



## Bunkering Division



## Overview

The Bunkering Division started its operations in 2013 via two subsidiaries – FESCO-Bunker and FESCO Fuel Company.

## Services

The Bunkering Division provides a full range of bunkering services: from fuel purchase to its transfer to the tanks of transport vessels in the ports of the Russian Far East (in particular, Vladivostok, Vostochny and Nakhodka). Also, as a fuel agent it arranges the supply of bunkering oil products to FESCO's fleet at foreign ports. Oil products are purchased outside the Russian Far East, as well as from regional suppliers and distribution companies. FESCO's own oil depot is used to refuel vessels at berths, while the Division engages local tankers to refuel vessels at anchor.

## Operations

Growing market monopolisation by major players and a 10% drop in oil and oil product prices on average year-on-year brought about a drop in fuel sales to third parties. Thus, the Bunkering Division mainly covered only FESCO's own demand for oil products.

### The Bunkering Division's key operating indicators

Indicator, kt	2016	2017	2018	2019	YoY change, %
Bunkering volumes	109	77	72	68	(6)

## Customers

More than 90% of total bunkering services were provided to the Group's companies, with the remaining volumes shipped to foreign vessel owners and charterers.