

Customer experience management

The Company's communication with customers is underpinned by the following principles:

- **FESCO is the leader** in the container transportation market in terms of quality. We develop internal regulations for our processes and seek to standardise and automate them in line with a continuous improvement approach
- **FESCO is quick to launch new projects.** Our system easily adjusts to changes as we constantly develop and test hypotheses on potential opportunities and rely on quick project launch practices
- **FESCO appreciates the loyalty** of its key customers. We build seamless communication channels by focusing on consistent interaction and personalised approach to key customers. We foster loyalty in response to our consistent delivery against the commitments we have taken on



Our customers

FESCO's customer base

>18.5 thousand
customers in 2023



>1.5 thousand
new customers acquired in 2023

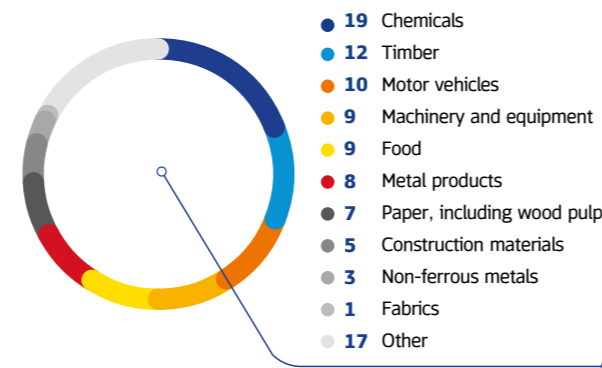


>30 customer offices
including in Southeast and Central Asia and in Europe



FESCO provides its services in the most essential industries.

FESCO transportation in 2023 by cargo type, %



Source: Company data

Mechanisms of customer communication

In 2023, FESCO focused on developing a chat function on its fesco.ru website and in MY.FESCO customer's personal accounts, as well as introduced a voice assistant for customers accessing the Company's call centre.

Via this channel, customers can now gain instant 24/7 advice on various aspects of interacting with FESCO, including:

- consultations on transportation routes and regular services
- information about current shipments
- technical support for FESCO's systems

We launched Technical Support for FESCO's Systems, the Company's most innovative block enjoying strong demand among FESCO's customers. It is designed to provide online technical assistance with MY.FESCO, Pocket Port, and 1C:Production. Technical support experts handled over 7 thousand queries in 2023, with the numbers expected to climb further on.

FESCO's call centre introduced the Voice Assistant project. This tool autonomously handles standard queries and escalates more complex ones to human operators. The system comprises over 30 scripted enquiry scenarios and five guides on frequently asked questions from customers.

With the voice assistant, customers can swiftly get in touch with the right employee without operator involvement, receive text messages with pertinent details, and acquire fast robot advice on common questions. This innovation has reduced the average time customers spend in the answering system to a mere 10 seconds.

>21 thousand

queries addressed by the FESCO team with prompt advice via the chat function

5 minutes

average response time



Most popular queries:

- technical support for MY.FESCO personal account users
- container tracking
- rate calculation and transportation requests

The chatbot's quality is measured by advice it provides.



89%

approval rating from FESCO's customers surveyed in 2023

Customer feedback

In 2023, FESCO remained focused on collecting customer feedback. Our team routinely carried out post-transportation satisfaction surveys, set up focus groups and held in-depth interviews to gauge perceptions of FESCO's market stance and communication practices. The goal was to dissect and enhance customer experiences by identifying and implementing quality enhancements.

The average NPS¹ for the year stood at 61%. The average CSAT² was 86%.

There was an almost 45% surge in participants of our regular NPS surveys in 2023 compared to the previous year, with survey outreach broadening across both destinations and Company units. We also added feedback feature to our mobile app, enabling customers to rate our services.

Customers commended FESCO for:

- user-friendliness of the MY.FESCO personal account
- dependable maritime services
- overall Company reliability

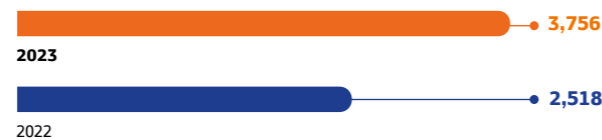
NPS, %



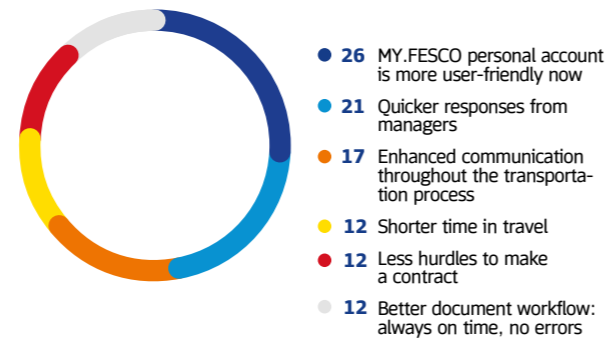
CSAT, %



Number of participants



Positive shifts FESCO's service quality in 2023, %



¹ Net Promoter Score.

² Customer Satisfaction Score.



Financial review

Financial overview

Financial results

Indicator	2022	2023	YoY change, % 2023/2022
Revenue, RUB mln	162,639	172,004	6
EBITDA, RUB mln	71,483	53,607	(25)
EBITDA margin, %	44	31	(13) pp
CAPEX	36,733	60,345	64

Revenue, RUB mln

Indicator	2022	2023	YoY change, % 2023/2022
Port Division	32,977	35,238	7
Rail Division	6,932	8,915	29
Liner and Logistics Division	138,926	146,608	6
Shipping Division	7,807	14,850	90
Fuel Division	2,788	2,884	3
Eliminations	(26,791)	(36,491)	36
FESCO Group	162,639	172,004	6

In 2023, the Group's consolidated revenue increased by 6% to RUB 172,004 million vs RUB 162,639 million in 2022. All business segments showed YoY growth of revenue.

The Port Division's revenue in 2023 went up by 7%, or RUB 2,261 million, to RUB 35,238 million. The main growth driver was higher container cargo transportation profits coming from rising handling volumes, increased share of imports, and additional services to manage container cargoes.

The Rail Division's revenue in 2023 rose by 29%, or RUB 1,983 million. The expansion of the fitting platform fleet accounted for most of this revenue growth.

The Liner and Logistics Division's revenue went up by RUB 7,682 million, or 6% YoY. The revenue growth was driven by:

- 23% rise in volumes carried by international routes

- 24% rise in volumes carried by domestic routes
- growing intermodal exports through the Commercial Port of Vladivostok
- increase in intermodal transit transportation volumes
- launch of FESCO Baltorient Line (FBOL) sea service
- launch of FESCO Indian Line (FIL) sea service
- growth of import land transportation services from China to Russia
- expanded geography of regular intermodal services to Chelyabinsk and Irkutsk

In 2023, the Shipping Division's revenue added 90%, or RUB 7,044 million, thanks to the acquisition of additional fleet.

The Fuel Division's revenue growth in 2023 was 3%, or RUB 96 million, driven by higher revenues from agency activities following the expansion of oil product agency services.

