



28 January 2026

Commissioner and Chief Executive Officer

2nd Floor, Post PNG Building, Nita Street
PO Box 6394 Boroko
NCD

Dear Mr. Roy Daggy,

RE: Clearance Application by PNGX Group Limited for the Proposed Acquisition of PNG Registries Limited.

We acknowledge receipt of your letter dated 15 January 2026 regarding the Clearance Application submitted by PNGX Group Limited (“**PNGX Group**”) for the proposed acquisition of PNG Registries Limited from MUFG Corporate Markets (AU) Limited (“**Proposed Acquisition**”).

We appreciate the opportunity to provide our comments and views on this matter as part of the public consultation process under the *Independent Consumer and Competition Commission Act 2002* (“**ICCC Act**”). We understand the importance of assessing the potential competitive effects of the Proposed Acquisition on the relevant markets in Papua New Guinea.

Firstly, we acknowledge the **positive impacts** the Proposed Acquisition may have on PNG’s capital market structure. The transaction is intended to consolidate core market functions and support end-to-end automation of trading, settlement, and registration processes. This is expected to enhance operational efficiency within the capital markets, as one entity would manage the integrated trading and registry processes on the national stock exchange.

Publicly released information regarding the transaction indicates that the Proposed Acquisition is intended to support long-term market development, modernisation of financial infrastructure, and operational efficiency in PNG’s capital markets. These potential benefits underscore the importance of the ICCC’s role in determining whether such efficiencies can be realised without diminishing competitive pressures that safeguard market performance and innovation.

While we recognise these potential benefits, we also express concern about possible **negative impacts** on the capital market arising from the Proposed Acquisition.

Negative Impact

- (1) In comparison to the Australian capital market, where multiple independent firms can be appointed to provide share registry services, Papua New Guinea currently has only one central provider — PNG Registries Limited. The

Proposed Acquisition risks further strengthening this monopoly position, potentially undermining opportunities for other capable competitors to enter the market.

- (2) Although the Proposed Acquisition may deliver operational and technological efficiencies, it will consolidate two critical market functions under one corporate group. PNGX Markets, a wholly owned subsidiary of PNGX Group, operates the national stock exchange, while PNG Registries Limited maintains securities ownership records. Integrating these essential functions under a single operator raises concerns of vertical integration, where one entity controls multiple critical layers of the capital market infrastructure.
- (3) Vertical integration of these functions may limit competition, as the consolidation reduces the number of independent service providers and concentrates control within a single operator. When two essential market functions are controlled by one group, it becomes increasingly difficult for competitors to enter or participate meaningfully in the market.
- (4) Given the already monopolized nature of PNGX Group's role in the capital market, approval of the Proposed Acquisition would further strengthen its market power. This may affect pricing for hosting company shareholder information and could impact issuers and listed companies that rely on these essential services.
- (5) Allowing other companies to participate as partial owners of PNG Registries Limited would foster healthy competition, which is beneficial for the growth and development of the stock exchange sector.
- (6) PNGX Group is not a domestic company and should not be afforded an opportunity to further entrench its position as a monopoly operator in PNG. Including other credible entities as partial owners would promote competition and reduce concentration risks within the market.

We note that the Proposed Acquisition is not yet completed. However, we emphasize that PNGX Group must ensure strict compliance with all governing legislation that establishes the legal framework of PNG's capital market — including the *Securities Commission Act 2015*, *Capital Markets Act 2015*, and *Central Depositories Act 2015*. PNGX Group must work closely with the PNG Securities Commission to obtain all relevant approvals, licenses, and permits to ensure that the transition from PNG Registries Limited to PNGX Group occurs smoothly and without material adverse effects on the market.

Additionally, as PNG Registries Limited is currently the sole custodian of all shareholding records for listed companies, the transfer of such critical data raises significant concerns regarding data protection and integrity. Should the acquisition be approved and completed, the ICCC must ensure that both entities have a robust plan to safeguard the security, integrity, and confidentiality of all registry data during and after the transition.

Lastly, as PNG Securities Limited is the only entity that holds information for all registered shareholders of listed companies and the transition to the PNGX Group raises concerns regarding data protection and integrity should there be any substantial or material changes, if the acquisition is approved and is subsequently completed. The ICCC must ensure that both entities in the Proposed Acquisition have a robust plan to ensure that all data exchanged or transferred is sufficiently protected.

Advice

If the Proposed Acquisition is approved by the ICCC, PNGX Group will effectively continue to operate as a monopoly over both trading and registry services in PNG's capital markets. This degree of vertical integration would give PNGX Group substantial influence and control over key market infrastructure and may significantly affect competition by establishing or reinforcing high barriers to entry for any future competing providers of registry or exchange-related services.

In light of the above, we respectfully submit that the Proposed Acquisition warrants a comprehensive assessment of its competitive effects, including consideration of market concentration, barriers to entry, and market structure. Such analysis is fundamental to ensuring that the transaction promotes both market efficiency and consumer welfare in accordance with the objectives of the ICCC Act.

Yours faithfully,



John Kevau

Managing Director