

Putin Ally Targeted by U.S. Sanctions Buys Winery in Crimea

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A bottling line at the Novy Svet winery, a major Russian manufacturer of sparkling wines (Vladimir Smirnov / TASS)

A billionaire ally of President Vladimir Putin has bought a century-old winery in the Crimean peninsula in the first major privatization of former Ukrainian state property since the 2014 annexation.

The winery was bought by an entity controlled by Yury Kovalchuk — a man the U.S. calls Vladimir Putin's "personal banker" — who was targeted by sanctions for Russia's seizure of Crimea from Ukraine.

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Crimean authorities had planned to privatize the famed 140-year-old Novy Svet vineyard since last spring, the RBC business portal [reported](#).

Kovalchuk bought Novy Svet for the starting price of 1.5 billion rubles (\$26.4 million), Crimean authorities [told](#) RBC on Wednesday.

The state-owned sparkling wine maker was purchased by a company called “Yuzhny Proyekt,” a 100-percent subsidiary of Kovalchuk’s Bank Rossiya.

Novy Svet’s sparkling wine was served at the coronation of Russia’s last tsar in 1896 and was poured out in the Kremlin to celebrate Crimea’s annexation, RBC reported.

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