

Letter from the President

**Dear shareholders, partners,
and customers,**

Each year in FESCO Transportation Group's rich, 145-year history marks a step forward in our development. This means new achievements and new opportunities for Russian logistics, both domestically and internationally. As we continue this journey, we are proud to now move forward hand in hand with Rosatom State Corporation.



The year 2024 reaffirmed FESCO's commitment to its growth strategy with a focus on expanding the vessel and container fleets and developing port capacities. The Group's vessel fleet welcomed two new, state-of-the-art vessels, which, in keeping with the tradition, were named after iconic figures for FESCO and the transportation industry – Captain Maslov and Captain Malakhov.

The container fleet operated by FESCO set a historic volume record. Over the last two years it grew by more than 55% to exceed 200 thousand TEU. In addition, the number of fitting platforms operated by the Group reached nearly 15 thousand in 2024, also setting an absolute record for FESCO.

We keep expanding the Group's assets to unlock new services and markets for our customers. Some of the logistics products introduced in 2024 were the first of their kind in decades. For example, the FESCO Intra Asia Service regular line directly connected the ports of Vietnam and Malaysia, becoming the Group's first maritime service in nearly 20 years without calling at Russian ports. We have entered the market dominated by global carriers and are starting to compete with them on an equal footing. This move underscores the Group's ambition to be among the key players in the logistics landscape of nations friendly to Russia.

At the same time, we continue to actively strengthen Russia's transportation sovereignty, expanding our range of services both domestically and internationally for the benefit of Russian businesses. Yet another milestone in 2024 was the launch of a new service for shipping meat products to Asian countries, which reopened supplies of Russian pork to China after nearly 15 years of restrictions. Furthermore, in 2024, FESCO's new routes connected Russian economic hubs with the African continent, the Gulf countries, and new industrial regions of China, including through land border crossings. We launched a direct maritime service from Chinese ports to Novorossiysk, and significantly expanded the geography and capacity of our Indian line, which grew almost seven-fold in the reporting year. To develop container transportation across various markets and countries while maintaining control over all shipping stages, FESCO continued to expand its network of representative offices. We established an office in Kaliningrad, Russia's westernmost region, and a subsidiary in Vietnam, which started operating at the end of the year with full-fledged offices in Ho Chi Minh City and Haiphong.

As we expand our business geography, we always pay close attention to the social and cultural development in the regions where we operate. Our Sea of Opportunities grant contest, which celebrated its fifth anniversary in 2024, has become an integral part of supporting the initiatives of non-profit organisations and active citizens in the Primorye Territory.

Every year, we continue to scale our FESCO for the Kids programme to create opportunities for young talents in Primorye and provide them with comprehensive support.

The effectiveness of these programmes has been highly praised both by participants and the expert community. In 2024, the Group earned the high A status in the nationwide Leaders of Corporate Charity ranking and was among the finalists of the Our Contribution national award, which recognises the contribution of businesses and non-profit organisations to national projects.

With a long-term perspective, FESCO's initiatives draw on past experience and present successes to shape the future. We actively implement innovations, invest in upskilling our team and future talent, and leverage artificial intelligence in transportation management and operations of the Commercial Port of Vladivostok (VMTP). These efforts bear fruit: the port consistently ranks as Russia's largest in container handling, breaking its own records year after year. In 2024, VMTP handled nearly 879 thousand TEU, which is 20 thousand more than in 2023.

I am confident these results are not the limit, but important steps toward even greater achievements – ones we will surely reach as part of the larger Rosatom family. What matters most on this journey is the support of our shareholders, partners, and the entire FESCO team. On behalf of our Company, let me thank you for supporting us in all our endeavours. Your support drives us to create new logistic solutions and expand the geography of our operations – benefitting both our customers and Russia's transportation industry as a whole.

Peter Ivanov

President, Chairman of the Executive Board