



**ZIM INTEGRATED SHIPPING SERVICES LTD.**  
**CONDENSED CONSOLIDATED UNAUDITED INTERIM**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

**ZIM INTEGRATED SHIPPING SERVICES LTD.**

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**ZIM INTEGRATED SHIPPING SERVICES LTD.**

**CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION**

		September 30		December 31
		2022	2021	2021
	Note	US \$ in millions		
<b>Assets</b>				
Vessels	6	4,640.5	2,280.9	2,957.8
Containers and handling equipment	6	1,270.8	1,258.3	1,365.8
Other tangible assets	6	76.9	66.4	68.9
Intangible assets		82.5	68.4	73.8
Investments in associates		26.0	13.3	12.2
Other investments		1,314.3	5.6	169.2
Trade and other receivables		109.5	6.5	107.2
Deferred tax assets		2.3	1.5	2.1
<b>Total non-current assets</b>		<b>7,522.8</b>	<b>3,700.9</b>	<b>4,757.0</b>
Inventories		225.7	107.2	119.0
Trade and other receivables		1,088.7	1,234.2	1,278.0
Other investments		1,871.7	345.1	2,144.5
Cash and cash equivalents		1,285.7	2,455.0	1,543.3
<b>Total current assets</b>		<b>4,471.8</b>	<b>4,141.5</b>	<b>5,084.8</b>
<b>Total assets</b>		<b>11,994.6</b>	<b>7,842.4</b>	<b>9,841.8</b>
<b>Equity</b>				
Share Capital and reserves	5	2,009.9	1,994.2	2,011.4
Retained earnings		3,800.6	1,174.5	2,580.6
<b>Equity attributable to owners of the Company</b>		<b>5,810.5</b>	<b>3,168.7</b>	<b>4,592.0</b>
<b>Non-controlling interests</b>		<b>6.8</b>	<b>6.6</b>	<b>7.5</b>
<b>Total equity</b>		<b>5,817.3</b>	<b>3,175.3</b>	<b>4,599.5</b>
<b>Liabilities</b>				
Lease liabilities		3,020.0	1,766.3	2,178.7
Loans and other liabilities		140.1	126.3	120.8
Employee benefits		45.0	63.6	65.6
Deferred tax liabilities		139.4	86.0	120.6
<b>Total non-current liabilities</b>		<b>3,344.5</b>	<b>2,042.2</b>	<b>2,485.7</b>
Trade and other payables		846.6	1,052.3	1,086.3
Provisions		51.6	29.0	28.3
Contract liabilities		410.1	636.0	618.3
Lease liabilities		1,424.7	777.3	893.0
Loans and other liabilities		99.8	130.3	130.7
<b>Total current liabilities</b>		<b>2,832.8</b>	<b>2,624.9</b>	<b>2,756.6</b>
<b>Total liabilities</b>		<b>6,177.3</b>	<b>4,667.1</b>	<b>5,242.3</b>
<b>Total equity and liabilities</b>		<b>11,994.6</b>	<b>7,842.4</b>	<b>9,841.8</b>

/s/ Yair Seroussi  
Yair Seroussi  
Chairman of the Board of Directors

/s/ Eli Glickman  
Eli Glickman  
President & Chief Executive Officer

/s/ Xavier Destriau  
Xavier Destriau  
Chief Financial Officer

Date of approval of the Financial Statements: November 16, 2022.

The accompanying Notes are an integral part of these condensed consolidated unaudited interim Financial Statements.

**ZIM INTEGRATED SHIPPING SERVICES LTD.**

**CONDENSED CONSOLIDATED UNAUDITED INTERIM INCOME STATEMENTS**

		Nine months ended September 30		Three months ended September 30		Year ended December 31
		2022	2021	2022	2021	2021
	Note	US \$ in millions				
Income from voyages and related services		<b>10,372.7</b>	7,262.3	<b>3,227.5</b>	3,136.0	10,728.7
<b>Cost of voyages and related services</b>						
Operating expenses and cost of services	8	<b>(3,630.2)</b>	(2,876.9)	<b>(1,249.6)</b>	(1,007.4)	(3,905.9)
Depreciation		<b>(989.7)</b>	(513.9)	<b>(373.7)</b>	(215.2)	(756.3)
<b>Gross profit</b>		<b>5,752.8</b>	3,871.5	<b>1,604.2</b>	1,913.4	6,066.5
Other operating income		<b>40.8</b>	9.5	<b>21.5</b>	5.3	14.5
Other operating expenses		<b>(0.4)</b>	(0.7)	<b>(0.2)</b>	(0.2)	(1.0)
General and administrative expenses		<b>(244.0)</b>	(183.9)	<b>(82.0)</b>	(60.4)	(267.7)
Share of profit of associates		<b>1.9</b>	3.1	<b>0.8</b>	0.9	4.0
<b>Results from operating activities</b>		<b>5,551.1</b>	3,699.5	<b>1,544.3</b>	1,859.0	5,816.3
Finance income		<b>82.3</b>	9.1	<b>34.9</b>	3.4	18.8
Finance expenses		<b>(164.0)</b>	(131.7)	<b>(64.8)</b>	(41.5)	(175.6)
<b>Net finance expenses</b>		<b>(81.7)</b>	(122.6)	<b>(29.9)</b>	(38.1)	(156.8)
<b>Profit before income taxes</b>		<b>5,469.4</b>	3,576.9	<b>1,514.4</b>	1,820.9	5,659.5
Income taxes		<b>(1,256.9)</b>	(636.2)	<b>(348.7)</b>	(358.0)	(1,010.4)
<b>Profit for the period</b>		<b>4,212.5</b>	2,940.7	<b>1,165.7</b>	1,462.9	4,649.1
<b>Attributable to:</b>						
Owners of the Company		<b>4,205.2</b>	2,935.2	<b>1,163.3</b>	1,461.1	4,640.3
Non-controlling interests		<b>7.3</b>	5.5	<b>2.4</b>	1.8	8.8
<b>Profit for the period</b>		<b>4,212.5</b>	2,940.7	<b>1,165.7</b>	1,462.9	4,649.1
<b>Earnings per share (US\$)</b>						
Basic earnings per 1 ordinary share	10	<b>35.05</b>	25.79	<b>9.69</b>	12.53	40.31
Diluted earnings per 1 ordinary share	10	<b>34.91</b>	24.79	<b>9.66</b>	12.16	39.02

The accompanying Notes are an integral part of these condensed consolidated unaudited interim Financial Statements.

# ZIM INTEGRATED SHIPPING SERVICES LTD.

## CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

	Nine months ended September 30		Three months ended September 30		Year ended December 31
	2022	2021	2022	2021	2021
	US \$ in millions				
<b>Profit for the period</b>	<b>4,212.5</b>	2,940.7	<b>1,165.7</b>	1,462.9	4,649.1
<b>Other components of comprehensive income</b>					
<b>Items of other comprehensive income that were or will be reclassified to profit and loss</b>					
Foreign currency translation differences for foreign operations	(21.7)	(2.7)	(9.3)	0.7	(7.8)
Net change in fair value of investments in debt instruments at fair value through other comprehensive income, net of tax	(36.0)		(23.9)		(0.7)
<b>Items of other comprehensive income that would never be reclassified to profit and loss</b>					
Net change in fair value of investments in equity instruments at fair value through other comprehensive income, net of tax	(3.1)	(0.2)	(1.6)	(0.1)	(0.2)
Defined benefit pension plans actuarial gains, net of tax	6.2		1.8		1.1
<b>Other comprehensive income for the period, net of tax</b>	<b>(54.6)</b>	(2.9)	<b>(33.0)</b>	0.6	(7.6)
<b>Total comprehensive income for the period</b>	<b>4,157.9</b>	2,937.8	<b>1,132.7</b>	1,463.5	4,641.5
Attributable to:					
Owners of the Company	4,152.7	2,933.7	1,130.8	1,461.9	4,636.8
Non-controlling interests	5.2	4.1	1.9	1.6	4.7
<b>Total comprehensive income for the period</b>	<b>4,157.9</b>	2,937.8	<b>1,132.7</b>	1,463.5	4,641.5

The accompanying Notes are an integral part of these condensed consolidated unaudited interim Financial Statements.

# ZIM INTEGRATED SHIPPING SERVICES LTD.

## CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attribute to the owners of the Company					Non-controlling interests	Total equity
	Share capital	General reserves (**)	Translation reserve	Retained earnings	Total		
	US \$ in millions						
For the nine months period ended September 30, 2022							
Balance at December 31, 2021	923.2	1,107.9	(19.7)	2,580.6	4,592.0	7.5	4,599.5
Initial application of an amendment to IAS 37 (*)				(3.3)	(3.3)		(3.3)
Balance at January 1, 2022	923.2	1,107.9	(19.7)	2,577.3	4,588.7	7.5	4,596.2
Profit for the period				4,205.2	4,205.2	7.3	4,212.5
Other comprehensive income for the period, net of tax			(19.5)	(33.0)	(52.5)	(2.1)	(54.6)
Share-based compensation		18.0			18.0		18.0
Exercise of options	2.2	(2.2)					
Dividend to owners of the Company				(2,948.9)	(2,948.9)		(2,948.9)
Dividend to non-controlling interests in subsidiaries						(5.9)	(5.9)
Balance at September 30, 2022	925.4	1,123.7	(39.2)	3,800.6	5,810.5	6.8	5,817.3
For the three months period ended September 30, 2022							
Balance at June 30, 2022	925.4	1,115.7	(30.5)	3,231.4	5,242.0	6.2	5,248.2
Profit for the period				1,163.3	1,163.3	2.4	1,165.7
Other comprehensive income for the period, net of tax			(8.7)	(23.8)	(32.5)	(0.5)	(33.0)
Share-based compensation		8.0			8.0		8.0
Dividend to owners of the Company				(570.3)	(570.3)		(570.3)
Dividend to non-controlling interests in subsidiaries						(1.3)	(1.3)
Balance at September 30, 2022	925.4	1,123.7	(39.2)	3,800.6	5,810.5	6.8	5,817.3

(\*) See Note 3.

(\*\*) Include reserves related to transactions with an interested party and share-based compensation.

The accompanying Notes are an integral part of these condensed consolidated unaudited interim Financial Statements.

# ZIM INTEGRATED SHIPPING SERVICES LTD.

## CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attribute to the owners of the Company						
	Share capital	General reserves (*)	Translation reserve	Retained earnings (deficit)	Total	Non-controlling interests	Total equity
	US \$ in millions						
For the nine months period ended September 30, 2021							
Balance at January 1, 2021	700.3	1,106.5	(16.0)	(1,523.5)	267.3	7.2	274.5
Profit for the period				2,935.2	2,935.2	5.5	2,940.7
Other comprehensive income for the period, net of tax			(1.3)	(0.2)	(1.5)	(1.4)	(2.9)
Issuance of share capital, net of issuance costs	203.5				203.5		203.5
Share-based compensation		1.2			1.2		1.2
Exercise of options	1.3	(1.3)					
Dividend to owners of the Company				(237.0)	(237.0)		(237.0)
Dividend to non-controlling interests in subsidiaries						(4.7)	(4.7)
Balance at September 30, 2021	905.1	1,106.4	(17.3)	1,174.5	3,168.7	6.6	3,175.3
For the three months period ended September 30, 2021							
Balance at June 30, 2021	903.8	1,107.3	(18.2)	(279.5)	1,713.4	5.0	1,718.4
Profit for the period				1,461.1	1,461.1	1.8	1,462.9
Other comprehensive income for the period, net of tax			0.9	(0.1)	0.8	(0.2)	0.6
Share-based compensation		0.4			0.4		0.4
Exercise of options	1.3	(1.3)					
Dividend to owners of the Company				(7.0)	(7.0)		(7.0)
Balance at September 30, 2021	905.1	1,106.4	(17.3)	1,174.5	3,168.7	6.6	3,175.3
For the year ended December 31, 2021							
Balance at January 1, 2021	700.3	1,106.5	(16.0)	(1,523.5)	267.3	7.2	274.5
Profit for the year				4,640.3	4,640.3	8.8	4,649.1
Other comprehensive income for the year, net of tax			(3.7)	0.2	(3.5)	(4.1)	(7.6)
Issuance of share capital, net of issuance costs	203.5				203.5		203.5
Share-based compensation		20.8			20.8		20.8
Exercise of options	19.4	(19.4)					
Dividend to owners of the Company				(536.4)	(536.4)		(536.4)
Acquisition of subsidiary with non-controlling interest						0.3	0.3
Dividend to non-controlling interests in subsidiaries						(4.7)	(4.7)
Balance at December 31, 2021	923.2	1,107.9	(19.7)	2,580.6	4,592.0	7.5	4,599.5

(\*) Include reserves related to transactions with an interested party and share-based compensation.

The accompanying Notes are an integral part of these condensed consolidated unaudited interim Financial Statements.

**ZIM INTEGRATED SHIPPING SERVICES LTD.**

**CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF CASH FLOWS**

	<b>Nine months ended</b>		<b>Three months ended</b>		<b>Year ended</b>
	<b>September 30</b>		<b>September 30</b>		<b>December 31</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>US \$ in millions</b>				
<b>Cash flows from operating activities</b>					
Profit for the period	<b>4,212.5</b>	2,940.7	<b>1,165.7</b>	1,462.9	4,649.1
Adjustments for:					
Depreciation and amortization	<b>1,007.7</b>	530.6	<b>380.2</b>	220.9	779.2
Net finance expenses	<b>81.7</b>	122.6	<b>29.9</b>	38.1	156.8
Share of profits and change in fair value of investees	<b>(5.0)</b>	(4.0)	<b>(1.3)</b>	(0.8)	(4.7)
Capital gain	<b>(35.5)</b>	(5.1)	<b>(19.7)</b>	(4.0)	(8.7)
Income taxes	<b>1,256.9</b>	636.2	<b>348.7</b>	358.0	1,010.4
Other non-cash items	<b>18.0</b>		<b>8.0</b>		20.8
	<b>6,536.3</b>	4,221.0	<b>1,911.5</b>	2,075.1	6,602.9
Change in inventories	<b>(106.7)</b>	(55.0)	<b>(9.5)</b>	(7.5)	(66.8)
Change in trade and other receivables	<b>211.0</b>	(695.7)	<b>272.8</b>	(261.6)	(766.5)
Change in trade and other payables including contract liabilities	<b>(162.9)</b>	506.9	<b>(193.8)</b>	206.6	555.9
Change in provisions and employee benefits	<b>15.9</b>	5.6	<b>18.1</b>	0.8	6.6
	<b>(42.7)</b>	(238.2)	<b>87.6</b>	(61.7)	(270.8)
Dividends received from associates	<b>0.1</b>	3.3	<b>0.1</b>	1.4	4.4
Interest received	<b>23.6</b>	3.4	<b>16.2</b>	1.2	3.5
Income taxes paid	<b>(1,475.8)</b>	(23.2)	<b>(343.8)</b>	(7.7)	(369.1)
<b>Net cash generated from operating activities</b>	<b>5,041.5</b>	3,966.3	<b>1,671.6</b>	2,008.3	5,970.9
<b>Cash flows from investing activities</b>					
Proceeds from sale of tangible assets, intangible and interest in investees	<b>33.1</b>	5.0	<b>16.2</b>	2.7	10.9
Acquisition of tangible assets, intangible assets and interest in investees	<b>(317.7)</b>	(755.8)	<b>(54.6)</b>	(291.3)	(1,005.0)
Acquisition of investment instruments, net	<b>(1,281.5)</b>		<b>(765.6)</b>		(182.5)
Change in other receivables	<b>(10.6)</b>		<b>(8.0)</b>		(101.8)
Change in other investments (mainly deposits), net	<b>367.1</b>	(284.2)	<b>556.2</b>	(298.5)	(2,064.7)
<b>Net cash used in investing activities</b>	<b>(1,209.6)</b>	(1,035.0)	<b>(255.8)</b>	(587.1)	(3,343.1)

The accompanying Notes are an integral part of these condensed consolidated unaudited interim Financial Statements.



**ZIM INTEGRATED SHIPPING SERVICES LTD.**

**CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF CASH FLOWS**

	<u>Nine months ended</u>		<u>Three months ended</u>		<u>Year ended</u>
	<u>September 30</u>		<u>September 30</u>		<u>December 31</u>
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2021</u>
	<u>US \$ in millions</u>				
<b>Cash flows from financing activities</b>					
Receipt of long-term loans and other					
long-term liabilities	<b>59.2</b>	50.0			50.0
Issuance of share capital, net of issuance costs		205.4			205.4
Repayment of lease liabilities and borrowings	<b>(965.8)</b>	(926.5)	<b>(433.3)</b>	(234.1)	(1,191.3)
Change in short term loans	<b>(53.5)</b>	(16.0)			(16.0)
Dividend paid to non-controlling interests	<b>(5.9)</b>	(4.7)	<b>(1.3)</b>		(4.7)
Dividend paid to owners of the Company	<b>(2,948.9)</b>	(237.0)	<b>(570.3)</b>	(237.0)	(536.4)
Interest and other financial expenses paid	<b>(156.8)</b>	(117.4)	<b>(62.1)</b>	(40.1)	(160.0)
<b>Net cash used in financing activities</b>	<b>(4,071.7)</b>	(1,046.2)	<b>(1,067.0)</b>	(511.2)	(1,653.0)
Net change in cash and cash equivalents	<b>(239.8)</b>	1,885.1	<b>348.8</b>	910.0	974.8
Cash and cash equivalents at beginning of the period	<b>1,543.3</b>	570.4	<b>946.8</b>	1,545.3	570.4
Effect of exchange rate fluctuation on cash held	<b>(17.8)</b>	(0.5)	<b>(9.9)</b>	(0.3)	(1.9)
<b>Cash and cash equivalents at the end of the period</b>	<b>1,285.7</b>	2,455.0	<b>1,285.7</b>	2,455.0	1,543.3

The accompanying Notes are an integral part of these condensed consolidated unaudited interim Financial Statements.

**1 Reporting entity**

ZIM Integrated Shipping Services Ltd. (hereinafter - the "Company" or "ZIM") and its subsidiaries (hereinafter – "the Group" or "the Companies") and the Group's interests in associates, operate in the field of container shipping and related services.

ZIM is a company incorporated in Israel, with limited liability. ZIM's ordinary shares have been listed on the New York Stock Exchange (the "NYSE") under the symbol "ZIM" on January 28, 2021. The address of the Company's registered office is 9 Andrei Sakharov Street, Haifa, Israel.

**2 Basis of compliance****(a) Statement of compliance**

These condensed consolidated unaudited interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended December 31, 2021 (hereafter – the "annual Financial Statements"). These condensed consolidated unaudited interim Financial Statements were approved by the Board of Directors on November 16, 2022.

**(b) Estimates**

The preparation of Financial Statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the principal assumptions used in the estimation of uncertainty were the same as those applied to the annual financial statements.

**3 Significant accounting policies**

The accounting policies applied by the Group in these unaudited condensed consolidated interim Financial Statements are the same as those applied by the Group in its annual Financial Statements, except as detailed below.

**Amendment to IAS 37, Provisions, Contingent Liabilities and Contingent Assets:**

As from January 1, 2022, the Company applies the amendment to IAS 37 in respect of onerous contracts, according to which, when assessing whether a contract is onerous, the costs of fulfilling a contract that should be taken into consideration are costs that relate directly to the contract, comprised of: (i) incremental costs, and (ii) an allocation of other costs that relate directly to fulfilling the contract. The amendment is effective retrospectively in respect of contracts where, at the date of initial application, the entity has not yet fulfilled all its obligations. The Group did not restate comparative data but adjusted the opening balance of retained earnings in accordance with the amendment by the amount of its cumulative effect (US\$ 3 million).

## 4 Financial position

- (a) The container shipping industry continues to be characterized by volatility in freight rates, charter rates and bunker prices, accompanied by significant uncertainties in the global trade (including the implications of the ongoing military conflict between Russia and Ukraine, the rise of inflation in certain countries, or further implications that might derive from the Covid-19 pandemic). In addition, regulators in certain jurisdictions have become more active in their regulatory oversight over our industry, through change in regulations and interpretation of related rules.

In June 2022, the US administration published the ‘Ocean Shipping Reform Act of 2022’, promoting an increased regulatory supervision over maritime shipping carriers and others in the shipping industry, mainly in respect of demurrage and detention charges.

Following the peak levels reached during 2021 and the first quarter of 2022, freight rates have decreased over the course of the second and third quarters of 2022, although remained at levels which continues to enable the Company to further strengthen its capital structure over the period.

In view of the aforementioned business environment and in order to constantly improve the Group’s results of operations and liquidity position, Management continues to optimize its network by participating in partnerships and cooperation agreements and by upgrading its customer’s offerings, whilst seeking operational excellence and cost efficiencies, as well as exploring options which can contribute to strengthen its capital and operational structure.

In addition, at each reporting date the Company reviews the carrying amount of its operating assets and assesses them for impairment when indications exist.

- (b) Further to the Company’s operational cooperation with the “2M” alliance initiated in 2018, the Company announced in February 2022, that the 2M alliance partners (Maersk and MSC, two leading shipping liner companies) and the Company formally agreed to extend their existing operational collaboration agreement, based on a full slot exchange and vessel sharing agreement, on the Asia – US East Coast and Asia – US Gulf Coast trades. The parties also agreed to terminate their collaboration in the Asia to Mediterranean and Pacific North – West trades, in which ZIM launched a new independent service to address its customers' needs. The agreements with the 2M alliance partners became effective on April 2, 2022.
- (c) In August 2022, the Company announced a long-term agreement with Shell NA LNG, LLC for the purpose of supply marine liquefied natural gas (LNG). The agreement, committing the parties for a period of ten years and with aggregated consideration estimated at approximately US\$ 1.1 billion, will secure the supply of LNG for ten 15,000 TEU LNG-fueled vessels that are expected to enter into service during 2023-2024 and be deployed on the Asia - US East Coast trade.
- (d) Legal matters:
- In March 2022, the plaintiff in the claim for an alleged patents’ infringement against the Company, as disclosed in Note 27(h) to the Company’s 2021 annual financial statements, voluntarily withdrew his claim, thus resulting in the closure of the related proceedings.

In September 2022, a certain customer filed a complaint against the Company with the Federal Maritime Commission (FMC), alleging that the Company overly charged certain demurrage, detention and storage fees, in violation of the applicable regulation.

**4 Financial position (cont'd)**

Also in September 2022, following communications between the parties, the Company was approached by a state regulator in a certain jurisdiction indicating that the Company did not meet the local environmental regulation, including an initial informal assessment by that regulator as to the Company's scope of liability, subject to Company's possible counter arguments.

The Company is in the process of reviewing the foregoing matters and, where required, included a provision in its financial statements.

(e) Charter agreements:

In January 2022, the Company entered into an agreement with a related-party shipping company for an eight-year charter of three 7,000 TEU liquefied natural gas (LNG) dual-fuel container vessels, for a total consideration of approximately \$400 million. The vessels are scheduled to be delivered during the first and second quarters of 2024.

In February 2022, the Company entered into an agreement with Navios Maritime Partners L.P. for chartering a total of thirteen container vessels for a term of approximately five years, in a total consideration of approximately \$870 million. The agreement comprises five secondhand vessels at the size range of 3,500-4,360 TEU, all of which were delivered during 2022, deployed in trades between Asia and Africa, and eight 5,300 TEU newbuild vessels, scheduled to be delivered between the third quarter of 2023 and the fourth quarter of 2024.

In March 2022, the Company entered into an agreement with MPC Container Ships ASA and MPC Capital AG, for chartering of six 5,500 TEU newbuild vessels for a period of seven years, in a total consideration of up to approximately US\$ 600 million. The vessels are scheduled to be delivered between May 2023 and February 2024.

As part of its ongoing operational needs, the Company continued to charter vessels for additional periods through new and extended chartering arrangements. See also Note 1(b) and Note 26 to the Company's 2021 annual financial statements, in respect of the Company's chartering agreements with Seaspan and the Company's commitments.

(f) Fleet acquisitions:

Further to the purchase agreements of eight second-hand vessels the Company entered into during the second half of 2021, all related vessels were delivered to the Company, including five vessels which were delivered during 2022.

(g) In November 2022, the Company entered into an agreement for the full early repayment of its Tranche-E loan (see also Note 12 to the Company's 2021 annual financial statements), for a total consideration of US\$ 66 million.

(h) Dividends:

In April, June and September 2022, further to the approval of the Company's Board of Directors, the Company distributed dividends in amounts of US\$ 2,037 million, US\$ 342 million and US\$ 570 million, reflecting US\$ 17.00, US\$ 2.85 and US\$ 4.75 per ordinary share, respectively.

#### 4 Financial position (cont'd)

In November 2022, further to the Company's dividend policy, the Company's Board of Directors approved a distribution of an interim dividend of approximately US\$ 2.95 per ordinary share (or approximately US\$ 354 million, considering the number of ordinary shares outstanding as of September 30, 2022). The dividend is scheduled to be paid on December 7, 2022, to all holders of ordinary shares on record as of November 29, 2022.

#### 5 Capital and reserves

##### Share-Based Payment Arrangements

During the reported period, the Board of Directors approved grants of share options to officers, directors and employees, as detailed below:

Granted in	Number of instruments	Instrument terms	Vesting terms	Contractual life
March 2022	1,727,443	Each option is exercisable into one ordinary share on a cash-less basis.	These options shall vest upon the first, second, third and fourth anniversary, in four equal instalments of 25% each.	5 years
May 2022	490,662			
August 2022	107,110			

##### Information on fair value measurement

The weighted average of options' fair value, measured using the Black & Scholes model, and the related measurement inputs used, were as below:

Granted in	March 2022	May 2022	August 2022
Fair Value	USD 29.72	USD 26.30	USD 25.07
Share price on grant date	USD 68.94	USD 55.63	USD 51.86
Exercise price	USD 68.37	USD 51.37	USD 47.78
Expected volatility	47.3%	48.4%	48.9%
Expected life	5 years	4.9 years	5 years
Expected dividends	0%	0%	0%
Risk-free interest rate	1.7%	3.0%	3.0%

During the nine and three months period ended September 30, 2022, a total of 304,205 and 0 ordinary shares were issued, respectively, upon the cashless exercise of options, previously granted in respect of share-based payment arrangements.

During the nine and three months period ended September 30, 2022, 2021 and the year ended December 31, 2021, the Company recorded expenses related to share-based compensation arrangements of US\$ 18.0 million, US\$ 8.0 million, US\$ 1.2 million, US\$ 0.4 million and US\$ 20.8 million, respectively.

# ZIM INTEGRATED SHIPPING SERVICES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

### 6 Right-of-use assets

	Balance at September 30		Balance at December 31
	2022	2021	2021
	US \$ in millions		
Vessels	4,191.9	2,132.7	2,720.2
Containers and handling equipment	396.8	485.4	458.6
Other tangible assets	51.0	46.2	47.6
	4,639.7	2,664.3	3,226.4

### 7 Segment information

ZIM is managed as one operating unit, generating revenues from operating a global liner service network of container shipping and related services, in which lines share the use of its resources and their performance are co-dependent. Accordingly, the chief operating decision maker manages and allocates resources to the entire liner network. As there is no appropriate allocation for the Group's results, assets and liabilities, these are all attributed to the Group's sole operating segment.

Freight revenues are disaggregated geographically by trade zone, as follows:

	Nine months ended September 30		Three months ended September 30		Year ended December 31
	2022	2021	2022	2021	2021
	US \$ in millions				
Freight Revenues from containerized cargo:					
Pacific	4,716.9	3,635.6	1,420.2	1,640.9	5,278.8
Cross-Suez	1,293.8	852.5	379.2	362.8	1,254.2
Atlantic	966.2	648.1	304.6	256.7	960.8
Intra-Asia	1,644.3	1,139.4	500.9	469.0	1,714.6
Latin America	584.8	308.4	218.3	124.1	490.3
	9,206.0	6,584.0	2,823.2	2,853.5	9,698.7
Other Revenues (*)	1,166.7	678.3	404.3	282.5	1,030.0
	10,372.7	7,262.3	3,227.5	3,136.0	10,728.7

(\*) Mainly related to demurrage, value-added services and non-containerized cargo

# ZIM INTEGRATED SHIPPING SERVICES LTD.

## NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

### 8 Operating expenses and cost of services

	Nine months ended September 30		Three months ended September 30		Year ended December 31
	2022	2021	2022	2021	2021
	US \$ in millions				
Wages, maintenance and other vessel-operating costs	25.2	10.4	9.1	3.3	14.3
Expenses relating to fleet equipment (mainly containers and chassis)	21.9	21.5	6.7	6.8	28.1
Fuel and lubricants	1,065.8	527.5	419.3	196.6	739.8
Insurance	10.7	7.3	4.5	2.4	11.5
Expenses related to cargo handling	1,515.3	1,410.2	501.0	469.0	1,879.9
Port expenses	254.9	192.6	99.7	67.2	255.5
Agents' salaries and commissions	196.9	146.9	66.1	53.2	238.8
Cost of related services and sundry	167.9	119.3	59.0	46.9	170.9
Slot purchases and hire of vessels	344.7	412.8	74.3	151.7	530.5
Hire of containers	26.9	28.4	9.9	10.3	36.6
	<b>3,630.2</b>	<b>2,876.9</b>	<b>1,249.6</b>	<b>1,007.4</b>	<b>3,905.9</b>

### 9 Financial instruments

#### Financial instruments measured at fair value

	September 30,					
	2022			2021		
	Investments in sovereign bonds at fair value through other comprehensive income	Investments in corporate bonds at fair value through other comprehensive income	Investments in equity instruments at fair value through other comprehensive income	Investments in equity instruments at fair value through other comprehensive income	Investments in equity instruments at fair value through other comprehensive income	Investments in equity instruments at fair value through other comprehensive income
	US \$ in millions					
Other investments:						
Level 1 financial instruments carried at fair value						
Current	51.6	61.4	2.6	2.1		
Non-Current	772.8	495.1	31.6			
	<b>824.4</b>	<b>556.5</b>	<b>34.2</b>	<b>2.1</b>		
Level 3 financial instruments carried at fair value						
Non-Current				11.3		2.3
	<b>824.4</b>	<b>556.5</b>	<b>34.2</b>	<b>11.3</b>	<b>2.1</b>	<b>2.3</b>

**ZIM INTEGRATED SHIPPING SERVICES LTD.**

**NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS**

**9 Financial instruments (cont'd)**

<b>December 31,</b>				
<b>2021</b>				
	Investments in sovereign bonds at fair value through other comprehensive income	Investments in corporate bonds at fair value through other comprehensive income	Investments in equity instruments at fair value through other comprehensive income	Investments in equity instruments at fair value through profit and loss
<b>US \$ in millions</b>				
Other investments:				
Level 1 financial instruments carried at fair value				
Current	2.0	16.3	2.0	
Non-Current	35.5	127.4		
	<u>37.5</u>	<u>143.7</u>	<u>2.0</u>	
Level 3 financial instruments carried at fair value				
Non-Current				2.3
	<u>37.5</u>	<u>143.7</u>	<u>2.0</u>	<u>2.3</u>

Financial instruments not measured at fair value

The carrying amounts of the Group's financial assets and liabilities, including cash and cash equivalents, trade and other receivables, other investments, trade and other payables and loans and other liabilities, reflect reasonable approximation of their fair value.



**ZIM INTEGRATED SHIPPING SERVICES LTD.**

**NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS**

**10 Earnings per share**

Basic and diluted earnings per share

	Nine months ended September 30		Three months ended September 30		Year ended December 31
	2022	2021	2022	2021	2021
	US \$ in millions				
Profit attributable to ordinary shareholders used to calculate basic and diluted earnings per share (US \$ in millions)	<b>4,205.2</b>	2,935.2	<b>1,163.3</b>	1,461.1	4,640.3
Number of outstanding shares at the beginning of the period used to calculate basic earning per share	<b>119,910,688</b>	100,000,000	<b>120,047,393</b>	100,000,000	100,000,000
Effect of shares issued		13,278,388		15,000,000	13,712,329
Effect of share options	<b>72,609</b>	545,442		1,618,539	1,393,175
Weighted average number of ordinary shares used to calculate basic earnings per share	<b>119,983,297</b>	113,823,830	<b>120,047,393</b>	116,618,539	115,105,504
Effect of share options	<b>460,405</b>	4,586,396	<b>392,099</b>	3,587,767	3,828,219
Weighted average number of ordinary shares used to calculate diluted earnings per share	<b>120,443,702</b>	118,410,226	<b>120,439,492</b>	120,206,306	118,933,723