



MEDIA RELEASE

4 November 2013

F&N AGREES NOT TO ENFORCE AN AGREEMENT PREVENTING HEINEKEN FROM ENTERING SOFT DRINKS MARKET IN SINGAPORE

1. On 15 November 2012, Heineken International B.V. (“Heineken”) completed the purchase of the entire interest in Asia Pacific Breweries Limited and other assets in Asia Pacific Investment Pte Ltd (“APIPL”) held by Fraser & Neave Limited (“F&N”). The APIPL Share Purchase Agreement entered into between F&N and Heineken included a clause which restricts Heineken from engaging in the manufacture, distribution and sales of soft drinks, for a period of two years (the “Soft Drinks Non-Compete Clause”). The two year non-competes period would expire on 14 November 2014.

2. In January 2013, Competition Commission of Singapore (“CCS”) commenced an investigation into the Soft-Drinks Non-Compete Clause. F&N has since voluntarily agreed not to enforce the clause with respect to Singapore by giving a signed undertaking to the CCS to this effect.

3. As a result, CCS is of the view that the contractual impediment to Heineken to enter the local soft drinks market is now removed. Accordingly, CCS has ceased its investigations but will continue to closely monitor market practices in the local soft drinks market.

4. For the avoidance of doubt, F&N’s voluntary undertaking was not an admission of liability on its part, and CCS ceased the aforementioned investigation without a finding of liability against both F&N and Heineken.

5. Businesses that are unsure as to whether their business conduct fully complies with the Competition Act (Cap. 50B) should seek independent legal advice or consider applying for a Notification for Guidance or Notification for Decision with CCS. In general, agreements which serve to prevent, restrict or distort competition may be illegal under the Competition Act. CCS encourages all businesses to proactively review their competition compliance practices to ensure their business conduct fully comply with the Competition Act. More information on the Competition Act as well as how to file a complaint or notification for guidance or decision can be found on the CCS website (www.ccs.gov.sg).



About The Competition Commission of Singapore (CCS)

CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe the Act and impose suitable remedies, directions and financial penalties.

For more information, please visit www.ccs.gov.sg

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