

Cofece fines a company and two individuals for closing an operation on terms other than those previously authorized

- Cofece imposed a fine because, upon closing the operation, the terms originally notified and approved were modified.

Mexico City, April 19, 2024. The Board of Commissioners of the Federal Economic Competition Commission (Cofece or Commission) **fined Gebr. Knauf KG**, a company that manufactures construction materials and gypsum boards, and **two individuals with 1 million 545 thousand pesos** for carrying out a **merger on terms other than those originally approved by Cofece**.

Specifically, the company and the fined individuals incorporated a non-compete clause into the transaction that was not originally disclosed to Cofece in its request for authorization (merger notification), making it impossible for the Commission to analyze its effects on the market or on consumers.

Cofece works to ensure that mergers and acquisitions notified by companies are resolved quickly and so that the population obtains benefits derived from competition. However, **it is essential that the economic agents**, individuals, and companies involved in this type of transactions are **fully transparent before the Commission** and do not change the terms of the operation after obtaining authorization without informing the authority, as this is the only way to prevent transactions from affecting consumers.

The parties have the right to appeal to the Federal Judicial Power to review the legality of the Commission's actions. The public version of the resolution may be consulted in the opinions and resolutions portal of Cofece's website within the legal term established in Article 47 of the Regulatory Provisions of the Federal Economic Competition Law.

As part of the new phase of the economic competition policy, **Cofece** uses all of its powers and **urges economic agents to comply with each of the obligations** established in the regulations **for the benefit of consumers**.

Document for the purposes of public outreach. **The resolution is the only official version.**

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The Federal Economic Competition Commission safeguards competition and free market access. Through its work, it seeks better conditions for consumers, that more services are supplied with higher quality, and that there is a "level playing field" for companies.