
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of August, 2022

Commission File Number: 001-39937

ZIM Integrated Shipping Services LTD.

(Exact Name of Registrant as Specified in Its Charter)

**9 Andrei Sakharov Street
P.O. Box 15067
Matam, Haifa 3190500, Israel
+972 (4) 865-2000**
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐ No ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐ No ☒

On August 17, 2022, ZIM Integrated Shipping Services Ltd. (the “Company”) issued a press release announcing its consolidated results for the three and six months ended on June 30, 2022. A copy of this press release and the Company’s condensed consolidated unaudited interim financial statements for the period ended on June 30, 2022, are attached herewith as Exhibit 99.1 and Exhibit 99.2, respectively.

The information in this Form 6-K (including Exhibit 99.1 and Exhibit 99.2) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ZIM INTEGRATED SHIPPING SERVICES LTD.

By: /s/ Noam Nativ

Noam Nativ

EVP General Counsel and Corporate Secretary

Date: August 17, 2022

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
<u>99.1</u>	<u>Press Release dated August 17, 2022</u>
<u>99.2</u>	<u>Condensed consolidated unaudited interim financial statements for the period ended on June 30, 2022</u>



ZIM Reports Financial Results for the Second Quarter of 2022

Recorded Q2 2022 Net Income of \$1.34 Billion; Continued to Deliver Very Strong Operating Margins

**Reaffirmed 2022 Full Year Guidance: Expect to Generate Record Adjusted EBITDA¹
of \$7.8-\$8.2 Billion and Adjusted EBIT of \$6.3-\$6.7 Billion**

**Increased Quarterly Dividend Payout to 30% of Net Income; Declared Q2 2022
Dividend of Approximately \$571 million, or of \$4.75 per Share**

Haifa, Israel, August 17, 2022 – ZIM Integrated Shipping Services Ltd. (NYSE: ZIM), a global container liner shipping company, announced today its consolidated results for the three and six months ended June 30, 2022.

Second Quarter 2022 Highlights

- Net income for the second quarter was \$1.34 billion (compared to \$888 million in the second quarter of 2021), a year-over-year increase of 50%, or \$11.07 per diluted share² (compared to \$7.38 in the second quarter of 2021)
- Adjusted EBITDA for the second quarter was \$2.10 billion, a year-over-year increase of 57%
- Operating income (EBIT) for the second quarter was \$1.76 billion, a year-over-year increase of 52%
- Revenues for the second quarter were \$3.43 billion, a year-over-year increase of 44%
- Carried volume in the second quarter was 856 thousand TEUs, a year-over-year decrease of 7%
- Average freight rate per TEU in second quarter was \$3,596, a year-over-year increase of 54%
- Net leverage¹ ratio of 0.1x at June 30, 2022, compared to 0.0x at December 31, 2021
- Declared dividend of approximately \$571 million, or \$4.75 per share, representing approximately 30% of second quarter net income and a 10% onetime catch-up from the Q1 2022 net income

¹ See disclosure regarding “Use of Non-IFRS Financial Measures”.

² The number of shares used to calculate the diluted earnings per share is 120,442,213. The number of outstanding shares as of June 30, 2022, was 120,047,393.

Eli Glickman, ZIM President & CEO, stated, “We reported today strong Q2 results, including net profit of \$1.34 billion, as well as our best ever first half-year results with standout margins, among the highest of our liner peers. During this period, we maintained our strong execution, agility and commitment to profitable growth as we continue to advance ZIM’s position as an innovative digital leader of seaborne transportation. Due to our conviction in ZIM’s ability to earn sustainable long-term profits, we are increasing our quarterly dividend payout from 20% to 30% of quarterly net income, allowing shareholders to benefit from our strong results even more directly on a quarterly basis. Importantly, at the same time, we maintain our dividend policy, according to which shareholders may receive up to 50% of annual earnings.”

Mr. Glickman added, “Over the past several weeks, we have seen a gradual decline in freight rates, including in the transpacific trades, despite continued port congestion and resilient demand, driven by macroeconomic and geopolitical uncertainties. The dynamic nature of our industry illustrates the importance of staying focused on ZIM’s core strategy and key strengths. Our global niche approach is centered on successfully identifying attractive growth opportunities and adjusting our fleet size dependent on changing market conditions. A prime example of this has been the growth in our car carriage activities, growing from one vessel operated 2 years ago to 10 car carriers operated today. We believe that this approach will continue to serve us well as the market is expected to normalize from peak levels.”

Mr. Glickman concluded, “Despite the backdrop of various challenges, based on our strong performance in the year to date coupled with spot and contract rates that remain highly profitable, we are reaffirming our 2022 guidance, which would mark another year of record earnings and profitability. Moving forward, we are confident that our differentiated strategy, the proactive steps we have taken to strengthen our commercial offering and secure cost efficient newbuild capacity through multiple chartering agreements, and continued investment in digital initiatives and disruptive technologies, will position ZIM as a top performer in our industry and enable us to deliver long-term value to our shareholders.”

Summary of Key Financial and Operational Results

	<u>Q2.22</u>	<u>Q2.21</u>	<u>1H.22</u>	<u>1H.21</u>
Carried volume (K-TEUs)	856	921	1,715	1,739
Average freight rate (\$/TEU)	3,596	2,341	3,722	2,145
Revenue (\$ in millions)	3,429	2,382	7,145	4,126
Operating income (EBIT) (\$ in millions)	1,764	1,157	4,007	1,841
Profit before income tax (\$ in millions)	1,736	1,112	3,955	1,756
Net income (\$ in millions)	1,336	888	3,047	1,478
Adjusted EBITDA ¹ (\$ in millions)	2,101	1,335	4,634	2,156
Adjusted EBIT ¹ (\$ in millions)	1,764	1,159	4,006	1,847
Adjusted EBITDA margin (%)	61	56	65	52
Adjusted EBIT margin (%)	51	49	56	45
Net cash generated from operating activities (\$ in millions)	1,710	1,181	3,370	1,958
Earnings per share (diluted EPS) (\$)	11.07	7.38	25.26	12.56
Free cash flow ¹ (\$ in millions)	1,639	851	3,122	1,495
	<u>JUN.22</u>	<u>DEC.21</u>		
Net debt (net cash) ¹ (\$ in millions)	630	(509)		

Financial and Operating Results for the Second Quarter Ended June 30, 2022

Total revenues were \$3.43 billion for the second quarter of 2022, compared to \$2.38 billion for the second quarter of 2021, primarily driven by elevated freight rates, offset by slightly lower volumes.

Operating income (EBIT) for the second quarter of 2022 was \$1.76 billion, compared to \$1.16 billion for the second quarter of 2021, resulting from higher revenues which more than compensated for increased costs, primarily vessel chartering and bunkering costs.

Net income for the second quarter of 2022 was \$1.34 billion, compared to \$888 million for the second quarter of 2021. Net income for the second quarter of 2022 included a tax expense of \$401 million, compared to \$224 million for the second quarter of 2021.

Adjusted EBITDA was \$2.10 billion for the second quarter of 2022, compared to \$1.34 billion for the second quarter of 2021. Adjusted EBIT was \$1.76 billion for the second quarter of 2022, compared to \$1.16 billion for the second quarter of 2021. Adjusted EBITDA and Adjusted EBIT margins for the second quarter of 2022 were 61% and 51%, respectively. This compares to 56% and 49% for the second quarter of 2021.

Net cash generated from operating activities was \$1.71 billion for the second quarter of 2022, compared to \$1.18 billion for the second quarter of 2021.

ZIM carried 856 thousand TEUs in the second quarter of 2022, compared to 921 thousand TEUs in the second quarter of 2021. The average freight rate per TEU was \$3,596 for the second quarter of 2022, compared to \$2,341 for the second quarter of 2021.

Financial and Operating Results for the Six Months Ended June 30, 2022

Total revenues were \$7.15 billion for the first half of 2022, compared to \$4.13 billion for the first half of 2021, primarily driven by elevated freight rates.

Operating income (EBIT) for the first half of 2022 was \$4.01 billion, compared to \$1.84 billion for the first half of 2021. Similar to the second quarter, the six-month operating income benefited from the elevated freight rates, the impact of which was partially offset by the increased vessel chartering and bunkering costs.

Net income for the first half of 2022 was \$3.05 billion, compared to \$1.48 billion for the first half of 2021. Net income for the first half of 2022 included a tax expense of \$908 million, compared to \$278 million for the first half of 2021.

Adjusted EBITDA was \$4.63 billion for the first half of 2022, compared to \$2.16 billion for the first half of 2021. Adjusted EBIT was \$4.01 billion for the first half of 2022, compared to \$1.85 billion for the first half of 2021. Adjusted EBITDA and Adjusted EBIT margins for the first half of 2022 were 65% and 56%, respectively. This compares to 52% and 45% for the first half of 2021.

Net cash generated from operating activities was \$3.37 billion for the first half of 2022, compared to \$1.96 billion for the first half of 2021.

ZIM carried 1,715 thousand TEUs in the first half of 2022, compared to 1,739 thousand TEUs in the first half of 2021. The average freight rate per TEU was \$3,722 for the first half of 2022, compared to \$2,145 for the first half of 2021.

Liquidity, Cash Flows and Capital Allocation

ZIM's total cash position (which includes cash and cash equivalents and investments in bank deposits and other investment instruments) increased by \$121 million from \$3.81 billion as of December 31, 2021 to \$3.93 billion at June 30, 2022. Capital expenditures totaled \$82 million for the second quarter of 2022, compared with \$331 million for the second quarter of 2021. Net debt was \$630 million as of June 30, 2022, compared to net cash of \$509 million as of December 31, 2021, a change of \$1.14 billion. ZIM's net leverage ratio as of June 30, 2022 was 0.1x, compared to 0.0x as of December 31, 2021.

Updated Dividend Policy and Q2-2022 Dividend

Commencing with the dividend for the second quarter of 2022, ZIM intends to distribute a dividend to its shareholders on a quarterly basis at a rate of approximately 30% of the net quarterly income (up from 20% of net income) of each of the first three fiscal quarters of the year. The Company further expects that the cumulative annual dividend amount to be distributed by the Company (including the interim dividends paid on account of the first three fiscal quarters of the year) will total 30-50% of its annual net income. All future dividends are subject to the Company's Board discretion and to the restrictions provided by Israeli law.

In accordance with the Company's updated dividend policy, ZIM's Board of Directors declared a cash dividend of approximately \$571 million, or \$4.75 per ordinary share, reflecting 30% of second quarter 2022 net income plus a one-time catch up of 10% of Q1 2022 net income. The dividend will be paid on September 8, 2022 to holders of ZIM ordinary shares as of August 29, 2022.

Reaffirmed Full-Year 2022 Guidance

The Company reaffirmed its previously provided guidance for the full-year 2022 and expects to generate Adjusted EBITDA of between \$7.8 billion and \$8.2 billion and Adjusted EBIT of between \$6.3 billion and \$6.7 billion.

Collaboration with 2M Alliance Partners

The extension and modification of the Company's operational collaboration agreement with the 2M alliance partners became effective April 2, 2022, and ZIM and the 2M alliance partners began operating their joint services on the Asia – US East Coast (USEC) and Asia – US Gulf Coast (USGC) trades based on a full slot exchange and vessel sharing agreement. Accordingly, ZIM currently operates two out of the six joint Asia to USEC services (ZCP & ZSE) as well as three additional vessels on one of two joint Asia to USGC services (ZGX). Separately, ZIM's slot purchase agreement with the 2M alliance partners on the Asia to Mediterranean and Pacific Northwest trades was terminated and ZIM launched independent services.

Use of Non-IFRS Measures in the Company's 2022 Guidance

A reconciliation of the Company's non-IFRS financial measures included in its full-year 2022 guidance to corresponding IFRS measures is not available on a forward-looking basis. In particular, the Company has not reconciled its Adjusted EBITDA and Adjusted EBIT because the various reconciling items between such non-IFRS financial measures and such corresponding IFRS measures cannot be determined without unreasonable effort due to the uncertainty regarding, and the potential variability of, the future costs and expenses for which the Company adjusts, the effect of which may be significant, and all of which are difficult to predict and are subject to frequent change.

Conference Call Details

Management will host a conference call and webcast (along with a slide presentation) to review the results and provide a corporate update today at 8:00 AM ET.

To access the live conference call by telephone, please dial the following numbers: United States +1-855-265-6958 or +1-718-705-8796; Israel +972-3-721-9662 or UK/international +44-1-212-818-004. The call (and slide presentation) will be available via live webcast through ZIM's website, located at the following [link](#). Following the conclusion of the call, a replay of the conference call will be available on the Company's website.

About ZIM

Founded in Israel in 1945, ZIM (NYSE: ZIM) is a leading global container liner shipping company with established operations in approximately 100 countries serving approximately 30,000 customers in over 350 ports worldwide. ZIM leverages digital strategies and a commitment to ESG values to provide customers innovative seaborne transportation and logistics services and exceptional customer experience. ZIM's differentiated global-niche strategy, based on agile fleet management and deployment, covers major trade routes with a focus on select markets where the company holds competitive advantages. Additional information about ZIM is available at www.ZIM.com.

Forward-Looking Statements

The following information contains, or may be deemed to contain forward-looking statements (as defined in the U.S. Private Securities Litigation Reform Act of 1995). In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about the Company, may include projections of the Company's future financial results, its anticipated growth strategies and anticipated trends in its business. These statements are only predictions based on the Company's current expectations and projections about future events or results. There are important factors that could cause the Company's actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause such differences include, but are not limited to: market changes in freight, bunker, charter and other rates or prices, new legislation or regulation affecting the Company's operations, new competition and changes in the competitive environment, the outcome of legal proceedings to which the Company is a party, global and/or regional political instability, inflation rate fluctuations, capital markets fluctuations and other risks and uncertainties detailed from time to time in the Company's filings with the U.S. Securities and Exchange Commission (SEC), including under the caption “Risk Factors” in its 2021 Annual Report filed with the SEC on March 9, 2022.

Although the Company believes the expectations reflected in the forward-looking statements contained herein are reasonable, it cannot guarantee future results, level of activity, performance or achievements. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. The Company assumes no duty to update any of these forward-looking statements after the date hereof to conform its prior statements to actual results or revised expectations, except as otherwise required by law.

The Company prepares its financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

Use of Non-IFRS Financial Measures

The Company presents non-IFRS measures as additional performance measures as the Company believes that it enables the comparison of operating performance between periods on a consistent basis. These measures should not be considered in isolation, or as a substitute for operating income, any other performance measures, or cash flow data, which were prepared in accordance with Generally Accepted Accounting Principles as measures of profitability or liquidity. Please note that Adjusted EBITDA does not take into account debt service requirements, or other commitments, including capital expenditures, and therefore, does not necessarily indicate the amounts that may be available for the Company's use. In addition, the non-IFRS financial measures presented by the Company, may not be comparable to similarly titled measures reported by other companies, due to differences in the way these measures are calculated.

Adjusted EBITDA is a non-IFRS financial measure which we define as net income (loss) adjusted to exclude financial expenses (income), net, income taxes, depreciation and amortization in order to reach EBITDA, and further adjusted to exclude impairment of assets, non-cash charter hire expenses, capital gains (losses) beyond the ordinary course of business and expenses related to legal contingencies.

Adjusted EBIT is a non-IFRS financial measure which we define as net income (loss) adjusted to exclude financial expenses (income), net and income taxes, in order to reach our results from operating activities, or EBIT, and further adjusted to exclude impairment of assets, non-cash charter hire expenses, capital gains (losses) beyond the ordinary course of business and expenses related to legal contingencies.

Free cash flow is a non-IFRS financial measure which we define as net cash generated from operating activities minus capital expenditures, net.

Net debt is a non-IFRS financial measure which we define as face value of short- and long-term debt, minus cash and cash equivalents, bank deposits and other investment instruments. We refer to this measure as net cash when cash and cash equivalents, bank deposits and other investment instruments exceed the face value of short- and long-term debt.

Net leverage ratio is a non-IFRS financial measure which we define as net debt (see above) divided by Adjusted EBITDA for the last twelve-month period. When our net debt is less than zero, we report the net leverage ratio as zero.

See the reconciliation of net income to Adjusted EBITDA and Adjusted EBIT and net cash generated from operating activities to free cash flow in the tables provided below.

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CONSOLIDATED BALANCE SHEET
(U.S. dollars in millions)

	June 30		December 31
	2022	2021	2021
Assets			
Vessels	4,405.3	1,768.3	2,957.8
Containers and handling equipment	1,281.4	1,019.3	1,365.8
Other tangible assets	77.7	67.0	68.9
Intangible assets	79.4	67.4	73.8
Investments in associates	17.8	12.4	12.2
Other investments	651.0	5.4	169.2
Trade and other receivables	109.5	6.1	107.2
Deferred tax assets	2.3	1.5	2.1
Total non-current assets	6,624.4	2,947.4	4,757.0
Inventories	216.2	99.7	119.0
Trade and other receivables	1,346.2	963.3	1,278.0
Other investments	2,358.9	46.8	2,144.5
Cash and cash equivalents	946.8	1,545.3	1,543.3
Total current assets	4,868.1	2,655.1	5,084.8
Total assets	11,492.5	5,602.5	9,841.8
Equity			
Share capital and reserves	2,010.6	1,992.9	2,011.4
Retained earnings (deficit)	3,231.4	(279.5)	2,580.6
Equity attributable to owners of the Company	5,242.0	1,713.4	4,592.0
Non-controlling interests	6.2	5.0	7.5
Total equity	5,248.2	1,718.4	4,599.5
Liabilities			
Lease liabilities	2,929.0	1,427.8	2,178.7
Loans and other liabilities	164.8	130.0	120.8
Employee benefits	50.0	64.1	65.6
Deferred tax liabilities	133.8	42.5	120.6
Total non-current liabilities	3,277.6	1,664.4	2,485.7
Trade and other payables	901.3	944.8	1,086.3
Provisions	30.8	28.2	28.3
Contract liabilities	577.5	453.0	618.3
Lease liabilities	1,377.2	658.4	893.0
Loans and other liabilities	79.9	135.3	130.7
Total current liabilities	2,966.7	2,219.7	2,756.6
Total liabilities	6,244.3	3,884.1	5,242.3
Total equity and liabilities	11,492.5	5,602.5	9,841.8

CONSOLIDATED INCOME STATEMENTS
(U.S. dollars in millions, except per share data)

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2022	2021	2022	2021	2021
Income from voyages and related services	7,145.2	4,126.3	3,428.8	2,382.0	10,728.7
Cost of voyages and related services					
Operating expenses and cost of services	(2,380.6)	(1,869.5)	(1,262.3)	(988.9)	(3,905.9)
Depreciation	(616.0)	(298.7)	(331.6)	(170.6)	(756.3)
Gross profit	4,148.6	1,958.1	1,834.9	1,222.5	6,066.5
Other operating income	19.3	4.2	14.7	1.8	14.5
Other operating expenses	(0.2)	(0.5)	(0.1)	(0.4)	(1.0)
General and administrative expenses	(162.0)	(123.5)	(84.9)	(67.6)	(267.7)
Share of profits of associates	1.1	2.2	(0.3)	0.7	4.0
Results from operating activities	4,006.8	1,840.5	1,764.3	1,157.0	5,816.3
Finance income	47.4	5.7	26.0	(1.1)	18.8
Finance expenses	(99.2)	(90.2)	(53.9)	(43.9)	(175.6)
Net finance expenses	(51.8)	(84.5)	(27.9)	(45.0)	(156.8)
Profit before income taxes	3,955.0	1,756.0	1,736.4	1,112.0	5,659.5
Income taxes	(908.2)	(278.2)	(400.6)	(223.8)	(1,010.4)
Profit for the year	3,046.8	1,477.8	1,335.8	888.2	4,649.1
Attributable to:					
Owners of the Company	3,041.9	1,474.1	1,333.1	886.5	4,640.3
Non-controlling interests	4.9	3.7	2.7	1.7	8.8
Profit for the period	3,046.8	1,477.8	1,335.8	888.2	4,649.1
Earnings per share (US\$)					
Basic earnings per 1 ordinary share	25.36	13.11	11.11	7.71	40.31
Diluted earnings per 1 ordinary share	25.26	12.56	11.07	7.38	39.02
Weighted average number of shares for EPS calculation					
Basic	119,950,718	112,403,315	119,990,308	115,000,000	115,105,504
Diluted	120,441,961	117,391,556	120,442,213	120,133,808	118,933,723

CONSOLIDATED STATEMENTS OF CASH FLOW
(U.S. dollars in millions)

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2022	2021	2022	2021	2021
Cash flows from operating activities					
Profit for the period	3,046.8	1,477.8	1,335.8	888.2	4,649.1
Adjustments for:					
Depreciation and amortization	627.5	309.7	337.3	176.1	779.2
Net finance expenses	51.8	84.5	27.9	45.0	156.8
Share of profits and change in fair value of investees	(3.7)	(3.2)	(2.2)	(0.7)	(4.7)
Capital gain	(15.8)	(1.1)	(11.8)	(0.7)	(8.7)
Income taxes	908.2	278.2	400.6	223.8	1,010.4
Other non-cash items	10.0		7.5		20.8
	4,624.8	2,145.9	2,095.1	1,331.7	6,602.9
Change in inventories	(97.2)	(47.5)	(42.4)	(13.4)	(66.8)
Change in trade and other receivables	(61.8)	(434.1)	34.5	(259.9)	(766.5)
Change in trade and other payables including contract liabilities	30.9	300.3	(5.1)	124.6	555.9
Change in provisions and employee benefits	(2.2)	4.8	(0.1)	5.5	6.6
	(130.3)	(176.5)	(13.1)	(143.2)	(270.8)
Dividends received from associates		1.9		1.2	4.4
Interest received	7.4	2.2	4.2	1.5	3.5
Income taxes paid	(1,132.0)	(15.5)	(376.3)	(10.6)	(369.1)
Net cash generated from operating activities	3,369.9	1,958.0	1,709.9	1,180.6	5,970.9
Cash flows from investing activities					
Proceeds from sale of tangible assets, intangible assets and interest in investees	16.9	2.3	11.6	1.8	10.9
Acquisition of tangible assets, intangible assets and interest in investees	(263.1)	(464.5)	(80.6)	(331.5)	(1,005.0)
Acquisition of investment instruments, net	(515.9)		(333.0)		(182.5)
Change in other receivables	(2.6)		(2.3)		(101.8)
Change in other investments (mainly deposits), net	(189.1)	14.3	(288.9)	16.4	(2,064.7)
Net cash used in investing activities	(953.8)	(447.9)	(693.2)	(313.3)	(3,343.1)
Cash flows from financing activities					
Receipt of long-term loans and other long-term liabilities	59.2	50.0		50.0	50.0
Issuance of share capital, net of issuance costs		205.4			205.4
Repayment of borrowings and lease liabilities	(532.5)	(692.4)	(323.6)	(502.0)	(1,191.3)
Change in short term loans	(53.5)	(16.0)	(33.5)	(15.0)	(16.0)
Dividend paid to non-controlling interests	(4.6)	(4.7)	(0.1)	(1.9)	(4.7)
Dividend paid to owners of the Company	(2,378.6)		(2,378.6)		(536.4)
Interest and other financial expenses paid	(94.7)	(77.3)	(54.2)	(42.5)	(160.0)
Net cash used in financing activities	(3,004.7)	(535.0)	(2,790.0)	(511.4)	(1,653.0)
Net change in cash and cash equivalents	(588.6)	975.1	(1,773.3)	355.9	974.8
Cash and cash equivalents at beginning of the period	1,543.3	570.4	2,727.2	1,188.4	570.4
Effect of exchange rate fluctuation on cash held	(7.9)	(0.2)	(7.1)	1.0	(1.9)
Cash and cash equivalents at the end of the period	946.8	1,545.3	946.8	1,545.3	1,543.3

RECONCILIATION OF NET INCOME TO ADJUSTED EBIT
(U.S. dollars in millions)

	Six months ended June 30,		Three months ended June 30,	
	2022	2021	2022	2021
Net income	3,047	1,478	1,336	888
Financial expenses, net	52	85	28	45
Income taxes	908	278	400	224
Operating income (EBIT)	4,007	1,841	1,764	1,157
Non-cash charter hire expenses	0	1	0	1
Capital gain, beyond the ordinary course of business	(1)	0	0	0
Expenses related to legal contingencies	0	5	0	1
Adjusted EBIT	4,006	1,847	1,764	1,159
Adjusted EBIT margin	56%	45%	51%	49%

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA
(U.S. dollars in millions)

	Six months ended June 30,		Three months ended June 30,	
	2022	2021	2022	2021
Net income	3,047	1,478	1,336	888
Financial expenses, net	52	85	28	45
Income taxes	908	278	400	224
Depreciation and amortization	627	309	337	176
EBITDA	4,634	2,150	2,101	1,333
Non-cash charter hire expenses	0	1	0	1
Expenses related to legal contingencies	0	5	0	1
Adjusted EBITDA	4,634	2,156	2,101	1,335
Adjusted EBITDA margin	65%	52%	61%	56%

RECONCILIATION OF NET CASH GENERATED FROM OPERATING ACTIVITIES TO FREE CASH FLOW
(U.S. dollars in millions)

	Six months ended June 30,		Three months ended June 30,	
	2022	2021	2022	2021
Net cash generated from operating activities	3,370	1,958	1,710	1,181
Capital expenditures, net	(248)	(463)	(71)	(330)
Free cash flow	3,122	1,495	1,639	851

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

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CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	June 30		December 31
		2022	2021	2021
		US \$ in millions		
Assets				
Vessels	6	4,405.3	1,768.3	2,957.8
Containers and handling equipment	6	1,281.4	1,019.3	1,365.8
Other tangible assets	6	77.7	67.0	68.9
Intangible assets		79.4	67.4	73.8
Investments in associates		17.8	12.4	12.2
Other investments		651.0	5.4	169.2
Trade and other receivables		109.5	6.1	107.2
Deferred tax assets		2.3	1.5	2.1
Total non-current assets		6,624.4	2,947.4	4,757.0
Inventories		216.2	99.7	119.0
Trade and other receivables		1,346.2	963.3	1,278.0
Other investments		2,358.9	46.8	2,144.5
Cash and cash equivalents		946.8	1,545.3	1,543.3
Total current assets		4,868.1	2,655.1	5,084.8
Total assets		11,492.5	5,602.5	9,841.8
Equity				
Share capital and reserves	5	2,010.6	1,992.9	2,011.4
Retained earnings (deficit)		3,231.4	(279.5)	2,580.6
Equity attributable to owners of the Company		5,242.0	1,713.4	4,592.0
Non-controlling interests		6.2	5.0	7.5
Total equity		5,248.2	1,718.4	4,599.5
Liabilities				
Lease liabilities		2,929.0	1,427.8	2,178.7
Loans and other liabilities		164.8	130.0	120.8
Employee benefits		50.0	64.1	65.6
Deferred tax liabilities		133.8	42.5	120.6
Total non-current liabilities		3,277.6	1,664.4	2,485.7
Trade and other payables		901.3	944.8	1,086.3
Provisions		30.8	28.2	28.3
Contract liabilities		577.5	453.0	618.3
Lease liabilities		1,377.2	658.4	893.0
Loans and other liabilities		79.9	135.3	130.7
Total current liabilities		2,966.7	2,219.7	2,756.6
Total liabilities		6,244.3	3,884.1	5,242.3
Total equity and liabilities		11,492.5	5,602.5	9,841.8

/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: August 17, 2022.

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

CONDENSED CONSOLIDATED UNAUDITED INTERIM INCOME STATEMENTS

	Note	Six months ended June 30		Three months ended June 30		Year ended December 31
		2022	2021	2022	2021	2021
		US \$ in millions				
Income from voyages and related services		7,145.2	4,126.3	3,428.8	2,382.0	10,728.7
Cost of voyages and related services						
Operating expenses and cost of services	8	(2,380.6)	(1,869.5)	(1,262.3)	(988.9)	(3,905.9)
Depreciation		(616.0)	(298.7)	(331.6)	(170.6)	(756.3)
Gross profit		4,148.6	1,958.1	1,834.9	1,222.5	6,066.5
Other operating income		19.3	4.2	14.7	1.8	14.5
Other operating expenses		(0.2)	(0.5)	(0.1)	(0.4)	(1.0)
General and administrative expenses		(162.0)	(123.5)	(84.9)	(67.6)	(267.7)
Share of profit (loss) of associates		1.1	2.2	(0.3)	0.7	4.0
Results from operating activities		4,006.8	1,840.5	1,764.3	1,157.0	5,816.3
Finance income		47.4	5.7	26.0	(1.1)	18.8
Finance expenses		(99.2)	(90.2)	(53.9)	(43.9)	(175.6)
Net finance expenses		(51.8)	(84.5)	(27.9)	(45.0)	(156.8)
Profit before income taxes		3,955.0	1,756.0	1,736.4	1,112.0	5,659.5
Income taxes		(908.2)	(278.2)	(400.6)	(223.8)	(1,010.4)
Profit for the period		3,046.8	1,477.8	1,335.8	888.2	4,649.1
Attributable to:						
Owners of the Company		3,041.9	1,474.1	1,333.1	886.5	4,640.3
Non-controlling interests		4.9	3.7	2.7	1.7	8.8
Profit for the period		3,046.8	1,477.8	1,335.8	888.2	4,649.1
Earnings per share (US\$)						
Basic earnings per 1 ordinary share	10	25.36	13.11	11.11	7.71	40.31
Diluted earnings per 1 ordinary share	10	25.26	12.56	11.07	7.38	39.02

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

CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

	Six months ended June 30		Three months ended June 30		Year ended December 31
	2022	2021	2022	2021	2021
	US \$ in millions				
Profit for the period	3,046.8	1,477.8	1,335.8	888.2	4,649.1
Other components of comprehensive income					
Items of other comprehensive income that were or will be reclassified to profit and loss					
Foreign currency translation differences for foreign operations	(12.4)	(3.4)	(7.4)	(0.1)	(7.8)
Net change in fair value of investments in debt instruments at fair value through other comprehensive income, net of tax	(12.1)		(4.8)		(0.7)
Items of other comprehensive income that would never be reclassified to profit and loss					
Net change in fair value of investments in equity instruments at fair value through other comprehensive income, net of tax	(1.5)	(0.1)	(1.7)	0.1	(0.2)
Defined benefit pension plans actuarial gains, net of tax	4.4		0.5		1.1
Other comprehensive income for the period, net of tax	(21.6)	(3.5)	(13.4)		(7.6)
Total comprehensive income for the period	3,025.2	1,474.3	1,322.4	888.2	4,641.5
Attributable to:					
Owners of the Company	3,021.9	1,471.8	1,320.4	886.6	4,636.8
Non-controlling interests	3.3	2.5	2.0	1.6	4.7
Total comprehensive income for the period	3,025.2	1,474.3	1,322.4	888.2	4,641.5

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

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 six months period ended June 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				3,041.9	3,041.9	4.9	3,046.8
Other comprehensive income for the period, net of tax			(10.8)	(9.2)	(20.0)	(1.6)	(21.6)
Share-based compensation		10.0			10.0		10.0
Exercise of options	2.2	(2.2)					
Dividend to owners of the Company				(2,378.6)	(2,378.6)		(2,378.6)
Dividend to non-controlling interests in subsidiaries						(4.6)	(4.6)
Balance at June 30, 2022	925.4	1,115.7	(30.5)	3,231.4	5,242.0	6.2	5,248.2
For the three months period ended June 30, 2022							
Balance at March 31, 2022	924.3	1,109.3	(23.8)	2,246.1	4,255.9	4.3	4,260.2
Profit for the period				1,333.1	1,333.1	2.7	1,335.8
Other comprehensive income for the period, net of tax			(6.7)	(6.0)	(12.7)	(0.7)	(13.4)
Share-based compensation		7.5			7.5		7.5
Exercise of options	1.1	(1.1)					
Dividend to owners of the Company				(341.8)	(341.8)		(341.8)
Dividend to non-controlling interests in subsidiaries						(0.1)	(0.1)
Balance at June 30, 2022	925.4	1,115.7	(30.5)	3,231.4	5,242.0	6.2	5,248.2

(*) 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.

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 (deficit)			Total
	US \$ in millions						
For the six months period ended June 30, 2021							
Balance at January 1, 2021	700.3	1,106.5	(16.0)	(1,523.5)	267.3	274.5	
Profit for the period				1,474.1	1,474.1	1,477.8	
Other comprehensive income for the period, net of tax			(2.2)	(0.1)	(2.3)	(3.5)	
Issuance of share capital, net of issuance costs	203.5				203.5	203.5	
Share-based compensation		0.8			0.8	0.8	
Dividend to owners of the Company				(230.0)	(230.0)	(230.0)	
Dividend to non-controlling interests in subsidiaries						(4.7)	
Balance at June 30, 2021	903.8	1,107.3	(18.2)	(279.5)	1,713.4	1,718.4	
For the three months period ended June 30, 2021							
Balance at March 31, 2021	903.8	1,106.8	(18.2)	(936.1)	1,056.3	1,060.1	
Profit for the period				886.5	886.5	888.2	
Other comprehensive income for the period, net of tax				0.1	0.1	(0.1)	
Share-based compensation		0.5			0.5	0.5	
Dividend to owners of the Company				(230.0)	(230.0)	(230.0)	
Dividend to non-controlling interests in subsidiaries						(0.4)	
Balance at June 30, 2021	903.8	1,107.3	(18.2)	(279.5)	1,713.4	1,718.4	
For the year ended December 31, 2021							
Balance at January 1, 2021	700.3	1,106.5	(16.0)	(1,523.5)	267.3	274.5	
Profit for the year				4,640.3	4,640.3	4,649.1	
Other comprehensive income for the year, net of tax			(3.7)	0.2	(3.5)	(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	
Dividend to non-controlling interests in subsidiaries						(4.7)	
Balance at December 31, 2021	923.2	1,107.9	(19.7)	2,580.6	4,592.0	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.

CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF CASH FLOWS

	Six months ended		Three months ended		Year ended
	June 30		June 30		December 31
	2022	2021	2022	2021	2021
	US \$ in millions				
Cash flows from operating activities					
Profit for the period	3,046.8	1,477.8	1,335.8	888.2	4,649.1
Adjustments for:					
Depreciation and amortization	627.5	309.7	337.3	176.1	779.2
Net finance expenses	51.8	84.5	27.9	45.0	156.8
Share of profits and change in fair value of investees	(3.7)	(3.2)	(2.2)	(0.7)	(4.7)
Capital gain	(15.8)	(1.1)	(11.8)	(0.7)	(8.7)
Income taxes	908.2	278.2	400.6	223.8	1,010.4
Other non-cash items	10.0		7.5		20.8
	4,624.8	2,145.9	2,095.1	1,331.7	6,602.9
Change in inventories	(97.2)	(47.5)	(42.4)	(13.4)	(66.8)
Change in trade and other receivables	(61.8)	(434.1)	34.5	(259.9)	(766.5)
Change in trade and other payables including contracts liabilities	30.9	300.3	(5.1)	124.6	555.9
Change in provisions and employee benefits	(2.2)	4.8	(0.1)	5.5	6.6
	(130.3)	(176.5)	(13.1)	(143.2)	(270.8)
Dividends received from associates		1.9		1.2	4.4
Interest received	7.4	2.2	4.2	1.5	3.5
Income taxes paid	(1,132.0)	(15.5)	(376.3)	(10.6)	(369.1)
Net cash generated from operating activities	3,369.9	1,958.0	1,709.9	1,180.6	5,970.9
Cash flows from investing activities					
Proceeds from sale of tangible assets, intangible assets and interest in investees	16.9	2.3	11.6	1.8	10.9
Acquisition of tangible assets, intangible assets and interest in investees	(263.1)	(464.5)	(80.6)	(331.5)	(1,005.0)
Acquisition of investment instruments, net	(515.9)		(333.0)		(182.5)
Change in other receivables	(2.6)		(2.3)		(101.8)
Change in other investments (mainly deposits), net	(189.1)	14.3	(288.9)	16.4	(2,064.7)
Net cash used in investing activities	(953.8)	(447.9)	(693.2)	(313.3)	(3,343.1)

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

CONDENSED CONSOLIDATED UNAUDITED INTERIM STATEMENTS OF CASH FLOWS

	Six months ended		Three months ended		Year ended
	June 30		June 30		December 31
	2022	2021	2022	2021	2021
	US \$ in millions				
Cash flows from financing activities					
Receipt of long-term loans and other					
long-term liabilities	59.2	50.0		50.0	50.0
Issuance of share capital, net of issuance costs		205.4			205.4
Repayment of lease liabilities and borrowings	(532.5)	(692.4)	(323.6)	(502.0)	(1,191.3)
Change in short term loans	(53.5)	(16.0)	(33.5)	(15.0)	(16.0)
Dividend paid to non-controlling interests	(4.6)	(4.7)	(0.1)	(1.9)	(4.7)
Dividend paid to owners of the Company	(2,378.6)		(2,378.6)		(536.4)
Interest and other financial expenses paid	(94.7)	(77.3)	(54.2)	(42.5)	(160.0)
Net cash used in financing activities	(3,004.7)	(535.0)	(2,790.0)	(511.4)	(1,653.0)
Net change in cash and cash equivalents	(588.6)	975.1	(1,773.3)	355.9	974.8
Cash and cash equivalents at beginning of the period	1,543.3	570.4	2,727.2	1,188.4	570.4
Effect of exchange rate fluctuation on cash held	(7.9)	(0.2)	(7.1)	1.0	(1.9)
Cash and cash equivalents at the end of the period	946.8	1,545.3	946.8	1,545.3	1,543.3

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

NOTES TO THE 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 August 17, 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\$ 3.3 million).

NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

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 further implications that might derive from the Covid-19 pandemic, the ongoing military conflict between Russia and Ukraine, or the rise of inflation in certain countries). 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.

Market conditions continued to allow the Company to further strengthen its capital structure. Although average freight rates slightly decreased over the course of the second quarter 2022, they remained at elevated levels which more than compensated the impact of increased charter hire rates and bunker prices.

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. In addition, the Company continues to explore options which can contribute to strengthen its capital and operational structure.

- (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 have 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 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.
- (d) Charter agreements:

In January 2022, the Company entered into an agreement with a related-party shipping company for an eight-years 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.

4 Financial position (cont'd)

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 7 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 additional vessels and extend vessel charter periods. 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.

(e) 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.

(f) Dividends:

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

In August 2022, further to the Company's recently updated dividend policy, the Company's Board of Directors approved a distribution of an interim dividend of approximately US\$ 4.75 per ordinary share (or approximately US\$ 571 million, considering the number of ordinary shares outstanding as of June 30, 2022). The dividend is scheduled to be paid on September 8, 2022, to all holders of ordinary shares on record as of August 29, 2022.

NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

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:

Grant date	Number of instruments	Instrument terms	Vesting terms	Contractual life
March 9, 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 as from March 9, 2022, in four equal instalments of 25% each.	5 years
May 2, 2022	490,662			

Information on fair value measurement

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

Grant Date	March 9, 2022	May 2, 2022
Fair Value	USD 29.72	USD 26.30
Share price on grant date	USD 68.94	USD 55.63
Exercise price	USD 68.37	USD 51.37
Expected volatility	47.3%	48.4%
Expected life	5 years	4.9 years
Expected dividends	0%	0%
Risk-free interest rate	1.7%	3.0%

During the six and three months period ended June 30, 2022, a total of 304,205 and 236,705 ordinary shares were issued, respectively, upon the cashless exercise of options, previously granted in respect of share-based payment arrangements.

During the six and three months period ended June 30, 2022, 2021 and the year ended December 31, 2021, the Company recorded expenses related to share-based compensation arrangements of US\$ 10.0 million, US\$ 7.5 million, US\$ 0.8 million, US\$ 0.5 million and US\$ 20.8 million, respectively.

NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

6 Right-of-use assets

	Balance at June 30		Balance at December 31
	2022	2021	2021
	US \$ in millions		
Vessels	3,949.4	1,651.5	2,720.2
Containers and handling equipment	418.4	522.3	458.6
Other tangible assets	52.3	47.3	47.6
	4,420.1	2,221.1	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:

	Six months ended June 30		Three months ended June 30		Year ended December 31
	2022	2021	2022	2021	2021
	US \$' in millions				
Freight Revenues from containerized cargo:					
Pacific	3,296.7	1,994.7	1,571.3	1,182.5	5,278.8
Cross-Suez	914.6	489.7	441.9	287.2	1,254.2
Atlantic	661.6	391.4	331.8	231.8	960.8
Intra-Asia	1,143.4	670.4	546.4	358.4	1,714.6
Latin America	366.5	184.3	186.8	96.9	490.3
	6,382.8	3,730.5	3,078.2	2,156.8	9,698.7
Other Revenues (*)	762.4	395.8	350.6	225.2	1,030.0
	7,145.2	4,126.3	3,428.8	2,382.0	10,728.7

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

NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

8 Operating expenses and cost of services

	Six months ended June 30		Three months ended June 30		Year ended
	2022	2021	2022	2021	December 31
	US \$ in millions				
Wages, maintenance and other vessel-operating costs	16.1	7.1	9.3	3.4	14.3
Expenses relating to fleet equipment (mainly containers and chassis)	15.2	14.7	7.9	7.3	28.1
Fuel and lubricants	646.5	330.9	384.7	185.2	739.8
Insurance	6.2	4.9	4.1	2.4	11.5
Expenses related to cargo handling	1,014.3	941.2	529.9	503.8	1,879.9
Port expenses	155.2	125.4	84.6	65.4	255.5
Agents' salaries and commissions	130.8	93.7	70.3	51.8	238.8
Cost of related services and sundry	108.9	72.4	44.2	37.4	170.9
Slot purchases and hire of vessels	270.4	261.1	119.5	122.7	530.5
Hire of containers	17.0	18.1	7.8	9.5	36.6
	2,380.6	1,869.5	1,262.3	988.9	3,905.9

9 Financial instruments

Financial instruments measured at fair value

	June 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 profit and loss	Investments in equity instruments at fair value through other comprehensive income	Investments in equity instruments at fair value through profit and loss
	US \$ in millions					
Other investments:						
Level 1 financial instruments carried at fair value						
Current	7.1	37.0	2.2	2.2		
Non-Current	219.2	399.9	20.8			
	226.3	436.9	23.0	2.2		
Level 3 financial instruments carried at fair value						
Non-Current				7.8		2.3
	226.3	436.9	23.0	7.8	2.2	2.3

NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

9 Financial instruments (cont'd)

	December 31,			
	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 profit and loss
	US \$ in millions			
Other investments:				
Level 1 financial instruments carried at fair value				
Current	2.0	16.3	2.0	
Non-Current	35.5	127.4		
	37.5	143.7	2.0	
Level 3 financial instruments carried at fair value				
Non-Current				2.3
	37.5	143.7	2.0	2.3

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.

NOTES TO THE CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS

10 Earnings per shareBasic and diluted earnings per share

	Six months ended June 30		Three months ended June 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)	3,041.9	1,474.1	1,333.1	886.5	4,640.3
Number of outstanding shares at the beginning of the period used to calculate basic earnings per share	119,910,688	100,000,000	119,910,688	100,000,000	100,000,000
Effect of shares issued		12,403,315		15,000,000	13,712,329
Effect of share options	40,030		79,620		1,393,175
Weighted average number of ordinary shares used to calculate basic earnings per share	119,950,718	112,403,315	119,990,308	115,000,000	115,105,504
Effect of share options	491,243	4,988,241	451,905	5,133,808	3,828,219
Weighted average number of ordinary shares used to calculate diluted earnings per share	120,441,961	117,391,556	120,442,213	120,133,808	118,933,723