

MANAGEMENT DISCUSSION AND ANALYSIS

2023

FINANCIAL AND NON-FINANCIAL HIGHLIGHTS

REVENUE

('000 GEL)

Q4 2023

145,970

+20.5% from Q4 2022
-16.8% from Q3 2023

FY 2023

627,173

-7.1% from FY 2022

RESULTS FROM OPERATING ACTIVITIES

('000 GEL)

Q4 2023

-9,097

-123.4% from Q4 2022
-117.4% from Q3 2023

FY 2023

97,561

-55.3% from FY 2022

ADJUSTED EBITDA

('000 GEL)

Q4 2023

6,126

-90.7% from Q4 2022
-91.4% from Q3 2023

FY 2023

168,440

-40.7% from FY 2022

ADJUSTED EBITDA MARGIN

Q4 2023

4.20%

-31.6 points from Q4 2022
-36.6 points from Q3 2023

FY 2023

26.86%

-15.3 points from FY 2022

NET CASH INVESTMENT IN PP&E

('000 GEL)

Q4 2023

31,010

-8.5% from Q4 2022
-11.4% from Q3 2023

FY 2023

139,342

+3.2% from FY 2022

NET DEBT TO ADJUSTED EBITDA

31 Dec 2023

6.49

5.19 as at 30 September 2023

31 Dec 2022

3.93

TONS

('000)

Q4 2023

3,295

-14.9% from Q4 2022
-8.6% from Q3 2023

FY 2023

13,551

-8.3% from FY 2022

TKM

('million)

Q4 2023

916

-13.5% from Q4 2022
-9.4% from Q3 2023

FY 2023

3,804

-8.6% from FY 2022

NUMBER OF PASSENGERS

('000)

Q4 2023

427

+312.3% from Q4 2022
-42.1% from Q3 2023

FY 2023

2,283

+42.3% from FY 2022

PASSENGER-KILOMETERS

('million)

Q4 2023

150

+19.2% from Q4 2022
-33.0% from Q3 2023

FY 2023

687

+42.3% from FY 2022

MAIN DEVELOPMENTS IN 2023

- | Passenger transportation increased by 50.3%; and
- | In July 2024, Fitch upgraded the Company's long-term outlook to "positive" from "stable" and verified its "BB-" rating, while in December 2022, S&P affirmed the Company's "BB-" rating and set the Group's long-term outlook to "stable."

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I. PROFIT OR LOSS STATEMENT

PROFIT AND LOSS STATEMENT

For the year ended 31 December GEL '000	TOTAL		CHANGE		
	2023	2022	%	% constant currency	Absolute
Revenue	627,173	674,773	(7.1)	3.1	(47,600)
Other income	8,993	15,825	(43.2)	(37.0)	(6,832)
Employee benefits expense	(239,056)	(197,708)	20.9	34.2	(41,348)
Electricity, consumables and maintenance costs	(74,722)	(80,207)	(6.8)	3.4	5,485
Other expenses	(153,948)	(128,521)	19.8	32.9	(25,427)
Adjusted EBITDA	168,440	284,162	(40.7)	(34.2)	(115,722)
Adjusted EBITDA margin	26.86%	42.11%	NA	NA	(15.3)
Depreciation and amortization expense	(76,895)	(66,585)	15.5	28.1	(10,310)
Impairment gain/(loss) on trade receivables	6,016	840	616.2	694.6	5,176
EBIT	97,561	218,417	(55.3)	(50.4)	(120,856)
Finance income and cost	(10,166)	178,908	(105.7)	(106.3)	(189,074)
Profit before income tax	87,395	397,325	(78.0)	(75.6)	(309,930)
Income tax expense	(619)	(644)	(3.9)	6.6	25
Profit and total comprehensive income	86,776	396,681	(78.1)	(75.7)	(309,905)

PROFIT AND LOSS STATEMENT (QUARTERLY)

For the period ended

GEL '000	Q4 2023	Q4 2022	y-o-y %	Q3 2023	q-o-q %
Revenue	145,970	183,619	(20.5)	175,484	(16.8)
Other income	2,419	(2,664)	(190.8)	3,059	(20.9)
Employee benefits expense	(63,312)	(53,505)	18.3	(55,882)	13.3
Electricity, consumables and maintenance costs	(18,256)	(22,122)	(17.5)	(17,783)	2.7
Other expenses	(60,694)	(39,530)	53.5	(33,231)	82.6
Adjusted EBITDA	6,126 4.20%	65,798 35.83%	(90.7) NA	71,648 40.83%	(91.4) NA
Depreciation and amortization expense	(22,112)	(25,137)	(12.0)	(19,124)	15.6
Impairment gain/(loss) on trade receivables	6,889	(1,796)	(483.6)	(281)	(2,551.6)
EBIT	(9,097)	38,865	(123.4)	52,243	(117.4)
Finance income and cost	(6,626)	79,563	(108.3)	(36,072)	(81.6)
Profit before income tax	(15,722)	118,429	(113.3)	16,170	(197.2)
Income tax expense	(54)	(184)	(70.7)	(66)	(18.2)
Profit and total comprehensive income	(15,776)	118,244	(113.3)	16,104	(198.0)

* As a consequence of accounting adjustments in the classification of operations, in Q4 2022 a negative revenue was recorded in the category of "other income."

1.1 REVENUE

Most of the Group's revenue (about 55% in 2023) is derived from freight transportation. Thus, its results are particularly sensitive to cargo flows. These mainly comprise transit shipments, which accounted for around 71% of

freight transportation revenue in 2023. Of note, a substantial proportion of GR's transit transportation comes from trade between Europe and Central Asia.

REVENUE BREAKDOWN

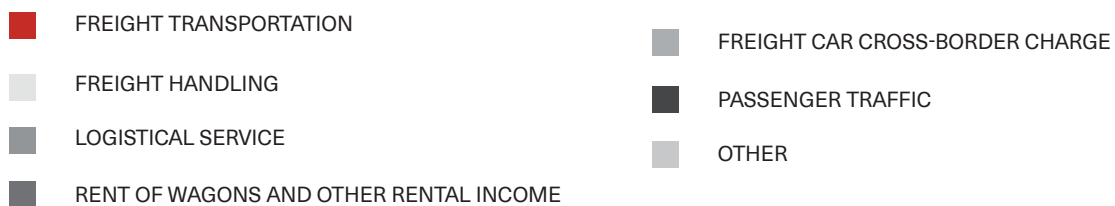
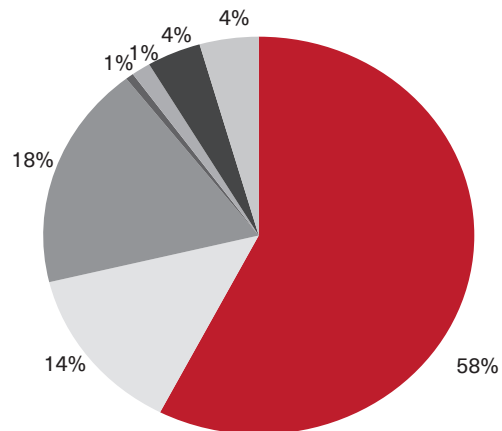
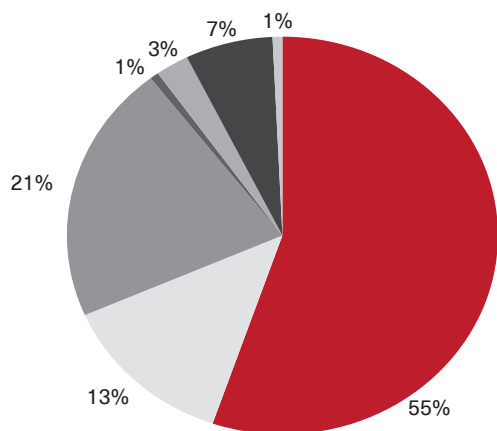
For the year ended 31 December		TOTAL		CHANGE		
GEL '000	2023	2022	%	% constant currency	Absolute	
Freight transportation	346,537	388,446	(10.8)	(1.0)	(41,909)	
Freight handling	82,729	92,180	(10.3)	(0.4)	(9,451)	
Logistical service	132,213	123,071	7.4	19.2	9,142	
Rent of wagons and other rental income	4,158	4,072	2.1	13.3	86	
Freight car cross-border charge	15,705	9,703	61.9	79.6	6,002	
Passenger traffic	41,219	27,423	50.3	66.8	13,795	
Other	4,612	29,878	(84.6)	(82.9)	(25,266)	
Revenue	627,173	674,773	(7.1)	3.1	(47,600)	
Other income	8,993	15,825	(43.2)	(37.0)	(6,832)	

REVENUE BREAKDOWN (QUARTERLY)

For the period ended		Q4 2023	Q4 2022	y-o-y	Q3 2023	q-o-q
GEL '000						
Freight transportation		85,055	93,709	(9.2)	91,095	(6.6)
Freight handling		19,565	25,957	(24.6)	22,755	(14.0)
Logistical service		26,993	29,816	(9.5)	37,248	(27.5)
Rent of wagons and other rental income		1,028	(334)	(407.8)	1,101	(6.6)
Freight car cross-border charge		4,215	4,118	2.4	7,558	(44.2)
Passenger traffic		8,335	7,601	9.7	14,869	(43.9)
Other		780	22,750	(96.6)	859	(9.2)
Revenue		145,970	183,619	(20.5)	175,484	(16.8)
Other income		2,419	(2,664)	(190.8)	3,059	(20.9)

* As a consequence of accounting adjustments in the classification of operations, in Q4 2022 a negative revenue was recorded within the category of "rent of wagons and other rental income" and "other income."

The following charts present the revenue breakdown for the years of 2023 and 2022:



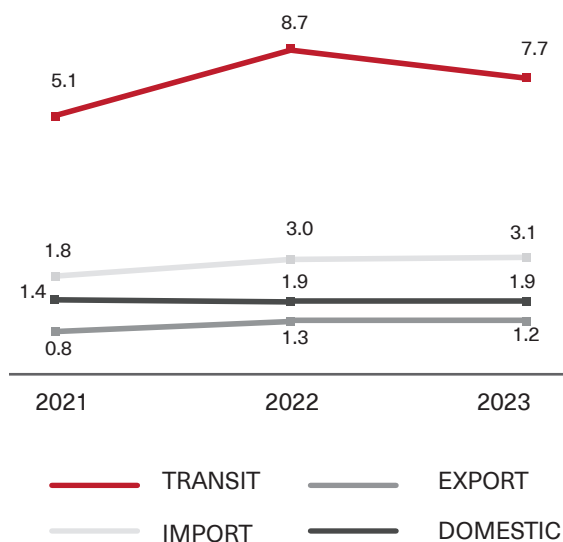
FREIGHT TRANSPORTATION

The Group's freight transportation consists of domestic, import, export and transit transportation. In that same order, the split by tons among the above-mentioned directions in 2023 was about 12%, 23%, 9% and 57%, respectively.

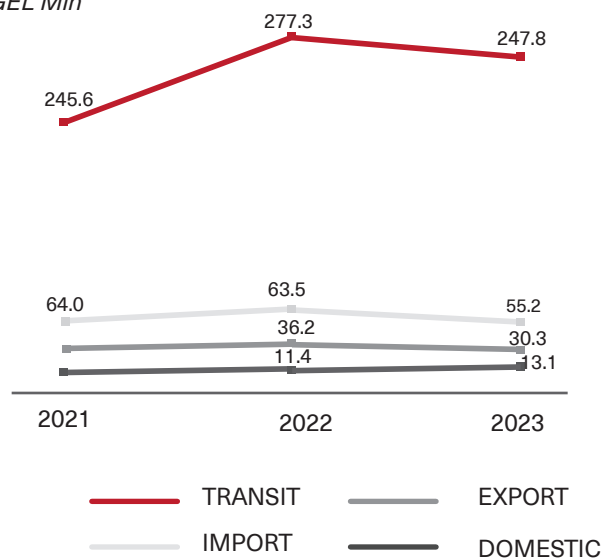
Overall, 99.9% of revenue from freight transportation is denominated in USD.

The following charts present the Group's freight transportation breakdown by purpose:

Mln tons



GEL Mln



Transportation revenue is determined by multiple factors, some of which are listed below:

Transportation volume – Expressed in tons.

Transportation turnover – Computed by multiplying the transported tons by the distance covered (expressed in ton-kilometers).

Revenue per ton-kilometer – refers to the average revenue that the Group receives per ton-kilometer (this parameter

varies according to the cargo type mix and transportation direction mix).

GEL/USD exchange rate – with the majority of the Group's tariffs denominated in USD, changes in the GEL/USD exchange rate can have a significant impact on the Group's profitability, as the Group reports its revenue in GEL and most of its operating expenses are denominated in GEL too.

AVERAGE RATES

	Q4 2023	Q4 2022	% change	Q3 2023	% change	2023	2022	% change
USD	2.69	2.73	(1.45)	2.62	2.78	2.63	2.92	(9.87)
CHF	3.04	2.83	7.15	2.97	2.37	2.93	3.06	(4.38)

REPORTING DATE SPOT RATES

	31-Dec-23	31-Dec-22	% Change	30-Sep-23	% Change	31-Dec-21
USD	2.69	2.70	(0.47)	2.68	0.41	3.10
CHF	3.21	2.93	9.42	2.94	9.12	3.38

TRANSPORTATION BY DIRECTIONS

IMPORT TRANSPORTATION

Imports refer to the movement of cargo from foreign countries to Georgia. The share of imported cargo in the total

transported volume was around 23% in 2023, compared to 20% in the previous year.

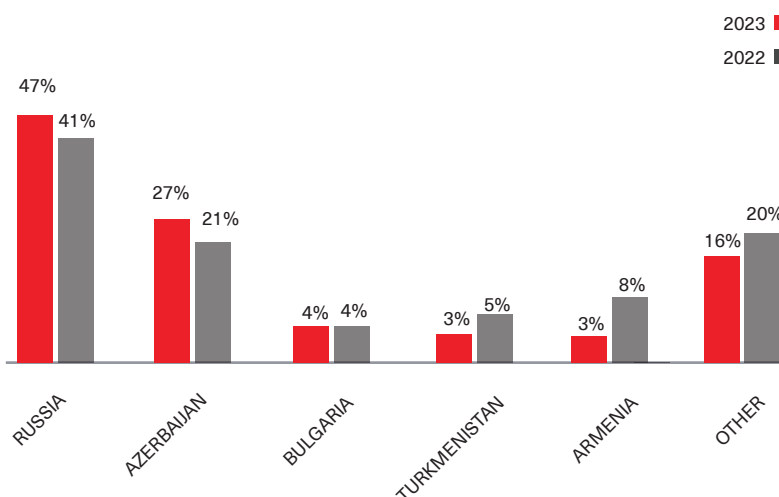
For the year ended 31 December	TOTAL		CHANGE	
	2023	2022	%	% constant currency
Revenue (million GEL)	55.2	63.5	(13.0)	(3.5)
Freight Volume (million tons)	3.1	3.0	3.7	NA
Freight Turnover (million tkm)	412.8	453.6	(9.0)	NA
Revenue / tkm (in Tetri)	13.38	14.01	(4.5)	6.0

MAIN FACTORS INFLUENCING PERFORMANCE

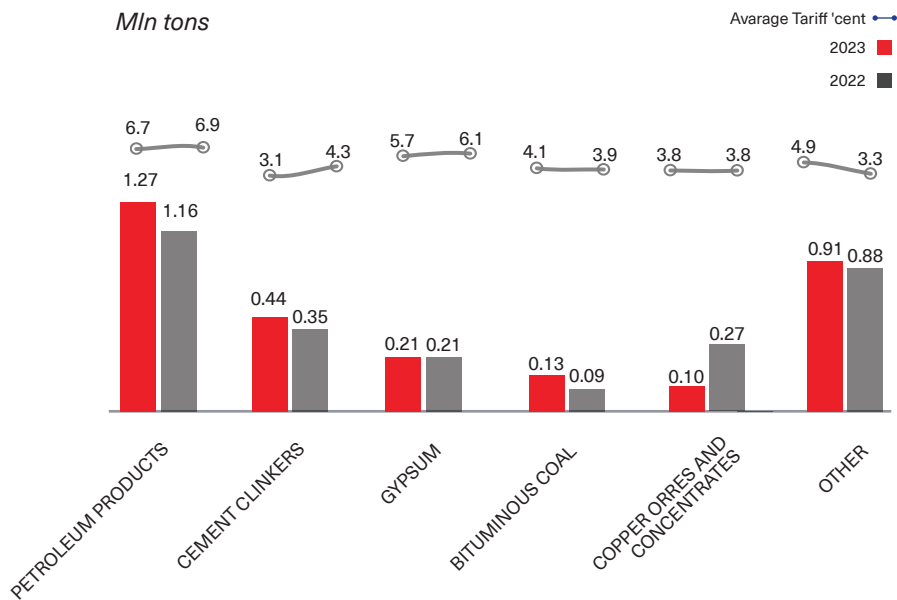
Freight turnover – In 2023, a 9% decrease in freight turnover was recorded, primarily driven by reduced transportation from Armenia and Uzbekistan, which was down by 55.2 million ton-km and 21.2 million ton-km, respectively. However, this reduction was partially offset by increased transportation from Azerbaijan, which rose by 39.0 million ton-km.

Revenue / tkm (in Tetri) – The 6% increase at constant currency in 2023 here was driven by a higher share of transportation from Russia, which is a relatively profitable direction. Meanwhile, the shares of transported cargo from Armenia and Bulgaria, which are less profitable directions, decreased compared to the previous year.

ORIGIN COUNTRIES



MAIN IMPORTED PRODUCT TYPES



MAIN DIRECTIONS OF CARGO IN 2023

Petroleum products - include motor fuel, bitumen, diesel fuel, aviation fuel and special petrol.

Motor fuel - 97% of such products were imported from Russia, mostly to satisfy domestic demand.

Bitumen - 99% of these product were transported from Russia to Rustavi (Georgia), mostly used to make construction materials.

Diesel fuel - 67% imported from Russia and 13% from Azerbaijan, mainly to satisfy domestic demand.

Aviatin fule - 52% imported from Turkmenistan, 18% from Azerbaijan and 11% from Greece, mostly used by domestic aviation companies in Georgia.

Special petrol - 56% imported from Bulgaria and 32% from Romania, mainly to satisfy domestic demand.

Cement clinkers - imported from Azerbaijan and distributed to the Georgian cities of Rustavi (58%), Kaspi (20%) and

Poti (14%), where cement factories are located.

Gypsum - imported from Azerbaijan and distributed to Kaspi (43%) and Rustavi (26%). Meanwhile, 30% was transported to Tbilisi, where plasterboards are produced.

Bituminous coal - imported from Russia and distributed to Kaspi (56%) and Rustavi (43%).

Copper ores and concentrates – transported from Armenia to Poti, where a factory producing non-ferrous metals from raw materials is located.

EXPORT TRANSPORTATION

Exports here refer to the transportation of goods from Georgia to international directions. The proportion of ex-

ported goods in the overall transported volume remained consistent at approximately 9% in both 2023 and 2022.

For the year ended 31 December	TOTAL		CHANGE	
	2023	2022	%	% constant currency
Revenue (million GEL)	30.3	36.2	(16.3)	(7.1)
Freight Volume (million tons)	1.2	1.3	(9.0)	NA
Freight Turnover (million tkm)	334.2	365.4	(8.5)	NA
Revenue / tkm (in Tetri)	9.07	9.91	(8.5)	1.6

MAIN FACTORS INFLUENCING PERFORMANCE

Freight turnover – In 2023, there was a 9% decrease in freight turnover, primarily driven by reduced transportation from Armenia, down by 53.1 million ton-km compared to 2022. However, this reduction was partially offset by increased transportation from Kazakhstan, Azerbaijan and Bulgaria, which rose by 7.7 million ton-km, 7.5 million ton-km and 7.2 million ton-km, respectively.

Revenue / tkm (in Tetri) – The 2% increase in constant currency in 2023 was driven by a higher share of transportation to Azerbaijan and Kazakhstan, which are relatively profitable directions. Meanwhile, the share of transported cargo to Armenia, which is a less profitable direction, decreased compared to the previous year.

MAIN DIRECTIONS OF CARGO IN 2023

Ammonium nitrate – 99% was transported from Rustavi, where a fertilizer factory is located, to Poti Sea Port.

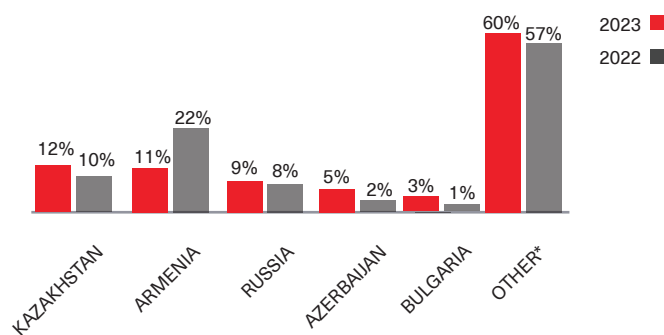
Mineral waters – mainly originated from Borjomi, where one of the largest mineral water bottling factories is located and distributed to Russia and Kazakhstan, with shares of 61% and 28%, respectively.

Silicon manganese – mainly originated from Zestaponi, where a ferroalloys plant is located and distributed to BSP, Türkiye and Italy, with shares of 82%, 8% and 5%, respectively.

Wheat – transported from Poti, where one of the country's biggest grain warehouses is located, to Armenia.

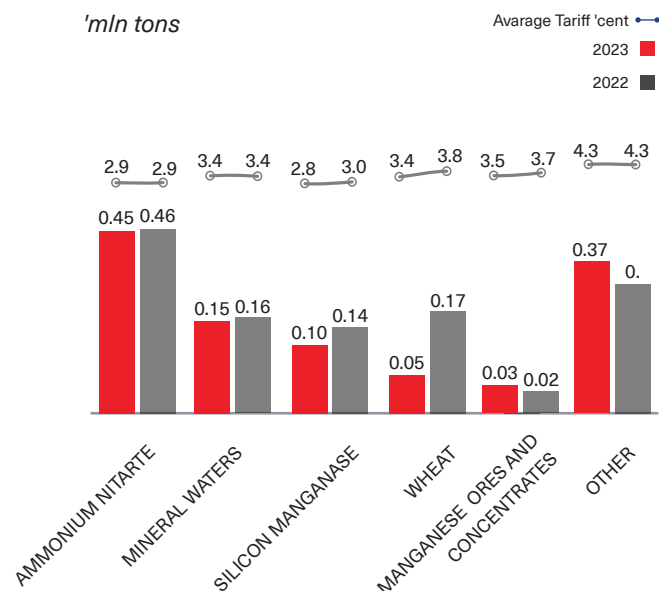
Manganese ores – 98% of these products were transported from Poti to Kazakhstan.

DESTINATION COUNTRIES



* The "other" category on the chart includes cargo transported to the seaports of Poti and Batumi by Georgian Railway before leaving the country by sea.

MAIN EXPORTED PRODUCT TYPES



DOMESTIC TRANSPORTATION

Domestic transportation here concerns the movement of cargo from one station to another, within Georgia. The share of domestic transportation in total transported vol-

ume was 12% in 2023, compared to 13% in the previous year.

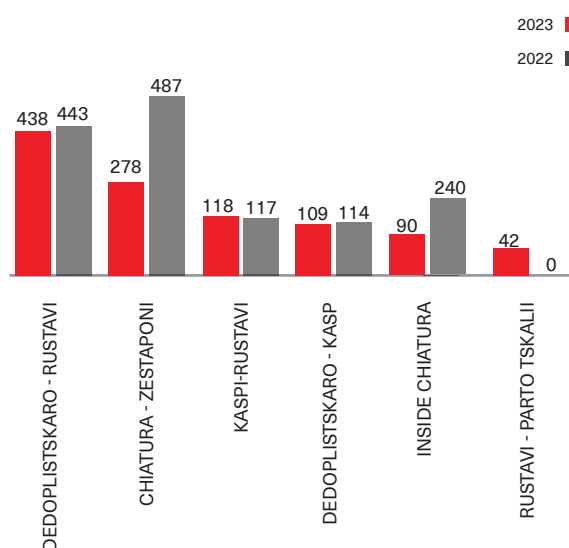
For the year ended 31 December	TOTAL		CHANGE	
	2023	2022	%	% constant currency
Revenue (million GEL)	13.1	11.4	15.2	27.8
Freight Volume (million tons)	1.6	1.9	(14.3)	NA
Freight Turnover (million tkm)	171.6	160.8	6.7	NA
Revenue / tkm (in Tetri)	7.66	7.10	8.0	19.8

MAIN FACTORS INFLUENCING PERFORMANCE

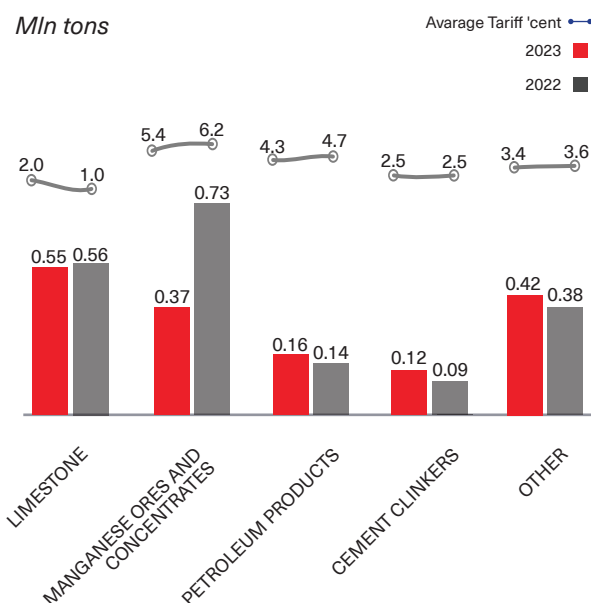
Freight turnover – In 2023, a 7% increase in freight turnover was primarily driven by increased transportation on the Rustavi-Parto Tskali route compared to 2022.

Revenue / tkm (in Tetri) – The 8% increase in 2023 was driven by changes in the product direction mix. In particular, the share of the domestic volume transported to Parto Tskali and Khashuri, which are relatively profitable directions, increased by 3% and 2%, respectively. Meanwhile, the share of cargo transported to less profitable directions decreased compared to the previous year.

MAIN ROUTES OF DOMESTIC TRANSPORTATION



MAIN DOMESTIC PRODUCT TYPES



MAIN DIRECTIONS OF CARGO IN 2023

Limestone – exclusively originated from Dedoplistskaro, where open limestone quarries are located and distributed to Rustavi and Kaspi, with shares of 80% and 20%, respectively.

Manganese ores and concentrates - originated from Chiatura, where a manganese mine is located and distributed to Zestaponi and elsewhere in Chiatura, where ferroalloys factories are located.

Petroleum products include motor petrol, diesel fuel and heavy fuel oil.

Motor petrol – largely distributed to Tbilisi and Samtredia, with shares of 71% and 18%, respectively and mainly for domestic use.

Diesel fuel – mainly distributed to Tbilisi, Samtredia and Kobuleti, with shares of 61%, 29% and 6%, respectively and mainly for domestic use.

Heavy fuel oil - transported from Rustavi to Parto Tskali and

mainly for domestic use.

Cement clinkers - 99% transported from Kaspi to Rustavi, where cement factories are located.

TRANSIT TRANSPORTATION

Transit here refers to the movement of cargo from one foreign county to another, through Georgia. The share of transit transportation in the total transported volume was 57% in 2023, compared to 59% in 2022.

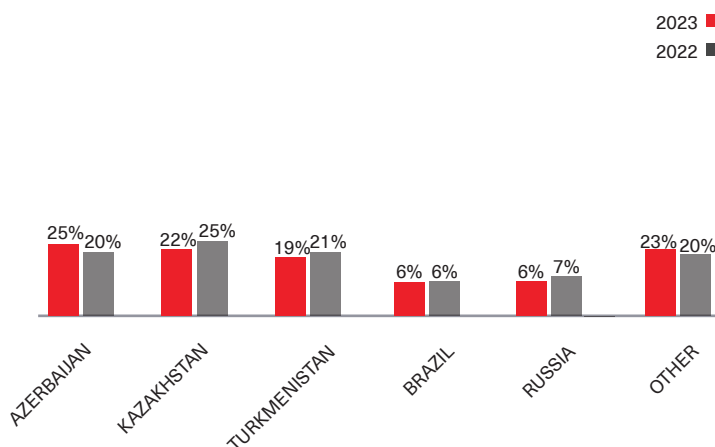
For the year ended 31 December	TOTAL		CHANGE	
	2023	2022	%	% constant currency
Revenue (million GEL)	247.8	277.3	(10.6)	(0.8)
Freight Volume (million tons)	7.7	8.7	(10.9)	NA
Freight Turnover (million tkm)	2,885.8	3,184.2	(9.4)	NA
Revenue / tkm (in Tetri)	8.59	8.71	(1.4)	9.4

MAIN FACTORS INFLUENCING PERFORMANCE

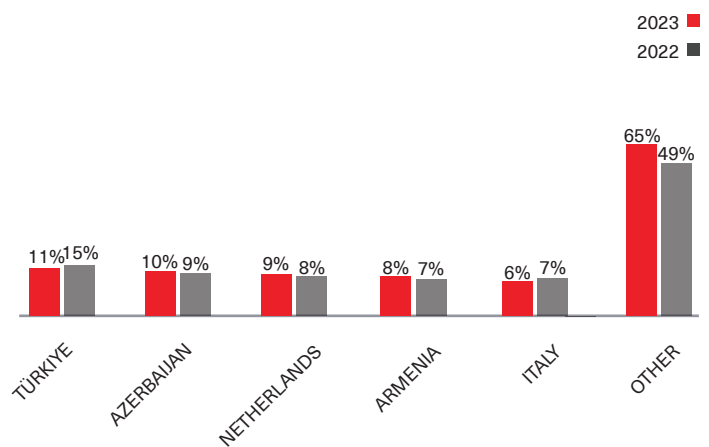
Freight turnover – In 2023, a 9% decrease in freight turnover was primarily driven by reduced transportation from Kazakhstan, Turkmenistan and Russia, down by 477,000 tons, 357,000 tons and 141,000 tons, respectively, compared to 2022. However, this reduction was partially offset by increased transportation from Azerbaijan, which rose by 145,000 tons.

Revenue / tkm (in Tetri) – The 9% increase in constant currency in 2023 was largely driven by a higher share of transportation on the Azerbaijan-Türkiye route, which is a relatively profitable direction. Meanwhile, the share of transported cargo on the Kazakhstan-Türkiye route, which is a less profitable direction, decreased compared to the previous year.

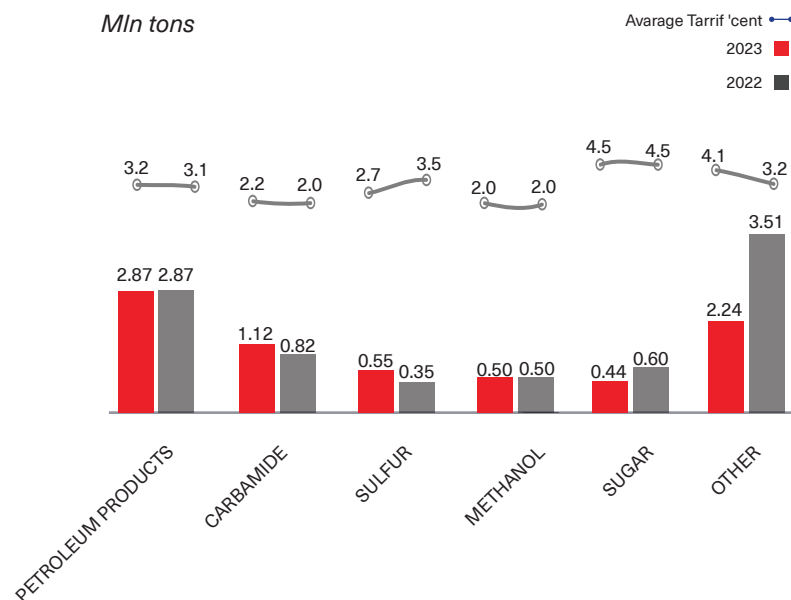
ORIGIN COUNTRIES



DESTINATION COUNTRIES



MAIN TRANSIT PRODUCT TYPES



MAIN DIRECTIONS OF CARGO IN 2023

Petroleum products include heavy fuel oil, light fuel oil, diesel fuel, gas oil and special petrol.

Heavy fuel oil – primarily transported on the Kazakhstan-Netherlands and Kazakhstan-Türkiye routes with 62% and 21% shares, respectively.

Light fuel oil – mainly transported on the Turkmenistan-Black Sea Ports and Turkmenistan-Italy routes, with 66% and 30% shares, respectively.

Diesel fuel – largely transported on the Azerbaijan-Black Sea Ports, Russia-Armenia and Azerbaijan-Türkiye routes, with 40%, 30% and 14% shares, respectively.

Gas oil – primarily transported on the Azerbaijan-Italy and Azerbaijan-Türkiye routes, with 31% and 21% shares, respectively.

Special petrol – 75% transported on the Russia-Armenia route.

Carbamide – primarily transported on the Turkmenistan-Black Sea Ports, Azerbaijan-Romania, Uzbekistan-Romania and Azerbaijan-Ukraine routes, with 53%, 10%, 9% and 4% shares, respectively.

Sugar – primarily transported on the Brazil-Azerbaijan, Brazil-Uzbekistan and Brazil-Armenia routes, with 56%, 36% and 7% shares, respectively.

Sulfur – 95% transported on the Kazakhstan-Poti Sea Port route.

Methanol – primarily transported on the Azerbaijan-Türkiye, Azerbaijan-Romania, Azerbaijan-Italy, Azerbaijan-Netherlands and Azerbaijan-Slovenia routes, with 22%, 18%, 16%, 13% and 11% shares, respectively.

TRANSPORTATION BY BORDER CROSSING

RAIL FREIGHT VOLUMES BY BORDER CROSSING

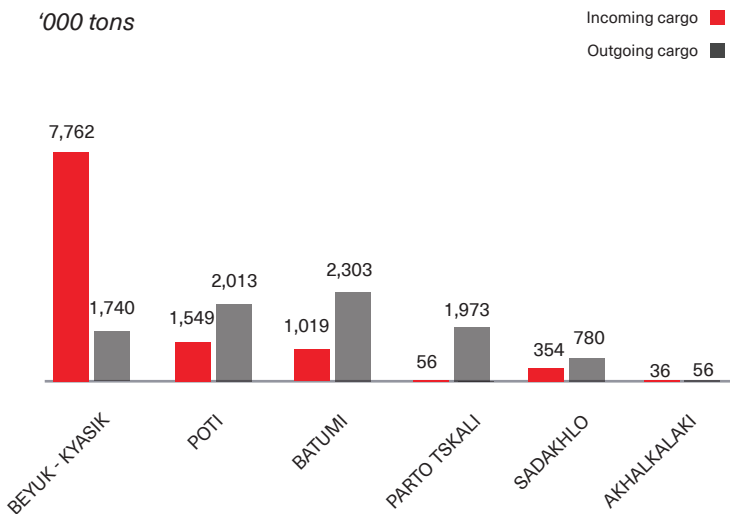
The JSC Georgian Railway operates three railway border crossings that link Georgia with three of its neighboring countries Azerbaijan, Armenia and Türkiye. The Beyuk-Kyasik station connects the Company to Azerbaijan and its corresponding border crossing station in Georgia is Gardabani. Meanwhile, the Sadakhlo station links Georgia to Armenia, while the Akhalkalaki station connects Georgia to Türkiye. Furthermore, the Company is linked to Black Sea ports, including Poti, Batumi and Parto Tskali (Kulevi).

The provided freight data indicate the points of entry and exit for cargo coming in and going out of the country. No-

tably, 76% of incoming freight in 2023 arrived through land border crossings, underscoring the significance of the East-West transportation axis. On the other hand, 71% of outgoing cargo was shipped from ports, emphasizing the substantial role of maritime transport via the Black Sea in exports. These data highlight that the primary route for freight volumes in Georgia is from the East, mainly through Azerbaijan, before departing the country via maritime transport.

** The Company also has a rail line connection with Russia through Abkhazia, which is currently not operational*

RAILWAY FREIGHT VOLUMES BY THE BORDER CROSSINGS



Incoming rail volume - The main entry point for incoming cargo was the Beyuk-Kyasik station, which accounted for 72% of the total incoming cargo and 95% of the cargo arriving via land border crossings. Relatively small proportions of the overall incoming cargo, with shares of 14% and 9%, were transported from the Poti Sea Port and BSP, respectively.

Outgoing rail volume - Overall, 71% of outgoing cargo left the country through Parto Tskali, BSP and Poti Sea Port. Conversely, Beyuk-Kyasik station served as the primary land departure point, representing 20% of the total volume leaving the country and facilitating 68% of the entire volume departing via land borders.

BORDER CROSSINGS FOR IMPORTED PRODUCTS

The share of total imports going through Beyuk-Kyasik station was 76% in 2023, compared to 68% in 2022. The 8 percentage-point increase was mainly driven by increased transportation from Russia, which rose by 317,000 tons. The main countries of origin using the Beyuk-Kyasik station were Russia, mostly petroleum products and Azerbaijan, mostly cement clinkers with 1.379 million tons and 805,000 tons, respectively.

The share of Black Sea ports in total imports was 20% in 2023, compared to 24% in 2022. The 4 percentage-point decrease in share was largely driven by reduced imports from Russia, Romania and Bulgaria. The main importer countries using Black Sea ports to enter Georgia were nevertheless Romania and Russia, mostly petroleum products, with 98,000 tons and 74,000 tons, respectively and then Brazil, mostly sugar, with 79,000 tons.

BORDER CROSSINGS FOR EXPORTED PRODUCTS

The share of total exports going through Black Sea ports was 57% in 2023, compared to 53% in 2022. The main exported products were ammonium nitrate and sillico manganese, accounting for 453,000 tons and 96,000 tons, respectively.

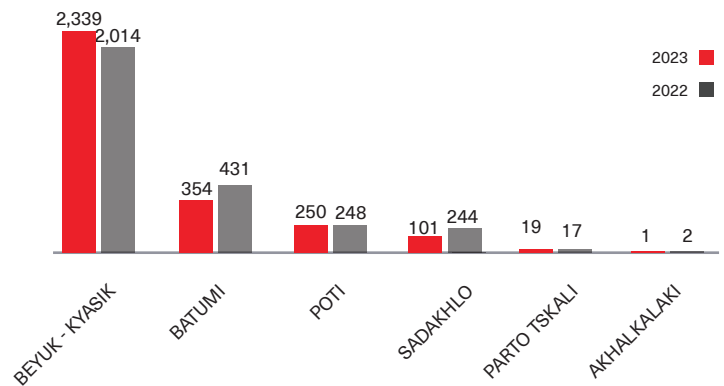
The share of total exports going through Beyuk-Kyasik station in 2023 was 32%, compared to 25% in 2022. The main destination countries for exported cargo leaving the country through Beyuk-Kyasik station were Kazakhstan and Russia, with 138,000 tons and 109,000 tons, respectively, mostly mineral water.

BORDER CROSSINGS FOR TRANSIT PRODUCTS

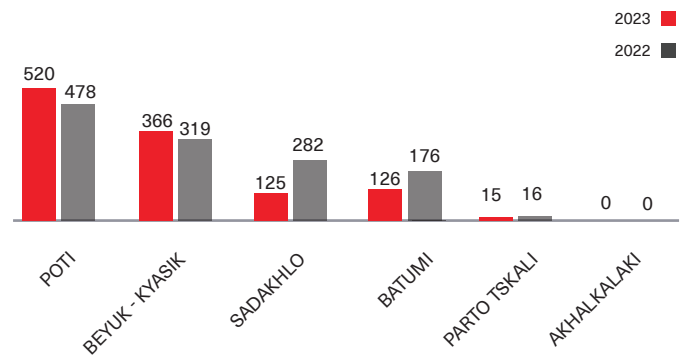
Beyuk-Kyasik station had the highest share of incoming cargo at 70% in 2023, compared to 75% in 2022. The main countries of origin for incoming cargo were Azerbaijan, Kazakhstan and Turkmenistan with 1.912 million tons, 1.686 million tons and 1.436 million tons, respectively.

Black Sea ports had the highest share of outgoing cargo with 73% in 2023, compared to 74% in 2022. The main destination countries were Türkiye, Netherlands and Italy, with 873,000 tons, 680,000 tons and 474,000 tons, respectively.

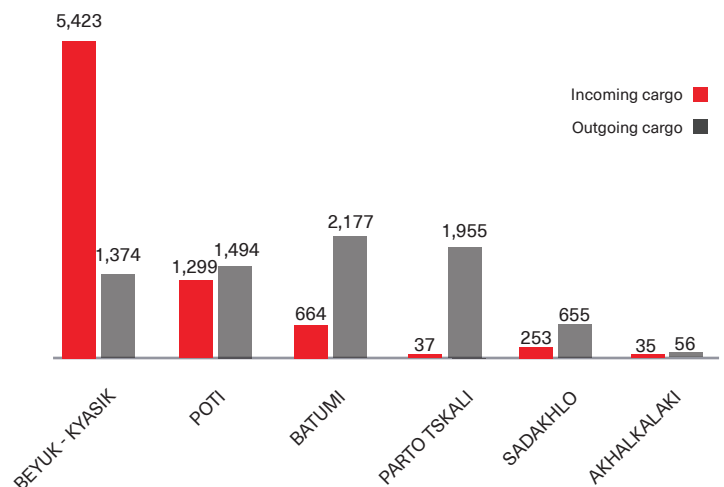
BORDER CROSSING FOR IMPORT ('000 TONS)



BORDER CROSSING FOR EXPORT ('000 TONS)



BORDER CROSSING FOR TRANSIT ('000 TONS)



CONTAINER TRANSPORTATION

Approximately 10% of the total transported volume in 2023 was containerized goods, with the rest being bulk and breakbulk. Although container transportation has a rela-

tively low share, its volumes have been increasing slowly but steadily in recent years.

<i>For the year ended 31 December</i>	2023	2022	2021
NUMBER OF CONTAINERS			
20 feet	46,292	48,351	40,026
40 feet	25,655	20,006	17,085
TOTAL	71,947	68,357	57,111
<i>% Change</i>	<i>5.3</i>	<i>19.7</i>	<i>(13.1)</i>
NUMBER OF CONTAINERS IN TEUS			
	97,602	88,363	74,196
<i>% Change</i>	<i>10.5</i>	<i>19.1</i>	<i>(10.1)</i>
TONS '000			
	1,415.6	1,502.6	1,201.6
<i>% Change</i>	<i>(5.8)</i>	<i>25.1</i>	<i>(8.8)</i>

Number of containers – The 5% increase in this category was due to a rise in the number of containers transported to Georgia by 9,200 units and from Azerbaijan by 8,100 units, which was partially offset by a decrease in the num-

ber of containers transported to Italy (by 5,900 units), as well as from Kazakhstan (by 5,900 units) and from Türkiye (by 2,500 units) in 2023, compared to 2022.

<i>For the year ended 31 December</i>	2023	2022	2021
REVENUE (GEL '000)			
20 feet containers	19,762	21,046	17,009
40 feet containers	13,565	13,156	12,743
TOTAL	33,327	34,202	29,753
<i>% Change</i>	<i>(2.6)</i>	<i>15.0</i>	<i>(11.5)</i>
AVERAGE TARIFF IN GEL			
20 feet containers	426.9	435.3	424.9
40 feet containers	528.7	657.6	745.9
AVERAGE TARIFF IN GEL	463.2	500.3	521.0
<i>% Change</i>	<i>(7.4)</i>	<i>(4.0)</i>	<i>1.9</i>

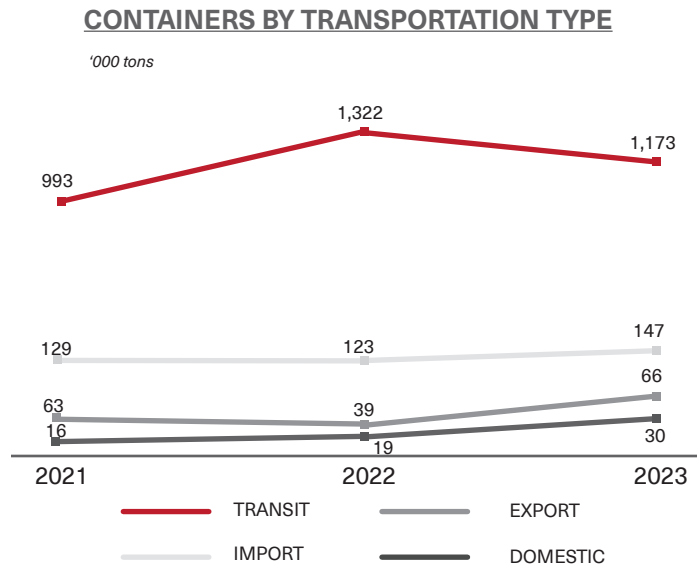
*Average tariff represents revenue divided by number of containers

Revenue/number of containers - The 7% decrease here was mainly due to a decrease in the number of containers sent to Türkiye, which is a relatively profitable direction, while the number of containers going to Georgia, a less profitable direction, increased in 2023, compared to 2022.

The Group's container transportation consists of transit, import, export and domestic transportation. In that same order, the split among the mentioned directions in 2023 was about 83%, 10%, 5% and 2%, respectively, compared to 88%, 8%, 3% and 1%, respectively, in 2022.

In 2021, the COVID-19 pandemic had a significant effect on the volume of containers transported via Georgian ports. Nonetheless, from 2021 to 2023, the share of con-

tainerized cargo transported by the Group remained stable at around 10% of the total transported volume.



FREIGHT HANDLING

General description

Freight handling revenue stems from the following sources:

- | Revenue from station services, such as railcar marshaling, freight pick-up, delivery at customer facilities and other related services;
- | Revenue from 24-hour railcar delays, for which a fee is paid by customers for the return of GR's own railcar after an initial 24 hours following its delivery at an agreed destination; and
- | Revenue from other services, such as cargo loading/unloading, storage and accelerated service fees.

Currency and tariff setting

Most of the freight handling revenue (about 69% in 2023) was denominated in USD, while the rest was denominated in GEL. The Group sets its tariffs independently.

Drivers

The revenue from this source largely changes in line with transportation volumes (in tons). The correlation, however, is not perfect as there are many other influential factors.

FREIGHT HANDLING

<i>GEL '000</i>	TOTAL		CHANGE	
<i>For the year ended 31 December</i>	2023	2022	%	<i>Absolute</i>
STATION SERVICES	57,161	64,367	(11.2)	(7,206)
24-HOUR SERVICE	23,082	26,368	(12.5)	(3,286)
OTHER	2,487	1,444	72.1	1,042
TOTAL	82,729	92,180	(10.3)	(9,451)

Revenue from freight handling for Q4 2023 decreased by 24.6%, compared to Q4 2022 and by 14.0%, compared to Q3 2023.

Factors influencing performance

A 10.3% decrease during 2023, compared to the previous year, was mainly driven by decrease in revenue from station services and 24-hour services by GEL 7.2 million and

GEL 3.3 million, respectively, which in turn was due to decreased transportation by 8.3% (*see. 7.1 Freight SBU*).

LOGISTICS SERVICES

General description

Revenue from logistics services is generated by GR's subsidiaries.

Currency and tariff setting

In total, 30% of revenue from logistical services was denominated in USD in 2023, with the rest in GEL.

Drivers

Revenue from this source mainly changes in line with transportation turnover and volumes (in tons).

LOGISTICS SERVICES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
REVENUE FROM LOGISTICS SERVICES	132,213	123,071	7.4	9,142

Revenue from logistics services for Q4 2023 decreased by 9.5%, compared to Q4 2022 and by 27.5% compared to Q3 2023.

Factors influencing performance

Revenue from logistical services increased by 7.4% (GEL 9.1 million). This growth was mainly driven by GR's subsidiary, which provides container transportation services. The subsidiary's increased income was primarily due to a higher share of containers being transported toward Azer-

baijan and an increase in the average tariff for container transportation.

**Logistics revenue and expenditures should be taken into consideration jointly (See pg.30 Logistics Service Expenses).*

RENT OF WAGONS AND OTHER RENTAL INCOME

General description

The Group rents out wagons not used in its transportation operations and other property in order to accommodate greater utilization of its assets.

Currency and tariff setting

Revenue from the rent of wagons and other operating leases is mostly denominated in USD.

Drivers

Rent of wagons and other rental income changes in accordance with the availability of the Group's wagons not being used in transportation operations as well as demand for that specific type of wagon in the region.

RENT OF WAGONS AND OTHER RENTAL INCOME

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
RENT OF WAGONS AND OTHER RENTAL INCOME	4,158	4,072	2.1	86

Rent of wagons and other rental income for Q4 2023 increased by 407.8%, compared to Q4 2022, however it decreased by 6.6% when compared to Q3 2023.

Factors influencing performance

Rent of wagons and other rental income experienced a slight increase of GEL 0.1 million in 2023, compared to 2022.

FREIGHT CAR CROSS-BORDER CHARGES

General description

Freight car cross-border charge revenue is derived when the Group's railcars are used by other railways.

Currency and tariff setting

Revenue from freight car cross-border charges is denominated in CHF and tariffs are set by the Council for Rail Transport of CIS States (CRT CIS).

Drivers

Freight car cross-border charge revenue changes in line with the number of days the Group's railcars are used by other railway companies, which in its turn depends on the cargo mix and the availability of freight cars in the region.

FREIGHT CAR CROSS-BORDER CHARGES

<i>GEL '000</i>	TOTAL		CHANGE	
<i>For the year ended 31 December</i>	2023	2022	%	<i>Absolute</i>
FREIGHT CAR CROSS-BORDER CHARGES	15,705	9,703	61.9	6,003

Freight car cross-border charge revenue for Q4 2023 increased by 2.4%, compared to Q4 2022, however it decreased by 44.2% when compared to Q3 2023.

Factors influencing performance

The revenue from freight car cross-border charges increased by 61.9% in 2023, compared to 2022. That increase was attributed to a rise in effective tariffs in the

Azerbaijani direction, as well as an increased share of revenue from CIS countries.

PASSENGER TRAFFIC

General description

Passenger traffic comprises passengers on domestic and international services. Here, domestic transportation includes regional and long-distance transportation. Long-distance traffic accounts for the majority of the Group's passenger traffic, while regional services, in particular suburban services, typically serve the low-income segments of society, with symbolic/minimal ticket fares. Georgian rail lines are linked to Azerbaijan and Armenia and international passenger transportation services are provided to both countries.

Currency and tariff setting

Tariffs for domestic trains are set independently by the Group in GEL. As a social partner of the GoG, the Group

maintains affordable passenger transportation services by setting tariffs well below market prices. At the same time, GR runs certain passenger trains even when such routes are not economically feasible.

Tariffs for international transportation are set through negotiations conducted between countries and are denominated in CHF.

Drivers

Revenue from passenger traffic changes in line with the tariffs and the number of passengers transported.

PASSENGER TRANSPORTATION

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
REVENUE IN GEL '000	41,219	27,423	50.3	13,795
NUMBER OF PASSENGERS '000	2,283	1,605	42.3	679

Revenue from passenger transportation for Q4 2023 increased by 9.7%, compared to Q4 2022, however decreased by 43.9% compared to Q3 2023.

Factors influencing performance

Revenue from passenger transportation rose by 50.3% in 2023 compared to 2022, driven by a 42.3% increase in the number of passengers transported. This increase was pri-

marily attributed to higher utilization levels and increased tariffs on the mainline route starting from July 2022 (see. 7.2 Passenger SBU).

OTHER REVENUE

General description

Other revenue is mostly denominated in GEL and comprises items such as revenue from the sale of scrap, commu-

nication services, electricity transportation and repair services for third parties.

OTHER REVENUE

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
REVENUE FROM SALE OF MATERIALS (SCRAP)	420	24,166	(98.3)	(23,746)
OTHER	4,192	5,712	(26.6)	(1,520)
TOTAL	4,612	29,878	(84.6)	(25,266)

Other revenue for Q4 2023 decreased by 96.6% compared to Q4 2022 and decreased by about 9.3% compared to Q3 2023.

Factors influencing performance

Other revenue decreased by GEL 25.3 million in 2023 compared to 2022, largely due to higher income from the reali-

zation of scrap (by GEL 23.7 million) and other materials (by GEL 1.5 million) in 2022.

1.2 OTHER INCOME

General description

Other income mostly includes items such as penalties issued to clients and suppliers, the sale of fixed assets and provision reversals.

To better illustrate the operational profitability of the Group, other income is split into two categories: continuing op-

erations (such as clients' and suppliers' penalties); and non-continuing operations (such as provision reversals or sale of fixed assets), which are not recurring parts of the business.

OTHER INCOME

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
CONTINUING OPERATIONS	5,717	5,113	11.8	604
NON-CONTINUING OPERATIONS	3,276	10,712	(69.4)	(7,436)
TOTAL	8,993	15,825	(43.2)	(6,832)

Other income for Q4 2023 increased by 190.8% compared to Q4 2022, but decreased by 20.9% compared to Q3 2022.

Factors influencing performance

Total other income decreased by GEL 6.8 million in 2023 compared to 2022. This decrease was primarily due to a reduction in income from non-continuing operations, specifically a GEL 4.2 million decrease in the realization of fixed

assets. In addition, in 2022, there was income of GEL 4.1 million courtesy of tax purposes, further contributing to the marked difference in total other income between the two years.

1.3 OPERATING EXPENSES

General description

The majority of the Group's operating expenses are fixed. Variable costs, such as freight car cross-border charges, electricity for traction, consumables and maintenance

expenses, are influenced by the volume of cargo and the number of passengers transported by the Group.

OPERATING EXPENSES BREAKDOWN

GEL '000	TOTAL		CHANGE		
	2023	2022	%	% Constant Currency	Absolute
<i>For the year ended 31 December</i>					
EMPLOYEE BENEFITS EXPENSE	239,056	197,708	20.9	34.2	41,348
DEPRECIATION AND AMORTIZATION EXPENSES	76,895	66,585	15.5	28.1	10,310
IMPAIRMENT GAIN/LOSS ON TRADE RECEIVABLES	(6,016)	(840)	616.2	694.6	(5,176)
ELECTRICITY	38,677	43,916	(11.9)	(2.3)	(5,239)
MATERIALS	14,482	15,237	(5.0)	5.5	(755)
REPAIRS AND MAINTENANCE	12,824	10,569	21.3	34.6	2,255
FUEL	8,739	10,485	(16.7)	(7.5)	(1,746)
FREIGHT CAR CROSS-BORDER CHARGES	8,325	10,928	(23.8)	(15.5)	(2,603)
LOGISTICS SERVICES	88,461	71,285	24.1	37.7	17,176
SECURITY AND OTHER OPERATING EXPENSES	32,558	22,054	47.6	63.8	10,504
TAXES OTHER THAN INCOME TAX	24,604	24,254	1.4	12.5	350
TOTAL	538,604	472,181	14.1	26.6	66,423

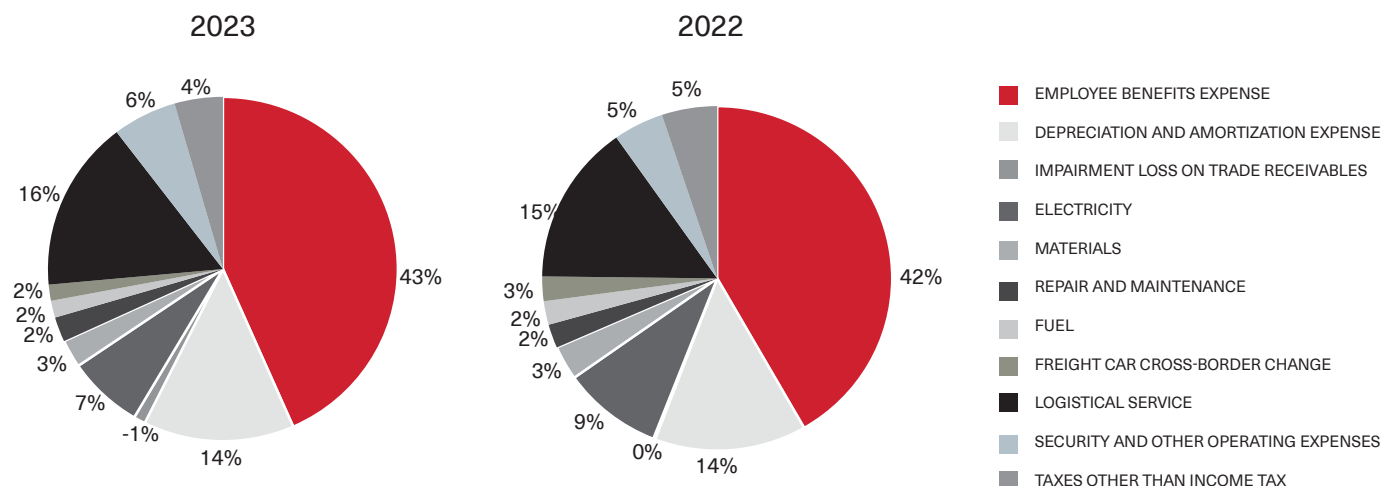
Total operating expenses for Q4 2023 increased by 10.8% compared to Q4 2022 and by 24.7% compared to Q3 2023.

Factors influencing performance

The increase in total operating expenses in 2023 was mainly driven by a rise in employee benefits (GEL 41.3 million), logistics services expenses (GEL 17.2 million), security and other operating expenses (GEL 10.5 million) and depreciation and amortization expenses (GEL 10.3 million).

This increase was partially offset by a decrease in electricity expenses by GEL 5.2 million and freight car cross-border charge by GEL 2.6 million.

The following charts present the cost structure for 2023 and 2022:



EMPLOYEE BENEFITS EXPENSES

General description

The Group's salary costs are fixed and denominated in GEL. Therefore, these are not affected by changes in the

transported volume of cargo or the number of passengers, nor by fluctuations in foreign exchange rates.

EMPLOYEE BENEFITS EXPENSES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
SALARY	185,424	151,458	22.4	33,966
BONUS-REWARD	10,858	11,146	(2.6)	(288)
OTHER BENEFITS	42,774	35,103	21.9	7,670
TOTAL	239,056	197,708	20.9	41,348

JSC Georgian Railway is one of the largest corporate employers and taxpayers in Georgia. The Company holds great significance for the country, providing various important economic and social benefits.

Factors influencing changes

JSC Georgian Railway is one of the largest corporate employers and taxpayers in Georgia. The Company holds great significance for the country, providing various important economic and social benefits.

Total employee benefits expenses increased by GEL 41.3 million in 2023 compared to 2022, mainly due to the increase in average salary by 22% (see 4.3 Social Focus).

In January 2023, GR's management implemented a salary increase for approximately 12,000 employees, leading to a GEL 34.0 million increase in salary expenses for 2023.

Meanwhile, bonus-reward expenses remained at about the same level, with a slight decrease of 2.6% in 2023, compared to 2022.

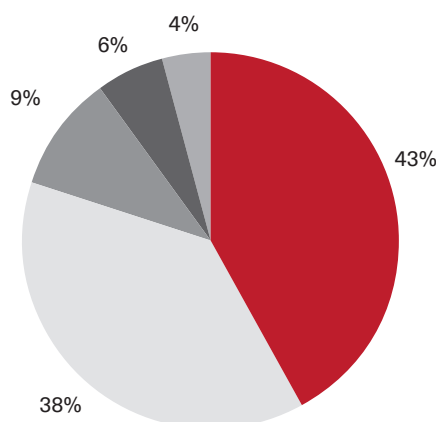
The GEL 7.7 million increase reported in other benefits was mainly due to a GEL 4.6 million rise in vacation-related expenses (due to increased salary costs), a GEL 2.6 million increase in compensation paid to employees under the pension reform conducted in GR's Head Office and Passenger SBU and a GEL 2.5 million rise in insurance costs (due to the insurance company raising its rates).

**In 2023, a pension reform was enacted to provide compensation to retirees.*

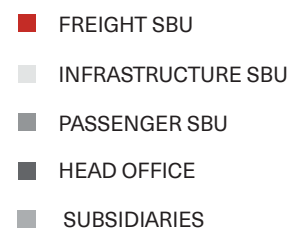
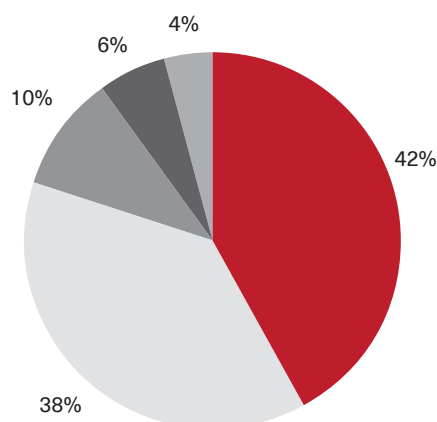
At the end of 2023, the number of GR employees (excluding subsidiaries) was 11,546, compared to 11,887 at the end of 2022.

The following charts present headcounts for the SBUs and the Head Office of the Company:

**Distribution of staff by bus-
sines units as at the end of
September 2023**



**Distribution of staff by bus-
sines units as at the end of
September 2022**



LAW ON FUNDED PENSIONS

According to the Law on Funded Pensions, introduced in January 2019, funded pension payments are made independently from the state pension and state compensation. Joining the funded pension scheme was mandatory for all employees, except for employees who had reached retirement age (60 for men and 55 for women), before the entry into force of this law. In addition, employees previously had the option to exit from a paid pension scheme if they

reached the age of 40 prior to the law's enforcement. Employees could withdraw from their accumulative pension plan no later than five months after the new statute came into effect, but no sooner than three months. All employees over the retirement age are now eligible to join the funded pension program on a voluntary basis. The number of GR employees by the end of 2021 participating in the funded pension scheme surpassed 5,500.

DEPRECIATION AND AMORTIZATION EXPENSES

General description

The Group's depreciation and amortization expenses are mainly affected by the disposal, sale, or abandonment of property. These expenses are denominated in GEL and

thus are not affected by fluctuations in foreign exchange rates.

DEPRECIATION AND AMORTIZATION EXPENSES

GEL '000	TOTAL		CHANGE	
<i>For the year ended 31 December</i>	2023	2022	%	<i>Absolute</i>
DEPRECIATION AND AMORTIZATION	76,895	66,585	15.5	10,310

Depreciation and amortization expenses for Q4 2023 decreased by 12.0% compared to Q4 2022 and increased by 15.6% when compared to Q3 2023.

Factors influencing changes

In 2023, the Group recorded depreciation and amortization expenses of GEL 76.9 million, marking a 15.5% increase from the GEL 66.6 million recorded in 2022.

This rise was largely due to the reclassification and cap-

italization of "construction in progress (CIP)" under the Railway Modernization Project. Moreover, separating the engine and wagon after engine repair contributed to more individual depreciation calculations in 2023, compared to 2022.

ELECTRICITY EXPENSES

General description

Approximately 98% of GR's railway network is electrified. Before September 2011, the Company purchased most of its electricity on the open market in Georgia. However, in September 2011, the Company entered into a 10-year agreement for the purchase of electricity with fixed tariffs (the "Electricity Agreement"), securing a price for more than 90% of the Company's needs. The remaining amount was procured on the open market. The Electricity Agreement expired in September 2021 however and since then the Company has been purchasing electricity on the open

market with tariffs denominated in GEL.

Electricity expenses are split into two categories: electricity expenses for traction, which is driven by transportation turnover (the Group uses electric locomotives for freight transportation, EMUs for passenger transportation and diesel locomotives for shunting operations); and utility expenses, which are not related to transportation volume and are normally considered to be fixed.

ELECTRICITY EXPENSES

<i>GEL '000</i>	TOTAL		CHANGE	
<i>For the year ended 31 December</i>	2023	2022	%	<i>Absolute</i>
ELECTRICITY EXPENSES FOR TRACTION	33,451	37,723	(11.3)	(4,272)
UTILITY EXPENSES	5,226	6,193	(15.6)	(967)
TOTAL	38,677	43,916	(11.9)	(5,239)

Electricity expenses in Q4 2023 decreased by 7.9% compared to Q4 2022, but increased by 7.2% when compared to Q3 2023.

Factors influencing changes

The decrease in electricity expenses in 2023 compared to 2022 amounted to GEL 5.2 million. This reduction was primarily due to a decrease in transportation turnover, as well

as lower average tariffs for electricity (see table: "Purchased Electricity and Weighted Average Tariff").

PURCHASED ELECTRICITY AND WEIGHTED AVERAGE TARIFF

<i>GEL '000</i>	2023			2022		
<i>For the year ended 31 December</i>	GWh	Gross ton-km (million)	Weighted av. tariff (GEL)	GWh	Gross ton-km (million)	Weighted av. tariff (GEL)
JANUARY	12.4	532.7	0.234	10.8	472.4	0.276
FEBRUARY	11.2	495.5	0.233	11.3	546.4	0.290
MARCH	12.8	581.8	0.225	11.6	536.3	0.275
APRIL	11.7	522.3	0.223	12.8	647.2	0.262
MAY	13.5	653.3	0.158	13.8	707.3	0.218
JUNE	13.4	632.4	0.193	13.3	673.2	0.218
JULY	14.0	642.3	0.205	14.4	690.5	0.193
AUGUST	13.9	633.9	0.211	13.8	642.9	0.230
SEPTEMBER	12.9	587.5	0.234	14.0	674.9	0.245
OCTOBER	13.0	602.9	0.267	13.0	612.5	0.267
NOVEMBER	11.7	510.0	0.235	13.4	641.3	0.235
DECEMBER	12.6	552.9	0.221	13.7	620.0	0.221
TOTAL	153.2	6,947.4	0.220	155.8	7,464.7	0.244

Note: The table above includes only electricity consumed for traction

MATERIALS, REPAIR AND MAINTENANCE EXPENSES

General description

The Group purchases inventory and uses these materials for repair works performed internally by its employees. This consumption is presented under “materials expenses.” However, some repair works are outsourced and are presented under “repair and maintenance expenses”.

The Group’s materials, repair and maintenance expenses

are all tied to its rolling stock equipment balance, its utilization level and its transportation volume. When transportation by the Group’s rolling stock increases, so too do the expenses for materials, repairs and maintenance. However, this expense can also decreased when there is an increase in capital expenditures on the fleet and infrastructure, which thus reduces the need for repairs and maintenance.

MATERIALS, REPAIR AND MAINTENANCE EXPENSES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
MATERIALS EXPENSES	14,482	15,237	(5.0)	(755)
REPAIR AND MAINTENANCE EXPENSES	12,824	10,569	21.3	2,255
TOTAL	27,305	25,805	5.8	1,500

Materials, repair and maintenance expenses for Q4 2023 decreased by 26.0% compared to Q4 2022 and decreased by 4.7% when compared to Q3 2023.

Factors influencing changes

A GEL 1.5 million increase was mainly driven by a rise of GEL 2.3 million in repair and maintenance expenses during 2023. This was primarily driven by increased costs related

to the repair of machinery (by GEL 1.5 million) and rolling stock (by GEL 1.3 million) in 2023, compared to 2022.

FUEL EXPENSES

General description

The Group's fuel consumption principally relates to diesel locomotives carrying out shunting operations. It should be noted that the main driver for these operations is dry cargo. In everyday business processes, diesel locomotives are used for railcar marshaling, freight pick-up and delivery at customer facilities.

Another factor affecting fuel expenses is the nature of the cargo (i.e. import, export, local, or transit). While transit cargo is mainly served at one of the Group's stations, most local, export and import cargoes are served in two stations (i.e. the origin and destination stations).

FUEL EXPENSES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
FUEL EXPENSES	8,739	10,485	(16.7)	(1,746)

Fuel expenses for Q4 2023 decreased by 31.3% compared to Q4 2022, but increased by 3.0% when compared to Q3 2023.

Factors influencing changes

Total fuel expenses decreased by 16.7% (GEL 1.7 million) in 2023, compared to 2022. This reduction was mainly due

to fluctuations in petroleum product prices, as well as a decrease in the transported volume.

FUEL CONSUMPTION

	2023	2022	2021
CONSUMPTION ('000 TONS)	2,886	3,149	2,913
FUEL EXPENSES ('000 GEL)	8,738	10,486	6,545
AVG. TARIFF	3.03	3.33	2.25

FREIGHT CAR CROSS-BORDER CHARGE EXPENSES

General description

Freight car cross-border charge expenses refer to the short-term rent costs incurred from the usage of other railways' railcars on the Group's network, for which a daily fee is charged. These expenses counter the freight car

cross-border charge revenues. Meanwhile, these expenses are based on CHF tariffs and thus tied to the GEL/CHF exchange rate and affected by the amount of cargo GR transports using other railway companies' railcars.

FREIGHT CAR CROSS-BORDER CHARGE EXPENSES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
FREIGHT CAR CROSS-BORDER CHARGE	8,325	10,928	(23.8)	(2,603)

Freight car cross-border charge expenses for Q4 2023 decreased by 6.8% compared to Q4 2022 and by 26.2% when compared to Q3 2023.

Factors influencing changes

Freight car cross-border charge expenses declined by 23.8% (GEL 2.6 million) in 2023 compared to 2022, main-

ly due to the decreased usage of platform cars and grain hopper.

LOGISTICS SERVICE EXPENSES

General description

Expenses for logistical services refer to costs incurred by the Group in the course of its logistics business dealing in

international transportation and/or other modes of transport.

LOGISTICS SERVICE EXPENSES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
LOGISTICS SERVICES	88,461	71,285	24.1	17,176

Expenses for logistical services for Q4 2023 increased by 84.7% compared to Q4 2022 and by 190.6% when compared to Q3 2023.

Factors influencing changes

Expenses for logistical services in 2023 increased by 24.1% (GEL 17.2 million), compared to 2022. This rise was primarily attributable to the increased freight forwarding

expenses of GR's subsidiary providing container transportation services.

**Logistics revenue and expenditure should be taken into consideration jointly (see pg. 19 Logistical Services).*

SECURITY AND OTHER OPERATING EXPENSES

General description

Security expenses mainly comprise the costs of protecting the Group's buildings, depots and railway stations. Meanwhile, other operating expenses consist of items such as communication, legal costs, consulting services, member-

ship fees, rent and advertising.

Security and other operating expenses are mostly denominated in GEL and are mainly fixed.

SECURITY AND OTHER OPERATING EXPENSES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
SECURITY	12,364	10,390	19.0	1,974
OTHER OPERATING EXPENSES	20,193	11,664	73.1	8,529
TOTAL	32,558	22,054	47.6	10,503

Security and other operating expenses for Q4 2023 increased by 14.0% compared to Q4 2022, but decreased by 16.7% when compared to Q3 2023.

Factors influencing changes

A 47.6% increase in security and other operating expenses in 2023 compared to 2022 was mainly caused by a rise specifically in other operating expenses.

Security expenses increased by 19.0% (or GEL 2.0 million) in 2023 compared to 2022, mainly due to an increased average tariff on security services.

At the same time, the increase in other operating expenses was mainly due to higher costs related to software and hardware services, audit services, leasing expenses, rail welding services and the dismantling of non-functional fixed assets.

TAXES OTHER THAN INCOME TAX

General description

Land tax is determined by the municipalities in which the land is located, while property tax is calculated at 1% of the average book value of the asset. Railway infrastructure as-

sets, such as rail and transmission lines, are exempt from property tax.

TAXES OTHER THAN INCOME TAX

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
PROPERTY TAX	12,469	11,579	7.7	890
LAND TAX	10,980	11,531	(4.8)	(551)
OTHER TAXES	1,155	1,143	1.0	11
TOTAL	24,604	24,254	1.4	350

Taxes other than income tax for Q4 2023 increased by 4.0% compared to Q4 2022 and by 14.9% when compared to Q3 2023.

Factors influencing changes

Taxes other than income tax remained almost unchanged in 2023 compared to 2022, with a slight increase of 1.4%.

IMPAIRMENT GAIN/LOSS ON TRADE RECEIVABLES

General description

The allowance account with respect to trade receivables is used to record impairment losses until all possible opportunities for recovery have been exhausted; once that point

has been reached, the relevant amounts are written off directly against the given financial asset.

IMPAIRMENT GAIN/LOSS ON TRADE RECEIVABLES

<i>GEL '000</i>	TOTAL		CHANGE	
	2023	2022	%	<i>Absolute</i>
<i>For the year ended 31 December</i>				
IMPAIRMENT (GAIN)/LOSS ON TRADE RECEIVABLES	(6,016)	(840)	615.8	(5,176)

Impairment gain on trade receivables for Q4 2023 increased by 483.7% compared to Q4 2022 and increased by 2552.7% when compared to Q3 2023.

Factors influencing changes

In 2023, the Group recognized an impairment gain of GEL 6.0 million on trade receivables, marking a significant in-

crease from the GEL 0.8 million impairment gain recorded in 2022 due to successful litigation.

1.4 FINANCE INCOME AND COST

General description

The finance income of the Group mainly consists of interest accrued on the Group's cash balances and foreign exchange gains.

Finance cost mainly entails interest expenses on the Group's debt and foreign exchange losses.

The main source of FX gains or losses is the Group's Eurobonds, which are denominated in USD. This is, howev-

er, partially offset by the Group's USD cash balances and receivables in foreign hard currencies. It must be noted that such FX gains or losses on Eurobonds are not monetary and will not be realized until maturity. The Group's revenues are mostly denominated in hard currencies (USD and CHF). As most of the tariffs are set in USD, the Group's revenue creates a natural economic hedge against foreign exchange fluctuations.

FINANCE INCOME AND COST

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
INTEREST INCOME	37,229	30,338	22.7	6,891
NET IMPAIRMENT ADJUSTMENT ON OTHER FINANCIAL ASSETS	265	(395)	(167.1)	660
GAIN ON MODIFICATION OF FINANCIAL INSTRUMENTS	1,365	0	100.0	1,365
INTEREST EXPENSE	(61,090)	(62,471)	(2.2)	1,381
FX GAIN/LOSS	12,065	218,923	(94.5)	(206,858)
NET FINANCE INCOME/LOSS	(10,166)	186,396	(105.5)	(196,562)

Factors influencing changes

In 2023, the Group reported a GEL 10.2 million net finance loss, compared to a net finance gain of GEL 186.4 million in 2022. The difference of GEL 196.6 million here was mainly due to the fluctuation of the GEL against foreign currencies.

Fluctuations in the GEL/USD exchange rate significantly impact upon net finance income/cost. For instance, the Group saw a net foreign exchange gain of GEL 12.1 million due to a 0.5% appreciation of the GEL against the USD as of 31 December 2023, compared to 31 December 2022 (GEL/USD exchange rate of 2.6894 versus 2.7020). Similarly, the Group experienced a net foreign exchange gain

of GEL 218.9 million largely because of the GEL's appreciation against the USD as of 31 December 2022 compared to 31 December 2021 (GEL/USD exchange rate of 2.7020 versus 3.0976).

The decrease in interest expenses in 2023 compared to 2022 was primarily due to the appreciation of the GEL against the USD, as the Group's debt is denominated in USD.

A GEL 6.9 million increase in interest income in 2023 compared to 2022 was mainly attributable to higher average cash balances.

1.5 INCOME TAX EXPENSES/BENEFITS

General description

In May 2016, the Parliament of Georgia adopted amendments to the Tax Code of Georgia effective from 1 January 2017. According to these, the previous profit tax regulation

was changed to the so-called “tax on distributed profits” model.

INCOME TAX EXPENSES/BENEFITS

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
Income tax benefits/(costs)	(619)	(644)	(3.9)	25

Factors influencing changes

In May 2016, the Georgian Parliament approved changes to the Tax Code, adopting the Estonian tax model for businesses, except for profit-sharing companies. According to the model, income tax is paid on distributed profits instead

of annual income, while undistributed profit is exempt.

During 2023, income tax expenses decreased by 3.9%, compared to 2022.



For detailed information about tax code in Georgia please scan

II. BALANCE SHEET

2.1 NON-CURRENT ASSETS

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
As at 31 December				
PROPERTY, PLANT AND EQUIPMENT	1,921,379	1,831,197	4.9	90,182
OTHER NON-CURRENT ASSETS	158,910	181,709	(12.5)	(22,799)
OTHER RECEIVABLE	53,037	47,738	11.1	5,299
INVESTMENTS	27	0	100.0	27
TOTAL	2,133,353	2,060,644	3.5	72,708

Factors influencing changes

Property, plant and equipment – A GEL 90.2 million increase in property, plant and equipment in 2023, compared to 2022, was mainly due to the acceleration of construction works under the Railway Modernization Project.

* The track superstructure is a multilayered construction consisting of: (a) the rails, which support and guide the train wheels; and (b) the sleepers (with their fastenings), which distribute the loads effected by the rails and retain the distance between them (gauge).

Other non-current assets – A GEL 22.8 million decrease was primarily due to track superstructure* reclassification, from inventories to other long-term assets in 2022.

2.2 CURRENT ASSETS

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
As at 31 December				
INVENTORIES	37,330	33,944	10.0	3,386
TRADE AND OTHER RECEIVABLES	30,905	14,519	112.9	16,386
CURRENT TAX ASSETS	7,265	3,363	116.0	3,901
PREPAYMENTS AND OTHER CURRENT ASSETS	3,562	8,347	(57.3)	(4,784)
BANK DEPOSITS	0	4,071	(100.0)	(4,071)
CASH AND CASH EQUIVALENTS	283,547	274,629	3.2	8,918
TOTAL	362,609	338,873	7.0	23,736

Factors influencing changes

Inventories – GEL 3.4 million increase in inventories was largely due to increased construction and repair works in 2023, compared to 2022

Trade and other receivables – GEL 16.4 million increase was due to the receivables of the subsidiary company, which had already been settled by the time of the publication of this report.

Current tax assets – GEL 3.9 million increase in 2023, compared to 2022, was due to a rise in inventory purchases,

leading to a GEL 5.4 million increase in VAT (see “Current Liabilities”).

Prepayments and other current assets – A GEL 4.8 million decrease in prepayments in 2023, compared to 2022, was due to a higher advance paid to suppliers (who deliver software services, as well as supplier who provides supplies for signaling, centralization and blocking systems) in 2022.

*For cash and cash equivalents, see “Cash Flow Statement.”

2.3 EQUITY

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
As at 31 December				
CHARTER CAPITAL	1,055,031	1,055,031	0.0	0
NON-CASH OWNER CONTRIBUTION RESERVES	100,601	100,602	(0.0)	(1)
RETAINED EARNINGS	(287,589)	(374,365)	(23.2)	86,776
TOTAL	868,043	781,268	11.1	86,775

In 2023, total equity increased by GEL 86.8 million compared to 2022, primarily driven by a change in retained earnings.

2.4 NON-CURRENT LIABILITIES

In GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
As at 31 December				
LOANS AND BORROWINGS	1,339,840	1,378,147	(2.8)	(38,307)
ADVANCED RECEIVED FROM THE GOVERNMENT	46,593	46,594	(0.0)	(1)
TRADE AND OTHER PAYABLES	36,714	30,242	21.4	6,472
TOTAL	1,423,147	1,454,983	(2.2)	(31,836)

Factors influencing changes

Loans and borrowings – A GEL 38.3 million decrease in loans and borrowings was primarily due reclassification of secured loan in short term loans and borrowings, as at 31 December 2023, a financial covenant related to the Net debt to EBITDA ratio on the secured loan was not met, allowing the lender to request repayment on demand.

Trade and other payables – The 6.5 million increase in trade and other receivables was primarily due to the reclassification and recognition of long-term payables to the partnering company involved in the Railway Modernization Project.

2.5 CURRENT LIABILITIES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
As at 31 December				
LOANS AND BORROWINGS	36,298	14,273	154.3	22,025
TRADE AND OTHER PAYABLES	142,117	122,242	16.3	19,875
LIABILITIES TO THE GOVERNMENT	4,712	4,712	0.0	-
PROVISIONS	11,214	13,981	(19.8)	(2,767)
OTHER CURRENT LIABILITIES	10,430	8,058	29.4	2,372
TOTAL	204,771	163,266	25.4	41,505

Factors influencing changes

Trade and other payables – A GEL 19.9 million increase in 2023, compared to 2022, was mainly because of higher payments to suppliers constructing and designing signal-

ing, centralization and blocking systems on the Kashuri-Zestafoni segment (See 5.1 Railway Property).

III. CASH FLOW STATEMENT

By the end of 2023, the Group held GEL 283.5 million in cash and cash equivalents. These cash resources are held to support working capital and fixed capital expenditures. In particular, fixed capital expenditures mainly entail the Railway Modernization Project, works on which are ex-

pected to be finalized by 2024 (see 8.2 Ongoing Projects of the Company).

The Group mainly relies on its operating activities to fund its current and future cash requirements.

3.1 OPERATING ACTIVITIES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
CASH RECEIPTS FROM CUSTOMERS	620,993	691,891	(10.2)	(70,898)
CASH PAID TO SUPPLIERS AND EMPLOYEES	(444,178)	(403,670)	10.0	(40,508)
NET CASH FROM OPERATING ACTIVITIES	176,815	288,221	(38.7)	(111,406)

Factors influencing changes

Net cash from operating activities decreased by GEL 111.4 million in 2023 compared to 2022, primarily due to a decrease in cash receipts from customers, which in turn stemmed from a decrease in transported volumes. More-

over, there was an increase in cash paid to suppliers and employees, mainly due to a 22% rise in the average salary in January 2023 (see 4.3 Social Focus).

3.2 INVESTING ACTIVITIES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT	(139,342)	(134,968)	3.2	(4,374)
PROCEEDS FROM SALE OF PROPERTY, PLANT AND EQUIPMENT	262	7,383	(96.4)	(7,121)
INTEREST RECEIVED	34,133	27,434	24.4	6,699
INCREASE/DECREASE IN TERM DEPOSITS	4,071	(817)	(598.2)	4,888
ISSUANCE OF LOAN(S)	0	(21,568)	(100.0)	21,568
NET CASH USED IN INVESTING ACTIVITIES	(100,876)	(122,536)	(17.7)	21,660

Factors influencing changes

Cash used in investing activities decreased by GEL 21.7 million in 2023, compared to 2022. The decrease was mainly attributable to a loan of USD 7.0 million issued to JSC Joint Stock Company Development Fund of Georgia

(Partnership Fund) (GR's parent company till December 2022) in the first quarter of 2022, as well as an increase in term deposits.

3.3 FINANCING ACTIVITIES

GEL '000	TOTAL		CHANGE	
	2023	2022	%	Absolute
For the year ended 31 December				
REPAYMENT OF BORROWINGS	(11,346)	(12,617)	(10.1)	1,271
INTEREST PAID	(55,511)	(57,829)	(4.0)	2,318
DIVIDENDS PAID	0	(26,356)	(100.0)	26,356
NET CASH USED IN FINANCING ACTIVITIES	(66,858)	(96,802)	(30.9)	29,944

Factors influencing changes

In 2023, cash used in financing activities decreased by GEL 29.9 million, compared to 2022.

Notably, the Group had distributed dividends to the owner, totaling GEL 26.4 million in 2022.

Meanwhile, the decrease in interest payments was attributed to the GEL's appreciation against foreign currencies.

APPENDIX

APPENDIX 1

BREAKDOWN OF FREIGHT TRANSPORTATION IN TONS

'000 tons	TOTAL		CHANGE	
For the year ended 31 December	2023	2022	%	Absolute
LIQUID CARGOES	4,805	4,771	0.7	34
OIL PRODUCTS	4,779	4,496	6.3	284
CRUDE OIL	26	275	(90.7)	(250)
DRY CARGOES	8,747	10,002	(12.6)	(1,255)
ORES	1,758	1,925	(8.7)	(168)
GRAIN	163	329	(50.6)	(166)
FERROUS METALS AND SCRAP	506	625	(19.0)	(119)
SUGAR	517	719	(28.2)	(203)
CHEMICALS AND FERTILIZERS	1,644	1,859	(11.6)	(215)
CONSTRUCTION FREIGHT	1,129	1,072	5.3	57
INDUSTRIAL FREIGHT	683	594	15.1	90
CEMENT	80	44	81.2	36
OTHER	2,268	2,834	(20.0)	(567)
TOTAL	13,551	14,773	(8.3)	(1,222)

BREAKDOWN OF FREIGHT TRANSPORTATION IN TONS

'000 tons	TOTAL		CHANGE	
For the year ended 31 December	2023	2022	%	Absolute
IMPORT	3,065	2,955	3.7	110
EXPORT	1,155	1,270	(9.0)	(115)
DOMESTIC	1,621	1,893	(14.3)	(271)
TRANSIT	7,710	8,655	(10.9)	(945)
TOTAL	13,551	14,773	(8.3)	(1,222)

BREAKDOWN OF FREIGHT TRANSPORTATION IN TONS (QUARTERLY)

'000 tons

<i>For the year ended 31 December</i>	Q4 2023	Q4 2022	<i>y-o-y %</i>	Q3 2023	<i>q-o-q %</i>
LIQUID CARGOES	1,104	1,267	(12.9)	1,259	(12.3)
OIL PRODUCTS	1,104	1,198	(7.9)	1,256	(12.1)
CRUDE OIL	0	69	(99.5)	3	(89.4)
DRY CARGOES	2,190	2,604	(15.9)	2,346	(6.6)
ORES	440	530	(16.0)	463	(4.9)
GRAIN	18	109	(83.7)	25	(28.9)
FERROUS METALS AND SCRAP	131	121	8.3	133	(1.2)
SUGAR	18	114	(84.0)	186	(90.2)
CHEMICALS AND FERTILIZERS	531	525	1.2	452	17.6
CONSTRUCTION FREIGHT	293	318	(7.7)	308	(4.6)
INDUSTRIAL FREIGHT	200	209	(4.4)	198	0.9
CEMENT	16	22	(26.6)	21	(21.8)
OTHER	542	656	(17.3)	561	(3.3)
TOTAL	3,295	3,871	(14.9)	3,604	(8.6)

BREAKDOWN OF FREIGHT TRANSPORTATION IN TONS (QUARTERLY)

'000 tons

<i>For the period ended</i>	Q4 2023	Q4 2022	<i>y-o-y %</i>	Q3 2023	<i>q-o-q%</i>
IMPORT	792	766	3.48	816	(2.9)
EXPORT	291	347	(16.05)	266	9.4
DOMESTIC	427	564	(24.20)	480	(10.9)
TRANSIT	1,784	2,194	(18.72)	2,043	(12.7)
TOTAL	3,295	3,871	(14.89)	3,604	(8.6)

TOTAL

APPENDIX 2

BREAKDOWN OF FREIGHT TRANSPORTATION IN TON-KILOMETERS

<i>In million ton-kilometers</i>	TOTAL		CHANGE	
<i>For the year ended 31 December</i>	2023	2022	%	<i>Absolute</i>
LIQUID CARGOES	1,464	1,497	(2.2)	(33)
OIL PRODUCTS	1,455	1,392	4.5	63
CRUDE OIL	9	105	(91.3)	(96)
DRY CARGOES	2,341	2,667	(12.2)	(326)
ORES	452	372	21.5	80
GRAIN	40	101	(60.1)	(60)
FERROUS METALS AND SCRAP	100	142	(29.3)	(41)
SUGAR	188	265	(29.1)	(77)
CHEMICALS AND FERTILIZERS	588	668	(12.1)	(81)
CONSTRUCTION FREIGHT	166	163	1.8	3
INDUSTRIAL FREIGHT	84	68	22.9	16
CEMENT	20	12	62.6	8
OTHER	703	876	(19.7)	(173)
TOTAL	3,804	4,164	(8.6)	(360)

BREAKDOWN OF FREIGHT TRANSPORTATION IN TON-KILOMETERS

<i>In million ton-kilometers</i>	TOTAL		CHANGE	
<i>For the year ended 31 December</i>	2023	2022	%	<i>Absolute</i>
IMPORT	413	454	(9.0)	(41)
EXPORT	334	365	(8.5)	(31)
DOMESTIC	172	161	6.7	11
TRANSIT	2,886	3,184	(9.4)	(298)
TOTAL	3,804	4,164	(8.6)	(360)

BREAKDOWN OF FREIGHT TRANSPORTATION IN TON-KILOMETERS (QUARTERLY)

In million ton-kilometers

<i>For the period ended</i>	Q4 2023	Q4 2022	<i>y-o-y</i>	Q3 2023	<i>q-o-q</i>
LIQUID CARGOES	339	385	(11.8)	384	(11.7)
OIL PRODUCTS	339	358	(5.1)	384	(11.6)
CRUDE OIL	0	27	(99.6)	0	(68.5)
DRY CARGOES	577	674	(14.5)	627	(8.0)
ORES	121	117	3.5	112	8.0
GRAIN	3	32	(89.7)	6	(45.5)
FERROUS METALS AND SCRAP	23	19	19.4	30	(21.9)
SUGAR	5	41	(87.9)	66	(92.5)
CHEMICALS AND FERTILIZERS	190	190	(0.3)	163	16.1
CONSTRUCTION FREIGHT	39	49	(21.6)	45	(13.5)
INDUSTRIAL FREIGHT	24	23	3.5	24	0.8
CEMENT	3	6	(47.0)	5	(34.0)
OTHER	169	197	(14.1)	176	(4.3)
TOTAL	916	1,059	(13.5)	1,011	(9.4)

BREAKDOWN OF FREIGHT TRANSPORTATION IN TON-KILOMETERS (QUARTERLY)

In million ton-kilometers

<i>For the year ended 31 December</i>	Q4 2023	Q4 2022	<i>y-o-y</i>	Q3 2023	<i>q-o-q</i>
IMPORT	116	96	20.3	118	(1.7)
EXPORT	86	103	(16.8)	77	11.8
DOMESTIC	43	51	(14.1)	49	(11.1)
TRANSIT	671	809	(17.1)	768	(12.6)
TOTAL	916	1,059	(13.5)	1,011	(9.4)

APPENDIX 3

BREAKDOWN OF FREIGHT TRANSPORTATION IN TONS

'000 tons	2022				2023			
For the period ended	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
LIQUID CARGOES	873	1,368	1,262	1,267	1,155	1,287	1,259	1,104
OIL PRODUCTS	872	1,169	1,256	1,198	1,133	1,286	1,286	1,104
CRUDE OIL	1	199	6	69	22	1	3	0
DRY CARGOES	2,127	2,447	2,824	2,604	1,996	2,214	2,346	2,190
ORES	408	394	593	530	404	452	463	440
GRAIN	37	75	108	109	76	44	25	18
FERROUS METALS AND SCRAP	102	241	161	121	120	123	133	131
SUGAR	63	232	311	114	103	210	186	18
CHEMICALS AND FERTILIZERS	529	386	418	525	378	282	452	531
CONSTRUCTION FREIGHT	191	240	323	318	259	269	308	293
INDUSTRIAL FREIGHT	77	137	171	209	83	202	198	200
CEMENT	4	5	12	22	16	26	21	16
OTHER	715	737	727	656	559	607	561	542
TOTAL	3,000	3,815	4,086	3,871	3,151	3,501	3,604	3,295

BREAKDOWN OF FREIGHT TRANSPORTATION IN TONS

'000 tons	2022				2023			
For the period ended	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IMPORT	575	745	870	766	683	773	816	792
EXPORT	337	267	319	347	279	319	266	291
DOMESTIC	345	421	563	564	338	376	480	427
TRANSIT	1,744	2,383	2,335	2,194	1,851	2,033	2,043	1,784
TOTAL	3,000	3,815	4,086	3,871	3,151	3,501	3,604	3,295

APPENDIX 4

BREAKDOWN OF FREIGHT TRANSPORTATION IN TON-KILOMETERS

<i>In million ton-kilometers</i>	2022				2023			
<i>For the period ended</i>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
LIQUID CARGOES	284	457	372	385	347	393	384	339
OIL PRODUCTS	284	380	370	358	338	393	384	339
CRUDE OIL	0	76	2	27	9	0	9	0
DRY CARGOES	581	661	751	674	534	602	627	577
ORES	74	69	112	117	92	127	112	121
GRAIN	11	23	34	32	17	13	6	3
FERROUS METALS AND SCRAP	19	61	42	19	22	25	30	23
SUGAR	24	85	114	41	39	77	66	5
CHEMICALS AND FERTILIZERS	191	135	153	190	136	99	163	190
CONSTRUCTION FREIGHT	28	36	50	49	41	42	45	39
INDUSTRIAL FREIGHT	11	16	18	23	12	24	24	24
CEMENT	1	1	4	6	4	7	5	3
OTHER	222	233	224	197	171	187	176	169
TOTAL	865	1,117	1,123	1,059	881	996	1,011	916

BREAKDOWN OF FREIGHT TRANSPORTATION IN TON-KILOMETERS

<i>In million ton-kilometers</i>	2022				2023			
<i>For the period ended</i>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IMPORT	102	131	125	96	80	99	118	116
EXPORT	94	72	95	103	78	94	77	86
DOMESTIC	28	35	47	51	36	44	49	43
TRANSIT	640	879	856	809	688	760	768	671
TOTAL	865	1,117	1,123	1,059	881	996	1,011	916

APPENDIX 5

According to Condition 3 (d) of the “Terms and Conditions of the Notes” (The U.S. \$500,000,000 4% Notes due 17 June 2028 issued by Georgian Railway JSC on 10 June 2021), Georgian Railway and/or its subsidiary is entitled to incur financial indebtedness if the ratio of Net Financial Indebtedness of the Issuer and its Subsidiaries as of the date of such Incurrence to the aggregate amount of EBITDA for the most recent consecutive semi-annual periods (ending prior to the date of such determination for which consolidated financial statements have been delivered) does not exceed 3.5 to 1. The given table sets out the calculations of Net Financial Indebtedness to Adjusted EBITDA and in accordance with the above-mentioned Condition 3 (d) of the “Terms and Conditions of the Notes.” However, these calculations are for information only and does not imply that any specific date is the Incurrence date (or “the date of determination”) as defined in Condition 3 of the “Terms and Conditions of the Notes.”

CALCULATIONS OF THE RATIO OF NET FINANCIAL INDEBTEDNESS TO ADJUSTED EBITDA:

GEL '000	Twelve-month period ended 31-Dec-23	Twelve-month period ended 31-Dec-22
REVENUE	627,173	674,773
OTHER INCOME	8,993	15,825
IMPAIRMENT LOSS ON TRADE RECEIVABLES	6,016	840
EMPLOYEE BENEFITS EXPENSES	(239,056)	(197,708)
DEPRECIATION AND AMORTIZATION EXPENSE	(76,895)	(66,585)
ELECTRICITY, CONSUMABLES AND MAINTENANCE COSTS	(74,722)	(80,207)
OTHER EXPENSES	(153,948)	(128,521)
RESULTS FROM OPERATING ACTIVITIES	97,561	218,417
FINANCE INCOME	50,924	249,402
FINANCE COSTS	(61,090)	(70,493)
NET FINANCE COSTS	97,561	178,908
PROFIT/(LOSS) BEFORE INCOME TAX	(10,166)	397,325
INCOME TAX BENEFIT	(619)	(644)
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME/(LOSS)	86,776	396,681
RESULTS FROM OPERATING ACTIVITIES	97,561	218,417
DEPRECIATION ADD-BACK	76,895	66,585
IMPAIRMENT LOSS ON TRADE RECEIVABLES	(6,016)	(840)
ADJUSTED EBITDA	168,440	284,162
FINANCIAL INDEBTEDNESS	1,376,138	1,392,420
LESS:		
AVAILABLE CREDIT FACILITIES	0	62,976
CASH	283,547	274,629
NET FINANCIAL INDEBTEDNESS:	1,092,591	1,117,790
NET FINANCIAL INDEBTEDNESS/ADJUSTED EBITDA	6.49	3.93