



POUSTRY **I**NDUSTRY **A**SSOCIATION OF PNG (INC)

Mr Roy Daggy

Commissioner and Chief Executive Officer

Independent Consumer and Competition Commission (ICCC)

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Papua New Guinea

Poultry Industry Association (PIA) Response to the Proposed Acquisition of Mainland Holdings Limited by Associated Mills Limited

Introduction

The Poultry Industry Association (PIA) represents the interests of poultry producers, processors, SME Farmers and associated stakeholders across Papua New Guinea. We acknowledge the proposed acquisition of Mainland Holdings Limited (MHL) by Associated Mills Limited.

Given the importance of both companies within the national poultry and stockfeed sectors, this transaction has significant implications for industry structure, competition, and long-term food security.

The Poultry Industry Association of Papua New Guinea writes to express its full and unequivocal support for the proposed acquisition of Mainland Holdings Limited (MHL) by Associated Mills Limited (AML).

The PIA considers this transaction to be positive, necessary, and in the long-term best interests of the poultry industry, consumers, and the broader Papua New Guinea economy.

A Strengthening Industry – Evidence of Positive Outcomes

The domestic poultry industry has delivered measurable improvements in both production and pricing over recent years:

Year	Domestic Chicken Production (Tonnes)	Average Price per kg (PGK)
2023	23,384	15.08
2024	26,505	14.66
2025	31,474	14.90

This reflects:

- Sustained growth in production capacity (over 34% increase), and
- Stable and, in some cases, declining prices, demonstrating efficiency gains being passed through to consumers

The PIA views these outcomes as clear evidence that industry investment and consolidation have supported—not hindered—competition and affordability.

Clear Benefits of the Proposed Acquisition

The PIA strongly believes this acquisition will deliver tangible and immediate benefits:

- Improved feed security and cost stability, addressing one of the largest input risks in poultry production
- Enhanced operational efficiency through scale and integration
- Increased capital investment into farming, processing, and biosecurity
- Greater supply reliability, reducing risk of shortages in domestic protein supply
- Support for industry expansion, including opportunities for contract growers and regional development

AML has an established track record of delivering operational efficiencies, and the integration with MHL is expected to further strengthen the entire poultry value chain.

No Material Detriment to Competition

The PIA is firmly of the view that this transaction will not substantially lessen competition.

Rather:

- The market continues to include multiple active participants
- Pricing trends demonstrate discipline and competitiveness
- Scale efficiencies are essential in PNG's operating environment and ultimately benefit consumers through lower costs

In this context, the PIA considers the acquisition to be pro-competitive in outcome, particularly when viewed through the lens of efficiency and food affordability.

National Food Security Imperative

Poultry remains one of the most accessible and affordable sources of protein in Papua New Guinea.

The PIA strongly supports measures that:

- Increase domestic production capacity
- Reduce reliance on imports
- Improve resilience against global supply disruptions

This transaction directly contributes to these outcomes and should be viewed as aligned with national food security priorities.

PIA Position

The Poultry Industry Association wishes to be clear:

The PIA supports this transaction and encourages its approval.

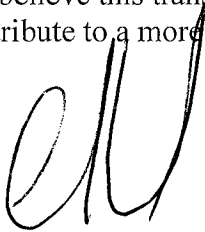
We consider the acquisition to be:

- In the best interests of consumers, through stable pricing
- In the best interests of producers, through improved supply chain strength
- In the national interest, through enhanced food security and investment

Conclusion

The PIA respectfully urges the Independent Consumer and Competition Commission to approve the proposed acquisition of Mainland Holdings Limited by Associated Mills Limited.

We believe this transaction represents a positive step forward for the poultry industry and will contribute to a more efficient, resilient, and sustainable sector.



Yours sincerely,

Chris Prestwood
President
Poultry Industry Association of Papua New Guinea