



**RUSSIAN COUNTER-SANCTIONS DEVELOPMENTS:  
TEMPORARY ADMINISTRATION OF DANONE RUSSIA  
CANCELLED**



15 March 2024

By way of background and as we advised before, in April 2023, Presidential Decree No. 302 On Temporary Administration of Certain Assets, dated 25 April 2023 (**Decree No. 302**), was enacted, arguably as a response of the Russian Government to the freezing of certain Russian energy-related assets located in the unfriendly states.

Under Decree No. 302, if (A) the Russian Federation or any Russian legal entities or individuals are deprived, or threatened with the deprivation, of title or other property rights in respect of any assets located in the unfriendly states, or (B) if limitations on such rights are imposed or threatened, or (C) if there arises a threat to the national, economic, energy or any other aspect of security of the Russian Federation or its defence, a temporary administration by the Russian state may be introduced in relation to designated assets within Russia owned by parties associated with the unfriendly states, including equity interests in Russian companies. The specific list of such assets is approved by the President.

The Federal Agency for the Management of State-Owned Property was appointed as the competent authority in charge of the temporary administration. Attached to Decree No. 302 was a list of the assets already in scope (the **List**), which initially included the majority stakes in Uniper's Russian subsidiary PAO Unipro and in Fortum's Russian subsidiary PAO Fortum.

Subsequently, the List was expanded several times to include Danone's Russian subsidiary AO Danone Russia, Carlsberg's Russian subsidiary OOO Baltica Brewery (Pivovarennaya Kompaniya Baltika), the Prime Print group of companies, the ROLF group of companies, OOO Ulyanovsk Tool-Building Plant (Ulyanovskii Stankostroitel'nyi Zavod) and a number of other Russian businesses held by unfriendly parties. As of 12 March 2024, the List contained 21 Russian entities.

On 13 March 2024, a new Presidential Decree (No. 186) was enacted with immediate effect, which excluded AO Danone Russia from the List. The new decree does not say anything about the reasons behind the exclusion of AO Danone Russia and, thus, reinstatement of Danone's control over its Russian subsidiary. However, there are reports in the press speculating about Danone's plans to sell its Russian business to a Russian purchaser and that the parties may be close to agreeing the sale.

We will continue monitoring the situation.