

Chinese group CEFC China Energy Company Limited will be able to complete the acquisition of a 51% stake in Dutch-based oil & gas group KMG International, the former Rompetrol Group, until the end of June this year.

The statement was made by Alexey Golovin, senior deputy president of KMGI, in an interview for Bloomberg.

The Kazakh state-owned KazMunayGas will keep the stake of 49% in the company, which has most of its business located in Romania. The deal is pending approval by local authorities and the EU, said Alexey Golovin.

The two companies signed an agreement on December 15, which will pave the way for the first major investment made by a state Chinese company in Eastern Europe. This transaction will allow KMG International to expand its operations in the Black Sea region and in Western Europe through acquisitions, partnerships, and greenfield investment projects.

The Kazakh group KazMunayGas took over the former Rompetrol Group in 2007 from late Romanian investor Dinu Patriciu for USD 2.7 billion. The group owns Romania's biggest oil refinery - Petromidia and a fuel distribution network in Romania and the neighboring countries.

source: energyworldmag.com