



Mexico: Natural gas retailer receives \$15mn investment to expand network

Northgate Capital, the global private equity fund manager, has completed an investment in Natgas for \$15 million in order to fund expansion plans.

Northgate's investment will provide the company the resources to boost its expansion plan, which includes the opening of at least 25 new service stations in the next four years.

"We are eager to work closely with Northgate Capital to expand our geographic footprint covering regions that are experiencing rapid economic growth and have a strong potential user base," commented Josue Hernandez, founder and CEO of NatGas.

NatGas was founded in 2012 by Hernandez after identifying significant potential of using natural gas in public transportation, a market segment in which fuel prices represent the main operating cost.

"The NGV market in Mexico provides great opportunities for expansion. The country's low market penetration, growing pipeline network and natural gas price difference versus gasoline result in very attractive conditions for investment," said Guillermo Carmona, Principal at Northgate Capital.

They currently operate five service stations in Queretaro, Celaya and Aguascalientes.