial, taxation or other professional advice before making an investment decision in relation to your Goodman Fielder Shares.

If you have any questions in relation to the Scheme or this Scheme Booklet, please contact the Goodman Fielder Shareholder Information Line on 1800 178 254 (from within Australia) or 0800 150 013 (from within New Zealand) or +61 1800 178 254 (from outside Australia and New Zealand) Monday to Friday between 8:30am and 5:30pm (Sydney time), or contact your legal, financial, taxation or other professional adviser.

On behalf of your Board, I would like to thank you for your support of Goodman Fielder. Your vote is important and I look forward to your participation at the Scheme Meeting on 26 February 2015.

Yours sincerely

Steven Gregg
Chairman
Goodman Fielder Limited

Key dates

Key dates	
Date of this Scheme Booklet	12 December 2014
First Court Date	12 December 2014
Time and date for determining eligibility to vote at the Scheme Meeting	7:00pm (Sydney time), 24 February 2015
Latest time and date for receipt of proxy forms (including proxies lodged online) or powers of attorney by the Goodman Fielder Share Registry for the Scheme Meeting	10:00am (Sydney time) or 12:00pm (Auckland time) (as applicable) on Tuesday, 24 February 2015
Scheme Meeting	26 February 2015
If the Scheme is approved by Goodman Fielder Shareholders:	
Second Court Date	2 March 2015
Outcome of Second Court Hearing announced to ASX and NZX	2 March 2015
Effective Date	3 March 2015
Expected last day of trading in Goodman Fielder Shares on ASX and NZX. Goodman Fielder intends to apply to ASX and NZX for Goodman Fielder Shares to be suspended from trading on ASX and NZX from close of trading on the Effective Date (which is currently proposed to be 3 March 2015)	3 March 2015
Scheme Record Date (for determining entitlements to Scheme Consideration)	10 March 2015
Implementation Date (Scheme Consideration will be dispatched to Scheme Shareholders on the Implementation Date or as soon as reasonably practicable thereafter, expected to be within two Business Days of the Implementation Date.)	17 March 2015

All dates in the above timetable are indicative only and are subject to change. The parties may vary any or all of these dates and times and will provide reasonable notice of any such variation. Certain times and dates are conditional on the approval of the Scheme by Goodman Fielder Shareholders and by the Court. Any changes will be announced by Goodman Fielder to ASX and NZX and published on Goodman Fielder's website at www.goodmanfielder.com.au.

Summary of the Scheme

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Summary of the Scheme

1.1 THE SCHEME

Scheme Consideration	Under the Scheme, Wilmar and First Pacific (through FPW, an Australian company that will be ultimately jointly owned by Wilmar and First Pacific at the time the Scheme is implemented) will acquire all of the Scheme Shares. If the Scheme becomes Effective and you are a Scheme Shareholder on the Scheme Record Date, you will receive the Scheme Consideration of A$0.675 cash for each of your Scheme Shares. You will be paid your Scheme Consideration by way of direct credit transfer or cheque on the Implementation Date or as soon as practicable thereafter (expected to be within two Business Days of the Implementation Date). Scheme Shareholders will receive their Scheme Consideration in Australian dollars, unless: • the Scheme Shareholder has validly registered a New Zealand bank account with the Goodman Fielder Share Registry; or • if no Australian bank account has been registered, the Scheme Shareholder has a Registered Address in New Zealand, in which case they will receive the Scheme Consideration in New Zealand dollars. See Section 4.2 for further information. In order for the Scheme to proceed, the Scheme Resolution approving the Scheme must be passed by the requisite majorities of Goodman Fielder Shareholders (other than Excluded Shareholders) at the Scheme Meeting to be held on 26 February 2015. The Scheme is also subject to the satisfaction or waiver of various Conditions Precedent (as applicable), as summarised in Section 4.6.
Goodman Fielder Directors' recommendation	The Goodman Fielder Directors unanimously recommend that you vote in favour of the Scheme at the upcoming Scheme Meeting, in the absence of a Superior Proposal. The Goodman Fielder Directors intend to vote all of the Goodman Fielder Shares held or controlled by them in favour of the Scheme Resolution, in the absence of a Superior Proposal. The Goodman Fielder Directors believe that the reasons for Goodman Fielder Shareholders (other than Excluded Shareholders) to vote in favour of the Scheme Resolution outweigh the reasons to vote against it, in the absence of a Superior Proposal. These reasons and other relevant considerations are set out in Section 2.
Independent Expert's conclusion	The Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders). You should also read the Independent Expert's Report which is contained in Annexure 2.

1.2 NEXT STEPS FOR GOODMAN FIELDER SHAREHOLDERS

You should read this Scheme Booklet carefully in its entirety, including the reasons to vote in favour or against the Scheme (as set out in Section 2), before making any decision on how to vote on the Scheme Resolution.

Answers to various frequently asked questions about the Scheme are set out in Section 3. If you have any additional questions about this Scheme Booklet or the Scheme, please contact the Goodman Fielder Shareholder Information Line on 1800 178 254 (from within Australia) or 0800 150 013 (from within New Zealand) or +61 1800 178 254 (from outside Australia and New Zealand) Monday to Friday between 8:30am and 5:30pm (Sydney time), or contact your legal, financial, taxation or other professional adviser.

Voting entitlement	If you are registered as a Goodman Fielder Shareholder on the Goodman Fielder Share Register at 7:00pm (Sydney time) on 24 February 2015, you will be entitled to attend and vote at the Scheme Meeting to be held on 26 February 2015. Any Goodman Fielder Shares held by or on behalf of Excluded Shareholders, or in which Excluded Shareholders have a Relevant Interest, will not be voted at the Scheme Meeting.

How to vote	You can vote on the Scheme Resolution at the upcoming Scheme Meeting on 26 February 2015 in any of the following ways:
	
	• in person by attending the Scheme Meeting at T2, 39 Delhi Road, North Ryde, NSW at 10:00am (Sydney time) on 26 February 2015;
	
	• by appointing a proxy or attorney to attend the Scheme Meeting and vote on your behalf;
	
	• by lodging a proxy
	
	  • online at www.goodmanfielder.com.au or www.linkmarketservices.com.au (Australian register) or www.linkmarketservices.co.nz (New Zealand register);
	
	  • by mailing the enclosed Scheme Meeting Proxy Form to Link Market Services Limited at either Locked Bag A14, Sydney South NSW 1235 (Australian register) or PO Box 91976 Auckland 1142 (New Zealand register);
	
	  • by faxing the enclosed Scheme Meeting Proxy Form to +61 2 9287 0309 (Australian register) or +64 9 375 5990 (New Zealand register);
	
	  • by hand delivering the enclosed Scheme Meeting Proxy Form to the Goodman Fielder Share Registry at either Level 12, 680 George Street, Sydney, NSW or Level 7, Zurich House, 21 Queen Street, Auckland between 9:00am and 5:30pm (Sydney or Auckland time, as applicable) on a Business Day; or
	
	• in the case of a body corporate, by appointing a body corporate representative to attend the meeting and vote on your behalf, using a certificate of appointment of body corporate representative.
	
	To be valid, a proxy must be received by the Goodman Fielder Share Registry by 10:00am (Sydney time) or 12:00pm (Auckland time) (as applicable) on 24 February 2015.

Key considerations relevant to your vote

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Key considerations relevant to your vote

Goodman Fielder announced on 2 July 2014 the entry into the Scheme Implementation Deed with Wilmar and First Pacific at a price of A$0.675 per Goodman Fielder Share, with the ability to pay a final dividend of A$0.01 per Goodman Fielder Share for the year ended 30 June 2014, which was paid on 1 October 2014.

The Goodman Fielder Directors unanimously recommend that, in the absence of a Superior Proposal, Goodman Fielder Shareholders (other than Excluded Shareholders) vote in favour of the Scheme at the Scheme Meeting, for the reasons set out below.

2.1 SUMMARY OF REASONS WHY YOU MIGHT VOTE FOR AND AGAINST THE SCHEME

(a) Reasons to vote in favour of the Scheme

(1) The Goodman Fielder Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal;

(2) The Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders);

(3) The Scheme Consideration of A$0.675 cash per Goodman Fielder Share represents a significant premium;

(4) The Scheme will deliver immediate and certain value in the form of cash consideration to Scheme Shareholders;

(5) If the Scheme does not proceed, Goodman Fielder Shareholders will continue to be exposed to risks associated with Goodman Fielder's business rather than realising certain value for their Goodman Fielder Shares if the Scheme is implemented;

(6) The Goodman Fielder Share price is likely to fall if the Scheme does not become Effective and no Superior Proposal emerges;

(7) Since the announcement of the Scheme, no Superior Proposal has emerged; and

(8) There are no brokerage or stamp duty costs payable by Scheme Shareholders on disposal of their Scheme Shares.

Reasons to vote in favour of the Scheme are discussed in more detail in Section 2.2.

(b) Reasons to vote against the Scheme

(1) You may disagree with the recommendation of the Goodman Fielder Directors and the conclusion of the Independent Expert;

(2) You may prefer to participate in any potential upside that may result from continuing to be a Goodman Fielder Shareholder;

(3) The taxation consequences of the Scheme may not be suitable to your financial position; and

(4) You may consider that there is a possibility that a Superior Proposal will emerge.

Reasons to vote against the Scheme are discussed in more detail in Section 2.3.

2.2 REASONS TO VOTE IN FAVOUR OF THE SCHEME

(a) The Goodman Fielder Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal

The Goodman Fielder Directors unanimously recommend that, in the absence of a Superior Proposal, you vote in favour of the Scheme Resolution required to implement the Scheme at the Scheme Meeting to be held on 26 February 2015.

In reaching their recommendation, the Goodman Fielder Directors have assessed the Scheme having regard to the reasons to vote in favour of, or against, the Scheme, as set out in this Scheme Booklet.

In the absence of a Superior Proposal, each Goodman Fielder Director intends to vote all the Goodman Fielder Shares held or controlled by them in favour of the Scheme. The interests of Goodman Fielder Directors are set out in Section 10.1.

The Goodman Fielder Directors believe that the Scheme Consideration provides an opportunity for you to realise a cash value for your Goodman Fielder Shares within a certain time frame at a significant premium to the market price of Goodman Fielder Shares prior to the announcement of the original non-binding and indicative proposal from Wilmar and First Pacific on 28 April 2014.

(b) The Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders)

The Goodman Fielder Directors appointed Deloitte as Independent Expert to prepare an Independent Expert's Report providing an opinion as to whether the Scheme is fair and reasonable and accordingly is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders).

The Independent Expert has assessed the full underlying value of Goodman Fielder (including a premium for control) to be in the range of A$0.646 and A$0.755 per Goodman Fielder Share.

The Scheme Consideration of A$0.675 cash per Goodman Fielder Share is within this range.

Accordingly, the Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders).

The reasons why the Independent Expert reached this conclusion are set out in the Independent Expert's Report, a copy of which is included in Annexure 2. You should read the Independent Expert's Report in its entirety as part of your assessment of the Scheme and before voting on the Scheme Resolution.

The Independent Expert notes that:

- the Scheme allows for Goodman Fielder Shareholders (other than Excluded Shareholders) to realise their investment in Goodman Fielder and removes the uncertainty regarding future earnings pressure on the business units and the execution of future strategic initiatives;
- there is currently no alternative proposal;
- the offer captures only part of the synergy benefits that Wilmar and First Pacific may be able to realise;
- Wilmar and First Pacific will have a potential blocking stake if the Scheme is not implemented;
- Goodman Fielder Shareholders are receiving a premium to the price of Goodman Fielder Shares prior to the announcement of the initial non-binding, conditional offer; and
- the Goodman Fielder Share price in the absence of the Scheme is likely to trade lower than the consideration offered by Wilmar and First Pacific.[1]

1 Independent Expert's Report, pp. 5 and 6

Key considerations relevant to your vote continued

(c) The Scheme Consideration of A$0.675 cash per Scheme Share represents a significant premium

The Scheme Consideration of A$0.675 cash per Scheme Share, which will be paid to Scheme Shareholders if the Scheme is approved and implemented, represents a significant premium to Goodman Fielder's recent historical trading prices prior to the announcement of the original non-binding and indicative proposal from Wilmar and First Pacific on 28 April 2014.

The Scheme Consideration of A$0.675 cash per Scheme Share represents a premium of:

- 22.7% to the Goodman Fielder closing share price of A$0.55 on the Last Trading Date;
- 42.1% to the Goodman Fielder closing share price of A$0.475 on 2 April 2014, being the day on which an update on trading conditions was announced;
- 31.5% to A$0.513, the volume weighted average price (**VWAP**) of Goodman Fielder Shares between the update on trading conditions and announcement of the original non-binding conditional proposal;
- 27.7% to A$0.529, the VWAP of Goodman Fielder Shares for the one month up to and including the Last Trading Date; and
- 16.1% to A$0.581, the VWAP of Goodman Fielder Shares for the three months up to and including the Last Trading Date.

(d) The Scheme will deliver immediate and certain value in the form of cash consideration to Scheme Shareholders

The offer from FPW and First Pacific SPV is a 100% cash offer for the Scheme Shares. If the Scheme is implemented, the Scheme Consideration of A$0.675 per Scheme Share provides a high degree of certainty of value.

Specifically, if all the Conditions Precedent for the Scheme are satisfied or waived, as applicable, Scheme Shareholders will receive A$0.675 cash per Scheme Share to be paid on the Implementation Date (currently proposed to be 17 March 2015) or as soon as practicable thereafter (expected to be within two Business Days of the Complementation Date).

In contrast, if the Scheme does not proceed, the amount which Goodman Fielder Shareholders will be able to realise for their investment in Goodman Fielder Shares will be uncertain. The Scheme removes this uncertainty for Scheme Shareholders. For details of risks relating to an investment in Goodman Fielder Shares, see Section 7.

(e) If the Scheme does not proceed, Goodman Fielder Shareholders will continue to be exposed to risks associated with Goodman Fielder's business rather than realising certain value for their Goodman Fielder Shares in a certain timeframe

If the Scheme does not proceed, the amount which Goodman Fielder Shareholders will be able to realise for their Goodman Fielder Shares in terms of price and future dividends will necessarily be uncertain and subject to a number of risks outlined in Section 7.

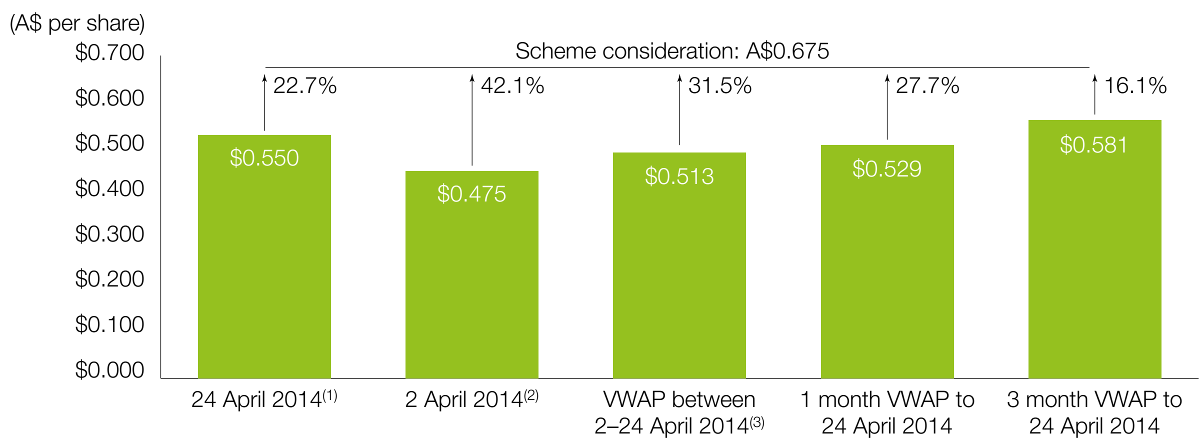
Among other things, this will be subject to the performance of Goodman Fielder's business from time to time (in particular, the uncertainties associated with Goodman Fielder's outlook as described in Section 7), general economic conditions and movements in the share market.

(f) The Goodman Fielder Share price is likely to fall if the Scheme does not become Effective and no Superior Proposal emerges

If the Scheme is not implemented, and in the absence of a Superior Proposal, Goodman Fielder Shares are likely to trade below the price at which they have traded since the original announcement of the non-binding and indicative proposal from Wilmar and First Pacific on 28 April 2014.

In addition, the future trading price of Goodman Fielder Shares will continue to be subject to any market volatility versus the certain value of A$0.675 cash per Goodman Fielder Share available under the Scheme.

Comparison of Scheme Consideration of A$0.675 to historical trading prices of Goodman Fielder Shares



(1) Last trading day prior to announcement of original non-binding conditional proposal.

(2) Goodman Fielder issues trading update; expects normalised EBIT for FY14 to be approximately 10-15 per cent below analysts' consensus of approximately A$180 million.

(3) Volume weighted average price between update on trading and announcement of original non-binding conditional proposal.

Source: IRESS and ASX.

(g) Since the announcement of the Scheme, no Superior Proposal has emerged

Since the announcement of the original non-binding and indicative proposal from Wilmar and First Pacific on 28 April 2014 and up to the date of this Scheme Booklet, no Superior Proposal has emerged, despite the Board having undertaken an active solicitation process prior to entry into the Scheme Implementation Deed, and your Directors are not aware of any Superior Proposal that is likely to emerge.

(h) There are no brokerage costs or stamp duty payable by Scheme Shareholders on disposal of their Scheme Shares

You will not incur any brokerage or stamp duty costs on the transfer of your Goodman Fielder Shares to Wilmar and First Pacific pursuant to the Scheme.

2.3 REASONS TO VOTE AGAINST THE SCHEME

(a) You may disagree with the recommendation of the Goodman Fielder Directors or the conclusion of the Independent Expert

You may disagree with the recommendation of the Goodman Fielder Directors, who have unanimously recommended that Goodman Fielder Shareholders (other than Excluded Shareholders) vote in favour of the Scheme, in the absence of a Superior Proposal.

In addition, you may disagree with the conclusion of the Independent Expert, who has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders).

(b) Goodman Fielder Shareholders may prefer to participate in the future financial performance of the Goodman Fielder business

If the Scheme is approved and implemented, you will cease to be a Goodman Fielder Shareholder. As such, you will no longer be able to participate in Goodman Fielder's future financial performance, potential upside or the future prospects of its business. However, as with all investments in securities, there can be no guarantee as to Goodman Fielder's future performance.

If the Scheme is approved and implemented, Goodman Fielder will, on a date after the Implementation Date (to be determined by FPW), apply for the termination of the official quotation of Goodman Fielder Shares on ASX and NZX and for Goodman Fielder to be removed from the official list of ASX and main board equity security market of NZX. Following delisting, investors will no longer be able to acquire or trade in Goodman Fielder Shares.

(c) The taxation consequences of the Scheme may not suit a Goodman Fielder Shareholder's financial position

If the Scheme is approved and implemented, it will potentially result in taxation consequences (including CGT) for Scheme Shareholders, which will arise earlier than may otherwise have been the case. You should read the Australian Tax Adviser's Report set out in Section 8 which provides an overview of the Australian taxation consequences for Scheme Shareholders. Additionally, if you are a New Zealand resident shareholder, you should read the New Zealand Tax Adviser's Report set out in Section 9 which provides an overview of the New Zealand taxation consequences for Scheme Shareholders, and also seek professional taxation advice with respect to your individual tax situation.

(d) Goodman Fielder Shareholders may consider that there is a possibility that a Superior Proposal will emerge

You may consider that there is potential for a Superior Proposal for Goodman Fielder Shares to emerge in the foreseeable future. However, the Goodman Fielder Directors consider that the possibility of a Superior Proposal emerging in the foreseeable future is low because:

- since the announcement of the original non-binding and indicative proposal from Wilmar and First Pacific on 28 April 2014, no Superior Proposal has emerged, despite the Board having undertaken an active solicitation process prior to entry into the Scheme Implementation Deed; and
- since the announcement of the original non-binding and indicative proposal from Wilmar and First Pacific on 28 April 2014, no Goodman Fielder Director has received any approaches which would cause him or her to believe that a Superior Proposal is likely to emerge.

2.4 OTHER CONSIDERATIONS

(a) The Scheme may proceed even if you do not vote at the Scheme Meeting or if you vote against the Scheme Resolution

The Scheme will be implemented if the Scheme Resolution is duly passed by the requisite majorities of Goodman Fielder Shareholders (other than Excluded Shareholders), all other Conditions Precedent are satisfied or waived (as applicable) and the Scheme is approved by the Court, regardless of whether you vote against the Scheme Resolution or do not vote at the Scheme Meeting to be held on 26 February 2015.

If the Scheme is approved and implemented, your Scheme Shares will be transferred to FPW and you will receive the Scheme Consideration of A$0.675 per Scheme Share.

(b) Conditions Precedent

The Scheme is subject to a number of Conditions Precedent, which are summarised in Section 4.6.

If these Conditions Precedent are not satisfied or waived (as applicable) the Scheme will not proceed (even if it has been approved by the requisite majorities of Goodman Fielder Shareholders (other than Excluded Shareholders)) and Scheme Shareholders will not receive the Scheme Consideration as contemplated by the Scheme.

As at the date of this Scheme Booklet, the Scheme remained conditional on the following Conditions Precedent as outlined further in Section 4.6:

- obtaining Regulatory Approvals from the OIO and MOFCOM and any other antitrust and other approvals required;
- approval of the Scheme by the requisite majority of Goodman Fielder Shareholders (other than Excluded Shareholders) at the Scheme Meeting;
- obtaining Court approval of the Scheme;
- no Court or Government Agency restraining, preventing or delaying the implementation of the Transaction;
- no Goodman Fielder Prescribed Occurrence occurring; and
- no Goodman Fielder Material Adverse Change occurring.

Regulatory Approvals have been obtained from the ACCC and FIRB as outlined further in Section 11.4.

Key considerations relevant to your vote continued

(c) Reimbursement fee

A reimbursement fee of A$13,200,000 is payable by Goodman Fielder to FPW (or to FPW and First Pacific SPV in equal shares if the reimbursement fee becomes payable before MOFCOM Approval is obtained) in a number of circumstances, including (among others):

- where there is a certain specified breach of the Scheme Implementation Deed;
- where a Competing Proposal is announced prior to the date of the Scheme Meeting and, within one year of such announcement, the Competing Proposal results in a Third Party completing a Superior Proposal, acquiring a Relevant Interest in more than 50% of Goodman Fielder Shares, otherwise acquiring control of Goodman Fielder or acquiring substantially all the assets of Goodman Fielder; or
- where there is a change in recommendation of any member of the Goodman Fielder Board, unless certain specified exceptions apply.

A number of these circumstances are qualified by the conclusion of the Independent Expert.

A failure by Goodman Fielder Shareholders to pass the Scheme Resolution at the Scheme Meeting will not trigger Goodman Fielder's obligation to pay a reimbursement fee to FPW.

Please refer to Section 11.1(f) for a full summary of this reimbursement fee obligation.

(d) Share purchase agreements

On 15 May 2014, Oceanica Developments Limited (**ODL**), a wholly owned subsidiary of First Pacific, entered into conditional share purchase agreements with two of Goodman Fielder's largest shareholders, Perpetual Investment Management Limited and Ellerston Capital Limited, to acquire 9.8% of Goodman Fielder Shares at a price of A$0.70 per Goodman Fielder Share (**Conditional Purchase Agreements**). Copies of the Conditional Purchase Agreements were disclosed to Goodman Fielder and ASX by First Pacific on 19 May 2014. As that notice to ASX disclosed, upon entry by ODL into the Conditional Purchase Agreements, the voting power of the Consortium in Goodman Fielder rose from 10.1% to 19.9%.

Completion of the acquisition of the first tranche of 4.8% of Goodman Fielder Shares occurred on 21 May 2014. Completion of the acquisition of the second tranche of 5% of Goodman Fielder Shares occurred on 24 October 2014 as this was conditional only on approval from FIRB of the acquisition of that 5% stake, which approval was received on 21 October 2014.

Frequently asked questions

3

Frequently asked questions

This Section 3 answers some frequently asked questions about the Scheme. It is not intended to address all relevant issues for Goodman Fielder Shareholders. This Section 3 should be read together with all other parts of this Scheme Booklet.

Question	Answer	More information
The Scheme and the Scheme Consideration		
What is the Scheme?	The Scheme is a scheme of arrangement between Goodman Fielder and the Scheme Shareholders. If the Scheme becomes Effective, FPW (an Australian company which, at the time the Scheme is implemented, will be ultimately jointly owned by Wilmar and First Pacific) will acquire all of the Scheme Shares for A$0.675 cash per Scheme Share, and Goodman Fielder will become a Subsidiary of FPW.	Section 4 contains a summary of the Scheme and a copy of the Scheme is contained in Annexure 3.
Am I entitled to receive the Scheme Consideration?	Persons who are Goodman Fielder Shareholders at the Scheme Record Date (currently proposed to be 10 March 2015), other than the Excluded Shareholders, are Scheme Shareholders and are entitled to receive the Scheme Consideration for each Scheme Share they hold.	
What will I be entitled to receive if the Scheme becomes Effective?	If the Scheme becomes Effective, Scheme Shareholders will be entitled to receive A$0.675 cash on the Implementation Date (currently proposed to be 17 March 2015), or as soon as practicable thereafter (which is expected to be within two Business Days of the Implementation Date), for each Scheme Share held by them on the Scheme Record Date (currently proposed to be 10 March 2015). Scheme Shareholders will receive their Scheme Consideration in Australian dollars, unless: • the Scheme Shareholder has validly registered a New Zealand bank account with the Goodman Fielder Share Registry; or • if no Australian bank account has been registered, the Scheme Shareholder has a Registered Address in New Zealand, in which case they will receive the Scheme Consideration in New Zealand dollars.	Section 4.2 contains further information in relation to the Scheme Consideration.
Will I receive any further dividends from Goodman Fielder?	Under the terms of the Scheme Implementation Deed, Goodman Fielder was permitted to pay a final dividend of A$0.01 per Goodman Fielder Share for the year ended 30 June 2014. This dividend was paid on 1 October 2014. Goodman Fielder is not permitted under the terms of the Scheme Implementation Deed to pay any further dividends. If the Scheme does not proceed, the Board will reconsider the position regarding future dividends.	

Question	Answer	More information
What are the risks associated with my investment in Goodman Fielder if the Scheme does not become Effective?	If the Scheme does not become Effective, and no Superior Proposal emerges, the price of Goodman Fielder Shares is likely to fall. In addition, if the Scheme does not become Effective and no Superior Proposal emerges, Goodman Fielder Shareholders will continue to be subject to the specific risks associated with Goodman Fielder's business and other general risks.	Section 7 contains further information on the risk factors associated with an investment in Goodman Fielder.
When and how will I receive my Scheme Consideration?	If the Scheme becomes Effective, the Scheme Consideration will be sent to Scheme Shareholders on the Implementation Date (currently proposed to be 17 March 2015) or as soon as practicable thereafter (which is expected to be within two Business Days of the Implementation Date). Scheme Shareholders who have validly registered their bank account details with the Goodman Fielder Share Registry (by 5:00pm (Sydney time) on the Scheme Record Date) will have their Scheme Consideration sent directly to their bank account. Scheme Shareholders who have not registered their bank account details with the Goodman Fielder Share Registry by that date and time will have their Scheme Consideration sent by cheque to the address shown on the Goodman Fielder Share Register.	See clause 5 of the Scheme contained in Annexure 3. Section 4.2 contains further information about the currency in which the Scheme Consideration will be paid.
How will FPW fund the Scheme Consideration?	FPW intends to satisfy the aggregate Scheme Consideration through Wilmar's and First Pacific's cash reserves, which in aggregate are expected to exceed the maximum consideration payable to Scheme Shareholders under the Scheme. Wilmar and First Pacific may also utilise undrawn loan facilities which are pre-existing facilities and are not connected to the Scheme. Under the JV Agreement, each of Wilmar and First Pacific has committed to advance funds equal to 50% of the amount payable by FPW to meet its payment obligations under the Scheme Implementation Deed.	Section 6.6 contains further information about the means by which FPW will fund the Scheme Consideration.
What is required for the Scheme to become Effective?	The Scheme will become Effective if: • the Scheme is approved by the requisite majorities of Goodman Fielder Shareholders at the Scheme Meeting to be held on 26 February 2015; • all of the other Conditions Precedent are satisfied or waived (as applicable); and • the Court approves the Scheme at the Second Court Hearing.	Section 4.9(b) contains further information on the Scheme approval requirements.

Frequently asked questions continued

Question	Answer	More information
The acquirers		
Who is Wilmar?	Wilmar, founded in 1991 and headquartered in Singapore, is one of Asia's leading agribusiness groups. Wilmar is listed on the mainboard of SGX-ST. The Wilmar Group's business activities include oil palm cultivation, oilseed crushing, edible oils refining, sugar milling and refining, specialty fat, oleochemical, biodiesel and fertiliser manufacturing and grain processing.	Section 6.2 contains further details about Wilmar and its business.
Who is First Pacific?	First Pacific was founded in 1981 and incorporated in Bermuda. It is a Hong Kong-based investment management and holding company with operations located predominantly in Asia. Its principal business interests relate to telecommunications, infrastructure, consumer food products and natural resources. First Pacific is listed on HKEx. First Pacific's shares are also available for trading in the United States through American Depositary Receipts.	Section 6.3 contains further details about First Pacific and its business.
Who is FPW?	FPW is an Australian proprietary company that, at the time the Scheme is implemented, will be ultimately jointly owned in equal shares by Wilmar and First Pacific.	Section 6.4 contains further details about FPW.
What are Wilmar and First Pacific's intentions for Goodman Fielder?	Some of the Consortium's specific intentions for Goodman Fielder (which have been formed on the basis of facts and information concerning the Goodman Fielder Group, and the general economic and business environment, which are known by the Consortium at the time this Scheme Booklet was prepared) include: • to undertake a detailed review of the Goodman Fielder Group's operations covering strategic, financial and operating matters with a view to determine the optimum manner of operating and managing the business; • that Goodman Fielder will be removed from the official list of ASX and the main board equity security market of NZX and become ultimately jointly owned by the Consortium Members; and • to replace the current Goodman Fielder Board Members with nominees of First Pacific and Wilmar (who are yet to be identified). Further details regarding the Consortium's current intentions regarding the business are contained in Section 6.7.	Section 6.7 contains further details about the Consortium's present intentions for the Goodman Fielder Group after the Scheme is implemented.

Question	Answer	More information
The Conditions Precedent		
Are there any conditions to the Scheme?	There are a number of Conditions Precedent that will need to be satisfied or waived (as applicable) before the Scheme can become Effective. In summary, as at the date of this Scheme Booklet, the outstanding Conditions Precedent include: • approval of the Scheme by the Goodman Fielder Shareholders (other than Excluded Shareholders) by the requisite majorities; • approval of the Scheme by the Court; • no Prescribed Occurrences occurring; • no Material Adverse Change occurring; • Regulatory Approvals being obtained; and • no Court or Government Agency restraining, preventing or delaying the implementation of the Transaction. As at the date of this Scheme Booklet, Regulatory Approvals have been obtained from the ACCC and FIRB. Goodman Fielder intends to announce on ASX and NZX the satisfaction (or waiver) of the Conditions Precedent to the Scheme.	Section 4.6 contains further information on the Conditions Precedent to the Scheme. Section 11.4 contains further information on the status of Regulatory Approvals.
When do the conditions have to be satisfied by?	Apart from those Conditions Precedent which must be satisfied on or before the Second Court Date or before the Scheme Booklet is registered with ASIC, the Conditions Precedent must be satisfied by the End Date. The End Date is 31 March 2015, unless Goodman Fielder and FPW agree to extend this date. If the relevant Conditions Precedent are not satisfied by the End Date, the Scheme will not become Effective and will not be implemented. There is no guarantee that Goodman Fielder and FPW will agree to extend the End Date beyond 31 March 2015.	
Goodman Fielder Directors' recommendations and intentions, and reasons to vote for or against the Scheme		
What do the Goodman Fielder Directors recommend?	The Goodman Fielder Directors unanimously recommend that Goodman Fielder Shareholders (other than Excluded Shareholders) vote in favour of the Scheme, in the absence of a Superior Proposal. The Goodman Fielder Directors believe that the reasons for Goodman Fielder Shareholders to vote in favour of the Scheme outweigh the reasons to vote against it.	
What are the intentions of the Goodman Fielder Directors?	Each Goodman Fielder Director intends to vote in favour of the Scheme at the Scheme Meeting on 26 February 2015, in relation to the Goodman Fielder Shares held or controlled by them, in the absence of a Superior Proposal.	Details of the Relevant Interests of each Goodman Fielder Director in Goodman Fielder Shares are set out in Section 10.1.

Frequently asked questions continued

Question	Answer	More information
What is the opinion of the Independent Expert?	Deloitte, as Independent Expert, has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders).	Annexure 2 contains the Independent Expert's Report.
Why should you vote in favour of the Scheme?	Reasons why you should vote in favour of the Scheme include: • the Goodman Fielder Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal; • the Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders); • A$0.675 cash per Goodman Fielder Share represents a significant premium for your Goodman Fielder Shares (refer to Section 2.2(c) for more information); • the Scheme would provide you with the certainty of realising cash value for your Goodman Fielder Shares; • no Superior Proposal has emerged as at the date of this Scheme Booklet and the Goodman Fielder Board is not aware of any Superior Proposal that is likely to emerge; • if the Scheme does not become Effective, and no Superior Proposal emerges, the Goodman Fielder Share price is likely to fall; • if the Scheme does not become Effective, and no Superior Proposal emerges, Goodman Fielder Shareholders will continue to be subject to the specific risks associated with Goodman Fielder's business and other general risks; and • no brokerage or stamp duty is payable on the transfer of your Goodman Fielder Shares under the Scheme.	Sections 2.1 and 2.2 contain further information on why you should vote in favour of the Scheme.
Why may you consider voting against the Scheme?	Reasons why you may consider voting against the Scheme include: • you may disagree with the recommendation of the Goodman Fielder Directors and the conclusions of the Independent Expert; • if the Scheme proceeds, you will no longer be a Goodman Fielder Shareholder and you will not participate in any potential upside that may result from continuing to be a Goodman Fielder Shareholder; • you may consider that there is potential for a Superior Proposal to emerge; and • the tax consequences of the Scheme for you may not be suitable to your individual financial position.	Section 2.3 contains further information on why you may consider voting against the Scheme.
The Scheme Meeting and voting at the Scheme Meeting		
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held on 26 February 2015 at T2, 39 Delhi Road, North Ryde, NSW commencing at 10:00am (Sydney time).	The Notice of Meeting contained in Annexure 6 contains further information on the Scheme Meeting.

Question	Answer	More information
What will Goodman Fielder Shareholders be asked to vote on at the Scheme Meeting?	At the Scheme Meeting, Goodman Fielder Shareholders will be asked to vote on whether to approve the Scheme by voting in favour of the Scheme Resolution.	The Scheme Resolution is set out in the Notice of Meeting contained in Annexure 6.
What is the Goodman Fielder Shareholder approval threshold for the Scheme?	In order to become Effective, the Scheme must be approved by: • a majority in number (more than 50%) of Goodman Fielder Shareholders (other than Excluded Shareholders) present and voting at the Scheme Meeting (either in person or by proxy)[2]; and • at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by Goodman Fielder Shareholders (other than Excluded Shareholders) present and voting at the Scheme Meeting (either in person or by proxy). Goodman Fielder Shares held by or on behalf of Excluded Shareholders, or in which Excluded Shareholders have a Relevant Interest, will not be voted on at the Scheme Meeting. Even if the Scheme is approved by the requisite majorities of Goodman Fielder Shareholders (other than the Excluded Shareholders) at the Scheme Meeting on 26 February 2015, the Scheme is still subject to the approval of the Court (as well as other Conditions Precedent outlined in Section 4.6).	Section 4.9 and the Notice of Meeting contained in Annexure 6 contain further information on the Scheme approval requirements.
Am I entitled to vote at the Scheme Meeting?	If you are registered as a Goodman Fielder Shareholder on the Goodman Fielder Share Register at 7:00pm (Sydney time) on 24 February 2015, you will be entitled to attend and vote at the Scheme Meeting on 26 February 2015. Goodman Fielder Shares held by or on behalf of Excluded Shareholders, or in which Excluded Shareholders have a Relevant Interest, will not be voted on at the Scheme Meeting.	The Notice of Meeting contained in Annexure 6 sets out further information on your entitlement to vote.
Should I vote?	Voting is not compulsory. However, the Goodman Fielder Directors encourage all Goodman Fielder Shareholders to vote at the Scheme Meeting on 26 February 2015.	Sections 4.3 and 4.4 provide further information on the Goodman Fielder Directors' recommendation and voting intentions.
How can I vote if I can't attend the Scheme Meeting?	If you would like to vote but cannot attend the Scheme Meeting on 26 February 2015 in person, you can vote by appointing a proxy or attorney (including by lodging your proxy online at www.goodmanfielder.com.au or www.linkmarketservices.com.au (Australian register) or www.linkmarketservices.co.nz (New Zealand register)) to attend and vote on your behalf. You may also vote by corporate representative if that option is applicable to you.	The Notice of Meeting contained in Annexure 6 sets out further details on how to vote at the Scheme Meeting.

2 It should be noted that the Court has the power to waive this requirement.

Frequently asked questions continued

Question	Answer	More information
Will Wilmar and First Pacific vote their Goodman Fielder Shares at the Scheme Meeting?	No. Wilmar and First Pacific will not vote any Goodman Fielder Shares that they or any of their Subsidiaries hold, or otherwise have a Relevant Interest in, at the Scheme Meeting.	Section 6.8 contains further details about the Goodman Fielder Shares in which Wilmar and First Pacific have a Relevant Interest.
When will the results of the Scheme Meeting be known?	The results of the Scheme Meeting to be held on 26 February 2015 are expected to be available shortly after the conclusion of the Scheme Meeting and will be announced to ASX (www.asx.com.au) and NZX (www.nzx.com) and on the Goodman Fielder website (www.goodmanfielder.com.au) once available. Even if the Scheme is approved by the requisite majorities of Goodman Fielder Shareholders, the Scheme is still subject to the approval of the Court and other Conditions Precedent outlined in Section 4.6.	
What happens if the Court does not approve the Scheme or the Scheme does not otherwise proceed?	If the Scheme is not approved at the Scheme Meeting on 26 February 2015, or if it is approved at the Scheme Meeting but is not approved by the Court or another Condition Precedent is not fulfilled or otherwise waived, then the Scheme will not become Effective and will not be implemented. In such a scenario, Scheme Shareholders will not receive the Scheme Consideration but will retain their Goodman Fielder Shares and continue to be exposed to the risks of an investment in Goodman Fielder, which include those set out in Section 7. In these circumstances, Goodman Fielder will, in the absence of a Superior Proposal, continue to operate as a standalone company listed on ASX and NZX.	Section 4.7 contains further information on the implications for Goodman Fielder Shareholders if the Scheme does not proceed.
What happens to my Goodman Fielder Shares if I do not vote, or if I vote against the Scheme, and the Scheme becomes Effective?	If you do not vote, or vote against the Scheme, and the Scheme becomes Effective, any Scheme Shares held by you on the Scheme Record Date (currently proposed to be 10 March 2015) will be transferred to FPW and you will be sent the Scheme Consideration, despite not having voted or having voted against the Scheme.	
Other questions		
What will happen to Goodman Fielder if the Scheme proceeds?	If the Scheme becomes Effective, Goodman Fielder will, on a date after the Implementation Date (to be determined by FPW) apply for the termination of the official quotation of Goodman Fielder Shares on ASX and NZX and for Goodman Fielder to be removed from the official list of ASX and main board equity security market of NZX. Once Goodman Fielder is delisted from ASX and NZX it will become a Subsidiary of FPW, a company that will at that time be ultimately jointly owned and controlled by Wilmar and First Pacific.	Section 6.7 sets out the current intentions of Wilmar, First Pacific and FPW for Goodman Fielder if the Scheme becomes Effective.

Question	Answer	More information
What happens if a Competing Proposal is received?	If a Competing Proposal is received, the Goodman Fielder Directors will carefully consider the proposal. Goodman Fielder must notify FPW of that Competing Proposal in accordance with the Scheme Implementation Deed.	
Can I sell my Goodman Fielder Shares now?	You can sell your Goodman Fielder Shares on market at any time before the close of trading on ASX and NZX (as applicable) on the Effective Date at the then prevailing market price (which may vary from the Scheme Consideration). Goodman Fielder intends to apply to ASX and NZX for Goodman Fielder Shares to be suspended from trading on ASX and NZX from close of trading on the Effective Date (which is currently proposed to be 3 March 2015). You will not be able to sell your Goodman Fielder Shares on market after this date. If you sell your Goodman Fielder Shares on ASX or NZX, you may pay brokerage on the sale, you will not receive the Scheme Consideration and there may be different tax consequences compared to those that would arise if you retain those shares until the Scheme is implemented.	Section 4.8 contains a summary of the choices available to Goodman Fielder Shareholders.
When could Goodman Fielder be required to pay a reimbursement fee?	Under the Scheme Implementation Deed, Goodman Fielder must pay a reimbursement fee of A$13,200,000 to FPW or, if the reimbursement fee is payable before MOFCOM Approval is obtained, to FPW and First Pacific SPV in equal shares, in certain circumstances including (among others): • where there is a certain specified breach of the Scheme Implementation Deed; • where a Competing Proposal is announced prior to the date of the Scheme Meeting and, within one year of such announcement, the Competing Proposal results in a Third Party completing a Superior Proposal, acquiring a Relevant Interest in more than 50% of Goodman Fielder Shares, or otherwise acquiring control of Goodman Fielder or acquiring substantially all the assets of Goodman Fielder; or • where there is a change in recommendation of any member of the Goodman Fielder Board, unless certain specific exceptions apply. A number of these circumstances are qualified by the conclusion of the Independent Expert. A failure by Goodman Fielder Shareholders to pass the Scheme Resolution at the Scheme Meeting will not trigger Goodman Fielder's obligation to pay a reimbursement fee to FPW.	Section 11.1 contains further information about the triggers for, and amount of, such potential reimbursement fee.
Will I have to pay brokerage or stamp duty?	You will not have to pay brokerage or stamp duty on the transfer of your Goodman Fielder Shares under the Scheme.	

Frequently asked questions continued

Question	Answer	More information
Do I have to sign anything to transfer my Goodman Fielder Shares?	No. If the Scheme becomes Effective, Goodman Fielder will automatically have authority to sign a transfer on your behalf, and the Scheme Consideration will be paid to you. However, you should be aware that, under the Scheme, you are deemed to have warranted to Wilmar, First Pacific, FPW and Goodman Fielder that (in summary): • all your Scheme Shares which are transferred to FPW under the Scheme are fully paid and free from all encumbrances on the date of transfer; and • you have full power and capacity to transfer your Scheme Shares to FPW together with any rights and entitlements attaching to those shares.	See Section 4.11 for further information on the warranties given by Scheme Shareholders. The warranties given by Scheme Shareholders are contained in clause 8.2(b) of the Scheme, which is contained in Annexure 3.
What are the taxation implications of the Scheme?	The taxation implications of the Scheme will depend on your personal circumstances. Section 8 contains the Australian Tax Adviser's Report which provides an overview of the Australian taxation consequences for Scheme Shareholders. Section 9 contains the New Zealand Tax Adviser's Report which provides an overview of the New Zealand taxation consequences for New Zealand tax resident Scheme Shareholders. You should seek professional taxation advice with respect to your individual tax situation.	
When will the Scheme become Effective?	Subject to satisfaction or waiver (as applicable) of the Conditions Precedent, the Scheme will become Effective on the Effective Date (currently proposed to be 3 March 2015) and will be implemented on the Implementation Date (currently proposed to be 17 March 2015).	Section 4.9 contains further information on when the Scheme will become Effective.
When will Goodman Fielder's half year results be available?	Goodman Fielder expects to release its half year results to 31 December 2014 on or around 11 February 2015. Goodman Fielder Shareholders will have the opportunity to review the half year results prior to the Scheme Meeting. Goodman Fielder's half year results will be available on the ASX website (www.asx.com.au) and NZX website (www.nzx.com) and also on Goodman Fielder's website (www.goodmanfielder.com.au).	
Where can I get further information?	For further information, you can call the Goodman Fielder Shareholder Information Line on 1800 178 254 (from within Australia) or 0800 150 013 (from within New Zealand) or +61 1800 178 254 (from outside Australia and New Zealand) Monday to Friday between 8:30am to 5:30pm (Sydney time). If you are in doubt about anything in this Scheme Booklet, please contact your financial, legal, taxation or other professional adviser.	

Overview of the Scheme

4

Overview of the Scheme

4.1 BACKGROUND

On 28 April 2014, Goodman Fielder announced that it had received a non-binding, indicative and conditional proposal from Wilmar and First Pacific to acquire all of the Goodman Fielder Shares by way of scheme of arrangement for A$0.65 cash per Goodman Fielder Share, however, the Goodman Fielder Board did not support the proposal. Goodman Fielder subsequently announced on 16 May 2014 that it had received a proposal from Wilmar and First Pacific, conditional on completion of satisfactory due diligence, at an indicative price of A$0.70 cash per Goodman Fielder Share, with the ability to pay a final dividend of A$0.01 per Goodman Fielder Share for the year ended 30 June 2014, and that due diligence access would be provided to Wilmar and First Pacific.

On 2 July 2014, Goodman Fielder announced that it had entered into a Scheme Implementation Deed in relation to a proposal for the acquisition of all the Scheme Shares by Wilmar and First Pacific, by way of a scheme of arrangement at a revised price of A$0.675 per Goodman Fielder Share, with the ability to pay a final dividend of A$0.01 per Goodman Fielder Share for the year ended 30 June 2014.

This Section 4 contains an overview of the Scheme. A summary of the Scheme Implementation Deed is included in Section 11.1 and a copy of the Scheme Implementation Deed is attached to Goodman Fielder's ASX and NZX announcements of 2 July 2014 available at www.asx.com.au (ASX) and www.nzx.com (NZX).

If the Scheme becomes Effective and is implemented, FPW will acquire all of the Scheme Shares. At the time of implementation of the Scheme, Wilmar and First Pacific will ultimately each own 50% of FPW. Refer to Section 6 for further details.

4.2 SCHEME CONSIDERATION

If the Scheme becomes Effective, Scheme Shareholders will receive the cash amount of A$0.675 for each Scheme Share. The Scheme Consideration will be sent to Scheme Shareholders on the Implementation Date or as soon as practicable thereafter (which is expected to be within two Business Days of the Implementation Date), in either Australian or New Zealand dollars, as outlined below.

For those Scheme Shareholders who will receive their Scheme Consideration in New Zealand dollars (based on the information below), the rate of conversion from Australian dollars to New Zealand dollars will be determined by reference to the prevailing A$:NZ$ exchange rate, at a time to be decided by the Goodman Fielder Share Registry on the Implementation Date.

The prevailing A$:NZ$ exchange rate will be provided by a nominated financial institution to be used by the Goodman Fielder Share Registry. Scheme Shareholders receiving their Scheme Consideration in New Zealand dollars will carry the exchange rate risk related to any changes in the A$:NZ$ exchange rate between the Scheme Meeting and the conversion of their Scheme Consideration. When the Scheme Consideration is actually paid to Scheme Shareholders in New Zealand dollars, those amounts may be worth less (or more) than the Australian dollar amount of the Scheme Consideration at the time the exchange rate for conversion was established, or at the time of the Scheme Meeting.

See clause 5 of the Scheme contained in Annexure 3 for further details.

(a) Scheme Shareholders who have nominated a bank account with Goodman Fielder

For those Scheme Shareholders from whom a valid request for direct credit of payment has been received by the Goodman Fielder Share Registry by 5:00pm (Sydney time) on the Scheme Record Date, their Scheme Consideration will be paid directly to their nominated bank account:

(1) in Australian dollars, where the Scheme Shareholder has nominated an Australian bank account; or

(2) in New Zealand dollars, where the Scheme Shareholder has nominated a New Zealand bank account,

regardless of the Registered Address of the Scheme Shareholder.

(b) Scheme Shareholders who have not nominated a bank account with Goodman Fielder

For those Scheme Shareholders from whom a valid election has not been received by the Goodman Fielder Share Registry as described in section 4.2(a), they will receive their Scheme Consideration by cheque sent by pre-paid post:

(1) drawn in Australian dollars, where the Scheme Shareholder has a Registered Address in Australia or outside New Zealand; or

(2) drawn in New Zealand dollars, where the Scheme Shareholder has a Registered Address in New Zealand.

In the event that Goodman Fielder is unable to pay the Scheme Consideration by direct credit to the Scheme Shareholders who have nominated a bank account with the Goodman Fielder Share Registry, those Scheme Shareholders will receive the Scheme Consideration by cheque sent by pre-paid post.

4.3 GOODMAN FIELDER DIRECTORS' RECOMMENDATION

The Goodman Fielder Directors unanimously recommend that Goodman Fielder Shareholders (other than Excluded Shareholders) vote in favour of the Scheme, in the absence of a Superior Proposal.

The Goodman Fielder Directors believe that the reasons for Goodman Fielder Shareholders (other than Excluded Shareholders) to vote in favour of the Scheme outweigh the reasons to vote against the Scheme. See Section 2 for key reasons to vote in favour of the Scheme and other relevant considerations for Goodman Fielder Shareholders.

In considering whether to vote in favour of the Scheme, the Goodman Fielder Directors encourage you to:

- carefully read all of this Scheme Booklet (including the Independent Expert's Report);
- consider the choices available to you as outlined in Section 4.8;
- have regard to your individual risk profile, portfolio strategy, taxation position and financial circumstances; and
- obtain financial advice from your broker or financial adviser on the Scheme and obtain taxation advice on the effect of the Scheme becoming Effective.

4.4 VOTING INTENTIONS OF THE GOODMAN FIELDER DIRECTORS

Each Goodman Fielder Director intends to vote in favour of the Scheme at the Scheme Meeting to be held on 26 February 2015 in relation to the Goodman Fielder Shares held or controlled by them in the absence of a Superior Proposal.

Details of the Relevant Interests of each Goodman Fielder Director in Goodman Fielder Securities are set out in Section 10.1.

4.5 INDEPENDENT EXPERT'S CONCLUSIONS

Goodman Fielder commissioned the Independent Expert to prepare a report on whether the Scheme is, in the Independent Expert's opinion, fair and reasonable and accordingly is in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders).

The Independent Expert has concluded that the estimated fair market value of a Goodman Fielder Share on a control basis is between A$0.646 and A$0.755. The Scheme Consideration is within this range and, accordingly, the Scheme is fair and reasonable and, therefore, in the best interests Goodman Fielder Shareholders (other than Excluded Shareholders).

The Independent Expert's Report is contained in Annexure 2. The Goodman Fielder Directors encourage Goodman Fielder Shareholders to read the Independent Expert's Report in full before deciding whether to vote in favour of the Scheme.

4.6 CONDITIONS TO THE SCHEME

The implementation of the Scheme is still subject to a number of Conditions Precedent, including but not limited to:

- approval of the Scheme by the requisite majority of Goodman Fielder Shareholders (other than Excluded Shareholders) at the Scheme Meeting;
- approval of the Scheme by the Court;
- no Prescribed Occurrences occurring;
- no Material Adverse Change occurring;
- Regulatory Approvals being obtained; and
- no Court or Government Agency restraining, preventing or delaying the implementation of the Transaction.

As at the date of this Scheme Booklet, Regulatory Approvals have been obtained from the ACCC and FIRB. See Section 11.4 for more information about the status of the Conditions Precedent as at the date of this Scheme Booklet.

The Conditions Precedent are set out in full in clause 3.1 of the Scheme Implementation Deed, a copy of which is attached to Goodman Fielder's ASX and NZX announcements of 2 July 2014 available at www.asx.com.au (ASX) and www.nzx.com (NZX). A summary of the Conditions Precedent is also included in Section 11.1(c) of this Scheme Booklet.

The Scheme will not proceed unless all the Conditions Precedent are satisfied or waived in accordance with the Scheme Implementation Deed.

As at the Last Practicable Date, none of the Goodman Fielder Directors are aware of any circumstances which would cause any Condition Precedent not to be satisfied.

4.7 IMPLICATIONS IF SCHEME DOES NOT PROCEED

If the Scheme does not become Effective:

- Goodman Fielder Shareholders will continue to hold Goodman Fielder Shares and will be exposed to the risks relating to Goodman Fielder's business, including those set out in Section 7;
- Scheme Shareholders will not receive the Scheme Consideration; and
- a reimbursement fee of A$13,200,000 may be payable by Goodman Fielder under certain circumstances, outlined in further detail in Section 11.1(f). Those circumstances will not include the failure by Goodman Fielder Shareholders to pass the Scheme Resolution at the Scheme Meeting.

In the absence of a Superior Proposal, Goodman Fielder will continue as an ASX and NZX listed entity with management continuing to implement the business plan and financial and operating strategies it had in place prior to the announcement of the Transaction.

Prior to the Scheme Meeting, transaction costs will have been incurred, or will be committed, by Goodman Fielder in relation to the Scheme. Those transaction costs will be payable by Goodman Fielder regardless of whether or not the Scheme becomes Effective and is implemented.

The Goodman Fielder Directors are of the opinion that if the Scheme does not proceed, the price of a Goodman Fielder Share on ASX and NZX is likely to fall, in the absence of a Superior Proposal.

4.8 YOUR CHOICES AS A GOODMAN FIELDER SHAREHOLDER

As a Goodman Fielder Shareholder, you have four choices currently available to you, which are as follows:

Vote in favour of the Scheme	This is the course of action unanimously recommended by the Goodman Fielder Directors, in the absence of a Superior Proposal. To follow the Goodman Fielder Directors' unanimous recommendation, you should vote in favour of the Scheme at the Scheme Meeting on 26 February 2015. For a summary of how to vote on the Scheme, please refer to Section 1.2 or Section 4.9(b) and the Notice of Meeting contained in Annexure 6.
Vote against the Scheme	If, despite the Goodman Fielder Directors' unanimous recommendation, you do not support the Scheme, you may vote against the Scheme at the Scheme Meeting on 26 February 2015. However, if all the Conditions Precedent for the Scheme are satisfied or waived (as applicable) and the Scheme becomes Effective, the Scheme will bind all Goodman Fielder Shareholders, including those who vote against the Scheme Resolution at the Scheme Meeting on 26 February 2015 and those who do not vote at all.
Sell your Goodman Fielder Shares	The existence of the Scheme does not preclude you from selling some or all of your Goodman Fielder Shares on market for cash, if you wish, provided you do so before the close of trading in Goodman Fielder Shares on ASX or NZX (as applicable) on the Effective Date (currently proposed to be 3 March 2015), when trading in Goodman Fielder Shares will end. If you are considering selling some or all of your Goodman Fielder Shares: • you should have regard to the prevailing trading prices of Goodman Fielder Shares and compare those to the Scheme Consideration. You may ascertain the current trading prices of Goodman Fielder Shares through the ASX website (www.asx.com.au) or the NZX website (www.nzx.com) (as applicable); and • you should contact your stockbroker for information on how to effect that sale. Goodman Fielder Shareholders who sell some or all of their Goodman Fielder Shares on ASX or NZX (as applicable): • may receive payment (which may vary from the Scheme Consideration) for the sale of their Goodman Fielder Shares sooner than they would receive the Scheme Consideration under the Scheme; • may incur a brokerage charge; • will not be able to participate in the Scheme or a Superior Proposal, if one emerges in respect of those Goodman Fielder Shares they have sold (if they have sold some but not all of their Goodman Fielder Shares); and • may be liable for CGT on the disposal of their Goodman Fielder Shares (as you also may be under the Scheme. See the Australian Tax Adviser's Report set out in Section 8).
Do nothing	Goodman Fielder Shareholders who elect to not vote at the Scheme Meeting on 26 February 2015 or do not sell their Goodman Fielder Shares on market will: • if the Scheme is implemented – have their Scheme Shares compulsorily transferred to FPW, by operation of the Scheme and receive the Scheme Consideration of A$0.675 per Scheme Share; or • if the Scheme is not implemented – retain their Scheme Shares.

4.9 TRANSACTION PROCEDURE

(a) Scheme approval requirements

The Scheme will only become Effective and be implemented if it is:

- approved by the requisite majorities of Goodman Fielder Shareholders (other than Excluded Shareholders) at the Scheme Meeting to be held on 26 February 2015; and
- approved by the Court at the Second Court Hearing.

Agreement by Goodman Fielder Shareholders (other than Excluded Shareholders) requires the Scheme Resolution to be approved by:

- a majority in number (more than 50%) of Goodman Fielder Shareholders (other than Excluded Shareholders) present and voting at the Scheme Meeting (either in person or by proxy) (the **Head Count Approval Requirement**); and
- at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by Goodman Fielder Shareholders (other than Excluded Shareholders) present and voting at the Scheme Meeting (either in person or by proxy).

It should be noted that the Court has the power to waive the Head Count Approval Requirement.

Goodman Fielder Shares held by or on behalf of Excluded Shareholders, or in which Excluded Shareholders have a Relevant Interest, will not be voted on at the Scheme Meeting.

(b) Scheme Meeting and how to vote

(1) Scheme Meeting

The Court has ordered Goodman Fielder to convene the Scheme Meeting at which Goodman Fielder Shareholders (other than Excluded Shareholders) will be asked to approve the Scheme.

The terms of the Scheme Resolution to be considered at the Scheme Meeting are contained in the Notice of Meeting in Annexure 6.

The fact that the Court has ordered the Scheme Meeting to be convened and has approved this Scheme Booklet required to accompany the Notice of Meeting does not mean that the Court has prepared, or is responsible for the content of, this Scheme Booklet or has any view as to the merits of the Scheme or as to how Goodman Fielder Shareholders should vote. On these matters Goodman Fielder Shareholders (other than Excluded Shareholders) must reach their own decision.

(2) Attendance at the Scheme Meeting

The entitlement of Goodman Fielder Shareholders to attend and vote at the Scheme Meeting is set out in the Notice of Meeting.

Instructions on how to attend and vote at the Scheme Meeting to be held on 26 February 2015 (in person, by proxy, or in person through an attorney or corporate representative) are set out in the Notice of Meeting.

Voting is not compulsory. However, the Goodman Fielder Directors unanimously recommend that Goodman Fielder Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal.

The results of the Scheme Meeting will be available as soon as possible after the conclusion of the Scheme Meeting and will be announced to ASX (www.asx.com.au) and NZX (www.nzx.com) once available.

(c) Court approval of the Scheme

In the event that:

- the Scheme is approved by the requisite majorities of Goodman Fielder Shareholders (other than Excluded Shareholders) at the Scheme Meeting (see Section 4.9(a) for the Scheme approval requirements); and
- all Conditions Precedent (except Court approval of the Scheme) have been satisfied or waived (if they are capable of being waived),

then Goodman Fielder will apply to the Court for orders approving the Scheme.

Each Goodman Fielder Shareholder has the right to appear at the Second Court Hearing.

(d) Effective Date

If the Court approves the Scheme, the Scheme will become Effective on the Effective Date, being the date an office copy of the Court order from the Second Court Hearing approving the Scheme is lodged with ASIC. Goodman Fielder will, on the Scheme becoming Effective, give notice of that event to ASX and NZX.

Goodman Fielder intends to apply to ASX and NZX for Goodman Fielder Shares to be suspended from trading on ASX and NZX from close of trading on the Effective Date.

(e) Scheme Record Date and entitlement to Scheme Consideration

Those Goodman Fielder Shareholders (other than Excluded Shareholders) on the Goodman Fielder Share Register on the Scheme Record Date (currently proposed to be 10 March 2015) will be entitled to receive the Scheme Consideration in respect of the Goodman Fielder Shares they hold at that time.

(f) Implementation Date

Scheme Shareholders will be sent the Scheme Consideration on the Implementation Date (currently proposed to be 17 March 2015) or as soon as practicable thereafter (expected to be within two Business Days of the Implementation Date). Immediately after the Scheme Consideration is sent to Scheme Shareholders the Scheme Shares will be transferred to FPW.

(g) Deed Polls

As at the date of this Scheme Booklet, two deed polls have been executed (the **SPV Deed Polls**): one by Wilmar and FPW and the other by First Pacific and First Pacific SPV. Pursuant to each SPV Deed Poll, Wilmar and FPW and First Pacific and First Pacific SPV (as applicable) have agreed in favour of the Scheme Shareholders to:

- provide, or to procure that FPW and First Pacific SPV (as applicable) provide, in equal shares, the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme, subject to the Scheme becoming Effective;
- undertake all other actions attributed to Wilmar and FPW or First Pacific and First Pacific SPV (as applicable) under the Scheme; and
- comply with their respective obligations under the Scheme Implementation Deed.

Overview of the Scheme continued

The SPV Deed Polls will terminate and be of no force or effect if, among other things, the Implementation Deed Poll (as defined below) is executed and delivered in accordance with the Scheme Implementation Deed.

FPW, Wilmar and First Pacific have also agreed the form of a further Deed Poll (the **Implementation Deed Poll**), pursuant to which FPW, Wilmar and First Pacific have agreed in favour of Scheme Shareholders to:

- in the case of FPW, provide the aggregate amount of Scheme Consideration payable to all Scheme Shareholders under the Scheme, subject to the Scheme becoming Effective;
- undertake all other actions attributed to them under the Scheme; and
- comply with their respective obligations under the Scheme Implementation Deed (which in the case of Wilmar and First Pacific includes their guarantee, in equal shares, of FPW's obligations under the Scheme).

The Implementation Deed Poll will be executed once MOFCOM Approval is obtained, and the obligations in the Implementation Deed Poll are subject to:

- MOFCOM Approval being obtained;
- termination of the SPV Deed Polls in accordance with their terms; and
- the Scheme becoming Effective.

A copy of the agreed form SPV Deed Polls are contained in Annexure 5 and a copy of the agreed form Implementation Deed Poll is contained in Annexure 4.

4.10 COPY OF GOODMAN FIELDER SHARE REGISTER

Under sections 169 and 173 of the Corporations Act, any Goodman Fielder Shareholder has a right to inspect, and to ask for a copy of, the Goodman Fielder Share Register which contains details of the name and address of each Goodman Fielder Shareholder. Goodman Fielder may require a Goodman Fielder Shareholder to provide reasons for their request prior to providing a copy of the Goodman Fielder Share Register, and a Goodman Fielder Shareholder must not use any information obtained for an improper purpose. A copy of the Goodman Fielder Share Register will be given to any Goodman Fielder Shareholder upon request and payment of the prescribed fee under the Corporations Act where Goodman Fielder is satisfied that the details provided are not likely to be used for an improper purpose.

4.11 WARRANTY BY SCHEME SHAREHOLDERS

The terms of the Scheme provide that each Scheme Shareholder is taken to have warranted to Goodman Fielder, FPW, First Pacific and Wilmar, and appointed and authorised Goodman Fielder as its attorney and agent to warrant to FPW on the Implementation Date, that:

- all their Goodman Fielder Shares (including any rights and entitlements attaching to those shares) which are transferred under the Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; and
- they have full power and capacity to transfer their Scheme Shares to FPW together with any rights attaching to those shares.

Under the terms of the Scheme, Goodman Fielder undertakes that it will provide such warranty to FPW, Wilmar and First Pacific as agent and attorney of each Scheme Shareholder.

4.12 DELISTING OF GOODMAN FIELDER

On a date after the Implementation Date, to be determined by FPW, Goodman Fielder will apply for the termination of the official quotation of Goodman Fielder Shares on ASX and NZX and for Goodman Fielder to be removed from the official list of ASX and main board equity security market of NZX.

Information on the Goodman Fielder Group

5

Information on the Goodman Fielder Group

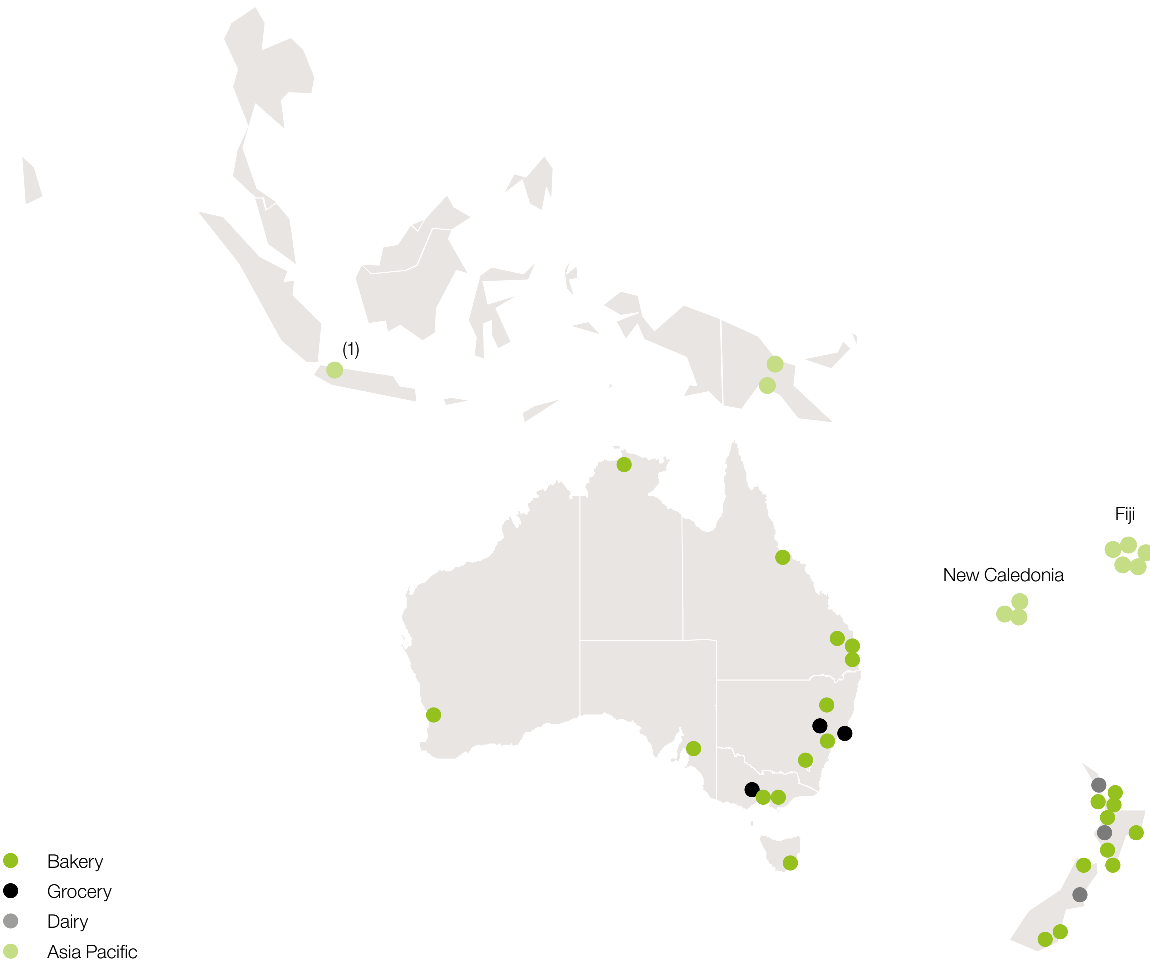
5.1 INTRODUCTION

Goodman Fielder is one of Australasia's leading branded food companies and engages in the manufacturing, marketing and distribution of consumer branded food, beverage and related products and food ingredients. Goodman Fielder's products are sold under recognisable brands in Australia, New Zealand, the Pacific and Asia, many of which are high-profile brands with strong presence in their categories.

Underpinning Goodman Fielder's position is its extensive manufacturing footprint and national distribution network in both Australia and in New Zealand. For the financial year ended 30 June 2014, Goodman Fielder generated sales of approximately A$2.2 billion and normalised EBIT of approximately A$150.7 million.

Headquartered in Sydney, Australia, Goodman Fielder has a workforce of approximately 5,600 employees with approximately 39 manufacturing and processing sites throughout Australia, New Zealand and the Asia Pacific region (including Papua New Guinea, Fiji and New Caledonia).

Goodman Fielder manufacturing sites



(1) Goodman Fielder has a 50% interest in P.T. Sinar Meadow International Indonesia (SMII) which manufacturers bakery ingredients.

(2) Goodman Fielder operates both Baking and Grocery facilities on some of its sites in Australia and New Zealand. The above map allocates those sites to the division with the largest manufacturing facility on that site.

5.2 OVERVIEW OF OPERATIONS

Goodman Fielder's operations are classified into four divisions: baking, dairy, grocery and Asia Pacific.

Goodman Fielder operating structure
(A$ millions; FY14)

Sales:	$2,200
EBITDA:	$224
EBIT:	$151

Baking (Aust/NZ)

Sales:	$925
EBIT:	$35
Margin (%):	*3.8%*

Dairy (NZ)

Sales:	$473
EBIT:	$20
Margin (%):	*4.2%*

Grocery (Aust/NZ)

Sales:	$449
EBIT:	$51
Margin (%):	*11.3%*

Asia Pacific

Sales:	$354
EBIT:	$65
Margin (%):	*18.4%*

Note: Earnings before interest, tax, depreciation and amortisation (**EBITDA**) and earnings before interest and tax (**EBIT**) are from continuing operations and represent normalised results, excluding pre-tax significant items of A$493 million. Details of Goodman Fielder's audited financial statements for the financial years ended 30 June 2014, 30 June 2013 and 30 June 2012 are set out in Section 5.6.

(a) Baking

Goodman Fielder is a leading baker in Australia and New Zealand, supplying loaf bread and other baked goods under brands including Nature's Fresh, Vogel's (under licence), Wonder White, Mighty Soft and Helga's.

The baking division operates 24 baking facilities throughout Australia and New Zealand, in addition to an extensive distribution platform supplying major retailers as well as convenience stores, petrol stations and foodservice customers. The baking division's products are predominantly sold in supermarkets.

The baking division also manufactures private label products for supermarket groups in Australia and New Zealand.

For the financial year ended 30 June 2014, the baking division generated sales of A$925 million and normalised EBIT of A$35 million.

(b) Dairy

Goodman Fielder is a leading producer of branded consumer dairy products in New Zealand, with a portfolio of brands including Meadow Fresh, Bouton d'or and Puhoi Valley.

The dairy division operates 3 dairy sites across New Zealand and operates an extensive distribution platform through which it provides daily delivery of milk to major retailers as well as convenience stores, petrol stations and foodservice customers (through its route and food service distribution network).

In addition to producing its own product lines, the dairy division has supply contracts with Fonterra under which it supplies fresh (processed) milk in the South Island of New Zealand and UHT milk for export from New Zealand. The dairy division also manufactures private label milk products for supermarket groups in New Zealand.

For the financial year ended 30 June 2014, the dairy division generated sales of A$473 million and normalised EBIT of A$20 million.

(c) Grocery

Goodman Fielder is a well-recognised supplier of consumer food products to supermarkets in Australia and New Zealand. Goodman Fielder supplies a wide range of products including spreads, dressings, mayonnaise, cooking oils, flour, pastry and cake mix under brands including MeadowLea, Praise, White Wings, Edmonds, Crisco and Pampas.

The grocery division operates 4 manufacturing facilities in Australia and New Zealand as well as sourcing products from selected third party manufacturers. The grocery division's products are sold predominantly in supermarkets.

For the financial year ended 30 June 2014, the grocery division generated sales of A$449 million and normalised EBIT of A$51 million.

(d) Asia Pacific

Goodman Fielder is a leading food supplier in the Pacific Islands, primarily focused on flour, chicken and snack foods. Papua New Guinea and Fiji represent the division's core markets and the division supplies products into the retail grocery and commercial/food service market channels in the Asia Pacific region under brands including Flame, Meadow Fresh, Crest and Pilot.

The Asia Pacific division operates 10 manufacturing sites across Fiji, New Caledonia, Papua New Guinea in addition to poultry growing facilities in Fiji. The Asia Pacific division also has a 50% interest in a joint venture entity in Indonesia (P.T. Sinar Meadow International Indonesia) that manufactures and sells edible fats and oils products (including industrial and foodservice margarines and shortenings) into a range of channels (including industrial and foodservice channels).

The division exports products including bakery ingredients, dairy and spreads to over 20 countries in the region, including China, Hong Kong, Malaysia and Singapore. As part of its export strategy, it also supplies Meadow Fresh UHT milk to China via a leading supermarket chain and other retailers. The division also supplies bakery fats (including margarines and shortenings) into the commercial/food service channel in China.

For the financial year ended 30 June 2014, the Asia Pacific division generated sales of A$354 million and normalised EBIT of A$65 million.

5.3 GOODMAN FIELDER BOARD AND SENIOR MANAGEMENT

(a) Goodman Fielder Board

The Goodman Fielder Board comprises the following directors:

Name	Position
Mr Steven Gregg	Chairman of the Board and non-executive Director
Mr Chris Delaney	Managing Director and Chief Executive Officer
Mr Ian Cornell	Non-executive Director
Ms Jan Dawson	Non-executive Director
Mr Peter Hearl	Non-executive Director
Mr Clive Hooke	Non-executive Director
Ms Chris Froggatt	Non-executive Director
Mr Ian Johnston	Non-executive Director

(b) Senior management

Members of Goodman Fielder's group management team, in addition to Mr Chris Delaney, include:

Name	Position
Mr Peter Foyston	Managing Director Goodman Fielder Asia Pacific
Mr Patrick Gibson	Chief Financial Officer
Mr Ross O'Brien	Chief Human Resources Officer
Mr Peter Reidie	Managing Director Goodman Fielder Australia & New Zealand
Mr Rob Rogers	Chief Supply Chain & Operations Officer
Mr Pankaj Talwar	Chief Marketing Officer, Category Managing Director
Mr Andre Teixeira	Chief Research & Development and Quality Officer
Mr Sean Tully	General Counsel
Mr Jonathon West	Chief Strategy & Corporate Development Officer
Mr Paul Williams	Chief Information Officer

5.4 CAPITAL STRUCTURE

As at the Last Practicable Date, Goodman Fielder had the following securities on issue:

- 1,955,559,207 Goodman Fielder Shares;
- 17,845,554 Goodman Fielder Performance Rights.

Further information regarding the Goodman Fielder Performance Rights are set out in Section 10.1.

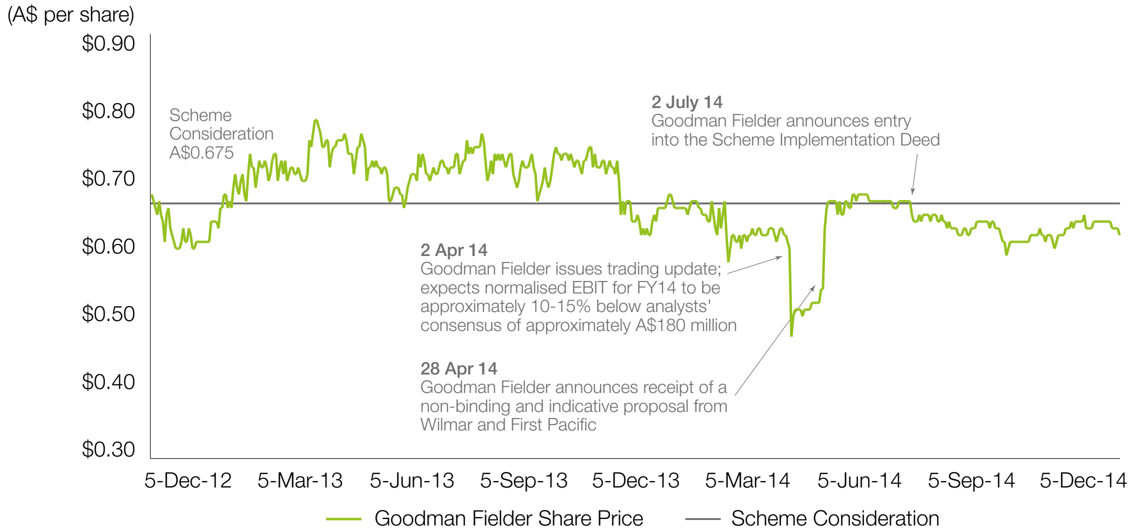
5.5 RECENT SHARE PRICE HISTORY

As at 24 April 2014, the last trading day prior to the announcement by Goodman Fielder on 28 April 2014 of the receipt of a non-binding and indicative proposal by Wilmar and First Pacific, Goodman Fielder shares closed on ASX at A$0.55.

In the period from 5 December 2012 to 5 December 2014, the daily price of Goodman Fielder Shares has fluctuated between a low of A$0.48 and a high of A$0.80.

The following chart shows the closing price of Goodman Fielder Shares on the ASX over the last 2 years.

Share price history



IRESS[1].

(1) This Scheme Booklet contains references to trading data prepared by IRESS Market Technology Limited (ACN 060 313 359) who has not consented to such use of references to that trading data in this Scheme Booklet.

5.6 HISTORICAL FINANCIAL INFORMATION

This section sets out summary financial information in relation to Goodman Fielder for the purpose of this Scheme Booklet. The financial information has been extracted from Goodman Fielder's audited financial statements for the financial years ended 30 June 2014, 30 June 2013 and 30 June 2012.

The financial information contained in this section has been presented in an abbreviated form and does not contain all of the disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

Goodman Fielder's full financial accounts, including all notes to those accounts, can be found in:

- The Goodman Fielder Appendix 4E and 2014 Annual Financial Report (released to ASX and NZX on 13 August 2014).
- The Goodman Fielder Appendix 4E and 2013 Annual Financial Report (released to ASX and NZX on 14 August 2013).
- The Goodman Fielder Appendix 4E and 2012 Annual Financial Report (released to ASX and NZX on 14 August 2012).

Goodman Fielder's financial reports for the financial years ended 30 June 2014, 30 June 2013 and 30 June 2012 were audited in accordance with applicable Australian Accounting Standards. The audit opinions relating to those financial reports were unqualified.

These documents are available from:

- ASX on its website at www.asx.com.au
- NZX on its website at www.nzx.com (in respect of the 2014 financial report only)
- Goodman Fielder on its website at www.goodmanfielder.com.au

(a) Consolidated income statement

Set out below is a summary of Goodman Fielder's consolidated income statements for FY2012, FY2013 and FY2014.

The summarised historical consolidated income statements of the Goodman Fielder Group which are set out:

- in the fourth column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2014 as disclosed within Goodman Fielder's Appendix 4E and 2014 Annual Financial Report;
- in the third column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2013 as disclosed within Goodman Fielder's Appendix 4E and 2013 Annual Financial Report; and
- in the second column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2012 as disclosed within Goodman Fielder's Appendix 4E and 2012 Annual Financial Report.

Information on the Goodman Fielder Group continued

	For the year ended 30 June 2012 A$m	For the year ended 30 June 2013 A$m	For the year ended 30 June 2014 A$m
Continuing operations			
Revenue	2,212.5	2,127.6	2,199.9
Other income	9.0	34.0	11.4
Cost of sales	(1,412.1)	(1,342.3)	(1,427.5)
Warehousing and distribution expenses	(316.2)	(314.1)	(328.6)
Selling and marketing expenses	(170.2)	(174.2)	(193.8)
General and administration expenses	(195.4)	(140.3)	(148.2)
Other	(145.3)	–	(455.5)
Expenses, excluding finance costs	**(2,239.2)**	**(1,970.9)**	**(2,553.6)**
Net finance costs	(90.1)	(67.2)	(56.8)
Profit/(loss) before income tax from continuing operations	**(107.8)**	**123.5**	**(399.1)**
Income tax expense	(9.0)	(32.7)	1.1
Profit/(loss) for the year from continuing operations	**(116.8)**	**90.8**	**(398.0)**
Discontinued operations			
Profit/(loss) from discontinued operations, net of income tax	(23.1)	19.0	–
Profit/(loss) for the year	**(139.9)**	**109.8**	**(398.0)**
Attributable to:			
Owners of Goodman Fielder Limited	(146.9)	102.5	(405.1)
Non-controlling interest	7.0	7.3	7.1
Profit/(loss) for the year	**(139.9)**	**109.8**	**(398.0)**
	Cents	Cents	Cents
Earnings per share for profit/(loss) attributable to the owners of Goodman Fielder Limited from continuing operations:			
Basic earnings per share	(7.0)	4.3	(20.7)
Diluted earnings per share	(7.0)	4.2	(20.7)
	Cents	Cents	Cents
Earnings per share for profit/(loss) attributable to the owners of Goodman Fielder Limited from continuing operations and discontinued operations:			
Basic earnings per share	(8.3)	5.3	(20.7)
Diluted earnings per share	(8.3)	5.2	(20.7)
	A$m	A$m	A$m
Profit/(loss) for the year	**(139.9)**	**109.8**	**(398.0)**
Other comprehensive income/(loss), net of tax			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences	5.4	68.8	70.0
Effective portion of changes in the fair value of cash flow hedges	1.1	5.0	(2.1)
Exchange differences on non-controlling interest	1.9	0.3	(0.8)
Other comprehensive income for the year, net of tax	**8.4**	**74.1**	**67.1**
Total comprehensive income/(loss) for the year	**(131.5)**	**183.9**	**(330.9)**
Attributable to:			
Owners of Goodman Fielder Limited	(140.4)	176.3	(337.2)
Non-controlling interest	8.9	7.6	6.3
Total comprehensive income/(loss) for the year	**(131.5)**	**183.9**	**(330.9)**

(b) Consolidated balance sheet

Set out below is a summary of Goodman Fielder's consolidated balance sheets as at 30 June 2012, 30 June 2013 and 30 June 2014.

The summarised historical consolidated balance sheets of the Goodman Fielder Group which are set out:

- in the fourth column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2014 as disclosed within Goodman Fielder's Appendix 4E 2014 and 2014 Annual Financial Report;
- in the third column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2013 as disclosed within Goodman Fielder's Appendix 4E and 2013 Annual Financial Report; and
- in the second column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2012 as disclosed within Goodman Fielder's Appendix 4E and 2012 Annual Financial Report.

	For the year ended 30 June 2012 A$m	For the year ended 30 June 2013 A$m	For the year ended 30 June 2014 A$m
CURRENT ASSETS			
Cash and cash equivalents	161.7	403.1	194.4
Trade and other receivables	227.6	162.9	156.3
Inventories	128.0	128.9	122.9
Derivative financial instruments	1.7	0.1	–
Current tax receivable	13.7	9.1	4.0
Other current assets	9.0	14.6	13.3
Assets classified as held for sale	177.1	1.7	1.7
Total current assets	**718.8**	**720.4**	**492.6**
NON-CURRENT ASSETS			
Receivables	2.4	0.8	–
Investments in jointly controlled entities	4.1	5.5	11.2
Property, plant and equipment	498.1	511.5	471.2
Deferred tax assets	57.7	47.1	65.6
Intangible assets	1,411.6	1,490.5	1,171.3
Other non-current assets	1.1	1.0	1.3
Total non-current assets	**1,975.0**	**2,056.4**	**1,720.6**
Total assets	**2,693.8**	**2,776.8**	**2,213.2**
CURRENT LIABILITIES			
Trade and other payables	275.2	235.7	265.1
Borrowings	51.0	52.8	1.0
Derivative financial instruments	23.7	17.0	13.9
Current tax liabilities	15.0	16.4	3.7
Provisions	61.6	60.9	52.6
Liabilities classified as held for sale	7.6	–	–
Total current liabilities	**434.1**	**382.8**	**336.3**
NON-CURRENT LIABILITIES			
Borrowings	786.2	760.8	641.7
Deferred tax liabilities	20.5	28.2	28.7
Provisions	15.2	20.5	20.6
Derivative financial instruments	62.7	32.2	44.9
Total non-current liabilities	**884.6**	**841.7**	**735.9**
Total liabilities	**1,318.7**	**1,224.5**	**1,072.2**
Net assets	**1,375.1**	**1,552.3**	**1,141.0**

	For the year ended 30 June 2012 A$m	For the year ended 30 June 2013 A$m	For the year ended 30 June 2014 A$m
EQUITY			
Contributed equity	2,063.7	2,065.0	2,065.0
Reserves	(252.9)	(177.6)	(108.4)
Accumulated losses	(441.7)	(339.2)	(823.8)
Capital and reserves attributable to owners of Goodman Fielder Limited	1,369.1	1,548.2	1,132.8
Non-controlling interest	6.0	4.1	8.2
Total equity	**1,375.1**	**1,552.3**	**1,141.0**

(c) Consolidated cash flow statement

Set out below is a summary of Goodman Fielder's consolidated cash flow statements for FY2012, FY2013 and FY2014.

The summarised historical consolidated cash flow statements of the Goodman Fielder Group which are set out:

- in the fourth column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2014 as disclosed within Goodman Fielder's Appendix 4E and 2014 Annual Financial Report;
- in the third column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2013 as disclosed within Goodman Fielder's Appendix 4E and 2013 Annual Financial Report; and
- in the second column of the table below, have been extracted from the audited financial statements of Goodman Fielder for the year ended 30 June 2012 as disclosed within Goodman Fielder's Appendix 4E and 2012 Annual Financial Report.

	For the year ended 30 June 2012 A$m	For the year ended 30 June 2013 A$m	For the year ended 30 June 2014 A$m
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers	2,744.6	2,413.6	2,381.1
Payments to suppliers and employees	(2,495.4)	(2,151.2)	(2,181.2)
Insurance proceeds	10.0	–	–
Interest received	1.9	9.8	5.4
Interest paid	(90.3)	(79.0)	(62.2)
Income taxes paid	(41.8)	(14.5)	(24.8)
Net cash inflow from operating activities	**129.0**	**178.7**	**118.3**
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangibles	(84.8)	(78.6)	(75.6)
Proceeds from sale of property, plant and equipment	0.2	9.1	0.8
Proceeds from sale of business	–	192.1	18.4
Insurance proceeds	–	26.3	–
Net cash inflow/(outflow) from investing activities	**(84.6)**	**148.9**	**(56.4)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issues of shares	251.5	–	–
Proceeds from borrowings	378.5	138.0	–
Repayment of borrowings	(551.2)	(219.4)	(193.5)
Finance lease payments	(1.1)	(1.2)	(0.8)
Dividends paid	(34.5)	–	(79.5)
Dividends paid to outside equity interests	(10.8)	(9.5)	(2.2)
Net cash (outflow)/inflow from financing activities	**32.4**	**(92.1)**	**(276.0)**
Net increase in cash and cash equivalents	76.8	235.5	(214.1)
Cash and cash equivalents at the beginning of the financial year	79.9	161.7	403.1
Effects of exchange rate changes on cash and cash equivalents	5.0	5.9	5.4
Cash and cash equivalents at end of year	**161.7**	**403.1**	**194.4**

(d) Material changes in Goodman Fielder's financial position since Goodman Fielder's Appendix 4E and 2014 Annual Financial Report

Other than:

- the accumulation of profits in the ordinary course of trading; or
- as disclosed in the Scheme Booklet or as otherwise disclosed to ASX and NZX by Goodman Fielder,

the financial position of Goodman Fielder has not, within the knowledge of the Goodman Fielder Board, materially changed since 30 June 2014, being the date of the Goodman Fielder Appendix 4E and 2014 Annual Financial Report.

5.7 OUTLOOK

If the Transaction does not proceed, Goodman Fielder will continue to implement its strategy which has been previously communicated to the market.

That strategy includes the continued focus on turning around the performance of the baking division with particular emphasis on driving further cost efficiencies in the daily fresh delivery model. As part of this strategy, Goodman Fielder is at the very early stages of working with its major customers to develop a strategy to address supply chain solutions. The primary aims of this plan are to improve on-shelf availability and in-store merchandising, reduce waste and reduce the cost of distribution and returns.

Goodman Fielder is also considering specific initiatives associated with artisan bread products, and how to capitalise on the growth opportunity this represents for the Baking business, including assessing organic growth and bolt-on acquisition opportunities to leverage the existing position of the Baking business.

Across its portfolio, Goodman Fielder will continue its strategy to re-focus capital and marketing expenditure on its core categories and brands in the baking and grocery divisions.

Goodman Fielder's strategy also includes the expansion of its dairy business in the Asia Pacific region and on 12 June 2014 Goodman Fielder announced a NZ$27 million investment in its UHT plant in Christchurch, New Zealand to expand its capacity by 32 million litres per annum. If the Transaction does not proceed, Goodman Fielder will progress a review of strategic and partnership options for its dairy business to enhance and grow the business across the region.

While Goodman Fielder has a strategy to deliver incremental earnings growth as an independent company listed on ASX and NZX this strategy will take time to fully implement and involves execution risk, some of which remains outside the control of Goodman Fielder.

If the Transaction does not proceed, Goodman Fielder Shareholders will continue to be subject to the specific risks associated with Goodman Fielder and other general risks which include those set out in section 7.

5.8 PUBLICLY AVAILABLE INFORMATION ABOUT GOODMAN FIELDER

Goodman Fielder is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Goodman Fielder is subject to the Listing Rules which require (subject to some exceptions) continuous disclosure of any information Goodman Fielder has that a reasonable person would expect to have a material effect on the price or value of Goodman Fielder Shares.

ASX and NZX maintain files containing publicly disclosed information about all listed companies. Information disclosed to ASX and NZX by Goodman Fielder is available at www.asx.com.au (ASX) and www.nzx.com (NZX).

In addition, Goodman Fielder is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Goodman Fielder may be obtained from an ASIC office.

Goodman Fielder Shareholders may obtain a copy of:

- the Goodman Fielder 2014 Annual Report (being the typeset version of the full financial report most recently lodged with ASIC before the registration of this Scheme Booklet with ASIC); and
- any announcements given to ASX and NZX by Goodman Fielder after the lodgement by Goodman Fielder of the Goodman Fielder 2014 Annual Report and before the date of this Scheme Booklet,

from Goodman Fielder's website (www.goodmanfielder.com.au) or, free of charge, by calling the Goodman Fielder Shareholder Information Line on 1800 178 254 (for callers within Australia), 0800 150 013 (for callers within New Zealand) or +61 1800 178 254 (for callers outside Australia and New Zealand) Monday to Friday between 8:30am and 5:30pm (Sydney time).

A list of announcements made by Goodman Fielder to ASX from 16 October 2014 (being the date on which Goodman Fielder lodged the Goodman Fielder 2014 Annual Report with ASX and NZX) to the Last Practicable Date is contained in Annexure 1 to this Scheme Booklet.

A substantial amount of information about Goodman Fielder, including financial information and releases to ASX and NZX, is available in electronic form on the Goodman Fielder website at www.goodmanfielder.com.au.

Information about the Consortium

6

Information about the Consortium

This section has been prepared, in part, by FPW (with respect to information about FPW and Wilmar) and in part by First Pacific SPV (with respect to information about First Pacific SPV and First Pacific) and each of them is individually responsible for the information they have respectively provided. The information in this section about First Pacific and Wilmar acting together as the **Consortium** (and each a **Consortium Member**) or which is about FPW and its intentions after implementation of the Scheme or about the funding of the Scheme Consideration, has been jointly prepared by FPW and First Pacific SPV and they are each individually responsible for that information.

6.1 FPW AND FIRST PACIFIC SPV

If the Scheme becomes Effective and is implemented, FPW will acquire all of the Scheme Shares. At the time of implementation of the Scheme, Wilmar and First Pacific will ultimately each own 50% of FPW.

6.2 OVERVIEW OF WILMAR

(a) Corporate information

Wilmar was founded in the Republic of Singapore in 1991 and is one of Asia's leading agribusiness groups. Wilmar is listed on the mainboard of SGX with a market capitalisation of approximately US$15.92 billion as at 31 October 2014. As at 30 June 2014, the Wilmar Group's consolidated total assets were approximately US$44.24 billion. The Wilmar Group's net profit for the half-year ended 30 June 2014 was approximately US$332.5 million and for the financial year ended 31 December 2013 was approximately US$1.32 billion.

The Wilmar Group's business activities include oil palm cultivation, oilseed crushing, edible oils refining, sugar milling and refining, specialty fat, oleochemical, biodiesel and fertiliser manufacturing and grain processing.

Wilmar is headquartered in Singapore and has over 450 manufacturing plants located in 15 countries and has an extensive distribution network covering over 50 countries, including Australia. It has a multi-national workforce of approximately 92,000 people.

(b) Wilmar's principal activities and operations

(1) Palm and laurics

The Wilmar Group is the world's largest processor and merchandiser of palm and lauric oils with processing plants in Indonesia, Malaysia, China, Vietnam, Europe and Africa. This division processes palm and lauric oils into refined palm oil, speciality fats, oleochemicals and biodiesel.

(2) Oilseeds and grains

The Wilmar Group crushes oilseeds such as soybean, rapeseed, groundnut, cottonseed, sunflower seed and sesame seed into protein meal and crude oils. The protein meal is mainly sold to animal feed producers while the oils produced are largely sold to its own consumer products division. The Wilmar Group has crushing operations in China, India, Malaysia, Russia and South Africa.

The Wilmar Group also has flour and rice milling businesses and rice bran oil production businesses. The Wilmar Group is one of the largest wheat and rice millers in China and also has wheat and rice mills through joint ventures in Malaysia, Indonesia and Vietnam.

(3) Consumer products

The Wilmar Group produces consumer packs of edible oils, rice, flour, grains and noodles which are marketed under its own brands. The Wilmar Group is the largest producer of consumer pack edible oils in China and has a significant market presence in consumer pack edible oils in India, Indonesia, Vietnam, Sri Lanka and Bangladesh.

The Wilmar Group's consumer pack edible oils business extends beyond Asia, reaching into Africa. The Wilmar Group produces and sells branded consumer pack oil in the Ivory Coast, Uganda, South Africa, Ghana and Nigeria.

(4) Plantations and palm oil mills

The Wilmar Group is one of the largest oil palm plantation owners in Indonesia and Malaysia and had a total planted area of 241,048 hectares in Indonesia, Malaysia and Africa as at 31 December 2013. In addition, the crude palm oil and palm kernel produced by the Wilmar Group's oil palm mills are predominantly supplied to its refineries and palm kernel crushing plants.

(5) Sugar

The Wilmar Group's sugar business involves sugarcane cultivation, the milling of sugarcane to produce raw sugar and the refining of raw sugar to produce food-grade products. It is Australia's largest sugar producer and is responsible for more than 50% of cane crushed and raw sugar produced in Australia.

The Wilmar Group produces food-grade products such as white sugar, brown sugar, caster sugar and syrups. It supplies a broad range of industrial and consumer markets and its refined sugar products are distributed in both bulk and packaged forms. It owns the leading brands of "CSR" for sweeteners in Australia and "Chelsea" in New Zealand. Its diversified product and brand portfolio is also complemented by the distribution of the "Equal" range, as well as developing an emerging stevia and glucose offering.

The Wilmar Group exports refined sugar products to many Asia Pacific and European markets as well as refined sugar dairy blends to Japan. The Wilmar Group's two sugar refineries in Indonesia are licensed to import raw sugar and supply refined sugar to the food and beverage manufacturing industry.

(6) Fertiliser

Wilmar Group's fertiliser business is mainly based in Indonesia. The Wilmar Group is one of the largest fertiliser market players in Indonesia. In addition to having production lines focusing on nitrogen, phosphorus and potassium compound fertilisers, the Wilmar Group also engages in the trading and distribution of potash, phosphate and nitrogen fertilisers as well as secondary nutrients and trace element products.

(7) Shipping

As part of the Wilmar Group's integrated business model, the Wilmar Group owns a fleet of liquid and dry bulk carriers which improves the flexibility and efficiency of its logistics operations. Its fleet provides partial support for the Wilmar Group's total shipping requirements.

6.3 FIRST PACIFIC

(a) Corporation information

First Pacific is incorporated in Bermuda and is an investment management and holding company founded in 1981 which is based in Hong Kong with operations located predominantly in Asia. First Pacific is listed on HKEx with a market capitalisation of approximately US$4.6 billion as at 31 October 2014. First Pacific's shares are also available for trading in the United States through American Depositary Receipts. As at 30 June 2014, First Pacific's consolidated total assets were approximately US$16.99 billion and its profit attributable to owners of the parent for the half year ended 30 June 2014 was approximately US$186.3 million and for the financial year ended 31 December 2013 was approximately US$235.3 million.

First Pacific's key business strategy is to identify assets with strong growth potential and possible synergies and manage investments by setting strategic direction, developing business plans and defining targets. First Pacific's principal business portfolio relates to investments in telecommunications, infrastructure, consumer food products and natural resources.

(b) Key business investments

This section summarises First Pacific's key business investments as at 31 October 2014.

(1) PT Indofood SuksesMakmurTbk (Indofood)

Indofood is a leading total food solutions company based in Indonesia and is listed on IDX. Its operations involve all stages of food manufacturing from the production of raw materials and their processing, to consumer products in the market. In Australia, Indofood distributes instant noodles, soy and other sauces and other seasonings and other products. First Pacific and its affiliates have an economic interest in Indofood of approximately 50.1%.

(2) Philippine Long Distance Telephone Company

Philippine Long Distance Telephone Company is a leading telecommunications provider in the Philippines which is listed on PSE and its American Depository Receipts are listed on NYSE. First Pacific and its affiliates have an economic interest in Philippine Long Distance Telephone Company of approximately 25.6%.

(3) Metro Pacific Investments Corporation

Metro Pacific Investments Corporation is an investment management and holding company focused on infrastructure development and is listed on PSE. First Pacific and its affiliates have an economic interest in Metro Pacific Investments Corporation of approximately 55.8%.

(4) Philex Mining Corporation

Philex Mining Corporation is a company which explores and mines mineral resources and is listed on PSE. First Pacific and its affiliates have an economic interest in Philex Mining Corporation of approximately 31.2%.

A Philippine affiliate of First Pacific holds an additional 15% economic interest in Philex Mining Corporation.

(5) FPM Power Holdings Limited

FPM Power Holdings Limited is a company which owns a 70% interest in PacificLight Power Pte Ltd – a company which operates a gas-fired power plant in Singapore. First Pacific and its affiliates have an economic interest in FPM Power Holdings Limited of approximately 68.4%.

(6) FP Natural Resources Limited

FP Natural Resources Limited is a company which holds a 34% economic interest in Roxas Holdings, Inc which is the largest raw sugar producer and fourth largest sugar refiner in Philippines and is listed on PSE. First Pacific and its affiliates have an economic interest in FP Natural Resources Limited of approximately 79.1%.

6.4 FPW AND FIRST PACIFIC SPV

FPW is an Australian proprietary company established for the sole purpose of acquiring the Scheme Shares and acting as the Consortium's holding company of its interests in Goodman Fielder on and from implementation of the Scheme.

As at the date of this Scheme Booklet, FPW is named W Bidco Australia Pty Ltd and is ultimately wholly owned and controlled by Wilmar.

As described in more detail in Section 11 of this Scheme Booklet, each of FPW and First Pacific SPV is party to the Scheme Implementation Deed and until completion of the pre-implementation Restructure (as defined below), each has given certain undertakings in favour of Scheme Shareholders (see Section 4.9(g) for further details).

Prior to implementation of the Scheme:

- FPW will be renamed from W Bidco Australia Pty Ltd to FPW Australia Pty Limited;
- First Pacific's wholly owned subsidiary, ODL will subscribe for new shares in JV Co that will give it 50% of shares on issue by JV Co (JV Co is a private company incorporated in Singapore which currently indirectly holds 100% of shares in FPW). As a result, Wilmar and First Pacific will each ultimately own 50% of FPW; and
- First Pacific SPV will become a direct or indirect subsidiary of JV Co,

together, the **Restructure**.

The Restructure will take place following the receipt of MOFCOM Approval.

The Scheme will not become Effective, and the Scheme will not be implemented, unless the Regulatory Approvals (including MOFCOM Approval) have been obtained.

Once MOFCOM Approval is obtained, FPW will have rights and obligations under the Scheme Implementation Deed going forward, including the obligation to pay the Scheme Consideration to Scheme Shareholders.

As at the date of this Scheme Booklet, the directors of FPW are La-Mei Teo and Scott Wallace Weitemeyer and its company secretary is Duncan William Scott Glasgow and the directors of First Pacific SPV are Robert Charles Nicholson and Graham Pickles. It is proposed that upon implementation of the Scheme, the directors of FPW will be La-Mei Teo, Scott Wallace Weitemeyer, Robert Charles Nicholson and Graham Pickles.

Further details regarding the structure of the Consortium is set out in section 6.5 below.

6.5 FURTHER DETAILS ABOUT THE CONSORTIUM

(a) Consortium structure

The relationship between the Consortium Members is governed by the JV Agreement.

As discussed in Section 6.4 above, following completion of the Restructure, each Consortium Member will indirectly own 50% of FPW and upon implementation of the Scheme, FPW will acquire all of the Scheme Shares.

The JV Agreement sets out the agreements that Wilmar and First Pacific have made in relation to the ongoing management and operation of JV Co and Goodman Fielder following implementation of the Scheme. These provisions of the JV Agreement will take effect upon implementation of the Scheme.

The JV Agreement also contains the terms of the Restructure and provides for the transfer to FPW of all Goodman Fielder Shares that are already held by any Subsidiary of a Consortium Member (see section 6.8 below for further details) prior to the Effective Date (other than a small number of Goodman Fielder Shares potentially to be retained by JV Co).

(b) The Consortium's rationale for acquiring Goodman Fielder

The Scheme represents an opportunity for Wilmar and First Pacific to create a leading Asia Pacific consumer foods company.

Wilmar's scale and distribution networks, together with First Pacific's investment experience and both parties' financial resources, place the Consortium in a unique position to improve efficiencies and lower production costs at Goodman Fielder's operations and facilitate greater access for Goodman Fielder's range of products to the Asia Pacific region.

Goodman Fielder complements First Pacific's and Wilmar's existing investments in the Asian food industry and provides the opportunity to grow the Goodman Fielder business.

The acquisition of Goodman Fielder is in line with First Pacific's plans to diversify its business and geographic exposure. Further, Goodman Fielder's consumer foods businesses are complementary to Wilmar's existing businesses in Australia and New Zealand, such as the CSR and Chelsea brands of sugar, and will enable Wilmar and First Pacific to increase the scale of their supply chains throughout Asia Pacific, and particularly to grow the business by providing more efficient distribution channels for Goodman Fielder.

6.6 FUNDING OF THE SCHEME CONSIDERATION

The Scheme Consideration is 100% cash.

Under the terms of the Deed Poll, FPW has undertaken in favour of each Scheme Shareholder to pay the Scheme Consideration into a trust account for the benefit of Scheme Shareholders no later than the Business Day before the Implementation Date, conditional upon, amongst other things, the Scheme becoming Effective.

If the Transaction is completed, Scheme Shareholders will become entitled to receive the Scheme Consideration of A$0.675 per Scheme Share, which will be payable by FPW.

Based on Goodman Fielder's total issued share capital as at the date of this Scheme Booklet, the total amount of cash required to be paid by FPW to Scheme Shareholders under the Scheme is A$1,057,372,666.20. Each of Wilmar and First Pacific have severally guaranteed the obligation of FPW to pay the Scheme Consideration as to 50% each.

Under the JV Agreement, each Consortium Member has committed to advance funds equal to 50% of the amount payable by FPW to meet its payment obligations under the Scheme Implementation Deed.

FPW intends to satisfy the aggregate Scheme Consideration through the Consortium Members' cash reserves, which in aggregate are expected to exceed the maximum consideration payable to Scheme Shareholders, and the Consortium Members may also utilise undrawn loan facilities which are pre-existing facilities not connected to the Scheme.

6.7 FPW'S POST-ACQUISITION INTENTIONS

This section sets out FPW's present intentions on the basis of facts and information concerning Goodman Fielder and the general business environment which are known to the Consortium Members at the time of preparation of this Scheme Booklet. Final decisions on these matters will only be made by FPW in light of all material facts and circumstances at the relevant time. Accordingly, other than where the disclosure below expressly states that FPW has determined to do something, the statements set out in this section are statements of current intention only and may change as new information becomes available or as circumstances change.

(a) Review of operations

If the Scheme becomes Effective, FPW intends to undertake a detailed review of Goodman Fielder's operations covering strategic, financial and operating matters to determine the optimum manner of operating and managing the business. Any final decisions as to FPW's intentions for Goodman Fielder would only be finalised following this review (other than where the disclosure below expressly states that FPW has determined to do something). However, based on information available to FPW at the date of this Scheme Booklet, FPW believes it can realise value through the combination of the Consortium and Goodman Fielder through:

- the expansion of the distribution of Goodman Fielder's products into potential new markets in the Asia Pacific region, utilising the extensive distribution network of First Pacific's subsidiary, Indofood, in Indonesia and of Wilmar in China; and
- the development of manufacturing efficiencies within, and incorporating the current "best practice" of First Pacific's and Wilmar's existing operations into, Goodman Fielder's manufacturing operations.

The review will include consideration of various proposals for the potential investment of additional capital expenditure with a view to achieving the above objectives.

(b) Goodman Fielder to be delisted

If the Scheme is implemented, FPW will procure that Goodman Fielder apply to:

- the ASX for Goodman Fielder to be removed from ASX's official list after the implementation of the Scheme; and
- the NZX for Goodman Fielder to be removed from NZX's main board equity security market after implementation of the Scheme.

(c) Board of directors

If the Scheme is implemented, FPW intends to replace the current Goodman Fielder Board Members with nominees of First Pacific and Wilmar (who are yet to be identified).

(d) Business continuity and major changes

Decisions about the future operating plan and management organisation for Goodman Fielder, including decisions about any changes to the way the business is conducted (such as any redeployment of the fixed assets of Goodman Fielder and any changes to the employment of the present employees of the Goodman Fielder Group) will be made by FPW following the completion of the detailed post-acquisition review described in Section 6.7(a) above.

FPW's present intention is to maintain the Goodman Fielder Group's existing business structure and to carry on the Goodman Fielder Group's businesses in substantially the same manner as it is currently conducted, other than as set out below. Specifically, it is not FPW's present intention to segregate the Goodman Fielder Group's businesses into parts that are to be owned and operated by each Consortium Member to the exclusion of the other, or otherwise to make any material divestments of assets.

The Consortium recognises the skills and values of the Goodman Fielder Group's employees. Subject to the general strategic review, to be undertaken following implementation described above, FPW does not have any current intention to make any material changes to the Goodman Fielder Group's staffing levels or to move Goodman Fielder's head office.

FPW intends to expand the distribution of Goodman Fielder's products into potential new markets in the Asia Pacific region utilising the extensive distribution network of First Pacific's subsidiary, Indofood, in Indonesia and of Wilmar, in China. FPW has determined that, subject to major adverse macroeconomic or regulatory developments, this will include a further expansion of Goodman Fielder's Christchurch UHT plant in order to increase exports of UHT milk into China and other Asian markets. This may also include, for example, the establishment of joint ventures between Goodman Fielder (or any Goodman Fielder Group Member) and the Consortium Members (or their affiliates) following implementation of the Scheme in one or more jurisdictions (including in China) subject to receipt of any necessary regulatory approvals.

It is intended that some of Goodman Fielder's existing finance facilities would be refinanced on or after the implementation of the Scheme using proceeds of new debt facilities to be obtained on or after implementation of the Scheme.

Other than as set out in this section, FPW has no present intentions to make major changes to, or dispose any parts of, the Goodman Fielder Group's existing businesses.

6.8 INTERESTS IN GOODMAN FIELDER SHARES AND BENEFITS

As at the date of this Scheme Booklet:

(a) JV Co (currently a wholly owned subsidiary of Wilmar) has a Relevant Interest in 5,791,579 Goodman Fielder Shares and Wii Pte Ltd (a wholly owned subsidiary of Wilmar) has a Relevant Interest in a further 191,644,802 Goodman Fielder Shares (together representing 10.1% of Goodman Fielder Shares); and

(b) ODL (a wholly owned subsidiary of First Pacific) has a Relevant Interest in 191,644,802 Goodman Fielder Shares (representing 9.8% of Goodman Fielder Shares).

As described above in Section 6.5, pursuant to the JV Agreement, FPW will acquire the above Goodman Fielder Shares prior to the Effective Date (other than a small number of Goodman Fielder Shares potentially to be retained by JV Co).

As disclosed by Wilmar and First Pacific to Goodman Fielder and ASX in their respective substantial shareholding notices on 19 May 2014, Wilmar and First Pacific (and their respective related bodies corporate) have had a combined voting power in 19.9% of Goodman Fielder Shares since 15 May 2014, as a result of the shareholdings disclosed above and as a result of Wilmar and First Pacific being associates of one another with respect to Goodman Fielder.

As described in section 2.4(d), on 15 May 2014, ODL entered into Conditional Purchase Agreements under which it agreed to acquire 191,644,802 Goodman Fielder Shares (representing 9.8% of Goodman Fielder Shares) at a price of A$0.70 per Goodman Fielder Share. Upon entry by ODL into the Conditional Purchase Agreements, the voting power of the Consortium in Goodman Fielder rose from 10.1% to 19.9%.

Completion of the Conditional Purchase Agreements occurred in two stages. ODL acquired 93,866,842 Goodman Fielder Shares (representing 4.8% of Goodman Fielder Shares) on 21 May 2014 and the remaining 97,777,960 Goodman Fielder Shares (representing 5% of Goodman Fielder Shares) on 24 October 2014 following receipt of FIRB approval.

As at the date of this Scheme Booklet, no directors of FPW (or proposed directors of FPW) hold any Goodman Fielder Shares.

Other than as described above, during the four months before the date of this Scheme Booklet, neither Consortium Member nor any of their respective associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an associate, to:

- vote in favour of the Scheme; or
- dispose of Goodman Fielder Shares,

which benefit was not offered to all Scheme Shareholders.

Neither Consortium Member nor any of their respective associates has made or given or will make or give any benefit to any current Goodman Fielder Board Member as compensation or consideration for, or otherwise in connection with, any resignation from the Goodman Fielder Board, if the Scheme becomes Effective and the Goodman Fielder Board is accordingly reconstituted.

Potential risk factors

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Potential risk factors

In considering the Scheme, you should be aware that there are a number of risk factors, general and specific, which could materially adversely affect the future operating and financial performance of Goodman Fielder, the value of the Goodman Fielder Shares and future dividends. These risks will only continue to be relevant to you if the Scheme does not proceed and you retain your current investment in Goodman Fielder.

If the Scheme proceeds and you are a Scheme Shareholder, you will receive the Scheme Consideration, you will cease to be a Goodman Fielder Shareholder and you will also no longer be exposed to the risks set out below.

Before deciding how to vote in relation to the Scheme, you should have a sufficient understanding of these matters and should consider whether continuing to hold Goodman Fielder Shares is appropriate for you, having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this Scheme Booklet or are in any doubt as to how to vote in relation to the Scheme, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before deciding how to vote.

This section describes potential risks associated with Goodman Fielder's business and risks associated with continuing to hold Goodman Fielder Shares. It does not purport to list every risk that may be associated with an investment in Goodman Fielder Shares now or in the future and the occurrence or consequences of some of the risks described in this section may be partially or completely outside the control of Goodman Fielder, its Directors and senior management team.

7.1 GENERAL RISKS

As with other entities with listed ordinary shares on ASX or NZX, the market price of Goodman Fielder is influenced by a variety of general business cycles and economic and political factors in Australia, New Zealand the Asia Pacific region and other overseas jurisdictions, including economic growth, interest rates, exchange rates, inflation, employment levels, changes in government fiscal, monetary and regulatory policy in relevant jurisdictions and changes to accounting or financial reporting standards. In addition to these factors, deterioration of general economic conditions, adverse foreign exchange rate movements, the Australian, New Zealand and overseas stock markets, natural disasters and catastrophic events may also affect Goodman Fielder's operating environment, operational performance, reputation, financial performance and/or financial position.

7.2 SPECIFIC RISKS RELATING TO GOODMAN FIELDER

(a) Competition

Goodman Fielder's competitors include large international food companies, local domestic and regional businesses and independent franchises and chains. In some markets Goodman Fielder also competes with retailers, including its key customers, who market competitive products under their own private label brands.

Goodman Fielder operates in markets in which many consumers are price sensitive and there can be a high degree of brand substitutability. The market share of competitors may increase, and that of Goodman Fielder may decrease, as a result of various factors, including aggressive pricing or promotional strategies by those competitors, a change in consumer preferences towards competitors' products and enhanced price competitiveness due to exchange rate fluctuations, lower costs of production or otherwise. In addition, new competitors may enter a significant market in which Goodman Fielder operates or existing competitors or suppliers may extend their activities or geographic reach to enter into a market in which Goodman Fielder operates, which may result in surplus manufacturing capacity in the industry. These competitive actions may reduce the prices that Goodman Fielder is able to charge for its products or reduce the volume of products sold, both of which would impact negatively on the financial performance of Goodman Fielder.

In the packaged foods industry, brands and products, including private label brands, compete for limited shelf space and sales, with competition based on factors including product quality, brand recognition and loyalty (in some categories), convenience, price, trade promotion, consumer promotion, customer service, effective advertising and promotional activities, and the ability to identify and satisfy emerging consumer preferences.

(b) Future activities

Goodman Fielder's financial and operational goals include being able to deliver acceptable financial returns to its shareholders. In order to be able to deliver on this goal, Goodman Fielder intends to pursue a number of strategic initiatives. These initiatives may include the expenditure of a material amount of capital funds, the acquisition of new businesses and divestment of current businesses, expansion into new product categories and territories, the exit from existing businesses, markets, categories or contracts, and investment in new technologies. Whilst such projects will be subject to rigorous evaluation and financial assessment, as well as executive management and board approval, one or more of these future initiatives may be unsuccessful and result in a loss of earnings, loss of asset value or loss of reputation, which could have a material adverse impact on the financial performance of Goodman Fielder.

(c) Relationships with major customers

Goodman Fielder sells its products to a number of large customers, including large supermarket chains. Some of these large customers currently have strong, or could develop stronger, negotiating positions with suppliers due to their size and scale. In the event that a major customer of Goodman Fielder was to materially change its trading terms, delete any Goodman Fielder product from its product offerings, cease to promote Goodman Fielder products, cease to stock new product lines from Goodman Fielder or not renew a private label supply arrangement or other major sales contract currently held by Goodman Fielder, Goodman Fielder's market share and/or profit margins may be materially impacted, thereby having an adverse impact on its financial performance.

Supermarket chains may also seek to lower prices in food categories in which Goodman Fielder's products compete, as part of competition between supermarket chains for consumers and their shopping basket. This carries the risk of impacting Goodman Fielder's market shares, sales volumes and/or margins as some consumers switch from Goodman Fielder's branded product offerings to lower priced alternative products.

(d) Growth of private label products

"Private label" products are products which are marketed by retailers under their own brands and which can compete with the branded products of Goodman Fielder and other suppliers. There has been growth in supermarket private label brands in Australia and New Zealand in recent years. This carries the risk of impacting a supplier's market shares, sales volumes and/or margins as some consumers switch from branded product offerings to private label products, and there is also the risk of losing market share of branded product offerings if a private label supply contract is lost. The growth in private label products has often been at the expense of sales of branded products such as those produced by Goodman Fielder. However, if Goodman Fielder responded to the growth in private label products by increasing production volume in private label products at the expense of branded products, the average margin for Goodman Fielder would reduce as private label products are generally sold at a discount to the equivalent branded products.

Private label products hold a significant market share in a number of the product categories in which Goodman Fielder competes. Goodman Fielder participates in this segment's growth via supply contracts, and is a major supplier of private label bread (in Australia and New Zealand) and milk (in New Zealand). Private label contracts are generally awarded on the basis of the pricing levels offered by suppliers and Goodman Fielder may have to reduce its margins to win or retain those contracts in the event of strong competition from other suppliers.

If Goodman Fielder were to lose a significant private label contract to a competitor or retain the contract on less favourable terms, it would be likely to have an adverse impact on Goodman Fielder's financial performance.

(e) Commodity prices

Goodman Fielder purchases commodities including wheat, raw milk and oils for use in the manufacture of its products, the cost of which makes up a material proportion of the total cost of many of its finished products.

Commodity prices can be volatile, with substantial increases and decreases occurring over a relatively short period. Movements in commodity prices can be caused by a number of factors outside of Goodman Fielder's control, including global economic factors, weather conditions, increases in demand, government regulation, movements in foreign exchange rates and investment trading in commodities. Increases in commodity prices may materially increase the overall input costs for many of Goodman Fielder's products. Goodman Fielder attempts to recover this increased cost through a combination of productivity and efficiency gains within its operations and increasing prices to its customers. The ability and speed with which Goodman Fielder can respond to increases in the cost of raw materials by identifying and implementing productivity and efficiency gains and/or by adjusting the prices charged to its customers may be limited and may result in lower margins on its products or loss of market share, thereby adversely impacting its financial performance.

Where practical, Goodman Fielder attempts, within board approved limits, to increase its ability to maintain profit margins and cash flows notwithstanding adverse movements in commodity prices by implementing forward purchasing and hedging strategies, including the use of forward contracts and derivatives, to manage its commodity cost and currency exposure.

(f) Availability of commodities and other raw ingredients and packaging

The availability of commodities and other raw materials and packaging essential to Goodman Fielder's operations may also be impacted by a number of factors outside of its control, including global demand, weather conditions, crop yields, supply chain bottlenecks, government regulation and industrial disputes. While Goodman Fielder has sourcing contingency plans, in the unlikely event that any essential raw material (including, but not limited to, wheat, milk and edible oils) or packaging input is only available in limited quantities, or not at all, on a temporary or permanent basis, this could lead to significant business interruption for Goodman Fielder and adversely impact its financial performance.

(g) Brands

Goodman Fielder's products and services are sold under a number of brands. Those brands and their brand equity are key assets of Goodman Fielder. The reputation and value associated with Goodman Fielder's brands could be impacted by a number of factors, including quality issues associated with Goodman Fielder's products, product recall, product contamination or other public health issues, disputes or litigation with third parties such as employees or suppliers, adverse media coverage or reduced market share through competitor activity (including marketing and promotional activities), the growth in private label sales or ineffective marketing campaigns by Goodman Fielder (including a failure to effectively respond to changes in consumer marketing opportunities and trends, such as social media and direct marketing). Should Goodman Fielder's brands or their image be damaged in any way or lose their market appeal (or in the case of licensed brands, a licence be terminated), this may have a material adverse impact on the financial performance of Goodman Fielder.

(h) Product liability

As with any food business, there is a risk that Goodman Fielder's products might be contaminated in the production process or might otherwise be affected by food safety issues or adverse publicity.

Goodman Fielder has comprehensive procedures in place to minimise the risk of product contamination. However, in the event that a contamination of any of Goodman Fielder's products occurs, it may lead to business interruption, product recalls or liabilities to customers or consumers and/or the loss of private label supply contracts. While Goodman Fielder maintains insurance cover for some of these risks, it may not be able to recover fully under those policies in all circumstances, and any amounts that it does recover may not be sufficient to offset any damage to the financial performance, reputation or prospects of Goodman Fielder caused by any product contamination or product liability claim or the negative publicity surrounding such event or claim.

Potential risk factors continued

(i) Health concerns

A real or perceived health risk by customers associated with any type of food group in Goodman Fielder's principal markets (for example, bread, vegetable oils or dairy products) or with a specific brand could have a material adverse impact on sales of that product and Goodman Fielder's operating and financial performance.

There may also be a material adverse impact on sales if Goodman Fielder is unable to adapt to a change in consumer trends in response to health concerns, such as a shift towards alternative products perceived to be healthier.

(j) Consumer preferences

Consumer preferences are continually evolving. Goodman Fielder has an extensive marketing research and insights process to understand the latest consumer trends and create innovation and new product development to meet the ever evolving needs of consumers. However, a large percentage of new products do not succeed after launch and there is a risk that Goodman Fielder may not understand critical changes to consumer behaviours and needs and may miss major opportunities for growth. If Goodman Fielder is unable to adapt its product offerings to meet changing consumer needs, misjudges consumer preferences or fails to convert market trends into appealing product offerings, then this may result in lower revenue and profit which will adversely impact the financial performance of Goodman Fielder.

(k) Operational risks and catastrophic events

Goodman Fielder undertakes its own production for most of its business operations, and operates a network of manufacturing facilities with varying levels of capacity utilisation. It also relies on a large number of suppliers of raw materials, packaging and finished products who use their own production facilities. Goodman Fielder also operates a large and complex distribution network which allows it to service customers across Australia, New Zealand and the Asia Pacific region delivering both to distribution centres and direct to store on a daily fresh basis.

There is a possibility of interruption at one or more of Goodman Fielder's, or its suppliers', manufacturing facilities or within Goodman Fielder's distribution network arising from events including an industrial dispute, contamination or other environmental non-compliance, industrial accident, technology failure, breakdown or failure of equipment or processes, disruption in energy supplies, fire, flood, explosion, earthquake or any other natural disaster. While Goodman Fielder has contingency and asset protection plans, this could lead to production and/or delivery difficulties or Goodman Fielder not being able to meet supply commitments (potentially resulting in reduced sales of Goodman Fielder's products), which may have a material adverse impact on its operating and financial performance.

While Goodman Fielder maintains insurance cover for some of these risks, it may not be able to recover fully under those policies in all circumstances, and any amounts that it does recover may not be sufficient to offset any damage to the financial performance or reputation of Goodman Fielder caused by any loss of production or the negative publicity surrounding such inability to supply the market.

(l) Sovereign risk

Goodman Fielder operates and owns businesses in a number of overseas territories including Fiji, Papua New Guinea, New Caledonia, the Philippines and China in addition to its operations in Australia and New Zealand. A change in the laws, regulations or policies in one or more of any of those jurisdictions could materially impact Goodman Fielder's net assets or profitability. Approximately 40% of Goodman Fielder's normalised EBIT in the financial year ended 30 June 2014 came from operations located in jurisdictions other than Australia or New Zealand.

(m) General regulatory factors

Goodman Fielder is required to comply with a range of laws and regulations. Regulatory areas which are of particular significance to Goodman Fielder include food standards and packaging, fair trading and consumer protection, employment, property and the environment, workplace health and safety, competition law, corporations law, intellectual property, customs and tariffs and taxation. The introduction of any new laws or changes to existing laws (or government policies) could result in increased costs being incurred by Goodman Fielder and therefore have a material adverse impact on the operating and financial performance of Goodman Fielder.

In some markets in which Goodman Fielder operates, its products compete with imported products. Goodman Fielder also engages in the export of products into foreign jurisdictions. The introduction or removal of trade tariffs or duties or the subsidisation of producers or exporters by a foreign government, could result in increased competition in those markets and have a material adverse impact on the financial performance of Goodman Fielder.

Changes in relevant taxes, including any change in tax arrangements between Australia, New Zealand and other jurisdictions relevant to Goodman Fielder's businesses, could have an adverse impact on the financial performance of Goodman Fielder.

(n) Litigation

Goodman Fielder and its controlled entities may from time to time be the subject of complaints, litigation, investigations or audits initiated by customers, employees, suppliers, landlords, government agencies, regulatory bodies or other third parties alleging matters such as incorrect product descriptions, supply of contaminated, unsafe or non-compliant products, unsafe workplace practices, environmental, safety or operational concerns, negligence, failure to comply with applicable laws and regulations or failure to comply with contractual obligations. Such matters, even if successfully resolved without direct adverse financial effect, could have an adverse impact on Goodman Fielder's reputation and/or divert its financial and management resources from other uses. If Goodman Fielder were found to be liable under any such claims this could have a material adverse effect on the financial position of Goodman Fielder.

(o) Industrial action

A significant proportion of Goodman Fielder's employees are members of unions. Goodman Fielder and the unions representing its employees periodically engage in contractual negotiations. Goodman Fielder considers that it has good relations with the unions representing its employees and there is no current expectation that operations will be disrupted by any industrial action in the foreseeable future. However, if the parties are unable to reach agreement in the negotiation of new contractual arrangements, or any other dispute arises, it may eventually lead to periods of industrial action. Sustained periods of industrial action may have an adverse impact on the operations and financial performance of Goodman Fielder.

Australian taxation implications

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Australian taxation implications

8.1 INTRODUCTION

The following is a general description of the Australian income tax, GST and stamp duty consequences for Goodman Fielder Shareholders who dispose of their Goodman Fielder Shares under the Scheme.

The comments set out below are relevant only to those Goodman Fielder Shareholders who hold their Goodman Fielder Shares on capital account. Goodman Fielder Shareholders who:

- hold their Goodman Fielder Shares for the purposes of speculation or a business of dealing in securities (e.g. as trading stock); or
- have made any of the tax timing method elections pursuant to the taxation of financial arrangement rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to gains and losses on their Goodman Fielder Shares; or
- acquired their Goodman Fielder Shares pursuant to an employee share or option plan,

should seek their own advice.

Goodman Fielder Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences under the laws of their country of residence, as well as under Australian law, of disposing of their Goodman Fielder Shares under the Scheme.

The following description is based upon the Australian law and administrative practice in effect at the date of this Scheme Booklet, but it is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of every Goodman Fielder Shareholder. Goodman Fielder Shareholders should seek independent professional advice in relation to their own particular circumstances.

8.2 AUSTRALIAN RESIDENT GOODMAN FIELDER SHAREHOLDERS

The Scheme will involve the disposal by Goodman Fielder Shareholders of their Goodman Fielder Shares by way of a transfer to FPW. This change in the ownership of the Goodman Fielder Shares will constitute a CGT event for CGT purposes.

The date of disposal for CGT purposes will be the Implementation Date which is expected to be 17 March 2015.

Goodman Fielder Shareholders will make a capital gain on the transfer of their Goodman Fielder Shares to the extent that the capital proceeds from the CGT event are more than the cost base of those Goodman Fielder Shares. Conversely, Goodman Fielder Shareholders will make a capital loss to the extent that the capital proceeds are less than their reduced cost base of those Goodman Fielder Shares.

The capital proceeds from the CGT event will be the Scheme Consideration of A$0.675 per Goodman Fielder Share received by Goodman Fielder Shareholders in respect of the transfer of their Goodman Fielder Shares.

The cost base (and reduced cost base) of the Goodman Fielder Shares generally includes their cost of acquisition and certain non-deductible incidental costs of acquisition and disposal of the Goodman Fielder Shares.

Individuals, complying superannuation entities or trustees that have held Goodman Fielder Shares for at least 12 months prior to the Implementation Date should be entitled to discount the amount of the capital gain (after application of capital losses) resulting from the transfer of their Goodman Fielder Shares under the Scheme by:

- 50% in the case of individuals and trusts; or
- 33⅓% for complying superannuation entities.

For a Goodman Fielder Shareholder who is a trustee of a trust, the ultimate availability of the CGT discount for a beneficiary of the trust to whom the capital gain is distributed will depend on the particular circumstances of the beneficiary.

Capital gains and capital losses of a taxpayer in an income year are aggregated to determine whether there is a net capital gain. Any net capital gain is included in the taxpayer's assessable income and is subject to income tax. A net capital loss of an income year may not be deducted against the taxpayer's other income for income tax purposes, but may be carried forward to offset against capital gains of future income years.

8.3 NON RESIDENT GOODMAN FIELDER SHAREHOLDERS

For a Goodman Fielder Shareholder who:

- is not a resident of Australia for Australian tax purposes; and
- does not hold their Goodman Fielder Shares in carrying on a business through a permanent establishment in Australia,

the transfer of Goodman Fielder Shares will generally only result in Australian CGT implications if:

(1) that Shareholder, together with its associates, held 10 percent or more of the Goodman Fielder Shares at the time of transfer or for any continuous 12 month period within 2 years preceding the transfer; and

(2) more than 50% of Goodman Fielder's value is due to direct or indirect interests in Australian real property, which is defined to include mining and exploration leases and licences.

A non-resident Goodman Fielder Shareholder that, together with its associates, owns at the time of the transfer, or has for any continuous 12 month period within the 2 year period prior to the transfer owned, 10% or more of the Goodman Fielder Shares should obtain independent advice as to the tax implications of sale, and whether any protection will be available under a relevant double tax treaty.

A non-resident individual Goodman Fielder Shareholder who has previously been a resident of Australia and who chose to disregard a capital gain or capital loss on ceasing to be a resident of Australia will generally be subject to the Australian CGT consequences as set out in Section 8.2 on the transfer of their Goodman Fielder Shares to FPW if they held those Goodman Fielder Shares at the time they ceased to be an Australian resident. However, for such non-resident individual Goodman Fielder Shareholders, the CGT discount percentage (where applicable) is reduced generally on a pro rata basis to reflect the period that the individual was a non-resident.

8.4 GOODS AND SERVICES TAX

Goodman Fielder Shareholders should not be liable to GST in respect of a disposal of their Goodman Fielder Shares under the Scheme.

Goodman Fielder Shareholders may be charged GST on any associated costs of participating in the Scheme (such as advisor fees). Goodman Fielder Shareholders may be entitled to input tax credits or reduced input tax credits for the GST on such costs, but should seek independent advice in relation to their individual circumstances.

8.5 STAMP DUTY

Goodman Fielder Shareholders should not be liable to stamp duty in respect of a disposal of their Goodman Fielder Shares under the Scheme.

New Zealand taxation implications

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New Zealand taxation implications

9.1 INTRODUCTION

The following is a general description of the New Zealand tax consequences for Goodman Fielder Shareholders who are tax resident in New Zealand and who dispose of their Goodman Fielder Shares under the Scheme.

It is based upon New Zealand law in effect at the date of this Scheme Booklet, but it is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of every Goodman Fielder Shareholder who is New Zealand tax resident. New Zealand tax resident Goodman Fielder Shareholders should seek independent professional advice in relation to their own particular circumstances.

9.2 NEW ZEALAND TAX RESIDENCE

The Scheme will involve the disposal by New Zealand tax resident Goodman Fielder Shareholders of their Goodman Fielder Shares by way of a transfer to FPW. This change in the ownership of the Goodman Fielder Shares may have New Zealand tax consequences for Goodman Fielder Shareholders who are New Zealand tax resident.

A Goodman Fielder Shareholder who is a natural person will be a New Zealand tax resident if he or she:

- has a permanent place of abode in New Zealand; and/or
- has been present in New Zealand for more than 183 days in a 12-month period.

A natural person who has been present in New Zealand for more than 183 days in a 12 month period, but does not have a permanent place of abode in New Zealand and is subsequently absent from New Zealand for more than 325 days in a 12-month period, stops being a New Zealand resident from the first day of absence.

If a Goodman Fielder Shareholder is a company, it is tax resident in New Zealand if it is incorporated in New Zealand, if it has its head office or centre of management in New Zealand or if its directors exercise control of the company in New Zealand.

Generally, Goodman Fielder Shares which are held by a trust will be treated for New Zealand tax purposes as held by a New Zealand tax resident if a New Zealand tax resident has contributed to that trust.

Goodman Fielder Shareholders who are New Zealand tax resident and are also tax resident in another country should seek their own tax advice as the following summary of New Zealand tax consequences may not apply to them.

9.3 NEW ZEALAND INCOME TAX CONSEQUENCES

New Zealand does not have a general capital gains tax. However there are instances where a New Zealand tax resident Goodman Fielder Shareholder may be subject to New Zealand tax on gains made (or be allowed a deduction for any loss made) on the disposal of Goodman Fielder Shares pursuant to the Scheme.

Generally, a New Zealand tax resident Goodman Fielder Shareholder will be subject to New Zealand income tax on any gain (or allowed to deduct any loss) arising from the disposal of Goodman Fielder Shares pursuant to the Scheme if that Goodman Fielder Shareholder:

- is in the business of dealing in shares or other securities;
- disposes of the Goodman Fielder Shares as part of a profit-making undertaking or scheme; or
- acquired the Goodman Fielder Shares with the dominant purpose of selling them.

The taxable gain (or deductible loss) will be the difference between the cost of the Goodman Fielder Shares and the amount received for their disposal. If a taxable gain exists for a New Zealand tax resident Goodman Fielder Shareholder, that Goodman Fielder Shareholder will likely be required to include that gain in a New Zealand income tax return for the tax year in which the disposal occurs, and pay any resulting tax liability at the applicable income tax rate.

9.4 GOODS AND SERVICES TAX

New Zealand tax resident Goodman Fielder Shareholders should not be liable to New Zealand goods and services tax in respect of a disposal of their Goodman Fielder Shares under the Scheme.

New Zealand tax resident Goodman Fielder Shareholders may be charged New Zealand goods and services tax on any associated costs they incur as a result of participating in the Scheme (such as fees of their advisors). Goodman Fielder Shareholders may be entitled to input tax credits for the GST on such costs, but should seek independent advice in relation to their individual circumstances.

9.5 STAMP DUTY

New Zealand has no stamp duty regime or similar transfer duty or tax applicable to the sale of shares. Accordingly New Zealand tax resident Goodman Fielder Shareholders will not be liable in New Zealand to any stamp duty or similar transfer duty or tax in respect of a disposal of their Goodman Fielder Shares under the Scheme.

Information relating to Goodman Fielder Directors

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Information relating to Goodman Fielder Directors

10.1 INTERESTS OF GOODMAN FIELDER DIRECTORS IN GOODMAN FIELDER SECURITIES

(a) Relevant Interests of Goodman Fielder Directors in Goodman Fielder Securities

As at the date immediately prior to the date of this Scheme Booklet, the Directors of Goodman Fielder had the following Relevant Interests in Goodman Fielder Shares:

Goodman Fielder Director	Number of Goodman Fielder Shares	Number of Goodman Fielder Performance Rights
Mr Steven Gregg	20,100	–
Mr Chris Delaney	700,100	4,458,775 rights to Goodman Fielder Shares under the Goodman Fielder Equity Incentive Plan
Mr Ian Cornell	10,000	–
Ms Jan Dawson	10,000	–
Mr Peter Hearl	220,000	–
Mr Clive Hooke	284,751	–
Ms Chris Froggatt	24,554	–
Mr Ian Johnston	193,044	–

(b) Dealings of Goodman Fielder Directors in Goodman Fielder Shares

No Goodman Fielder Director acquired or disposed of a Relevant Interest in any Goodman Fielder Share in the four month period ending on the date immediately prior to the date of this Scheme Booklet, other than as set out below.

Goodman Fielder Director	Date	Nature of dealing
Mr Chris Delaney	4 July 2014	Pacific Custodians Pty Limited (trustee of the Goodman Fielder Employee Share Plans Trust) acquired 500,000 Goodman Fielder Shares on behalf of Mr Chris Delaney to satisfy Mr Delaney's entitlements on vesting of 500,000 Performance Rights (subject to a service condition) granted as a sign-on incentive in accordance with his employment contract[1]

(1) As provided in Goodman Fielder's Appendix 3Y released to ASX on 9 July 2014.

10.2 INTERESTS OF GOODMAN FIELDER DIRECTORS IN WILMAR AND FIRST PACIFIC SECURITIES

(a) Relevant Interests of Goodman Fielder Directors in Wilmar and First Pacific securities

As at the date immediately prior to the date of this Scheme Booklet, no Goodman Fielder Director had a Relevant Interest in any securities in Wilmar, First Pacific, FPW or First Pacific SPV.

(b) Dealings of Goodman Fielder Directors in Wilmar and First Pacific securities

No Goodman Fielder Director acquired or disposed of a Relevant Interest in any securities in Wilmar, First Pacific, FPW or First Pacific SPV in the four month period ending on the date immediately prior to the date of this Scheme Booklet.

10.3 BENEFITS AND AGREEMENTS

(a) Benefits in connection with retirement from office

No payment or other benefit is proposed to:

- be made or given to any director, company secretary or executive officer of Goodman Fielder as compensation for the loss of, or as consideration for or in connection with his or her retirement from, office in Goodman Fielder or in a Related Body Corporate of Goodman Fielder; or
- be made or given to any director, company secretary or executive officer of any Related Body Corporate of Goodman Fielder as compensation for the loss of, or as consideration for or in connection with his or her retirement from, office in that Related Body Corporate of Goodman Fielder or in Goodman Fielder,

in connection with the Scheme, other than in his or her capacity as a Goodman Fielder Shareholder.

(b) Agreements connected with or conditional on the Scheme

Other than as set out in Section 11.2 in relation to the impact of the Scheme on the Goodman Fielder incentive plans, there are no agreements or arrangements made between any Goodman Fielder Director and any other person in connection with, or conditional on, the outcome of the Scheme, other than in their capacity as a Goodman Fielder Shareholder.

(c) Interests of Goodman Fielder Directors in contracts with Wilmar or First Pacific

None of the Goodman Fielder Directors has any interest in any contract entered into by a member of Wilmar or First Pacific, or any Related Body Corporate of any member of Wilmar and First Pacific, other than in their capacity as a Goodman Fielder Shareholder.

(d) Benefits from Wilmar or First Pacific

None of the Goodman Fielder Directors has agreed to receive, or is entitled to receive, any benefit from any member of the Wilmar Group or First Pacific Group which is conditional on, or is related to, the Scheme, other than in their capacity as a Goodman Fielder Shareholder.

Additional information

11

Additional information

11.1 SCHEME IMPLEMENTATION DEED

(a) Overview

Goodman Fielder, Wilmar, First Pacific, FPW and First Pacific SPV entered into a Scheme Implementation Deed on 2 July 2014. The key terms of the Scheme Implementation Deed are summarised below.

A full copy of the Scheme Implementation Deed is attached to Goodman Fielder's ASX and NZX announcements of 2 July 2014, available at www.asx.com.au (ASX) and www.nzx.com (NZX).

(b) Structure of the Transaction

As at the date of this Scheme Booklet, FPW is ultimately wholly owned by Wilmar, and First Pacific SPV is ultimately wholly owned by First Pacific.

Once MOFCOM Approval is obtained, FPW will be ultimately owned in equal shares by Wilmar and First Pacific and FPW will have rights and obligations under the Scheme Implementation Deed going forward, including the obligation to pay the Scheme Consideration to Scheme Shareholders. Refer to Section 6.6 for further information on the funding of the Scheme Consideration.

A reference in this Section 11.1 to FPW means:

- up to the time at which MOFCOM Approval is obtained, both FPW and First Pacific SPV; and
- after MOFCOM Approval is obtained (which will be the case at the time the Scheme is implemented), FPW only,

unless the context requires otherwise.

(c) Conditions Precedent

- **Regulatory Approvals:** before 5:00pm on the Business Day before the Second Court Date:
  - **FIRB:** one of the following has occurred:
    - FPW has received written notice under the Foreign Acquisitions and Takeovers Act 1975 (Cth) (**FATA**), by or on behalf of the Treasurer, advising that the Commonwealth Government has no objections to the Transaction, either unconditionally or on terms acceptable to FPW, acting reasonably;
    - no order has been made and published in relation to the Transaction under section 18 or 22 of the FATA within a period of 40 days after FPW has notified the Treasurer that FPW proposes to acquire Goodman Fielder Shares pursuant to the Scheme, and no notice has been given by the Treasurer to FPW during that period to the effect that there are any objections to the Transaction; or
    - where an order is made under section 22 of the FATA, a period of 90 days has expired after the order comes into operation and no notice has been given by the Treasurer to FPW during that period to the effect that there are any objections to the Transaction;
  - **OIO:** FPW receives all consents, approval or clearances required under the Overseas Investment Act 2005 (NZ) and the Overseas Investment Regulations 2005 (NZ) for the implementation of the Transaction on terms and conditions acceptable to FPW, acting reasonably;
  - **MOFCOM:** FPW receives all consents required by the Ministry of Commerce of the People's Republic of China for the implementation of the Transaction on terms acceptable to FPW, acting reasonably;
  - **Antitrust and other approvals:** any approval or clearance from the Antitrust Agencies or any other approval or clearance from any Government Agency that FPW reasonably considers is necessary or desirable to implement the Scheme are granted or obtained on an unconditional basis or subject to such conditions as are acceptable to FPW acting reasonably, and those approvals have not been withdrawn, cancelled, revoked or amended (where such amendment is unacceptable to FPW, acting reasonably) as at 8:00am on the Second Court Date.
- **Shareholder approval:** the requisite majorities of Goodman Fielder Shareholders (other than Excluded Shareholders) agreeing to the Scheme at the Scheme Meeting under subparagraph 411(4)(a)(ii) of the Corporations Act;
- **Court approval:** the Court approving the Scheme in accordance with paragraph 411(4)(b) of the Corporations Act;
- **Restraints:** no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or Government Agency, or other material legal restraint or prohibition preventing or delaying the Transaction being in effect, and FPW and First Pacific SPV not having received notice from any Government Agency that it objects to, or proposes to intervene to prevent implementation of the Transaction, at 8.00am on the Second Court Date;
- **Independent Expert:** the Independent Expert issues an Independent Expert's Report which concludes that the Scheme is fair and reasonable and in the best interest of Goodman Fielder Shareholders before the time when the Scheme Booklet is registered by ASIC;
- **No Goodman Fielder Prescribed Occurrence:** no Goodman Fielder Prescribed Occurrence occurs between (and including) the date of the Scheme Implementation Deed and 8.00am on the Second Court Date; and
- **No Goodman Fielder Material Adverse Change:** no Goodman Fielder Material Adverse Change occurs between the date of the Scheme Implementation Deed and 8.00am on the Second Court Date

Section 11.4 contains information on the status of Regulatory Approvals as at the date of this Scheme Booklet.

(d) Exclusivity arrangements

The Scheme Implementation Deed contains certain exclusivity arrangements in favour of FPW.

Those exclusivity arrangements are set out in full in clause 10 of the Scheme Implementation Deed.

In summary, Goodman Fielder has granted the following exclusivity rights in favour of FPW, Wilmar, First Pacific SPV and First Pacific during the Exclusivity Period:

(1) **Termination of existing discussions** – Goodman Fielder represents and warrants to FPW that it has terminated all discussions with, and due diligence access granted to, any Third Party in relation to a Competing Proposal, and that any Third Party to whom non-public information about the Goodman Fielder Group has been provided has been requested to immediately return or destroy that information;

(2) **No shop** – Goodman Fielder must not solicit any enquiries, expressions of interest, offers, discussions or proposals that may lead to an actual, proposed or potential Competing Proposal;

(3) **No talk** – Goodman Fielder must not:

– participate in discussions or provide information about the Goodman Fielder Group that may lead to an actual, proposed or potential Competing Proposal; or

– negotiate or accept any arrangement regarding an actual, proposed or potential Competing Proposal,

unless the Goodman Fielder Board forms the opinion in good faith, after receiving written advice from its legal and Financial Advisers, that failing to do so would, or would be likely to, constitute a breach of their fiduciary or statutory duties;

(4) **No due diligence** – Goodman Fielder must not solicit any person to undertake due diligence on the Goodman Fielder Group or make available any non-public information relating to the Goodman Fielder Group, unless the Goodman Fielder Board forms the opinion in good faith, after receiving written advice from its legal and Financial Advisers, that failing to do so would, or would be likely to, constitute a breach of their fiduciary or statutory duties;

(5) **Notification of approaches** – Goodman Fielder must immediately notify FPW if it is approached in relation to an actual or potential Competing Proposal, unless the Goodman Fielder Board forms the opinion in good faith, after receiving written advice from its legal and Financial Advisers, that to do so would, or would be likely to, constitute a breach of their fiduciary or statutory duties;

(6) **Matching right** – Goodman Fielder is prohibited from entering into any arrangement in connection with a Competing Proposal unless:

– the Competing Proposal is a Superior Proposal;

– Goodman Fielder has given FPW written notice of the key terms and conditions of the Competing Proposal (including the consideration under and the identity of the person that has proposed the Competing Proposal);

– Goodman Fielder has given FPW 5 Business Days to provide a matching or superior proposal; and

– FPW does not, within the required timeframe, provide a written proposal to which the Goodman Fielder Board determines, acting in good faith, would result in an outcome at least as favourable for Scheme Shareholders as the relevant Superior Proposal.

(7) **Notification of change of recommendation** – Goodman Fielder must notify FPW if it becomes aware that one or more members of the Goodman Fielder Board has determined to withdraw his or her recommendation that Goodman Fielder Shareholders vote in favour of the Scheme by the later of three Business Days before the date on which Goodman Fielder believes that withdrawal or revision will occur and the date on which Goodman Fielder becomes aware of the determination to withdraw or revise the recommendation.

Goodman Fielder's obligations regarding its exclusivity arrangements are set out in clause 10 of the Scheme Implementation Deed.

(e) Change in recommendation

Goodman Fielder must use its best endeavours to procure that the Goodman Fielder Board unanimously recommend that Goodman Fielder Shareholders (other than Excluded Shareholders) vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert concluding that the Scheme is fair and reasonable and in the best interest of Scheme Shareholders, and must use its best endeavours to procure that members of the Goodman Fielder Board do not change, withdraw or modify their recommendation, unless:

- the Independent Expert provides a report to Goodman Fielder (including either the Independent Expert's Report or any update, addendum or variation to it) that concludes that the Scheme is not fair and reasonable and not in the best interest of Goodman Fielder Shareholders (other than Excluded Shareholders);
- Goodman Fielder has received, other than as a result of a breach of the exclusivity arrangements, a Superior Proposal; or
- the Goodman Fielder Board has determined, after receiving advice from its Financial Advisers and legal advisers, that it is required to change, withdraw or modify its recommendation by virtue of the directors' duties of the members of the Goodman Fielder Board.

Goodman Fielder's obligations regarding the Goodman Fielder Board's recommendation of the Scheme are set out in clause 5.6 of the Scheme Implementation Deed.

(f) Reimbursement fee arrangements

Goodman Fielder has agreed to pay a reimbursement fee to FPW, or, if the reimbursement fee is payable before MOFCOM Approval is obtained, to FPW and First Pacific SPV in equal shares, if certain events occur, including:

- during the Exclusivity Period, any member of the Goodman Fielder Board makes a public statement to the effect that he or she no longer recommends that Goodman Fielder Shareholders vote in favour of the Scheme or recommends that Goodman Fielder Shareholders support a Competing Proposal. In either case, the reimbursement fee is payable unless certain circumstances occur, such as the Independent Expert concluding that the Scheme is not fair and reasonable and in the best interest of Goodman Fielder Shareholders (except where that conclusion is due wholly or partly to the existence, announcement or publication of a Competing Proposal);
- a Competing Proposal is announced prior to the date of the Scheme Meeting and, within one year of such announcement, the Competing Proposal results in a Third Party completing a Superior Proposal, acquiring a Relevant Interest in more than 50% of Goodman Fielder Shares, otherwise acquiring control of Goodman Fielder or acquiring substantially all the assets of Goodman Fielder;

- FPW terminates the Scheme Implementation Deed as a result of Goodman Fielder:
  – materially breaching the Scheme Implementation Deed, including the exclusivity provisions;
  – agreeing to implement a Competing Proposal; or
  – incurring or agreeing to incur capital expenditure from the date of the Scheme Implementation Deed above A$1 million (individually) (other than as agreed with FPW) or A$95.5 million (in aggregate) for the financial year ending 30 June 2015,

in each case unless the Independent Expert concludes that the Scheme is not fair and reasonable and in the best interests of Goodman Fielder Shareholders (other than Excluded Shareholders); or

  – breaching the Prescribed Occurrences Condition Precedent or such Condition Precedent has become incapable of being fulfilled.

The amount of any such reimbursement fee will be A$13,200,000.

The reimbursement fee arrangements are set out in clause 11 of the Scheme Implementation Deed.

(g) Conduct of business

The Scheme Implementation Deed sets out the obligations of Goodman Fielder from the date of the Scheme Implementation Deed up to and including the Implementation Date in relation to the conduct of its business.

Broadly, Goodman Fielder has agreed (among other things):

- to conduct its business in the ordinary and usual course generally consistent with the manner in which it was conducted immediately prior to the date of the Scheme Implementation Deed;
- not to enter into any material line of business in which it is not engaged at the date of the Scheme Implementation Deed;
- to ensure that no Goodman Fielder Regulated Event occurs, including (among others) any member of the Goodman Fielder Group:
  – declaring, paying or distributing any dividend (other than the dividend that was paid to Goodman Fielder Shareholders on 1 October 2014) or returning any capital to its members;
  – entering into contracts or commitments (including extensions or renewals of contracts) with an aggregate estimated expenditure of more than A$10 million or where the total term for such contract would be more than 24 months;
  – incurring or agreeing to incur capital expenditure above certain thresholds;
  – entering into any industrial instrument, employing persons in certain senior roles or entering into other employment agreements with aggregate remuneration in excess of certain thresholds, or otherwise increasing remuneration of employees above certain thresholds;
  – settling any legal proceedings, disputed claims or similar where the settlement amount payable would be in excess of A$1 million;
  – disposing of, leasing or writing down any plant, property or equipment, or acquiring any business or plant, property or equipment in excess of certain thresholds;
  – materially amending certain specified finance agreements; or
  – selling, licensing or granting any interest in a Goodman Fielder Group brand.

The full list of Goodman Fielder Regulated Events is set out in the Scheme Implementation Deed, a copy of which is attached to Goodman Fielder's ASX and NZX announcements of 2 July 2014 available at www.asx.com.au (ASX) and www.nzx.com (NZX);

- to use reasonable endeavours to keep available the services of the senior management of the Goodman Fielder Group and maintain relationships with joint venturers, customers, suppliers, investors, Government Agencies, licensors, licensees and others with whom it has business dealings; and
- not to sell, encumber, grant any economic interest or other interest in the Dairy Business or agree to do so.

These restrictions are set out in full in clause 5.3 of the Scheme Implementation Deed.

(h) Termination rights

Goodman Fielder can terminate the Scheme Implementation Deed:

- for material breach by FPW, First Pacific SPV, Wilmar or First Pacific of the Scheme Implementation Deed which has not been remedied or otherwise mitigated within 10 Business Days of notification of breach;
- in certain circumstances, if a Condition Precedent is not satisfied or waived;
- for permanent restraint or action to prevent the Transaction by a Government Agency in Australia or New Zealand;
- for material breach of an FPW Representation and Warranty or a Guarantor Representation and Warranty which has not been remedied or otherwise mitigated within 10 Business Days of notification of breach;
- if the Scheme is not effective by the End Date (which is 31 March 2015 or such other date as agreed between FPW and Goodman Fielder); or
- if a majority of the Goodman Fielder Board withdraws or adversely revises its recommendation in favour of the scheme, provided that Goodman Fielder has paid the reimbursement fee if required to do so.

Additional information continued

FPW can terminate the Scheme Implementation Deed:

- for material breach by Goodman Fielder of the Scheme Implementation Deed which has not been remedied or otherwise mitigated within 10 Business Days of notification of breach;
- for permanent restraint or action to prevent the Transaction by a Government Agency in Australia or New Zealand;
- in certain circumstances, if a Condition Precedent is not satisfied or waived;
- for breach of a Goodman Fielder Representation and Warranty which has not been remedied or otherwise mitigated within 5 Business Days of notification of breach and, in relation to certain Goodman Fielder Representations and Warranties, where the loss which could reasonably be expected to flow from the breach would have either a diminution in the consolidated net assets of the Goodman Fielder Group (not including any diminution in goodwill) by at least A$100 million or in the consolidated earnings before interest and tax of the Goodman Fielder Group of at least A$30 million in recurring financial years for the Goodman Fielder Group;
- if the scheme is not effective by the End Date (which is 31 March 2015 or such other date as agreed between FPW and Goodman Fielder); or
- if any member of the Goodman Fielder Board withdraws or adversely revises his or her recommendation in favour of the scheme.

Additionally, FPW can terminate the Scheme Implementation Deed if:

- Goodman Fielder enters into any agreement or arrangement in relation to implementing a Competing Proposal;
- Goodman Fielder breaches the exclusivity provisions in a material respect; or
- Goodman Fielder incurs or agrees to incur capital expenditure above A$1 million (individually) (other than as agreed by FPW) or A$95.5 million (in aggregate) for the financial year ending 30 June 2015.

The termination rights are set out in clause 12 of the Scheme Implementation Deed.

(i) Representations and warranties

Goodman Fielder gives the Goodman Fielder Representations and Warranties in favour of FPW, including:

- that it has complied with its continuous disclosure obligations under Listing Rule 3.1;
- in relation to its capital structure;
- that it has materially complied with all applicable laws;
- that it is not in material default under certain documents;
- that there is no litigation or other proceedings on foot;
- there is no expected termination of material customer or supplier contracts;
- that materials provided in due diligence were provided in good faith and Goodman Fielder is not actually aware of any material misleading or deceptive statement in, or omission from, those materials; and
- all incentive arrangements and payments to third party advisers in connection with the transaction have been adequately and completely disclosed.

FPW gives the FPW Representations and Warranties in favour of Goodman Fielder, including that, by the Implementation Date, it will have sufficient cash (whether from internal cash resources or external funding arrangements and including by being put in funds by Wilmar and First Pacific) to satisfy its obligation to pay the Scheme Consideration in accordance with its obligations under the Scheme Implementation Deed, the Scheme and the Deed Poll.

Wilmar and First Pacific each also give certain standard corporate warranties in favour of Goodman Fielder.

(j) Guarantee by Wilmar and First Pacific

At the time the Scheme is implemented, Wilmar and First Pacific each in their Respective Proportions unconditionally and irrevocably guarantee the due and punctual performance of FPW's obligations under the Scheme Implementation Deed and the Deed Poll, including the obligation of FPW to pay the Scheme Consideration and indemnify Goodman Fielder against all loss incurred by Goodman Fielder from any default or delay in the performance of FPW's obligations.

Up until the time that MOFCOM Approval is obtained:

- Wilmar unconditionally and irrevocably guarantees the due and punctual performance of FPW's obligations under the Scheme Implementation Deed and indemnifies Goodman Fielder against all loss incurred by Goodman Fielder from any default or delay in the performance of FPW's obligations; and
- First Pacific unconditionally and irrevocably guarantees the due and punctual performance of First Pacific SPV's obligations under the Scheme Implementation Deed and indemnifies Goodman Fielder against all loss incurred by Goodman Fielder from any default or delay in the performance of First Pacific SPV's obligations.

The guarantee extends for so long as FPW has any outstanding liability to Goodman Fielder or a Scheme Shareholder under the Scheme Implementation Deed or the Deed Poll.

11.2 INFORMATION RELATING TO GOODMAN FIELDER INCENTIVE PLANS

The following unvested equity incentives are currently on foot under the Goodman Fielder Equity Incentive Plan:

- share rights subject to performance based vesting conditions (other than Other LTI Awards as defined below) (**LTI Awards**), due to vest 1 July 2015 and 1 July 2016;
- share rights issued to a Goodman Fielder senior executive subject to performance based vesting conditions (**Other LTI Awards**), due to vest in the financial years ending 30 June 2015, 30 June 2016 and 30 June 2017; and
- share rights subject to a service based vesting condition (**Retention Awards**), due to vest on 1 December 2016 and 1 April 2017 (as applicable).

Conditional on the Scheme being implemented, LTI Awards, Other LTI Awards and Retention Awards will be treated as set out below.

(a) LTI Awards

As at the Last Practicable Date, 15,105,554 LTI Awards were on issue pursuant to the Goodman Fielder Equity Incentive Plan.

The Goodman Fielder Board intends to exercise its discretion under the rules of the Goodman Fielder Equity Incentive Plan so that, conditional on the Scheme being implemented, a pro rata amount of LTI Awards (being the amount calculated by taking the commencement of the relevant performance period to the Scheme Record Date as a proportion of the entire relevant performance period) will be cancelled and replaced by entitlements in a new program (**New LTI Plan**), with new measures and targets (**New LTI Awards**).[3] The balance of the LTI Awards will lapse.

The effect of the Scheme on the LTI Awards if the Scheme becomes Effective and all relevant ASX waivers are obtained, is that:

- of the 15,105,554 LTI Awards on issue, a pro rata amount will be cancelled and replaced by New LTI Awards;
- the balance of the LTI Awards currently on issue will lapse;
- under the New LTI Plan, one third of the pro rata value of New LTI Awards will be paid to participants on or about the Implementation Date by way of a cash payment to each recipient of A$0.675 per New LTI Award; and
- under the New LTI Plan, the remaining two thirds of the New LTI Awards will be paid to participants subject to the satisfaction of certain performance hurdles by way of a cash payment to each recipient of A$0.675 per New LTI Award.

(b) Other LTI Awards

A further 300,000 Other LTI Awards have been issued to a senior executive of Goodman Fielder. The Goodman Fielder Board intends to exercise its discretion so that, conditional on the Scheme being implemented:

- all Other LTI Awards will be cancelled and replaced with 300,000 entitlements (**Replacement LTI Awards**) subject to new measures and targets; and
- subject to the satisfaction of these new measures and targets, one third of the Replacement LTI Awards will vest in each of the financial years ending 30 June 2015, 30 June 2016 and 30 June 2017 by way of a cash payment of A$0.675 per Replacement LTI Award.

(c) Retention Awards

As at the Last Practicable Date, 2,440,000 Retention Awards were on issue pursuant to the Goodman Fielder Equity Incentive Plan.

Under the terms of the Retention Awards, relevant employees are currently eligible to receive a certain number of Goodman Fielder Shares, corresponding to the number of Retention Awards they hold, if they remain employed by the Company until 30 November 2016 or 31 March 2017 (as applicable).

As the maturity date for this plan is after the likely Implementation Date, the Goodman Fielder Board intends to exercise its discretion to amend this plan such that participants are entitled to receive cash payment rather than Goodman Fielder Shares. Accordingly, if a holder of Retention Awards remains employed by Goodman Fielder until 30 November 2016 or 31 March 2017 (as applicable), participants will become eligible to receive a cash payment of A$0.675 per Retention Award.

The effect of the Scheme on the Retention Awards is that, assuming the Scheme becomes Effective, holders of Retention Awards will be entitled to receive a cash payment of A$0.675 per Retention Award, instead of being issued with Goodman Fielder Shares, if they remain employed until 30 November 2016 or 31 March 2017 (as applicable).

11.3 DISPUTES AND LITIGATION

Goodman Fielder is from time to time involved in disputes and litigation.

As at the date of this Scheme Booklet, the Goodman Fielder Group is not involved in any ongoing litigation or dispute which is material in the context of Goodman Fielder and its subsidiaries taken as a whole.

11.4 STATUS OF REGULATORY APPROVALS

The Conditions Precedent relating to Regulatory Approvals are summarised in Section 11.1(c) of this Scheme Booklet and are set out in clause 3.1 of the Scheme Implementation Deed.

As at the date of this Scheme Booklet, several Regulatory Approvals have been obtained. The ACCC confirmed on 25 September 2014 that it would not oppose the Scheme and FIRB confirmed on 21 October 2014 that it had no objection to the Scheme. Certain Regulatory Approvals, including from the OIO and MOFCOM, are yet to be obtained and Wilmar and First Pacific are continuing to progress outstanding Regulatory Approvals required in connection with the Scheme, as outlined in Goodman Fielder's announcement of 8 September 2014 available at www.asx.com.au (ASX) and www.nzx.com (NZX). Goodman Fielder and Wilmar and First Pacific will continue to keep the progress of the required Regulatory Approvals under review.

Goodman Fielder will continue to keep Goodman Fielder Shareholders updated on any material developments.

11.5 GOODMAN FIELDER SECURITIES

As at the Last Practicable Date, Goodman Fielder had on issue:

- 1,955,559,207 Goodman Fielder Shares; and
- 17,845,554 Goodman Fielder Performance Rights.

3 As at the date of this Scheme Booklet, Goodman Fielder and the Consortium are in discussions regarding the treatment of Mr Chris Delaney's LTI Awards. As at the Last Practicable Date, Mr Delaney held 4,458,775 LTI Awards due to vest on 1 July 2015 and 1 July 2016, which are included in the total number of LTI Awards currently on issue set out in this Section 11.2. In the absence of agreement between Goodman Fielder and the Consortium, a pro rata amount of Mr Delaney's LTI Awards will vest and be delivered in the form of Goodman Fielder Shares and the balance will lapse, in accordance with the Scheme Implementation Deed.

11.6 SUBSTANTIAL SHAREHOLDERS

As extracted from filings released on ASX prior to the Last Practicable Date, the following persons were substantial holders of Goodman Fielder Shares:

Substantial holder	Number of Goodman Fielder Shares	Voting power
Each of Wilmar and First Pacific and their subsidiaries[(1) (2)]	389,081,183	19.9%
Perpetual Limited and subsidiaries	183,239,424	9.37%
Ellerston Capital Limited	158,988,747	8.13%
Harris Associates L.P.	125,918,833	6.44%[(3)]
Letko, Brosseau & Associates Inc.	120,927,130	6.18%
DFA Group	117,742,914	6.02%

(1) Wilmar has a Relevant Interest in 197,436,381 Goodman Fielder Shares. First Pacific has a Relevant Interest in 191,644,802 Goodman Fielder Shares. Wilmar and First Pacific are Associates and therefore each is deemed by the Corporations Act to have voting power over the Goodman Fielder Shares in which the other has a Relevant Interest.

(2) Kuok Brothers Sdn Berhad, Kerry Group Limited, Kuok (Singapore) Limited and their related bodies corporate collectively have voting power of more than 20% in Wilmar and are therefore deemed to have a Relevant Interest in the 197,436,381 Goodman Fielder Shares in which Wilmar has a Relevant Interest (and voting power of 10.1%).

Mr Anthoni Salim and Salerni International Limited and their related bodies corporate collectively have voting power of more than 20% in First Pacific and are therefore deemed to have a Relevant Interest in the 191,644,802 Goodman Fielder Shares in which First Pacific has a Relevant Interest (and voting power of 9.8%).

(3) This percentage voting power was not disclosed in the relevant ASX disclosure. It has been calculated by Goodman Fielder based on the total number of Goodman Fielder Shares on issue.

11.7 CONSENTS TO BE NAMED

Each of Wilmar, First Pacific, FPW and First Pacific SPV has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named and to the inclusion of the information attributed to it in the Scheme Booklet. Each of Wilmar, First Pacific, FPW and First Pacific SPV has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name and the aforementioned information provided by FPW and First Pacific SPV, takes no responsibility for any other part of this Scheme Booklet.

Deloitte has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named and to the inclusion of its Independent Expert's Report contained in Annexure 2 of the Scheme Booklet. Deloitte has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name and the Independent Expert's Report contained in Annexure 2, takes no responsibility for any other part of this Scheme Booklet.

Link has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named. Link has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name, takes no responsibility for any other part of this Scheme Booklet.

Credit Suisse (Australia) Limited (**Credit Suisse**) has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named. Credit Suisse has not made any statement that is included in the Scheme Booklet or any statement on which a statement in the Scheme Booklet is based. Credit Suisse has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name, takes no responsibility for any other part of this Scheme Booklet.

Grant Samuel Corporate Finance Pty Limited (**Grant Samuel**) has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named. Grant Samuel has not made any statement that is included in the Scheme Booklet or any statement on which a statement in the Scheme Booklet is based. Grant Samuel has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name, takes no responsibility for any other part of this Scheme Booklet.

Greenwoods & Herbert Smith Freehills has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named and to the inclusion of the material on Australian taxation implications in Section 8 of the Scheme Booklet. Greenwoods & Herbert Smith Freehills has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name and the material on Australian taxation implications in Section 8 of the Scheme Booklet, takes no responsibility for any other part of this Scheme Booklet.

Bell Gully has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named and to the inclusion of the material on New Zealand taxation implications in Section 9 of the Scheme Booklet. Bell Gully has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name and the material on New Zealand taxation implications in Section 9 of the Scheme Booklet, takes no responsibility for any other part of this Scheme Booklet.

Herbert Smith Freehills has given, and not withdrawn before the registration of this Scheme Booklet with ASIC, its written consent to be named in this Scheme Booklet in the form and context in which it is so named. Herbert Smith Freehills has not caused or authorised the issue of this Scheme Booklet, and, other than any reference to its name, takes no responsibility for any other part of this Scheme Booklet.

11.8 INTENTIONS OF GOODMAN FIELDER DIRECTORS

If the Scheme becomes Effective, Goodman Fielder has agreed, as soon as reasonably practicable after the Scheme becomes Effective, with effect on the Implementation Date, to take all actions necessary to ensure that all directors on the Goodman Fielder Board resign. Accordingly, it is not possible for the Goodman Fielder Directors to provide a statement of their intentions regarding:

- the continuation of the business of Goodman Fielder or how Goodman Fielder's existing business will be conducted;
- any major changes to be made to the business of Goodman Fielder, including any redeployment of the fixed assets of Goodman Fielder; or
- the future employment of the present employees of Goodman Fielder,

in each case, after the Scheme is implemented.

If the Scheme is implemented, FPW, which will be ultimately owned by the Consortium, will own all of the Goodman Fielder Shares not already owned or controlled by Wilmar and First Pacific and will control Goodman Fielder. The Goodman Fielder Directors have been advised that the intentions of FPW are as set out in Section 6.

11.9 REGULATORY RELIEF

ASX has granted Goodman Fielder a waiver of ASX Listing Rule 6.23.2 to the extent necessary to permit the treatment of LTI Awards, Other LTI Awards and Retention Awards as set out in Section 11.2.

NZX has granted Goodman Fielder a waiver of NZX Listing Rule 6.2.6(b) to enable the chairman of the Scheme Meeting to vote any proxies received which do not nominate the identity of a proxy, or in respect of which the nominated proxy does not attend, or vote at, the Scheme Meeting:

(a) in accordance with any direction in that proxy; or

(b) if no direction is included in that proxy, in favour of the Scheme Resolution.

11.10 NO UNACCEPTABLE CIRCUMSTANCES

The Goodman Fielder Directors believe that the Scheme does not involve any circumstances in relation to the affairs of Goodman Fielder that could reasonably be characterised as constituting 'unacceptable circumstances' for the purposes of section 657A of the Corporations Act.

11.11 FOREIGN JURISDICTIONS

The distribution of this Scheme Booklet outside Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. Goodman Fielder disclaims all liabilities to such persons.

Goodman Fielder Shareholders who are nominees, trustees or custodians are encouraged to seek independent advice as to how they should proceed.

No action has been taken to register or qualify this Scheme Booklet or any aspect of the Transaction in any jurisdiction outside of Australia, however Section 9 contains the New Zealand Tax Adviser's Report and a copy of this Scheme Booklet has been provided to NZX.

11.12 NO OTHER MATERIAL INFORMATION

Except as disclosed elsewhere in this Scheme Booklet, there is no other information that is:

(a) material to the making of a decision by a Goodman Fielder Shareholder whether or not to vote in favour of the Scheme; and

(b) known to Goodman Fielder,

which has not previously been disclosed to Goodman Fielder Shareholders.

11.13 SUPPLEMENTARY DISCLOSURE STATEMENT

Goodman Fielder will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of this Scheme Booklet and the Effective Date:

- a material statement in this Scheme Booklet is false or misleading in a material respect;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter included in this Scheme Booklet; or
- a significant new matter has arisen and it would have been required to be included in this Scheme Booklet if it had arisen before the date of this Scheme Booklet.

Depending on the nature and timing of the changed circumstances, and subject to obtaining any relevant approvals, Goodman Fielder may circulate and publish any supplementary document by:

- making an announcement to ASX and NZX;
- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document to Goodman Fielder Shareholders at their Registered Address; and/or
- posting a statement on Goodman Fielder's website at www.goodmanfielder.com.au,

as Goodman Fielder in its absolute discretion considers appropriate.

Definitions and interpretation

12

Definitions and interpretation

12.1 DEFINITIONS

In this Scheme Booklet unless the context otherwise appears, the following terms have the meanings shown below:

Term	Meaning
ACCC	Australian Competition and Consumer Commission.
Antitrust Agency	any Government Agency which is responsible for administrating any applicable state, foreign or national laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolisation or restraint of trade or lessening of competition through merger or acquisition.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning set out in section 12 of the Corporations Act.
ASX	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Australian Tax Adviser's Report	the report issued by Greenwoods & Freehills which provides a summary of the Australian tax implications for Goodman Fielder Shareholders in connection with the Scheme. A copy of the Australian Tax Adviser's Report is set out in section 8.
Business Day	a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, Singapore or Hong Kong.
CGT	Australian Capital Gains Tax.
Competing Proposal	any proposal, agreement, arrangement or transaction, which, if entered into or completed, would result in a Third Party (either alone or together with any Associate): 1 directly or indirectly acquiring a Relevant Interest in, or having a right to acquire, a legal, beneficial or economic interest in, or control of, 20% or more of the Goodman Fielder Shares; 2 acquiring Control of Goodman Fielder; 3 directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part of Goodman Fielder's business or any of the material assets of the Goodman Fielder Group (where a material asset of the Goodman Fielder Group will include rights in respect of assets representing 20% or more of the value of the Goodman Fielder Group's total assets); or 4 otherwise directly or indirectly acquiring or merging with Goodman Fielder, whether by way of takeover bid, scheme of arrangement, shareholder approved acquisition, capital reduction, buy back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), or other transaction or arrangement.
Conditions Precedent	each of the conditions set out in clause 3.1 of the Scheme Implementation Deed and which are summarised in Section 11.1(c).
Consortium	has the meaning given in Section 6.
Consortium Member	has the meaning given in Section 6.
Control	has the meaning given in section 50AA of the Corporations Act.
Corporations Act	the *Corporations Act 2001* (Cth).

Definitions and interpretation continued

Term	Meaning
Corporations Regulations	the *Corporations Regulations 2001* (Cth).
Court	the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by FPW and Goodman Fielder.
Dairy Business	the dairy business operated by the Goodman Fielder Group in New Zealand.
Deed Poll	the SPV Deed Poll or the Implementation Deed Poll, whichever is in force at the relevant time.
Deloitte	Deloitte Corporate Finance Pty Limited (ABN 19003 833 127).
Disclosure Letter	a letter identified as such provided by Goodman Fielder to FPW and countersigned by FPW prior to entry into the Scheme Implementation Deed.
Disclosure Materials	1 the documents and information contained in the data room made available by Goodman Fielder to FPW, Wilmar, First Pacific and each of their Related Persons, the index of which has been initialled by, or on behalf of, the parties for identification; 2 written responses from Goodman Fielder and its Related Persons to requests for further information made by FPW, Wilmar, First Pacific and each of their Related Persons, the index of which has been initialled by, or on behalf of, the parties for identification; and 3 the Disclosure Letter.
Effective	when used in relation to the Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the order of the Court made under paragraph 411(4)(b) of the Corporations Act in relation to the Scheme.
Effective Date	the date on which the Scheme becomes Effective.
End Date	1 31 March 2015; or 2 such other date as agreed in writing by Goodman Fielder and FPW.
Excluded Shareholder	any Goodman Fielder Shareholder who: • is FPW or holds a Goodman Fielder Share on behalf of or for the benefit of FPW; • is a First Pacific Group Member or holds a Goodman Fielder Share on behalf of or for the benefit of First Pacific; or • is a Wilmar Group Member or holds a Goodman Fielder Share on behalf of or for the benefit of Wilmar.
Exclusivity Period	the period from the date of the Scheme Implementation Deed to the earlier of: 1 the date of termination of the Scheme Implementation Deed; 2 the End Date; and 3 the Effective Date.
Fairly Disclosed	means disclosed to the extent that, and in sufficient detail so as to enable, a reasonable bidder (or one of its Related Persons) to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).
FATA	the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

Term	Meaning
Financial Adviser	any financial adviser retained by a party in relation to the Transaction from time to time.
FIRB	the Australian Foreign Investment Review Board.
First Court Date	the first day on which an application made to the Court for orders under section 411(4)(b) of the Corporations Act directing Goodman Fielder to convene the Scheme Meeting is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard).
First Pacific	First Pacific Company Limited.
First Pacific Group	First Pacific and each of its Subsidiaries or any funds controlled by First Pacific or any of its Subsidiaries (but excluding, for the avoidance of doubt, any member of the FPW Group) and a reference to a '**First Pacific Group Member**' or a '**member of the First Pacific Group**' is to First Pacific or any of its Subsidiaries or any funds controlled by First Pacific or any of its Subsidiaries.
First Pacific SPV	FP BidCo Australia Pty Limited ACN 600 457 403.
First Pacific SPV Group	First Pacific SPV and each of its Subsidiaries, and a reference to a '**First Pacific SPV Group Member**' or a '**First Pacific member of the SPV Group**' is to First Pacific SPV or any of its Subsidiaries.
FPW	1 before the MOFCOM Approval Time, W BidCo Australia Pty Limited ACN 600 463 090; and 2 after the MOFCOM Approval Time, FPW Australia Pty Limited.
FPW Group	1 before the MOFCOM Approval Time, FPW, First Pacific SPV and each of their respective Subsidiaries; and 2 after the MOFCOM Approval Time, FPW and each of its Subsidiaries, and a reference to an '**FPW Group Member**' or a '**member of the FPW Group**' is to FPW or any of its Subsidiaries.
FPW Representations and Warranties	the representations and warranties of FPW set out in Schedule 3 to the Scheme Implementation Deed.
Goodman Fielder	Goodman Fielder Limited ACN 116 399 430.
Goodman Fielder Board or **Board**	the board of directors of Goodman Fielder and a '**Goodman Fielder Board Member**' means any director of Goodman Fielder comprising part of the Goodman Fielder Board.
Goodman Fielder Director or **Director**	each member of the Goodman Fielder Board.
Goodman Fielder Group	Goodman Fielder and each of its Subsidiaries, and a reference to a '**Goodman Fielder Group Member**' or a '**member of the Goodman Fielder Group**' is to Goodman Fielder or any of its Subsidiaries.
Goodman Fielder Equity Incentive Plan	the plan constituted by the Goodman Fielder Equity Incentive Plan Rules, adopted on 22 November 2007 and amended on 14 May 2012.

Term	Meaning
Goodman Fielder Material Adverse Change or **Material Adverse Change**	any event, change, condition, matter, circumstance or thing occurring or discovered after the date of the Scheme Implementation Deed (each a **Specified Event**) which, whether individually or when aggregated with all such events, changes, conditions, matters, circumstances or things of a like kind that have occurred, has had, would have or is reasonably likely to have: 1 the effect of a diminution in the value of the consolidated net assets (but not including any diminution in goodwill) of the Goodman Fielder Group, taken as a whole, by at least A$100 million; or 2 the effect of a diminution in the consolidated earnings before interest and tax of the Goodman Fielder Group, taken as a whole, by at least A$30 million in recurring financial years for the Goodman Fielder Group; or, other than those events, changes, conditions, matters, circumstances or things: 3 required or permitted by the Scheme Implementation Deed, the Scheme or the transactions contemplated by either; 4 that were Fairly Disclosed in the Disclosure Materials; 5 agreed to in writing by FPW, or First Pacific and Wilmar; 6 arising as a result of any generally applicable change in accounting standards, law or governmental policy in Australia or New Zealand; 7 arising from changes in commodity prices, in exchange rates or interest rates, general economic, political or business conditions, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared), natural disaster or the like, that affect Australia or New Zealand and that impact on Goodman Fielder and its competitors in a similar manner; and 8 that Goodman Fielder Fairly Disclosed in an announcement made by Goodman Fielder to ASX in the 2 year period prior to the date of the Scheme Implementation Deed, or which would be disclosed in a search of ASIC records in relation to Goodman Fielder, prior to the date of the Scheme Implementation Deed.
Goodman Fielder Performance Rights	rights to Goodman Fielder Shares under the Goodman Fielder Equity Incentive Plan or otherwise granted by Goodman Fielder from time to time.
Goodman Fielder Prescribed Occurrence or **Prescribed Occurrence**	other than as: 1 required or permitted by the Scheme Implementation Deed, the Scheme or the transactions contemplated by either; 2 Fairly Disclosed in the Disclosure Letter; 3 agreed to in writing by FPW (or FPW and First Pacific SPV, as applicable); or 4 that Goodman Fielder Fairly Disclosed in an announcement made by Goodman Fielder to ASX in the 2 year period prior to the date of the Scheme Implementation Deed, or which would be disclosed in a search of ASIC records in relation to Goodman Fielder, prior to the date of the Scheme Implementation Deed, the occurrence of any of the following: 5 Goodman Fielder converting all or any of its shares into a larger or smaller number of shares; 6 a member of the Goodman Fielder Group resolving to reduce its share capital in any way (including without limitation pursuant to section 258F of the Corporations Act); 7 a member of the Goodman Fielder Group: a) entering into a buy-back agreement; or b) resolving to approve the terms of a buy-back agreement under the Corporations Act; 8 a member of the Goodman Fielder Group issuing shares, securities convertible into shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than to a directly or indirectly wholly-owned Subsidiary of Goodman Fielder; or 9 an Insolvency Event occurs in relation to a member of the Goodman Fielder Group.

Term	Meaning
Goodman Fielder Regulated Event	has the meaning given to it in the Scheme Implementation Deed.
Goodman Fielder Representations and Warranties	the representations and warranties of Goodman Fielder set out in Schedule 4 to the Scheme Implementation Deed.
Goodman Fielder Securities	a Goodman Fielder Share or a Goodman Fielder Performance Right.
Goodman Fielder Share	a fully paid ordinary share in the capital of Goodman Fielder.
Goodman Fielder Share Register	the register of members of Goodman Fielder maintained by the Goodman Fielder Share Registry in accordance with the Corporations Act.
Goodman Fielder Share Registry	Link Market Services Limited.
Goodman Fielder Shareholder	each person who is registered as the holder of a Goodman Fielder Share in the Goodman Fielder Share Register.
Government Agency	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian, including any Antitrust Agency.
GST	Australian Goods and Services Tax.
Guarantors	First Pacific and Wilmar, and each a **Guarantor**.
Guarantor Representation and Warranty	the representations and warranties of each Guarantor set out in clause 16.10 of the Scheme Implementation Deed.
Head Count Approval Requirement	has the meaning given in Section 4.9(a).
HKEx	Hong Kong Exchanges and Clearing Limited and, where the context requires, the financial market that it operates.
IDX	Indonesia Stock Exchange and, where the context requires, the financial market that it operates.
Implementation Deed Poll	a deed poll substantially in the form of Annexure 4 under which FPW and Wilmar and First Pacific each covenant in favour of the Scheme Shareholders to perform the obligations attributed to FPW under the Scheme.
Implementation Date	the 5th Business Day after the Scheme Record Date or such other date after the Scheme Record Date as Goodman Fielder and FPW agree in writing.
Independent Expert	Deloitte.
Independent Expert's Report	the report in respect of the Scheme prepared and issued by the Independent Expert for inclusion in the Scheme Booklet (or any update or variation to that report). A copy of the Independent Expert's Report is contained in Annexure 2.

Definitions and interpretation continued

Term	Meaning
Indofood	PT Indofood SuksesMakmurTbk.
Insolvency Event	means, in relation to an entity: 1 the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity (other than where the order is set aside within 14 days); 2 a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets; 3 the entity executing a deed of company arrangement; 4 the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of the Scheme Implementation Deed; 5 the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation) or is otherwise presumed to be insolvent under the Corporations Act unless the entity has, or has access to, committed financial support from its parent entity such that it is able to pay its debts; or 6 the entity being deregistered as a company or otherwise dissolved.
JV Agreement	the agreement between Wilmar, First Pacific, ODL and JV Co dated 2 July 2014.
JV Co	FPW Holdings Pte. Ltd Company Registration No. 201418705D.
Last Practicable Date	5 December 2014.
Last Trading Date	24 April 2014, being the last trading day before the announcement of a non-binding, indicative and conditional proposal from Wilmar and First Pacific.
Listing Rules	means: 1 the official listing rules of ASX; or 2 the Main Board/Debt Market listing rules of NZX, as the context requires.
LTI Award	has the meaning given to it in Section 11.2.
MOFCOM	the Anti-Monopoly Bureau of the Ministry of Commerce of the People's Republic of China.
MOFCOM Approval	an approval or clearance (but not a prohibition), with or without conditions, issued by MOFCOM under the Anti-Monopoly Law of the People's Republic of China relating to pre-merger notification in relation to the Transaction, or notification from MOFCOM that such approval or clearance is not required under the Anti-Monopoly Law of the People's Republic of China.
MOFCOM Approval Time	the time at which notification is given to Goodman Fielder under clause 15(b) of the Scheme Implementation Deed.
New Zealand Tax Adviser's Report	the report issued by Bell Gully which provides a summary of the New Zealand tax implications for New Zealand Goodman Fielder Shareholders in connection with the Scheme. A copy of the New Zealand Tax Adviser's Report is set out in section 9.
Notice of Meeting	the notice of meeting relating to the Scheme Meeting to be held on 26 February 2015 which is contained in Annexure 6.

Term	Meaning
NYSE	NYSE MKT LLC and, where the context requires, the financial market that it operates.
NZX	NZX Limited, and where the context requires, the main board equity security market that it operates.
ODL	Oceanica Developments Limited.
OIO	Overseas Investment Office.
Pacific Islands	Papua New Guinea, Fiji and New Caledonia.
PSE	Philippine Stock Exchange, Inc., and where the context requires, the financial market it operates.
Registered Address	in relation to a Goodman Fielder Shareholder, the address shown in the Goodman Fielder Share Register as at the Scheme Record Date.
Regulatory Approval	an approval or consent set out in clause 3.1(a) of the Scheme Implementation Deed and summarised in Section 11.1(c).
Related Body Corporate	has the meaning given in section 50 of the Corporations Act.
Related Person	1 in respect of a party or its Related Bodies Corporate, each director, officer, employee, adviser (in its capacity as adviser to the relevant party), agent or representative of that party or Related Body Corporate; and 2 in respect of a Financial Adviser, each director, officer, employee or contractor of that Financial Adviser.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Respective Proportions	means: 1 in respect of Wilmar, 50%; and 2 in respect of First Pacific, 50%.
Restructure	has the meaning given in Section 6.4.
Retention Award	has the meaning given to it in Section 11.2.
RG 60	Regulatory Guide 60 issued by ASIC in September 2011.
Scheme	the scheme of arrangement under Part 5.1 of the Corporations Act between Goodman Fielder and the Scheme Shareholders, the form of which is attached as Annexure 3, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by FPW and Goodman Fielder.
Scheme Booklet	this booklet, including the annexures to it.
Scheme Consideration	the consideration to be provided by FPW to each Scheme Shareholder for the transfer to FPW of each Scheme Share, being for each Goodman Fielder Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of A$0.675.

Definitions and interpretation continued

Term	Meaning
Scheme Implementation Deed	the Scheme Implementation Deed between Goodman Fielder, FPW, First Pacific SPV, Wilmar and First Pacific dated 2 July 2014, a copy of which is attached to Goodman Fielder's ASX and NZX announcements of 2 July 2014 available at www.asx.com.au (ASX) and www.nzx.com (NZX).
Scheme Meeting	the meeting of Goodman Fielder Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
Scheme Meeting Proxy Form	the proxy form for the Scheme Meeting to be held on 26 February 2015 which accompanies this Scheme Booklet.
Scheme Record Date	5:00pm on the 5th Business Day after the Effective Date or such other time and date as the parties agree in writing.
Scheme Resolution	the resolution set out in the Notice of Meeting to approve the terms of the Scheme.
Scheme Shares	all Goodman Fielder Shares held by the Scheme Shareholders as at the Scheme Record Date.
Scheme Shareholder	a holder of Goodman Fielder Shares recorded in the Goodman Fielder Share Register as at the Scheme Record Date (other than an Excluded Shareholder).
Second Court Date	the first day on which an application made to the Federal Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.
Security Interest	has the same meaning as in section 51A of the Corporations Act.
SGX-ST	Singapore Exchange Securities Trading Limited and, where the context requires, the financial market that it operates.
SPV Deed Polls	the deed polls substantially in the form of Annexure 5 under which FPW and Wilmar and First Pacific SPV and First Pacific each covenant in favour of the Scheme Shareholders to perform the obligations attributed to FPW and First Pacific SPV under the Scheme.
Subsidiary	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
Superior Proposal	a publicly announced, bona fide Competing Proposal of the kind referred to in any of paragraphs 2, 3 or 4 of the definition of Competing Proposal (and not resulting from a breach by Goodman Fielder of any of its obligations under clause 10 of the Scheme Implementation Deed (it being understood that any actions by the Related Persons of Goodman Fielder in breach of clause 10 of the Scheme Implementation Deed shall be deemed to be a breach by Goodman Fielder for the purposes hereof)) which the Goodman Fielder Board, acting in good faith, and after receiving written legal advice from its legal advisor and written advice from its Financial Adviser, determines: 1 is reasonably capable of being valued and completed in a timely fashion taking into account all aspects of the Competing Proposal including any timing considerations, any conditions precedent and the identity of the proponent; 2 is subject to conditions (taken as a whole) no more onerous than the Conditions Precedent (taken as a whole); and 3 would, if completed substantially in accordance with its terms, be more favourable to Goodman Fielder Shareholders (as a whole) than the Transaction, taking into account all terms and conditions of the Competing Proposal.

Term	Meaning
Third Party	a person other than: 1 Goodman Fielder; 2 FPW; 3 First Pacific; and 4 Wilmar, and their respective Associates.
Transaction	the acquisition of the Scheme Shares by FPW through implementation of the Scheme in accordance with the terms of the Scheme Implementation Deed.
Treasurer	the Treasurer of the Commonwealth of Australia.
UHT	ultra heat treated.
Wilmar	Wilmar International Limited Company Registration No. 199904785Z.
Wilmar Group	Wilmar and each of its Subsidiaries (but excluding, for the avoidance of doubt, any member of the FPW Group) and a reference to a '**Wilmar Group Member**' or a '**member of the Wilmar Group**' is to Wilmar or any of its Subsidiaries.

12.2 INTERPRETATION

In this Scheme Booklet, unless the context otherwise appears:

(a) words and phrases have the same meaning (if any) given to them in the Corporations Act;

(b) words importing a gender include any gender;

(c) words importing the singular include the plural and vice versa;

(d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;

(e) a reference to a clause, attachment or schedule is a reference to a clause of and an attachment and schedule to this Scheme Booklet as relevant;

(f) a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;

(g) headings and bold type are for convenience only and do not affect the interpretation of this Scheme Booklet;

(h) a reference to time is a reference to time in Sydney, Australia;

(i) a reference to writing includes facsimile transmissions; and

(j) a reference to dollars, $, A$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

Annexure 1

1

Annexure 1

ASX ANNOUNCEMENTS BY GOODMAN FIELDER SINCE 16 OCTOBER 2014 (BEING THE DATE ON WHICH GOODMAN FIELDER LODGED THE GOODMAN FIELDER 2014 ANNUAL REPORT WITH ASX)

This table does not contain announcements on the ASX relating to substantial holder notices.

Date	Announcement
21 October 2014	Foreign Investment Review Board Approval Received
18 November 2014	Annual Review 2014
20 November 2014	Annual General Meeting – Chairman's Address
20 November 2014	Annual General Meeting – Managing Director's Presentation
20 November 2014	Results of Annual General Meeting

Annexure 2 – Independent Expert's Report

2

Annexure 2 – Independent Expert's Report

Deloitte.

Goodman Fielder Limited

Independent expert's report and Financial Services Guide

12 December 2014

Deloitte.

Financial Services Guide

What is a Financial Services Guide?

This Financial Services Guide (FSG) provides important information to assist you in deciding whether to use our services. This FSG includes details of how we are remunerated and deal with complaints.

Where you have engaged us, we act on your behalf when providing financial services. Where you have not engaged us, we act on behalf of our client when providing these financial services, and are required to give you an FSG because you have received a report or other financial services from us. The person who provides the advice is an Authorised Representative (AR) of Deloitte Corporate Finance Pty Limited, which authorises the AR to distribute this FSG. Their AR number is included in the report which accompanies this FSG.

What financial services are we licensed to provide?

We are authorised to provide financial product advice and to arrange for another person to deal in financial products in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds and related regulated emissions units (i.e., carbon) to retail and wholesale clients. We are also authorised to provide general financial product advice relating to derivatives to retail clients and personal financial product advice relating to derivatives to wholesale clients.

Our general financial product advice

Where we have issued a report, our report contains only general advice. This advice does not take into account your personal objectives, financial situation or needs. You should consider whether our advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is provided to you in connection with the acquisition of a financial product you should read the relevant offer document carefully before making any decision about whether to acquire that product.

How are we and all employees remunerated?

We will receive a fee of approximately A$400,000 exclusive of GST in relation to the preparation of this report. This fee is not contingent upon the success or otherwise of the proposed scheme of arrangement between Goodman Fielder, Wilmar and First Pacific (the Proposed Scheme).

Other than our fees, we, our directors and officers, any related bodies corporate, affiliates or associates and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary and while eligible for annual salary increases and bonuses based on overall performance they do not receive any commissions or other benefits as a result of the services provided to you. The remuneration paid to our directors reflects their individual contribution to the organisation and covers all aspects of performance.

We do not pay commissions or provide other benefits to anyone who refers prospective clients to us.

Associations and relationships

We are ultimately controlled by the Deloitte member firm in Australia (Deloitte Touche Tohmatsu). Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu.

Deloitte Touche Tohmatsu has previously performed consulting, taxation and internal audit services for Goodman Fielder Limited over the past two years. These services were unrelated to the Proposed Scheme.

What should you do if you have a complaint?

If you have any concerns regarding our report or service, please contact us. Our complaint handling process is designed to respond to your concerns promptly and equitably. All complaints must be in writing to the address below.

If you are not satisfied with how we respond to your complaint, you may contact the Financial Ombudsman Service (FOS). FOS provides free advice and assistance to consumers to help them resolve complaints relating to the financial services industry. FOS' contact details are also set out below.

The Complaints Officer	Financial Ombudsman Services
PO Box N250	GPO Box 3
Grosvenor Place	Melbourne VIC 3001
Sydney NSW 1220	info@fos.org.au
complaints@deloitte.com.au	www.fos.org.au
Fax: +61 2 9255 8434	Tel: 1300 780 808
	Fax: +61 3 9613 6399

What compensation arrangements do we have?

Deloitte Australia holds professional indemnity insurance that covers the financial services provided by us. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

12 December 2014

Deloitte Corporate Finance Pty Limited, ABN 19 003 833 127, AFSL 241457 of Level 1 Grosvenor Place, 225 George Street, Sydney NSW 2000

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Member of Deloitte Touche Tohmatsu Limited

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The Directors
Goodman Fielder Limited
T2, 39 Delhi Road
North Ryde NSW 2113

12 December 2014

Dear Directors

Independent expert's report

Introduction

On 2 July 2014, Goodman Fielder Limited (Goodman Fielder or the Company), together with Wilmar International Limited (Wilmar) and First Pacific Company Limited (First Pacific) (collectively the Acquirers), announced a proposal under which the Acquirers would acquire all of the remaining issued shares in Goodman Fielder that they do not already own via a scheme of arrangement (the Proposed Scheme).

If the Proposed Scheme is approved, holders of Goodman Fielder shares other than the Acquirers, (the Non-Associated Shareholders[1]) will receive cash consideration of A$0.675 per Goodman Fielder share, Goodman Fielder would become a subsidiary of FPW Australia Pty Ltd, a special purpose entity, which at that time will be jointly owned by the Acquirers and would subsequently be delisted from the Australian Securities Exchange (ASX) and the New Zealand Stock Exchange (NZX).

The board of Goodman Fielder has prepared a scheme booklet containing the detailed terms of the Proposed Scheme (the Scheme Booklet). An overview of the Proposed Scheme is provided in Section 1 of our detailed report.

Purpose of the report

Whilst an independent expert's report in respect of the Proposed Scheme is not required to meet any statutory obligations, the Directors have requested that Deloitte Corporate Finance Pty Ltd (Deloitte Corporate Finance) provide an independent expert's report advising whether, in our opinion, the Proposed Scheme is fair and reasonable and accordingly in the best interests of Non-Associated Shareholders.

This report is to be included in the Scheme Booklet and has been prepared for the exclusive purpose of assisting Non-Associated Shareholders in their consideration of the Proposed Scheme. Neither Deloitte Corporate Finance, Deloitte Touche Tohmatsu, nor any member or employee thereof, undertakes responsibility to any person, other than the Non-Associated Shareholders and Goodman Fielder, in respect of this report, including any errors or omissions however caused.

[1] Subsidiaries of the Acquirers, any funds controlled by them, and FPW Australia Pty Ltd are not considered Non-Associated Shareholders

Basis of evaluation

Guidance

This independent expert's report has been prepared in a manner consistent with Part 3 of Schedule 8 of the Corporations Regulations 2001 (Cth) (Part 3) to assist Non-Associated Shareholders in their consideration of the Proposed Scheme. Part 3 prescribes the information to be provided to shareholders in relation to schemes of arrangement. We have prepared this report having regard to Part 3 and Australian Securities and Investments Commission (ASIC) Regulatory Guide 111: Content of experts reports and ASIC Regulatory Guide 112: Independence of experts.

According to ASIC Regulatory Guide 111, where the scheme of arrangement has the same effect as a takeover, the form of analysis used by the expert should be substantially the same as for a takeover bid. Accordingly, if an expert were to conclude that a proposal was 'fair and reasonable' if it was in the form of a takeover bid, it will also be able to conclude that the proposal is in the best interests of the members of the company.

To assess whether the Proposed Scheme is in the best interests of Non-Associated Shareholders, we have adopted the tests of whether the Proposed Scheme is either fair and reasonable, not fair but reasonable, or neither fair nor reasonable, as set out in ASIC Regulatory Guide 111.

Further details regarding the basis of evaluation are set out at Section 2 of our detailed report.

Definition of value

Our valuation analysis is based on the concept of fair market value, which we have defined as the amount at which the shares in the entity being valued would be expected to change hands between a knowledgeable willing buyer and a knowledgeable willing seller, neither of whom is under any compulsion to buy or sell. Special purchasers may be willing to pay higher prices to reduce or eliminate competition, to ensure a source of material supply or sales, or to achieve cost savings or other synergies arising on business combinations, which could only be enjoyed by the special purchaser. Our valuation has not been premised on the existence of a special purchaser.

Summary and conclusion

In our opinion, the Proposed Scheme is fair and reasonable to and therefore is in the best interests of Non-Associated Shareholders. In arriving at this opinion, we have had regard to the following factors.

The Proposed Scheme is fair

According to ASIC Regulatory Guide 111, in order to assess whether the Proposed Scheme is fair, the independent expert is required to compare the fair market value of a share in Goodman Fielder on a control basis with the fair market value of the consideration under the Proposed Scheme. The Proposed Scheme is fair if the value of the consideration is equal to or greater than the value of the securities subject to the offer.

Set out in the table below is a comparison of our assessment of the fair market value of a Goodman Fielder share with the consideration offered by the Acquirers.

Table 1: Fairness assessment

	Low (A$)	High (A$)
Estimated fair market value of a Goodman Fielder share	0.646	0.755
Value of consideration offered per share	0.675	

Source: Deloitte Corporate Finance analysis

The consideration offered by the Acquirers is within the range of our estimate of the fair market value of a Goodman Fielder share. Accordingly, it is our opinion that the Proposed Scheme is fair.

Valuation of Goodman Fielder

We have estimated the fair market value of Goodman Fielder using the sum of the parts approach. This approach values each key Goodman Fielder business, and corporate overheads, separately. In valuing each business, we have used the capitalisation of maintainable earnings method, which estimates the value of each business by capitalising its maintainable earnings with an appropriate earnings multiple.

Our valuation of Goodman Fielder using the sum of the parts approach is summarised in the following table.

Table 2: Valuation of Goodman Fielder

A$m (unless otherwise stated)	Assessed maintainable earnings	Assessed multiple (x) Low	Assessed multiple (x) High	Valuation range Low	Valuation range High
Business					
Baking	82.5	8.0	8.5	660.0	701.3
Grocery	60.0	7.5	8.0	450.0	480.0
Dairy (A$m)[1, 2]		8.0	8.5	436.4	463.6
Asia Pacific	65.0	6.0	6.5	390.0	422.5
Strategic initiatives				50.0	125.0
Corporate overheads	(15.0)	7.4	7.9	(111.0)	(118.5)
Total business enterprise value – 100% of Group				**1,875.4**	**2,073.9**
Net debt				(540.0)	(520.0)
Surplus assets				1.7	1.7
Total equity value – 100% of Group				**1,337.1**	**1,555.6**
Minority interests				(73.5)	(79.5)
Total equity value – Goodman Fielder interest				**1,263.6**	**1,476.1**
Number of shares outstanding (m)				1,955.6	
Value of a share (A$)				**0.646**	**0.755**

Notes:
1. *We have valued the Dairy business in New Zealand dollars (NZ$) and converted the assessed valuation range to Australian dollars (A$) at an A$:NZ$ exchange rate of 1.1)*
2. *We assessed maintainable earnings of the Dairy business at NZ$60m*
3. *Amounts above and in this report may be subject to rounding*

Source: Deloitte Corporate Finance analysis

Maintainable earnings

Our assessed maintainable earnings before interest, tax, depreciation and amortisation (EBITDA) for each business has had regard to our review of the business units, along with their recent financial performance, FY2015 budgets prepared by management and approved by the Board, and consensus estimates of earnings for Goodman Fielder from available equity research.

One of the key themes for all of the product categories in Australia and New Zealand in which Goodman Fielder operates is significant competitive pressure from both proprietary and major retailers' private label products.

For the baking business, we had regard to Goodman Fielder's exposure to the Australian wheat price and the extent to which the Company can pass through to customers the effect of fluctuations (particularly in the short term) in those prices. The major retailers' 'one dollar' loaf products (more recently '85 cent' products) in Australia ('one dollar' products have also been recently introduced in New Zealand) and "in-store bake" offerings have affected the Company's earnings from fresh loaf products. We also considered the recent growth the Company has experienced with artisan-style products (that generally attract premium pricing), and the full year impact of ongoing savings from the optimisation of the manufacturing footprint.

For the grocery business, we had regard to a decrease in underlying demand, and loss of market share in the price competitive spreads category in Australia, partly offset by growth and increased market share in the (significantly smaller) dressings and mayonnaise category, achieved through new product development and increased direct marketing effort on premium products. We also considered the benefits of selling to food service providers, particularly in Australia.

For the dairy business, we had regard to the Company's exposure to the New Zealand farmgate milk price, and limits on the ability of the Company to pass through to customers the effect of fluctuations in the farmgate milk price. We have also considered historical loss of market share in the fresh milk category to branded products of the dominant industry participant, Fonterra, as well as private label products, and the potential reduction in margins where the Dairy business attempts to remain price competitive. In addition, we considered the earnings generated from the sale of dairy products within the Asia Pacific market (historically reported within the Asia Pacific segment) as attributable to the dairy business.

For the Asia Pacific business, we had regard to historical stability in earnings (barring an issue with Fiji poultry mortality rates in FY2013), general economic conditions in the Pacific markets, the likelihood and extent to which the Company can achieve success in its new East Asian markets, and the effect of currency movements (particularly the PNG Kina).

Earnings multiples

We have capitalised the selected maintainable EBITDA by EBITDA multiples on a control basis having regard to the following key factors:

- earnings multiples of listed comparable companies and implied multiples from recent transactions involving companies comparable to the relevant business units of Goodman Fielder
- most of the comparable companies have diversified operations and therefore there was a limited number of directly comparable companies. We categorised the comparable companies into two broad groups: food manufacturing and dairy processing
- Goodman Fielder's return on capital employed and EBITDA growth are both below that of all of the comparable companies. All other things being equal, these factors suggest Goodman Fielder's multiple should be below the multiple of the comparable companies.

For the baking business, the transaction multiples were preferred to the listed company multiples, as the transactions involved companies we consider more comparable. Goodman Fielder's baking business is subject to significant competition and structural market issues which are not issues affecting the comparable companies. However, there are growth opportunities, in particular in artisan products, and Goodman Fielder is well placed to take advantage of this growth.

For the grocery business, we were cognisant of the fact that Goodman Fielder is a market leader in some product categories but faces significant competition from branded and private label products. The listed comparable companies are some of the world's most diverse and well known food companies and trade at the high end of a range of appropriate multiples. We have also considered two transactions, involving Griffin's Foods and Food Holdings, both of which operate in markets that Goodman Fielder operates in. Although not directly comparable in terms of product range, these companies faced many of the local market issues and value drivers that Goodman Fielder faces and therefore provide a reasonable benchmark.

For the dairy business, we were cognisant of the fact that although Goodman Fielder is one of the market leading producers of dairy products in New Zealand, it faces significant competition and does not have direct access to farmers. This reduces Goodman Fielder's ability to manage raw milk input costs. This is a key strategic weakness of the Company and warrants a lower multiple compared to those of comparable companies with direct access to farmers. Goodman Fielder is, however, well positioned to take advantage of the growing demand from Asia and is currently expanding its UHT plant in Christchurch. We consider the transaction multiples, which include the acquisitions of Warrnambool Cheese and Dairy Farmers, to provide a better benchmark of value than the listed company multiples. However, both Warrnambool Cheese and Dairy Farmers had direct access to farmers and therefore we selected a multiple below those implied by these transactions.

For the Asia Pacific business, we found no directly comparable companies. We therefore used the multiples selected for the other businesses as a base and made adjustments for the sovereign risk associated with the political and social instability of Papua New Guinea and Fiji, and the small size of these markets. We therefore chose a multiple below those selected for the other Goodman Fielder businesses.

Strategic initiatives and other adjustments

We have separately assessed the value of a number of strategic initiatives that the Company is in the process of executing, where we consider such value is not captured within the value of each of the four businesses. We have also assessed the (negative) value associated with corporate overhead costs that are not reflected within maintainable earnings of any of the businesses. The assessed corporate overhead is lower than that incurred by Goodman Fielder historically and reflects our assessment of costs that would be incurred by a general pool of prospective buyers of the Company.

We have made adjustments for net debt, minority equity interests in the Asia Pacific business, and surplus land and buildings.

The Proposed Scheme is reasonable

In accordance with ASIC Regulatory Guide 111, an offer is reasonable if it is fair. On this basis, the Proposed Scheme is reasonable. Notwithstanding, we have also considered the following factors in assessing the reasonableness of the Proposed Scheme.

The Proposed Scheme allows Non-Associated Shareholders to realise their investment in Goodman Fielder and removes uncertainty regarding future earnings pressure on the business units and the execution of future strategic initiatives

The Proposed Scheme allows Non-Associated Shareholders to immediately realise their investment in Goodman Fielder at a premium to the traded share price prior to the first announcement relating to the Proposed Scheme. The cash offer provides certainty over the quantum of funds to be realised and removes any risk associated with further earnings pressure on the business units and the Company executing its future strategic initiatives. It does, however, also remove the ability to participate in any future upside through more favourable trading conditions, lower input costs (which may result in better margins) and benefits associated with successful execution of the strategic initiatives over and above that factored into our valuation.

No alternative proposal

In recent years, no other buyer has come forward to acquire the shares in Goodman Fielder. It is not inconceivable that another buyer exists, however, based on the fact that no offers were made prior to the initial indicative offer and that since the initial indicative offer was announced, no alternative proposals have been put forward, it would not be unreasonable to assume that, at this stage, an alternative offer is unlikely.

There is currently no alternative proposal. That is to say, Non-Associated Shareholders only have two options: sell their shares and receive cash consideration of A$0.675 per share; or hold onto their shares. Unless a superior alternative proposal is received prior to the implementation of the Proposed Scheme, having regard to our assessment of fairness, in our opinion there would appear to be no reason for Non-Associated Shareholders to reject the Proposed Scheme.

The offer captures only part of the synergy benefits that the Acquirers may be able to realise

The consideration offered by the Acquirers is within the range, albeit at the low end, of our assessed value of a Goodman Fielder share, on a control basis, which suggests the offer price captures only part of the potential synergy benefits that the Acquirers may realise.

Whilst our assessment of value reflects fair market value (and is in line with ASIC guidance and common market practice), it does not necessarily include any specific value that the Acquirers may be able to realise. This could be realised, for instance, through synergy benefits uniquely available to the Acquirers. Examples of potential synergy benefits include leveraging the geographic presence of the Acquirers to expand Goodman Fielder's presence in the Asian markets, generating benefits through the shared use of existing distribution networks in Goodman Fielder's current markets, and achieving lower raw material input costs through greater (combined) bargaining power.

As the Proposed Scheme involves cash-only consideration, the consideration offered by the Acquirers would have to capture any part of potential synergy benefits the Acquirers could realise and were willing to 'pay away' in order for the Non-Associated Shareholders to participate in those benefits. Some other form of consideration, such as scrip (or a combination of scrip and cash) or an alternative proposal would arguably afford the Non-Associated Shareholders the opportunity to participate in such benefits. That could, however, also reduce the certainty associated with the cash consideration offered under the Proposed Scheme and expose Non-Associated Shareholders to downside risk compared to the current cash offer under the Proposed Scheme.

Potential blocking stake if Proposed Scheme is not implemented

The Acquirers collectively control 19.9% of the outstanding shares in Goodman Fielder. If the Proposed Scheme is not implemented, the Acquirers will hold a significant stake that could be a potential impediment to Non-Associated Shareholders realising the value of their shares through an alternative control transaction, i.e., a 'blocking stake'. This is particularly in light of the 90% threshold for compulsory takeovers, where the Acquirers would be in a position to block a hypothetical alternative takeover, but also in terms of the ability of Non-Associated Shareholders to collectively gather more than 75% of the vote on an alternative hypothetical scheme of arrangement. This blocking stake poses a risk to Non-Associated Shareholders if the Proposed Scheme is not implemented.

Shareholders are receiving a premium to Goodman Fielder's share price prior to the announcement of the Proposed Scheme

The proposed offer of A$0.675 per share is above the recent trading price on the ASX prior to the first announcement relating to the Proposed Scheme (initial conditional offer made 28 April 2014).

The following table sets out the volume weighted average price (VWAP) prior to the initial conditional offer and the control premiums implied by the consideration offered by the Acquirers of A$0.675 per share.

Table 3: Implied control premium

Period	VWAP	Implied control premium
1 week prior to the announcement	0.540	25.0%
2 April 2014[1] to the day prior to the announcement	0.513	31.5%
1 month prior to the announcement	0.529	27.7%

Note:
1. 2 April 2014 was selected given the profit warning announcement was made on this date
Source: Deloitte Corporate Finance analysis

Australian studies indicate the premiums required to obtain control of companies range between 20% and 40% of the portfolio holding values. The control premiums implied by the offer are within the empirically observed range. Given the profit warning made by the Company on 2 April 2014, we consider the VWAPs which include trading over a significant period prior to this date to be of limited relevance.

Share price in the absence of the Proposed Scheme is likely to trade lower than the consideration offered by the Acquirers

If the Proposed Scheme is not implemented, it is likely that Goodman Fielder shares will trade at a price below the consideration offered by the Acquirers. Prior to the announcement of the initial conditional offer from the Acquirers, and in particular subsequent to the Company's FY2014 profit downgrade announcement in April 2014, the shares were trading well below the consideration offered by the Acquirers. Actual FY2014 results released subsequently were broadly in line with this guidance. It would appear reasonable to conclude that, in the absence of the Proposed Scheme, Goodman Fielder's shares would likely trade at levels similar to those prior to the announcement of the initial conditional offer.

Other matters

Taxation

Implementation of the Proposed Scheme may trigger tax consequences for shareholders earlier than would have been the case otherwise. The taxation consequences of the Proposed Scheme for shareholders will depend on the personal taxation and financial circumstances of each Shareholder. We recommend Non-Associated Shareholders consider consulting an independent adviser who will have regard to their individual circumstances.

Opinion

In our opinion, the Proposed Scheme is fair and reasonable to Non-Associated Shareholders. It is therefore in the best interests of Non-Associated Shareholders.

An individual shareholder's decision in relation to the Proposed Scheme may be influenced by his or her particular circumstances. If in doubt the Non-Associated Shareholders should consult an independent adviser, who should have regard to their individual circumstances.

This opinion should be read in conjunction with our attached detailed report which sets out our scope and findings.

Yours faithfully

Tapan Parekh
Authorised Representative
AR Number 461009

Stephen Ferris

Stephen Ferris
Authorised Representative
AR Number 460999

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Glossary

Reference	Definition
A$	Australian dollars
ABARES	Australian Bureau of Agricultural and Resource Economics and Sciences
Acquirers, the	Collectively, First Pacific and Wilmar
AFSL	Australian Financial Services Licence
AR	Authorised Representative
ASEAN	Association of Southeast Asian Nations
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
b	Billions
CAGR	Compound annual growth rate
CBOT	Chicago Board of Trade
CEO	Chief executive officer
CFO	Chief financial officer
Company	Goodman Fielder Limited
Consumer Staples Index	S&P/ASX 200 Consumer Staples Index
Deloitte Corporate Finance	Deloitte Corporate Finance Pty Limited
DIRA	Dairy Industry Restructuring Act 2001
DIRR	Dairy Industry Restructuring (Raw Milk) Regulations 2001
DME	Direct marketing expenditure
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
FIRB	Foreign Investment Review Board
First Pacific	First Pacific Company Limited
FSG	Financial Services Guide
FY	Financial year ended 30 June
George Weston	George Weston Foods Limited
Goodman Fielder	Goodman Fielder Limited
Group	The Goodman Fielder group
KPI	Key performance indicator
m	Millions
MAT	Moving average total
MOFCOM	Ministry of Commerce of the People's Republic of China
NASP	Net average selling price
Non-Associated Shareholders	Holders of Goodman Fielder shares other than the Acquirers, subsidiaries of the Acquirers, any funds controlled by the Acquirers or FPW Australia Pty Ltd
Normalised earnings	Earnings before significant items such as asset sales, restructure costs and impairment charges (or other non-recurring costs specifically noted)
NPAT	Net profit after tax
NPD	New product development
NSW	New South Wales
NTA	Net tangible assets
NZ Bond Issue	Bonds issued in New Zealand to raise NZ$250m in October 2010
NZ$	New Zealand dollars
NZX	New Zealand Exchange or NZX Main Board
OIO	New Zealand Overseas Investment Office
Part 3	Part 3 of Schedule 8 of the Corporations Regulations 2001 (Cth)
PNG	Papua New Guinea
PPE	Property, plant and equipment
Proposed Scheme, the	The proposal under which the Acquirers would acquire 100% of the issued shares in Goodman Fielder that they do not already own via a scheme of arrangement
ROCE	Return on capital employed
Scheme Booklet, the	The scheme booklet containing the detailed terms of the Proposed Scheme
Scheme Record Date	Currently anticipated to be 10 March 2015
SGX-ST	Singapore Exchange (Securities Trading)

Reference	Definition
SKU	Stock keeping unit
SMII	PT Sinar Meadow International Indonesia
UHT	Ultra heat treatment
UK	United Kingdom
US Bond Issue	Bonds issued in United States private placement market to raise US$300m in June 2010
US$	US dollars
VWAP	Volume weighted average price
Wilmar	Wilmar International Limited
WMP	Whole milk powder

Contents

1 Overview of the Proposed Scheme

1.1 Summary

On 28 April 2014, Goodman Fielder announced that it had received a non-binding, conditional proposal from the Acquirers to acquire all of the shares in Goodman Fielder from existing shareholders at a cash price per share of A$0.65. Prior to this date, one of the Acquirers, Wilmar, had a relevant interest in 197,436,381 Goodman Fielder shares (representing approximately 10.1% of the issued shares of Goodman Fielder).

Subsequently, on 16 May 2014, Goodman Fielder announced that the Acquirers' indicative offer price had been revised upwards to A$0.70 cash per share. Accompanying the revised proposal was disclosure that a subsidiary of First Pacific had entered into separate agreements with two existing shareholders of Goodman Fielder, Perpetual Investment Management Limited and Ellerston Capital Limited, to acquire 95,822,401 shares in Goodman Fielder for A$0.70 per share from each (191,644,802 shares in total), with the acquisition of a component of those shares being conditional on Foreign Investment Review Board (FIRB) approval[2]. The revised proposal was conditional on (among other things) the completion of satisfactory due diligence by the Acquirers. Access to a four week due diligence process was subsequently provided. The revised proposal also noted that the Acquirers would allow a final dividend of A$0.01 per share to be paid by the Company for the year ended 30 June 2014.

The consideration was revised to A$0.675 per share, following completion of due diligence by the Acquirers. The ability to pay a final dividend of A$0.01 per share by the Company was unchanged.

On 2 July 2014, Goodman Fielder announced that it had entered into a Scheme Implementation Deed in relation to a transaction which, if approved by the courts and Non-Associated Shareholders, would result in the acquisition of all the shares in Goodman Fielder (from Non-Associated Shareholders at the Scheme Implementation Date) by the Acquirers. The transaction would be implemented by way of scheme of arrangement under section 411 of the Corporations Act 2011 (Cth) (previously defined as the Proposed Scheme). If the Proposed Scheme is approved, Non-Associated Shareholders will receive cash consideration of A$0.675 per share. In addition, Goodman Fielder was permitted to pay a A$0.01 per share dividend that was paid by the Company on 1 October 2014.

If the Proposed Scheme is approved, upon completion, Goodman Fielder will be delisted from the ASX and the NZX and will ultimately be jointly owned by the Acquirers.

1.2 Background to the Acquirers

Wilmar and First Pacific both have established operations and investment in the Asia Pacific region, including an extensive distribution network in the growing consumer markets in China and Indonesia.

1.2.1 Wilmar

Wilmar is a Singapore headquartered agribusiness group founded in 1991 and listed on the main board of SGX-ST. Wilmar had a market capitalisation of approximately A$17.4b as at 30 June 2014. For the six months ended 30 June 2014, Wilmar had total assets (including non-controlled interests) of A$47.0b and achieved a net profit of A$353.6m[3].

Wilmar's business activities include palm cultivation, oilseed crushing, edible oils refining, sugar milling and refining, specialty fats, oleochemical, biodiesel and fertiliser manufacturing, and grain processing. Wilmar also sells consumer products in a number of Asian markets including China.

Wilmar and its subsidiaries have over 450 manufacturing plants located in 15 countries. Wilmar has an extensive distribution network covering China, India, Indonesia and some 50 other countries, including Australia where it owns Sucrogen Limited (now known as Wilmar Sugar Australia Limited), which is involved in refining sugar, along with brands such as CSR in Australia and Chelsea in New Zealand.

[2] Goodman Fielder announced on 21 October 2014 that the Acquirers were advised by FIRB that it has no objection to the Proposed Scheme

[3] All of the foregoing were calculated using the exchange rate as at 30 June 2014, of A$1 to US$0.94029

1.2.2 First Pacific

First Pacific is a Hong Kong based investment management and holding company, founded in 1981, with operations located predominantly throughout Asia. First Pacific is listed on Hong Kong Stock Exchange with a market capitalisation of US$4.8b as at 30 June 2014. For the year ended 31 December 2013, First Pacific had total assets of approximately US$15.6b and achieved a net profit attributable to owners of US$235.3m.

First Pacific's business strategy is to identify and invest in assets with strong growth potential. First Pacific's key investments include a leading telecommunications provider in the Philippines, an infrastructure business in the Philippines and PT Indofood Sukses Makmur Tbk (Indofood) in Indonesia.

Indofood is an established food manufacturing and distribution company based in Jakarta providing consumer branded products and unprocessed agricultural products to the consumer market. These include milk, edible oils and fats, and flour.

1.3 Key conditions of the Proposed Scheme

The Proposed Scheme is subject to a number of conditions precedent including (among others):

- regulatory approvals, including from the New Zealand Overseas Investment Office (OIO) and the Ministry of Commerce of the People's Republic of China (MOFCOM), as well as certain other anti-trust agencies and any other approvals or clearances the Acquirers consider necessary or desirable to implement the Proposed Scheme[4]
- Goodman Fielder's independent expert concluding that the Proposed Scheme is fair and reasonable and in the best interests of Goodman Fielder Non-Associated Shareholders
- Non-Associated Shareholders approving the Proposed Scheme at the Scheme Meeting (with at least 75% of votes cast and 50% of shareholders voting in favour of the Proposed Scheme)
- No 'material adverse changes' occurring in respect of Goodman Fielder, being:
  - An event or circumstance that has the effect of reducing the Goodman Fielder Group's consolidated net assets (excluding any diminution in goodwill) by A$100m or more
  - An event or circumstance that has the effect of reducing the Goodman Fielder Group's EBIT by A$30m or more in recurring financial years

  Subject to a number of carve-outs
- No 'prescribed occurrences' in relation to Goodman Fielder
- Court approval of the Proposed Scheme in accordance with paragraph 411(4)(b) of the Corporations Act 2001 (Cth).

Further details are disclosed at Section 4.6 of the Scheme Booklet.

At the date of this report, the scheme meeting in relation to the Proposed Scheme is proposed to be held in late February 2015.

1.4 Intentions if the Proposed Scheme proceeds

If the Proposed Scheme proceeds, the intentions of the Acquirers with respect to Goodman Fielder are:

- to undertake a general review of Goodman Fielder's operations covering strategy, financial and operational matters
- subject to the findings of this review, the current intentions are to maintain the existing business structure and operations
- to replace the current Goodman Fielder Board members with nominees of First Pacific and Wilmar (yet to be identified)

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[4] As at the date of this report both the ACCC and FIRB have indicated that they have no objection to the Proposed Scheme

- to expand the distribution of Goodman Fielder products into potential new markets in the Asia Pacific region
- subject to major adverse macroeconomic or regulatory developments, further expand the Christchurch UHT plant in order to increase exports of UHT milk into China and other Asian markets
- to refinance some of Goodman Fielder's existing finance facilities.

Further details are disclosed at Section 6.7 of the Scheme Booklet.

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2 Basis of evaluation of the Proposed Scheme

2.1 Guidance

In undertaking the work associated with this report, we have had regard to ASIC Regulatory Guide 111 in relation to the content of expert's report and ASIC Regulatory Guide 112 in respect of the independence of experts.

Schemes of arrangement can include many different types of transactions, including being used as an alternative to a Chapter 6 takeover bid. The basis of evaluation selected by the expert must be appropriate for the nature of each specific transaction.

Section 640 requires an independent expert's report in connection with a takeover offer to state whether, in the expert's opinion, the takeover offer is fair and reasonable. Where the scheme of arrangement has the same effect as a takeover, the form of analysis used by the expert should be substantially the same as for a takeover bid, however, the opinion reached should be whether the proposed scheme is 'in the best interests of the members of the company'. Accordingly, if an expert were to conclude that a proposal was 'fair and reasonable' if it was in the form of a takeover bid, it will also be able to conclude that the proposed scheme is in the best interests of the members of the company.

ASIC Regulatory Guide 111

This regulatory guide provides guidance in relation to the content of independent expert's reports prepared for a range of transactions.

ASIC Regulatory Guide 111 refers to a 'control transaction' as being the acquisition (or increase) of a controlling stake in a company that could be achieved, for example, by way of a takeover offer, scheme of arrangement, approval of an issue of shares using item 7 of section 611, a selective capital reduction or selective buy back under Chapter 2J.

In respect of control transactions, under ASIC Regulatory Guide 111 an offer is:

- fair, when the value of the consideration is equal to or greater than the value of the shares subject to the proposed scheme. The comparison must be made assuming 100% ownership of the target company (i.e. including a control premium)
- reasonable, if it is fair, or, despite not being fair, after considering other significant factors, shareholders should accept the offer under the proposed scheme, in the absence of any higher bids before the close of the offer.

To assess whether the Proposed Scheme is in the best interests of Non-Associated Shareholders, we have adopted the tests of whether the Proposed Scheme is either fair and reasonable, not fair but reasonable, or neither fair nor reasonable, as set out in ASIC Regulatory Guide 111.

2.2 Fairness

ASIC Regulatory Guide 111 defines an offer as being fair if the value of the offer price is equal to or greater than the value of the securities the subject of the offer. The comparison must be made assuming 100% ownership of the target company.

Accordingly, we have assessed whether the Proposed Scheme is fair by comparing the consideration offered with the value of Goodman Fielder on a control basis.

Goodman Fielder's shares have been valued at fair market value, which we have defined as the amount at which the shares would be expected to change hands between a knowledgeable and willing but not anxious buyer and a knowledgeable and willing but not anxious seller, neither of whom is under any compulsion to buy or sell.

Special purchasers may be willing to pay higher prices to reduce or eliminate competition, to ensure a source of material supply or sales, or to achieve cost savings or other synergies arising on business combinations, which could only be enjoyed by the special purchaser. Our valuation of a Goodman Fielder share has not been premised on the existence of a special purchaser.

We have assessed whether the Proposed Scheme is fair by comparing the value of a Goodman Fielder share with the value of the consideration to be received from the Acquirers. We have assessed the value of each Goodman Fielder share by estimating the current value of Goodman Fielder on a control basis and dividing this value by the number of shares on issue.

2.3 Reasonableness

ASIC Regulatory Guide 111 considers an offer in respect of a control transaction, to be reasonable if either:

- the offer is fair
- despite not being fair, but considering other significant factors, shareholders should accept the offer in the absence of any higher bid before the close of the offer.

To assess the reasonableness of the Proposed Scheme we considered the following significant factors in addition to determining whether the Proposed Scheme is fair:

- the extent to which Non-Associated Shareholders are receiving a premium for control
- Goodman Fielder share price in the absence of the Proposed Scheme
- the fact that the Proposed Scheme allows Non-Associated Shareholders to realise their investment in Goodman Fielder and removes uncertainty regarding the execution of future strategic initiatives
- the potential blocking stake of the Acquirers if the Proposed Scheme is not implemented
- whether any alternative proposals exists
- the extent to which the offer price captures any of the synergy benefits that the Acquirers may be able to realise.

2.4 Limitations and reliance on information

This report should be read in conjunction with the declarations outlined in Appendix A.

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3 Profile of Goodman Fielder

3.1 Introduction and corporate history

Goodman Fielder operates in the food manufacturing industry in Australia and New Zealand and across the Asia Pacific region.

3.1.1 Corporate history

Goodman Fielder has a strong brand heritage in Australia. Its first incarnation, Geo Fielder & Co. Ltd, began in Tamworth, New South Wales, in 1909 and has since grown to be the manufacturer of some of Australia's and New Zealand's most popular food brands.

Goodman Fielder's history is set out in the following figure.

Figure 1: Goodman Fielder corporate history

1909	Geo Fielder & Co. Ltd was incorporated in Australia
1968	Quality Bakers Co-operative was established in New Zealand by Patrick Goodman
1986	Goodman Fielder was established through the merger of three Australian companies: Fielder Gillespie Davis Limited, Allied Mills Limited and Goodman Group Limited
1997	The Company acquired the milling and baking businesses of Defiance Food Industries in New Zealand and the Australian consumer foods division of Burns Philp
2003	Goodman Fielder was acquired by Burns Philp and delisted from the ASX and NZX
2005	In December 2005, Goodman Fielder was listed on the ASX and the NZX
2006	In July 2006, Goodman Fielder acquired three bread brands – Country Life Bakery, Flinders Bread and Early Harvest Specialty Breads, along with a bakery in Dandenong, Victoria
2007	In March 2007, Goodman Fielder acquired New Zealand bakeries and flour milling businesses, River Mill and Canterbury Flour Mills In April 2007, Goodman Fielder completed the acquisition of the assets of Copperpot, a manufacturer and marketer of a range of premium dips, paté, yoghurt and cheese In July 2007, Goodman Fielder completed the acquisition of the business of IDF (Mainland) Limited, a New Zealand based dairy company. Goodman Fielder was awarded a milk supply contract with Progressive Stores and secured a strategic partnership with The Grate Kiwi Cheese Company for the production of retail cheeses In November 2007, Goodman Fielder announced the closure of its oils manufacturing plant in Mascot, NSW and the construction of a new A$30m manufacturing facility for retail grocery products in Erskine Park, NSW.
2008	In March 2008, Goodman Fielder acquired Paradise Food, a manufacturer of biscuits and other snack items that were marketed across Australia
2009	In May 2009, Goodman Fielder announced that it would focus on the manufacture and marketing of everyday branded consumer foods and would be looking to divest its commercial edible fats and oils business In December 2009, Goodman Fielder announced it had reached an agreement to divest it commercial edible fats and oils business
2010	In March 2010, the ACCC announced that it was opposed to the proposed divestment of the commercial fats and oils business to Cargill and Goodman Fielder abandoned the proposed divestment in November 2010

2011	In July 2011, Goodman Fielder appointed a new Chief Executive Officer (CEO), Chris Delaney In August 2011, prior to the release of its annual financial results, Goodman Fielder announced it would record a A$300m impairment charge as a result of weaker than anticipated trading conditions in its Baking business. A strategic review of Goodman Fielder’s operations also commenced to identify and implement cost saving initiatives In October 2011, Goodman Fielder appointed four new executives and consolidated three existing New Zealand operations in an effort to reduce overhead costs in the New Zealand businesses As part of its ongoing strategic review, Goodman Fielder successfully refinanced a A$500m syndicated debt facility and worked towards optimising its supply chain in the Baking business and proposed the closure of underutilised plants in Western Australia and New Zealand In September 2011, Goodman Fielder announced an intention to raise A$259m through a pro-rata entitlement offer to existing institutional and retail shareholders. This was successfully completed in November 2011 Wilmar began acquiring shares in Goodman Fielder in October 2011 and became a substantial shareholder in February 2012 having acquired 10.1% of the Company’s outstanding shares
2012	In October 2012, Goodman Fielder sold its commercial oils business (Integro) to a consortium comprising GrainCorp and Gardner Smith. Concurrently, GrainCorp and Goodman Fielder entered into an agreement for the supply of edible oils and spreads to Goodman Fielder.
2013	In February 2013, Goodman Fielder sold its Champion Milling business to Nisshin Flour Milling Inc. Goodman Fielder would continue to sell flour under its own brands, sourced from Nisshin, to retailers, bakeries and bread shops in New Zealand
2014	In February 2014, Goodman Fielder sold its Biscuits business in Australia to Green’s Food Holdings In March 2014, Goodman Fielder divested its and Meats business and in May 2014, divested its Pizza business (both in New Zealand) In April 2014, Goodman Fielder informed the market that its previously estimated financial results for FY[1]2014 would likely be lower than expected as a result of poor market conditions On 28 April 2014, Goodman Fielder announced that it had received a non-binding conditional proposal from Wilmar and First Pacific to acquire all its outstanding shares at A$0.65 a share; later revised to A$0.70 a share (plus the ability to pay a A$0.01 per share dividend payable by the Company) on 16 May 2014. On 2 July 2014, Goodman Fielder entered into the Scheme Implementation Deed with Wilmar and First Pacific following the completion of due diligence by Wilmar and First Pacific . Pursuant to the Scheme, Wilmar and First Pacific will acquire all the outstanding shares that they do not already own in Goodman Fielder for A$0.675 cash per share. Goodman Fielder was also able to pay a A$0.01 per share dividend, which was paid on 1 October 2014. On 13 August 2014, Goodman Fielder announced its financial results for FY2014, showing a loss after tax of A$405.1m, which includes a A$97.3m loss on the sale of businesses and a A$358.2m impairment charge, relating to goodwill and brands.

Note
1. FY: the financial year ended 30 June.
Source: Goodman Fielder, ASX announcements

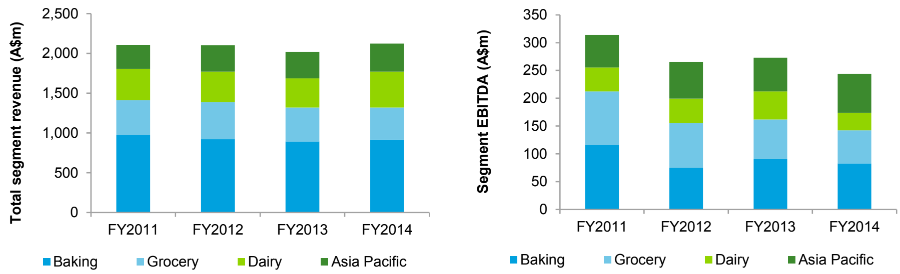
As can be seen from the above, since FY2011 the Company has sold a number of business units or product portfolios. The proceeds from these sales have been used to repay debt or have been reinvested into the business.

3.2 Overview of the Group

Goodman Fielder is comprised of four business segments. The Baking business operates in Australia and New Zealand and owns a number of well-known bread brands. The Dairy business operates in New Zealand and produces a range of dairy products including fresh and flavoured milk, yoghurt and cheese. The Grocery business operates in Australia and New Zealand, and supplies consumer food products including spreads, mayonnaise, dressings, cake mixes and edible oils. The Asia Pacific business includes operations in China, Indonesia, Fiji, Papua New Guinea (PNG) and New Caledonia. The Asia Pacific business produces and distributes packaged baked goods, flour, poultry, spreads, dairy products, sauces, dressings, convenience foods and various other grocery products to supermarkets and convenience stores as well as bulk and packaged edible fats and oils, flour and feed products to food manufacturers and wholesalers.

Historical revenues and EBITDA derived from these segments are illustrated in the figures below.

Figure 2: Historical segment revenue and EBITDA[5]



Source: Goodman Fielder

The Baking business has historically been the largest contributor to the Group's revenue. The decrease in the Baking business' EBITDA since FY2011 was driven by a challenging retail market, high commodity prices, loss of volume and internal supply chain and manufacturing challenges.

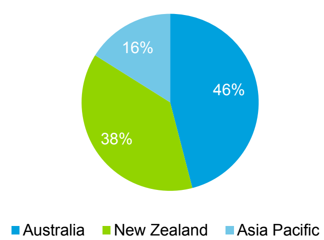
The Grocery business has been the second largest contributor to the Group's revenue and EBITDA. However, it has experienced increased competition from private label products and a lack of ranging[6] in Australia by its major retail partners and the Group itself (in order to reduce the number of stock keeping units (SKU)).

In FY2014 the Dairy business' EBITDA was impacted as a result of the record increase in the farmgate milk price which Goodman Fielder was not able to fully recover through price increases.

The Asia Pacific business' contribution to the Group's revenue has increased from 14% in FY2011 to 16% in FY2014, reflecting growth in Asian food demand and net exports of food products from Australia and New Zealand. Despite being a small contributor to the Group's revenue, the Asia Pacific business contributed 29% of the Group's EBITDA before restructuring costs[7] in FY2014 reflecting the stronger margins in the Asia Pacific business relative to the other business units.

As illustrated in the figure below, nearly half of the Group's revenue is attributable to operations in Australia. These revenues are derived from the Baking and Grocery businesses, which are significantly larger in Australia than in New Zealand.

Figure 3: Group revenue FY2014 by geographical segment[8]



Source: Goodman Fielder

[5] Revenue and EBITDA have been adjusted to represent the continuing operations of Goodman Fielder and EBITDA is stated before restructuring costs and Group corporate overheads

[6] Lack of ranging refers to a product not being included in the range of products stocked and displayed in stores

[7] The Group's EBITDA before restructuring costs has been determined as the total EBITDA before restructuring costs of the business units, as per note 4 to the FY2014 financial statements

[8] Revenue appears as reported and includes the financial results from the Pizza, Meats and Biscuits businesses.

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Goodman Fielder has a highly concentrated customer base, reporting in FY2014 that 60.2% of the Group's revenues depend on two customers across its Baking, Dairy and Grocery businesses. The dependence on two customers could impact the bargaining power of the Company with regard to contract terms, risk allocation and product range reductions. In this context, the strength of the Company's brands, manufacturing and supply chain capabilities become even more important.

3.2.1 Project Renaissance

Since July 2011, the Group has been undertaking significant restructuring in an effort to reduce the Group's overhead costs and effect cost savings through manufacturing and supply chain efficiency improvements. The initiatives were originally expected to realise A$100m in annual cost savings by FY2015 and were collectively referred to as Project Renaissance.

In April 2014, Goodman Fielder announced that there would be a delay in realising A$10m to A$15m of manufacturing and supply chain cost savings that it had previously expected to achieve in FY2014. In response, Goodman Fielder has accelerated initiatives to achieve A$25m of cost savings in FY2015 primarily through headcount reductions across the Group. These cost savings are additional to the initial annual cost savings target of A$100m, which are now expected to be realised by FY2016. Further detail on Project Renaissance is provided through this report.

3.3 Management

The Company's significant restructuring initiatives commenced shortly after the appointment of Chris Delaney as the Managing Director and CEO of Goodman Fielder. The senior management personnel have been instrumental to driving Project Renaissance and the Company's other strategic initiatives. The senior management personnel of the Group are summarised in the following table.

Table 4: Goodman Fielder's senior management personnel

Name	Title	Description
Chris Delaney	Managing Director and CEO	Mr Delaney was appointed in July 2011, having had extensive executive experience in the fast moving consumer goods (FMCG) industry internationally. Immediately prior to joining Goodman Fielder, Mr Delaney was the President of Asia Pacific at Campbell Soup Company. Following his appointment, Mr Delaney has been responsible for restructuring the Company and driving Project Renaissance and other strategic initiatives.
Patrick Gibson	Chief Financial Officer	Mr Gibson joined the Company in April 2014, having had extensive finance experience in listed Australian companies and the FMCG industry. Immediately prior to joining Goodman Fielder, Mr Gibson was the Group Financial Controller of Brambles.
Rob Rogers	Chief Supply Chain and Operations Officer	Mr Rogers was appointed Chief Supply Chain and Operations Officer in December 2012. Mr Rogers was previously at Kraft, where he served as Director Integrated Supply Chain. He has extensive FMCG and food industry experience. He has been influential in managing the restructure of the Baking business, particularly through the initiatives of Project Renaissance in reducing the cost base and improving the efficiency in the manufacturing and supply chain operations.
Pankaj Talwar	Chief Marketing Officer	Mr Talwar joined Goodman Fielder in December 2011 from Ebro Foods North America, where he served as Chief Marketing Officer / Senior Vice-President. At Goodman Fielder, Mr Talwar is currently responsible for the marketing of the Baking and Grocery categories.
Peter Reidie	Managing Director, Australia and New Zealand	Mr Reidie has worked with Goodman Fielder in New Zealand since 2008 and also has prior experience in the FMCG industry having worked at Arnott's and Campbell Soup Company. In his current role at Goodman Fielder, Mr Reidie manages the Australia and New Zealand businesses and is responsible for the Dairy category.
Peter Foyston	Managing Director, Asia Pacific	Mr Foyston joined Goodman Fielder as Managing Director of the Asia Pacific business in September 2012. Immediately prior to joining the Company, Mr Foyston was the head of Campbell Soup Company in China. Mr Foyston has been responsible for driving the Company's growth in new channels and markets in the Asia-Pacific region.

Source: Goodman Fielder

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Deloitte: Goodman Fielder Limited – Independent expert's report and Financial Services Guide

3.4 Historical financial performance

The reported financial performance of Goodman Fielder for the four years ended 30 June 2014 is summarised below.

Table 5: Goodman Fielder historical finance performance

A$m (unless otherwise stated)	Restated FY2011[1]	Audited FY2012	Audited FY2013	Audited FY2014
Continuing Operations				
Sales revenue	**2,215.0**	**2,212.5**	**2,127.6**	**2,199.9**
EBITDA (before impairment)	**313.3**	**205.9**	**260.3**	**186.3**
Depreciation and amortisation	(59.7)	(61.5)	(66.6)	(73.1)
EBIT (before impairment)	**253.6**	**144.4**	**193.7**	**113.2**
Impairment	(300.0)	(162.1)	(3.0)	(455.5)
EBIT (after impairment)	**(46.4)**	**(17.7)**	**190.7**	**(342.3)**
Net finance expense	(101.4)	(90.1)	(67.2)	(56.8)
Profit / (loss) before tax	**(147.8)**	**(107.8)**	**123.5**	**(399.1)**
Tax expense	(38.2)	(9.0)	(32.7)	1.1
Profit / (loss) after tax	**(186.0)**	**(116.8)**	**90.8**	**(398.0)**
Profit/(loss) from discontinued operations[2]	24.7	(23.1)	19.0	-
Profit/(loss) for the period	**(161.3)**	**(139.9)**	**109.8**	**(398.0)**
Attributable to:				
Owners of Goodman Fielder Limited[3]	(166.7)	(146.9)	102.5	(405.1)
Non-controlling interest	5.4	7.0	7.3	7.1
EPS	(12.9)c	(7.0)c	4.3c	(20.7)c
Sales revenue growth	*n/a*	*(0.1%)*	*(3.8%)*	*3.4%*
EBITDA (before impairment) growth	*n/a*	*(34.3%)*	*26.4%*	*(28.4%)*
EBITDA (before impairment) margin	*14.1%*	*9.3%*	*12.2%*	*8.5%*

Notes:
1. *For comparability the FY2011 results exclude the financial results of the Integro and Champion Milling businesses, which were classified as discontinued operations in FY2012*
2. *Relates to the financial results from the Integro and Champion Milling businesses and, in respect of FY2012, also includes impairment of Champion Milling*
3. *The profit or loss attributable to Goodman Fielder equates to net profit after tax (NPAT), as stated in the Group's reported financial results.*

Source: Goodman Fielder

Sales revenue remained relatively steady between FY2011 and FY2012 and declined slightly in FY2013. This reflected difficult trading conditions in Australia and New Zealand, in particular lower prices in the Baking business in FY2012 with subsequent price recovery but declining volumes, coupled with declining volumes in the Grocery business and a pricing decrease in the Dairy business in FY2013. These were partly offset through growth in volumes and prices in the Asia Pacific business. Sales revenue increased by 3.4% in FY2014 due to increased net average selling price across the businesses, despite lower volumes experienced in the Baking business due to increased competition and production issues; and the underperformance, including loss of revenues from the lack of ranging in Australia, of a new spreads product.

EBITDA decreased between FY2011 and FY2014 at a compound annual rate of 15.9%, largely as a result of the following:

- raw material input costs increased since FY2011 as a result of volatility in the Australian wheat price, New Zealand farmgate milk price and the cost of oils. This placed considerable pressure on Goodman Fielder's EBITDA margin as higher raw material input costs were not fully recovered from customers in the form of higher unit sale prices. Further analysis of commodity prices is set out in Section 5

- as part of Project Renaissance, Goodman Fielder incurred restructuring costs of A$2.6m in FY2011, A$53.6m in FY2012, A$17.0m in FY2013 and A$38.2m in FY2014 relating to the closure of a number of facilities in the Baking business, redundancy costs and costs associated with the change in management structure
- Goodman Fielder has increased direct marketing expenditure (DME) to strengthen the presence of the Company's core brands and maintain customer loyalty as a result of increasing competition in its core businesses. In FY2014, Goodman Fielder increased its DME by approximately 20% on the previous financial year

Reported EBITDA for FY2014 of A$186.3m was 28.4% lower than the previous corresponding period owing to higher raw material input costs, production issues which also resulted in supply chain inefficiencies and poor performance in the spreads category.

Net finance costs decreased at a compound annual rate of 18.6% between FY2011 and FY2013 as a result of the reduction in net debt over that period. As at 30 June 2014, the Group's net debt was A$507.1m, which was 10.3% higher than the balance as at 30 June 2013, but lower interest rates resulted in finance costs decreasing.

The Group incurred significant impairment charges in FY2011, FY2012 and FY2014. This predominantly related to the write-down of goodwill in the Baking and Grocery businesses and the impairment of the carrying value of assets.

As noted above, the historical financial performance of the Group was impacted by significant items and discontinued operations. The table below adjusts EBITDA for these items.

Table 6: Adjusted historical financial performance

A$m (unless otherwise stated)	FY2011	FY2012	FY2013	FY2014
Sales revenue	2,215.0	2,212.5	2,127.6	2,199.9
Revenue relating to FY2014 divestments[1]	(108.2)	(108.2)	(108.2)	(75.5)
Adjusted sales revenue	**2,106.8**	**2,104.3**	**2,019.4**	**2,124.4**
EBITDA	**313.3**	**205.9**	**260.3**	**186.3**
Net insurance proceeds	(12.1)	(7.1)	(17.3)	-
Restructuring costs	2.6	53.6	17.4	38.2
Realised foreign exchange losses	-	4.0	-	0.1
Cost incurred related to Bakery optimisation	-	-	-	8.0
FY2014 Divestments[1]				
EBITDA relating to Meats	(2.6)	(2.6)	(2.6)	(2.1)
EBITDA relating to Pizza	(0.4)	(0.4)	(0.4)	(0.4)
EBITDA relating to Biscuits	(5.6)	(5.6)	(5.6)	(4.9)
Adjusted EBITDA	**295.1**	**247.7**	**251.7**	**225.2**
Adjusted EBITDA growth	*n/a*	*(16.1%)*	*1.6%*	*(10.5%)*
Adjusted EBITDA margin[2]	*14.0%*	*11.8%*	*12.5%*	*10.6%*

Note:
1. *Amounts relating to FY2014 divestments for FY2011 to FY2013 are estimates based on actual results in FY2014*
2. *The adjusted EBITDA margin has been calculated with reference to the adjusted sales revenue (net of revenue derived from businesses divested during FY2014).*

Source: Goodman Fielder, ASX announcements, Deloitte Corporate Finance analysis

Net insurance proceeds relate to the property, plant and equipment (PPE) damaged in the Christchurch earthquakes in FY2011. The proceeds have been recognised in the Group's financial performance as other income and are one-off in nature. The adjustment represents the impact of proceeds net of the related expenses recognised in the Group's financial performance.

Restructuring costs primarily relate to the implementation of Project Renaissance, including redundancy costs from headcount reduction and closure of a number of facilities.

The Group's reported results for FY2011 to FY2014 include earnings relating to the operations of the Meats, Pizza and Biscuits businesses. The EBITDA relating to these businesses has therefore been subtracted from the Group's financial results to present the Group's earnings from continuing operations as at the date of this report.

The adjusted EBITDA margin declined from FY2011 to FY2012 and increased through FY2013. The adjusted EBITDA margin has fallen below historical levels reflecting the challenging trading conditions faced by the Group. In FY2014, the Group's earnings were impacted by sustained high commodity prices and poor performance in the Grocery business, which resulted in the decrease in adjusted EBITDA margin to 10.6%. Further comments on the performance of each business within the Group are provided in Section 4 of this report.

3.5 Outlook

A number of equity research analysts provide commentary on the financial and trading performance of Goodman Fielder, and periodically release profit estimates as part of their research. The estimates for FY2014, FY2015 and FY2016, from available equity research analyst reports, are summarised in the following table. We have presented the consensus median estimates for various metrics before and after the 2 April 2014 profit downgrade announced by the Company, as well as subsequent to the release of FY2014 results (on 13 August 2014).

Table 7: Available equity research estimates

	Audited	Before profit downgrade			After profit downgrade		
A$m	FY2013	FY2014	FY2015	FY2016	FY2014	FY2015	FY2016
Sales revenue	2,127.6	2,243.4	2,303.1	2,344.0	2,240.0	2,253.2	2,300.0
EBITDA	260.3	253.0	276.0	286.3	227.2	246.6	256.6
EBIT	190.7	181.8	200.8	213.0	154.0	177.8	192.1
NPAT[1]	83.5	80.0	96.5	104.0	61.0	74.6	80.5
EPS (cents per share)	4.3 c	4.0 c	5.0 c	5.0 c	3.1 c	4.0 c	4.1 c
DPS (cents per share)	3.0 c	3.0 c	3.2 c	4.0 c	2.0 c	2.8 c	3.0 c

	Audited	After FY2014 results release		
A$m	FY2014	FY2015	FY2016	FY2017
Sales revenue	2,199.9	2,215.0	2,270.0	2,329.7
EBITDA	186.3	242.5	251.7	259.1
EBIT	(342.3)	163.5	174.2	182.5
NPAT[1]	(405.1)	70.5	79.2	85.5
EPS (cents per share)	(20.7 c)	3.7 c	4.0 c	4.3 c
DPS (cents per share)	1.0 c	2.0 c	2.7 c	3.0 c

Note:
1. NPAT equates to profit or loss attributable to Goodman Fielder on a normalised basis.
Source: Various equity research analyst notes, Deloitte Corporate Finance analysis

Prior to 2 April 2014, the available equity research estimates were based on Goodman Fielder's financial results to 31 December 2013. These estimates reflected the Company's view that it would achieve an EBIT result in FY2014 broadly in line with FY2013 but continue to experience increased competition and volatile raw material input costs. These estimates also included the remaining cost savings under Project Renaissance that were expected to be realised by FY2015.

On 2 April 2014, Goodman Fielder announced an earnings downgrade driven by challenging trading conditions, particularly higher than anticipated raw material input costs and increased costs associated with reliability issues in the supply chain of the Australian Baking business. In order to meet the Group's customer obligations, additional logistics costs in the order of A$8m were incurred. Goodman Fielder stated it expected FY2014 EBIT to be approximately 10% to 15% lower than the prevailing consensus estimate of approximately A$180m.

As a result, the equity research estimates released on or after 2 April 2014 were revised downwards for FY2014, FY2015 and FY2016 across all metrics. Consensus estimates for FY2014 EBITDA and EBIT were lowered to the bottom end of management's guidance with analysts expecting that the loss of EBITDA would be permanent, or at least carry through until FY2016. In addition, on the whole, analysts seem to have discounted the additional cost saving benefits (A$25m) brought forward by management.

The equity research estimates released after Goodman Fielder announced its FY2014 results reflect lower earnings forecasts for FY2015 and FY2016, across all metrics, compared to estimates released following the profit downgrade announced on 2 April 2014. This suggests that the analysts did not expect the full impact of the challenging conditions in FY2014 and have delayed their expectations of recovery in the earnings of Goodman Fielder.

3.6 Financial position

The financial position of Goodman Fielder as at the end of the last three financial years is presented below:

Table 8: Goodman Fielder historical financial position

A$m (unless otherwise stated)	Audited 30 June 2012	Audited 30 June 2013	Audited 30 June 2014
Trade and other receivables	227.6	162.9	156.3
Inventories	128.0	128.9	122.9
Other current assets	9.0	14.6	13.3
Current tax receivable	13.7	9.1	4.0
Trade and other payables	(275.2)	(235.7)	(265.1)
Current tax liabilities	(15.0)	(16.4)	(3.7)
Net working capital	**88.1**	**63.4**	**27.7**
Assets and liabilities held for sale	169.5	1.7	1.7
Investments	4.1	5.5	11.2
Property, plant and equipment	498.1	511.5	471.2
Deferred tax assets and liabilities	37.2	18.9	36.9
Intangible assets	1,411.6	1,490.5	1,171.3
Other assets	3.5	1.8	1.3
Provisions	(76.8)	(81.4)	(73.2)
Total funds employed	**2,047.2**	**1,948.5**	**1,620.4**
Cash and deposits	161.7	403.1	194.4
Derivatives[1]	(84.7)	(49.1)	(58.8)
Borrowings	(837.2)	(813.6)	(642.7)
Net debt[2]	**(760.2)**	**(459.6)**	**(507.1)**
Net assets	**1,375.1**	**1,552.3**	**1,141.0**
Owners of Goodman Fielder Limited	**1,369.1**	**1,548.2**	**1,141.0**
Non-controlling interest	6.0	4.1	8.2

Notes:
1. *Derivatives include commodity price related derivatives of A$0.2m as at 30 June 2014 and 2013, and A$1.8m as at 30 June 2012*
2. *The net debt values quoted in Goodman Fielder's Directors' Reports disclose borrowings net of cash, adjusted for unrealised foreign exchange gains, relating to the revaluation of the Company's US$ private placement debt hedge .*

Source: Goodman Fielder

Net working capital decreased significantly between 30 June 2012 and 30 June 2014 and can be attributed to increased focus on working capital management and greater utilisation of working capital financing solutions. Following on from 30 June 2014, management expect the working capital position to increase, offset by an increase in net debt.

Assets and liabilities held for sale as at 30 June 2012 relate to the Integro and Champion Milling businesses. The A$1.7m balance in assets held for sale as at 30 June 2014 relates to property plant and equipment that was held in the Integro business but not sold as part of the divestment.

Investments represent Goodman Fielder's equity accounted interest in SMII (in which a 50% ownership interest is held). This has increased in value as a result of a reversal of previous impairment charges due to improved financial performance.

PPE decreased by 7.9% between 30 June 2013 and 30 June 2014 largely as a result of the divestments and the closure of bakeries during FY2014.

Intangibles decreased by 21.4% between 30 June 2013 and 30 June 2014 mainly due to the impairment of goodwill in the Australian and New Zealand Baking businesses and the New Zealand Grocery business.

Net debt increased by 10.3% between 30 June 2013 and 30 June 2014 due to a reduction in the cash balance, being applied to operational activities in addition to paying off existing debt facilities. In line with previous financial periods, gross debt has decreased, although this was offset (in reported A$ borrowings) by the appreciation in NZ$.

The Company does not own 100% of its operations in Fiji (90% owned by Goodman Fielder) and its Associated Mills Limited subsidiary in PNG (74% owned by Goodman Fielder). These businesses are consolidated with minority interests recognised on the balance sheet.

3.7 Capital structure and shareholders

3.7.1 Debt profile

A key strategic objective of Goodman Fielder has been to optimise the capital structure and maintain investment grade metrics. Proceeds from divestments and equity capital raisings undertaken since FY2011 have been used to reduce the Group's debt. The Group's net debt decreased by 53.5% between 30 June 2011 and 30 June 2013, with net-debt-to-EBITDA falling from 3.15 on 30 June 2011 to 1.77 on 30 June 2013. Between 30 June 2013 and 30 June 2014, the Group's net debt position increased by 10.3% as a result of a decrease in the Group's cash balance and appreciation of the NZ$ relative to the A$.

Goodman Fielder's debt facilities as at 30 June 2014 are summarised in the following table.

Table 9: Goodman Fielder debt facilities as at 30 June 2014

Facility type	Value drawn (A$m)	Facility amount (A$m)	Maturity
Secured lease liabilities	0.6	0.6	n/a
Secured bank facility	0.6	0.6	n/a
Loan Facilities	93.5	200.5	Nov-16[1]
Unsecured US Bond Issue	317.4	319.3	Sep-20
Unsecured NZ Bond Issue	230.6	232.6	May-16
Total debt (A$m)	**642.7**		

Note:
1. Included in this balance is an A$0.5m New Caledonian loan which matures in May 2018.
Source: Goodman Fielder

On 2 October 2014, Goodman Fielder announced that it will refinance the Unsecured NZ Bond Issue by redeeming all of the NZX listed bonds (NZ$250m) for cash and refinancing it with bank debt.

In addition to the above, Goodman Fielder has a number of agreements with financial institutions that enable it to receive up-front lump sum payments in exchange for future cash receivable from major customers when they settle their accounts. These are known as receivables purchase agreements, however they are not debt facilities and are not included on the balance sheet. The agreements do, however, assist the Company with working capital management.

Goodman Fielder is currently compliant with all its debt covenants.

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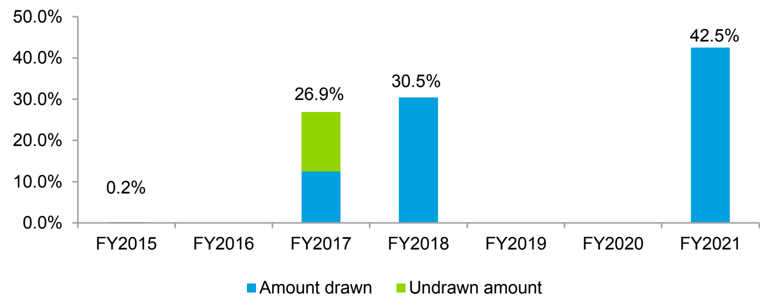
The maturity profile of Goodman Fielder's debt facilities (based on debt facilities as at 30 June 2014, but taking account of the refinancing of NZ Bond Issue) is illustrated in the figure below.

Figure 4: Goodman Fielder debt maturity profile (A$m)



Note:
1. Excludes overdrafts and Receivables Purchase Agreements
Source: Goodman Fielder

The amount drawn on the facility associated with the NZ Bond Issue refinancing, the Syndicated Loan Facility and the US Bond Issue account for more than 85% of Goodman Fielder's total debt facility limits and have medium to long term maturity profiles.

In June 2010, Goodman Fielder raised US$300m through unsecured notes in the US private placement market. The US Bond Issue has a long maturity profile. The Proposed Scheme will trigger a 'change of control event' due to which the Acquirers may be required to purchase the US Bond Issue at the principal amount together with any accrued interest. However, the mandatory repayment of the US Bond Issue will not require the Acquirers to pay a 'make good' or equivalent penalty amount equal to the discounted value of the scheduled payments remaining for the term of the US Bond Issue.

In October 2010, Goodman Fielder raised NZ$250m through bonds offered in New Zealand. The value of the NZ Bond Issue appreciated in recent years due to appreciation of the NZ$ relative to the A$. In October 2014, Goodman Fielder announced it had refinanced the NZ Bond Issue with a three year bank debt facility (maturing in October 2017). The facility can be drawn in A$ or NZ$. To the extent the new bank facility is drawn in NZ$, it is naturally hedged against Goodman Fielder's NZ$ denominated earnings, which also increase in A$ terms when the NZ$ appreciates relative to the A$.

The outstanding Syndicated Loan Facility was entered into in November 2011 and matures in November 2016. The amount drawn down from the Syndicated Loan Facility has reduced from A$226m at 30 June 2013 to A$93.0m at 30 June 2014 in line with Goodman Fielder's strategy to improve capital management by reducing debt. The facility is unsecured and denominated in A$, however, it is able to be drawn down in the NZ$ equivalent. The Syndicated Loan Facility has a floating interest rate and is hedged through partial interest rate swaps which effectively convert its obligation to pay the variable interest rate for an agreed fixed interest rate on an agreed principal amount.

3.7.2 Shareholders

In September 2011, the Company successfully completed an equity capital raising through a pro-rata entitlement offer for the Company's existing institutional and retail shareholders. The offer entitled existing shareholders to purchase five new ordinary shares in the Company for every 12 held by the shareholder at an offer price of A$0.45 per new share. The Company raised A$259m from the equity raising through the issue of 575.2m new ordinary shares.

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As at 6 August 2014, Goodman Fielder had approximately 1.96 billion ordinary shares on issue. The following table summarises the substantial shareholders and their respective interest in Goodman Fielder.

Table 10: Substantial shareholders as at 4 November 2014

Investor	Number of shares held	% of total issued shares
The Acquirers[1]	389,081,183	19.9%
Perpetual Investments	183,239,424	9.4%
Ellerston Capital	158,988,747	8.1%
Harris Associates	125,918,833	6.4%
Letko Brosseau & Associates	120,927,130	6.2%
Dimensional Fund Advisors	117,742,914	6.0%
Substantial shareholders	**1,095,898,231**	**56.0%**
Other shareholders	859,660,976	44.0%
Total shareholders	**1,955,559,207**	**100.0%**

Note:
1. Through their respective subsidiary companies, Wilmar holds shares representing 10.1% and First Pacific holds shares representing 9.8% of issued shares. These interests are considered collectively as the Acquirers are considered to be associates.
Source: Goodman Fielder

Excluding Wilmar, Ellerston and Perpetual were two of Goodman Fielder's largest shareholders prior to the announcement of the initial non-binding conditional offer on 28 April 2014. Ellerston became a substantial shareholder in November 2012 whilst Perpetual became a substantial shareholder in October 2013.

A subsidiary of First Pacific entered into a conditional share purchase agreement with substantial shareholders, Perpetual and Ellerston, to acquire approximately 191.6m shares in Goodman Fielder, or 9.8% of the outstanding ordinary shares in Goodman Fielder.

The completion of part of this agreement on 21 May 2014 resulted in the combined shareholding of the Acquirers increasing from 10.1% to 14.9%. Under the Foreign Acquisitions and Takeovers Act 1975 (Cth), First Pacific and Wilmar required approval from FIRB for the purchase of shares that would afford Wilmar and First Pacific an interest above a 15% interest in Goodman Fielder. Following confirmation by FIRB that it had no objection to the Proposed Scheme (announced 21 October 2014), the remainder of the sale completed, resulting in the combined shareholding of the Acquirers increasing to 19.9%.

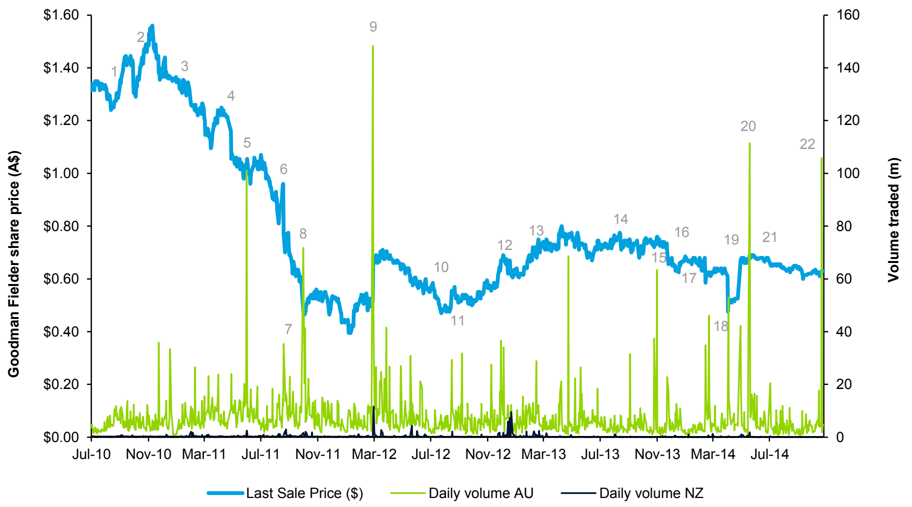
Goodman Fielder has in place a number of incentive plans with respect to its executives. The Company's current incentive plans entitle nominated executives and management to existing shares in Goodman Fielder, which if vested are purchased on market. As a result, the satisfaction of relevant criteria and the vesting of share rights will not cause the creation of new shares in Goodman Fielder.

3.8 Share price performance

The ordinary shares in Goodman Fielder are listed on the ASX and NZX. The combined number of Goodman Fielder shares traded on the ASX and NZX in the 12 months ended 24 October 2014 was 1.8 billion, which represented 90.0% of the average shares outstanding for the period.

Goodman Fielder's ASX share price movements, along with ASX and NZX trading volumes over the period from 1 July 2010 to 24 October 2014 are illustrated in the figure below.

Figure 5: Goodman Fielder ASX share price and ASX and NZX volume



Source: Capital IQ, Deloitte Corporate Finance analysis

As can be seen from the above, whilst the volumes traded on the ASX are reasonable, the volume of trade on the NZX has generally been weak.

The main movement in Goodman Fielder's share price and trading volume, as identified in numbers in the above figures, is summarised in the table below.

Table 11: Key events

Reference	Date	Note
1	19 Aug-10	Goodman Fielder announced normalised EBITDA growth of 10.3% at A$399.6m for FY2010
2	15-Oct-10	Goodman Fielder announced an offer of senior, unsecured fixed-rate bonds to investors in New Zealand of up to NZ$250m
3	18-Jan-11	Peter Margin announced his resignation as CEO
4	28-Apr-11	Goodman Fielder announced a downgrade to projected FY2011 NPAT of between A$140m and A$150m, citing market share reduction, adverse currency movements and increasing commodity costs
5	01-Jun-11	Chris Delaney appointed as CEO, effective 4 July 2011
6	19-Aug-11	Goodman Fielder announced an intention to take an impairment charge of A$300m in relation to the Baking business
7	29-Aug-11	Goodman Fielder announced FY2011 results below revised guidance with revenue of A$2,556m, EBITDA of A$357m and NPAT of A$133m prior to the impairment
8	30-Sep-11	Goodman Fielder successfully completed the institutional component of the entitlement offer, which raised A$190m. The subsequent retail entitlement offer raised A$70m in October 2011. New shares were issued for A$0.45 per share
9	28-Feb-12	Goodman Fielder announced that Wilmar was in the process of purchasing 10% of Goodman Fielder's shares
10	23-Jul-12	Goodman Fielder reaffirmed the EBIT guidance for FY2012 was at the lower end of A$230m to A$245m and expected further impairment of A$110m for the Baking and Grocery businesses and A$80m to A$90m in other divisions
11	28-Aug-12	Goodman Fielder entered into an agreement to sell the Integro business for A$170m to a consortium comprising GrainCorp and Gardner Smith
12	07-Dec-12	Goodman Fielder entered into an agreement to sell the Champion Milling business in New Zealand for NZ$51m to Nisshin Flour
13	13-Feb-13	Goodman Fielder announced FY2013 half-year results. Normalised results showed revenue of A$1,172m (down 9.0%), EBITDA of A$128.4m (down 13%), and NPAT of A$41.2m (down 4%)
14	14-Aug-13	Goodman Fielder announced FY2013 results. Revenue of A$2,128m, EBITDA of A$257m, and NPAT of A$84m. Normalised EBIT was reported at A$200.1m, which was slightly ahead of guidance provided in June 2013
15	04-Nov-13	Perpetual announced that it became a substantial shareholder, acquiring 5.54% of Goodman Fielder's ordinary shares over the preceding two months
16	23-Dec-13	Goodman Fielder divested its Biscuits business to Green's Food Holdings for A$17m in cash and was expecting to record a non-cash impairment of approximately A$50m against the Biscuits business
17	08-Jan-14	Goodman Fielder proposed to sell its Meats and Pizza businesses in NZ for total net proceeds of NZ$15m to NZ$17m
18	02-Apr-14	Goodman Fielder announced an expected downgrade in forecast earnings citing deteriorating market conditions and delays in expected realisation of cost savings from the restructure of its Baking division
19	28-Apr-14	Goodman Fielder announced a non-binding conditional offer from Wilmar and First Pacific.
20	16-May-14	Goodman Fielder announced a further revised non-binding conditional offer from Wilmar and First Pacific
21	02-Jul-14	Goodman Fielder enters into a scheme implementation deed with Wilmar and First Pacific
22	21-Oct-14	Goodman Fielder announced FIRB had no objection to the Proposed Scheme

Source: Goodman Fielder, ASX announcements

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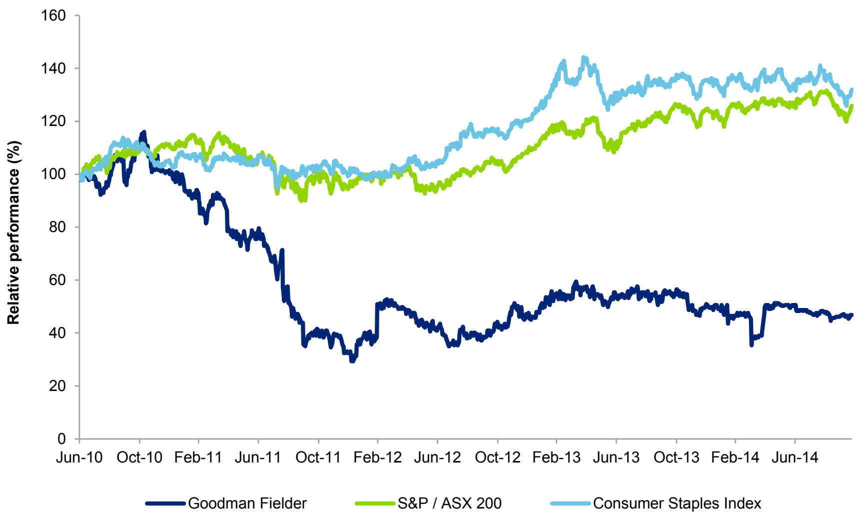
Goodman Fielder is included in the S&P/ASX 200 Consumer Staples Index (Consumer Staples Index). The following figure illustrates the Company's ASX share price performance relative to the Consumer Staples Index and the S&P/ASX 200 Index.

Figure 6: Goodman Fielder share price relative to Consumer Staples Index and S&P/ASX 200



Source: Capital IQ

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4 Business Operations of Goodman Fielder

4.1 Baking

4.1.1 Products

The Baking business has a number of well known bread brands in Australia and New Zealand, with an estimated 36% and 49% of the loaf bread markets in each country, respectively. The major brands are set out in the following table.

Table 12: Major brands – Baking

Brand	Remarks
Australia	
Wonder White	Range of high fibre white loaves and smooth wholemeal loaves, enhanced with vitamins and minerals
Mighty Soft	Range of soft white and wholemeal loaves, hamburger and hot dog rolls, and muffins
Helga's	Loaves in a range of traditional and speciality flavours, and more recently lower carbohydrate and gluten-free variants
New Zealand	
Vogel's	Wholegrain breads and cereals; and more recently a gluten-free variant
Freya's	Loaves in a range of varieties
Nature's Fresh	Range of fresh loaf varieties
Molenberg	Premium light grain breads

Source: Goodman Fielder

In addition to the above brands, there are a number of other boutique brands such as Lawson's, Country Life and MacKenzie. Loaf products are wide ranging from traditional fresh white loaf to mixed grain and seed variants as well as newer innovations such as gluten-free and lower-carbohydrate breads.

The Baking business also produces bread for retail supermarkets in Australia and New Zealand under 'private label'[9] agreements. The duration and pricing mechanisms vary across agreements. Private label products do, however, generally attract a lower NASP compared to proprietary products.

The Baking business supplies to the Australian and New Zealand markets under a 'daily fresh' model whereby bread is baked daily and supplied to retailers within short timeframes (depending on distance between manufacturing location and retail store location).

Customers other than the major supermarket retailers include convenience stores and food service providers (cafes, restaurants and catering businesses).

Since January 2012, the Baking business has been producing premium artisan style breads (batard, baguette, ciabatta, rolls), which represents a departure from the traditional fresh loaf products. This was initially focussed on production of stone baked products under the La Famiglia brand, and has since grown into a more diverse range of parbaked[10] products. The parbaked artisan products require final baking either at home or in-store. Other than La Famiglia, the artisan products are not currently sold as Goodman Fielder branded products. Artisan breads represent a growth opportunity for the Baking business as an alternative to traditional loaf bread. This category is growing at a rate faster than proprietary fresh loaf.

[9] 'Private label' is a term used to describe products sold under the retailers' proprietary brands. In the context of baking, private label can also refer to parbaked bread products delivered to the retailers' in-store bakeries.

[10] Parbaked products are partially baked (usually for approximately 80% of normal cooking time) and then rapidly cooled for storage or transportation. The parbaked product can be completed to the product stage by baking subsequently, often at a different location or after storage for a period of time.

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4.1.2 Competitive position

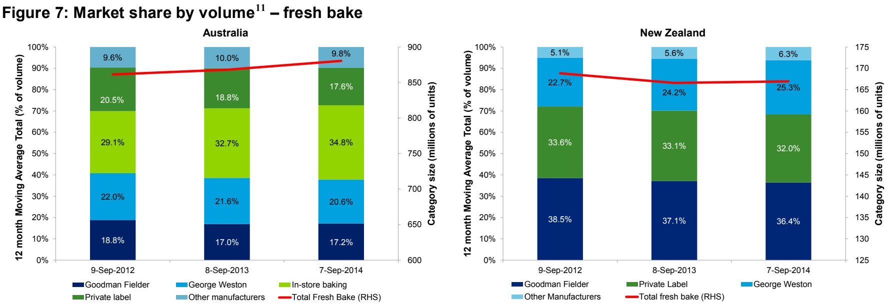
Goodman Fielder is one of the two major industry participants in the baking sector of the Australian food manufacturing industry, the other being George Weston Foods Limited (George Weston), a subsidiary of Associated British Foods Plc. Goodman Fielder's strong market position is, to a large extent, offset by the significant bargaining power of the retailers. Refer to Section 5 for further discussion on the key industry dynamics.

Goodman Fielder has, in the recent past, faced competition from its Australian customers, the retailers, through in-store baking and the retailers' private label offerings. This industry dynamic was highlighted by the introduction of 'one dollar' product promotional offerings that were introduced in mid-2011 in Australia, and in New Zealand in mid-2014 and the '85 cent' offering introduced by some retailers in Australia in the second half of 2014.

In one sense, private label represents a competitor to Goodman Fielder's branded loaves. However, Goodman Fielder is a significant manufacturer of products sold to retailers under private label agreements, and therefore, private label manufacturing is a material source of revenue, albeit one subject to different value drivers.

The following figure sets out the relative market share, of Goodman Fielder branded products, in Australia and New Zealand, of the fresh bake category of baking products.

Figure 7: Market share by volume[11] – fresh bake



Note:
1. Data for New Zealand does not include in-store baking
Source: Aztec, Deloitte Corporate Finance analysis

In Australia, retail in-store baking has the largest market share by volume, and has grown over the three years to 7 September 2014, primarily at the expense of the retailers' own private label products but also eroded the market share of Goodman Fielder and George Weston's branded products. The increased in-store baking arguably demonstrates a shift in preference towards a product perceived by consumers to be fresher than the branded alternatives.

Our analysis of the market share within branded loaf also suggests that consumers may be more willing to substitute what are perceived as staples for private label (or in-store) products, whereas the more speciality or premium branded products are able to defend or increase market share.

Overall, retailers' in-store bake and private label products continue to account for the majority of the Australian market, by volume.

In New Zealand, Goodman Fielder has the largest share of the market, but this has declined slightly. Private label products[12] have been declining over the past three years while George Weston has gained market share over the two years to 7 September 2014.

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[11] Volume measured on a 12 month moving average total (MAT) basis. This is calculated as the sum of monthly averages over a twelve-month period, where each monthly average represents the average over the most recent twelve months.

[12] Separate data for in-store baking in New Zealand is not available

Fresh loaf is the largest segment within the fresh bake category, accounting for more than 50% of revenue and volumes in each of the three years to 7 September 2014 in both Australia and New Zealand. The fresh loaf market, however, appears to be declining, with Australia and New Zealand exhibiting a compound annual rate of decline of 0.9% and 1.3%, respectively. The market share in Australian fresh loaf largely mirrors the overall trend in fresh baking, with in-store baking having increased concurrently with a decline in the share of private label and Goodman Fielder and George Weston's branded products. Private label, however, occupies a proportionately larger share of fresh loaf compared to fresh bake overall (27.9% compared to 17.6% in 2014). Similarly, New Zealand fresh loaf market shares essentially reflect the overall trend in fresh bake with George Weston having increased market share (24.0% in the twelve months to 13 July 2014 and circa 3% increase over two years). Goodman Fielder retains the largest market share in New Zealand fresh loaf (39.2%).

The chilled breads category in Australia[13] (which includes garlic breads, pizza bases, pastry and dough) is much smaller than fresh baking (circa 5% or less in both volume and revenue terms). Aztec data shows Goodman Fielder's market share has increased in the three years to 7 September 2014 from 36.3% to 40.2%, largely taking share from private label products, which still retain the largest share of the market (45.6%). The 'premiumisation' of the La Famiglia range of Goodman Fielder products through use of premium ingredients and the introduction of stone baked products appears to have been the driver of this recent success. The chilled breads category has been declining in volume terms over the three years to April 2014 (compound annual rate of decline of 6.4%). In revenue terms, however, it has declined at a slower rate (compound annual decline of 1.8% over the corresponding period). This suggests an increase in the NASP over the entire category.

Goodman Fielder's fresh loaf products, on average, command a premium retail price[14] over private label products and in-store bake products (approximately 75% and 30%, respectively). The specialty loaf products and chilled breads have similar average unit prices, which are approximately at a 45% premium to those of Goodman Fielder's fresh loaf.

4.1.3 Operations

Goodman Fielder has consolidated its manufacturing footprint through the closure of a number of manufacturing sites as part of Project Renaissance (refer to Section 4.5 for further details). The Baking business closed six bakeries during FY2012 and FY2013 as part of this process, closed its Alice Springs bakery in FY2015, and currently has a total of 24 baking facilities (14 in Australia and 10 in New Zealand). These facilities also serve as distribution centres for their respective regions, where specific products are produced in other states and transported to other parts of the country for local distribution. Artisan products are currently all manufactured at Goodman Fielder's newest facility in Erskine Park (New South Wales), which commenced production in 2012. La Famiglia products are finished at the Hemmant facility in Queensland.

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[13] Chilled breads data for New Zealand not available

[14] Average price per unit for the segment, calculated as 12 month MAT revenue / 12 month MAT units for the 12 months to 13 July 2014

Figure 8: Baking facilities

Note:
1. *Manufacturing facilities in Alice Springs, Ballarat, Bunbury, Cairns, Rockhampton, Rotorua and Whiteside were closed through FY2012 to FY2015 as part of Project Renaissance.*

Source: Goodman Fielder

The Baking business has, historically, had significant spare production capacity. Following the consolidation of the manufacturing facilities of the business between FY2011 and FY2015, utilisation has improved significantly from approximately 60%-65% to >80%. The reduction in manufacturing facilities and transition to increased capacity utilisation resulted in initial commissioning issues during FY2014, which delayed realisation of expected efficiency benefits. Management consider those issues have now been resolved. Also, during FY2014, the Malaga facility had major breakdowns resulting in significant production delays and repair costs. These breakdowns resulted in significant additional product distribution costs as production shortfalls in those regions were met by transporting bread from other regions.

The major inputs of the Baking business are flour, yeast, gluten, and bread enhancers (vitamins and minerals in the enhanced variants) and are bought under long term supply agreements with primary commodity processors or producers of the intermediate products. Ingredients are delivered by suppliers to each bakery, which maintain their own storage facilities. The cost of these items varies depending on market forces and given the cost base is significant, movements in the price of these commodities (in particular wheat) can erode margins. Further discussion of commodity pricing and, in particular wheat, is set out at Section 5.2.

Each regional facility is effectively the distribution centre, responsible for servicing its surrounding retail area. Under the 'daily fresh' model, Goodman Fielder is responsible for delivery of the bread to each individual retail store (rather than to a central depot). Products are delivered by road mainly through a contractor network. The Company's distribution network is critical to the 'daily fresh' model, where stockpiling inventory is not reasonably possible.

The 'daily fresh' model creates logistical complexity and results in large distribution costs which must be balanced against manufacturing optimisation.

The agreements with customers in respect of proprietary branded products Goodman Fielder has in place provide for unsold products to be returned (except in South Australia) which represents a cost to the Baking division.

4.1.4 Financial performance

The historical financial performance of the Baking business for the four years ended 30 June 2014, is summarised below:

Table 13: Baking business unit adjusted[15] historical finance performance

A$m (unless otherwise stated)	FY2011	FY2012	FY2013	FY2014
Sales revenue	973.0	922.2	892.7	919.2
EBITDA	116.2	75.2	90.5	82.5
EBIT	89.4	47.0	56.1	43.6
Capital expenditure	43.9	38.0	35.8	39.5
Volume (m units)	508.4	504.2	464.8	440.7
Volume growth (%)	n/a	(0.8%)	(7.8%)	(5.2%)
NASP (A$)	1.91	1.83	1.92	2.09
EBITDA margin (%)	11.9%	8.2%	10.1%	9.1%
EBITDA per unit (A$)	0.23	0.15	0.19	0.19
Capex to depreciation ratio (x)	1.6	1.3	1.0	1.0

Source: Goodman Fielder, Deloitte Corporate Finance analysis

The financial performance does not include results attributable to the Champion Milling business that was sold during FY2013 or the Pizza business, which was divested in the second half of FY2014. EBITDA and EBIT are presented before restructuring costs and significant items (including net insurance proceeds).

Revenue of the Baking business has declined over the three full years to FY2013, driven by pricing decreases in FY2012 and volume decreases in in the second half of FY2013. Improvement in NASP partly offset the impact of lower volumes in FY2013. Pricing in FY2013 reflected better alignment with distribution costs under the 'cost to serve' model, and better recovery of (higher) input costs negotiated with customers. Revenue in FY2014 was up 3% despite volumes being down 5% due to a further recovery in NASP. The improvement in NASP over time also reflects an improvement in product mix, with higher volumes in premium branded chilled breads and artisan products.

EBITDA margins deteriorated significantly in FY2012 due to higher labour and logistics costs despite some reduction in overhead costs. Margin improved in FY2013 through the full year effects of prior overhead reductions and better alignment of pricing with input and distribution costs. FY2014 was affected by plant breakdowns, which resulted in significant increased distribution costs as a result of products being transported from other facilities to meet supply requirements (approximately A$8m higher than FY2013 on a comparable basis). Adjusting for this, the EBITDA margin has declined slightly compared to FY2013.

DME has been constrained historically largely due to the low earnings margins, but has increased in FY2014 as a result of a number of campaigns initiated by management.

The Erskine Park facility was completed in FY2012, with a large part of the capital expenditure incurred during FY2011. The capex to depreciation ratio also reflects management's efforts to correct years of underinvestment.

4.2 Grocery

4.2.1 Products

The Grocery business operates in Australia and New Zealand, manufacturing and distributing products including spreads, dressings, mayonnaise, cake mixes, flour, edible oils and pastry. The Company's major brands are set out below.

[15] Figures presented in the table have been adjusted as described in the paragraph immediately following the table and do not represent the reported figures.

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Table 14: Major brands – Grocery

Brand	Remarks
Australia	
White Wings	Premium baking ingredients, flour, cake, slice and dessert mixes
MeadowLea	Range of plant seed oil based spreads
Praise	Range of dressings, mayonnaises and sauces
Pampas	Frozen sheet pastry (puff, shortcrust, filo and spring roll pastry), sweet and savory flan, tart and quiche cases
Crisco	Range of high quality canola, sunflower, vegetable and peanut oils, approved by the Heart Foundation Tick Programme
Olive Grove	Premium olive oil based spreads
New Zealand	
Edmonds	Baking ingredients (baking powder, custard powder, baking soda), cake and muffin mixes, bread mixes, flour, frozen desserts, frozen pastry, mayonnaise and dressings, pancake and pikelet mixes
MeadowLea	Range of plant seed oil based spreads
Olivani	Premium olive oil based spreads

Source: Goodman Fielder

The spreads segment generated 15% of revenues of the Grocery business in Australia, whilst the dressing and mayonnaise segment generated 17%, baking mixes generated 8% and the 'out of home'[16] category generated 19% of revenues. The balance was generated by a range of products in a number of other categories. In New Zealand, by contrast, spreads generated 40% of revenues, dressings and mayonnaise 5% and baking mixes 14% of revenues, with the balance generated by a smaller range of products.

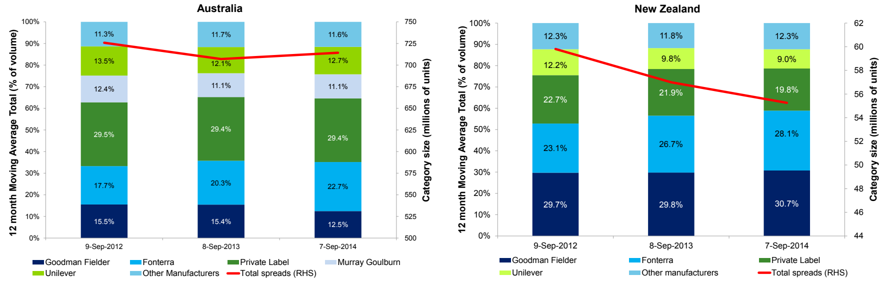
4.2.2 Competitive position

The Grocery business is a leading supermarket supplier in Australia and New Zealand in the categories of spreads, dressings, flour and frozen pastry. Goodman Fielder's products face competition from other branded products, private label products and low-cost imported products.

Spreads, flour and pastry categories have been in decline over recent years. With this backdrop, marketing and product innovation are key to maintaining brand loyalty and defending/increasing market share. Goodman Fielder has had success with its recent range of 'deli-style' Praise mayonnaise and Praise 'Secret Sauces'.

The following figure sets out market share by volume, on a MAT basis, of spreads and shortening products within Australia and New Zealand based on Aztec data provided by Goodman Fielder. Spreads and shortening include block butter, spreadable butter, margarine and other plant based spreads.

Figure 9: Market share by volume[17] – spreads and shortening



Source: Aztec, Deloitte Corporate Finance analysis

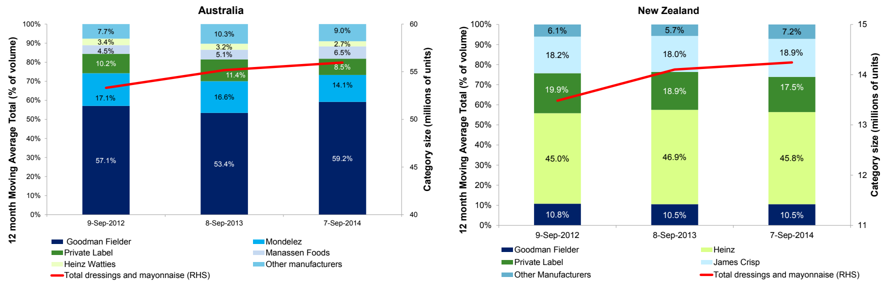
[16] The 'out of home' category represents products of the Grocery business sold to food service providers

[17] Volume measured on a 12 month MAT basis

Overall volumes in the spreads and shortenings category have decreased at a compound annual rate of 3.9% over the three years to 13 July 2014 in New Zealand and 0.9% in Australia. Goodman Fielder has maintained the highest market share at circa 30% in New Zealand, but experienced a decline in Australia. The discontinuation of Logicol and transition to MeadowLea HeartPlus (along with associated lack of ranging in Australia) contributed to this decline, as not all consumers made the transition. Fonterra's branded products have increased market share significantly in New Zealand. This has coincided with a decrease in the average unit price[18] from 2012 to 2013, followed by a recovery in average unit price in 2014. By contrast, in Australia Fonterra has also increased market share significantly, with average unit prices remaining steady. Private label products have lost share in New Zealand to Fonterra and other branded products, which could indicate the effects of DME or NPD and the 'premium' preferences of consumers.

The following figure sets out market share by volume, on a MAT basis, of dressings and mayonnaise within Australia and New Zealand.

Figure 10: Market share by volume[19] – dressings and mayonnaise



Source: Aztec, Deloitte Corporate Finance analysis

Goodman Fielder has a strong market position in Australia, with more than half the market share in the dressings and mayonnaise category. This decreased between 2012 and 2013, but recovered in 2014, reflecting the DME spend and NPD undertaken by the Grocery business particularly with respect to the Praise product range. In New Zealand, the Company has a low but steady share of the category at circa 10.5%. In dressings and mayonnaise, private label products have experienced a decline in Australia and New Zealand, despite growth in overall volumes in both regions, reflecting the relative success of branded products, which in turn, reflects consumers' preference for products perceived as premium products and possibly the results of DME and NPD.

In the baking mixes segment (which includes cake and pancake mixes) in Australia, the market share of Goodman Fielder has declined from circa 33% (close second largest share) in the twelve months to 9 September 2012 to circa 26% in the twelve months to 7 September 2014 (second largest share, behind market leader at 35%). The largest gain in market share over the corresponding period is attributable to private label products, indicating consumers' price sensitivity. Overall volumes have declined at a compound annual rate of 4.1% over this period.

4.2.3 Operations

Liquid grocery products such as dressings and sauces are manufactured at the Erskine Park and bulk vinegar at Camellia facilities in NSW, Australia. The West Footscray facility in Victoria, Australia produces Pampas products. In New Zealand, a Palmerston North facility produces Edmonds pastry.

The Company utilises third party manufacturers for spreads, oils, cake mixes and flour products under medium and long term manufacturing and supply agreements. In Australia, the Company has also outsourced its merchandising to a third party. In New Zealand, the Company utilises its own sales force. As Goodman Fielder uses third party manufacturing for a number of product categories, the Grocery business has lower capital investment requirements than the Dairy and Baking businesses.

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[18] Average unit price calculated as 12 month MAT revenue / 12 month MAT units

[19] Volume measured on a 12 month MAT basis

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4.2.4 Financial performance

The historical financial performance of the Grocery business unit for the four years ended 30 June 2014 is summarised below:

Table 15: Grocery business unit adjusted[20] historical finance performance

A$m (unless otherwise stated)	FY2011	FY2012	FY2013	FY2014
Sales revenue	440.1	465.5	427.7	400.2
EBITDA	95.9	80.3	71.2	59.8
EBIT	84.5	71.9	62.9	49.3
Capex	10.3	4.7	7.7	6.7
Volume (m units)	196.3	221.6	194.6	175.8
Volume growth (%)	n/a	12.9%	(12.2%)	(9.7%)
NASP (A$)	2.24	2.10	2.20	2.28
EBITDA margin (%)	21.8%	17.2%	16.6%	14.9%
EBITDA per unit (A$)	0.49	0.36	0.37	0.28
Capex to depreciation ratio (x)	0.9	0.6	0.9	0.6

Source: Goodman Fielder

The financial performance presented does not include results attributable to the Integro business which was divested in FY2013, but does include results attributable to the 'out of home' grocery category that was reported within Integro, and is now part of the continuing Grocery business. Results attributable to the Biscuits business, which was divested during FY2014 have also been excluded from the table above. EBITDA and EBIT are presented before restructuring costs and significant items.

Overall, the Grocery business has faced challenging trading conditions in Australia and New Zealand, including a decrease in underlying product demand in recent years, and pressure from proprietary and private label products.

In FY2012, the Grocery business was forced into price discounting and promotions in order to mitigate pressure on volumes which resulted in a lower NASP. Despite an increase in volume, the lower NASP, along with the changing product mix, and cost of promotions resulted in a substantial decline in EBITDA margin.

NASP recovered in FY2013 as the core categories (spreads, dressing and mayonnaise) stabilised. However, revenues declined to below FY2011 levels due to a significant decrease in volumes, which more than offset the benefits of better pricing. The decline in volumes was a result of increased competition from proprietary and private label products (i.e. external pressures) and also from range rationalisation by Goodman Fielder (to reduce the number of SKUs) in core categories. EBITDA margins were maintained through improvements in operational efficiency and overhead reductions to reduce fixed costs.

In FY2014, the business increased prices, however has had to invest in promotional discounts to counteract downward pressures on volume, particularly in Australia. There was also a significant impact on volumes as a result of the discontinuation of Logicol and the underperformance of the replacement MeadowLea Heart Plus product (including a lack of ranging in Australia). Compared to FY2013, volumes are down 9.7%, reflecting the decline in the spreads category in Australia. The EBITDA margin has also decreased, reflecting increased DME and costs associated with NPD.

The business has steadily increased DME as a percentage of revenue to maintain market share and support the major brands (Praise, MeadowLea).

Capital expenditure in FY2012 decreased due to completion of the Erskine Park facility.

[20] Figures presented in the table have been adjusted as described in the paragraph immediately following the table and do not represent the reported figures.

The Grocery business has experienced difficult trading conditions in FY2014, with increased competition having affected volume across the portfolio of products. Notwithstanding the difficult trading conditions, NASP achieved across the portfolio in FY2014 has increased to its highest level across the observed period, reflecting the changing product mix, NPD effort and increased DME.

4.3 Dairy

4.3.1 Products

The Dairy business operates predominantly in New Zealand and has a number of branded fresh milk, flavoured milk, yoghurt, cultured dairy and cheese products. It produces branded and private label milk products and processes and packages UHT milk in its own right and for a third party on a toll-processing basis. It also supplies UHT milk to the Asia Pacific business (which is then sold in the Asian market, mainly China). This section discusses the New Zealand Dairy business but the Asia Pacific business section has discussion of milk sales into the Asian market.

Goodman Fielder is one of the major producers of branded consumer dairy products in New Zealand. The following table sets out the major brands of the Dairy business.

Table 16: Major brands – Dairy

Brand	Remarks
Meadow Fresh	Range of dairy products including fresh milk, flavoured milk, cream, custard, drinking yoghurt and yoghurt
Puhoi Valley	Speciality cheese and yoghurt products
Activate	Probiotic drinks and yoghurts
Naturalea	Yoghurts and organic milk
Bouton d'or	Range of speciality cheeses
Chesdale	Processed cheese and individually wrapped cheese slices
Ornelle	Specialty cheeses
Tararua	Cultured products and flavoured beverages

Source: Goodman Fielder

In addition to branded products, Goodman Fielder also supplies fresh and ultra-heat treated (UHT) milk to retail supermarkets for private label sales.

The dairy beverage segment of the business generates approximately 70% of revenues, whilst yoghurt and cultured products generate 16% and the balance (14%) is generated by the cheese segment. Dairy products are sold through major retailers as well as route and food service providers (e.g. service stations and cafes).

4.3.2 Competitive position

The Company has a significant share of the market in each of the major dairy product categories – dairy beverages, cheese, cultured and yoghurt, in New Zealand, and is the second largest participant in the New Zealand market, behind Fonterra.

The dairy industry in New Zealand has a distinctive competitive landscape. Fonterra, which has the largest market share in each major category, also collects the vast majority of New Zealand's raw milk from farmers. It is therefore simultaneously, a supplier to, and a competitor of the Company's dairy business.

Under the *Dairy Industry Restructuring (Raw Milk) Regulations* 2012 (DIRR), Fonterra is compelled to make up to five percent of the raw milk it collects available to independent processors (limited to 795m litres per season[21]) at either an agreed price, or a regulated price. Of this volume, up to 250m litres[22] is available to Goodman Fielder's Dairy business. The Company purchases the majority of its raw milk supply from Fonterra under a long term supply agreement, which is in place until 2021 and provides for broadly similar pricing terms to those provided under the DIRR. The price of raw milk under this agreement is linked to the farmgate milk price calculated in accordance with the DIRR. Further information on the farmgate milk price is set out in Section 5.2.2.

[21] http://www.legislation.govt.nz/regulation/public/2012/0340/latest/whole.html

[22] In the event aggregate requirements of independent processors exceed the season limit, each processor's entitlement is reduced pro-rata.

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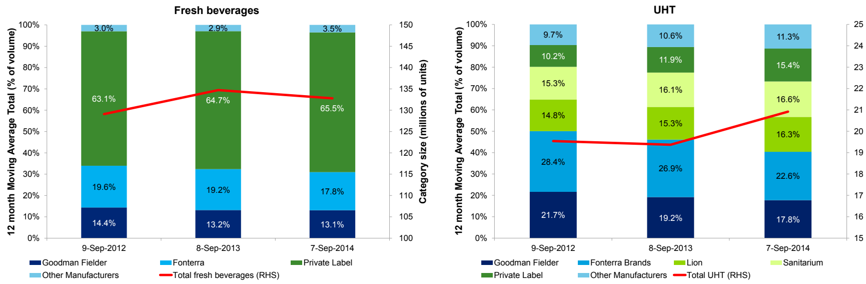
The following figure sets out market share of fresh beverage and UHT milk products in New Zealand.

Figure 11: Market share by volume[23] – fresh beverage and UHT milk



Notes:
1. *UHT milk category observations presented here represent the domestic market and do not include data relating to exports*
2. *Data presented is for the retail supermarket channel only and does not include the route food service channel.*

Source: Aztec, Deloitte Corporate Finance analysis

The fresh beverage category includes fresh milk (white and flavoured), fresh cream and other fresh dairy-based beverages. The vast majority (>80%) of volume and revenue in this category is from fresh milk sales (in the retail supermarket channel). Almost two-thirds of the fresh beverage category is held by private label products. Fonterra branded products rank second and Goodman Fielder's branded products third, by volume[24]. Private label products have steadily increased market share over the three years to 7 September 2014, eroding the share of Goodman Fielder and Fonterra. The fresh white milk component of this category exhibits a very similar trend, although there is even greater concentration in private label fresh milk (70% in the twelve months to 7 September 2014). This may indicate price sensitivity of consumers, given the staple nature of the product. The flavoured milk segment of this category accounts for an increasing share of the portfolio of Goodman Fielder within the fresh beverages category, albeit the share of Goodman Fielder relative to other manufacturers within the flavoured milks segment has declined slightly.

In contrast to fresh beverages, UHT milk products exhibit a more even distribution across brands. This category includes milk alternatives such as soy, rice and almond beverages. Fonterra and Goodman Fielder have both lost market shares to branded products of Lion and Sanitarium as well as private label products. Sanitarium and Lion produce dairy-alternative UHT products, and their increased market share may in part be attributable to changing consumer preferences, with more consumers identifying and addressing dairy intolerance, or potentially preferring plant-based dairy alternatives for nutritional reasons.

The following figure sets out market share of yoghurt and chilled desserts in New Zealand.

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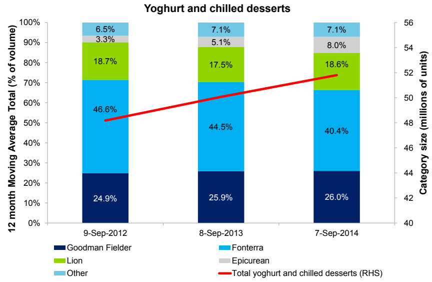
[23] Volume measured on a 12 month MAT basis.

[24] Measured on a 12 month MAT basis.

Figure 12: Market share by volume[25] – yoghurt and chilled desserts

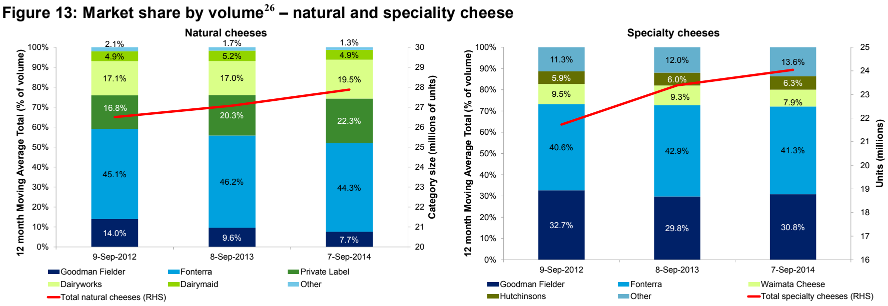


Source: Aztec, Deloitte Corporate Finance analysis

In the yoghurt and chilled desserts category, Goodman Fielder has the second largest market share behind Fonterra. The overall category has exhibited steady growth in volume with a compound annual growth rate of 3.7% over the three years to 7 September 2014. During this period, the market share of Goodman Fielder has increased slightly whilst Fonterra's share declined, largely to the benefit of Epicurean and Lion. Goodman Fielder's gain in relative volumes has been despite maintaining a steady average unit price, whereas Epicurean (which has made the largest gains in relative terms) appears to have achieved significantly lower average prices in order to increase its market presence.

The following figure sets out market share of natural and speciality cheeses within New Zealand.

Figure 13: Market share by volume[26] – natural and speciality cheese



Source: Aztec, Deloitte Corporate Finance analysis

The market share of Goodman Fielder in branded natural cheese products has almost halved over the three years to 7 September 2014, however its share of the branded specialty cheese market has remained steady at circa 30% of the market (second to Fonterra) in the two years to 7 September 2014. This reflects the shift in focus of the Dairy business towards the more rapidly growing specialty cheese category in which Goodman Fielder has capability (compound annual growth of 5.2% in volume compared to 2.6% growth in natural cheese for the three year period) with the Puhoi Valley, Bouton d'or and Ornelle brands. The Dairy business has experienced a slight decline in the average unit price in specialty cheese over the observed period, albeit less than that of the entire category.

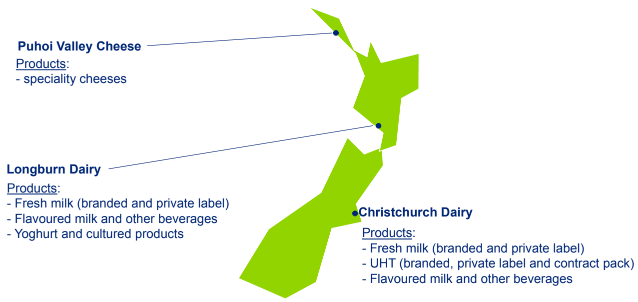
[25] Volume measured on a 12 month MAT basis.

[26] Volume measured on a 12 month MAT basis.

4.3.3 Operations

Goodman Fielder has dairy plants on both islands of New Zealand, with milk processing and value added manufacturing capability to make products such as enriched milks, UHT milks, yoghurts, cheeses and cultured products. In addition to its manufacturing sites Goodman Fielder has a significant distribution network on both islands of New Zealand, with an extensive network of storage facilities/depots across the South Island and the North Island. The Dairy business distributes fresh dairy products to almost 13,000 customer points every day. The following figure sets out the location of various dairy plants along with the capacities and products currently produced by each facility.

Figure 14: Dairy sites (New Zealand)



Source: Goodman Fielder

Less than 10% of the overall revenues of the Dairy business are currently derived from the export of dairy products to Asia, specifically Meadow Fresh branded UHT milk to China by the Asia Pacific business. The Group has a supply agreement with a leading global retail chain to distribute Meadow Fresh branded UHT milk products in China. Export of dairy to Asia represents a growth opportunity for this business, subject to capacity constraints and availability of raw milk supply (discussed above). The Group has announced an upgrade and expansion of the Christchurch UHT plant.

The Dairy business also processes and packages UHT milk in its Christchurch plant on a toll-processing basis. The Dairy business receives revenues based on costs incurred plus a return on assets utilised but does not take ownership of those volumes of milk or of the completed product.

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4.3.4 Financial performance

The historical financial performance of the Dairy business unit for the four years ended 30 June 2014 is summarised below:

Table 17: Dairy business adjusted[27] historical finance performance

NZ$m	FY2011	FY2012	FY2013	FY2014
Sales revenue	516.0	492.8	457.1	504.2
EBITDA	56.1	56.0	62.6	36.0
EBIT	42.0	39.6	45.2	20.7
Capex	12.7	8.8	7.2	10.5
Volume (m units)	264.2	264.1	260.1	264.2
Volume growth (%)	n/a	0.0%	(1.5%)	1.6%
NASP (NZ$)	1.95	1.87	1.76	1.91
EBITDA margin (%)	10.9%	11.4%	13.7%	7.1%
EBITDA per unit (NZ$)	0.21	0.21	0.24	0.14
Capex to depreciation ratio (x)	0.9	0.5	0.4	0.7

Source: Goodman Fielder, Deloitte Corporate Finance analysis

The financial performance presented does not include results attributable to the Meats part of the Dairy business, which was sold in FY2014. It does not include the profits generated from the sale of milk and other dairy products into the Asia Pacific market. Historically this is included in the financial performance of the Asia Pacific business. EBITDA and EBIT are presented before restructuring costs and significant items.

Volume remained stable between FY2011 and FY2012. With the increased competition commencing in the fourth quarter of FY2012, the Dairy business experienced a decline in volume in FY2013, particularly in relation to the sale of fresh milk and cheese. The decrease in volume was marginally and partially offset by the Meadow Fresh “cool stuff for kids” marketing initiative, which increased the volume sales for yoghurt products during FY2013. This also resulted in higher DME in FY2013.

From FY2011 to FY2013 the Dairy business’ sales revenue decreased at a compound annual rate of 5.9%. This reflects the nature of the dairy market in New Zealand where retail pricing is generally influenced by movement in the quarterly farmgate milk price, as well as increased competition faced by Goodman Fielder. In FY2013, revenue decreased on the previous year largely as a result of the lower farmgate milk price. Revenue recovered in FY2014 through improvements in volume and NASP.

In FY2012 as the Dairy business lowered its average selling price to compete with the heavily discounted prices of its major competitor, particularly in relation to its fresh milk product, but did not experience a proportionate decrease in the farmgate milk price. Despite this, EBITDA remained steady through the benefit of reduced costs as the full year effect of Project Renaissance initiatives were realised. EBITDA margins improved in FY2013 as a result of improved product mix and disciplined cost management practices. EBITDA was affected in FY2014 by significantly higher farmgate milk prices (refer Section 5.2.2 for analysis). The proportional increase in NASP in this period has not been commensurate with the increase in farmgate milk price, explaining the significantly lower EBITDA margin for the period.

Capital expenditure in the Dairy business has been relatively stable from FY2012 to FY2014.

[27] Figures presented in the table have been adjusted as described in the paragraph immediately following the table and do not represent the reported figures.

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4.4 Asia Pacific

4.4.1 Products

The Asia Pacific business encompasses a wide variety of businesses located in a number of geographic markets. The common feature is either that they have strong shares in this particular market or they distribute the products of other business units in growth markets. The Asia Pacific business is primarily focussed on flour, chicken and snacks in the Pacific region and edible fats, oils and UHT milk in Asia. Other products include packaged baked goods, spreads, sauces, dressings and condiments, convenience foods, edible fats and oils and various other grocery and feed products.

The Asia Pacific business also has diverse markets. Fiji and PNG are currently the core markets, accounting for approximately 60% of the revenue of the Asia Pacific business. Other markets include New Caledonia, Indonesia, China, and the Philippines.

Table 18: Major brands – Asia Pacific

Brand	Markets	Remarks
Flame	PNG	Flour for household and commercial consumption, agricultural feed for poultry and pigs
Twisties	PNG, Fiji, New Caledonia	Snacks
Crest	Fiji	Chicken – whole, various cuts and sausages
Tuckers	Fiji	Locally made ice-cream
Pilot	China, southeast Asia	Bakery margarines and shortenings for baking applications
Meadow Fresh	China	Variety of dairy products including UHT milk, cheese and yoghurts (produced in New Zealand)
MeadowLea	Southeast Asia	Plant seed oil based spread (made in Australia)

Source: Goodman Fielder

4.4.2 Competitive position

Goodman Fielder primarily supplies consumer products to retailers in the Pacific islands, whereas in Asia the Company largely supplies products to food services businesses.

Management estimate that Goodman Fielder has a very strong market share within the poultry (Crest products), ice cream (Tuckers products), and snack foods (Twisties) categories in Fiji, flour in PNG and market leading positions in stock feed (Flame branded products) and snacks (Twisties) branded products in PNG.

In China, Goodman Fielder has a presence in the bakery ingredients market (supplying to industrial customers as well as hotels, restaurants and cafes) and in the dairy products market (supplying UHT milk to retailers). UHT milk is sourced from the Dairy business in New Zealand and sold in China under the Meadow Fresh brand.

China represents the largest growth opportunity for the Asia Pacific business. The perception of high quality ingredients and processes of New Zealand dairy, represent a source of competitive advantage for Goodman Fielder in the Chinese dairy market. The business has plans to increase the size and scale of distribution operations in China and to expand the existing UHT milk products range. The expansion of capacity and upgrade of the Christchurch plant of the Dairy business to cater to the increased production needed to supply UHT milk to the Asia Pacific business is discussed in greater detail below.

In addition to UHT milk supply to China, the Asia Pacific business has plans to increase its share of the baking ingredients markets, supplying to food services businesses in China and Indonesia.

4.4.3 Operations

The majority of products of the Asia Pacific business (other than MeadowLea and Meadow Fresh) are produced and distributed locally in each market. MeadowLea products are made in Australia and New Zealand (by third party manufacturers, under manufacture and supply agreements) and exported to Southeast Asia. Meadow Fresh products are produced by the Dairy business in New Zealand.

In Fiji, the Crest chicken operations encompass all aspects of the product supply chain including a hatchery, breeder and broiler farms, stock feed milling facilities and a processing plant. The Company also has manufacturing facilities that produce Tuckers branded ice cream and Twisties snacks.

In PNG, Goodman Fielder has two flour mills, a feed mill, a snack manufacturing plant and a bakery.

4.4.4 Financial performance

The historical financial performance of the Asia Pacific business unit for the four years ended 30 June 2014 is summarised below:

Table 19: Asia Pacific business unit adjusted[28] historical finance performance

A$m (unless otherwise stated)	FY2011	FY2012	FY2013	FY2014
Sales revenue	299.2	333.5	331.8	353.7
EBITDA	58.5	66.3	60.6	69.9
EBIT	55.1	62.2	56.4	65.1
Capex	6.5	7.7	10.0	10.4
Volume (m units)	230.9	233.2	230.0	226.3
Volume growth (%)	n/a	1.0%	(1.4%)	(1.6%)
NASP (A$)	1.30	1.43	1.44	1.56
EBITDA margin (%)	19.6%	19.9%	18.3%	19.8%
EBITDA per unit (A$)	0.25	0.28	0.26	0.31
Capex to depreciation ratio (x)	1.9	1.9	2.4	2.2

Source: Goodman Fielder

The financial performance includes equity accounted results of SMII and consolidated results for the Fijian business (90% owned by Goodman Fielder) and the PNG business (74% owned by Goodman Fielder). It also includes profits generated on the sale of milk and other dairy products purchased from the Dairy business.

Despite the fall in revenue in FY2013, the Asia Pacific business has performed strongly on the back of growing demand for branded food products, improved product mix and price increases from FY2011.

In FY2013, the poultry business in Fiji experienced higher than normal mortality rates which caused a significant constraint on production capacity. This affected volumes, revenues, and EBITDA (due to remediation and rehabilitation costs). The issue has now been resolved and sales revenue has recovered, as indicated by recent performance. The EBITDA margin in FY2013 remained below FY2011 and FY2012 levels largely reflecting increased costs of remediation of the poultry issue, but has otherwise exhibited consistency throughout the period considered.

Increased volume and improved pricing in flour in PNG and dairy products in Asia during FY2013 largely offset the decline in volume and revenue from poultry.

A$ denominated EBITDA has also been influenced by fluctuations in exchange rates.

4.5 Strategic initiatives

Goodman Fielder has implemented a number of strategic initiatives since FY2011 under the broad umbrella of Project Renaissance, some of which are still ongoing. Goodman Fielder is also considering other strategic initiatives. These initiatives are discussed in the following sections.

4.5.1 Historical achievements of Project Renaissance

Project Renaissance was and remains centred on removing costs from the Group, specifically, ongoing cost savings through reduction of overhead costs, manufacturing and supply chain optimisation, and procurement savings. The following table sets out the originally anticipated cost savings and initiatives at commencement of Project Renaissance. We note that Project Renaissance evolved over the course of its implementation and as such the numbers quoted in the table represent projections at commencement in FY2012.

[28] Figures presented in the table have been adjusted as described in the paragraph immediately following the table and do not represent the reported figures.

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Table 20: Project Renaissance – intiatives at commencement

Projects	Annual saving (ongoing)	Associated cash costs (one-off)	Anticipated timing
Phase 1 • Reduction in overheads in Australia (primarily baking) • Supply chain initiatives (warehousing and logistics) • Restructuring / Integration of New Zealand operations	A$40m	A$33m	FY2012 - FY2013
Phase 2 Manufacturing and supply chain optimisation including: • Turnaround of Baking, including closure of manufacturing facilities • Procurement initiatives • Ongoing selling, general and administrative cost savings • Supply chain savings • Reduction in fixed manufacturing overhead	A$25m	A$20m - A$25m	FY2013 - FY2014
Phase 3 Further manufacturing and supply chain optimisation	A$35m	Not estimated at commencement	FY2014 - FY2015
Total	**A$100m**		

Source: Goodman Fielder

The reduction of overhead costs across the Group was targeted by reducing headcount across the organisation and implementing improved information technology systems across all businesses. Under this initiative, the Company has made over 300 redundancies. Under Phase 1, the supply chain initiatives primarily involved closure of bakeries at Rockhampton, Cairns and Whiteside. Phase 1 was completed in FY2012, but associated cost savings were realised in FY2013.

In FY2013, the Company removed over 200 individual product items and eliminated or restructured 40 delivery routes of the Baking business in an effort to improve overall manufacturing and distribution efficiency. The Company also achieved price increases based on the 'cost to serve' model[29] associated with the daily fresh model of the Baking business. This marked the end of Phase 2.

In April 2014, Goodman Fielder announced that there would be a delay in realising approximately A$10m to A$15m out of a total of approximately A$32m of manufacturing and supply chain cost savings that it had previously expected to achieve in FY2014. This was a result of breakdowns at some baking facilities, and the consequential production delays, repair costs and increased distribution costs. Goodman Fielder is addressing these reliability issues. This resulted in approximately A$8m in additional logistics costs in the six months to December 2013. Goodman Fielder then accelerated initiatives to achieve A$25m of cost savings by FY2015. These cost savings are in addition to the initial Project Renaissance cost savings target of A$100m and were previously expected to be realised in FY2016. We understand that this initiative is being executed with full benefits to be realised in FY2015.

The benefits generated from these initiatives, however, have not manifested as corresponding growth in earnings, as the benefits have been eroded by other factors, including challenging trading conditions, the effect of higher input commodity prices and one-off issues such as the reliability of the Baking manufacturing facilities, or have been used to invest in DME.

[29] The cost to serve model essentially attempts to capture the complexity and variability in selling, distribution and overhead costs required to service different customers. In the case of the Baking business, each individual store location can be viewed as a different "customer" and the cost to serve each store can vary significantly depending on the location of the store and volumes sold through that store

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4.5.2 Initiatives going forward

Supply chain

Given the significant costs involved in maintaining a daily fresh delivery model in the Australian Baking business, Goodman Fielder is at the very early stages of working with its major customers to develop a strategy to address supply chain solutions.

The primary aims of this plan are to:

- improve on-shelf availability and in-store merchandising
- reduce waste; and
- reduce cost of distribution and returns

Goodman Fielder is discussing with the major retailers opportunities to make the delivery of fresh loaf in-store more efficient. This potentially includes changes that impact all areas of the end to end supply chain from bakery to supermarket shelf. Whilst such changes offer potentially significant benefits there are also significant challenges and risks associated with progressing these initiatives and the realisations of any benefits so far as Goodman Fielder is concerned.

While Goodman Fielder believes there is scope to improve its cost efficiency through this strategy, discussions with retail partners are at an early stage and are yet to be formalised and/or agreed.

Expand dairy exports to China

The A$25m expansion and upgrade of the Christchurch plant to support increased exports of the Dairy business into new markets such as China was announced to the market on 12 June 2014. The project will increase the UHT capacity by 32 million litres (nearly 50% increase on existing UHT capacity at this plant), and includes the installation of a new 250ml high speed filler. The Group has successfully completed trials with major retailers in China, and is pursuing opportunities to accelerate expansion of exports of Meadow Fresh products of the Dairy business into China. The intention is for the Dairy business to expand its UHT plant to capitalise on full utilisation of this supply and then to serve the product into the Chinese and other Asian markets that are experiencing significant growth. This UHT is expected to contribute a higher margin than the remainder of the overall Dairy business. Further discussion of the growth opportunities in the Chinese dairy market is set out in Section 5.6.

Artisan growth

The Group is considering specific initiatives associated with artisan products, and how to capitalise on the growth opportunity this represents for the Baking business, including:

- maximising capacity utilisation at the Erskine Park facility and developing new products
- assessing organic growth and bolt-on acquisition opportunities to leverage the existing position of the Baking business and expanding into the hotel, restaurant and café market
- over the long term, consider developing a Goodman Fielder artisan brand to be sold through retailers and cafes.

Rationalisation of manufacturing

The Group has already closed a number of plants in order to optimise its manufacturing network. Going forward, it expects to continually monitor its manufacturing network in order to ensure it maintains an optimal footprint.

Further cost base optimisation

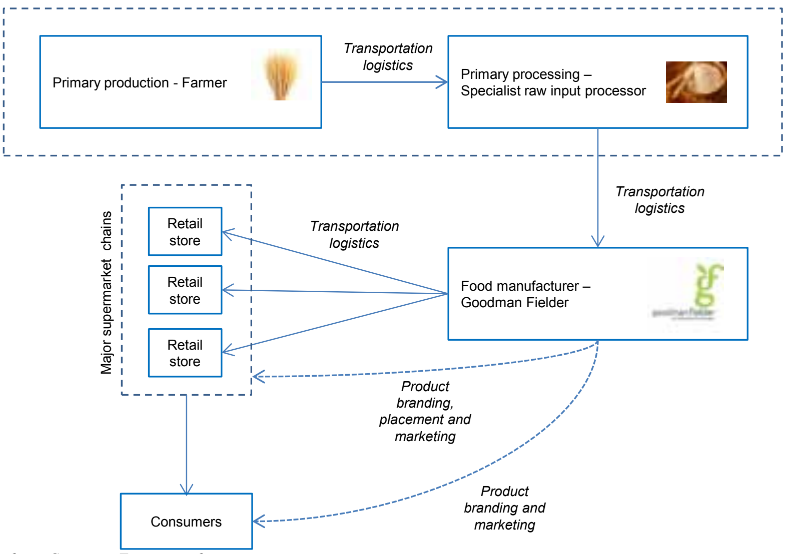
Management is also evaluating other ongoing initiatives (in addition to Project Renaissance) to reduce the cost base of the Group.

5 Key industry themes affecting Goodman Fielder

5.1 Position in the supply chain

The majority of Goodman Fielder's business involves the manufacture of branded food products for wholesale sale to supermarkets. Goodman Fielder does not own primary agriculture assets and has minimal sales direct to the consumer. The following figure illustrates the 'paddock to plate' supply chain of the average food product in Australia.

Figure 15: Illustrative supply chain



Source: Deloitte Corporate Finance analysis

Goodman Fielder's position in the supply chain is such that it has pressure from both raw material suppliers and food retailers who purchase the Company's products.

Australia's primary industry is highly fragmented with many individual farmers producing a relatively small amount of raw material inputs. The bargaining power of primary producers is generally low and the price they can charge food manufacturers is generally based on market prices. This industry structure drives a key industry theme; food manufacturing is heavily influenced by movements in market prices for raw material inputs (discussed further below). Goodman Fielder's two most important raw material inputs are wheat, which is used in the Baking business, and milk, which is used in the Dairy business. Volatility in these raw material input costs may translate into volatility in earnings.

On the other side of the supply chain, Goodman Fielder deals with a small number of very large food retailers. The level of concentration in the food retail industry is therefore very high where the two major supermarket chains dominate the market in Australia. This concentration means that food manufacturers have a limited route to the consumer. This coupled with the retailer's power over the consumer means that retailers have a strong bargaining position with food manufacturers. The bargaining power of the retailers is exercised in the following key ways:

- **Goods stocked** – retailers are continuously trying to meet the needs of the consumer and as a result are regularly changing their retail product mix which increases the risk of product deranging
- **Slotting costs** – it is not uncommon for retailers to charge fees for stocking new products

- **In-store marketing** – a big part of product marketing occurs in the retail store through the location and way goods are shelved. In store presentation is generally negotiated and agreed between the food manufacturer and the retailer through category range reviews, however, significant influence over store presentation resides with the retailer
- **Returns** – daily fresh products not sold are sent back to the food manufacturer. This results in costs to the supplier, particularly for fresh products which in many cases cannot be resold, and creates sales risk as not all goods produced will result in revenue
- **Below cost selling** – stock clearances can result in products being sold for less than recommended retail prices. This can lead to a distortion in the market where consumers come to demand products at discounted prices and perception of product value can change
- **Promotional selling** – in certain instances, suppliers fund promotional campaigns to drive sales volumes
- **The expansion of private label products** – over the past decade there has been a significant increase in retailers producing and selling their own branded products (known as private label products) in order to capture the profit margin realised by food manufacturers. Often this production is done by third party manufacturers. Private label and branded products compete on the shelves for consumer attention and the expansion of private label products may lead to a further squeeze on volumes and profits of branded products. This is discussed in more detail later below.

5.2 Raw material input prices

Goodman Fielder's two main raw material inputs are wheat (Baking business) and raw milk (Dairy business). The contracts that Goodman Fielder has with its suppliers of these products are such that the price paid by Goodman Fielder is based on market prices for wheat and raw milk, respectively. Given these raw material inputs move with market forces, Goodman Fielder's variable operating cost can be volatile.

Given both of these raw materials are agriculture based commodities, their prices can be influenced by factors such as weather, seasonality, substitute plantation or production (i.e., where farmers choose to plant one crop instead of another due to differing market prices) and consumer preference (for example, planting canola instead of wheat).

Each input also has unique market dynamics and accordingly each is discussed separately.

5.2.1 Wheat

Australian wheat is sold domestically and internationally. There are a number of ways to sell wheat, including cash sales to grain marketers, grain pools or direct through futures contracts. The main global futures market is the Chicago Board of Trade (CBOT), but the ASX also has a wheat futures market through which Australian wheat can be traded. Historically, the ASX futures price has broadly tracked the CBOT future price (for comparable grain type), however, short term divergences are common when market and agricultural forces are different between Australia and the other key wheat producing countries.

The following chart illustrates the historical wheat futures price comparison between ASX and CBOT since July 2010 and the projected price movement of each based on futures contract prices sourced from Capital IQ.

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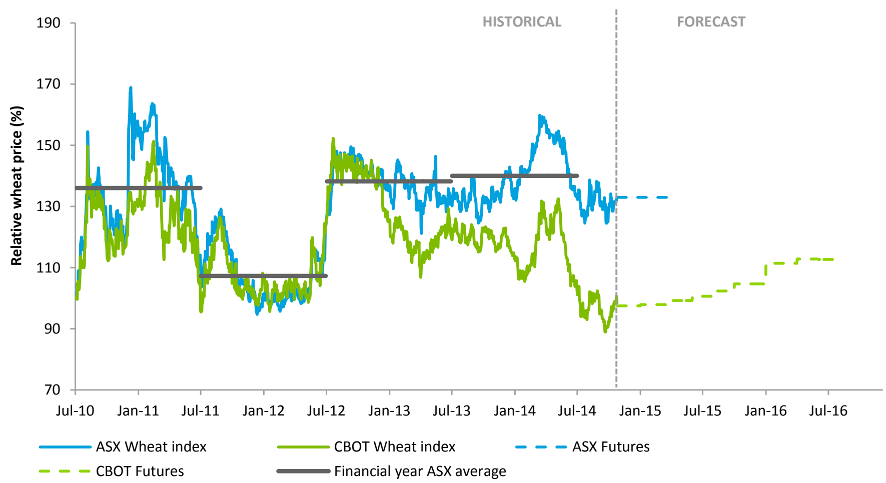
Figure 16: Historical and forecast ASX and CBOT wheat price[30]



Source: Capital IQ, Deloitte Corporate Finance analysis

The ASX wheat price has historically traded in line with CBOT wheat prices, however, conditions in the Australian market have caused the prices to diverge. In the second half of 2013, severe frosts and subsequent drought conditions in northern NSW and Queensland reduced wheat crop yields, which drove increases in the ASX wheat price. During this period, CBOT wheat prices also declined, fuelled by record global wheat production forecast for 2013 and 2014.

The ASX and CBOT futures prices increased significantly between February 2014 and May 2014 on the back of:

- Drought conditions in parts of Australia which sparked fears of a low wheat crop for 2014
- The Crimea crisis which raised concerns that the flow of wheat out of Russia and the Ukraine would be disrupted
- Port blockages in Canada, due to record exports last season which put significant strain on transportation and port facilities, and Argentina, where a ship ran aground in May 2014 halting exports from that region.

Since May 2014, the CBOT wheat price has fallen significantly due to increased supply of wheat from Russia and larger than expected crop harvests from the US and other northern hemisphere countries.

The ASX wheat price has remained comparatively strong due to challenging growing conditions in New South Wales and Queensland but with recent rains, prices are expected to trade lower in 2015. Australian wheat crop yields for the 2014-15 season may come under further pressure if affected by weather patterns.

Increases in wheat prices put significant pressure on profit margins of food manufacturers that use large amounts of wheat, such as Goodman Fielder. The outlook for wheat prices appears to be strong with increases in both the ASX and CBOT futures prices expected in the short to medium term.

[30] The ASX futures contracts are thinly traded and therefore only provides a meaningful forecast price until March 2015

5.2.2 Milk

Goodman Fielder's Dairy business is located in New Zealand. The primary input is raw milk. The major milk accumulator and exporter in New Zealand is Fonterra. Fonterra was created through the amalgamation of two of New Zealand's largest dairy cooperatives in 2001. This was authorised by the Dairy Industry Restructuring Act 2001 (DIRA), which was designed and enacted to mitigate the risks associated with Fonterra's substantial market power in a number of key New Zealand dairy markets. The DIRA provides contestability in the New Zealand raw milk market and provides for access to a set quantity of raw milk supplied by Fonterra. Under the DIRA, there is a mandatory review of Fonterra's Milk Price Manual by the Commerce Commission of New Zealand.

Goodman Fielder sources raw milk from Fonterra, who accumulates raw milk from thousands of New Zealand dairy farmers. The raw milk supply agreement between Goodman Fielder and Fonterra is such that the unit price paid by Goodman Fielder is based on the farmgate milk price that Fonterra pays farmer shareholders.

Most of Fonterra's competitors use the farmgate milk price as the benchmark for their milk based products rather than establishing their own independent milk prices. According to Fonterra, there is insufficient depth in the market for milk supplied in New Zealand to establish a New Zealand-wide market price that is independent of the price paid by Fonterra. As a result, Fonterra has considered it necessary to establish an alternative mechanism to determine the aggregate price for milk supplied by farmers to Fonterra in New Zealand. This mechanism is determined using an economic building block approach which estimates the farmgate price as follows[31]:

1. Determining the revenue that Fonterra would earn if the equivalent of all the milk Fonterra collects was converted into commodity specifications of whole milk powder (WMP) and skim milk powder and their by-products which are buttermilk powder, butter and anhydrous milkfat. These are the products that currently make up the 'Reference Commodity Products'. Prices largely reflect US$ prices achieved on the twice-monthly Global Dairy Trade trading events, converted to NZ$ using Fonterra's actual average monthly foreign exchange conversion rate
2. Deducting costs, including the cost of transporting raw milk to factories, and the cost of efficiently manufacturing Reference Commodity Products and then transporting them to the point of export from New Zealand, along with selling and administration expenses. They also include an amount for depreciation of fixed assets and an appropriate return on investment, including investment in working capital. To the extent feasible and where doing so is consistent with the Farmgate Milk Price Principles[32], costs are derived from Fonterra's actual costs associated with these activities
3. The balance comprises the aggregate amount payable to farmer shareholders. This is an aggregate amount but is usually referred to on the basis of a farmgate milk price per kilogram of milk solids.

Food manufacturers, like Goodman Fielder, who source milk in New Zealand are affected by the Fonterra Farmgate Milk Price. It is therefore an important factor when considering the New Zealand dairy products industry.

The most significant market based component in the above is the WMP price. The following figure sets out the historical Global Dairy Trade market price for WMP and the projected price of WMP based on NZX futures contracts.

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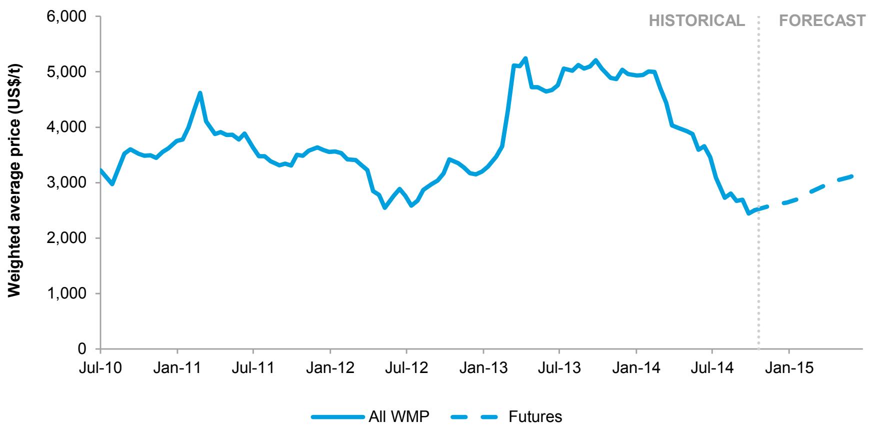
[31] Information relating to the calculation of the Fonterra Farmgate Milk Price has been sourced from the Fonterra website: http://www.fonterra.com/au/en/Financial/Milk+Price+Methodology

[32] Ibid

Figure 17: Historical and forecast WMP price

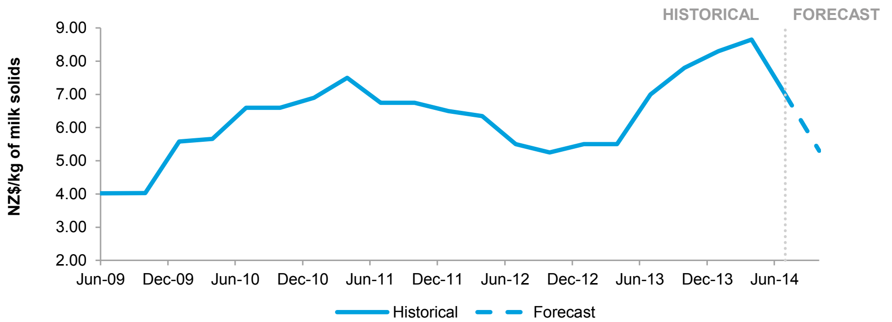


Source: Global Dairy Trade, NZX, Deloitte Corporate Finance analysis

The WMP price has been volatile over the past several years. The price of WMP increased significantly between late 2012 and April 2013 due to supply side shortages in key global markets. A cold and wet 2012-2013 winter in the key northern hemisphere growing areas and severe drought in key southern hemisphere growing areas negatively affected global milk production leading to a spike in the global milk price.

The following figure sets out the quarterly farmgate milk price to 30 September 2014.

Figure 18: Quarterly farm gate milk price



Source: Goodman Fielder, Deloitte Corporate Finance analysis

In 2013-2014, the farmgate milk price was unusually high driven by strong demand in Asia, reduced supply and global economic recovery. New Zealand farmers have since responded to the high farmgate milk price signal and production levels finished the 2013-2014 season 8.3% higher than the previous year. Following consecutive weak auctions on the Global Dairy Trade platform, Fonterra set a lower farmgate milk price of NZ$7.00 per kg of milk solids for the start 2014-2015 season and in late September 2014, Fonterra revised its forecast farmgate milk price to NZ$5.30 per kg of milk solids for the second quarter of the 2014-2015 season.

In the long term, New Zealand farmgate milk and WMP prices will continue to be driven by strong demand growth from China and the premiums paid for New Zealand produced milk.

5.3 Consistent and reliable manufacturing capability

Australian food manufacturers generally have a mix of ageing facilities and new/near new facilities. The cost of maintaining, improving and enhancing manufacturing facilities can be significant. Investment in facilities, either on existing or new facilities, requires significant commercial analysis to ensure that additional/improved production capacity is well supported by product demand.

There is an inherent trade-off between incurring capital expenditure to maintain/improve/increase production capacity and conserving cash for investment in other initiatives or distribution to shareholders. In making this decision, food manufacturers weigh up a number of factors including:

- Relative incremental returns of investing in production capacity versus investing in other initiatives
- Age, condition and quality of existing production capacity
- Current and projected demand for the company's products
- Outlook for consumer choices
- Size of investment, and sources and cost of capital required.

Whilst offshoring of manufacturing is an option available in other industries, this is not necessarily the case in food manufacturing; especially where the food items need to maintain freshness given their short shelf life. Given the significant investment required in the industry's operations, food manufacturers are continuously seeking ways to optimise capital expenditure while still growing earnings. However, significant risks can result from underinvestment in production facilities. Ageing facilities or facilities in poor condition can fail leading to production halts, an inability to deal with volatility in utilisation or high levels of utilisation and significant costs to repair. Sudden halts in production can also be extremely problematic for sales contracts where food manufacturers have an agreed supply level which must be met. A halt in one facility, while being repaired, means production from other facilities must be increased, putting undue strain on the overall production network.

Maintaining the quality of production capacity is also critical to maintaining efficient and reliable production. Margins in the food manufacturing industry are generally low and achieving and maintaining profitability requires highly efficient and consistent production. Efficient and consistent production is intrinsically linked to reliable production facilities, given that equipment failure leads to production halts and repair costs which quickly erode profits. The other important aspect of reliable production capacity is a reliable product. The modern consumer is discerning and product quality is becoming increasingly important. Contracts between food manufacturers and retailers are generally such that the food manufacturer carries the risk of acceptable product quality up until the point the product is sold to the consumer. This means that a product that does meet the agreed product quality and/or specification can be returned by the retailer at the expense of the food manufacturer. This makes the reliability of production essential to ensuring products are produced to agreed quality and specification in order to mitigate the risk of returns, which can be significant.

5.4 Importance of logistics

As illustrated in Figure 15, transport logistics is the link between each stage of the supply chain. The importance of logistics is greater for Australia, in particular the Baking business, than for most of the developed world due to the country's size and the remoteness of many rural towns. Goodman Fielder has manufacturing facilities all over Australia and the Company's contracts with retailers are such that Goodman Fielder delivers many of its products direct to the retailer's stores on a daily basis (not to their distribution centres). This means that transportation logistics is a fundamental aspect of Goodman Fielder's business and, for many products, is a large component of total delivered cost.

The cost of transportation logistics can be significant, in particular for the remote towns in rural Australia. The retail price of products delivered to retail locations near manufacturing facilities is likely to have the same price as the same product delivered to remote locations, even though the cost to deliver the product to the remote location is generally significantly greater. The cost to manufacture and deliver a product to the retailer is known as the cost to serve, and the cost to serve each retail store across Australia differs widely depending primarily on the product type and the retail store's distance from the food manufacturer's facilities. In recent years, the cost to serve for Australia food manufacturers has increased due to wage cost inflation, and fuel price increases.

The ability of food manufacturers to reduce their overall cost to serve through logistics efficiency is critical to their future success.

Deloitte.

5.5 Increase in private label food products

Private label food products are generally produced for retailers under contract by third party food manufacturers. Over the past several years, private label products have become more prevalent in supermarkets. To some extent, the penetration of private label in Australia lags the rest of the world. In Australia, private label is currently estimated to have 28% market share, whilst in Europe and the US, it is estimated to have 53% and 35% market share, respectively. In the early days of private label products, Australian consumers associated private label with low quality. The entry of ALDI into the Australian market in 2001, with the majority of their products being private label products, and the increased consumer awareness of private label products (including an increase in quality), consumer perception of the quality of private label products has changed.

Private label products allow retailers to vertically integrate food manufacturing (albeit under third party manufacturing arrangements) into their existing business model. As retailers collect and analyse data on consumer buying habits, retailers can react directly to improve existing private label products and / or change the private label product mix to align with consumer trends. An example is the gourmet and organic offerings category, where private label products exist in abundance but did not just a few years ago.

Private label products also allow retailers to compete directly with branded food manufacturers. The major retailers in Australia have used aggressive discounting and promotional pricing tactics to disrupt the consumer landscape, most notably, the $1 bread loaf and $1 litre of milk in 2011. As retailers also have greater control of the arrangement and allocation of shelving space, some branded products have been deranged in favour of greater shelf space allocated to private label products. These tactics have therefore enabled private label products to become formidable competitors to the incumbent branded products.

Private label products have changed the landscape of food manufacturing and retailing significantly. In the context of fresh food, where much of the manufacturing cannot be sent offshore, private label products are often manufactured by companies that are located in the same market and who produce the competing branded products. It has become increasingly common for food manufacturers to diversify their product portfolio by producing private label products as well as branded products in the same product category and this offers growth opportunities for them (but possibly at the expense of their branded equivalents).

The demand for private label products, which mainly comprises food items, is estimated to grow rapidly and, by FY2019, could reach 35% market share in Australia.

5.6 Growth opportunities in Asia

Goodman Fielder's Asia Pacific business is currently its most profitable business (in terms of profit margin). Refer to Section 4.3.4 for a detailed discussion on the Asia Pacific business.

With the significant urbanisation of the Chinese population and the increase in average income over the past two decades, China's demand for food has changed dramatically. The most notable changes have been a general increase in food demand, an increase in the demand for higher quality foods, a shift from carbohydrates to proteins and an increase in away-from-home consumption. These changes have signalled China's shift away from its traditional shopping basket to a more Western shopping basket.

China has, however, significant constraints on being able to meet the changing food demand as its agricultural resources have been in decline for a number of years. Chinese manufacturing processes, although improving, are still behind much of the developed world, evident in a number of recent reports of food contamination. With China's growing and changing food requirements, its ability to meet its changing internal demand will, to a large extent, depend on imports.

A recent report from ABARES, which maps long-term trends in food consumption across China, India, Japan and South Korea, as well as the ASEAN nations, predicts that China will be able to meet its increased demand for rice, wheat, vegetables, fruit, pork and poultry to 2050, with little need for increased imports, however, will need significant increases in imports for dairy, sheep and goat meat, vegetable oil and coarse grains.

Dairy is a particularly important sector for Australian and New Zealand producers as there is a large and increasing gap between China's production of milk and its demand for milk and milk based products. Fonterra predicts that dairy consumption in China will double in 10 years. It will, therefore, continue to require milk and milk based products to be imported from overseas. New Zealand, in particular, has a strong reputation for dairy production and coupled with the China-New Zealand free trade agreement places New Zealand producers of dairy products in a strong position to capitalise on the increasing Chinese demand for dairy products.

A number of New Zealand based companies have capitalised on the Chinese baby formula market which was transformed for non-Chinese producers in 2008 following the melamine crisis, where the chemical was found to be added to some Chinese produced baby formula. Since then, a proliferation of baby formula entered the market, however new regulation expected to be imposed by Chinese authorities will mean that only those producers with the requisite supply chain infrastructure and quality standards will remain in the Chinese baby formula market, which bodes well for the established, high quality and reputable New Zealand dairy industry.

Australia's proximity to Asia and its developed food manufacturing industry provides it with a real opportunity to meet much of China's increase in food demand which provides Australian food manufacturers with a real opportunity for growth. This coupled with an Australian dollar projected to decline over the medium to long term means that Asia, and in particular China, should be a sustainable source of future profitability for Australian food manufacturers.

5.7 Australian consumer choices

Australia generally ranks in the top 90% of most wealth and prosperity indexes. Australia is also one of the most food secure countries with self-sufficiency in all the major commodities; meat, dairy and grains. Australian consumers are wealthy (in global terms), sophisticated and highly discerning. There are a number of key trends in Australian food retail, most notably:

- **Savvy consumer** – Australians are becoming increasingly savvy in terms of their buying practices. Australians actively seek out promotional stock. According to a study conducted by Quantium[33], 25% of Australian shoppers fill half their trollies with products on promotion
- **In-store food production** – the prevalence of bakeries, sandwich stores and sushi bars within supermarkets has increased significantly over the past several years. This trend appears to be established and will impact on the rest of the supermarket as space for traditional supermarket products continues to reduce
- **Gourmet is increasing in popularity** – with the popularity of television chefs and cooking shows such as Masterchef, Australian consumers have become increasingly knowledgeable about food. With this knowledge has come more discerning tastes and as a result Australians are demanding more gourmet products. This has affected the baking industry. While bread consumption per capita is falling, demand for artisan bread and baked goods is rising. The artisanal bread industry is expected to grow at a CAGR of more than 2% over the next five years, providing opportunity for specialist bread producers. This is expected to be compounded by moves on the part of the major retailers into this market, taking share from smaller boutique retailers (who often self-manufacture)
- **The consumer is becoming more health conscious** – Australians are becoming increasingly more aware of their health and consequently are becoming more conscious about the health implications of the food and drinks they consume. This trend has implications for food manufacturers and retailers
- **War between branded staples and private label staples** – the increase in private label foods is most evident in the staple food categories where consumers are placing less of a premium on branded staples.

Both food manufacturers and retailers are continuously studying industry and consumer trends to ensure that future demand is met by product development. In an industry characterised by tightening margins and increasing competition, production innovation is becoming an increasingly important KPI for food manufacturers. Product innovation is also being used by food manufacturers to reinforce the position of branded product and meet future demand trends with an aim of growing revenues and earnings. Therefore, NPD and DME is an important part of a food manufacturers' business and significant capital is deployed on market research, NPD and marketing.

[33] Woolworths Trolley Trends: Understanding changes to household expenditure over the past 25 years and today's customer, 2013

6 Valuation of Goodman Fielder

6.1 Valuation conclusion

For the purpose of our opinion fair market value is defined as the amount at which the shares would be expected to change hands between a knowledgeable willing buyer and a knowledgeable willing seller, neither being under a compulsion to buy or sell. We have not considered special value in this assessment.

The fair market value of the equity in Goodman Fielder reflects the value attributed to its operations adjusted for surplus assets and liabilities and net debt, and is inclusive of a premium for control.

The table below summarises our valuation of a share in Goodman Fielder.

Table 21: Valuation of Goodman Fielder

A$m (unless otherwise stated)	Assessed maintainable earnings	Assessed multiple (x) Low	High	Valuation range Low	High
Business					
Baking	82.5	8.0	8.5	660.0	701.3
Grocery	60.0	7.5	8.0	450.0	480.0
Dairy (A$m)[1, 2]		8.0	8.5	436.4	463.6
Asia Pacific	65.0	6.0	6.5	390.0	422.5
Strategic initiatives				50.0	125.0
Corporate overheads	(15.0)	7.4	7.9	(111.0)	(118.5)
Total business enterprise value – 100% of Group				**1,875.4**	**2,073.9**
Net debt				(540.0)	(520.0)
Surplus assets				1.7	1.7
Total equity value – 100% of Group				**1,337.1**	**1,555.6**
Minority interests				(73.5)	(79.5)
Total equity value – Goodman Fielder interest				**1,263.6**	**1,476.1**
Number of shares outstanding (m)				1,955.6	
Value of a share (A$)				**0.646**	**0.755**

Notes:
1. *We have valued the Dairy business in NZ$ and converted the assessed valuation range to A$ at an A$:NZ$ exchange rate of 1.1).*
2. *We assessed maintainable earnings of the Dairy business at NZ$60m*

Source: Deloitte Corporate Finance analysis

We have assessed the equity value of Goodman Fielder using the sum of the parts approach. This approach assesses the value of each Goodman Fielder business separately. This approach is considered appropriate because each business largely produces different products, has different growth prospects, in some respects faces different demand drivers, has different cost structures and capital intensity, and has different requirements for capital and marketing expenditure. The sum of the parts approach, therefore, provides a flexible valuation approach to take account of these factors.

We have primarily conducted our valuation in A$. We have valued the Dairy business in NZ$. We consider this is the more appropriate currency for valuation given the majority of revenues and costs generated by this business are denominated in NZ$. With respect to our valuation of the Dairy business, we have converted our valuation range in NZ$ to A$ using an A$:NZ$ exchange rate of 1.1. Whilst an argument could be made that the functional currency of the Asia Pacific business is something other than A$, given the variety of functional currencies on balance, we consider it is appropriate to value the business in A$.

Our valuation of the Dairy business includes the value attributable to the sale of dairy products in the Asia Pacific markets. For the reasons outlined in Sections 4.3 and 4.4, we consider those sales and associated earnings are more properly referable to the Dairy business. As such, our valuation of the Asia Pacific business excludes any value attributable to dairy sales in Asia Pacific.

In applying the sum of the parts approach, we have used the capitalisation of maintainable earnings method to assess the enterprise value of each business. In applying this valuation method we have considered incremental cash flows relating to the various restructuring and expansion initiatives planned by Goodman Fielder (discussed in Section 4.5.2) on a case-by case basis. In some instances we have not factored in incremental cash flows and instead have assessed the value of those initiatives separately using the discounted cash flow method. In other instances, our valuation of the various business units incorporates the value of specified initiatives. These are discussed in detail in Section 6.5.

The sum of the parts approach is based on an assessment of the maintainable earnings of the underlying businesses and, therefore, does not include the costs associated with the head office function (corporate overheads). We have therefore estimated the value of corporate overheads (in A$) and subtracted this from the value of Goodman Fielder.

We have assessed the equity value of Goodman Fielder including 100% of the value of the operations associated with Fiji and Papua New Guinea companies in which Goodman Fielder holds less than 100%. We have separately assessed the value of the minority equity interests in these companies (in A$) and have subtracted this value from our assessed equity value of 100% of the Goodman Fielder group.

6.2 Basis of selection of the capitalisation of earnings methodology

We have assessed the equity value of Goodman Fielder using the capitalisation of maintainable earnings method before adding/subtracting the value of surplus assets/liabilities and deducting net debt.

Refer to Appendix B for a detailed discussion on the various valuation methodologies which can be adopted in valuing corporate entities and businesses.

In selecting the capitalisation of maintainable earnings method to value the Goodman Fielder businesses, we have considered the following factors:

- although Goodman Fielder's historical earnings have been volatile, there is sufficient projected stability in Goodman Fielder's future earnings outlook to warrant the use of the capitalisation of maintainable earnings method
- there is an adequate number of publicly listed companies and global transactions involving companies with operations sufficiently comparable to those of Goodman Fielder's businesses to provide a meaningful comparison
- Goodman Fielder's operations do not have a finite lifespan
- although capital and marketing expenditure is important to Goodman Fielder , there is no current or projected requirement for the Company to incur significant or unusual capital and marketing expenditure.

6.3 Selection of maintainable earnings for each business unit

Future maintainable earnings represent the level of maintainable earnings that the existing operations could reasonably be expected to generate. We have selected EBITDA as an appropriate measure of earnings because earnings multiples based on EBITDA are less sensitive to different financing structures, depreciation and amortisation accounting policies and effective tax rates than multiples based on EBIT or NPAT. This allows a better comparison with earnings multiples of other companies.

We have assessed maintainable EBITDA to be as follows:

Table 22: Maintainable earnings summary

Business unit	Currency	Selected maintainable EBITDA
Baking	A$m	82.5
Grocery	A$m	60.0
Dairy	NZ$m	60.0
Asia Pacific	A$m	65.0

Source: Deloitte Corporate Finance analysis

In our assessment of maintainable EBITDA, we have had regard to:

- the varying characteristics of each business and factors that influence the earnings of each business
- recent financial performance of each business unit, adjusted for the effect of divested businesses, restructuring costs and significant items as summarised in Sections 3 and 4
- the recent YTD financial performance of each business unit
- FY2015 budgets prepared by management and approved by Goodman Fielder's Board
- consensus estimates of earnings for Goodman Fielder. Refer to Section 6.3.5 for our analysis.

Our selection of each business unit's maintainable EBITDA is discussed below.

6.3.1 Baking

The Baking business experienced a decline in revenue from FY2011 to FY2013 before recovering in FY2014. Since FY2011 the Baking business has undergone significant restructuring aimed at reducing its cost base and realising sales and volume growth. Management expect an increase in FY2015 revenues reflecting growth in both volume (driven by NPD and re-ranging of some products) and an overall improvement in NASP.

The EBITDA margin of the Baking business (adjusted for divested businesses, restructuring costs and significant items) has exhibited some historical variability. Benefits from restructuring and cost saving initiatives have, in the past, been partly eroded by increases in input prices (commodity and labour). Adjusted EBITDA for the Baking business was A$90.5m in FY2013 and A$82.5m in FY2014 (refer to Table 13). DME has also increased over the three full years to FY2014 reflecting increased spend to support branded products. This dynamic is expected to continue in FY2015.

We also considered the following specific factors:

- exposure to the wheat price and the ability of the Baking business to recover higher input costs from its customers through price increases or conversely the compulsion to pass on savings from lower input costs. In particular, short term volatility in the wheat price can exacerbate this risk. This is offset to a degree by the Company's hedging of wheat purchases
- increased competitive pressures, particularly in low value-added products such as traditional fresh loaf, will continue to impact volumes. The trend in the Australian fresh baked market of increased share of retail in-store baking with erosion of the share of branded fresh baked products, as well as developments such as the 'one dollar' loaf (which has most recently also been introduced in New Zealand), may suggest a decline in volumes and pressure on NASP
- NPD and innovation with non-traditional fresh loaf products such as low carb and gluten free variants, the extent to which these and premium branded loaf products can offset declines in traditional fresh loaf volumes, and the need for increased DME to support the Company's 'power brands'
- full utilisation of capacity at Erskine Park and the effect of increased artisan volumes. Our assessment of maintainable earnings does not include the potential impact of other artisan growth-related strategic initiatives
- the ability of the Baking business to achieve higher prices in light of the bargaining power of major customers, particularly in the supply of private label and parbaked products
- the full year effect and ongoing benefits of consolidation of the baking facilities with improved utilisation of manufacturing capacity and improvement in operating efficiencies
- the ability of the Baking business to achieve a sustained increase in NASP through an improved product mix, with greater volumes in premium branded and artisan products.

We consider A$82.5m appropriate to reflect the maintainable EBITDA of the Baking business.

6.3.2 Grocery

The revenues of the Grocery business have declined in recent years, with a decline in volumes partly offset by improved NASP. This reflects a decline in underlying product demand as well as increased competition from private label products. Expectations for FY2015 are for stable revenue compared to FY2014 (adjusted for divested business). This is predicated on achieving similar volumes and NASP driven by a decline in volumes in Australia due to product deletions as well as a slight increase in volumes from NPD and range extension. In both geographic markets, the Grocery business is expected to face category declines and increasing competition (particularly from private label products). Adjusted EBITDA in FY2014 was A$59.5m (refer to Table 15 and associated commentary).

We also considered the following specific factors:

- increasing market share or overall volumes in the short term would not necessarily lead to increased revenue due to increased promotional pricing/discounting required. Similarly, in order to defend NASP, the Grocery business would likely need to increase DME, which could erode EBITDA margin
- the need for DME and continued NPD in the Grocery business to support earnings, particularly in the dressings segments
- the Grocery business utilises third party manufacturers for a number of products, which means the Company is responsible for a smaller part of the value chain in respect of those products. This inherently constrains the margin that can be generated on those products
- the concentration of customers that the Grocery business is exposed to, and their bargaining power relative to the Company, which limits the ability of the Grocery business to realise price increases in the short term
- the trend of decline in the spreads and shortenings category historically, which implies maintaining revenues may require increased market share
- the exposure of the Grocery business to the out of home category, which, particularly in Australia, is a mitigating factor to the decline in spreads generally affecting earnings.

We consider A$60m appropriate to reflect the maintainable earnings of the Grocery business.

6.3.3 Dairy

The Dairy business' revenue has declined in recent years as it continues to lose market share in its primary fresh milk product category. The Dairy business has historically mitigated the impact of significant price competition through developing a more favourable product mix, with a particular focus on value-added products. In FY2014, revenue was bolstered by increased NASP as well as increased volumes in yoghurts and cheese products due to promotional marketing and NPD.

Adjusted EBITDA margin has been relatively consistent, with the exception of FY2014 due to higher than expected farmgate milk prices. With raw milk comprising a substantial component of input costs, the EBITDA margin has been highly sensitive to the ability of the Dairy business to pass on higher farmgate milk prices to its customers. Adjusted EBITDA in FY2012, FY2013 and FY2014 was NZ$56.0m, NZ$62.6m, and NZ$35.6m, respectively, excluding the impact of dairy sales in the Asia Pacific region (refer to Table 17 and associated comments).

Management expects the Dairy business' revenue in FY2015 to grow due to the expanded production capacity of UHT milk. EBITDA for FY2015 is expected to reflect a return to normal trading conditions and EBITDA margin is expected to return to a level broadly similar to the years prior to FY2014.

We also considered the following specific factors:

- continuing loss of market share in the fresh milk product category, and the resulting margin erosion where the Dairy business attempts to remain price competitive
- volatility in the farmgate milk price of the magnitude experienced in FY2014 was isolated and a non-recurring factor affecting the earnings of the Dairy business. Current expectations (as set out in figure 18) are for a lower farmgate milk price
- extent to which consumers demand lower priced fresh milk products to reflect lower farmgate milk prices, which will impact the Dairy business' EBITDA margin
- earnings from the sale of dairy products in the Asia Pacific region historically reported within the Asia Pacific business.

We consider NZ$60m appropriate to reflect the maintainable earnings of the Dairy business.

6.3.4 Asia Pacific

The Asia Pacific business experienced strong growth in revenue with the exception of FY2013 when the Fijian poultry business experienced capacity constraints. Revenue growth has historically been characterised by rising NASP, whilst volume has remained relatively stable. This is consistent with industry trends as consumers in the region develop a preference for value-added products and the Asia Pacific business has benefitted from improved pricing and product mix.

EBITDA has grown broadly in line with revenue growth with the exception of FY2012 and FY2013, where costs associated with capacity issues in the poultry business were unusually high. The EBITDA margin has remained relatively stable, apart from FY2013 (refer Table 19). Adjusted EBITDA was A$60.6m in FY2013 and A$69.9m in FY2014 (inclusive of earnings from dairy sales in the Asia Pacific region).

Management expects revenue growth in FY2015 to be broadly in line with historical results. We have also considered the following specific factors:

- general economic conditions in the Pacific markets, particularly household income and the effect that it will have on sustaining the current level of demand for Goodman Fielder products
- the extent to which the Asia Pacific business can achieve success and similar growth rates in the new East Asian markets of Indonesia, China and the Philippines
- potential production capacity constraints in the Asia Pacific business' Fijian and PNG operations and the ability of it to increase capacity in line with demand growth
- the impact of the PNG Kina:A$ exchange rate on A$ denominated historical earnings, particularly in FY2014, and the current PNG Kina:A$ exchange rate
- earnings from the sale of dairy products in the Asia Pacific region historically reported within the Asia Pacific business, which we consider properly referrable to the Dairy business.

We consider a A$65m appropriate to reflect the maintainable earnings of the Asia Pacific business.

6.3.5 Other considerations

The maintainable EBITDA for the Company implied by our selected maintainable EBITDA for each business, adjusted for corporate costs (before any potential savings associated with not being listed – refer to Section 6.6) is approximately A$242m[34]. This compares to adjusted historical EBITDA for Goodman Fielder as a whole[35] of A$226.2m (FY2014) and A$251.7m (FY2013). The consensus median estimates for EBITDA from the available equity research estimates (subsequent to the release of FY2014 results) are A$242.5m for FY2015 and A$251.7m for FY2016. Noting that FY2014 was impacted by particularly high commodity prices, we consider these figures support our assessed maintainable earnings range for each business.

6.4 Selection of earnings multiple for each business unit

In selecting an earnings multiple for Goodman Fielder we have considered earnings multiples derived from share market prices of listed companies with comparable operations to its businesses and the implied earnings multiples paid to acquire companies with operations comparable to its businesses.

Our valuation of Goodman Fielder has been undertaken on a control basis, consistent with the requirements of ASIC RG111.

Earnings multiples derived from share market trading (which we refer to as 'listed company multiples' in this section) do not reflect the fair market value for control of a company as they are based on portfolio holdings in the subject companies. The difference between the fair market value of a controlling interest and a minority interest is referred to as the premium for control.

[34] Maintainable earnings of the Dairy business converted at an A$:NZ$ exchange rate of 1.10

[35] Refer Table 6

The owner of a controlling interest has the ability to do many things that the owner of a minority interest does not. These include:

- control the cash flows of the company, such as dividends, capital expenditure and compensation for directors and managers
- determine and change the strategy and policies of the company
- make acquisitions, restructure the business or divest operations
- control the composition of the board of directors.

Australian studies indicate the premiums required to obtain control of companies range between 20% and 40% of the portfolio holding values.

In comparison, the acquisition price achieved in mergers or acquisitions of companies represents the fair market value of a controlling interest in that company.

6.4.1 Selecting comparable companies and transactions

We have conducted a global search for companies comparable to Goodman Fielder's businesses. As most of the comparable companies have diversified operations and manufacture a wide variety of food products, there is a limited number of companies directly comparable to each of Goodman Fielder's businesses on a standalone basis.

We have therefore categorised the comparable companies and transactions into two general groups: food manufacturing and dairy processing (refer to Appendix C to Appendix F).

We have only considered transactions that occurred over the past six years as we do not consider transactions prior to the global financial crisis to be relevant to our valuation.

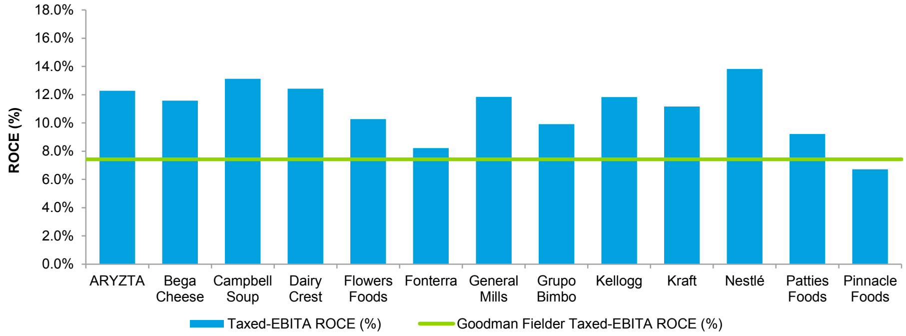
Transaction multiples are calculated with reference to historical earnings and, as a result, we would expect the transaction multiples (adjusted for control) to be higher than the trading multiples observed for listed comparable companies, which have been calculated with reference to forecast earnings, given that most of the comparable companies are projected to exhibit earnings growth in the short term (based on consensus broker estimates).Our selection of an appropriate earnings multiple for each Goodman Fielder business is set out separately below.

6.4.2 ROCE and EBITDA growth comparison

In the following sections, we discuss our analysis to arrive at our preferred comparable listed companies. To assist us with this, we have calculated the return on capital employed (ROCE) and EBITDA CAGR between FY2012 and FY2016 for each listed company considered specifically comparable and compared it to Goodman Fielder's ROCE and EBITDA CAGR over the same period (using Goodman Fielder's adjusted FY2012 EBITDA as a starting point). Sufficient information to calculate ROCE in respect of recent transactions was not available.

The ROCE comparison is illustrated in the following figure.

Figure 19: ROCE[36]



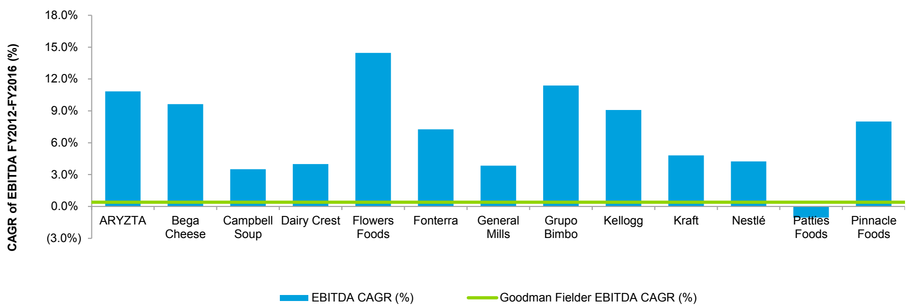
Source: Deloitte Corporate Finance analysis

ROCE is a measure commonly used to evaluate the performance of companies in a number of sectors, in particular the consumer products sector. Simply put, it calculates the return generated from the capital employed and companies with higher ROCE are more efficient in generating greater returns from their capital. Most of the preferred comparable companies have higher ROCE than Goodman Fielder. All other things being equal, companies with higher ROCE should attract higher multiples (because the same dollar invested will generate higher returns).

We have been cognisant of the comparable companies' higher ROCE when selecting multiples for the Businesses.

EBITDA growth comparison is illustrated in the following figures.

Figure 20: EBITDA growth comparison[37]



Source: Deloitte Corporate Finance analysis

Goodman Fielder's EBITDA growth is below the EBITDA growth of the comparable companies. All other things being equal, companies with higher EBITDA growth should attract higher multiples (because the future cash flows are expected to be higher).

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[36] ROCE is calculated as tax-effected EBITA (i.e. EBITA multiplied by (1 – corporate tax rate)) divided by capital employed (i.e. net assets plus net debt)

[37] Percentage increase between FY2012 EBITDA and forecast FY2016 EBITDA. For Goodman Fielder, we have used adjusted FY2012 EBITDA

We have been cognisant of the comparable companies' higher EBITDA growth rates when selecting multiples for the Businesses

6.4.3 Baking business

Listed company multiples

Of the comparable companies set out in Appendix C, only ARYZTA, Flowers Foods and Grupo Bimbo are focussed on bakery products. These companies are therefore considered by us to be the most operationally comparable to the Baking business. These companies are summarised in the following table.

Table 23: Preferred listed companies – Baking

Company	Revenue (A$m)[1]	EBITDA times (current)	EBITDA times (forecast)
ARYZTA	6,920.8	9.8 x	9.2 x
Flowers Foods	4,219.3	10.6 x	9.5 x
Grupo Bimbo	15,040.3	12.3 x	10.7 x

Note:
1. Revenue based on most recent actual results
Source: Capital IQ, Deloitte Corporate Finance analysis

These companies are significantly larger than Goodman Fielder. Larger companies generally trade at higher earnings multiples as they often have greater access to new markets and ability to raise capital which can increase growth prospects.

These companies are also more operationally diverse than the Baking business, in that they sell their products to a much wider market. Greater diversification generally means lower risk as it reduces bargaining power of customers, resulting in higher multiples (all else being equal).

ARYTZA is expected to experience significant earnings growth as a result of a number of recent acquisitions, which also, in part, explains its high earnings multiple.

Grupo Bimbo is one of the largest baking companies in the world. It has made a number of sizeable acquisitions in recent years, including Canada Bread and Weston Foods which are discussed at Appendix E. The company has been pursuing an aggressive growth strategy particularly in North America. Although Grupo Bimbo produces some products considered by us to be comparable to the Baking business, its size, scale and diversification means its multiple would be at the higher end of an appropriate range of multiples.

Transaction multiples

Of the transactions considered, the acquisitions of Lapage Bakeries, Best Brands, Weston Foods and Canada Bread are considered by us to be the most comparable to the Baking business. These transactions are summarised in the following table.

Table 24: Preferred comparable transactions – Baking

Announcement date	Target	Acquirer	% acquired	Currency	Implied enterprise value (m)	EBITDA historical (m)	EBITDA multiple (times)
Feb-14	Canada Bread	Grupo Bimbo	100%	CAD	1,512.3	175.7	8.6 x
May-12	Lepage Bakeries	Flowers Foods	100%	USD	345.5	30.4	11.4 x
Feb-10	Best Brands	CSM Bakery Supplies	100%	USD	510.0	n/a	8.5 x
Dec-08	Weston Foods	Grupo Bimbo	100%	USD	2,500.0	255.0	9.8 x

Source: Mergermarket, Capital IQ, company announcements, Deloitte Corporate Finance analysis

Canada Bread manufactures and distributes bread, rolls, bagels and frozen or par-baked breads as well as a diverse range of specialty bakery items throughout Canada, the US and the UK. Compared to the Baking business, Canada Bread's product suite is more diverse; it distributes to a wider and larger market and is larger in size. These factors would, all else being equal, suggest that the multiple achieved by Canada Bread would be towards the high end of an appropriate range of multiples for the Baking business, on a control basis.

Flowers Foods is a key player in the US bakery market and its acquisition of Lepage Bakeries was driven by the company's drive to expand its US market share. Lepage Bakeries' size and product mix is broadly comparable to the Baking business and, therefore, provides a reasonable benchmark. We consider the EBITDA multiple reflects the strategic premium associated with Flowers Foods' intention to gain a dominant position in the North East market of the US.

Best Brands produces sweet bake and related products in the US. Given the Baking business is more heavily focussed on bread, Best Brands is, operationally, only broadly comparable. Best Brands' size and the fact that it supplies, in part, to in-store bakeries does, however, make it a reasonable benchmark.

Weston Foods was the US fresh bakery business of George Weston Foods. Through the acquisition of Weston Foods, Grupo Bimbo was able to consolidate its position in the large US bakery market, a market of significant importance to Grupo Bimbo (based in Mexico). The acquisition also expanded Grupo Bimbo's distribution channels improving its ability to market its own Hispanic products in the US market. We consider that a premium was paid in the transaction to reflect the strategic importance of the acquisition to Grupo Bimbo's business and therefore the multiple implied by the transaction price would be above an appropriate multiple for the Baking business.

Selected multiple

We consider, on balance, the transaction multiples provide a better benchmark than the listed company multiples. The range of EBITDA multiples on a control basis are, however, supported by the listed companies which are considered comparable to the Baking business.

The Baking business has a strong market position in both Australia and New Zealand but is subject to significant competition and structural market issues as discussed in Section 4.1.2. These factors present a risk to the business's future earnings which are not similarly reflected by our selected comparable companies.

The Australian bakery market is, to a large extent, unique in that it has a daily fresh[38] model and is dominated by two large supermarket chains. Globally, the distribution model is generally different and supermarket concentration is significantly less. The daily fresh model puts significant pressure on Goodman Fielder to manufacture and deliver baked goods within 48 hours. Supermarket concentration means significant buying power exists for the supermarkets. Most of the comparable companies operate outside Australia and are therefore not exposed to these two Australian specific factors. All other things being equal, these factors should lead to an appropriate multiple for the Baking business being below that of the comparable companies.

[38] Refer to Sections 4.1 and 5.4 for discussion on the daily fresh model

Growth prospects are, however, positive, in particular through the artisan product range (fresh and chilled breads). Artisan is a small but growing sector of the market and the Baking business is well positioned to take advantage of this growth. Goodman Fielder has capacity in its current facilities to take advantage of the growth in artisan; however, further capital expenditure will be required in the medium term in order to continue growing this product range. To a large extent, growth in artisan bread should offset any decline in the traditional bread offering as consumer taste continues to shift from traditional fresh loaf to artisan style products.

Based on our analysis, we consider an earnings multiple in the range of 8.0 times to 8.5 times, on a control basis, to be appropriate for the Baking business.

6.4.4 Grocery business

Listed company multiples

Operationally, the Grocery business is broadly comparable to a number of listed food manufacturers, including some of the global diversified food manufacturers summarised in Appendix C. Consistent with our analysis for the Baking business, the comparable companies have a wide range of current and forecast EBITDA multiples which are affected by the multiple of Freedom Foods and Premier Foods:

- Freedom Foods has a current and forecast multiple of 20.7 times and 16.1 times respectively, anomalously higher than the other comparable companies. It has a 17.9% interest in a2 Milk, which is captured in Freedom Foods' enterprise value but a2 Milk's earnings are not captured in Freedom Foods' EBITDA. Excluding the fair market value of a2 Milk from Freedom Foods' enterprise value, Freedom Foods' EBITDA multiples are 17.8 times and 13.8 times on a current and forecast basis, respectively. These multiples are still higher than all other food manufacturing companies due to its strong volume growth and high profit margins. In April 2014, Freedom Foods agreed to supply premium UHT milk products to the large Chinese dairy company, Bright Dairy, thereby gaining exposure to the growing Chinese market
- Premier Foods has a current and forecast multiple of 5.4 times, which is significantly lower than the other food manufacturers. Premier Foods has had a difficult year while undergoing a major restructure. Its earnings outlook is negatively affected by capital structure challenges, board and management changes and some negative sentiment in the market regarding the company's future profitability. These challenges are reflected in its multiple and as a result we do not consider Premier Foods to be an appropriate benchmark for the Grocery business.

There are a limited number of listed companies considered directly comparable to the Grocery business as result of its unique product mix. As a manufacturer of convenient, mainly stable-shelf grocery products, we consider the Grocery business to be specifically comparable to Campbell Soup, General Mills, Kraft Foods, Nestlé, Pinnacle Foods and Patties Foods. These companies are summarised in the following table.

Table 25: Preferred listed companies – Grocery

Company	Revenue (A$m)[1]	EBITDA times (current)	EBITDA times (forecast)
Campbell Soup	8,875.3	11.0 x	10.6 x
General Mills	19,388.0	11.3 x	10.9 x
Kellogg's	16,638.8	11.0 x	10.7 x
Kraft Foods	20,492.5	11.4 x	10.8 x
Nestlé	115,983.5	13.5 x	12.7 x
Patties Foods	247.6	7.2 x	6.8 x
Pinnacle Foods	2,741.2	12.2 x	11.5 x

Note:
1. Revenue based on most recent actual results
Source: Capital IQ, Deloitte Corporate Finance analysis

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The global diversified food manufacturers such as Campbell Soup, General Mills, Kellogg's, Kraft Foods and Nestlé represent the largest, most diversified and most well-known food companies in the world. They also generally have products sold around the world with some of the most recognisable global food brands. Although they manufacture some products that would be regarded as comparable to the products produced by Goodman Fielder, they are significantly larger, more diversified by reference to their product portfolio and geographic presence and have significantly greater brand and market power. The global diversified food manufacturers would therefore be at the top end of a reasonable range of multiples.

Pinnacle Foods is also considered broadly comparable as its portfolio of grocery products include sauces, dressings and baking products similar to the products sold by the Grocery business. However, more than half of Pinnacle Foods' earnings are derived from the sale of higher margin frozen food products. Pinnacle Foods is also significantly larger than the Grocery business. Based on these factors we would expect the Grocery business to have a lower multiple than that of Pinnacle Foods.

Patties Foods is the smallest of the food manufacturers, operates only in Australia and is heavily focussed on frozen pastry and desserts. Although, to a large extent, Patties Foods produces different products to the Grocery business, its exposure to the Australian market makes it broadly comparable to the Grocery business. The Grocery Business would be considered more diversified than Patties Foods and therefore warrants a higher multiple.

Transaction multiples

Of the transactions analysed, the acquisition of Griffin's Foods and Food Holdings are the considered most comparable to the Grocery business. These transactions are summarised in the following table.

Table 26: Preferred comparable transactions – Grocery

Announcement date	Target	Acquirer	% acquired	Currency	Implied enterprise value (m)	EBITDA historical (m)	EBITDA multiple (times)
Jul-14	Griffin's Foods	Universal Robina	100%	NZ$	700.0	78.0	9.0 x
Aug-11	Food Holdings	Bright Food	75%	A$	595.0	63.5	9.4 x

Source: Mergermarket, Capital IQ, company announcements, Deloitte Corporate Finance analysis

Griffin's Foods' products are only broadly comparable to the Grocery business, however, this transaction illustrates the strong demand for Australasian based food and beverage companies by Asian investors. This acquisition presents Universal Robina with an opportunity to take advantage of the growth in demand for Western style foods in Asia by distributing Griffin's Foods' products in South-East and East Asia where Universal Robina already has a strong presence. Griffin's Foods is also of similar size to the Grocery business. These factors make this acquisition a reasonable benchmark for the Grocery business.

Food Holdings, trading as Manassen Foods, produces a range of grocery products and is one of Australia's largest food distribution businesses. The acquisition provided Bright Food with a supply of high quality food products for the Chinese market, following a number of failed attempts to acquire other international food companies. The transaction also provided Food Holdings with capital to fund further growth in Australia. Management of Food Holdings and CHAMP Private Equity retained 25% of the company.

Both Heinz and Rieber & Søn have operations similar to the Grocery business, however, their size, market leading brands and complementary products presented their acquirers with significant opportunities for growth. We therefore consider the EBITDA multiples implied by the Heinz and Rieber & Søn transactions to include strategic premiums that would not be considered implicit in the Grocery business. Additionally, leading up to the acquisition of Rieber & Søn, the company had a period of poor earnings performance which in part explains the high historical earnings multiple implied by this transaction. The historical EBITDA multiples for these transactions were 13.5 times and 23.0 times, respectively, on a control basis. Using an average of Rieber & Søn's historical earnings over the three financial years prior to the transaction, the transaction multiple is 14.9 times, more in line with other market transactions.

Selected multiple

The Grocery business produces a diverse range of products under a number of brands, with each product group presenting unique opportunities, challenges and value drivers. Whilst it is a market leader in some product categories, the Grocery business is also subject to significant competition from branded and private label products. It has also experienced a decline in earnings in recent years, with adjusted EBITDA having decreased from A$95.9m in FY2011 to A$59.5m in FY2014, and adjusted EBITDA margin declined from 21.8% in FY2011 to 14.9% in FY2014 (refer to Table 15 and associated commentary).

The listed comparable companies are generally focussed on a wider range of grocery related products and therefore do not directly face the same market forces as the Grocery business. The diversity in their product range should, to a large extent, limit their exposure to volatility in any one category. This diversification should result in higher multiples, all other things being equal. Although we have considered the listed company multiples, these companies are only loosely comparable given their size, scale, product range and brand strength. These multiples are considered to be at the top end of an appropriate range and the Grocery business would be expected to trade below the multiples of these companies.

The Griffin's Foods and Food Holdings transactions provide an appropriate benchmark, and whilst the Grocery business has a strong market position in dressings & condiments it is heavily exposed to spreads & shortenings which is generally declining as a category.

Based on our analysis, we consider an earnings multiple in the range of 7.5 times to 8.0 times, on a control basis, to be reasonable for the Grocery business.

6.4.5 Dairy business

Listed company multiples

Whilst we identified a number of dairy companies in the European and North American markets, we consider it is difficult to directly compare them to the Dairy business due to the fact that they are much larger and do not have the same significant direct exposure to the Asian market.

We consider the Dairy business to be most comparable to Fonterra and Bega Cheese and to a lesser extent to Dairy Crest Group. These companies are summarised in the following table.

Table 27: Preferred listed companies – Dairy

Company	Revenue (A$m)[1]	EBITDA times (current)	EBITDA times (forecast)
Fonterra	20,326.0	8.5 x	7.8 x
Bega Cheese	1,069.4	10.6 x	9.5 x
Dairy Crest Group	2,500.7	6.4 x	5.9 x

Note:
1. *Revenue based on most recent actual results*
Source: Capital IQ, Deloitte Corporate Finance analysis

Fonterra is the largest producer of dairy products in New Zealand and supplies over 70% of the market's fresh white milk. Fonterra is also the main supplier of the industry's main input, raw milk, and is therefore influential in determining its price. Fonterra has a dominant market position in New Zealand and is significantly larger than the Dairy business. Fonterra is also a significant participant in the global dairy industry. However, at times, Fonterra's multiple can be influenced by the relationship and trading terms with its farmers who are also its shareholders. Fonterra's high current multiple reflects the high raw milk prices which impacted its profitability but which benefited the farmers it buys the milk from (the vast majority of whom are also shareholders).

Bega Cheese processes and manufactures dairy products and has a leading position in the Australian cheese market and an expanding presence in the growing Chinese infant formula market. The company's revenue and market capitalisation has grown steadily over the past several years, with a key strategic advantage being its direct access to Australian dairy farmers.

Whilst Dairy Crest does operate in a different market, it produces similar products to the Dairy business, has faced challenging trading conditions and has undergone significant restructuring activities consistent with the Dairy business. Dairy Crest is currently investing in a whey production facility to manufacture infant formula to meet growing demand from China. Dairy Crest, therefore, provides a reasonable benchmark for the Dairy business.

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Transaction multiples

Of the transactions considered, the acquisitions of Warrnambool Cheese, Robert Wiseman, Ebro Puleva and Dairy Farmers are the most comparable to the Dairy business. These transactions are summarised in the following table.

Table 28: Preferred comparable transactions – Dairy

Announcement date	Target	Acquirer	% acquired	Currency	Implied enterprise value (m)	EBITDA historical (m)	EBITDA multiple (times)
Oct-13	Warrnambool Cheese	Saputo	88%	A$	598.2	50.4	11.9 x
Jan-12	Robert Wiseman Dairies	Müller Dairy	100%	GBP	305.0	52.8	5.8 x
Mar-10	Ebro Puleva (dairy division)	Groupe Lactalis	100%	EUR	630.0	67.0	9.4 x
Aug-08	Dairy Farmers	National Foods	100%	A$	875.1	61.0	14.3 x

Source: Mergermarket, Capital IQ, company announcements, Deloitte Corporate Finance analysis

Prior to its acquisition, Robert Wiseman supplied approximately 30% of the fresh milk consumed in the UK but faced shrinking profit margins due to significant price competition. The transaction presented many strategic opportunities for Müller Dairy, including broadening Müller Dairy's range of complementary products and achieving potential economies of scale. Although the Dairy business has similar operational issues and faces similar competitive pressures to Robert Wiseman, it should attract a higher multiple than the one implied by this transaction due to the growing demand for New Zealand dairy products from the Asian market.

Groupe Lactalis' acquisition of Ebro Puleva's dairy division was aimed at strengthening Groupe Lactalis' position in the Spanish dairy market. Ebro Puleva's dairy division produces natural milk, functional milk, organic milk, skimmed milk, infant food, milkshakes, cream, butters, yoghurt and dairy desserts. To a large extent these products are comparable to the Dairy business. Ebro Puleva's dairy division is, however, larger than the Dairy business, which, all else being equal, would suggest it should transact at a higher multiple than the Dairy business. Economic conditions in southern Europe when the transaction occurred (2010) were poor so this may, to some extent, offset any size premium.

Both Robert Wiseman and Ebro Puleva's dairy division are European based companies and therefore face very different risks and growth drivers. We have therefore also considered the acquisition of Warrnambool Cheese and Dairy Farmers. These companies, although not directly comparable in terms of complete product suite, face similar risks and market forces to the Dairy business. They are therefore considered comparable. However, we note that the Dairy Farmers transaction occurred at a prospective multiple of 9 times.

The transactions involving Warrnambool Cheese and Dairy Farmers were both highly competitive transactions and these companies had direct access to raw milk producers (i.e. farmers), a key strategic advantage over the Dairy business. The implied multiples paid therefore include strategic value and would, in our opinion, be above an appropriate multiple for the Dairy business. Additionally, the Dairy Farmers transaction occurred prior to the effects of the global financial crisis being felt in Australia in a period where corporate acquisitions generally attracted higher multiples.

Selected multiple

The Dairy business is one of the leading producers of dairy products in the New Zealand market; however, it faces strong competition, and has weak bargaining power with the supplier of raw milk, Fonterra, and does not have direct access to farmers. As both a supplier and major competitor in the New Zealand market, Fonterra is influential on the input costs and price at which the Dairy business sells fresh milk. This dynamic has resulted in the Dairy business facing significant pressure on its earnings margin.

The Dairy business' lack of direct access to producers of raw milk means it lacks control over the supply of raw milk. When comparing the Dairy business to the listed comparable companies, this is a key weakness of the Dairy business and would warrant a lower multiple, all other things being equal.

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The Dairy business is, however, well positioned to take advantage of growing demand for dairy products in the Asian market. It is currently located close to the growing Asian markets, and has a reputation for producing quality dairy products. Goodman Fielder is expanding its capacity at the Christchurch UHT milk plant to take advantage of growing Asian demand and this presents earnings growth opportunities for the business. Some of the comparable companies are similarly well placed and currently export infant formula, UHT milk and other dairy products to the Asian market.

On balance, the transaction multiples provide a better benchmark than the listed company multiples but are well supported by trading multiples, adjusted for control.

Based on our analysis, we consider an earnings multiple in the range of 8.0 times to 8.5 times, on a control basis, to be reasonable for the Dairy business.

6.4.6 Asia Pacific business

The Asia Pacific business is a diversified business distributing a wide range of products to a broad range of markets, in particular Fiji and Papua New Guinea. As discussed in Section 1.1, we have included Asia Pacific earnings associated with dairy sales, in particular UHT exports, within the Dairy business' maintainable earnings. The maintainable earnings of the Asia Pacific business therefore include earnings predominantly from sales of flour, snacks, chicken and ice cream in the Pacific Island markets, and edible fats and oils into China.

Based on our analysis, we are of the view that there are no directly comparable listed companies or transactions with which to determine an appropriate EBITDA multiple. However, we have had regard to the following:

- Pilgrim's Pride is a poultry business listed on the New York Stock Exchange. Whilst significantly larger and focussed on the North American market, its shares are trading at a value that implies a multiple of 5.4 times EBITDA
- Whilst there are stock exchanges in PNG and Fiji, they are small and the trading activity of securities on the exchanges could be considered to be generally illiquid. Notwithstanding, we identified FMF Foods Limited, which undertakes flour milling activities and produces a variety of bakery and biscuit products. Its most recent trading in its shares implies a multiple of 4.9 times historical EBITDA.

In addition, as the products distributed through the Asia Pacific business are similar to some of the products manufactured and sold by Goodman Fielder in Australia and New Zealand we consider the EBITDA multiples for Goodman Fielder's other businesses provide a reasonable benchmark for the Asia Pacific business, but with appropriate consideration of factors specific to the Pacific Island markets, including:

- **sovereign risk** – the Pacific Islands are significantly less developed than Australia and New Zealand, and have significant political instability. This makes operating in the region more risky than operating in Australia or New Zealand
- **small market** – the Pacific Island markets are smaller than those of Australia and New Zealand. The risk adjusted growth prospects of Goodman Fielder are limited, particularly because it already has a dominant market position in a number of key product categories.

Although the Asia Pacific business has a strong position in these markets and has exhibited growth in earnings in the past, future growth appears to be constrained by the small markets. We therefore consider medium to long term growth to be constrained and therefore the Asia Pacific business should attract a lower multiple than Goodman Fielder's other businesses.

On the basis of the above, we are of the view that an appropriate EBITDA multiple for the Asia Pacific business is in the range of 6.0 times to 6.5 times, on a control basis.

6.5 Valuation of strategic initiatives

In Section 4.5, we outlined the strategic initiatives that Goodman Fielder is in the process of executing. These initiatives are at different stages of development – whilst some are in advanced stages and have received the approval of the Board, others are at very early stages of conceptualisation. They are also dependent on both the success of internal actions by management as well as external factors, which are largely beyond the control of management.

In attributing value to these initiatives we have considered forecasts of incremental cash flow expected to be generated from these initiatives and expected capital expenditure required to implement them. These forecasts are not used by management as a valuation tool, but rather as a cost/benefit analysis for internal decision making. We have therefore performed additional analysis on these high-level projections to assess the risk adjusted post-tax net cash flows that could reasonably be expected to be generated.

In adjusting these cash flows we have considered the following:

- stage of development of each initiative, including level of Board review and approval
- the level of rigour of analysis performed by management in assessing the forecast incremental cash flows and capital expenditure requirements
- design and execution difficulty
- the ability of any prospective buyer to execute the initiative outside of current intentions
- extent to which successful execution is dependent on internal actions or external factors, beyond the control of management.

We have assigned probabilities to the projected nominal cash flows to assess expected future cash flows. In our assignment of probabilities we have applied a 100% probability to initial or early stage costs that will be incurred regardless of realisation of benefits, and probabilities less than 100% to subsequent revenues and costs. These probabilities reflect our subjective assessment and recognise the varying levels of uncertainty associated with the realisation of benefits of the initiatives.

In relation to the supply chain initiatives associated with the Baking business, we have had particular regard to the following:

- the risk of execution given the transformational change to the supply chain necessary to achieve future benefits
- how the potential overall benefits achieved (across the supply chain) could hypothetically be shared between parties.

We have already included the impact of the expansion and upgrade of the Christchurch UHT plant, and associated increase in UHT exports in our assessment of the value of the Dairy business under the capitalisation of maintainable earnings method (refer to section 6.3.3).

In relation to the artisan growth initiatives associated with the Baking business, we have had particular regard to the following:

- the impact of the plans to maximise utilisation of existing capacity at Erskine Park and increase production of artisan products in our assessment of value of the Baking business under the capitalisation of maintainable earnings method (refer to section 6.3.1)
- the potential for expanding artisan production capacity at the Erskine Park facility
- the early stage of development of management's plans to expand into alternative channels and to develop a Goodman Fielder artisan brand.

We have also considered other ongoing initiatives relating to the cost base of Goodman Fielder.

We have assessed the value of these initiatives using a five year discounted cash flow model plus a terminal value (calculated as the present value of a perpetuity growing at a constant rate).

Based on our analysis, we have ascribed a value in the range of A$50m to A$125m to the strategic initiatives collectively.

This represents 2.7% to 6.0% of our assessed range of total business enterprise value of the Group. At the low end, our assessed value of the strategic initiatives would imply these initiatives generate an additional A$6.3m to A$6.8m in maintainable EBITDA, based on an EBITDA multiple of 7.4 times to 7.9 times[39].

[39] The earnings-weighted average of the multiples we selected for the valuations of the Businesses

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6.6 Corporate overheads

As discussed in Section 6.3, we have assessed the maintainable level of EBITDA for each Business based on the expected ongoing operating costs of each Business and have not factored in an allocation of corporate overheads. Given we are assessing the value of Goodman Fielder as a whole on a going concern basis, a level of corporate overheads would be required to sustain the operations of each Business. We have, therefore, assessed the value of the liability associated with corporate overheads separately and subtracted it from the enterprise value of Goodman Fielder as a surplus liability.

To assess the value of corporate overheads we have capitalised a maintainable level of corporate overheads by an EBITDA multiple range.

Actual corporate overheads were A$17.8m in FY2012, A$21.4m for FY2013 and A$20.2m for FY2014. Management does not expect corporate overheads to change materially in the foreseeable future and therefore we have assessed the maintainable level of corporate overheads to be A$20.0m broadly in line with FY2014. This amount, however, inherently includes costs relating exclusively to Goodman Fielder's ASX and NZX listing which are not explicitly required to sustain the running of the Company. We are of the view that approximately A$5.0m in corporate overheads could be removed from the running of the Company if it was not listed and therefore we consider an adjusted maintainable corporate overhead level to be A$15.0m.

Maintainable corporate overheads have not been tax effected (i.e. reduction of the corporate overheads for the positive effect of these costs on taxable income) and therefore we have capitalised this amount by an EBITDA multiple, which is a pre-tax multiple. We have applied an EBITDA multiple of 7.4 times to 7.9 times, calculated as the earnings weighted average of the multiples we selected for the valuations of the Businesses.

6.7 Net debt

We have assessed Goodman Fielder's net debt based on the projected cash and debt balances at Scheme Record Date, being 10 March 2015. Having regard to the most recent statement of financial position of the Group, cash flow from operations expected to be generated and capex expected to be incurred over the period to 10 March 2015, and following discussions with management, net debt is estimated to be in the range of $520m to $540m.

6.8 Minority equity interests

Goodman Fielder holds a 90% interest in the entities associated with operations in Fiji and a 74% interest in Associated Mills Limited in PNG. We have assessed the value attributable to the minority equity interests as follows.

Table 29: Value of outside equity interest

A$m (unless otherwise stated)	Low	High
EBITDA attributable to partly owned businesses[1]	12.0	12.0
EBITDA multiple[2]	6.0	6.5
Enterprise value attributable to partly owned businesses	**72.0**	**78.0**
Net cash attributable to partly owned businesses[3]	1.5	1.5
Equity value attributable to partly owned businesses	**73.5**	**79.5**

Notes:
1. *Based on the historical EBITDA for FY2012, FY2013, FY2014 and the first quarter of FY2015 for the partly held companies*
2. *Consistent with the multiple applied for the Asia Pacific business*
3. *Based on the current cash and debt balances held by the partly held companies*

Source: Deloitte Corporate Finance analysis

6.9 Surplus assets

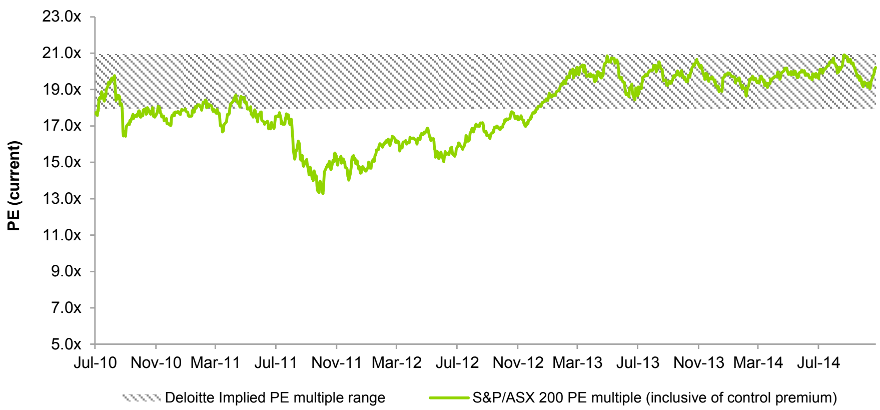
Goodman Fielder has certain land and buildings that were not sold as part of historical divestments undertaken. These assets continue to be actively marketed and are carried as assets held for sale on the balance sheet. We consider these assets to be surplus assets and have adopted their carrying value at 30 June 2014 as our assessed value of surplus assets, added to the total business enterprise value.

6.10 Cross-check - implied price earnings ratio

We have assessed the FY2015 forecast price earnings ratio implied by our equity valuation range using our primary method to be between 17.9 times to 20.9 times based on consensus broker NPAT forecasts for FY2015 of $70.5m.

In the following figure, we illustrate the forecast price earnings ratio of Goodman Fielder and S&P / ASX 200 Index[40], and compare these to the forecast price earnings ratio implied by our equity valuation range using our primary method.

Figure 21: PE analysis



Source: Capital IQ, Deloitte Corporate Finance analysis

Our valuation implies a price earnings ratio broadly consistent with the forecast price earnings ratio of the market as a whole. On the basis of this analysis, the price earnings ratio implied by our primary valuation does not appear unreasonable and therefore this cross check provides support for our primary valuation.

[40] Market prices reflect trading of portfolio interests in the constituent companies and therefore the market PE multiple reflects a minority interest multiple. For the purpose of comparing these PE ratios to the PE ratio implied by our valuation of Goodman Fielder, we have added a premium for control of 30% to the market PE ratios, which is midway between the empirically observed control premiums in Australian transactions

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Appendix A: Context to the Report

Individual circumstances

We have evaluated the Proposed Scheme for Non-Associated Shareholders as a whole and have not considered the effect of the Proposed Scheme on the particular circumstances of individual investors. Due to their particular circumstances, individual investors may place a different emphasis on various aspects of the Proposed Scheme from the one adopted in this report. Accordingly, individuals may reach different conclusions to ours on whether the Proposed Scheme is fair and reasonable and therefore in the best interests of Non-Associated Shareholders. If in doubt investors should consult an independent adviser, who should have regard to their individual circumstances.

Limitations, qualifications, declarations and consents

The report has been prepared at the request of the Directors of Goodman Fielder and is to be included in the Explanatory Memorandum to be given to Non-Associated Shareholders for approval of the Proposed Scheme. Accordingly, it has been prepared only for the benefit of the Directors and those persons entitled to receive the Explanatory Memorandum in their assessment of the Proposed Scheme outlined in the report and should not be used for any other purpose. Neither Deloitte Corporate Finance, Deloitte Touche Tohmatsu, nor any member or employee thereof, undertakes responsibility to any person, other than the Non-Associated Shareholders and Goodman Fielder, in respect of this report, including any errors or omissions however caused. Further, recipients of this report should be aware that it has been prepared without taking account of their individual objectives, financial situation or needs. Accordingly, each recipient should consider these factors before acting on the Proposed Scheme.

This engagement has been conducted in accordance with professional standard APES 225 Valuation Services issued by the Accounting Professional and Ethical Standards Board Limited.

The report represents solely the expression by Deloitte Corporate Finance of its opinion as to whether the Proposed Scheme is in the best interests of the Non-Associated Shareholders as a whole. Deloitte Corporate Finance consents to this report being included in the Scheme Booklet in the form and context in which it is to be included in the Explanatory Memorandum.

The opinion of Deloitte Corporate Finance is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Statements and opinions contained in this report are given in good faith but, in the preparation of this report, Deloitte Corporate Finance has relied upon the completeness of the information provided by Goodman Fielder and a number of its officers, employees, agents or advisors which Deloitte Corporate Finance believes, on reasonable grounds, to be reliable, complete and not misleading. Deloitte Corporate Finance does not imply, nor should it be construed, that it has carried out any form of audit or verification on the information and records supplied to us. Drafts of our report were issued to Goodman Fielder management for confirmation of factual accuracy.

In recognition that Deloitte Corporate Finance may rely on information provided by Goodman Fielder and its officers, employees, agents or advisors, Goodman Fielder has agreed that it will not make any claim against Deloitte Corporate Finance to recover any loss or damage which Goodman Fielder may suffer as a result of that reliance and that it will indemnify Deloitte Corporate Finance against any liability that arises out of either Deloitte Corporate Finance's reliance on the information provided by Goodman Fielder and its officers, employees, agents or advisors or the failure by Goodman Fielder and its officers, employees, agents or advisors to provide Deloitte Corporate Finance with any material information relating to the Proposed Scheme.

To the extent that this report refers to prospective financial information we have considered the prospective financial information and the basis of the underlying assumptions. The procedures involved in Deloitte Corporate Finance's consideration of this information consisted of enquiries of Goodman Fielder personnel and analytical procedures applied to the financial data. These procedures and enquiries did not include verification work nor constitute an audit or a review engagement in accordance with standards issued by the Auditing and Assurance Standards Board or equivalent body and therefore the information used in undertaking our work may not be entirely reliable.

Based on these procedures and enquiries, Deloitte Corporate Finance considers that there are reasonable grounds to believe that the prospective financial information for Goodman Fielder included in this report has been prepared on a reasonable basis in accordance with ASIC Regulatory Guide 111. In relation to the prospective financial information, actual results may be different from the prospective financial information of Goodman Fielder referred to in this report since anticipated events frequently do not occur as expected and the variation may be material. The achievement of the prospective financial information is dependent on the outcome of the assumptions. Accordingly, we express no opinion as to whether the prospective financial information will be achieved.

Deloitte Corporate Finance holds the appropriate Australian Financial Services licence to issue this report and is owned by the Australian Partnership Deloitte Touche Tohmatsu. The Partners of Deloitte Touche Tohmatsu involved in the preparation of this report were Tapan Parekh, B.Bus, M.Com, CA, F.Fin, and Stephen Ferris, B.Ec, CA, F.Fin. Tapan and Stephen are Authorised Representatives of Deloitte Corporate Finance (AR Numbers 461009 and 460999, respectively) and have many years' experience in the provision of corporate finance advice, including specific advice on valuations, mergers and acquisitions, as well as the preparation of expert reports. They were also assisted by other employees of Deloitte Touche Tohmatsu.

Consent to being named in disclosure document

Deloitte Corporate Finance Pty Limited (ACN 003 833 127) of 225 George Street, Sydney, NSW, 2000 acknowledges that:

- Goodman Fielder proposes to issue a Scheme Booklet in respect of the Proposed Transaction between the Acquirers and the holders of Goodman Fielder shares (the Scheme Booklet)
- The Scheme Booklet will be issued in hard copy and be available in electronic format
- It has previously received a copy of the draft Scheme Booklet (draft Scheme Booklet) for review
- It is named in the Scheme Booklet as the 'independent expert' and the Scheme Booklet includes its independent expert's report as Annexure 2 to the Scheme Booklet.

On the basis that the Scheme Booklet is consistent in all material respects with the draft Scheme Booklet received, Deloitte Corporate Finance Pty Limited consents to it being named in the Scheme Booklet in the form and context in which it is so named, to the inclusion of its independent expert's report as Annexure 2 to the Scheme Booklet and to all references to its independent expert's report in the form and context in which they are included, whether the Scheme Booklet is issued in hard copy or electronic format or both.

Deloitte Corporate Finance has not authorised or caused the issue of the Scheme Booklet and takes no responsibility for any part of the Scheme Booklet, other than any references to its name and the independent expert's report as included as Annexure 2.

Sources of information

In preparing this report we have had access to the following principal sources of information:

- the Scheme Booklet
- annual reports and half yearly reports for Goodman Fielder for the year ending 30 June 2012, 30 June 2013 and 30 June 2014
- company strategy plans, FY2015 Budget and discussion of initiatives
- group performance report for the 3 months to 30 September 2014
- any major agreements/contracts with third parties
- information on Goodman Fielder, comparable companies, recent market transactions available in the public domain and published by ASIC, Thompson Research, Capital IQ, and Mergermarket
- industry reports. Including data provided by AZTEC.

In addition, we have had discussions and correspondence with certain directors and executives of and advisors to Goodman Fielder in relation to the above information and to current operations and prospects. There included discussions with:

- Steve Gregg, Chairman and Non-Executive Director
- Clive Hooke, Non-Executive Director
- Chris Delaney, Managing Director and CEO
- Patrick Gibson, CFO
- Rob Rogers, Chief Supply Chain & Operations Officer
- Meredith Symons, Group Finance Director
- Martin Cole, Director of Corporate Affairs
- Sean Tully, General Counsel.

Appendix B: Valuation methodologies

To estimate the fair market value of the shares in Goodman Fielder we have considered common market practice and the valuation methodologies recommended by ASIC Regulatory Guide 111, which provides guidance in respect of the content of independent expert’s reports. These are discussed below.

Market based methods

Market based methods estimate a company’s fair market value by considering the market price of transactions in its shares or the fair market value of comparable companies. Market based methods include:

- capitalisation of maintainable earnings
- analysis of a company’s recent share trading history
- industry specific methods.

The capitalisation of maintainable earnings method estimates fair market value based on the company’s future maintainable earnings and an appropriate earnings multiple. An appropriate earnings multiple is derived from market transactions involving comparable companies. The capitalisation of maintainable earnings method is appropriate where the company’s earnings are relatively stable.

The most recent share trading history provides evidence of the fair market value of the shares in a company where they are publicly traded in an informed and liquid market.

Industry specific methods estimate fair market value using rules of thumb for a particular industry. Generally rules of thumb provide less persuasive evidence of the fair market value of a company than other valuation methods because they may not account for company specific factors.

Income based methods

Income based methods estimate fair market value by discounting a company’s future cash flows to a net present value. These methods are appropriate where a projection of future cash flows can be made with a reasonable degree of confidence. The discounted cash flow approach in the most common within this methodology and is commonly used to value early stage companies, companies expected to experience significant growth in cash flows or projects with a finite life.

Asset based methods

Asset based methods estimate the fair market value of a company’s shares based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method
- liquidation of assets method
- net assets on a going concern basis.

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the company may not be contemplated, these methods in their strictest form may not necessarily be appropriate. The net assets on a going concern basis method estimates the fair market values of the net assets of a company but does not take account of realisation costs.

These asset based methods ignore the possibility that the company’s value could exceed the realisable value of its assets as they ignore the value of intangible assets such as customer lists, management, supply arrangements and goodwill. Asset based methods are appropriate when companies are not profitable, a significant proportion of a company’s assets are liquid, or for asset holding companies

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Appendix C: Comparable listed companies – food manufacturing

An initial search identified a number of companies operating in the food manufacturing industry which we considered to be comparable to Goodman Fielder's food manufacturing businesses. Our search was restricted to companies that broadly produce similar products to Goodman Fielder.

Of the comparable companies identified, a number of companies were excluded as they produced products that were either extremely niche or specific to a single category of food.

The following table summarises the food manufacturers considered comparable.

Table 30: Comparable listed companies – Food manufacturing

Company	Country	Currency	Enterprise value (millions)	EBITDA times (historical)	EBITDA times (current)	EBITDA times (forecast)
Global diversified food manufacturers						
Campbell Soup	United States	USD	17,345.0	11.2 x	11.0 x	10.6 x
General Mills	United States	USD	40,727.6	11.7 x	11.3 x	10.9 x
Grupo Bimbo	Mexico	MXN	247,430.7	13.2 x	12.3 x	10.7 x
Kellogg's	United States	USD	29,591.0	8.0 x	11.0 x	10.7 x
Kraft Foods Group	United States	USD	42,839.4	8.1 x	11.4 x	10.8 x
Nestlé	Switzerland	CHF	238,368.9	13.4 x	13.5 x	12.7 x
Food manufacturers						
ARYZTA	Switzerland	EUR	7,532.5	11.1 x	9.8 x	9.2 x
Flowers Foods	United States	USD	4,767.4	11.4 x	10.6 x	9.5 x
Freedom Foods[1]	Australia	AUD	443.0	28.4 x	20.7 x	16.1 x
Patties Foods	Australia	AUD	244.7	7.7 x	7.2 x	6.8 x
Pilgrim's Pride	United States	USD	6,547.8	8.0 x	5.4 x	5.3 x
Pinnacle Foods	United States	USD	6,219.5	15.6 x	12.2 x	11.5 x
Premier Foods	United Kingdom	GBP	835.5	7.2 x	5.4 x	5.4 x

Note:
1. *Freedom Foods has a 17.9% interest in a2 Milk, which is captured in Freedom Foods' enterprise value but a2 Milk's earnings is not captured in Freedom Foods' EBITDA. Excluding the fair market value of a2 Milk from Freedom Foods' enterprise value, Freedom Foods' current and forecast EBITDA multiples are 17.8 times and 13.8 times, respectively*

Source: Capital IQ, Deloitte Corporate Finance analysis

A brief description of the operations and activities of the above companies is provided below.

Campbell Soup Company

Campbell is a manufacturer of branded convenience food products. Campbell was founded in 1869, is headquartered in Camden, New Jersey and is listed on the New York Stock Exchange. Campbell's products include soups, sauces, bread, puff pastry products, cookies, beverages, biscuits and crackers, broth and stock, and chicken products. It has operations in more than 100 countries around the world. It operates through the following five divisions:

- US Simple Meals (35% of revenue): consists soup and sauces
- Global Baking and Snacking (29% of revenue): includes the operations of Pepperidge Farm cookies, crackers, bakery and frozen products in the US and Arnott's biscuits in Australia and various Asia Pacific operating segments
- International Simple Meals and Beverages (11% of revenue): consists of soup, specialty entrees, beverage products, prepared foods, and Pepperidge Farm products distributed through various food service channels in the US and Canada
- US Beverages (9% of revenue): includes farming and distributing carrots, as well as the production of refrigerated juice beverages, dressings and snacks

- Bolthouse and Foodservice (16% of revenue): consists of the Bolthouse business (acquired in 2012), which produces fresh juice beverages, and its wholesale sales channel.

To expand its international presence and product suite, in 2013 Campbell's acquired Kelsen Group, a leading producer of premium cookies, with popular brands, including Royal Dansk, that are sold in 85 countries, and Plum Organics, a provider of organic baby foods and snacks.

General Mills, Inc.

General Mills manufactures branded and unbranded foods that are sold to food retailers, foodservice operators and commercial bakeries. General Mills is listed on the New York Stock Exchange. The company manufactures its products in 15 countries and markets them in more than 100 countries. General Mills' product portfolio includes baking products, cereals, frozen and refrigerated biscuits, frozen dinner rolls, frozen pastries, frozen waffles, frozen breakfast items, fruits, ketchup, ready-made meals, organic foods, pizza, sauces, snacks, soup, vegetables and yoghurt.

General Mills has joint venture arrangements with Cereal Partners Worldwide and Haagen-Dazs, Japan. Cereal Partners Worldwide is a 50-50 partnership with Nestlé that markets breakfast cereals in 130 countries while Haagen-Dazs produces ice cream in Japan.

Grupo Bimbo S.A.B. de C.V.

Grupo Bimbo is one of the leading baking companies in the world and is listed on the Mexican Stock Exchange. The company operates 144 plants in 19 countries across three continents, namely America, Asia, and Europe. It carries out the production, distribution, and marketing of various products including sliced bread, sweet baked bread, buns, cookies, pastries, cakes, English muffins, bagels, salty snacks, confectionery, tortillas, cereal bars and pre-packaged products. Grupo Bimbo sells its products under various brands such as Bimbo, Marinela, Barcel, Ricolino, Oroweat, Mrs. Baird's, Thomas', Arnold, Brownberry, Pullman, Plus Vita, Nutrella, Entenmann's, Sara Lee, Fargo, Lactal, Silueta, Ortiz, Martínez, and Eagle, among others.

Grupo Bimbo segments are based on the geographical areas, namely, Mexico (41% of revenue), the US (44% of revenue), Latin America (12% of revenue), and Iberia (Spain and Portugal) (3% of revenue).

Kellog's

Kellogg's is a US based multinational food company producing cereal and convenience foods, including cookies, crackers, toaster pastries, cereal bars, fruit-flavoured snacks, frozen waffles and vegetarian foods. The company's brands include Froot Loops, Corn Flakes, Frosted Flakes, Rice Krispies, Special K, Cocoa Krispies, Keebler, Pringles, Pop-Tarts, Kashi, Cheez-It, Eggo, Nutri-Grain, Morningstar Farms, among others.

Kellogg's products are manufactured in 18 countries and sold in over 180 countries around the world. In 2012, Kellogg's acquired Pringles from Proctor & Gamble, and became the second largest manufacturer of snack foods behind Pepsico (based on company reports).

Kraft Foods Group Inc.

Kraft is one of the largest food and beverage companies in North America and is listed on the New York Stock Exchange.

In October 2012, the former Kraft Foods Inc. demerged into Mondelez International (responsible for the manufacture of Kraft branded snack products) and the current Kraft (responsible for the manufacture of grocery products).

Kraft's business includes two brands, Kraft cheeses, dinners and dressings and Oscar Mayer meats. Its divisions include; beverages (15% of revenue), cheese (22% of revenue); refrigerated meats (18% of revenue); meals and desserts (13% of revenue); enhancers and snack nuts (12% of revenue) and the international business including the Canada segment (11% of revenue) and other businesses (which include food services and exports) (9% of revenue). Kraft's foodservice business sells primarily branded products including Maxwell House coffee, A.1. steak sauce, and a broad array of Kraft sauces, dressings and cheeses.

Nestlé S.A.

Nestlé is the largest food manufacturer in the world. Nestlé is headquartered in Vevey, Switzerland and is listed on the Swiss Stock Exchange. Nestlé's product portfolio includes baby foods, beverages, dairy products, ready-made meals, health foods, pet care products and sports nutrition products. The company primarily operates in Europe, the Americas, Asia, Oceania and Africa.

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Nestlé manages its food and beverages business through three geographic divisions, Europe (17% of revenue), Americas (31% of revenue) and Asia, Oceania and Africa (20% of revenue combined), and globally for Nestlé Waters (8% of revenue), Nestlé Nutrition (11% of revenue) and Other Food and Beverages (13% of revenue). The Other Food and Beverages division includes the activities of Nestlé Professional, Nespresso, Nestlé Health Science and the Joint Ventures in both Food and Beverages and Pharmaceutical activities.

Nestlé's products are diversified into six product groups:

- Powdered and liquid Beverages
- Water
- Milk products and ice cream
- Nutrition and healthcare
- Prepared dishes and cooking aids
- Confectionery and pet care.

ARYZTA AG

ARYZTA is a manufacturer of food products, based in Switzerland. Its primary listing is the Swiss Stock Exchange and secondary listing is Irish Stock Exchange. ARYZTA manufactures specialty bakery products under various brands including Cuisine de France, Hiestand, Coup de Pates, Delice de France and Fresh Start Bakeries. ARYZTA sells to convenience stores, independent and large retailers, restaurants and other foodservice operators. ARYZTA also provides agronomy and related agricultural services through Origin Enterprises plc, in which it holds 68.8% stake. Origin Enterprises plc is publicly listed on the London Stock Exchange and Irish Stock Exchange. ARYZTA is focussed on Europe and North America.

ARYZTA's recent growth has been fuelled by acquisitions. ARYZTA completed the acquisition of Klemme AG, a leading German bakery in April 2013.

Under the food division, ARYZTA has been looking for strategic acquisitions to add capacity, increase channels to market and broaden geographic reach. In the first half of FY2014, ARYZTA invested EUR240m in acquisitions, capital investment programs and restructuring initiatives including acquisitions of EUR84m in Pita Pan in the US and Rina in Europe. In addition, in March 2014, ARYZTA agreed to acquire Pineridge Bakery and Cloverhill Bakery, subject to regulatory approvals, for a total consideration of EUR730m.

Flowers Food, Inc.

Flowers Foods Inc. manufactures bakery foods and is listed on the New York Stock Exchange. All of Flowers Food's revenues come from the US. Flower Food manufactures fresh bakery foods, including fresh bread, buns, rolls, tortillas and snack cakes. Flower Foods operates 47 bakeries and distributes fresh products to retail and foodservice customers through a network of independent distributors, and frozen products to national retail and foodservice customers.

Revenue and EPS increased significantly between FY2011 and FY2013 as a result of acquisitions, including three acquisitions in 2013, and investment in new production capacity in the cities of Oxford, Henderson and Modesto.

In mid-2013, Flower Food acquired Hostess Brands Inc.'s bread and other assets, which includes brands such as Wonder, Nature's Pride, Merita, Home Pride Butternut and Beefsteak. In February 2013, Flower Foods also acquired the exclusive and royalty-free licenses to the Sara Lee and Earthgrains brands for sliced breads, buns and rolls in California from Grupo Bimbo.

Freedom Foods Group Limited

Freedom Foods manufactures allergen free cereals, nutritional snacks, biscuits, long life beverages and canned seafood. Freedom Foods is a subsidiary of Arrovest Pty Limited. Freedom Foods also manufactures branded milk products. Freedom Foods primarily operates in Australia, where it is headquartered in Taren Point and is listed on the Australia Stock Exchange.

The company operates in four divisions:

- Freedom Foods (45% of revenue): manufactures a range of products, including breakfast cereals, cookies, snack bars, soy, almond and rice beverages, and other complimentary products. These products are produced and sold in Australia and internationally

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- Seafood (18% of revenue): manufactures canned seafood products, including sardines, salmon and specialty seafood. These products are produced overseas and distributed in Australia and internationally
- Pactum Australia (37% of revenue): manufactures a range of beverages including soy milk, rice milk, almond milk and dairy milk beverages, as well as vegetable stock
- Thorpedo Foods (less than 1% of revenue): manufactures a range of low glycaemic index beverages in Australia

In addition, Freedom Foods produces and sells milk products under the brand a2 Milk in Australia and Japan in association with the New Zealand company, a2 Milk Company, in which Freedom Foods holds a 17.9% strategic investment.

Freedom Foods' EBITDA multiples are abnormally high due to its interest in a2 Milk. Given Freedom Foods only holds a minority interest in a2 Milk, its enterprise value includes the value of its interest in a2 Milk, however, a2 Milk's earnings are not included in Freedom Foods' earnings. To calculate Freedom Foods' EBITDA multiple excluding the effect of a2 Milk, we have adjusted Freedom Foods' enterprise value by subtracting the market value of its interest in a2 Milk (as implied by the share price of a2 Milk) and then recalculated Freedom Foods' EBITDA multiples. The adjusted multiples are: historical of 24.4 times, current of 17.8 times and forecast of 13.8 times.

Patties Food Limited

Patties Food is an Australian manufacturer of branded frozen savoury and dessert products. Patties Food is listed on the ASX. Patties Food offers a range of products, including pies, sausage rolls, pasties, fruit pies, cold desserts, danishes and crumbles, berries, snacks, and cakes. Patties Food sells its products under the brands Patties, Four' N Twenty, Creative Gourmet, Herbert Adams, Nannas and Chefs Pride.

Patties Food sells its products through various channels and is the market leader in the petrol and convenience store market with a total market share of 58.4%. The Four' N Twenty brand is the market leading meat pie brand in both the in-home and out-of-home sales channels.

Pilgrim's Pride Corp.

Pilgrim is a chicken producer with operations in the US (81% of total revenue), Mexico (14% of total revenue) and Asia (5% of total revenue). The company is listed on the New York Stock Exchange. Pilgrim is focussed on the production, processing, marketing and distribution of fresh, frozen and value-added chicken products to retailers, distributors and foodservice operators. Pilgrim sells its products principally to chain restaurants and food processors, such as Yum! Brands, Burger King, Wendy's, Chick-fil-A and retail supermarkets, Pilgrim also exports products to customers in 95 countries around the world.

Pilgrim has one chicken processing plant in Puerto Rico and three chicken processing plants in Mexico.

Pinnacle Foods Inc.

Pinnacle Foods manufactures branded food products in North America. Blackstone Private Equity purchased Pinnacle in 2007, at which point it included brands such as Duncan Hines, Aunt Jemima, Van de Kamp's, Hungry Man, Vlasic, Armour and Celeste. In 2009, Pinnacle added Birds Eye to its product portfolio before listing on the New York Stock Exchange in April 2013.

The company operates in three divisions:

- Birds Eye Frozen Division (45% of revenue): manufactures Birds Eye frozen vegetables, Birds Eye Voila! Bagged frozen meals, and Van de Kamp's and Mrs. Paul's frozen seafood
- Duncan Hines Grocery Division (41% of revenue): manufactures Duncan Hines baking mixes and frosting, Wish-Bone and Western liquid and dry-mix salad dressings, Vlasic pickles, and Mrs. Butterworth's and Log Cabin syrup. Pinnacle also owns brands in canned meat (Armour, Nalley, Brooks), pie/pastry filling (Comstock, Wilderness), barbeque sauce (Open Pit), and salad dressing (Bernstein's)
- Specialty Foods Division (14% of revenue): consists of regional direct-store-delivery snacks (including Tim's Cascade and Snyder of Berlin), foodservice and private label businesses. Pinnacle's food service business is primarily focused on frozen breakfast, canned meat, and pie/pastry fruit filling.

Pinnacle's long-term growth strategy includes acquiring value-enhancing brands, driving growth through focus on leadership brands and expanding margins through productivity and efficiency improvements.

In May 2014, Hillshire Brands Company made a cash and scrip takeover offer for Pinnacle valuing it at US$4.3 billion. This transaction was subsequently cancelled.

Premier Foods plc

Premier Foods is one of the largest food producers in the United Kingdom (UK) and is listed on the LSE. It manufacturers branded and non-branded food products in the UK. Premier Foods manufactures soups, vegetables, stocks, gravies, spreads, home baking, cooking sauces, Asian meal solutions, pickles and beverages. Premier Foods supplies its products to a broad range of customers including major retailers, wholesalers, foodservice providers and other food manufacturers. It operates from 40 sites, which includes factories, bakeries and mills across the UK.

In April 2014, Premier Foods sold a 51% stake in its bread business to Gores Group LLC for US$49.8m and contemporaneously formed a joint venture with Gores Group LLC.

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Appendix D: Comparable listed companies – dairy processing

An initial search identified a number of companies operating in the dairy industry which we considered to be comparable to Goodman Fielder's dairy business. Our search was restricted to companies that broadly produce similar products to Goodman Fielder.

Of the comparable companies identified, a number of companies were excluded as they produced products that were either extremely niche or specific to a single category of dairy.

The following table summarises the dairy processing companies considered comparable.

Table 31: Comparable listed companies – Dairy processing

Company	Country	Currency	Enterprise value (millions)	EBITDA times (historical)	EBITDA times (current)	EBITDA times (forecast)
Global diversified dairy processors						
Fonterra	New Zealand	NZD	14,777.5	15.9 x	8.5 x	7.8 x
Parmalat	Italy	EUR	3,427.7	8.2 x	7.9 x	7.5 x
Saputo	Canada	CAD	14,472.7	14.2 x	12.7 x	12.0 x
Dairy processors						
a2 Milk	New Zealand	NZD	373.5	n/m[1]	n/m[1]	19.7 x
Bega Cheese	Australia	AUD	776.3	14.6 x	10.6 x	9.5 x
Dairy Crest	United Kingdom	GBP	685.0	8.1 x	6.4 x	5.9 x
Dean Foods	United States	USD	2,294.7	6.1 x	13.5 x	6.9 x
Synlait Milk	New Zealand	NZD	659.9	15.3 x	12.8 x	8.4 x

Note:
1. n/m = not meaningful
Source: Capital IQ, Deloitte Corporate Finance analysis

A brief description of the operations and activities of the major dairy companies is provided below.

Fonterra

Fonterra is a supplier of dairy products and ingredients, and is listed on the NZX. It collects, manufactures and sells milk and milk-derived products. It also manufactures branded dairy products and dairy ingredients, which include ready-to-serve beverages, yoghurt, cheese, milk, ice cream, desserts, butter, ready-to-serve creams and pre-proofed frozen pastry.

Fonterra achieves its highest margins from milk powder, which it ships to China for the fast-growing infant milk formula market. Fonterra has recently been struggling to meet demand due a lack of manufacturing capacity. At the same time a very productive dairy season in New Zealand has resulted in all-time high volumes, which Fonterra is obliged to buy at historically high milk prices. Milk that cannot be made into milk powder is used for lower-margin cheese products.

Ownership of the voting shares in Fonterra is restricted to dairy farmers. Trading among farmers has two components: the Fonterra Shareholders Market (FSM) and the Fonterra Shareholders Fund (FSF).

The FSM is a private market operated by the NZX on which farmer shareholders trade amongst themselves (but not with Fonterra). There is a market maker that is continuously active in offering to buy and sell shares on the FSM. This is to assist the liquidity of trading on the FSM for farmer shareholders.

The FSF is a unit trust with units listed on the NZX and ASX. The FSF is intended to supplement liquidity in the FSM through a liquid market for units which can effectively be "exchanged" for Fonterra shares (by farmer shareholders, Fonterra and the market maker) and vice versa and to provide additional financial flexibility for farmer shareholders, who have the opportunity to sell economic rights of shares to the FSF. The economic rights include rights to distributions and realising capital gains/losses but not rights to vote or receive the farmgate milk price. Outside investors who are not allowed to hold shares in Fonterra are able to invest in listed units that essentially pass through the economic rights of a share in Fonterra. The FSF is managed within a target range of 7% to 12% of total shares on issue. Fonterra's listed units are, therefore, represents a low level of liquidity in Fonterra as the majority of its value resides with New Zealand dairy farmers.

Parmalat

Parmalat is one of the leading European food and beverages suppliers based in Italy and is publicly listed on the Italian Stock Exchange.

Parmalat's product range includes:

- Milk: includes UHT, pasteurised, condensed, powdered and flavoured milk, cream and bechamel
- Dairy products: includes yoghurt, fermented milk, desserts, cheese, butter and probiotic products
- Fruit beverages: includes fruit juices, nectars and tea.
- Milk and dairy products make up 90% of Parmalat's revenue. Parmalat's brands include Parmalat and Santal in Italy, and international brands Zymil, Fibresse, PhysiCAL, Vaalia and Omega3.

In March 2014, Parmalat Australia Ltd. (subsidiary of Parmalat) acquired the assets of Harvey Fresh for A$120m. The acquisition strengthens Parmalat's position in the Australian market, broadening its geographic footprint in Australia, and improves its export capability to Asian markets.

Saputo

Saputo Inc. is one of the leading dairy processors in the world, and is among the top three cheese producers in the US. Saputo is listed on the Toronto Stock Exchange. Saputo manufactures cheese, fluid milk, yoghurt and dairy ingredients. Saputo also manufactures fresh bakery products such as cereal bars, snack-cakes, fresh cookies and tarts. The company principally operates in Canada, Argentina, Germany, the UK and the US. It operates 47 manufacturing plants around the world.

Saputo markets its products under various brands, including Saputo, Alexis de Portneuf, Armstrong, Kingsey Dairyland, Baxter, Nutrilait, Stella, Frigo, Dragone, Treasure Cave La Paulina and Ricrem De Lucia. Other brands include DuVillage de Warwick, La Paulina, Princesse, Sir Laurier d'Arthabaska, Big Daddy, HOP&GO!, Rondeau and Vachon.

The company has completed a number of strategic acquisitions and restructuring initiatives., including:

- Acquiring the fluid milk activities of Scotsburn Co-Operative Services Limited based in Atlantic Canada in April 2014 for US$56m
- Acquiring an 87.9% interest in Warrnambool Cheese in 2013 for approximately A$460m.

The a2 Milk Company Limited

a2 is a dairy products provider based in New Zealand and listed on the NZX. a2 manufactures and sells a2 branded milk and related products predominantly in Australia. It offers natural and additive free dairy milk and infant formula.

In January 2014, a2 completed the acquisition of the remaining 50% stake in a2 Milk (UK) Limited from Robert Wiseman Dairies plc. a2 is in the process of setting up a joint venture to allow the expansion of the company in China and is also assessing options to break into the North American market.

a2 currently has low profitability which results in a2's EBITDA multiples not being meaningful for our valuation.

Bega Cheese

Bega Cheese processes and manufactures dairy products with a presence in over 40 countries worldwide. The company has a leading position in the Australian cheese market and an expanding presence in the growing Chinese infant formula market.

Bega Cheese started in 1899 as a co-operative in the town of Bega, New South Wales, Australia. In 2011 Bega Cheese was publicly listed on the ASX. Bega Cheese operates five processing facilities with capacity to process 250 metric tonnes of product and manufactures natural cheese, processed cheese, powders, butter, cream cheese, milk powders and nutritional products.

Bega Cheese's share price has risen in the past year due to, among other things, the battle to acquire Warrnambool Cheese, which Bega Cheese participated in by acquiring a significant interest in Warrnambool Cheese and by making a takeover offer. Eventually, it was unsuccessful in its efforts but realised a significant profit on its investment in Warrnambool Cheese.

Dairy Crest Group plc

Dairy Crest is a dairy foods manufacturing company and is listed on the LSE. Dairy Crest produces milk, cheese, spreads, flavoured milk, yoghurt and cooking oil spray. These products are marketed under the brand names Cathedral City, Davidstow, Clover, Utterly Butterly, Country Life Milk, Willow, Vitalite, FRijj and Fryht. Dairy Crest also offers online milk and grocery shopping service with free home delivery through the 'milk & more' website. Dairy Crest operates in the UK, France, Italy and Ireland. Dairy Crest's divisions include Cheese (19% of revenue), Spreads (13% of revenue), Dairies (68% of revenue) and Others (less than 1% of revenue).

Through the Spreads division, Dairy Crest produces leading spreads and butter brands including Clover and Country Life. The company offers the Clover and Country life brands in the UK.

Through the Dairies division, Dairy Crest produces fresh, conventional, organic and flavoured milk to major retailers, small retailers, coffee shops and hospitals. Milk is offered under the brand Country Life and flavoured milk is offered under the brand name FRijj.

Dean Foods Company

Dean Foods processes and manufactures fluid dairy products and plant-based beverages. Dean Foods operates in the US and is listed on the New York Stock Exchange. It also markets its products in certain European countries. Its product lines include milk, beverages, fruit juice, fruit-flavoured drinks, butter, cheese, soy and extended shelf life beverages.

Dean Foods sells its products under various well recognised local and regional brands, and also produces a wide array of private label products.

Dean Foods distributes its products through a network of mass merchandisers, club stores, convenience stores, health food stores, restaurants and foodservice operators.

Synlait Milk Limited

Synlait is a New Zealand-based milk processor listed on the NZX.

The company's operations are separated into two divisions:

- Ingredients (88% of revenue): manufactures whole milk powder, skim milk powder and anhydrous milk fat. Synlait's ingredients are generally manufactured to client-specific requirements, delivering a higher margin than pure commoditised ingredients
- Infant Formula and Nutrition (12% of revenue): manufactures infant formula, follow on formula, adult milk formula and other nutritional products. Synlait owns the largest infant formula dryer in the Southern Hemisphere and has some of the leading production capabilities

Synlait presently has an annual processing capacity sufficient for 95,000 tonnes of product and has plans to increase it to 140,000 tonnes by FY2016. This planned expansion is to capitalise on long term growth in demand for dairy products, particularly high nutrition products including infant formula, driven by global population growth and the rising disposable income in emerging economies.

Synlait exports the majority of its product to China to capitalise on the growing demand for imported infant formula.

Deloitte.

Appendix E: Recent transactions – food manufacturing

The following table provides a summary of merger and acquisition transactions that have occurred in the food manufacturing industry.

The majority of the transactions involved target companies located outside of Australia, given the limited availability of transaction data relating to acquisitions of Australian companies.

Table 32: Comparable transactions companies – Food manufacturers

Announcement Date	Target	Acquirer	% Acquired	Currency	Implied Enterprise value (m)	EBITDA historical (m)	EBITDA multiple (times)
Jul-14	Griffin's Foods	Universal Robina	100%	NZ$	700.0	78.0	9.0 x
Apr-14	Specialty Brands	B&G Foods	100%	USD	155.0	20.0	7.8 x
Feb-14	Canada Bread	Grupo Bimbo	100%	CAD	1,512.3	175.7	8.6 x
Feb-13	H. J. Heinz Company	Berkshire Hathaway, 3G Capital	100%	CAD	27,427.8	2,034.1	13.5 x
Nov-12	Ralcorp	ConAgra Foods	100%	USD	6,712.4	565.1	11.9 x
Aug-12	Rieber & Søn[1]	Orkla Brands	100%	NOK	5,984.1	260.1	23.0 x[1]
May-12	Lepage Bakeries	Flowers Foods	100%	USD	345.5	30.4	11.4 x
Aug-11	Food Holdings	Bright Food	75%	A$	595.0	63.5	9.4 x
Feb-10	Best Brands	CSM Bakery Supplies	100%	USD	510.0	n/a[2]	8.5 x
Dec-08	Weston Foods	Grupo Bimbo	100%	USD	2,500.0	255.0	9.8 x

Notes
1. *The implied EBITDA multiple for the Rieber & Søn transaction was high as a result of the company's anomalously low historical earnings leading up to the transaction. Using an average of Rieber & Søn's historical earnings over the three financial years prior to the transaction, the adjusted EBITDA multiple for this transaction is 14.9 times*
2. *Best Brands' EBITDA was not publicly disclosed, merely the implied EBITDA multiple*

Source: Mergermarket, Capital IQ, company announcements, Deloitte Corporate Finance analysis

For comparable transactions observed in relation to food manufacturers, the basis of calculation of the enterprise values and the implied earnings multiples is as follows:

- Implied enterprise values have been calculated based on the reported transaction value (calculated in the above cases based on the offer price for a share) and adding to this the total of the net borrowings at each company's most recent reporting date
- EBITDA reflects historical EBITDA as reported in the last financial year, or last 12 months where available.

Details of the comparable transactions are provided below, listed by target companies.

Universal Robina acquires Griffin's Foods

Universal Robina completed the acquisition of Griffin's Foods in July 2014.

Griffin's Foods is a leading producer of biscuits and snack foods in New Zealand and Australia and has been operating since 1864. Its biscuits range includes Gingernuts, Cookie Bears and MallowPuffs. Universal Robina is a leading food and beverage company based in the Philippines.

The export of Griffin's Foods products has grown significantly in recent years due to the growth in demand for Western style foods in Asia. The transaction offers Universal Robina the opportunity to distribute Griffin's Foods' products in South-East Asia and East Asia where Universal Robina already has a strong presence. Universal Robina also intends to continue Griffin's Foods operations in New Zealand, where manufacturing quality and safety is held in high regard by the Asian markets.

B&G acquires Specialty Brands

B&G Foods completed the acquisition of Specialty Brands in April 2014.

B&G Foods is a US based manufacturer of a range of branded food and household products in the US, Canada and Puerto Rico. It also sells products to institutional and food service operators and some private label products to retailers. It is focussed on Mexican food, including taco shells, tortillas, seasonings, dinner kits, taco sauces, peppers, refried beans, salsas and related food products. It also produces pure maple syrup which is sold in the US.

Specialty Brands is a US based manufacturer of packaged foods with a portfolio of brands. Specialty Brands' largest brand is Bear Creek Country Kitchens. Bear Creek is a leading US brand of hearty dry soups. It also sells a line of pasta and rice dishes, and Spring Tree, Cary's and MacDonald's pure maple syrups and pancake syrups, New York Flatbreads and margarine.

The acquisition is aimed at expanding B&G Food's brand portfolio in the US market.

Grupo Bimbo acquires Canada Bread

Grupo Bimbo completed the acquisition of Canada Bread in May 2014. An overview of Grupo Bimbo is provided at Appendix C.

Canada Bread manufactures bread, rolls, bagels and frozen or par-baked breads as well as a diverse range of specialty bakery items, and distributes throughout Canada, the US and the UK. Its primary brands are Dempster's, Bon Matin, Ben's, POM, McGavin's and Smart.

The transaction is aimed at giving Grupo Bimbo a dominant position in the Canadian bakery market and foothold in the UK market. The acquisition was one of a series of multi-billion dollar acquisitions made by Grupo Bimbo, aimed at expanding its international presence.

3G Capital and Berkshire Hathaway acquire H. J. Heinz Company

3G Capital and Berkshire Hathaway completed the acquisition of Heinz in June 2013.

3G Capital is a Brazil based private equity firm while Berkshire Hathaway is a New York Stock Exchange listed investment fund, run by Warren Buffet and focussed on value investing[41].

Heinz is a large multinational food manufacturer with operations in over 200 countries. Famous for its tomato ketchup and baked beans, Heinz is one of the most recognisable US food companies.

The purchase price represented a 20% premium to Heinz's closing share price on the date prior to the announcement of the acquisition and also represented a 19% premium to Heinz's highest ever share price.

The strategic rationale for the transaction includes:

- Heinz's strong and experienced management team
- During the global financial crisis, Berkshire Hathaway gained a reputation for providing liquidity to cash constrained companies in return for preferred stock with high dividends. The acquirers of Heinz will realise a 9% preferred dividend on Heinz's circa US$8 billion of preferred stock
- 3G Capital has experience in the food industry, most notably for the acquisition of Burger King in 2010. The acquisition of Burger King is widely considered successful and the acquisition of Heinz arguably has similar characteristics.

ConAgra Foods acquires Ralcorp

ConAgra completed the acquisition of Ralcorp in January 2013. The acquisition came 20 months after ConAgra first launched a failed takeover offer for Ralcorp.

ConAgra is a US based food manufacturing company producing cooking oil, ready-made meals, hot chocolate drinks, hot dogs and peanut butter, among other products. ConAgra's major brands include Hunt's, Healthy Choice, Marie Callender's, Orville Redenbacher, Reddi-wip, Egg Beaters, Hebrew National and P. F. Chang's.

Ralcorp is a US based food manufacturing company producing breakfast cereal, cookies, crackers, chocolate, snack foods, mayonnaise, pasta and peanut butter. It predominately produces private label products.

[41] Value investing is a form of investment management underpinned by acquiring businesses with a perceived material competitive advantage but which are trading below intrinsic value

The strategic rationale for the transaction was to expand ConAgra's private label product offering and position ConAgra as the largest private label packaged food producer in North America.

Orkla Brands acquires Rieber & Son

Orkla completed the acquisition of Rieber in April 2013.

Orkla is a Norway based manufacturer of detergents, personal care products, confectioneries and chocolates, among other products.

Rieber is a Norway based diversified food company manufacturing sauces, soups, ready-made meals, mayonnaise, remoulade, salad, dessert and baking products, refrigerated and frozen cakes, nuts and mustard market.

Orkla coveted Rieber for many years prior to the transaction, however, the family controlled target consistently refused the advances. This coupled with Rieber's poor earnings performance around the acquisition date could explain the significant premium paid by Orkla (this could also explain the high implied earnings multiple).

The acquisition provides Orkla opportunities to expand its product portfolios and gain strong market share in new product categories. According to Orkla, Rieber has strong brands which are an optimal fit for its existing product portfolio.

Flowers Food Inc. acquires Lepage Bakeries

Flowers Food completed the acquisition of Lepage Bakeries in 2012.

Flowers Food manufactures fresh bakery foods, including fresh bread, buns, rolls, tortillas and snack cakes. Flower Foods operates 47 bakeries and distributes fresh products to retail and foodservice customers through a network of independent distributors, and frozen products to national retail and foodservice customers.

Lepage Bakeries is a US based manufacturer of breads, rolls, english muffins, and donuts to retail and wholesale customers. It has three US bakeries and two key bread brands.

The acquisition strengthened Flowers Food's existing bread portfolio and expanded its presence in the Northeast of the US. The acquisition also provided Flowers Foods with additional highly efficient bakeries with available production capacity, access to markets in the Northeast of the US, new products and brands, and more than 550 employees.

Bright Food acquires Food Holdings

Bright Food completed the acquisition of a 75% interest in Food Holdings (aka Manassen Foods) in 2011.

Bright Foods is a diversified Chinese State Owned Enterprise focussed on agriculture, food manufacturing and real estate. In the financial year prior to acquisition the company grew its EBITDA by more than 40% and generated EBITDA margins of 12.75%.

Food Holdings owns the Margaret River label and acts as a distributor for a suite of brands including Carr's, McVities, Ryvita, Bovril, Globus, Laughing Cow, Jelly Belly, Babybel, Sharwood's, Castello Cheese and Lemnos Fetta.

The acquisition was expected to provide Bright Food an opportunity to introduce its portfolio of products and brands into the Australian market via Food Holdings' distribution network in Australia. Both companies expect to achieve synergies by expanding Food Holdings' domestic and export business.

CSM Bakery Supplies North America acquires Best Brands

CSM completed the acquisition of Best Brands in 2010.

CSM is one of the largest manufacturers of baked goods globally and is a leading producer of lactic acid and lactic acid derivatives. CSM produces an extensive range of baked goods and ingredients for artisan and industrial bakeries, both in-store and out-of-home markets. CSM operates throughout Europe, North America, South America and Asia.

Best Brands is one of the largest premium bakery manufacturers in the US. Its broad product portfolio includes laminated dough, cakes, muffins, fillings and baking mixes. Best Brands has a strong position in value-added frozen products sold to in-store bakeries. It has 6 major production facilities across the US.

The transaction was expected to strengthen CSM's position in the US store bakery market. Best Brands' products portfolio complement's CSM's HC Brill products and customer portfolio.

Grupo Bimbo acquires Weston Foods

Grupo Bimbo completed the acquisition of Weston Foods in 2009. An overview of Grupo Bimbo is provided in Appendix C.

Weston Foods is a US based manufacturer of baked goods, with 22 bakeries and more than 4,000 distribution routes, and brands including Stroehmann, Arnold, Boboli, Brownberry, Entenmanns Freihofers and Thomas.

The transaction was one of the largest baking transactions in history and made Grupo Bimbo one of the largest baking players in the US. The integration of Weston Foods distribution model allowed Grupo Bimbo's US operations to expand into new markets, accelerate the penetration of its Hispanic brands, and leverage the growth potential of categories such as English muffins and bagels in underpenetrated markets.

Appendix F: Recent transactions – dairy processing

The following table provides a summary of merger and acquisition transaction multiples that have occurred in the dairy processing industry.

The majority of the transactions involved target companies located outside of Australia, given the limited availability of transaction data relating to acquisitions of Australian companies.

Table 33: Comparable transactions companies – Dairy companies

Announcement Date	Target	Acquirer	% Acquired	Currency	Implied enterprise value (m)	EBITDA historical (m)	EBITDA multiple (times)
Oct-13	Warrnambool Cheese	Saputo	88%	A$	598.2	50.4	11.9 x
Dec-12	Morningstar Foods	Saputo	100%	USD	1,450.0	155.5	9.3 x
Jan-12	Robert Wiseman Dairies	Müller Dairy	100%	GBP	305.0	52.8	5.8 x
Mar-11	Parmalat	Groupe Lactalis	83%	EUR	3,115.2	325.1	9.6 x
Mar-10	Ebro Puleva (dairy division)	Groupe Lactalis	100%	EUR	630.0	67.0	9.4 x
Aug-08	Dairy Farmers	National Foods	100%	A$	875.1	61.0	14.3 x

Source: Mergermarket, Capital IQ, company announcements, Deloitte Corporate Finance analysis

For comparable transactions observed in relation to dairy processors, the basis of calculation of the enterprise values and the implied earnings multiples is as follows:

- Implied enterprise values have been calculated based on the reported transaction value (calculated in the above cases based on the offer price for a share) and adding to this the total of the net borrowings at each company's most recent reporting date
- EBITDA reflects historical EBITDA as reported in the last financial year, or last 12 months where available.

Details of the comparable transactions are provided below, listed by target companies.

Saputo acquires Warrnambool Cheese

Saputo completed the acquisition of Warrnambool Cheese in February 2014 following a bidding war between Saputo, Bega Cheese and Murray Goulburn. The bidding war was characterised by a number of increasing bids by each party and the acquisition by Lion Nathan of an interest in Warrnambool Cheese during the transaction process blocked Saputo's ability to acquire 100% of Warrnambool Cheese. Saputo eventually acquired an 87.9% interest in Warrnambool Cheese.

Saputo is a Canada based dairy company focussed on cheese, baked goods and milk production. Whilst Saputo has extensive operations in North America and Argentina, until this acquisition it had no operations in Australia.

Warrnambool Cheese is an Australia based manufacturer of dairy products. It is the oldest dairy company in Australia and one of the largest milk processors in Australia. It produces dairy products for the local and international market, primarily Asia and the Middle East (50% of sales were to export markets).

The acquisition provides Saputo with a platform to rapidly grow sales in traditional dairy products and milk-extract products for the growing Asian market and provides it with another manufacturing base to allow it to expand into other developing markets. Saputo has also indicated that it intends to further invest in the company to increase manufacturing capacity and grow milk intake.

Saputo acquires Morningstar Foods

Saputo Cheese completed the acquisition of Morningstar Foods in January 2013. Information on Saputo is provided in Appendix D.

Morningstar Foods is a US based manufacturer of dairy and non-dairy extended shelf-life products.

The transaction is in line with Saputo's strategy to broaden its product offering in the US, distribution footprint and range of future acquisition opportunities.

Müller Dairy acquires Robert Wiseman Dairies

Müller Dairy completed the acquisition of Robert Wiseman Dairies in 2012, acquiring all the outstanding shares in Robert Wiseman for GBP3.9 per share in cash. This represented a premium of 59.8% over the closing price of Robert Wiseman shares on the day prior to the announcement and a 48.2% premium over the average closing price over the three month period prior to the announcement.

Müller Dairy is a German based multinational dairy company focussed on yoghurt production.

Robert Wiseman Dairies is a UK based company focussed on milk production, and according to the company supplies 30% of the milk consumed in the UK.

The strategic rationale for the transaction was to create a leading integrated dairy business in the United Kingdom with complementary positions and scale in production in yoghurt, potted desserts and the fresh milk markets.

Prior to the transaction, Robert Wiseman had experienced an increase in raw material input costs which in the face of greater competition it was not able to recover through higher sale prices.

Groupe Lactalis acquires majority interest in Parmalat

Groupe Lactalis completed the acquisition of an 83.3% interest in Parmalat in 2011.

Groupe Lactalis is a France based company and largest dairy producer in the world. It is focussed on the manufacture of cheese, milk, dairy ingredients, chilled dairy products, butter and cream.

Parmalat is an Italy based manufacturer of dairy and fruit juice products. It is focussed on milk (UHT, pasteurised, condensed, powdered and flavoured milk), cream, béchamel, yoghurt, fermented milk, desserts, cheese, butter, probiotic products and fruit beverages (fruit juices, nectars and tea). Paramlat has extensive operations in the dairy sector throughout the world (including Australia).

Parmalat was Group Lactalis' main European rival and the transaction, therefore, eliminated a significant competitor. The transaction also made Group Lactalis the largest dairy products manufacturer in the world (according to company reports).

Groupe Lactalis acquires Ebro Puleva (dairy division)

Groupe Lactalis completed the acquisition of Puleva in 2010. Information on Groupo Lactalis provided above.

Ebro Puleva (dairy division) is a Spain based manufacturer of natural milk, functional milk, organic milk, skimmed milk, infant food, milkshakes, cream, butters, yoghurt and dairy desserts

The transaction enabled Groupe Lactalis to consolidate its position in the Spanish market. During the year, Groupo Lactalis also acquired two other businesses in adjacent dairy segments in Spain.

National Foods acquires Dairy Farmers

National Foods completed the acquisition of Dairy Farmers in 2008. National Foods also entered into a joint venture with Warrnambool Cheese in relation to cheese manufacturing operations of Dairy Farmers.

National Foods is an Australia based manufacturer of milk, fresh dairy foods, juice and speciality cheese, and at the time of the transaction, National Foods was wholly owned by Japanese brewer, Kirin.

Dairy Farmers is an Australian based dairy company. It is focussed on manufacturing cheese and milk products and operates 12 factories in Australia. In the year prior to the acquisition, it had purchased 1.2 billion litres of milk.

The transaction aimed to consolidate National Foods' product suite in Australia, expand its footprint in the Asia Pacific region and provided Dairy Farmers with logical upstream vertical integration. National Foods is now the second largest dairy processor in the Australian market.

Rival bids for Dairy Farmers were put forward by Fonterra and a joint venture between Parmalat and Murray Goulburn.

Dairy Farmers was projecting EBITDA for FY2009 of A$97 million implying an EBITDA multiple of 9 times.

Annexure 3 – Scheme of Arrangement

3

Annexure 3 – Scheme of Arrangement

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

Goodman Fielder
Goodman Fielder Limited
ABN 51 116 399 430 of T2, 39 Delhi Road, North Ryde, NSW, 2113, Australia
(Goodman Fielder)

Scheme Shareholders
The Scheme Shareholders

1 DEFINITIONS, INTERPRETATION AND SCHEME COMPONENTS

1.1 Definitions and interpretation

In this deed, capitalised expressions have the meanings set out within the body of this deed and in Schedule 1. This deed must be interpreted in accordance with Schedule 1.

1.2 Scheme components

This Scheme includes any schedule and any attachment to it.

2 PRELIMINARY MATTERS

(a) Goodman Fielder is a public company limited by shares, registered in Victoria, and has been admitted to the official list of the ASX and the main board of the NZX. Goodman Fielder Shares are quoted for trading on the ASX and the NZX.

(b) As at 4 December 2014, 1,955,559,207 Goodman Fielder Shares and 17,845,554 Goodman Fielder Performance Rights were on issue.

(c) First Pacific is a listed company limited by shares registered in Bermuda.

(d) Wilmar is a listed company limited by shares registered in Singapore.

(e) FPW, a company that is jointly-owned by First Pacific and Wilmar, is a company limited by shares registered in Victoria.

(f) If this Scheme becomes Effective:

(1) First Pacific, Wilmar and FPW must provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll; and

(2) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to FPW and Goodman Fielder will enter the name of FPW in the Goodman Fielder Share Register in respect of the Scheme Shares.

(g) Goodman Fielder, First Pacific, Wilmar and FPW have agreed, by executing the Scheme Implementation Deed, to implement this Scheme.

(h) This Scheme attributes actions to First Pacific, Wilmar and FPW but does not itself impose an obligation on them to perform those actions. First Pacific, Wilmar and FPW have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

3 CONDITIONS

3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

(a) all the conditions in clause 3.1 of the Scheme Implementation Deed (other than the condition in the Scheme Implementation Deed relating to Court approval of this Scheme) having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed by 8.00am on the Second Court Date;

(b) neither the Scheme Implementation Deed nor the Deed Poll having been terminated in accordance with their terms before 8.00am on the Second Court Date;

(c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by Goodman Fielder and FPW;

(d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to by Goodman Fielder and FPW having been satisfied or waived; and

(e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date (or any later date Goodman Fielder and FPW agree in writing).

3.2 Certificate

(a) Goodman Fielder and FPW must provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.

(b) The certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived or taken to be waived.

3.3 End Date

This Scheme will lapse and be of no further force or effect if:

(a) the Effective Date does not occur on or before the End Date; or

(b) the Scheme Implementation Deed or the Deed Poll is terminated in accordance with its terms, unless FPW, First Pacific, Wilmar and Goodman Fielder otherwise agree in writing.

4 IMPLEMENTATION OF THIS SCHEME

4.1 Lodgement of Court orders with ASIC

Goodman Fielder must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme.

4.2 Transfer of Scheme Shares

On the Implementation Date:

(a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5.1(a), the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to FPW, without the need for any further act by any Scheme Shareholder (other than acts performed by Goodman Fielder as attorney and agent for Scheme Shareholders under clause 8.5), by:

(1) Goodman Fielder delivering to FPW a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Goodman Fielder; and

(2) FPW duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Goodman Fielder for registration; and

(b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a)(2), Goodman Fielder must enter, or procure the entry of, the name of FPW in the Goodman Fielder Share Register in respect of all the Scheme Shares transferred to FPW in accordance with this Scheme.

4.3 Entitlement to Scheme Consideration

On the Implementation Date, in consideration for the transfer to FPW of the Scheme Shares, each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with clause 5.

5 SCHEME CONSIDERATION

5.1 Provision of Scheme Consideration

(a) First Pacific, Wilmar and FPW must, and Goodman Fielder must use its best endeavours to procure that those persons do, by no later than the Business Day before the Implementation Date, deposit in cleared funds an amount in Australian currency equal to the aggregate amount of the Scheme Consideration payable to each Scheme Shareholder, in an Australian dollar denominated trust account operated by or on behalf of Goodman Fielder as trustee for the Scheme Shareholders, (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to FPW's account).

(b) On the Implementation Date or as soon as reasonably practicable thereafter, subject to funds having been deposited in accordance with clause 5.1(a), Goodman Fielder must pay or procure the payment of the Scheme Consideration to each Scheme Shareholder from the trust account referred to in clause 5.1(a).

(c) The obligations of Goodman Fielder under clause 5.1(b) will be satisfied by Goodman Fielder:

(1) where a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Goodman Fielder Share Registry to receive payments from Goodman Fielder by electronic funds transfer to an Australian bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;

(2) where a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Goodman Fielder Share Registry to receive payments from Goodman Fielder by electronic funds transfer to a New Zealand bank account nominated by the Scheme Shareholder:

(A) converting, or procuring the conversion of, the relevant amount from Australian currency to New Zealand currency at the Prevailing Exchange Rate; and

(B) paying, or procuring the payment of, the relevant amount in New Zealand currency by electronic means in accordance with the Scheme Shareholder's election, or

(3) otherwise, whether or not the Scheme Shareholder has made an election referred to in clause 5.1(c)(1) or 5.1(c)(2), dispatching, or procuring the dispatch of, a cheque for the relevant amount:

(A) in New Zealand currency (which has been converted from Australian currency to New Zealand currency at the Prevailing Exchange Rate) where the Scheme Shareholder's Registered Address is in New Zealand; and

(B) otherwise, in Australian currency,

to the Scheme Shareholder by prepaid post to their Registered Address (as at the Scheme Record Date), such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 5.2).

(d) To the extent that, following satisfaction of Goodman Fielder's obligations under clause 5.1(b), there is a surplus in the amount held by Goodman Fielder as trustee for the Scheme Shareholders in the trust account referred to in that clause, that surplus may be paid by Goodman Fielder to FPW.

5.2 Joint holders

In the case of Scheme Shares held in joint names:

(a) subject to clause 5.1(c), the Scheme Consideration is payable to the joint holders and any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Goodman Fielder, the holder whose name appears first in the Goodman Fielder Share Register as at the Scheme Record Date or to the joint holders; and

(b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Goodman Fielder, the holder whose name appears first in the Goodman Fielder Share Register as at the Scheme Record Date or to the joint holders.

5.3 Fractional entitlements and splitting

Where the calculation of the Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

5.4 Unclaimed monies

(a) Goodman Fielder may cancel a cheque issued under this clause 5 if the cheque:

(1) is returned to Goodman Fielder; or

(2) has not been presented for payment within six months after the date on which the cheque was sent.

(b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Goodman Fielder (or the Goodman Fielder Share Registry) (which request may not be made until the date which is 10 Business Days after the Implementation Date), Goodman Fielder must reissue a cheque that was previously cancelled under this clause 5.4.

(c) The *Unclaimed Money Act 2008* (VIC) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 3 of the *Unclaimed Money Act 2008* (VIC)).

5.5 Orders of a court or Government Agency

If written notice is given to Goodman Fielder (or the Goodman Fielder Share Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

(a) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Goodman Fielder in accordance with this clause 5, then Goodman Fielder shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or

(b) prevents Goodman Fielder from providing consideration to any particular Scheme Shareholder in accordance with clause 5, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Goodman Fielder shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as provision of the consideration in accordance with this clause 5 is permitted by that order or direction or otherwise by law.

6 DEALINGS IN GOODMAN FIELDER SHARES

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Goodman Fielder Shares or other alterations to the Goodman Fielder Share Register will only be recognised if:

(a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Goodman Fielder Share Register as the holder of the relevant Goodman Fielder Shares on or before the Scheme Record Date; and

(b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received on or before the Scheme Record Date at the place where the Goodman Fielder Share Register is kept,

and Goodman Fielder must not accept for registration, nor recognise for any purpose (except a transfer to FPW pursuant to this Scheme and any subsequent transfer by FPW or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

6.2 Register

(a) Goodman Fielder must register registrable transmission applications or transfers of the Goodman Fielder Shares in accordance with clause 6.1(b) before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2(a) requires Goodman Fielder to register a transfer that would result in a Goodman Fielder Shareholder holding a parcel of Goodman Fielder Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2(a) 'marketable parcel' has the meaning given in the Operating Rules).

(b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Goodman Fielder shall be entitled to disregard any such disposal.

(c) For the purpose of determining entitlements to the Scheme Consideration, Goodman Fielder must maintain the Goodman Fielder Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Goodman Fielder Share Register in this form will solely determine entitlements to the Scheme Consideration.

(d) All statements of holding for Scheme Shares (other than statements of holding in favour of FPW or any Excluded Shareholders) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Goodman Fielder Share Register (other than entries on the Goodman Fielder Share Register in respect of FPW or any Excluded Shareholder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Goodman Fielder Shares relating to that entry.

(e) As soon as possible on or after the Scheme Record Date, and in any event within one Business Day after the Scheme Record Date, Goodman Fielder will ensure that details of the names, Registered Addresses and holdings of Scheme Shares for each Scheme Shareholder as shown in the Goodman Fielder Share Register are available to First Pacific, Wilmar and FPW in the form they reasonably require.

7 QUOTATION OF GOODMAN FIELDER SHARES

(a) Goodman Fielder must apply to ASX and NZX to suspend trading on the ASX and NZX in Goodman Fielder Shares with effect from the close of trading on the Effective Date.

(b) On a date after the Implementation Date to be determined by FPW, Goodman Fielder must apply:

   (1) for termination of the official quotation of Goodman Fielder Shares on the ASX and the NZX; and

   (2) to have itself removed from the official list of the ASX and the main board of the NZX.

8 GENERAL SCHEME PROVISIONS

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

(a) Goodman Fielder may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which First Pacific, Wilmar and FPW have consented; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for Goodman Fielder has consented to.

8.2 Scheme Shareholders' agreements and warranties

(a) Each Scheme Shareholder:

   (1) agrees to the transfer of their Scheme Shares together with all rights and entitlements attaching to those Scheme Shares in accordance with this Scheme;

   (2) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from this Scheme;

   (3) agrees to, on the direction of FPW, destroy any share certificates relating to their Scheme Shares;

   (4) acknowledges that this Scheme binds Goodman Fielder and all Scheme Shareholders (including those who do not attend the Scheme Meeting or those who do not vote, or vote against this Scheme, at the Scheme Meeting).

(b) Each Scheme Shareholder is taken to have warranted to Goodman Fielder, FPW, First Pacific and Wilmar on the Implementation Date, and appointed and authorised Goodman Fielder as its attorney and agent to warrant to FPW on the Implementation Date, that all their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Scheme Shares to FPW together with any rights and entitlements attaching to those shares. Goodman Fielder undertakes that it will provide such warranty to FPW as agent and attorney of each Scheme Shareholder, and Goodman Fielder undertakes that it will provide such warranty to FPW, First Pacific and Wilmar as agent and attorney of each Scheme Shareholder.

8.3 Title to and rights in Scheme Shares

(a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to FPW will, at the time of transfer of them to FPW, vest in FPW free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.

(b) On the Implementation Date, provided First Pacific, Wilmar and FPW have complied with their obligations under clause 5.1(a), FPW will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Goodman Fielder of FPW in the Goodman Fielder Share Register as the holder of the Scheme Shares.

8.4 Appointment of sole proxy

On the Implementation Date, provided First Pacific, Wilmar and FPW have complied with their obligations under clause 5.1(a), and until Goodman Fielder registers FPW as the holder of all Scheme Shares in the Goodman Fielder Share Register, each Scheme Shareholder:

(a) is deemed to have appointed FPW as attorney and agent (and directed FPW in each such capacity) to appoint any director, officer, secretary or agent nominated by FPW as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution;

(b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));

(c) must take all other actions in the capacity of a registered holder of Scheme Shares as FPW reasonably directs; and

(d) acknowledges and agrees that in exercising the powers referred to in clause 8.4(a), FPW and any director, officer, secretary or agent nominated by FPW under clause 8.4(a) may act in the best interests of FPW as the intended registered holder of the Scheme Shares.

8.5 Authority given to Goodman Fielder

Each Scheme Shareholder, without the need for any further act:

(a) on the Effective Date, irrevocably appoints Goodman Fielder and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against First Pacific, Wilmar and FPW, and Goodman Fielder undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against First Pacific, Wilmar and FPW on behalf of and as agent and attorney for each Scheme Shareholder; and

(b) on the Implementation Date, irrevocably appoints Goodman Fielder and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer,

and Goodman Fielder accepts each such appointment. Goodman Fielder as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

8.6 Binding effect of Scheme

This Scheme binds Goodman Fielder and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Goodman Fielder.

9 GENERAL

9.1 Stamp duty

FPW will:

(a) pay all stamp duty and any related fines and penalties in respect of this Scheme and the Deed Poll, the performance of the Deed Poll and each transaction effected by or made under or in connection with this Scheme and the Deed Poll; and

(b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a).

9.2 Consent

Each of the Scheme Shareholders consents to Goodman Fielder doing all things necessary or incidental to the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Goodman Fielder or otherwise.

9.3 Notices

(a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Goodman Fielder, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Goodman Fielder's registered office or at the office of the Goodman Fielder Share Registry.

(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Goodman Fielder Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Governing law

(a) This Scheme is governed by the laws in force in New South Wales, Australia.

(b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.5 Further action

Goodman Fielder must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.6 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Goodman Fielder, nor any director, officer, secretary or employee of Goodman Fielder shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

SCHEDULE 1
DEFINITIONS AND INTERPRETATION

1 Definitions

The meanings of the terms used in this Scheme are set out below.

Term	Meaning
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Business Day	a day that is not a Saturday, Sunday or public holiday or bank holiday in Sydney, Singapore or Hong Kong.
CHESS	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.
Corporations Act	the *Corporations Act 2001* (Cth).
Corporations Regulations	the *Corporations Regulations 2001* (Cth).
Court	the Federal Court of Australia, New South Wales Registry, or such other court of competent jurisdiction under the Corporations Act agreed to in writing by FPW and Goodman Fielder.
Deed Poll	a deed poll substantially in the form of Attachment 1 under which FPW and Wilmar and First Pacific each covenant in favour of the Scheme Shareholders to perform the obligations attributed to FPW under the Scheme.
Effective	when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court order made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme.
Effective Date	the date on which this Scheme becomes Effective.
End Date	1 31 March 2015; or 2 such other date as agreed in writing by Goodman Fielder, First Pacific SPV and FPW.
Excluded Shareholder	any Goodman Fielder Shareholder who: • is FPW or holds a Goodman Fielder Share on behalf of or for the benefit of FPW; • is a First Pacific Group Member or holds a Goodman Fielder Share on behalf of or for the benefit of First Pacific; or • is a Wilmar Group Member or holds a Goodman Fielder Share on behalf of or for the benefit of Wilmar.
First Pacific	First Pacific Company Limited of 24th Floor, Two Exchange Square, 8 Connaught Place, Central Hong Kong SAR.
First Pacific SPV	FP BidCo Australia Pty Limited (ACN 600 457 403).

Term	Meaning
FPW	FPW Australia Pty Limited (ACN 600 463 090)
Goodman Fielder	Goodman Fielder Limited ABN 51 116 399 430 of T2, 39 Delhi Road, North Ryde, NSW, 2113, Australia.
Goodman Fielder Performance Rights	rights to Goodman Fielder Shares under the Goodman Fielder Equity Incentive Plan or otherwise granted by Goodman Fielder from time to time.
Goodman Fielder Share	a fully paid ordinary share in the capital of Goodman Fielder.
Goodman Fielder Share Register	the register of members of Goodman Fielder maintained by the Goodman Fielder Share Registry in accordance with the Corporations Act.
Goodman Fielder Share Registry	Link Market Services Limited.
Goodman Fielder Shareholder	a person who is registered as the holder of a Goodman Fielder Share in the Goodman Fielder Share Register.
Government Agency	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.
Implementation Date	the fifth Business Day after the Scheme Record Date, or such other date as agreed in writing by FPW and Goodman Fielder.
Listing Rules	means: 1 the official listing rules of ASX; and 2 the Main Board/Debt Market listing rules of NZX.
MOFCOM Approval	has the meaning in clause 15(d) of the Scheme Implementation Deed.
MOFCOM Approval Time	the time at which notification is given to Goodman Fielder under clause 15(b) of the Scheme Implementation Deed.
NZX	NZX Limited and, where the context requires, the financial market that it operates.
Operating Rules	the official operating rules of ASX.
Prevailing Exchange Rate	the prevailing A$:NZ$ exchange rate provided by a nominated financial institution to be used by the Goodman Fielder Share Registry at a time to be decided by the Goodman Fielder Share Registry on the Implementation Date.
Registered Address	in relation to a Goodman Fielder Shareholder, the address shown in the Goodman Fielder Share Register as at the Scheme Record Date.

Term	Meaning
Scheme	this scheme of arrangement under Part 5.1 of the Corporations Act between Goodman Fielder and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by FPW and Goodman Fielder.
Scheme Booklet	the scheme booklet published by Goodman Fielder and dated on or about 12 December 2014.
Scheme Consideration	the consideration to be provided by FPW to each Scheme Shareholder for the transfer to FPW of each Scheme Share, being for each Goodman Fielder Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of A$0.675.
Scheme Implementation Deed	the scheme implementation deed dated 2 July 2014 between Goodman Fielder, First Pacific, Wilmar, First Pacific SPV and FPW relating to the implementation of this Scheme.
Scheme Meeting	the meeting of the Goodman Fielder Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
Scheme Record Date	5.00pm on the 5th Business Day after the Effective Date or such other date as agreed in writing by Goodman Fielder and FPW.
Scheme Shares	all Goodman Fielder Shares held by the Scheme Shareholders as at the Scheme Record Date.
Scheme Shareholder	a holder of Goodman Fielder Shares recorded in the Goodman Fielder Share Register as at the Scheme Record Date (other than an Excluded Shareholder).
Scheme Transfer	a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of FPW as transferee, which may be a master transfer of all or part of the Scheme Shares.
Second Court Date	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
Subsidiary	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
Wilmar	Wilmar International Limited, Company Registration No. 199904785Z of 56 Neil Road, Singapore, 088830.

2 Interpretation

In this Scheme:

(a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;

(b) the singular includes the plural and the plural includes the singular;

(c) words of any gender include all genders;

(d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;

(e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;

(f) a reference to a clause, party, part, schedule, attachment or exhibit is a reference to a clause or part of, and a party, schedule, attachment or exhibit to, this Scheme;

(g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them;

(h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;

(i) a reference to '$', 'A$' or 'dollar' is to Australian currency unless denominated otherwise;

(j) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney, Australia;

(k) a term defined in or for the purposes of the Corporations Act has the same meaning when used in this Scheme;

(l) a reference to a party to a document includes that party's successors and permitted assignees;

(m) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;

(n) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;

(o) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally; and

(p) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:

  (1) which ceases to exist; or

  (2) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

3 Interpretation of inclusive expressions

Specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included.

4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

ATTACHMENT 1

Deed Poll

Please refer to Annexure 4 of the Scheme Booklet

Annexure 4 – Implementation Deed Poll

4

Annexure 4 – Implementation Deed Poll

SHARE SCHEME DEED POLL

Date:

This deed poll is made

by

First Pacific Company Limited
of 24th Floor, Two Exchange Square,
8 Connaught Place, Central Hong Kong SAR
(**First Pacific**),

Wilmar International Limited
Company Registration No. 199904785Z of
56 Neil Road, Singapore, 088830
(**Wilmar**)

and

W BidCo Australia Pty Limited
ACN 600 463 090 of 'Triniti 3'
Level 1, 39 Delhi Rd, North Ryde NSW 2113
(**FPW**)

in favour of

each person registered as a holder of fully paid ordinary shares in Goodman Fielder in the Goodman Fielder Share Register as at the Scheme Record Date (other than the Excluded Shareholders).

Recitals

1 Goodman Fielder, FPW and the Guarantors entered into the Scheme Implementation Deed.

2 In the Scheme Implementation Deed, each Guarantor and FPW agreed to make this deed poll.

3 The Guarantors and FPW are making this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform their obligations under the Scheme Implementation Deed and the Scheme.

This deed poll provides as follows:

1 DEFINITIONS, INTERPRETATION AND DEED COMPONENTS

1.1 Definitions and interpretation

(a) Unless the context requires otherwise, terms defined in the Scheme Implementation Deed have the same meaning when used in this deed poll.

(b) Capitalised expressions not defined in the Scheme Implementation Deed have the meanings set out within the body of this deed and in Schedule 1.

(c) This deed must be interpreted in accordance with Schedule 1.

1.2 Deed components

This deed poll includes any schedule and any attachment.

1.3 Nature of deed poll

Each Guarantor and FPW acknowledge that:

(a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and

(b) under the Scheme, each Scheme Shareholder irrevocably appoints Goodman Fielder and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against the Guarantors and FPW.

2 CONDITIONS TO OBLIGATIONS

This deed poll and the obligations of the Guarantors and FPW under this deed poll are subject to:

(a) the MOFCOM Approval Time having occurred;

(b) the SPV Deed Polls executed by each of FPW and First Pacific FPW terminating in accordance with their terms; and

(c) the Scheme becoming Effective.

3 TERMINATION

3.1 Termination

The obligations of the Guarantors and FPW under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

(a) the Scheme Implementation Deed is terminated in accordance with its terms; or

(b) the Scheme is not Effective on or before the End Date,

unless Goodman Fielder, the Guarantors and FPW otherwise agree in writing.

3.2 Consequences of termination

If this deed poll terminates under clause 3.1, in addition and without prejudice to any other rights, powers or remedies available to it:

(a) each Guarantor and FPW are released from their obligations to further perform this deed poll except those obligations under clause 9.1; and

(b) each Scheme Shareholder retains the rights they have against the Guarantors and FPW in respect of any breach of this deed poll which occurred before it was terminated.

4 SCHEME OBLIGATIONS

Subject to clause 3, each Guarantor and FPW undertakes in favour of each Scheme Shareholder to:

(a) in the case of FPW, and conditional on the Scheme becoming Effective, deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account operated by Goodman Fielder as trustee for the Scheme Shareholders, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to FPW's account, subject to and in accordance with the terms of the Scheme;

(b) undertake all other actions attributed to it under the Scheme; and

(c) comply with their respective obligations under the Scheme Implementation Deed.

5 FPW WARRANTIES

FPW represents and warrants in favour of each Scheme Shareholder that:

(a) it is a corporation validly existing under the laws of its place of registration;

(b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;

(c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;

(d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms; and

(e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

6 CONTINUING OBLIGATIONS

This deed poll is irrevocable and, subject to clause 3, remains in full force and effect until:

(a) Each Guarantor and FPW have fully performed their obligations under this deed poll; or

(b) the earlier termination of this deed poll under clause 3.

7 GUARANTEE BY GUARANTORS

7.1 Guarantee and indemnity

Each Guarantor:

(a) unconditionally and irrevocably guarantees to the Scheme Shareholders on demand, the due and punctual performance of FPW's obligations under this deed poll; and

(b) as a separate and additional liability, indemnifies each Scheme Shareholder against all Loss, actions, proceedings and judgments of any nature, incurred by, brought, made or recovered against the Scheme Shareholder arising from any default or delay in the due and punctual performance of FPW's obligations under this deed poll.

7.2 Nature of guarantee

The obligations of each Guarantor under clause 7.1 are several, and the individual liability of each Guarantor under that clause is limited to 50% of the total liability to Scheme Shareholders.

7.3 Extent of guarantee and indemnity

The liability of each Guarantor under this clause 7 is not affected by anything that, but for this clause 7, might operate to release or exonerate that Guarantor in whole or in part from their obligations including any of the following, whether with or without the consent of the relevant Guarantor:

(a) the grant to FPW, either or both Guarantors or any other person at any time, of any waiver or other indulgence, or the discharge or release of FPW, either or both Guarantors or any other person from any liability or obligation;

(b) any transaction or arrangement that may take place between any one or more Scheme Shareholder, FPW, either or both Guarantors or any other person;

(c) a Scheme Shareholder exercising or refraining from exercising its rights under any security or any other rights, powers or remedies against FPW, either or both Guarantors or any other person;

(d) the amendment, replacement, extinguishment, unenforceability, failure, loss, release, discharge, abandonment or transfer either in whole or in part and either with or without consideration, of any security now or in the future held by a Scheme Shareholder from FPW, either or both Guarantors or any other person or by the taking of or failure to take any security; and

(e) any legal limitation, disability, incapacity or other circumstances related to FPW, either or both Guarantors or any other person.

7.4 Principal and independent obligation

This clause 7 is a principal obligation and is not to be treated as ancillary or collateral to any other right or obligation and extends to cover this deed as amended, varied, supplemented, renewed or replaced.

7.5 Continuing guarantee and indemnity

This clause 7 is a continuing obligation of each Guarantor, despite completion of the Transaction, and remains in full force and effect for so long as FPW has any liability or obligation to a Scheme Shareholder under this deed poll and until all of those liabilities or obligations have been fully discharged.

7.6 No withholdings

(a) Each Guarantor must make all payments that become due under this clause 7, free and clear and without deduction of all present and future withholdings (including taxes, duties, levies, imposts, deductions and charges of Australia or any other jurisdiction).

(b) If a Guarantor is compelled by law to deduct any withholding, then in addition to any payment due under this clause 7, that Guarantor must pay to each Scheme Shareholder such amount as is necessary to ensure that the net amount received by the Scheme Shareholder after withholding equals the amount the Scheme Shareholder would otherwise have been entitled to if not for the withholding.

7.7 Currency

Each Guarantor must pay all moneys that it becomes liable to pay under this clause 7 in the currency in which they are payable under this deed and free of any commissions and expenses relating to foreign currency conversion or any other charges or expenses.

7.8 No set off

Neither Guarantor has a right to set off, deduct or withhold any moneys that either may be or become liable to pay under this clause 7, against any moneys that a Scheme Shareholder may be, or become, liable to pay to FPW or a Guarantor whether under this deed poll or otherwise.

7.9 Guarantor representations and warranties

(a) On the date of this deed, each Guarantor represents and warrants in favour of each Scheme Shareholder that:

(1) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;

(2) **authority:** the execution and delivery of this deed poll has been properly authorised by all necessary corporate action of that Guarantor;

(3) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed poll;

(4) **no default:** this deed does not conflict with or result in the breach of or a default under:

(A) any provision of that Guarantor's constitution; or

(B) any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other First Pacific Group Member or Wilmar Group Member (as applicable) is bound

and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed poll;

(5) **deed binding:** this deed poll is a valid and binding obligation of that Guarantor, enforceable in accordance with its terms; and

(6) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it, nor has any regulatory action of any nature been taken that would prevent or restrict its ability to fulfil its obligations under this deed poll.

(b) Each Guarantor undertakes in favour of each Scheme Shareholder to indemnify the Scheme Shareholder against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that the Scheme Shareholder suffers, incurs or is liable for arising out of any breach of any representation and warranty given by each Guarantor under this clause 7.9.

(c) Each representation and warranty in this clause 7.9:

(1) is severable;

(2) survives the termination of this deed poll; and

(3) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this deed poll.

(d) Each representation and warranty made or given under this clause 7.9 is given at the date of this deed poll unless that representation or warranty is expressed to be given at a particular time, in which case it is given at that time.

8 NOTICES

8.1 Form of Notice

A notice or other communication to a party under this deed (**Notice**) must be:

(a) in writing and in English and signed by or on behalf of the sending party; and

(b) addressed to that party in accordance with the details nominated in Schedule 2 (or any alternative details nominated to the sending party by Notice).

8.2 How Notice must be given and when Notice is received

(a) A Notice must be given by one of the methods set out in the table below.

(b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address.
By pre paid post to the nominated address	At 9.00am (addressee's time) on the second Business Day after the date of posting.
By fax to the nominated fax number	At the time indicated by the sending party's transmission equipment as the time that the fax was sent in its entirety. However, if the recipient party informs the sending party within 4 hours after that time that the fax transmission was illegible or incomplete, then the Notice will not be regarded as given or received. When calculating this 4 hour period, only time within a business hours period is to be included.
By email to the nominated email address	When the email (including any attachment) comes to the attention of the recipient party or a person acting on its behalf.

8.3 Notice must not be given by other electronic communication

A Notice must not be given by email or other electronic means of communication (other than fax and email as permitted in clause 8.2).

9 GENERAL

9.1 Stamp duty

FPW:

(a) will pay all stamp duty and any related fines and penalties in respect of the Scheme and this deed poll, the performance of this deed poll and each transaction effected by or made under the Scheme and this deed poll; and

(b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a).

9.2 Governing law and jurisdiction

(a) This deed poll is governed by the law in force in New South Wales, Australia.

(b) Each Guarantor and FPW irrevocably submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. Each Guarantor and FPW irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.3 Service of process

(a) Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of Notices under clause 8.

(b) Each Guarantor irrevocably appoints Gilbert + Tobin as its agent for the service of process in Australia in relation to any matter arising out of this deed poll. If Gilbert + Tobin ceases to be able to act as such or have an address in Australia, each Guarantor agrees to appoint a new process agent in Australia and deliver to the other parties within 20 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which the new appointment becomes effective for the purpose of this deed. Each Guarantor must inform the other parties in writing of any change in the address of its process agent within 20 Business Days of the change.

9.4 Waiver

(a) The Guarantors and FPW may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.

(b) No Scheme Shareholder may rely on words or conduct of a Guarantor or FPW as a waiver of any right unless the waiver is in writing and signed by the Guarantor or FPW, as appropriate.

(c) The meanings of the terms used in this clause 9.4 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

9.5 Variation

A provision of this deed poll may not be varied unless:

(a) if before the First Court Date, the variation is agreed to by Goodman Fielder; or

(b) if on or after the First Court Date, the variation is agreed to by Goodman Fielder and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event the Guarantors and FPW will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

9.6 Cumulative rights

The rights, powers and remedies of the Guarantors, FPW and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

9.7 Assignment

(a) The rights created by this deed poll are personal to each Guarantor, FPW and each Scheme Shareholder, and must not be dealt with at law or in equity without the prior written consent of each Guarantor and FPW.

(b) Any purported dealing in contravention of clause 9.7(a) is invalid.

9.8 Further action

Each Guarantor and FPW must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

SCHEDULE 1
DEFINITIONS AND INTERPRETATION

1 Definitions

The meanings of the terms used in this deed poll are set out below.

Term	Meaning
First Court Date	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
First Pacific SPV	FP BidCo Australia Pty Limited (ACN 600 457 403).
Goodman Fielder	Goodman Fielder Limited ABN 51 116 399 430 of T2, 39 Delhi Road, North Ryde, NSW, 2113, Australia.
Guarantors	First Pacific and Wilmar, and each a **Guarantor**.
Scheme	the scheme of arrangement under Part 5.1 of the Corporations Act between Goodman Fielder and the Scheme Shareholders, the form of which is set out in Attachment 1, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by FPW and Goodman Fielder.
Scheme Implementation Deed	the scheme implementation deed dated 2 July 2014 between Goodman Fielder, First Pacific, Wilmar and FPW and First Pacific FPW relating to the implementation of this Scheme.

2 Interpretation

Clauses 2, 3 and 4 of Schedule 1 to the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

SCHEDULE 2
NOTICE DETAILS

Name	Attention	Address	Facsimile	Email
FPW, First Pacific and Wilmar	Group Legal Counsel	56 Neil Road, Singapore 088830	+65 6536 2192	legal@wilmar.com.sg companysecretary@firstpacific.com
– copy to	Peter Cook	Gilbert + Tobin Level 37 2 Park Street Sydney NSW 2000 Australia	+61 2 9263 4111	pcook@gtlaw.com.au

Annexure 4 – Implementation Deed Poll

ATTACHMENT 1

Scheme

Please refer to Annexure 3 of the Scheme Booklet

Annexure 5 – SPV Deed Polls

5

Annexure 5 – SPV Deed Polls

SHARE SCHEME DEED POLL

Date:

This deed poll is made

by

Wilmar International Limited
Company Registration No. 199904785Z of 56 Neil Road, Singapore, 088830
(**Wilmar**)

and

W BidCo Australia Pty Limited
ACN 600 463 090 of 'Triniti 3'
Level 1, 39 Delhi Rd, North Ryde NSW 2113
(**FPW**)

in favour of

each person registered as a holder of fully paid ordinary shares in Goodman Fielder in the Goodman Fielder Share Register as at the Scheme Record Date (other than the Excluded Shareholders).

Recitals

1 Goodman Fielder, FPW and the Guarantor entered into the Scheme Implementation Deed.

2 In the Scheme Implementation Deed, each Guarantor and FPW agreed to make this deed poll.

3 The Guarantor and FPW are making this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform their obligations under the Scheme Implementation Deed and the Scheme.

This deed poll provides as follows:

1 DEFINITIONS, INTERPRETATION AND DEED COMPONENTS

1.1 Definitions and interpretation

(a) Unless the context requires otherwise, terms defined in the Scheme Implementation Deed have the same meaning when used in this deed poll.

(b) Capitalised expressions not defined in the Scheme Implementation Deed have the meanings set out within the body of this deed and in Schedule 1.

(c) This deed must be interpreted in accordance with Schedule 1.

1.2 Deed components

This deed poll includes any schedule and any attachment.

1.3 Nature of deed poll

The Guarantor and FPW acknowledge that:

(a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and

(b) under the Scheme, each Scheme Shareholder irrevocably appoints Goodman Fielder and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against the Guarantor and FPW.

2 TERMINATION

2.1 Termination

The obligations of the Guarantor and FPW under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

(a) the Scheme Implementation Deed is terminated in accordance with its terms;

(b) the Implementation Deed Poll is executed and delivered pursuant to clause 5.2(e)(2)(B) of the Scheme Implementation Deed; or

(c) the Scheme is not Effective on or before the End Date,

unless Goodman Fielder, the Guarantor and FPW otherwise agree in writing.

2.2 Consequences of termination

If this deed poll terminates under clause 2.1, in addition and without prejudice to any other rights, powers or remedies available to it:

(a) the Guarantor and FPW are released from their obligations to further perform this deed poll except those obligations under clause 8.1; and

(b) each Scheme Shareholder retains the rights they have against the Guarantor and FPW in respect of any breach of this deed poll which occurred before it was terminated.

3 SCHEME OBLIGATIONS

Subject to clause 2, the Guarantor and FPW undertakes in favour of each Scheme Shareholder to:

(a) in the case of FPW, and conditional on the Scheme becoming Effective, deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to 50% of the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account operated by Goodman Fielder as trustee for the Scheme Shareholders, except that 50% of any interest on the amounts deposited (less bank fees and other charges) will be credited to FPW's account, subject to and in accordance with the terms of the Scheme;

(b) undertake all other actions attributed to it under the Scheme; and

(c) comply with their respective obligations under the Scheme Implementation Deed.

4 FPW WARRANTIES

FPW represents and warrants in favour of each Scheme Shareholder that:

(a) it is a corporation validly existing under the laws of its place of registration;

(b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;

(c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;

(d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms; and

(e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5 CONTINUING OBLIGATIONS

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

(a) the Guarantor and FPW have fully performed their obligations under this deed poll; or

(b) the earlier termination of this deed poll under clause 2.

6 GUARANTEE BY GUARANTOR

6.1 Guarantee and indemnity

The Guarantor:

(a) unconditionally and irrevocably guarantees to the Scheme Shareholders on demand, the due and punctual performance of FPW's obligations under this deed poll; and

(b) as a separate and additional liability, indemnifies each Scheme Shareholder against all Loss, actions, proceedings and judgments of any nature, incurred by, brought, made or recovered against the Scheme Shareholder arising from any default or delay in the due and punctual performance of FPW's obligations under this deed poll.

6.2 Extent of guarantee and indemnity

The liability of the Guarantor under this clause 6 is not affected by anything that, but for this clause 6, might operate to release or exonerate the Guarantor in whole or in part from its obligations including any of the following, whether with or without the consent of the Guarantor:

(a) the grant to FPW, the Guarantor or any other person at any time, of any waiver or other indulgence, or the discharge or release of FPW, the Guarantor or any other person from any liability or obligation;

(b) any transaction or arrangement that may take place between any one or more Scheme Shareholder, FPW, the Guarantor or any other person;

(c) a Scheme Shareholder exercising or refraining from exercising its rights under any security or any other rights, powers or remedies against FPW, the Guarantor or any other person;

(d) the amendment, replacement, extinguishment, unenforceability, failure, loss, release, discharge, abandonment or transfer either in whole or in part and either with or without consideration, of any security now or in the future held by a Scheme Shareholder from FPW, the Guarantor or any other person or by the taking of or failure to take any security; and

(e) any legal limitation, disability, incapacity or other circumstances related to FPW, the Guarantor or any other person.

6.3 Principal and independent obligation

This clause 6 is a principal obligation and is not to be treated as ancillary or collateral to any other right or obligation and extends to cover this deed as amended, varied, supplemented, renewed or replaced.

6.4 Continuing guarantee and indemnity

This clause 6 is a continuing obligation of the Guarantor, despite completion of the Transaction, and remains in full force and effect for so long as FPW has any liability or obligation to a Scheme Shareholder under this deed poll and until all of those liabilities or obligations have been fully discharged.

6.5 No withholdings

(a) The Guarantor must make all payments that become due under this clause 6, free and clear and without deduction of all present and future withholdings (including taxes, duties, levies, imposts, deductions and charges of Australia or any other jurisdiction).

(b) If the Guarantor is compelled by law to deduct any withholding, then in addition to any payment due under this clause 6, the Guarantor must pay to each Scheme Shareholder such amount as is necessary to ensure that the net amount received by the Scheme Shareholder after withholding equals the amount the Scheme Shareholder would otherwise have been entitled to if not for the withholding.

6.6 Currency

The Guarantor must pay all moneys that it becomes liable to pay under this clause 6 in the currency in which they are payable under this deed and free of any commissions and expenses relating to foreign currency conversion or any other charges or expenses.

6.7 No set off

The Guarantor has no right to set off, deduct or withhold any moneys that it may be or become liable to pay under this clause 6, against any moneys that a Scheme Shareholder may be, or become, liable to pay to FPW or the Guarantor whether under this deed poll or otherwise.

6.8 Guarantor representations and warranties

(a) On the date of this deed, the Guarantor represents and warrants in favour of each Scheme Shareholder that:

(1) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;

(2) **authority:** the execution and delivery of this deed poll has been properly authorised by all necessary corporate action of the Guarantor;

(3) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed poll;

(4) **no default:** this deed does not conflict with or result in the breach of or a default under:

(A) any provision of the Guarantor's constitution; or

(B) any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other Wilmar Group Member is bound

and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed poll;

(5) **deed binding:** this deed poll is a valid and binding obligation of the Guarantor, enforceable in accordance with its terms; and

(6) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it, nor has any regulatory action of any nature been taken that would prevent or restrict its ability to fulfil its obligations under this deed poll.

(b) The Guarantor undertakes in favour of each Scheme Shareholder to indemnify the Scheme Shareholder against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that the Scheme Shareholder suffers, incurs or is liable for arising out of any breach of any representation and warranty given by the Guarantor under this clause 6.8.

(c) Each representation and warranty in this clause 6.8:

(1) is severable;

(2) survives the termination of this deed poll; and

(3) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this deed poll.

(d) Each representation and warranty made or given under this clause 6.8 is given at the date of this deed poll unless that representation or warranty is expressed to be given at a particular time, in which case it is given at that time.

7 NOTICES

7.1 Form of Notice

A notice or other communication to a party under this deed (**Notice**) must be:

(a) in writing and in English and signed by or on behalf of the sending party; and

(b) addressed to that party in accordance with the details nominated in Schedule 2 (or any alternative details nominated to the sending party by Notice).

7.2 How Notice must be given and when Notice is received

(a) A Notice must be given by one of the methods set out in the table below.

(b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address.
By pre paid post to the nominated address	At 9.00am (addressee's time) on the second Business Day after the date of posting.
By fax to the nominated fax number	At the time indicated by the sending party's transmission equipment as the time that the fax was sent in its entirety. However, if the recipient party informs the sending party within 4 hours after that time that the fax transmission was illegible or incomplete, then the Notice will not be regarded as given or received. When calculating this 4 hour period, only time within a business hours period is to be included.
By email to the nominated email address	When the email (including any attachment) comes to the attention of the recipient party or a person acting on its behalf.

7.3 Notice must not be given by other electronic communication

A Notice must not be given by email or other electronic means of communication (other than fax and email as permitted in clause 7.2).

8 GENERAL

8.1 Stamp duty

FPW:

(a) will pay 50% of all stamp duty and any related fines and penalties in respect of the Scheme and each transaction effected by or made under the Scheme;

(b) will pay all stamp duty and any related fines and penalties in respect of this deed poll, the performance of this deed poll and each transaction effected by or made under this deed poll; and

(c) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 8.1(a) or 8.1(b).

8.2 Governing law and jurisdiction

(a) This deed poll is governed by the law in force in New South Wales, Australia.

(b) The Guarantor and FPW irrevocably submits to the non exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. The Guarantor and FPW irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

8.3 Service of process

(a) Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of Notices under clause 6.

(b) The Guarantor irrevocably appoints Gilbert + Tobin as its agent for the service of process in Australia in relation to any matter arising out of this deed poll. If Gilbert + Tobin ceases to be able to act as such or have an address in Australia, the Guarantor agrees to appoint a new process agent in Australia and deliver to the other parties within 20 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which the new appointment becomes effective for the purpose of this deed. The Guarantor must inform the other parties in writing of any change in the address of its process agent within 20 Business Days of the change.

8.4 Waiver

(a) The Guarantor and FPW may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.

(b) No Scheme Shareholder may rely on words or conduct of the Guarantor or FPW as a waiver of any right unless the waiver is in writing and signed by the Guarantor or FPW, as appropriate.

(c) The meanings of the terms used in this clause 8.3 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

8.5 Variation

A provision of this deed poll may not be varied unless:

(a) if before the First Court Date, the variation is agreed to by Goodman Fielder; or

(b) if on or after the First Court Date, the variation is agreed to by Goodman Fielder and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event the Guarantor and FPW will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

8.6 Cumulative rights

The rights, powers and remedies of the Guarantor, FPW and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

8.7 Assignment

(a) The rights created by this deed poll are personal to the Guarantor, FPW and each Scheme Shareholder, and must not be dealt with at law or in equity without the prior written consent of each of the Guarantor and FPW.

(b) Any purported dealing in contravention of clause 8.7(a) is invalid.

8.8 Further action

The Guarantor and FPW must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

Annexure 5 – SPV Deed Polls

SCHEDULE 1
DEFINITIONS AND INTERPRETATION

1 Definitions

The meanings of the terms used in this deed poll are set out below.

Term	Meaning
First Court Date	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
First Pacific	First Pacific Company Limited of 24th Floor, Two Exchange Square, 8 Connaught Place, Central Hong Kong SAR.
First Pacific SPV	FP BidCo Australia Pty Limited (ACN 600 457 403).
Goodman Fielder	Goodman Fielder Limited ABN 51 116 399 430 of T2, 39 Delhi Road, North Ryde, NSW, 2113, Australia.
Guarantor	Wilmar.
Implementation Deed Poll	a deed poll substantially in the form of Attachment 1 of the Scheme under which FPW and Wilmar and First Pacific each covenant in favour of the Scheme Shareholders to perform the obligations attributed to FPW under the Scheme.
Scheme	the scheme of arrangement under Part 5.1 of the Corporations Act between Goodman Fielder and the Scheme Shareholders, the form of which is set out in Attachment 1, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by FPW and Goodman Fielder.
Scheme Implementation Deed	the scheme implementation deed dated 2 July 2014 between Goodman Fielder, First Pacific, Wilmar, First Pacific SPV and FPW relating to the implementation of the Scheme.

2 Interpretation

Clauses 2, 3 and 4 of Schedule 1 to the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

SCHEDULE 2
NOTICE DETAILS

Name	Attention	Address	Facsimile	Email
FPW and Wilmar	Group Legal Counsel	56 Neil Road, Singapore 088830	+65 6536 2192	legal@wilmar.com.sg
– copy to	Peter Cook	Gilbert + Tobin Level 37 2 Park Street Sydney NSW 2000 Australia	+61 2 9263 4111	pcook@gtlaw.com.au

ATTACHMENT 1

Scheme

Please refer to Annexure 3 of the Scheme Booklet

Annexure 5 – SPV Deed Polls

SHARE SCHEME DEED POLL

Date:

This deed poll is made

By

First Pacific Company Limited
of 24th Floor, Two Exchange Square,
8 Connaught Place, Central Hong Kong SAR
(**First Pacific**),

and

FP BidCo Australia Pty Limited
ACN 600 457 403 of Level 22,
101 Collins Street,
Melbourne VIC 3000 Australia
(**First Pacific SPV**)

in favour of

each person registered as a holder of fully paid ordinary shares in Goodman Fielder in the Goodman Fielder Share Register as at the Scheme Record Date (other than the Excluded Shareholders).

Recitals

1 Goodman Fielder, First Pacific SPV and the Guarantor entered into the Scheme Implementation Deed.

2 In the Scheme Implementation Deed, each Guarantor and First Pacific SPV agreed to make this deed poll.

3 The Guarantor and First Pacific SPV are making this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform their obligations under the Scheme Implementation Deed and the Scheme.

This deed poll provides as follows:

1 DEFINITIONS, INTERPRETATION AND DEED COMPONENTS

1.1 Definitions and interpretation

(a) Unless the context requires otherwise, terms defined in the Scheme Implementation Deed have the same meaning when used in this deed poll.

(b) Capitalised expressions not defined in the Scheme Implementation Deed have the meanings set out within the body of this deed and in Schedule 1.

(c) This deed must be interpreted in accordance with Schedule 1.

1.2 Deed components

This deed poll includes any schedule and any attachment.

1.3 Nature of deed poll

The Guarantor and First Pacific SPV acknowledge that:

(a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and

(b) under the Scheme, each Scheme Shareholder irrevocably appoints Goodman Fielder and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against the Guarantor and First Pacific SPV.

2 TERMINATION

2.1 Termination

The obligations of the Guarantor and First Pacific SPV under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

(a) the Scheme Implementation Deed is terminated in accordance with its terms;

(b) the Implementation Deed Poll is executed and delivered pursuant to clause 5.2(e)(2)(B) of the Scheme Implementation Deed; or

(c) the Scheme is not Effective on or before the End Date,

unless Goodman Fielder, the Guarantor and First Pacific SPV otherwise agree in writing.

2.2 Consequences of termination

If this deed poll terminates under clause 2.1, in addition and without prejudice to any other rights, powers or remedies available to it:

(a) the Guarantor and First Pacific SPV are released from their obligations to further perform this deed poll except those obligations under clause 8.1; and

(b) each Scheme Shareholder retains the rights they have against the Guarantor and First Pacific SPV in respect of any breach of this deed poll which occurred before it was terminated.

3 SCHEME OBLIGATIONS

Subject to clause 2, the Guarantor and First Pacific SPV undertakes in favour of each Scheme Shareholder to:

(a) in the case of First Pacific SPV, and conditional on the Scheme becoming Effective, deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to 50% of the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account operated by Goodman Fielder as trustee for the Scheme Shareholders, except that 50% of any interest on the amounts deposited (less bank fees and other charges) will be credited to First Pacific SPV's account, subject to and in accordance with the terms of the Scheme;

(b) undertake all other actions attributed to it under the Scheme; and

(c) comply with their respective obligations under the Scheme Implementation Deed.

4 FIRST PACIFIC SPV WARRANTIES

First Pacific SPV represents and warrants in favour of each Scheme Shareholder that:

(a) it is a corporation validly existing under the laws of its place of registration;

(b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;

(c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;

(d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms; and

(e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5 CONTINUING OBLIGATIONS

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

(a) the Guarantor and First Pacific SPV have fully performed their obligations under this deed poll; or

(b) the earlier termination of this deed poll under clause 2.

6 GUARANTEE BY GUARANTOR

6.1 Guarantee and indemnity

The Guarantor:

(a) unconditionally and irrevocably guarantees to the Scheme Shareholders on demand, the due and punctual performance of First Pacific SPV's obligations under this deed poll; and

(b) as a separate and additional liability, indemnifies each Scheme Shareholder against all Loss, actions, proceedings and judgments of any nature, incurred by, brought, made or recovered against the Scheme Shareholder arising from any default or delay in the due and punctual performance of First Pacific SPV's obligations under this deed poll.

6.2 Extent of guarantee and indemnity

The liability of the Guarantor under this clause 6 is not affected by anything that, but for this clause 6, might operate to release or exonerate the Guarantor in whole or in part from its obligations including any of the following, whether with or without the consent of the Guarantor:

(a) the grant to First Pacific SPV, the Guarantor or any other person at any time, of any waiver or other indulgence, or the discharge or release of First Pacific SPV, the Guarantor or any other person from any liability or obligation;

(b) any transaction or arrangement that may take place between any one or more Scheme Shareholder, First Pacific SPV, the Guarantor or any other person;

(c) a Scheme Shareholder exercising or refraining from exercising its rights under any security or any other rights, powers or remedies against First Pacific SPV, the Guarantor or any other person;

(d) the amendment, replacement, extinguishment, unenforceability, failure, loss, release, discharge, abandonment or transfer either in whole or in part and either with or without consideration, of any security now or in the future held by a Scheme Shareholder from First Pacific SPV, the Guarantor or any other person or by the taking of or failure to take any security; and

(e) any legal limitation, disability, incapacity or other circumstances related to First Pacific SPV, the Guarantor or any other person.

6.3 Principal and independent obligation

This clause 6 is a principal obligation and is not to be treated as ancillary or collateral to any other right or obligation and extends to cover this deed as amended, varied, supplemented, renewed or replaced.

6.4 Continuing guarantee and indemnity

This clause 6 is a continuing obligation of the Guarantor, despite completion of the Transaction, and remains in full force and effect for so long as First Pacific SPV has any liability or obligation to a Scheme Shareholder under this deed poll and until all of those liabilities or obligations have been fully discharged.

6.5 No withholdings

(a) The Guarantor must make all payments that become due under this clause 6, free and clear and without deduction of all present and future withholdings (including taxes, duties, levies, imposts, deductions and charges of Australia or any other jurisdiction).

(b) If the Guarantor is compelled by law to deduct any withholding, then in addition to any payment due under this clause 6, the Guarantor must pay to each Scheme Shareholder such amount as is necessary to ensure that the net amount received by the Scheme Shareholder after withholding equals the amount the Scheme Shareholder would otherwise have been entitled to if not for the withholding.

6.6 Currency

The Guarantor must pay all moneys that it becomes liable to pay under this clause 6 in the currency in which they are payable under this deed and free of any commissions and expenses relating to foreign currency conversion or any other charges or expenses.

6.7 No set off

The Guarantor has no right to set off, deduct or withhold any moneys that it may be or become liable to pay under this clause 6, against any moneys that a Scheme Shareholder may be, or become, liable to pay to First Pacific SPV or the Guarantor whether under this deed poll or otherwise.

6.8 Guarantor representations and warranties

(a) On the date of this deed, the Guarantor represents and warrants in favour of each Scheme Shareholder that:

  (1) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;

  (2) **authority:** the execution and delivery of this deed poll has been properly authorised by all necessary corporate action of the Guarantor;

  (3) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed poll;

  (4) **no default:** this deed does not conflict with or result in the breach of or a default under:

    (A) any provision of the Guarantor's constitution; or

    (B) any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other First Pacific Group Member is bound

  and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed poll;

  (5) **deed binding:** this deed poll is a valid and binding obligation of the Guarantor, enforceable in accordance with its terms; and

  (6) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it, nor has any regulatory action of any nature been taken that would prevent or restrict its ability to fulfil its obligations under this deed poll.

(b) The Guarantor undertakes in favour of each Scheme Shareholder to indemnify the Scheme Shareholder against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that the Scheme Shareholder suffers, incurs or is liable for arising out of any breach of any representation and warranty given by the Guarantor under this clause 6.8.

(c) Each representation and warranty in this clause 6.8:

(1) is severable;

(2) survives the termination of this deed poll; and

(3) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this deed poll.

(d) Each representation and warranty made or given under this clause 6.8 is given at the date of this deed poll unless that representation or warranty is expressed to be given at a particular time, in which case it is given at that time.

7 NOTICES

7.1 Form of Notice

A notice or other communication to a party under this deed (**Notice**) must be:

(a) in writing and in English and signed by or on behalf of the sending party; and

(b) addressed to that party in accordance with the details nominated in Schedule 2 (or any alternative details nominated to the sending party by Notice).

7.2 How Notice must be given and when Notice is received

(a) A Notice must be given by one of the methods set out in the table below.

(b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address.
By pre paid post to the nominated address	At 9.00am (addressee's time) on the second Business Day after the date of posting.
By fax to the nominated fax number	At the time indicated by the sending party's transmission equipment as the time that the fax was sent in its entirety. However, if the recipient party informs the sending party within 4 hours after that time that the fax transmission was illegible or incomplete, then the Notice will not be regarded as given or received. When calculating this 4 hour period, only time within a business hours period is to be included.
By email to the nominated email address	When the email (including any attachment) comes to the attention of the recipient party or a person acting on its behalf.

7.3 Notice must not be given by other electronic communication

A Notice must not be given by email or other electronic means of communication (other than fax and email as permitted in clause 7.2).

8 GENERAL

8.1 Stamp duty

First Pacific SPV:

(a) will pay 50% of all stamp duty and any related fines and penalties in respect of the Scheme and each transaction effected by or made under the Scheme;

(b) will pay all stamp duty and any related fines and penalties in respect of this deed poll, the performance of this deed poll and each transaction effected by or made under this deed poll; and

(c) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 8.1(a) or 8.1(b).

8.2 Governing law and jurisdiction

(a) This deed poll is governed by the law in force in New South Wales, Australia.

(b) The Guarantor and First Pacific SPV irrevocably submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. The Guarantor and First Pacific SPV irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

8.3 Service of process

(a) Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of Notices under clause 6.

(b) The Guarantor irrevocably appoints Gilbert + Tobin as its agent for the service of process in Australia in relation to any matter arising out of this deed poll. If Gilbert + Tobin ceases to be able to act as such or have an address in Australia, the Guarantor agrees to appoint a new process agent in Australia and deliver to the other parties within 20 Business Days a copy of a written acceptance of appointment by the process agent, upon receipt of which the new appointment becomes effective for the purpose of this deed. The Guarantor must inform the other parties in writing of any change in the address of its process agent within 20 Business Days of the change.

8.4 Waiver

(a) The Guarantor and First Pacific SPV may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.

(b) No Scheme Shareholder may rely on words or conduct of the Guarantor or First Pacific SPV as a waiver of any right unless the waiver is in writing and signed by the Guarantor or First Pacific SPV, as appropriate.

(c) The meanings of the terms used in this clause 8.3 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

8.5 Variation

A provision of this deed poll may not be varied unless:

(a) if before the First Court Date, the variation is agreed to by Goodman Fielder; or

(b) if on or after the First Court Date, the variation is agreed to by Goodman Fielder and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event the Guarantor and First Pacific SPV will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

8.6 Cumulative rights

The rights, powers and remedies of the Guarantor, First Pacific SPV and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

8.7 Assignment

(a) The rights created by this deed poll are personal to the Guarantor, First Pacific SPV and each Scheme Shareholder, and must not be dealt with at law or in equity without the prior written consent of each of the Guarantor and First Pacific SPV.

(b) Any purported dealing in contravention of clause 8.7(a) is invalid.

8.8 Further action

The Guarantor and First Pacific SPV must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

Annexure 5 – SPV Deed Polls

SCHEDULE 1
DEFINITIONS AND INTERPRETATION

1 Definitions

The meanings of the terms used in this deed poll are set out below.

Term	Meaning
First Court Date	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
Goodman Fielder	Goodman Fielder Limited ABN 51 116 399 430 of T2, 39 Delhi Road, North Ryde, NSW, 2113, Australia.
Guarantor	First Pacific.
Implementation Deed Poll	a deed poll substantially in the form of Attachment 1 of the Scheme under which FPW and Wilmar and First Pacific each covenant in favour of the Scheme Shareholders to perform the obligations attributed to FPW under the Scheme.
Scheme	the scheme of arrangement under Part 5.1 of the Corporations Act between Goodman Fielder and the Scheme Shareholders, the form of which is set out in Attachment 1, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by FPW and Goodman Fielder.
FPW	W BidCo Australia Pty Limited (ACN 600 463 090).
Scheme Implementation Deed	the scheme implementation deed dated 2 July 2014 between Goodman Fielder, First Pacific, Wilmar, First Pacific SPV and FPW relating to the implementation of the Scheme.

2 Interpretation

Clauses 2, 3 and 4 of Schedule 1 to the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

SCHEDULE 2
NOTICE DETAILS

Name	Attention	Address	Facsimile	Email
First Pacific SPV and First Pacific	Group Legal Counsel	56 Neil Road, Singapore 088830	+65 6536 2192	companysecretary@firstpacific.com
– copy to	Peter Cook	Gilbert + Tobin Level 37 2 Park Street Sydney NSW 2000 Australia	+61 2 9263 4111	pcook@gtlaw.com.au

ATTACHMENT 1

Scheme

Please refer to Annexure 3 of the Scheme Booklet

Annexure 6 – Notice of Meeting

6

Annexure 6 – Notice of Meeting

NOTICE OF SCHEME MEETING

Notice is hereby given that, by an order of the Federal Court of Australia made on 12 December 2014, pursuant to subsection 411(1) of the Corporations Act, a meeting of Goodman Fielder Shareholders (other than Excluded Shareholders) will be held on Thursday, 26 February 2015 at 10:00am (Sydney time) at Goodman Fielder's Head Office in North Ryde, in the Patrick Goodman and George Fielder Rooms, Level 1, T2, 39 Delhi Road, North Ryde, New South Wales.

How to get to the Meeting

Registration for the Scheme Meeting will commence at 9:00am (Sydney time).

Location

Goodman Fielder's Head Office is located at T2, 39 Delhi Road, North Ryde NSW 2113. The closest intersection is Delhi Road and Julius Avenue.

Parking

While there are no public car parks near to our Head Office, should you wish to drive to the Scheme Meeting there are a limited number of car parking spaces available beneath the building. Please contact Kerry Nicolopoulos on 02 8899 7520 or by email at Kerry.Nicolopoulos@goodmanfielder.com.au by Thursday, 19 February 2015 if you wish to arrange a car park space for the Scheme Meeting. Limited street parking is also available on Plassey Road, adjacent to Lane Cove National Park.

Public Transport

Our Head Office is located within a two minute walk from North Ryde Train Station and Delhi Road bus stops.

Train: Take the Northern Line or the North Shore & Northern Line to North Ryde Station, which is located on Delhi Road.

Bus: Bus stops are located on Delhi Road and on Epping Road, North Ryde. The 545 bus departs regularly from Chatswood Station and stops on Delhi Road, near Plassey Road. Buses from the CBD stop on Epping Road, near to Delhi Road.

Taxi: Request that your driver takes you to the New Link Road, North Ryde taxi rank, which is located next to our Head Office.

For public transport information please call 131 500 or visit www.sydneybuses.info or www.sydneytrains.info.

Watch the Scheme Meeting Online

A live webcast of the Scheme Meeting will be available on Goodman Fielder's website, www.goodmanfielder.com.au

Annexure 6 – Notice of Meeting

PURPOSE OF THE SCHEME MEETING

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree to a scheme of arrangement (with or without amendment or any alterations or conditions required by the Court to which Goodman Fielder and W Bidco Australia Pty Ltd and FP Bidco Australia Pty Ltd agree) proposed to be made between Goodman Fielder and Goodman Fielder Shareholders (other than Excluded Shareholders) (the **Scheme**).

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet, of which this notice forms part.

BUSINESS

The Scheme Meeting will be asked to consider and, if thought fit, pass the following resolution (the **Resolution**):

> 'That, pursuant to and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between Goodman Fielder Limited and the holders of its ordinary shares (other than certain excluded shareholders), as contained in and more particularly described in the scheme booklet of which the notice convening this meeting forms part, is approved, with or without alterations or conditions as approved by the Federal Court of Australia to which Goodman Fielder Limited, W Bidco Australia Pty Ltd and FP Bidco Australia Pty Ltd agree.'

CHAIRMAN

The Court has directed that Steven Gregg is to act as Chairman of the Scheme Meeting (and that, if Steven Gregg is unable or unwilling to attend, Clive Hooke is to act as Chairman of the Scheme Meeting) and has directed the Chairman to report the result of the Resolution to the Court.

Dated 12 December 2014

By order of the Court and the Goodman Fielder Board

Sara Goldstein
Company Secretary

INFORMATION FOR SHAREHOLDERS

General

This notice of meeting relates to the Scheme and should be read in conjunction with the Scheme Booklet of which this notice forms part. The Scheme Booklet contains important information to assist you in determining how to vote on the Resolution.

A copy of the Scheme is set out in Annexure 3 of the Scheme Booklet.

Capitalised terms used but not defined in this notice have the defined meanings set out in Section 12 of the Scheme Booklet, unless the context otherwise requires.

Shareholder approval

For the proposed Scheme to be binding in accordance with section 411 of the Corporations Act, the Resolution must be approved by:

- unless the Court orders otherwise, a majority in number of Goodman Fielder Shareholders (other than Excluded Shareholders) present and voting (either in person or by proxy, attorney or, in the case of corporate Goodman Fielder Shareholders, body corporate representative) at the Scheme Meeting; and
- at least 75% of the votes cast on the Resolution (either in person or by proxy, attorney or, in the case of corporate Goodman Fielder Shareholders, body corporate representative).

Court approval

Under paragraph 411(4)(b) of the Corporations Act, the Scheme (with or without amendment or any alteration or condition required by the Court) is subject to the approval of the Court. If the Resolution is approved by the requisite majorities and the other Conditions Precedent to the Scheme (other than approval by the Court) are satisfied or waived by the time required under the Scheme, Goodman Fielder intends to apply to the Court for the necessary orders to give effect to the Scheme.

In order for the Scheme to become Effective, it must be approved by the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC.

Entitlement to attend and vote

The time for determining eligibility to vote at the Scheme Meeting is 7:00pm (Sydney time) on Tuesday, 24 February 2015. Only those Goodman Fielder Shareholders (other than Excluded Shareholders) entered on the register at that time will be entitled to attend and vote at the Scheme Meeting. You may vote by attending the Scheme Meeting in person or by proxy or attorney, or in the case of a corporate Goodman Fielder Shareholder, by a body corporate representative.

If you are attending in person, please bring your personalised proxy form to the Scheme Meeting to assist with your registration.

The remaining comments in these explanatory notes are addressed to Goodman Fielder Shareholders entitled to attend and vote at the Scheme Meeting.

How to vote

Voting on the Resolution at the Scheme Meeting will be conducted by poll.

If you are a Goodman Fielder Shareholder entitled to vote at the Scheme Meeting, you may vote by:

- attending and voting in person;
- appointing one or two proxies to attend and vote on your behalf, using the proxy form that accompanied this Scheme Booklet (or by using the online proxy lodgement facility);
- appointing one or two attorneys to attend and vote on your behalf, using a power of attorney; or
- in the case of a body corporate, appointing a body corporate representative to attend the meeting and vote on your behalf, using a certificate of appointment of body corporate representative.

Attendance

If you or your proxies, attorneys or representative(s) plan to attend the Scheme Meeting, please arrive at the venue at least 30 minutes before the scheduled time for commencement of the Scheme Meeting, so that your shareholding can be checked against the register, any power of attorney or certificate of appointment of body corporate representative verified, and your attendance noted.

Jointly held securities
If you hold Goodman Fielder Shares jointly with one or more other persons, only one of you may vote. If more than one of you attempts to vote in person at the meeting, only the vote of the holder whose name appears first on the register will be counted.

Voting

1. Voting in person
To vote in person, you must attend the Scheme Meeting.

Eligible Goodman Fielder Shareholders who wish to attend and vote at the Scheme Meeting in person will be admitted and given a voting card at the point of entry to the Scheme Meeting, once they have disclosed their name and address.

2. Voting by Proxy
If you are unable to attend the Scheme Meeting, you are encouraged to appoint a proxy to attend and vote on your behalf. A proxy need not be a Goodman Fielder Shareholder. You can appoint an individual or body corporate as a proxy and each proxy will have the right to speak at the Scheme Meeting and also to vote on the poll (unless you subsequently decide to attend and vote at the Scheme Meeting).

To appoint a proxy, you should complete and return the proxy form that accompanied this Scheme Booklet in accordance with the instructions on that form. The signed and completed proxy form must be received by Goodman Fielder's share registry (the **Goodman Fielder Registry**) (by post, fax, electronically or by hand to the relevant address set out in item 5 below) by 10:00am (Sydney time) or 12:00pm (Auckland time) on Tuesday, 24 February 2015 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting). Proxy forms received after this time will be invalid.

If a proxy form is completed under power of attorney or other authority, the power of attorney or other authority (or a certified copy of the power of attorney or other authority) must accompany the completed proxy form (and be received by the Goodman Fielder Registry in Sydney by 10:00am (Sydney time) or the Goodman Fielder Registry in Auckland by 12:00pm (Auckland time) on Tuesday, 24 February 2015) unless the power of attorney or other authority has previously been noted by the Goodman Fielder Registry.

A vote given in accordance with the terms of a proxy appointment is valid despite the revocation of that appointment, unless notice in writing of the revocation has been received by the Goodman Fielder Registry, in any of the ways outlined in item 5 below, by 10:00am (Sydney time) or 12:00pm (Auckland time) on Tuesday, 24 February 2015 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting).

If you are appointing a proxy, you are encouraged to direct that proxy how to vote. You may direct the proxy to vote "for" or "against", or abstain from voting on, the Resolution, by marking the appropriate box on the proxy form. You may also wish to leave the decision to the proxy after he or she has considered the matters discussed at the Scheme Meeting.

If you do not direct your proxy how to vote on the Resolution, the proxy may vote, or abstain from voting, as he or she thinks fit. If you instruct your proxy to abstain from voting on the Resolution, he or she is directed not to vote on your behalf, and the shares the subject of the proxy appointment will not be counted in computing the required majority.

The Chairman of the Scheme Meeting is willing to act as a proxy for any Goodman Fielder Shareholder who wishes to appoint him for that purpose. To appoint the Chairman of the Scheme Meeting, please mark the box in Step 1 of the proxy form where indicated. You can direct the Chairman of the Scheme Meeting how to vote by marking the box for the Resolution in Step 2 (for example to vote "for", "against" or to "abstain" from voting).

If you return your proxy form:

- without identifying a proxy on it; or
- with a proxy identified on it but your proxy does not attend or vote at the Scheme Meeting,

you will be taken to have appointed the Chairman of the Scheme Meeting as your proxy to vote on your behalf. If you nominate the Chairman of the Scheme Meeting as your proxy (or the Chairman of the Scheme Meeting becomes your proxy by default) he will vote in accordance with any directions on your proxy form. The Chairman of the Scheme Meeting intends to vote all available undirected proxies in favour of the Resolution.

NZX has granted Goodman Fielder a waiver of NZX Listing Rule 6.2.6(b) to enable the Chairman of the Scheme Meeting to vote any proxies received from Goodman Fielder Shareholders (other than Excluded Shareholders), which do not nominate the identity of a proxy, or in respect of which the nominated proxy does not attend, or vote at, the Scheme Meeting:

- in accordance with any direction in that proxy; or
- if no direction is included in that proxy, in favour of the Scheme Resolution.

A shareholder who is entitled to cast two or more votes may appoint up to two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, failing which each may exercise half of the votes with any fractions of votes disregarded. If you wish to appoint a second proxy, a second proxy form should be used and you should clearly indicate on the second proxy form that it is a second proxy and not a revocation of your first proxy. You can obtain a second proxy form from the Goodman Fielder Registry. Replacement proxy forms can also be obtained from the Goodman Fielder Registry.

Proxies of eligible Goodman Fielder Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the Scheme Meeting written evidence of their name and address.

Your appointment of a proxy does not preclude you from attending in person and voting at the Scheme Meeting. If you attend the Scheme Meeting and vote on the Resolution, your appointed proxy is not entitled to vote as your proxy on the Resolution.

3. Voting by Attorney
You may appoint one or two attorneys to attend and vote at the Scheme Meeting on your behalf. Your attorney need not be another Goodman Fielder Shareholder. Each attorney will have the right to speak at the Scheme Meeting and also to vote on the poll (unless you subsequently decide to attend and vote at the Scheme Meeting).

Annexure 6 – Notice of Meeting

For an appointment to be effective for the Scheme Meeting, the power of attorney effecting the appointment (or a certified copy of it) must be duly executed by you and specify your name, the company (that is, Goodman Fielder), and the attorney, and also specify the meetings at which the appointment may be used. The appointment may be a standing one.

The power of attorney (or certified copy of it), should be lodged at the registration desk on the date of the Scheme Meeting or received by Goodman Fielder at its registered office or by the Goodman Fielder Registry (by post or hand to the relevant address set out in item 5 below) before 10.00am (Sydney time) or 12:00pm (Auckland time) on Tuesday, 24 February 2015 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting).

A shareholder who is entitled to cast two or more votes may appoint up to two attorneys and may specify the proportion or number of votes each attorney is appointed to exercise, failing which each may exercise half of the votes with any fractions of votes disregarded.

Attorneys of eligible Goodman Fielder Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the Scheme Meeting, written evidence of their appointment, their name and address, and the name of their appointors.

Your appointment of an attorney does not preclude you from attending in person and voting at the Scheme Meeting. If you attend the Scheme Meeting and vote on the Resolution, your appointed attorney is not entitled to vote on your behalf on the Resolution.

4. Voting by corporate representative

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Scheme Meeting. The appointment must comply with Section 250D of the Corporations Act, meaning that Goodman Fielder will require a certificate of appointment of corporate representative to be executed by the relevant appointing body corporate.

A form of certificate may be obtained from the Goodman Fielder Registry by calling 1800 178 254 (within Australia), 0800 150 013 (within New Zealand) or +61 1800 178 254 (outside Australia and New Zealand) Monday to Friday between 8:30am and 5:30pm (Sydney time) or online at www.linkmarketservices.com.au. The certificate of appointment may set out restrictions on the representative's powers.

The certificate should be lodged at the registration desk on the day of the Scheme Meeting or with the Goodman Fielder Registry (by post, fax, or hand to the relevant address set out in item 5 below) before 10:00am (Sydney time) or 12:00pm (Auckland time) on Tuesday, 24 February 2015 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting).

A body corporate representative should bring to the Scheme Meeting evidence of his/her appointment, including any authority under which it is signed, unless it has previously been given to Goodman Fielder or the Goodman Fielder Registry.

Body corporate representatives of eligible Goodman Fielder Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the Scheme Meeting, written evidence of their appointment, their name and address and the name of their appointors.

5. Goodman Fielder Registry address details

The address details of the Goodman Fielder Registry are set out below:

Australia

Goodman Fielder Registry
Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000 Australia
Locked Bag A14
Sydney South NSW 1235
Australia
Fax: +61 2 9287 0309

New Zealand

Goodman Fielder Registry
Link Market Services Limited
Level 7, Zurich House,
21 Queen Street
Auckland 1010 New Zealand
PO Box 91976 Auckland 1142
New Zealand
Fax: +64 9 375 5990

Please use the provided reply paid envelope to forward your completed proxy form, power of attorney (or certified copy of your power of attorney) or certificate (as applicable) by post.

Please note that, should you wish to deliver a completed proxy form, power of attorney (or certified copy of your power of attorney) or certificate (as applicable) by hand to either of the above addresses, hand deliveries may only be made Monday to Friday between the hours of 9:00am and 5:30pm (Sydney or Auckland time, as applicable).

Shareholders may also submit their proxy instructions electronically to the Goodman Fielder Registry by visiting Goodman Fielder's website www.goodmanfielder.com.au and following the prompts, or by visiting the relevant registry website (www.linkmarketservices.com.au for shareholders on the Australian register and www.linkmarketservices.co.nz for shareholders on the New Zealand register), selecting "Investor Login" and following the instructions provided on that website. Shareholders will be required to enter their SRN/HIN, CSN/Holder Number or other holder identifier (as applicable) to be able to submit their proxy instructions online.

Shareholders outside of Australia and New Zealand who wish to fax their signed proxy form or certificate to the Goodman Fielder Registry should fax them to +61 2 9287 0309.

Advertisement

Where this notice of Scheme Meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the meeting from Goodman Fielder's website (http://www.goodmanfielder.com.au) or by contacting the Company Secretary of Goodman Fielder or the Goodman Fielder Registry.

Corporate directory

Goodman Fielder
T2, 39 Delhi Road
North Ryde NSW 2113

Investor Enquiries
Goodman Fielder Shareholder Information Line

Within Australia 1800 178 254
Within New Zealand 0800 150 013
Outside Australia and New Zealand +61 1800 178 254

Operational Monday to Friday from 8.30am to 5.30pm (Sydney time)

Financial Adviser
Credit Suisse (Australia) Limited
Level 31, Gateway
1 Macquarie Place
Sydney NSW 2000

Financial Adviser
Grant Samuel Corporate Finance Pty Limited
Level 19, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Goodman Fielder Share Registry
Link Market Services Limited
680 George Street
Sydney NSW 2000

Legal Adviser
Herbert Smith Freehills
Level 34, ANZ Tower
161 Castlereagh Street
Sydney NSW 2000

Stock Exchange Listings
Goodman Fielder ordinary shares are quoted by the Australian Securities Exchange (ASX: GFF) and on the main board equity security market operated by NZX Limited (NZX: GFF).

goodman fielder
our homegrown food company

www.goodmanfielder.com.au

goodman fielder
our homegrown food company

Goodman Fielder Limited
ABN 51 116 399 430

LODGE YOUR VOTE

ONLINE www.goodmanfielder.com.au or www.linkmarketservices.com.au

By mail:
Goodman Fielder Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

By fax: +61 2 9287 0309

All enquiries to: Telephone: 1800 178 254 **Overseas:** +61 1800 178 254

X99999999999

SAMPLE

SHAREHOLDER PROXY FORM

I/We being a member(s) of Goodman Fielder Limited and entitled to attend and vote hereby appoint:

STEP 1 APPOINT A PROXY

☐ **the Chairman of the meeting** ***(mark box)***

OR if you are **NOT** appointing the Chairman of the meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

PLEASE NOTE: leave this box blank if you have selected the Chairman of the meeting. Do not insert your own name(s).

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or, if no directions have been given and to the extent permitted by law, as the proxy sees fit) at the Scheme Meeting of Goodman Fielder Limited to be held at **10:00am (Sydney time) on Thursday, 26 February 2015 in the Patrick Goodman and George Fielder Rooms, Level 1, T2, 39 Delhi Road, North Ryde, New South Wales** and at any postponement or adjournment of the meeting.

The Chairman of the meeting is willing to act as proxy for any shareholder who wishes to appoint him for that purpose. To appoint the Chairman, mark the box in Step 1 above. If you appoint the Chairman of the meeting as your proxy (or the Chairman of the meeting becomes your proxy by default), you can direct him to vote for or against or to abstain from voting by marking the appropriate boxes in Step 2 below. The Chairman of the meeting intends to vote all available undirected proxies in favour of the item of business. If you leave Step 1 blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

STEP 2 VOTING DIRECTIONS

Resolution 1

That, pursuant to and in accordance with the provisions of section 411 of the *Corporations Act 2001* (Cth), the scheme of arrangement proposed between Goodman Fielder Limited and the holders of its ordinary shares (other than certain excluded shareholders), as contained in and more particularly described in the scheme booklet of which the notice convening this meeting forms part, is approved, with or without alterations or conditions as approved by the Federal Court of Australia to which Goodman Fielder Limited, W Bidco Australia Pty Ltd and FP Bidco Australia Pty Ltd agree.

For	Against	Abstain*
☐	☐	☐

* If you mark the Abstain box, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Voting Intention: The Chairman of the meeting intends to vote all available undirected proxies in favour of the item of business.

STEP 3 SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

GFF PRX502E

HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

The Chairman of the meeting is willing to act as proxy for any shareholder who wishes to appoint him for that purpose. If you wish to appoint the Chairman of the meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the meeting please write the name of that person in Step 1. **If you leave Step 1 blank, or your named proxy does not attend and/or vote at the meeting the Chairman of the meeting will become your proxy by default.** A proxy need not be a shareholder of the company. A proxy may be an individual or body corporate.

Votes on Items of Business – Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first proxy form and the second proxy form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of meeting. A form of the certificate may be obtained from the company's share registry or online at www.linkmarketservices.com.au.

Lodgement of a Proxy Form

This proxy form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Sydney time) or 12:00pm (Auckland time) on Tuesday, 24 February 2015,** being not later than 48 hours before the commencement of the meeting. Any proxy form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:

ONLINE **www.goodmanfielder.com.au or www.linkmarketservices.com.au**

Login using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).

by mail (Australia):
Goodman Fielder Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

by fax (Australia):
+61 2 9287 0309

by hand (Australia):
delivering it to Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the Scheme Meeting, please bring this form with you.
This will assist in registering your attendance.

Goodman Fielder Limited
ABN 51 116 399 430

LODGE YOUR VOTE

ONLINE www.goodmanfielder.com.au or www.linkmarketservices.co.nz

By mail:
Goodman Fielder Limited
C/- Link Market Services Limited
PO Box 91976
Auckland NZ 1142

By fax: +64 9 375 5990

All enquiries to: Telephone: 0800 150 013 **Overseas:** +64 9 375 5998

X99999999999

SHAREHOLDER PROXY FORM

I/We being a member(s) of Goodman Fielder Limited and entitled to attend and vote hereby appoint:

STEP 1 APPOINT A PROXY

the Chairman of the meeting ***(mark box)***

OR if you are **NOT** appointing the Chairman of the meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

PLEASE NOTE: leave this box blank if you have selected the Chairman of the meeting. Do not insert your own name(s).

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or, if no directions have been given and to the extent permitted by law, as the proxy sees fit) at the Scheme Meeting of Goodman Fielder Limited to be held at **10:00am (Sydney time) on Thursday, 26 February 2015 in the Patrick Goodman and George Fielder Rooms, Level 1, T2, 39 Delhi Road, North Ryde, New South Wales** and at any postponement or adjournment of the meeting.

The Chairman of the meeting is willing to act as proxy for any shareholder who wishes to appoint him for that purpose. To appoint the Chairman, mark the box in Step 1 above. If you appoint the Chairman of the meeting as your proxy (or the Chairman of the meeting becomes your proxy by default), you can direct him to vote for or against or to abstain from voting by marking the appropriate boxes in Step 2 below. The Chairman of the meeting intends to vote all available undirected proxies in favour of the item of business. If you leave Step 1 blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an X

STEP 2 VOTING DIRECTIONS

Resolution 1

That, pursuant to and in accordance with the provisions of section 411 of the *Corporations Act 2001* (Cth), the scheme of arrangement proposed between Goodman Fielder Limited and the holders of its ordinary shares (other than certain excluded shareholders), as contained in and more particularly described in the scheme booklet of which the notice convening this meeting forms part, is approved, with or without alterations or conditions as approved by the Federal Court of Australia to which Goodman Fielder Limited, W Bidco Australia Pty Ltd and FP Bidco Australia Pty Ltd agree.

For	Against	Abstain*

* If you mark the Abstain box, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

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Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Companies Act 1993* (NZ).

GFF PRX502E

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Your Name and Address

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Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director, this form must be signed by that person. Otherwise this form must be signed in accordance with the company's constitution and the *Companies Act 1993* (NZ). Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of meeting. A form of the certificate may be obtained from the company's share registry or online at www.linkmarketservices.co.nz.

Lodgement of a Proxy Form

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Proxy forms may be lodged using the reply paid envelope or:

ONLINE www.goodmanfielder.com.au or www.linkmarketservices.co.nz

Login using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their CSN or Holder Number, and their FIN for validation purposes prior to entering the proxy voting site.

by mail (New Zealand):
Goodman Fielder Limited
C/- Link Market Services Limited
PO Box 91976
Auckland NZ 1142

by fax (New Zealand):
+64 9 375 5990

by hand (New Zealand):
delivering it to Link Market Services Limited
Level 7, Zurich House, 21 Queen Street, Auckland (New Zealand).

If you would like to attend and vote at the Scheme Meeting, please bring this form with you. This will assist in registering your attendance.