

Danone Seeks to Sell Russian Operations to Chechen-Linked Businessman – FT

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Yakub Zakriev and Ramzan Kadyrov. chechnya.gov.ru

The French food maker Danone plans to sell its Russian assets to a businessman linked to Chechen leader Ramzan Kadyrov, the Financial Times [reported](#) Wednesday, citing private documents it had seen and anonymous sources familiar with the situation.

Kadyrov's nephew Yakub Zakriev, 33, [became](#) the head of Danone's Russian subsidiary in July 2023 after the Kremlin [ordered](#) its seizure in response to foreign moves against Russian firms abroad over the invasion of Ukraine.

FT said Danone — which has since been rebranded to Life & Nutrition — was now pursuing a sale to Vamin Tatarstan LLC.

Vamin Tatarstan's owner, 29-year-old Mintimer Mingazov, has agreed to pay 17.7 billion rubles (\$191.5 million), FT said, citing a letter from the potential buyer to the Russian government it had obtained.

The price was said to represent a 56% discount on Danone's market value. Since December 2022, Russia has forced foreign companies to sell their assets to Russian buyers at a 50% discount and charged them an exit fee of at least 10% of the transaction value.

Vamin's owner Mingazov and Zakriev are among the four Kadyrov acolytes on Life & Nutrition's board. Mingazov also [posed](#) for pictures with Zakriev weeks before Danone's seizure.

The deal is subject to approval by Russia's Agriculture Ministry, followed by a government commission tasked with reviewing Western companies' exits.

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FT writes the deal faces “uncertain” prospects given the “numerous” rejections by the commission. Many of the estimated 1,000 international companies that announced their departure from Russia have not yet sold their assets nearly two years later.

Danone started transferring control of its Russian business to a local entity in October 2022.

If the deal is approved, Danone has agreed to “provide support” to Life & Nutrition until July 2025 to localize production of unspecified ingredients.

Danone's pre-war executive team reportedly continued running day-to-day operations for months after the seizure and maintained “relatively cordial” relations with its new leadership.

Danone declined to comment on FT's report.

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