

Russian Investment Firm Proxima Walks Away From JKK Oil and Gas

By [The Moscow Times](#)

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Russian investment firm Proxima Capital Group said on Thursday it did not plan to make an offer for JKK Oil & Gas plc, two weeks after announcing its intention to consider an offer.

Shares of JKK fell as much as 34 percent, making them the top percentage loser on the London Stock Exchange.

JKK said it had never been approached by the Russian firm. Proxima was not immediately available for comment.

JKK, which makes 85 percent of its revenue from Ukraine, said in January it would suspend its investment in the country due to government-imposed restrictions on selling gas to industrial clients and an increase in gas production tax.

The company said on Monday it had commenced arbitration proceedings against Ukraine for

the repayment of \$180 million related to the production of oil and gas.

JKX, which has a market value of 58.6 million pounds (\$90.3 million), also operates in Russia, Hungary and Slovakia.

The company's shares were down 25.3 percent at 25.50 pence at 15:18 GMT. The stock had fallen 73 percent in the 12 months to Feb. 4, a day before Proxima said it was considering the offer.

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