

London miner Ferrexpo says arrest of majority owner 'unrelated' to business

London-listed iron ore miner Ferrexpo has said that the arrest of one of its biggest shareholders in [France](#) is unrelated to the FTSE 250 business.

Businessman and former Ukrainian MP Kostiantyn Zhevago was arrested by [French](#) police in the high-end [Courchevel](#) ski resort on Tuesday on an international arrest warrant.

Mr Zhevago is accused of embezzling more than 100 million US dollars (£83 million) and faces the first stages of extradition hearings later this week. The arrest warrant was issued by authorities in [Ukraine](#).

In a short statement on Thursday, Ferrexpo said that its non-executive director had been arrested, but that the arrest was not linked to the company itself.

"The company is aware that Mr Zhevago has been detained in France by the French authorities, and the company understand that this is in relation to matters unrelated to Ferrexpo," it said.

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“The board of directors of Ferrexpo is seeking to clarify the situation and will update the market as appropriate.”

Ukraine issued a domestic arrest warrant for Mr Zhevago in 2019, and an international warrant was launched in 2021. The country’s authorities also seized his assets.

Mr Zhevago stands accused with others of embezzling 113 million US dollars (£93.8 million) from bankrupt lender Finance & Credit Bank.

The former MP, who served for 20 years in Ukraine’s parliament, was the principal beneficiary of the bank.

Investigators say the alleged embezzlement harmed “the interests of the state and the bank’s depositors”.

Mr Zhevago’s companies own a majority stake in Ferrexpo and he was the company’s chief executive until 2019 when he resigned following the allegations.

Although the allegations may not be connected directly to Ferrexpo, the company has been the centre of controversy in the past. In 2019, its auditors resigned after the business launched an investigation into its charitable donations.

Later that year the miner said that some of the more than 30 million dollars (£24.9 million) it donated in 2017 and 2018 might have been misappropriated.