

INDEPENDENT STATE OF PAPUA NEW GUINEA
Independent Consumer and Competition Commission Act

Act, Sec 82

Form 3

NOTICE OF APPLICATION FOR AUTHORIZATION FOR A BUSINESS ACQUISITION

1. **FORM AND CONTENT:** In addition to providing a detailed submission in support of the application, the applicant/s is required to complete this application form in full. The Independent Consumer and Competition Commission (“ICCC”) may reject any applications that have not been filled out fully and properly, in accordance with section 76 (4) (c) of the *Independent Consumer and Competition Commission Act, 2002*, (the Act).
2. **WHERE TO APPLY:** Applications for Authorization for Business Acquisitions should be lodged at the ICCC’s office located at 2nd Floor, Post Office Building , Boroko, National Capital District or mailed to P.O. Box 6394, BOROKO, National Capital District, Papua New Guinea. Ensure to supply one (1) hard copy and (1) soft copy of your application.
3. **WHEN TO APPLY.** It is a legal requirement to apply for authorization under section 82 of the Act once directed by the ICCC. The transaction that fall within the notification thresholds must be notified to the ICCC and get (clearance or) authorization before proceeding to completion.
4. **PENALTIES:** Failure to apply and proceeding to complete a merger or an acquisition (which falls within either of the notification thresholds) will result in pecuniary penalty of K750 000.00. Transactions that were not authorised or cleared and it has raised competition concerns under section 69; and successfully prosecuted by the ICCC, the penalties (1) are up to K500, 000 for an individual, (2) K10, 000 000 for a body corporate under section 95 (3) of the Act, (3) divestiture of assets or shares under section 98 of the ICCC Act.
5. **FEE:** The fee for processing of a business acquisition authorization application is K35, 000. This must be paid by a cheque or through wire transfer to the ICCC before any work is done on the application.
6. **COLLECTION OF DETERMINATION:** It is the ICCC’s duty to inform an applicant of its determination, in writing, in accordance with section 82 (3), within 72 days after the date of registration of the notice, or for such period as mutually agreed by the ICCC and the applicant, it reasons and decision.
7. **LEGAL ADVICE:** Although it is not a requirement under the Act, the ICCC encourages applicants to seek independent legal advice before applying to the ICCC for authorization.
8. **CONFIDENTIALITY:** The consideration of applications for authorization is a public process. All documents provided to the ICCC that were intended to form part of the application, will be placed on public record on the ICCC’s Public Register. The ICCC may reject any claim for confidentiality if it considers that disclosure is in the best interest of the public. If the ICCC decides to disclose any information claimed to be confidential, the applicant will be provided with an opportunity to withdraw the information. If confidential information has been withdrawn, they will not be considered in the assessment and determination of the application. Where the applicant would like to apply for confidentiality, the applicant must complete an Application for Confidentiality Form (*ICCC Form-4*). The ICCC will consider, make a decision and inform the applicant accordingly.

PLEASE FOLLOW DIRECTIONS ON THE BACK TO COMPLETE THIS FORM

A Notice is hereby submitted under *Section 82* of the *Independent Consumer & Competition Commission Act of 2002 (ICCC Act)* for Authorization for a Business Acquisition under *Section 69*, to acquire assets or shares in a business. All references made to provisions are to those provisions contained in the ICCC Act of 2002.

1) Applicant (the Acquirer)

**(a) Name of Applicant and registered office, including the IPA registration number:
(Refer to direction 1)**

Seabreeze Poultry Limited (Registration Number 1-81821) of Cnr Lawes Road and Champion Parade, Konedobu, National Capital District, Papua New Guinea (*PNG*) (the *Applicant*).

A copy of the Applicant's Certificate of Good Standing is attached as Exhibit A.

(b) Address in PNG for service of documents:

i. Physical address:

Allens
Level 8 , Deloitte Haus,, MacGregor Street
Port Moresby, National Capital District
Papua New Guinea

ii. Postal address:

P.O Box 1178, Port Moresby, Moresby South, National Capital District (Port Moresby), 121, Papua New Guinea

iii. Phone and email address:

Telephone: 305 6000/ 305 6013
Email: Sarah.Kuman@allens.com.au / John.Hedge@allens.com.au

**(c) Provide details of the business carried on by the Applicant including the goods and services the Applicant supplies:
(Refer to direction 2)**

The Applicant is currently a dormant company, wholly-owned by Associated Mills Limited (AML) which forms part of the Wilmar Group.

A copy of the Applicant's financial statement, for the year ended 31 December 2025, evidencing its dormant and pre-operation nature is attached as Exhibit B.

Following completion of this Proposed Transaction (as set out in further detail in Section 3 below), the Applicant will:

- a) own and operate the assets of the poultry business to be acquired from Mainland Holdings Limited (*MHL*) (*Target Business*); and

- b) be operated as an incorporated joint venture entity to be owned, following subscriptions for new shares, by AML (as to 51%) and MHL (as to 49%) (the **Joint Venture**).

**(d) Detailed description of all related business/es or company/ies of the Applicant including the goods and services that each of them provide including the IPA registration number:
(Refer to direction 3)**

The Applicant is currently a wholly-owned subsidiary of AML and does not have any subsidiaries. As noted above, the Applicant is currently a dormant company, such that it does not currently produce or supply any goods and services.

Details of AML:

- Country of Incorporation: Papua New Guinea
- Registered office address: C/- PricewaterhouseCoopers PNG, PWC Haus, Level 6, Harbour City, Konedobu, Port Moresby, National Capital District
- IPA registration numbers:
 - 1253 (Entity Type: foreign certification local company); and
 - 1-5461 (Entity Type: Companies)

A corporate structure chart of the Applicant, showing its holding companies and their respective business activities, is attached as **Exhibit C**.

(e) Name, address and phone number of any person/s (if any) for whose benefit or behalf the shares or assets acquired will be held:

The Target Business of MHL will be acquired by the Applicant. AML and MHL will also subscribe for shares in the Applicant, to provide it with funding to invest in the Target Business, with the result that following completion of the acquisition the shares in the Applicant will be held 51% by AML and 49% by MHL. The acquisition of the Target Business by the Applicant and subscriptions for shares in the Applicant are part of the same broader integrated transaction (and would not occur independently of the other part of the transaction).

Accordingly, following completion of this Proposed Transaction, the Applicant will be operated as an incorporated joint venture between AML (details of which are set out in Section 1(d) above) and MHL (details of which are set out in Section 2(a)(ii) below).

2) The Target Company

a. In the case of a registered business or company whose shares or assets are to be acquired:

(i) Name of the business or company including the IPA registration number

Name of Seller: Mainland Holdings Limited
IPA registration number: 1-6068

(ii) Registered office of the business or company

Registered office address of Seller (i.e., MHL) (Registration No. 1-6068): Portion 479, 8 Mile, Lae, Huon, Morobe, 411, Papua New Guinea

(iii) Brief description of the business/es carried on by the business or company including the goods and services supplied

MHL is a major agribusiness in PNG based in Lae, Morobe Province. MHL is a diverse conglomerate agribusiness trading as a single corporate entity. Relevant to this Proposed Transaction, MHL owns and operates the poultry farming and meat processing division to be sold, which supplies table eggs, day-old broiler chicks and fresh and frozen chicken meat.

MHL also produces flour, and commercial stockfeed, has a crocodile farm and coffee export facilities, and all of these businesses will be retained by MHL post-Completion.

MHL's head office, and meat processing facilities are in Lae, Morobe Province, whilst hatcheries and poultry farms are situated in the Lower Markham Valley also in the Morobe Province.

Current shareholders of MHL are:

- Dara Business Group (Inc.) (Registration Number 4-14771);
- Fiwa Business Group (Inc.) (Registration Number 4-14492);
- Yonga Business Group (Inc.) (Registration Number 4-14463);
- Kum-gie Holdings Limited (Registration Number 1-9116); and
- National Superannuation Fund Limited (Registration Number 1-46031) (Nasfund) – currently MHL's largest shareholder

A certificate of good standing for MHL is provided at **Exhibit D**.

(iv) Number and types of shares or description of assets to be acquired

The Applicant (as the Purchaser), along with AML and AML's sole shareholder, Goodman Fielder Pte. Ltd. (**GFPL**), and MHL (as Seller) and its majority shareholder, Nasfund, have executed a Sale and Purchase Agreement on 15 January 2026 (**SPA**) (attached hereto as **Exhibit E**). All capitalised terms used in this Application that are not otherwise defined under this Application shall have the corresponding definitions set out in the SPA.

Pursuant to the SPA, the Applicant will, on the Completion Date, acquire the Target Business and certain assets owned by the Vendor as a going concern [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b. Where it is a company whose shares are to be acquired, provide details of:

(i) The issued capital of the company

Not applicable, as the transaction is a business acquisition.

(ii) The holders of issued capital

Not applicable, as the transaction is a business acquisition.

c. Provide details of all related business/es or company/ies of the business or company whose shares or assets are to be acquired by the Applicant.

(Refer to direction 4)

The Target Business is being acquired by way of a business acquisition from MHL (without acquiring shares in any company).

MHL has no subsidiaries and operates all of its various agribusinesses within the same company. While Nasfund is currently a related party to MHL through its majority ownership in MHL, on Completion of the Proposed Transaction, because the Applicant will then be majority-owned by AML (and ultimately AML's parent companies, i.e., GFPL and Wilmar International Limited), Nasfund will cease to be a related entity of the new owner of the Target Business.

d. Where it is a person whose assets are to be acquired

(i) Name and address of that person

Not applicable

(ii) **Detailed description of the business/es carried on by the person including the goods and services that person supplies**

Not applicable

(iii) **Describe the assets to be acquired**

Not applicable

3) The Acquisition

(a) **Outline the details of the offer contract, arrangement, understanding or proposal for the acquisition and, where possible also provide a copy of that document.**
(Refer to direction 5)

As discussed in Response 2(a)(iv), the terms of the Proposed Transaction are agreed in the SPA (attached as Exhibit E).

Under the SPA, subject to the satisfaction of various conditions precedent (as detailed below), MHL will sell, and the Applicant will acquire, the poultry business of MHL, which includes all relevant assets as described at Section 2(a)(iv) above, to operate the acquired business as a joint venture between MHL and the Applicant (the *Proposed Transaction*).

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[Redacted]

- [Redacted]

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[REDACTED]

(b) Explain the commercial argument for the proposed acquisition and provide copies of all documents prepared specifically to assess the proposed acquisition with respect to the market/s affected and the nature of those effects.

[REDACTED]

[REDACTED]

- [REDACTED]
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(c) Indicate whether the acquisition involves any additional commercial arrangements and describe those

arrangements.

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

(d) Provide a copy of the draft Sale or Purchase agreement.

A copy of the duly executed SPA is attached as Exhibit E.

Copies of the Share Subscription Deed and the Shareholder Agreement are attached as Exhibit I and Exhibit J respectively.

4) Background Information

**a) Describe the industry sector/s in which the acquisition relates.
(Refer to direction 6)**

The Proposed Transaction relates to the poultry industry (comprising of markets for eggs, day old chicks (DOCs) and chicken, including both fresh and frozen chicken).

The Applicant understands from the pre-lodgment consultation that the ICCC also intends to consider the market for stock feed, although MHL's stock feed business is not being acquired and MHL and AML's respective stock feed businesses will continue to be independent competitors that compete vigorously with each other.

The Target Business involves broiler and egg laying poultry farms, and a meat processing division which supplies table eggs, day-old broiler chicks and fresh and frozen chicken meat. Broiler chickens are chickens bred for meat production. While MHL is a conglomerate that owns a number of other business, its poultry business is the only MHL business being acquired.

PNG's poultry industry is made up of:

- a) Commercial scale suppliers, consisting of:
 - i. Commercial scale domestic suppliers: Zenag Chicken, MHL's poultry business trading as Tablelands, Desh Besh, Sepik Fresh and Mt Fublian) see Section 8 (Competitors) below for more details; and
 - ii. Importers, principally from Australia and New Zealand;
- b) Smallholder broiler and layer farmers (approximately 50,000-60,000); and
- c) Village level poultry farming (with various estimates of around 25% 40% of domestic households in PNG keeping poultry).

Stock feed is produced locally in PNG by both MHL and AML, and significant quantities are imported (including the largest local poultry producer, Zenag Chicken, importing its stock feed). There are also smaller scale initiatives in PNG to replace imported stockfeed with stock-feed produced from locally grown crops like kaukau (sweet potato) and cassava, such that there are a number of small-scale suppliers of alternative local feed sources.

**b) Describe the area/s where there is an overlap in the operations of the Applicant and the Target and any related businesses of the merger parties
(Refer to direction 7)**

There is no overlap between the operations of the Applicant (which is currently dormant) or any of the Applicant's related entities (which supply other products in PNG, but not in any market supplied by the Target Business) and the Target Business.

For full disclosure, the Applicant's shareholder (i.e., AML) (a) produces flour, commercial stockfeed, bakery products, a range of snack food; (b) bottles edible oil and packs rice; and (c) distributes a range of other food-based products within PNG.

The Proposed Transaction only involves a change in ownership of an existing poultry business operating in Relevant Markets within PNG in which the Applicant and its related entities do not currently operate, so it will not result in any increase in market concentration of any Relevant Market within PNG.

As discussed in other responses, the Applicant (and AML/Wilmar/the Goodman Fielder group) has no intention to enter the PNG poultry industry other than through an acquisition of this nature, and determined to cease investigating such organic entry in 2022/23). The Applicant/AML/Wilmar/the Goodman Fielder group cannot be regarded as a potential competitor with a potential future overlap in those circumstances.

c) Provide details of any other acquisitions that may have been made by the Applicant or the Target Company and any other acquisitions made in the industry sector/s in the last five years

Nil.

d) **Provide details (if any) of existing vertical or horizontal relationship between the Applicant and the Target Company**

Nil.

e) **Describe (if any) other cooperative agreements that the Applicant or Target Company may be a party to**

Nil.

5) Market definition

Describe the relevant market/s the acquisition is most likely to have a competition effect on – this should include the market/s for the supply of goods and services and markets for the acquisition of goods and services. (Refer to direction 8)

As noted in Section 4(b) above, the Applicant considers that the Relevant Markets are markets in relation to the:

- (a) production and wholesale supply of fresh and frozen poultry in Papua New Guinea;
- (b) production and supply of eggs in Papua New Guinea; and.
- (c) production and supply of DOC in Papua New Guinea.

For completeness, the Applicant has also provided information on the market for supply of stockfeed in Papua New Guinea (although no stockfeed business is being acquired and the acquisition has no impact on competition in that market where AML and MHL will continue to compete vigorously).

6) Public benefits claim

(a) List the benefits likely to result from this proposed business acquisition: (Refer to direction 9)

The Applicants consider that the proposed acquisition will result in the following public benefits:

- facilitating significant investment from Nasfund/MHL and AML/Wilmar in a PNG poultry business that would not have occurred otherwise;
- preserving a significant PNG local business, together with the employment, related economic activities, taxes and other economic and community contributions it provides;
- delivering greater capacity for table eggs, day old chick supply and dressed chicken meat supply, and achieving greater productivity and production levels in the Target Business from that newly installed capacity;
- returning the Target Business to being a more effective and viable competitor that can challenge and compete with the largest supplier, Zenag Chicken (assisting in mitigating the current high levels of market concentration with a single increasingly dominant supplier);
- increasing import substitution in the chicken market, as a more efficient and productive local producer would be anticipated to be lower cost than imports (after accounting for costs of transport and cold storage), and therefore displace frozen chicken imports (which would in turn improve PNG's balance of trade and foreign currency positions, reduce immediate and medium term prospects of employment growth / skills development and continued concentration of market power with a single supplier);
- greater fresh protein availability at a lower price for PNG consumers, as a result of the more efficient and productive local producer that the Proposed Acquisition will result in; and
- improved community health outcomes through the higher volume and more affordable supply of protein in PNG.

(b) In light of the list of likely benefits listed above, please provide facts and evidence relied upon in support of each claim:

Please refer to:

- the Nasfund statement in relation to the rationale for the transaction (**Exhibit F**)
- the information provided by MHL on the Target Business' financial position and need of investment (**Exhibit G**)
- the Wilmar management presentation on the business case for the acquisition (**Exhibit H**) – which models the anticipated investment and improvement in production levels and poultry mortality rates
- the Share Subscription Deed (**Exhibit G**) which provides for the commitment for the initial investment by AML and MHL by subscription for shares in the Applicant

(c) List the beneficiaries of each of the likely benefits listed in (a) above.

At a nation PNG will benefit from:

- higher economic investment;
- retaining and growing the Target Business, creating greater competition (particularly for Zegan Chicken and importers), a decrease in market concentration and
- import substitution and resulting improvement in trade balances;
- indirect economic benefits from a more successful PNG based business (such as employment, taxes,

community contributions); and

- greater resilience to events like Avian Flu which disrupt imports due to greater in-country production

PNG consumers (i.e. the general public) will benefit from:

- greater fresh protein availability;
- greater installed capacity for eggs, day old chicks and chicken; and
- lower prices through increased supply and competition for sales of eggs, day old chicks and chicken.

For any benefits that may be perceived to purely be private in nature (higher profitability and returns), the Applicant submits they would also involve some level of public benefit as:

- the private benefits would accrue to the owners of the Applicant, including (post-completion of the Proposed Transaction) MHL and its major shareholder Nasfund, such that private benefits will benefit the superannuation, and therefore retirement benefits, of many PNG citizens; and
- private benefits will indirectly result in other public benefits through justifying additional investment, employment, resulting economic activity of suppliers and customers and greater tax returns than would otherwise be the case.

The Applicant submits that, in aggregate, there are material public benefits arising from the proposed acquisition that significantly outweigh any perceived public detriment or impact on competition.

7) Public detriments

(a) Outline any detriments likely to result from this proposed business acquisition. Particularly the likely effect on the prices of goods or services described in 6(c) and the prices of goods or services in other affected markets: (Refer to direction 10)

The Applicant considers there are no public detriments likely to result from the proposed business acquisition.

The prices of poultry, eggs and DOCs (as described in 6(c)) are anticipated to be reduced, as would be expected with an expansion of production from a more efficient supplier. In particular, the price of chicken is expected to decrease as some higher cost imports of frozen chicken are displaced by lower cost fresh chicken supply.

As discussed in more detail in the following questions below, there is no anti-competitive detriment anticipated because:

- In respect of the Relevant Markets:
 - While it is acknowledged that the Relevant Markets have relatively high levels of market concentration (see the responses to Question 11 for details), there is no increase in concentration in any of the Relevant Markets as a result of the acquisition – it is simply a change of ownership of the Target Business. This investment will reinstate the Target Business as a viable, vigorous and effective competitor to the current market leader and should assist in reducing concentration and increasing competition.
 - The Applicant (and the Wilmar/AML/Goodman Fielder group more generally) were not potential competitors or potential entrants that would otherwise enter the market having made the management decision in 2022/23 that it was not attractive to enter the PNG market other than by acquisition of an established business for reasons including challenges in obtaining sufficient land of an appropriate nature. The Applicant (and Wilmar/AML/Goodman Fielder) have not been actively looking for opportunities to enter the PNG poultry market since that decision, such that they cannot properly be considered a potential competitor. The Proposed Transaction was triggered by an approach from Nasfund, rather than Wilmar looking at entry to one or more of the Relevant Markets. The mere fact that the Wilmar Group has poultry operations in other countries does not make it a potential competitor, in the sense of a likely independent entrant to the market (as relevant to the

competition assessment), particularly where the evidence is that the Applicant has been dormant and made no investment or entry into the Relevant Markets since its incorporation in 2012.

- In respect of the stock feed market:
 - There is no increase in concentration as the MHL stock feed business is not being acquired and MHL and AML will remain vigorous and independent competitors in respect of the supply of stock feed
 - It would not be profitable or economic for either of MHL or AML to seek to foreclose stock feed to other poultry producers as:
 - both MHL and AML's stock feed milling operations have significant surplus processing capacity – such that any loss of volume will increase the average cost to produce stock feed and reducing the profitability of their stock feed operations; and
 - any attempt to foreclose stock feed supply to another PNG poultry producer will be unsuccessful and not advantage the Target Business given:
 - the availability of competitively priced stock feed imports (noting the largest domestic supplier, Zenag Chicken, sources is understood to source its stock feed from imports);
 - increases in alternative domestic supplies (noting that Desh Besh mills poultry feed for their own consumption),
such that it would only result in a loss of business for MHL and/or AML's stock feed businesses; and
 - any attempt to foreclose current or future stockfeed supply opportunities would reduce the competitive position of AML's feed business as the current facility is operating well below capacity and relies on the current volume to recover fixed overheads. Feed Milling is a high fixed cost business so volume is key to operational and financial success of any feed mill. Please refer to **Exhibit K** for a graph showing recent utilisation levels for AML's stock feed milling plant.

As a result, MHL and AML are highly incentivised to continue to seek to grow stock feed volumes in competition with one another irrespective of the Proposed Transaction.

(b) List facts and evidence relied upon that the public benefits will outweigh the detriments:

See:

- responses and documents provided in response to question 7(a) above;
- long-standing dormant nature of the Applicant / lack of any evidence that the Wilmar Group was considering entry into any of the Relevant Markets in the absence of the Proposed Transaction; and
- market shares for stock feed as shown in the response to question 11 below (showing the significant volume of imports).

8) Suppliers

(a) Describe the inputs into the production of goods or services by both the Applicant and the Target Company in the relevant market/s and indicate the value of those inputs as a proportion of total production. Where alternative inputs are available, provide a list of substitutes.

The Applicant is dormant and neither itself nor AML is currently involved in the production of goods or services in any Relevant Market, such that no supplier list is provided in respect of them.

For businesses in the Relevant Markets, the below is an estimate of the major inputs based on the Target Business cost profile:

Fresh and Frozen Chicken

Input	Approximate
-------	-------------

	proportion of costs
Stock feed	█
Fuel / Electricity	█
Labour	█
Packaging	█

Eggs

Input	Approximate proportion of costs
Stock feed	█
Chicks	█
Packaging	█
Labour	█

DOCs

Input	Approximate proportion of costs
Stock feed	█
Fuel / Electricity	█
Labour	█
Packaging	█



A selection of MHL's suppliers in all Relevant Markets is included hereto as **Exhibit L**. It is expected that when the Joint Venture is formed post-Completion, these suppliers will become the suppliers of the Applicant as the Applicant will be continuing MHL poultry business.

(b) Provide the names and contact details of a representative selection of suppliers of inputs to both the Applicant and the Target Company in the relevant market/s (Refer to direction 11)

A selection of MHL's suppliers for the Target Business and their respective contact details is also included in **Exhibit L**.

The Applicant is dormant and is not currently involved in the production of goods and services in any Relevant Market, such that it has no separate supplier list.

(c) Describe any purchasing arrangements in place with each of the suppliers identified above and outline whether it is expected or anticipated that these arrangements will continue or be varied in anyway post acquisition.

The purchasing arrangements are a mix of term contracts and individual purchase orders. The only change anticipated post Completion is that AML will supply commercial stockfeed to the Applicant, whereas the Target Business has been using stockfeed produced by MHL while under MHL's ownership.

9) Competitors

(a) Provide details of alternative suppliers of products now or shortly to be competitive with, or otherwise substitutable for, goods or services produced by the Applicant and Target company in the relevant market/s (Refer to direction 12)

Set out below is a list of existing alternative suppliers who currently compete with MHL in each of the Relevant Markets.

Following establishment of the Joint Venture, it is expected that these alternative suppliers will still compete with the Applicant as the Applicant will be carrying on the existing Target Business.

Market	Alternative Suppliers	Substitutes
Table Eggs	Zenag Chicken Local smaller-scale sellers (such as Ilimo Dairy Farm)	Some degree of substitution for other animal protein (such as pork, fish, and canned/preserved meat or fish) See response to Q13 for more details
DOCs	Zenag Chicken Local smaller-scale sellers	No real substitutes - See response to Q13 for more details
Fresh & Frozen Poultry	Zenag Chicken Local smaller-scale sellers Imports	Some degree of substitution for other animal protein (such as pork, fish, and canned/preserved meat or fish) See response to Q13 for more details
Stockfeed	AML MHL Imports (Desh Besh, a PNG poultry producer is understood to mill its own stockfeed, but may not currently supply third parties)	While stockfeed is typically designed for a particular animal, there is likely to be supply side substitutability (where a manufacturer of different types of stock feed could convert to producing and supply poultry stock feed). It is possible to make poultry stock feeds out of a variety of different source ingredients (i.e. corn, wheat and more locally produced crops).

(b) If the suppliers identified above do not produce goods or services which are substantially the same as those goods and services produced by the merger parties in the relevant market/s, explain why it is considered that these goods or services are viable alternatives.

The suppliers identified above for the Relevant Markets produce goods (i.e., eggs, DOCs and fresh and frozen poultry) that are substantially the same as the corresponding products produced by the Target Business.

There is likely to be some degree of substitution for fresh and frozen chicken (and potentially eggs) for other animal proteins such as pork and fish and both canned meat and canned fish, because these products are available within similar geographical areas and fall within a similar price range as fresh and frozen chicken.

Both fresh and frozen lamb and beef are high value products and their high price in the local PNG market means that they are not likely to be regarded as substitutes for fresh and frozen chicken.

Similarly, while it may be possible to buy grown out chickens that are ready for sale rather than DOCs, the significant cost differential makes them unlikely to be regarded as viable substitutes.

The suppliers identified in respect of the stock feed market all produce substantially similar stock feeds that are suitable for poultry consumption. AML is a price taker in the market for supply of stock feed as stock feed customers make weekly orders and switch suppliers in the event of material price differences. It is possible to make poultry stock feeds out of a variety of different source ingredients (i.e. corn, wheat and more locally produced crops).

10) Customers

- (a) Provide the names and contact details of a representative selection of the customers of each of the merger parties in the relevant market/s
(Refer to direction 13)**

The Applicant is dormant and neither the Applicant nor AML is currently involved in business in any Relevant Market, such that no separate customer list is provided for them.

A selection of MHL's customers and their contact details, in the Relevant Markets, is attached hereto as **Exhibit M.** [REDACTED]

- (b) Describe the distribution channels available to the merger parties in supplying goods and services to customers and identify the relevant distribution channels in respect of each of the customers identified above.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- (c) Describe the existing supply arrangements that the Applicant and Target Company have in place with the customers identified above and whether it is expected or anticipated that these arrangements will continue or be varied in anyway post-acquisition
(Refer to direction 14)**

The Applicant is dormant and has no existing supply arrangements.

In the Relevant Markets, the supply arrangements are a mix of term contracts and individual purchases. However, in the stock feed market all sales occur on a spot basis through weekly orders.

[REDACTED]

11) Market concentration

**Provide estimates of or actual current and post-acquisition market shares for the merger parties and market shares of the existing alternative suppliers or purchasers in the relevant market/s identified above.
(Refer to direction 15)**

[REDACTED]

[Redacted text]

[Redacted text]

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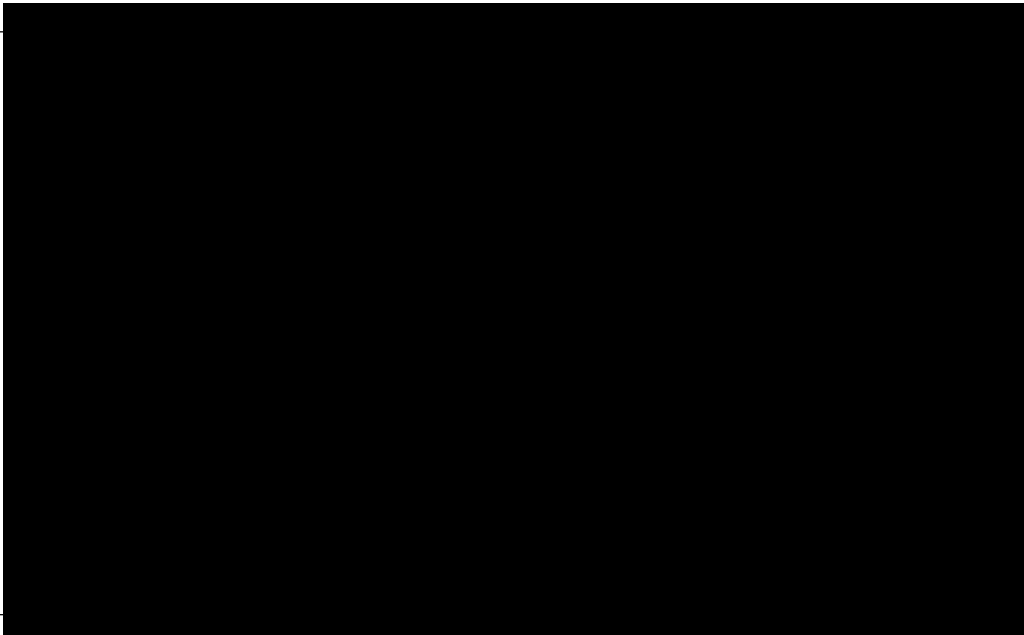


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12) Countervailing Power

(a) Describe the relative strength of bargaining power possessed by customers of the products in the identified markets;

Relevant Markets

Countervailing power among customers differs across the Relevant Markets, with greater countervailing power held by customers of significant scale or located proximately to facilities of more than one supplier.

In the commercial scale segments served by the Target Business, customers generally maintain some capacity to switch amongst suppliers in each Relevant Market with low switching costs, giving the commoditized nature of the products, affording them a good degree of bargaining leverage.

As noted previously, the Applicant is dormant and is not currently involved in any Relevant Market.

Completion of this Proposed Transaction is not expected to affect the bargaining power of customers in the Relevant Markets as it is a continuation of an existing business, albeit led by a new ownership.

Stock feed Market

In the stock feed market, customers have countervailing power through:

- local producers need for greater supply volumes to increase the efficiency of their stock feed plants (which have high fixed costs, such that average costs of production are reduced through greater volumes / realising economies of scale) ; and
- the ability to switch to cost competitive imports of stock feed (which have the ability to supply far larger volumes than the PNG market) – noting that over a third of the local market is currently understood to be supplied by imports.

(b) Describe to what extent it is possible for customers to bypass the merger parties by either importing or producing the product or service themselves, vertically integrating, or utilizing an alternative supplier; and

Relevant Markets

It may be possible for some type of customers to bypass the merger parties by either importing or utilizing alternative suppliers in the Relevant Markets (or substitution for other animal protein sources) as shown in the table below.

However, the Proposed Transaction will result in the continuation of an existing poultry operation under the new ownership of the Applicant, rather than the removal of an independent competitor from the market. Accordingly, customers' ability to switch amongst suppliers will not be altered by the Proposed Transaction.

The customers identified in Section 9(a) fall into three main groups:

- a) Wholesale distributors;
- b) Large retailers; and
- c) Independent growers

Wholesale customers and retailers typically have the ability to bypass through switching to other suppliers (or imports in the case of fresh and frozen chicken). Independent growers seeking DOCs have less switching/by-pass options, but there are at least 2 other suppliers (and one very major one in Zenag Chicken), and the Proposed Transaction does not impact on their ability to switch.

- a) In each Relevant Market, customers generally face low barriers to switching suppliers.
 - i. The poultry sector features active competition, particularly among major integrated producers like Zenag Chicken and Tablebirds (the brand utilized by the Target Business), alongside growing small-to-medium enterprise (SME) farmers and emerging regional hatcheries.
 - ii. For DOC, prices remain competitive because there is fierce competition between the Target Business and Zenag Chicken.
 - iii. For eggs, prices remain highly competitive due to domestic production focus, with a greater number of domestic suppliers, and occasional import pressures.
- b) Customers, including farmers buying DOC or consumers purchasing eggs/ fresh and frozen chicken, can readily shift to another supplier if a better price emerges, as there are few sunk costs or contractual lock-ins for most transactions especially in live bird markets, supermarkets, or direct farm sales. Any switching costs are minimal, often limited to basic transport or search efforts in urban areas like Lae or Port Moresby, making price the dominant driver of choice of supplier and switching decisions.
- c) The goods in each Relevant Market are highly homogeneous, with limited differentiation that would otherwise create strong preferences beyond price.
 - (i) DOC are largely standardized from major hatcheries, where quality is similar across suppliers (e.g., preferences may exist for one brand's availability or slight weight advantages, but these are secondary).
 - (ii) Eggs are essentially commodity items "eggs are eggs" with consumers in PNG focusing primarily on freshness, size and price rather than origin or minor variations.
 - (iii) Fresh and frozen chicken (whole birds, cuts like thighs or drumsticks) similarly lack significant distinguishing features; live or processed chicken from different producers competes directly on weight, cleanliness, and cost, with little scope for premium attributes like organic labeling or specialized breeds dominating purchases.
- d) Brand loyalty in PNG's relevant markets for day-old chicks, eggs, and fresh/frozen poultry is generally low, reflecting price sensitivity in PNG. Customers frequently switch based on availability, promotions or small price differences.

- e) Overall, competition from multiple suppliers, including imports in certain channels and growing local alternatives, keeps loyalty to specific suppliers weak and reinforces price as the key purchase factor across these markets.
- f) The Proposed Transaction will result in the continuation of MHL's existing poultry operation under the new ownership of the Applicant, rather than the removal of an independent competitor from the market. Therefore, Completion of this Proposed Transaction is not expected to affect suppliers' ability to switch customers, or in other words, customer's ability to switch suppliers.

Stock feed market

In the stock feed market:

- a) customers can continue to switch between MHL and AML (which will continue to compete vigorously with each other for supply of stock feed);
- b) customers can bypass both parties by importing stock feed (which is understood to be cost competitive with local production – noting the largest local poultry producer, Zenag Chicken, is understood to principally purchase imported stock feed), and imports make up over a third of supply into the local market, or obtaining stock feed from smaller local suppliers
- c) as stock feed is relatively homogenous suppliers in this market are price takers, and local producers like MHL and AML have strong incentives to be price competitive to drive volumes and economies of scale in their stock feed production plants.

(c) Describe the ability of suppliers to identify and switch to alternative customers.

(Refer to direction 16)

Relevant Markets

Suppliers may readily identify and switch to supplying alternative customers in the Relevant Markets, particularly where dealing with customers at a commercial scale.

As discussed above, the goods are relatively homogenous in nature, and customers are price sensitive such that suppliers that increase their production would have the ability to entice additional customers through price competition (and the Applicant considers this would be effective in terms of attracting customers like small holders even if they were not individually identified by the supplier pursuing that strategy).

As the proposed transaction will result in the continuation of MHL's existing poultry operation under the new ownership of the Applicant, rather than the removal of an independent competitor from the market, completion of the Proposed Transaction is not expected to affect suppliers' ability to switch customers.

Stock feed market

As discussed in earlier responses, stock feed suppliers are price takers with strong economic incentives to attract greater volumes to drive efficiencies and economies of scale in the stock feed production plants.

13) Imports

**(a) Provide estimates of the actual and potential level of import competition in the relevant market/s and details of the importers;
(Refer to direction 17)**

Relevant Markets

It is typically not feasible to import eggs due to biosecurity restrictions. It is possible to import DOCs with appropriate permits.

The highest level of import competition occurs in respect of the chicken market. Historically, significant imports were supplied from both Australia (approximately 11,000 tonnes per annum) and New Zealand (approximately 5,000 tonnes per annum), largely in the form of frozen portions such as leg quarters and mixed cuts.

There were certain periods between 2024-2025 where bans were imposed on imports of uncooked chicken from other countries in response to outbreaks of Avian Influenza in those countries. However, in mid-2025, those restrictions were lifted, such imports have recommenced.

Consequently, competition from imports will occur in respect of the fresh and frozen chicken market.

As shown in Section 10 above, it is estimated that imports account for over 10% of this fresh and frozen chicken market.

Stock feed markets

By contrast to the Relevant Markets, the stock feed market is characterized by a high proportion of imports.

Imports are sufficiently costs competitive that there is material unutilized capacity in local stock feed production plants (of both MHL and AML).

As shown in response to question 11, the Applicant's estimate of approximate market shares in the stock feed market is (with an estimated total market size of 14,000 metric tonnes per month)

Manufacturer	Estimated Market Share	Location
MHL	█	PNG
AML	█	PNG
Farmset	█	PNG
Inghams Feed	█	Imports

(b) Provide historical importation figures;

Please see **Exhibit N** which contains data on historical importation figures on fresh and frozen chicken and stock feed that the merger parties were able to obtain.

The Applicant understands there is no similar historical importation figures available in respect of eggs or DOCs, which are typically locally produced within PNG.

As noted above, more than a third of stock feed sales in PNG are estimated to be imported stock feed (including to Zenag Chicken).

(c) List which products are imported into the relevant market/s, and who undertakes the importation and their relative share of the market;

Chicken Market

PNG traditionally imports frozen poultry portions (legs and wings) and mechanically deboned meat (MDM) used in the production of sausages by local producers. Imports are managed by distributors / retailers directly through suppliers in Australia and New Zealand.

Stock feed market

As discussed in earlier responses, significant volumes of stock feed are imported into PNG, principally from Inghams in Australia. The Applicants understand that Zenag Chicken directly imports stock feed volumes for its poultry operations. As noted in response to questions 11 and 13(a), the Applicant estimates imports constitute 35% of supply into the local market.

(d) Show the relationship (if any) between domestic prices and import product prices; and

Chicken Market

The Applicant has very little visibility of imported chicken prices. It understands that imports are cost competitive (and may even be cheaper than local production when supply availability is higher out of Australia and or New Zealand), but have not displaced volumes of domestic production beyond the market shares shown in Section 10 above due to exposure to foreign exchange fluctuations and non-price issues such as greater needs for cold chain storage to hold stock and the risk of biosecurity barriers being implemented for any poultry disease outbreaks.

Stock feed market

Imports of stock feed are cost competitive and may even be cheaper than local production as they have displaced volumes of domestic production (leaving surplus and unutilized capacity in local stock feed production plants).

(e) Provide details of the extent of which imports provide a constraint on domestic suppliers including the merger parties in the relevant market/s post acquisition (Refer to direction 18)

Relevant Markets

Imports do (and will continue to post-Completion) impose a competitive constraint on domestic suppliers in the fresh and frozen chicken market. The Applicant estimates that imports of frozen chicken constitute approximately 14% of the total fresh and frozen chicken market (in 2025, which was a year where import supply was interrupted by biosecurity related barriers) . If domestic suppliers cannot be economic at a price at or below the cost of imports (taking into account additional costs like cold storage), domestic suppliers would lose further share to imports.

Imports are less likely to impose a constraint in relation to eggs or DOCs.

Consequently, producers of fresh and frozen chicken, including the proposed Joint Venture, need to extract local farming and processing efficiencies to ensure they can remain cost competitive to enable ongoing operations and future investment.

Stock feed market

As discussed above, imports of stock feed impose a significant competitive constraint on domestic suppliers (and do not face the same level of challenges in relation to storage and biosecurity as imports in the Relevant Markets do).

Both MHL and AML's continuing independent stock feed supply businesses will need to remain cost competitive with imports to prevent losing business to imports.

14) Substitutes

**Provide information concerning the extent to which substitutes are available in the relevant market/s or are likely to be available in the market
(Refer to direction 19)**

1. Eggs market

There are no close substitutes for eggs. However, other sources of protein are substitutable to some degree (as discussed below in relation to fresh and frozen chicken).

2. Fresh and Frozen Poultry market

Other forms of animal protein are likely to be substitutable to some degree, including:

- i. Fresh pork and fish are available from local producers;
- ii. Pork and canned and preserved meat and fish are supplied by large supermarkets (and wholesale distributors);
- iii. Canned meat is also available from local producers, such as Hugo Canning Company Limited and WR Carpentars Ltd); and
- iv. Canned fish is available from local producers such as Frabelle (PNG) Ltd, R D Tuna Cannery, International Food Corporation, Majestic Seafood Corporation Ltd and South Seas Tuna Corporation).

3. Day Old Chicks market

There are no substitutes for DOCs. It is possible to buy grown-out chickens, but they would be materially more expensive.

4. Stock feed market

There is likely to be some degree of supply side substitutability, where suppliers of other types of stock feed could relatively easily convert their production facilities to producing poultry stock feed, such that the market is likely to be broader than just PNG).

There is also research projects in PNG where local crops (such as sweet potatoes, cassava) are being used to produce stock feed as a substitute for the traditional corn and wheat based poultry stock feed.

15) Barriers to entry

**(a) Provide details of any barriers to entry and expansion in the relevant market/s
(Refer to direction 20)**

Relevant Markets

Refer to **Exhibit O** for details of barrier to entry and expansion in the Relevant Markets.

It is hoped that Completion of the Proposed Transaction will improve the prospects of expansion in Relevant Markets through investment and productivity initiatives for the Target poultry business, but it will not impact on any barriers to entry and expansion that may exist in the Relevant Markets more broadly.

Stock feed market

The existence of surplus local stock feed production capacity provides a potential barrier to entry to a new local entrant. However, with the anticipated growth of the poultry industry in PNG, it is anticipated that (provided such

capacity can be cost-competitive with imports) that is only a short term rather than long term barrier. This has not proved to be a barrier for imported cost-competitive stock feed.

(b) Provide details of the ability of any firm not currently producing goods or services in the relevant market/s but which could enter the relevant market quickly and provide an effective competitive constraint

There are a number of cases of new and prospective entry into the Relevant Markets, including:

1. In March 2025, Taylor Pacific, the sole shareholder of Hugo Canning Company Limited, signed an agreement with the Central Province Business Investment Limited, the business arm of the Central Province government to build three new poultry farms in Central Province. Taylor Pacific owns the existing Hugo Canning factory land and may be able to access its existing facilities to for its new poultry business. If the new entity enters the poultry market in Central Province, it will directly provide competition to the Applicant because the assets of the Target Business, which the Applicant proposes to acquire, are located in the nearby Morobe Province.
2. Innovative Agro Industry and Taylor Pacific have also entered into a joint venture to establish Sepik Fresh to provide poultry meat, eggs and DOCs within the Sepik region (East Sepik and Sandaun).
3. Desh Besh Agro Limited, a related entity of Desh Besh Limited, has begun selling fresh and frozen chicken in the Desh Besh shops in Port Moresby. It is unclear whether they intend to expand their operations to include eggs and DOCs. As discussed in earlier responses, they are understood to also produce their own stock feed.

(c) Provide details of any firms which have recently tried and failed to enter the relevant market/s, including the reasons (if known) for their failure

No known failures of commercial scale suppliers in either the Relevant Markets or the stock feed market.

16) Dynamic characteristics

Provide details of the dynamic characteristics of the relevant market/s, including growth, innovation and product and/or service differentiation.

(Refer to direction 21)

The Relevant Markets in Papua New Guinea are experiencing growth driven by increasing demand for cheap and affordable animal protein, which is fuelled by a rising population and an expanding middle class.

Given bans that have been imposed on poultry imports from Australia, New Zealand and various Asian countries in response to Avian Influenza, there is a need to increase local production of poultry products to increase PNG's food security and reduce the price impact of such constraints on imports.

There is significant opportunity for market participants to expand production capabilities and contribute in a constrained market to lower production costs by bringing increased competition and innovation in production methods leading to lower cost structures within the industry in PNG.

The Joint Venture combines MHL's local operating expertise with AML's fresh equity, and technical know-how to support the modernization and expansion of farm capacity, as well as the introduction of international industry expertise through the Wilmar Group. This integration is expected to improve efficiency, increase output and lower the costs of fresh and frozen chicken, and eggs, placing downward pressure on prices.

As a key input to the Relevant Markets, the stock feed market has anticipated growth from the anticipated growth of the downstream poultry markets.

The Applicant submits that there is very limited product differentiation in any of the Relevant Markets (or the stock feed market) as each of the products (eggs, DOCs, chicken meat) is regarded as a commodity.

17) Vigorous and effective competitor

Indicate whether the merger parties in the relevant market/s would separately be considered as a vigorous and effective competitor?

(Refer to direction 22)

Relevant Markets

The Applicant is dormant and its related entities do not compete in the Relevant Markets. We appreciate from the pre-filing consultation that the ICCC is considering whether AML/the Wilmar/Goodman Fielder group would have been a potential new entrant into any of the Relevant Markets. However, as discussed in the response to question 7, the Wilmar group had decided in 2022/23 that it was not attractive to enter such markets other than by way of acquisition of an established business for reasons including challenges in obtaining sufficient land of an appropriate nature.

To be considered a potential competitor, the Applicant would need to be likely to have entered the market organically in the near term. The Applicant confirms that it was not actively looking to enter the market (and Wilmar had actively decided against organic entry in 2022/23). Speculation arising from the mere fact that the Applicant's Owners had international poultry operations does not make it a potential competitor.

MHL is a sizeable competitor in each Relevant Market given the size of its businesses as shown in Section 10 above. However, the Applicant considers the Target Business could be a much more vigorous and competitive business with the right focus on improvements in technology and innovation.

An important part of the investment rationale for the Proposed Transaction is the potential to make the Target Business a more vigorous and effective competitor through:

- (a) introducing new funding; and
- (b) facilitating the Target Business drawing on technology and innovation from the broader AML / Wilmar Group's intentional experience to increase productivity and efficiency of its operations.

Stock feed market

As discussed in earlier responses, the MHL's stock feed business is not included within the scope of the acquisition, such that MHL and AML will continue to be independent, vigorous and effective competitors in the supply of stock feed.

Both will continue to have material surplus unutilised capacity in their stock feed production plants, such that they will continue to be incentivised to grow the volumes they supply to improve efficiencies through economies of scale. See **Exhibit I** for a graph showing recent utilisation levels for AML's stock feed milling plant.

18) Vertical integration

(a) Describe whether the proposed acquisition would, or would be likely to, result in vertical integration between firms involved at different functional levels in the relevant market/s

(Refer to direction 23)

Under existing ownership, the Target Business involves some degree of vertical integration through MHL's:

- a) production and supply of stockfeed; and
- b) using its own stockfeed, as a material input, for feeding of DOCs which in turn grow to become poultry which are then marketed and sold as fresh and frozen chicken.

This level of vertical integration will not change through this acquisition. [REDACTED]

(b) Describe the extent to which vertical integration currently exists, where either merger party currently operates as a customer or supplier to competitors in the relevant market/s: and

Neither merger party currently supplies stockfeed to the other major PNG poultry producer (Zenag Chicken). Zenag is understood to source the majority of its stockfeed through imports from third party Australia stockfeed suppliers. Accordingly, there can be no risk of foreclosure or other adverse competitive impact on Zenag from the Applicant's shareholders being involved in the supply of stockfeed.

Both AML (the Applicant's current shareholder and 51%-owner of the Joint Venture post-Completion) and MHL (49% owner of the Joint Venture post-Completion) supply stockfeed to other smaller poultry producers (directly and indirectly via wholesalers/retailers) and will continue to do so post-completion.

The supply of stockfeed to these smaller producers will not be adversely impacted as:

- a) AML and MHL's stock feed businesses are highly economically incentivised to grow the volumes they supply to third party poultry producers as they both have material surplus unutilised capacity in their stock feed production plants, such that higher volumes will improve efficiencies (i.e. lower the average cost of production) through economies of scale;
- b) the smaller producers are a sufficiently small part of each of the Relevant Markets and it is far more profitable to continue to supply them stockfeed than to seek to take their share of the fresh and frozen chicken market (even assuming that ceasing supply would result in them having to exit the market);
- c) smaller producers would have the ability to switch to alternative suppliers of stockfeed (such that the most likely outcome of a merger party hypothetically ceasing supply would be that merger party losing the stockfeed business, but the small producers continuing to supply in the fresh and frozen chicken market); and
- d) a least one smaller producer, Desh Besh, is itself vertically integrated and produces stock feed for consumption by its own poultry business.

It follows that any attempt to foreclose other poultry producers is both economically irrational and doomed to failure due to customers' switching ability (and therefore not a likely outcome of the Proposed Transaction).

(c) Describe whether the proposed acquisition is likely to increase the risk of coordinated behavior.

The Proposed Transaction will not increase the risk of coordinated behaviour. The Joint Venture's scope is confined to the poultry business and does not extend to the stockfeed businesses of AML and MHL, which will continue to compete independently of each other.

19) Prices and profit margins

(a) Provide details of recent and current levels of pricing in the relevant market/s including the use of rebates and discounts

The Target Business' current pricing levels in the Relevant Markets are included in Exhibit P.

(b) Provide details of supply costs of goods and services supplied by the merger parties including manufacturing, marketing and distribution costs in the relevant market/s

Please refer to **Exhibit L** which provides details of the major supply costs of the Target Business in each Relevant Market.

(c) Describe the competitive constraints, if any, which would, or would be likely to, prevent the merger parties from being able to significantly and sustainably increase, the prices paid by their customers, or lower the prices paid to their suppliers, post-acquisition in the relevant market/s

Relevant Markets

The Applicant considers that the Joint Venture will not be able to increase prices to customers or lower prices to suppliers post-Completion without losing market share in the Relevant Markets.

In particular, it is principally constrained through:

- a) customers' and suppliers' ability to switch to Zenag Chicken (as the largest PNG poultry producer, which also competes in all Relevant Markets); and
- b) customers' ability to switch to imported fresh and frozen chicken.

There is also some level of constraint imposed by the ability to switch to other smaller local poultry producers and customers' ability to 'sponsor' new entry by supporting proposed new poultry developments.

As the Proposed Transaction is simply a change of ownership of an existing business, it does not change the Target Business ability to sustainably increase prices paid by customers or decrease prices paid to suppliers.

Stock feed market

The same position is also true of the stock feed market, where there is significant import supply and competition, such that any attempt by MHL or AML to increase prices for stock feed post-acquisition would be anticipated to result in a loss of business to imports.

**(d) Describe the impact of the acquisition on the potential for coordinated conduct between remaining competitors in the relevant market/s post-acquisition
(Refer to direction 24)**

Relevant Markets

The Proposed Transaction will not increase the risk of coordinated behaviour because there is no reduction in the number of competitors or increase in concentration in any of the Relevant Markets post-Completion it is simply a change of ownership of an existing business.

Stock feed market

Similarly as the transaction does not include MHL's stock feed business, MHL and AML will continue to be independent, vigorous and effective competitors in relation to the supply of stock feed. The poultry joint venture through the Applicant will not increase the prospects of any coordination in the stock feed market as:

- stock feed supply to the joint venture will solely be from AML post-completion of the acquisition (so the acquisition will not provide the shareholders with visibility of both parties supply terms);
- given the significant spare milling capacity that both MHL and AML have in PNG, they are heavily incentivised to increase supply to reduce average costs of production rather than seeks to coordinate with each other; and
- any attempt to coordinate to increase stock feed pricing or foreclose supply to other poultry producers will be defeated by increased supply of imported stock feed (which is known to be price competitive, including because imports of stock feed are already used as the principal source of supply for the largest PNG poultry producer, Zenag Chicken).

(e) Describe the likely impact of the acquisition on the profit margins of the merger parties post-acquisition and the expected cause of any change

Relevant Markets

[REDACTED]

The merger parties' intention is that in the initial years, the Joint Venture will undertake several significant investments across the poultry value chain to improve the conditions of existing assets, introduce new and more efficient poultry houses and upgrade the processing plant to bring on board additional capacity to meet unmet local demand.

These investments will deliver efficiencies which the Joint Venture parties intend to use to lower the cost of poultry in PNG.

Any increase in margin is anticipated to be delivered by improvements in productivity and efficiency not through any ability to increase pricing above levels that would apply in a competitive market. The merger parties also anticipate that any margin improvement from such productivity and efficiency improvements will be constrained by competitors which are likely to respond.

Stock feed market

There is not anticipated to be any significant change in profit margin for either party in respect of the supply of stockfeed (which will continue occurring independently by both MHL and AML).

20) Related markets

**(a) Describe the extent of complementarity between products supplied by the merger parties
(Refer to direction 25)**

The Applicant is dormant and neither it nor AML is involved in the production of goods and services in any of the Relevant Markets.

There is no complementarity between products currently supplied by MHL or to be supplied by the Applicant because the Applicant will continue to operate the existing poultry business after it acquires all of the poultry assets of MHL. Post-completion, neither AML nor MHL will be directly involved in the Relevant Markets outside of their interest in the Joint Venture.

**(b) Describe the extent to which the products identified above are, or could be, offered to customers as a product range through bundling or tying
(Refer to direction 26)**

Relevant Markets

The Proposed Transaction results in the continuation of an existing poultry operation under a new ownership and governance structure, rather than the removal of an independent competitor from the market. Therefore, the Proposed Transaction is not expected to change the ability to bundle or tie products in the poultry industry.

The experience of the Target Business is that bundling or tying arrangements do not form a common part of any of the Relevant Markets, and where other suppliers produce the same goods that the Target Business

does it is considered unlikely that any attempt to impose such bundling or tying arrangements would be successful.

Stock feed

For completeness we note that stock feed cannot be bundled or tied to supply of chicken or eggs as the customers of those goods are not the target customers for stock feed (i.e. poultry producers).

As discussed in responses to question 7 above, it would not be profitable or economic for either of MHL or AML to seek to foreclose stock feed to other poultry producers (including by bundling it with DOCs) as:

- both MHL and AML's stock feed milling operations have significant surplus processing capacity – such that any loss of volume will increase the average cost to produce stock feed
- any attempt to foreclose stock feed supply to another PNG poultry producer will be unsuccessful and not advantage the Target Business given the high availability of competitively priced stock feed imports (noting the largest domestic supplier, Zenag Chicken, is understood to source its stock feed from imports) and increases in alternative domestic supplies.

(c) Describe the competitive constraints that would, or would be likely to, prevent such bundling or tying from significantly foreclosing the ability of the merged entity's competitors to compete, including foreclosure of access to distribution by the merged entity's competitors.

Given other suppliers (domestic and, at least in respect of the fresh and frozen poultry market, importers) produce the same goods that the Target Business does, it is considered very unlikely that any attempt to impose such bundling or tying arrangements would be successful in foreclosing a competitor.

21) Other grounds for grant of clearance

Outline any grounds for the granting by the Commission of the clearance not already addressed above.

The Proposed Transaction is pro-competitive because:

- a) it enables the Applicant to continue and expand an existing domestic poultry operation in Lae, supporting growing demand for affordable protein in Papua New Guinea without removing an active market participant;
- b) the continued operation of the poultry business, under the Joint Venture also preserves local employment for both skilled and unskilled workers within the Morobe Province;
- c) the Joint Venture combines local operating expertise with fresh equity from Wilmar/AML and MHL's largest shareholder Nasfund, and technical know-how to support the modernisation and expansion of farm capacity, as well as the introduction of international industry expertise through the Wilmar Group. This integration is expected to be pro-competitive by improving efficiency, increasing output, and lowering the costs of fresh and frozen chicken, and eggs, placing downward pressure on prices; and
- d) the Proposed Transaction supports import substitution and supply reliability and may result in an increase in local poultry production, which is highly desirable given the shortages (and resulting higher prices) which have been caused each time restrictions on imports have been imposed in response to Avian Influenza outbreaks.

22) The counterfactual

Describe the likely state of the relevant market/s in the future if the proposed acquisition does not take place, giving reasons

[REDACTED]

- [REDACTED]
- [REDACTED]

- [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Wilmar/the Applicant is not a potential competitor and was not likely to enter without the Proposed Acquisition
The Application submits there would be no alternative entry into the PNG poultry industry in the counterfactual as:

- the Applicant has been dormant for a long period;
- there is no evidence to suggest that the Applicant or Wilmar Group was likely to enter the PNG markets without the acquisition;
- Wilmar made an active decision to stop considering entry in 2022/23 given challenges identified; and
- It is not sufficient to support a counterfactual assuming Wilmar's entry to the PNG markets by speculating that would occur based solely on the existence of Wilmar's international poultry businesses. The Wilmar group has investment hurdles which it did not consider would be met by establishing a new PNG poultry business.

23) International

(a) Does the acquisition involve:
(i) A company operating in PNG that has a foreign parent?

The Target Business is owned by MHL, which has a PNG parent (Nasfund).

The acquirer (and Applicant) is currently ultimately wholly owned by Singaporean entities (GFPL and Wilmar International Limited), but following Completion, the Applicant will become 49%-owned by MHL and 51%-owned by AML.

Associated Mills Limited is wholly-owned by Goodman Fielder Pte Ltd, a Singapore entity. Refer to **Exhibit C** for a detailed corporate structure.

(ii) PNG businesses or consumers affected by the occurring overseas?

No, the Proposed Transaction involves an acquisition in PNG (rather than offshore), and the Target Business will continue to supply local PNG consumers.

(iii) Foreign consumers affected by the conduct occurring in PNG

No, the Target Business being acquired only supplies domestically in PNG.

(b) Provide details of competition authorities in jurisdictions other than PNG to which the proposed acquisition has been, or is intended to be, notified and the timing of such notifications.

N/A – as the Target Business only sells domestically there is no merger filings triggered or competition impacts anticipated in other countries.

24) Further information

Name, postal address, telephone, facsimile and email contact details of the person authorized by the Applicant to provide additional information in relation to this application.

The Proposed Transaction supports import substitution and supply reliability resulting in better food security and foreign exchange savings. Overall, the Proposed Transaction is commercially justified and will bring competition within PNG through additional capacity to the relevant markets. is not expected to substantially lessen competition in any relevant market.

Any clarification required with regards to the Proposed Transaction may be sent to the following authorised person of the Applicant:

- a) Name: Tim Carter
- b) Designation: Director, General Manager, Papua New Guinea
- c) Postal Address: Cnr Lawes Road & Champion Parade, Konedobu, Port Moresby, Papua New Guinea
- d) Telephone No: General Office line: + 675 308 2200 Mobile: [REDACTED]
- e) Email Address: [REDACTED]

25) Information provided in relation to the target

Where the target has been consulted during the preparation of information provided in response to the questions contained in this form relating to the target, an authorized representative of the target must indicate here that information relating to the target is complete and accurate.

I, Dinesh Wariyapoloa, Chief Financial Officer of Mainland Holdings Limited (as the current owner of the Target Business) confirm that, to the best of my knowledge, the information relating to the Target Business in this application is complete and accurate.




Signature of authorized person

26) Declaration

The undersigned declare that, to the best of their knowledge and belief, the information given in response to the questions in this form is true and correct and complete, that complete copies of documents required by this form have been supplied, and that all estimates are identified as such and are their best estimates of the underlying facts and that all the opinions expressed are sincere.

The undersigned are aware of Section 128(4)(b) of the ICC Act, in that it is an offence to give information or provide an answer that is false in any particular



Signature of authorized person

Director, General Manager, Papua New Guinea

Office held

Tim Carter

(Print) Name of authorized person

This 24th day of June 2026

DIRECTIONS

1. If you are an individual making this application on behalf of a company please state the name of the company. Note that the application must only be signed by a person authorized in writing by the company to do so and relevant correspondence confirming that the individual has been authorized to sign on behalf of the company must also be attached.

If the space on this form is insufficient to provide all the information required, the information must be provided on separate sheets of paper, numbered consecutively and signed by or on behalf of the Applicant.

The Commission welcomes any other additional information that the Applicant deems relevant in support of the application.

2. The response should detail the ownership structure, a list of the shareholders (where applicable) and the Applicant's latest annual report (if any).
3. The response should disclose details of a holding company (if any) or subsidiary/ies (if any) as defined under *Section 5 of the Companies Act of 1997*.
4. The response must disclose details of a holding company (if any) or subsidiary/ies (if any) as defined under *Section 5 of the Companies Act of 1997*.
5. The response should disclose:
 - (a) the date the contract, arrangement, understanding or proposal was or is intended to be made,
 - (b) the date the public bid was advertised,
 - (c) the intended date the contract, arrangement, understanding or proposal was or is intended to be concluded,
 - (d) the intended date of consummation of the acquisition,
 - (e) the consideration proposed to be exchanged for the acquisition.

Also provide where possible, a copy of the contract, arrangement, understanding or proposal between the Applicant and the Target.

6. The response should include background information on the industry sector/s relating to the acquisition and the role of the Applicant and Target Company in the industry sector/s related to the acquisition. The information should also include a description of goods and services supplied both locally and internationally.
7. The response should detail all the goods and services produced and/or supplied and identify areas where there is an overlap (same or similar goods and services produced and/or supplied or same area of business conducted by the Applicant and target) in the production and/or supply of goods and services by the Applicant and the Target.
8. In determining whether an acquisition breaches *Section 69* of the Act, an assessment of the relevant market/s must be made. The response must detail the product, functional, geographical and time dimensions of the market/s.
 - (a) The product dimension of the market must include the identification of goods and services supplied by the Applicant and the Target Company. The next step is to identify the goods or services that may be considered substitutable or interchangeable with goods and services supplied by the Applicant and target by customers – Demand side substitutability. Also identify possibilities of customers to switch to alternative suppliers given a permanent price increase and other suppliers start producing the goods and services in question or produce a substitute product – Supply side substitutability.

- (b) The functional dimension of the market must describe the vertical stages of productions and distribution that comprises the relevant arena of competition. Consider whether products produced or sold at several levels by vertically integrated firms, or by firms at another level of distribution than the merging firms, should be included in the relevant market because the exercise of market power at one stage of distribution can be constrained by firms at an adjacent level of distribution.
 - (c) The geographic dimension of the market must identify the areas over which the Applicant and the Target Company and their competitors currently supply, the relevant products and to which the customers could practically turn. Also identifies other areas where customers could purchase these products given the merged firms raise prices.
 - (d) The time dimension of the market must address the period over which substitution possibilities must be considered.
9. Provide a detailed argument outlining the public benefits claimed to result from the proposed acquisition.
 10. Provide details of the detriments to the public, including those resulting from any lessening of competition, as a result of the proposed acquisition.
 11. The response should provide details of at least 5 suppliers and should be an even representation of suppliers ranging from small, to medium and then to large suppliers. The response should also include a description of the goods and services supplied by each of the suppliers and an estimated value of the goods and services supplied.
 12. The response should include the location of each of the suppliers identified and the areas to which each of the identified entities supplies goods or services.
 13. The response should provide details of at least 5 customers (if there are less, list all of them) and should be an even representation of the customers ranging from small, to medium and then to large customers and must include a description of the goods or services and the value of the goods and services purchased by these customers.
 14. The response should provide details of any contracts, exclusivity rebates and discounts and identify any customers who have contracts which are about to expire within the next two years and indicate the supply volumes associated with such contracts.
 15. The response should describe the market share of the suppliers or purchasers identified earlier, the market share of the Applicant and the market share of the Target Company in the relevant market/s over the last 5 years, including the total size of the domestic market. The documents relied upon to estimate the total market share sizes must be provided. The response should also include the number of buyers and sellers in the market.

Also outline the extent to which the Acquirer would be constrained in its actions by existing competitors in the relevant markets

16. The response should detail:
 - (a) the ability of competitors in the relevant market/s to increase supply,
 - (b) the ease with which customers could change suppliers including any switching costs that they would incur
 - (c) whether goods and services produced in the relevant market/s should be considered homogeneous or whether there are variations in price or quality and whether the relevant market/s are characterized by brand loyalty.
17. The response should detail whether it is viable for customers to import substitutes. Also indicate the origin of imports and address issues including but not limited to:

- options for the transportation of imports (e.g. by air, sea or land);
- transportation costs;
- whether the product is a high or low value product;
- whether the product is of high or low density; and
- whether the product is durable for transportation without damage or deterioration in quality.

The response should also cover any barriers to importation in the relevant market/s including whether significant investment in facilities or in distribution arrangements is needed to facilitate importation.

18. The response should provide details of the price of actual or potential imports (including, additional costs such as freight and customs duties), whether existing import suppliers can accommodate a significant expansion in capacity without the need for significant investment and whether import competition would provide a constraint on companies post acquisition in the downstream market. The response should also include details of existing importers and their customers.
19. The response should cover relative capacities, cost structures and the cost of expansion in the market.
20. The response should detail –
 - (a) the market conditions that may affect the ability to entry and the ability of existing firms to expand;
 - (b) the nature and height of barriers to entry and expansion;
 - (c) details of exit;
 - (d) entry and expansion in the relevant market/s in the last 5 years;
 - (e) any incentives or disincentives for new entry; and
 - (f) effective competitor.

Barriers which must be addressed include, but are not limited to, the following:

- (a) Sunk costs in production capacity;
 - (b) Accessing shelf space;
 - (c) Advertising and promotion;
 - (d) Legal and Regulatory restrictions such as licensing requirements, industry standards and capital requirements;
 - (e) Requirement for scarce inputs;
 - (f) the extent of Brand loyalty in the relevant market/s;
 - (g) Minimum efficient scales of operation;
 - (h) Goodwill;
 - (i) Access to scarce resources such as intellectual property; and
 - (j) Threat of retaliatory action by incumbents to new entry.
21. The response should have information including but not limited to the following –
 - (a) Growth (whether the relevant market/s is/are growing or declining);
 - (b) Levels of innovation;
 - (c) Technological change (information on new technology used in production); and
 - (d) Product and/or service differentiation in the relevant market/s.

22. The response should include information of merger parties' respective historical and current pricing, quality, after sales service and purchasing behavior. The response should also include merger parties' record of innovation, its growth relative to the growth of the relevant market/s, and its history of independent behavior.
23. The response should detail -
 - (a) whether the Acquirer has market power in any market which could be leveraged into a vertically related market;
 - (b) whether the target firm would have been a likely entrant to a vertically related market;
 - (c) whether the merged firm will control access to an essential input;
24. The response should detail factors conducive to coordination in a market including, but not limited to, the following –
 - (a) The number of participants in the relevant market/s
 - (b) Transparency
 - (c) Homogeneity of product
 - (d) Homogeneity of firms
 - (e) The size and frequency of purchases
 - (f) The presence of the same firms in more than one market
25. The response should address the complementarity that occurs where there is significant commonality of customers' products and whether the strength of demand for one product is positively correlated with the strength of demand for another, either because the products form part of a range that distributors need to carry because they must be consumed together for technical reasons.
26. The response should detail the circumstances where two or more products are, or could be, supplied only as a bundle (pure bundling) or, if supplied individually, are also offered as a bundle as a price that is lower than the price charged if sold individually (mixed bundling). The response must also address circumstances where customers seeking to acquire one product are required also to purchase a second product or carry amounts of the second product (tying).