

Shell finds buyer for service station business in Russia

The London-based company will sell its retail and lubricants businesses to Lukoil, the country's second-largest oil producer.

Following last week's announcement for the [sale of Shell's retail business in Russia](#), part of its withdrawal from the country, the company has confirmed the buyer. Last Thursday, an official statement confirmed that Lukoil will purchase its service station and lubricants businesses in the country.

"The acquisition of Shell's high-quality businesses in Russia fits well into Lukoil's strategy to develop its priority sales channels, including retail, as well as the lubricants business," said Maxim Donde, Vice-president of Lukoil. According to the official statement from Shell, more than 350 that are currently employed by Shell Neft will transfer to the new owner.

The acquisition includes a total of 411 sites, located primarily in the Central and Northwestern regions of Russia, according to a report by the Reuters news agency. In addition, the Torzhok lubricants blending plant has also been included for the deal. Neither company has stated the total value of the transaction, which still needs approval from Russia's anti-monopoly regulations.

News of the sale broke out shortly after Shell took a \$3.89 billion impairment charge after pulling out from the country due to the Ukraine invasion. Roughly 15% of the impairment is related to Shell Neft and it also includes the large Sakhalin 2 LNG plant, operated by Gazprom, and in which the company holds a 27.5% stake.