

Key developments and achievements in 2019



FESCO grew its share across the core business lines, with intermodal transportation on the East–West route increasing to 46% and handling in Russia’s Far East via VMTP to 44%:

- intermodal transportation grew to 344 thousand TEU (up 14% YoY);
- handling volumes at the Port reached an all-time high, with 11.5 million tonnes of cargo handled (up 10% YoY), including record-breaking 624.5 thousand TEU of containers and 5.13 million tonnes of general cargo.

FESCO reduced delivery time for cargoes along the key Shanghai–Moscow route to 24 days (two times faster than the sea route via the Suez Canal).

Together with RZD Logistics, FESCO launched Trans-Siberian Landbridge, a joint service for express delivery of transit cargoes from Asia Pacific to Europe via Vladivostok over the Trans-Siberian Railway (“TSR”).

In line with its strategy of expanding its land network, FESCO introduced railway routes from China to Russia via Mongolia, from Russia to China via the Grodekovo/Suifenheng land border crossing, and China-to-Germany and return transit trains via Kaliningrad and Germany-to-China transit trains via Russia’s Far East.

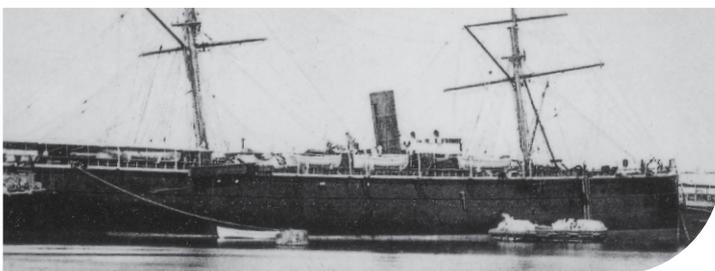


FESCO launched an intermodal container service for cargo delivery from Russian cities to the Kuril Islands via the Far East.

FESCO introduced new container trains for deliveries across Russia – from Yekaterinburg to St Petersburg and from St Petersburg to Novosibirsk.

The Group’s net debt / EBITDA ratio decreased to 3.7x (excluding the IFRS 16 impact).

Events after the reporting date



- FESCO PLC, the Group’s head company, celebrates its 140-year anniversary in 2020. On 25 April 1880, the Moscow ship heading from Odessa entered the Golden Horn Bay, thus giving a start to regular cargo and passenger voyages between the European part of Russia and its Far East. In honour

of the anniversary, FESCO has purchased two thousand new 40-foot containers that have higher capacity of 28,800 kg (gross weight of up to 32,500 kg) and comply with the latest environmental regulations. They boast a special logo that was created to commemorate FESCO’s 140th anniversary.

- In January 2020, FESCO acquired 25% plus one share in Russkaya Troyka from Russian Railways, becoming the company’s sole shareholder. The deal was worth RUB 622 million.