

Engen, KenolKobil acquire Zim Shell, BP ventures

Engen Petroleum, South Africa's refined petroleum products company, and KenolKobil, an indigenous African petroleum marketing company in the East and Central African region, have signed a sale and purchase agreement to jointly acquire all the shares in Shell Zimbabwe (private) and BP Zimbabwe (private).



The agreement remains subject to a number of suspensive conditions including approvals by the relevant Zimbabwe authorities.

The acquired entities were previously operated by BP on behalf of the joint venture which marketed under both the BP and Shell brands in Zimbabwe.

The acquisition entails 75 service stations spread across the country, as well several depots, located in Harare, Bulawayo, Mutare, Gweru and other major towns in Zimbabwe.

Jacob Segman, group managing director and chairman of the KenolKobil Group, says the acquisition is in line with the group's 'Move South Expansion Strategic Plan', and that in accordance with its vision, entry into Zimbabwe is a stepping stone as the company seeks to venture into other countries in Southern Africa.

Rashid Yusof, CEO and managing director of Engen Petroleum Limited, says the venture strengthens Engen's existing interests in Zimbabwe and re-affirms the confidence Engen has in the country's future.

"While Zimbabwe's economy has declined sharply over the last decade it still boasts good infrastructure, and we believe that this will form the basis of renewed economic growth under the new Government of National Unity," Segman continues.

It is the intention of the new joint venture to grow the business to at least its former levels of market penetration under the Engen and KenolKobil brands. This will be done with the full support and ongoing engagement of the current employees, the Zimbabwean government and other stakeholders.

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