

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report _____

For the transition period from _____ to _____

Commission file number: 001-39937

ZIM INTEGRATED SHIPPING SERVICES LTD.

(Exact name of Registrant as specified in its charter)

State of Israel

(Jurisdiction of incorporation or organization)

9 Andrei Sakharov Street

P.O. Box 15067

Matam, Haifa 3190500, Israel

(Address of principal executive offices)

Noam Nativ

EVP, General Counsel & Company Secretary

9 Andrei Sakharov Street

P.O. Box 15067

Matam, Haifa 3190500, Israel

nativ.noam@zim.com

+972-4-8652170, +972-4-8652990

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Ordinary shares, no par value	"ZIM"	The New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:
120,465,908.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See definitions of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-accelerated Filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards[†] provided pursuant to Section 13(a) of the Exchange Act.

[†] The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

- U.S. GAAP
- International Financial Reporting Standards as issued by the International Accounting Standards Board
- Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

ZIM INTEGRATED SHIPPING SERVICES LTD.

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INTRODUCTION AND USE OF CERTAIN TERMS

We have prepared this Annual Report using a number of conventions, which you should consider when reading the information contained herein. In this Annual Report, the “Company,” “we,” “us” and “our” shall refer to ZIM Integrated Shipping Services Ltd., or ZIM. The following are definitions of certain terms that are commonly used in the shipping industry and in this Annual Report.

“alliance”	A type of a vessel sharing agreement that involves joint operations of fleets of vessels and sharing of vessel space in multiple trades.
“bareboat charter”	A form of charter where the vessel owner supplies only the vessel, while the charterer is responsible for crewing the vessel, obtaining insurance on the vessel, the auxiliary vessel equipment, supplies, maintenance and the operation and management of the vessel, including all costs of operation. The charterer has possession and control of the vessel during a predetermined period and pays the vessel owner charter hire during that time.
“bill of lading”	A document issued by or on behalf of a carrier as evidence of a contract carriage and is usually considered as a document of title (transferable by endorsement) and as receipt by the carrier for the goods shipped and carried. The document contains information relating to the nature and quantity of goods, their apparent condition, the shipper, the consignee, the ports of loading and discharge, the name of the carrying vessel and terms and conditions of carriage. A house bill of lading is a document issued by a freight forwarder or non-vessel operating common carrier that acknowledges receipt of goods that are to be shipped and is issued once the goods have been received.
“blank sailing”	A scheduled sailing that has been cancelled by a carrier or shipping line resulting in a vessel skipping certain ports or the entire route.
“booking”	Prior written request of a shipper (in a specific designated form) from the carrier setting forth the requested details of the shipment of designated goods (i.e., a space reservation).
“bulk cargo”	Cargo that is transported unpackaged in large quantities, such as ores, coal, grain and liquids.
“BWM Convention”	The International Convention for the Control and Management of Ships’ Ballast Water and Sediments.
“capacity”	The maximum number of containers, as measured in TEUs, that could theoretically be loaded onto a container ship, without taking into account operational constraints. With reference to a fleet, a carrier or the container shipping industry, capacity is the total TEUs of all vessels in the fleet, the carrier or the industry, as applicable.
“cargo manifest”	A shipping document listing the contents of shipments per bills of lading including their main particulars, usually used for customs, security, port and terminal purposes.
“carrier”	The legal entity engaged directly or through subcontractors in the carriage of goods for a profit.
“CERCLA”	The U.S. Comprehensive Environmental Response Compensation, and Liability Act.
“charter”	The leasing of a vessel for a certain purpose at a predetermined rate for a predetermined period of time (where the hire is an agreed daily rate) or for a designated voyage (where the hire is agreed and based on volume/ quantity of goods).

“classification societies”	Organizations that establish and administer standards for the design, construction and operational maintenance of vessels. As a practical matter, vessels cannot operate unless they meet these standards.
“consignee”	The entity or person named in the bill of lading as the entity or person to whom the carrier should deliver the goods upon surrendering of the original bill of lading when duly endorsed.
“container”	A steel box of various size and particulars designed for shipment of goods. Container sizes are generally measured in TEUs.
“containerized cargo”	Cargo that is transported using standard intermodal containers as prescribed by the International Organization for Standardization. Containerized cargo excludes cargo that is not transported in such containers, such as automobiles or bulk cargo.
“counter-dominant leg”	The direction of shipping on a particular trade with the lower transport volumes. The opposite direction of shipping is called the “dominant” leg.
“customs clearance”	The process of clearing import goods and export goods through customs.
“demurrage”	The fee we charge an importer for each day the importer maintains possession of a container that is beyond the scheduled or agreed date of return.
“detention”	A charge which may be imposed by the carrier, the terminal or the warehouse to customers for exceeding agreed times for returning (merchant’s haulage) or stuffing/stripping (carrier’s haulage) container(s).
“dominant leg”	The direction of shipping on a particular trade with the higher transport volumes. The opposite direction of shipping is called the “counter-dominant” leg.
“drydocking”	An out-of-service period during which planned repairs and maintenance are carried out, including all underwater maintenance such as external hull painting. During the drydocking, mandatory classification society inspections are carried out and relevant certifications issued.
“ECAs”	Emission Control Areas as defined by Annex VI to the MARPOL Convention.
“end-user”	A customer who is a producer of the goods to be shipped or an exporter or importer of such goods, in each case, with whom we have a direct contractual relationship. In contrast, with respect to an indirect customer, we only have a contractual relationship with a freight forwarder who acts as agent for the producer of the goods to be shipped.
“EPA”	The U.S. Environmental Protection Agency, an agency of the U.S. federal government responsible for protecting human health and the environment.
“FCL”	Full Container Load, which refers to cargo shipped in a complete container. FCL differs from LCL, which is a less than a container loads.
“feeder”	A small tonnage vessel that provides a linkage between ports and long hull vessels or main hub ports and smaller facility ports, which may be inaccessible to larger vessels.
“feeder service”	A line of service that transfers cargo between a central hub port and regional ports for a transcontinental ocean voyage.
“freight forwarder”	Non-vessel operating common carriers that assemble cargo from customers for forwarding through a shipping company.

“global orderbook”	The list of newbuilding orders as provided by Alphaliner.
“IMO”	The International Maritime Organization, the United Nations specialized agency with responsibility for the safety and security of shipping and the prevention of marine pollution by ships.
“IMO 2020 Regulations”	Global regulations imposed by the IMO, effective January 1, 2020, requiring all ships to burn fuel with a maximum sulfur content of 0.5%, among other requirements.
“ISM Code”	International Safety Management Code, an international code for the safe management and operation of ships and for pollution prevention issued by the IMO applicable to international route vessels and shipping companies (ship management companies, bareboat charters and shipowners).
“ISPS Code”	International Ship and Port Facility Security Code, an international code for vessel and port facility security issued by the IMO applicable to international route vessels.
“Kyoto Protocol”	The Kyoto Protocol to the United Nations Framework Convention on Climate Change.
“LCL”	Less than a Container Load, which refers to shipments that fill less than a full shipping container and are grouped with other cargo.
“liner”	A vessel sailing between specified ports on a regular basis.
“lines”	A line refers to a route for shipping cargo between sea ports.
“LNG”	Liquefied natural gas. LNG is used as a vessel fuel, and is considered to emit less sulfur oxide, carbon, and other pollutants than existing conventional vessel fuels.
“logistics”	A comprehensive, system-wide view of the entire supply chain as a single process, from raw materials supply through finished goods distribution. All functions that make up the supply chain are managed as a single entity, rather than managing individual functions separately.
“long-term lease”	In relation to container leasing, a lease typically for a term which exceeds five years, during which an agreed leasing rate is payable.
“MARPOL Convention”	The International Convention for the Prevention of Pollution from Ships.
“MEPC”	The Marine Environment Protection Committee of the IMO.
“MTSA”	The U.S. Maritime Transport Security Act of 2002.
“newbuilding”	A vessel under construction or on order.
“non-vessel operating common carrier”	A carrier, usually a freight forwarder, which does not own or operate vessels and is engaged in the provision of shipping services, normally issuing a house bill of lading.
“off hire”	A period within a chartering term during which no charter hire is being paid, in accordance with the charter arrangement, due to the partial or full inability of vessels, owners or crew to comply with charterer instructions resulting in the limited availability or unavailability of the vessel for the use of the charterer.
“OSRA”	The U.S. Federal Ocean Shipping Reform of Act 2022. This legislation increases the authority of the Federal Maritime Commission (FMC) in regulating the maritime shipping industry, including with respect to detention and demurrage charges, and by prohibiting common ocean carriers, marine terminal operators, or ocean transportation intermediaries from unreasonably refusing cargo space when available.

“own”	With respect to our vessels or containers, vessels or containers to which we have title (whether or not subject to a mortgage or other lien).
“P&I”	Protection and indemnity.
“port state controls”	The inspection of foreign ships in national ports to verify that the condition of the ship and its equipment comply with the requirements of international regulations and that the ship is manned and operated in compliance with these rules.
“reefer”	A temperature-controlled shipping container.
“regional carrier”	A carrier who generally focuses on a number of smaller routes within a geographical region or within a major market, and usually offers direct services to a wider range of ports within a particular market.
“scrapping”	The process by which, at the end of its life, a vessel is sold to a shipbreaker who strips the ship and sells the steel as “scrap.”
“scrubbers”	A type of exhaust gas cleaning equipment utilized by ships to control emissions and reduce sulfur dioxide emissions.
“service”	A string of vessels which makes a fixed voyage and serves a particular market.
“Shanghai (Export) Containerized Freight Index”	Composite index published by the Shanghai Shipping Exchange that reflects the fluctuation of spot freight rates in the export container transport market in Shanghai. The basis period of the composite index is October 16, 2009 and the basis index is 1,000 points.
“shipper”	The entity or person named in the bill of lading to whom the carrier issues the bill of lading.
“slot”	The space required for one TEU on board a vessel.
“slot charter/hire agreement”	An arrangement under which one container shipping company will charter container space on the vessel of another container shipping company.
“slow steaming”	The practice of operating vessels at significantly less than their maximum speed.
“SOLAS”	The International Convention for the Safety of Life at Sea, 1974.
“Special State Share”	a special state share held by the State of Israel in us, which imposes certain limitations on our operating and managing activities, including: (i) to remain incorporated and registered in the State of Israel with its headquarters and principal office domiciled in Israel, (ii) to maintain a minimal fleet of 11 seaworthy vessels that are fully owned by us, at least three of which must be capable of carrying general cargo, (iii) at least a majority of our board of directors, including the chairperson, to be Israeli citizens, (iv) the chief executive officer of the Company to be an Israeli citizen, and (v) prior written consent from the State of Israel for any transfer or issuance of shares that confers possession of 35% or more of our issued share capital, or that provides control over us.
“stevedore”	A terminal operator or a stevedoring company who is responsible for the loading and discharging containers on or from vessels and various other container related operating activities.
“swap agreement”	An exchange of slots between two carriers, with each carrier operating its own line, while also having access to capacity on the other shipper’s line.

“terminal”	An assigned area in which containers are stored pending loading into a vessel or are stacked immediately after discharge from the vessel pending delivery.
“TEU”	Twenty-foot equivalent unit, a standard unit of measurement of the volume of a container with a length of 20 feet, height of eight feet and six inches and width of eight feet.
“time charter”	A form of charter where the vessel owner charters a vessel’s carry capacity to the charterer for a particular period of time for a daily hire. During such period, the charterer has the use of vessel’s carrying capacity and may direct her sailings. The charterer is responsible for fuel costs, port dues and towage costs. The vessel owner is only responsible for manning the vessel and paying crew salaries and other fixed costs, such as maintenance, repairs, oils, insurance and depreciation.
“trade”	Trade between an origin group of countries and a destination group of countries.
“UNCITRAL”	The United Nations Commission on International Trade Law.
“U.S. Shipping Act”	The U.S. Shipping Act of 1984, as amended by the U.S. Ocean Shipping Reform Act of 1998, and the Ocean Shipping Reform Act of 2022 (“OSRA”).
“USTR”	The United States Trade Representative.
“vessel sharing agreement” (VSA)	An operational agreement between two or more carriers to operate their vessels on a service by swapping slots on such service and whereby at least two carriers contribute vessels to the service.
“2M Alliance”	A container shipping alliance which was comprised of Copenhagen based Maersk Lines Ltd. (Maersk) and Geneva based Mediterranean Shipping Company (MSC). MSC and Maersk terminated the 2M Alliance effective as of January 2025.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

We report under International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or the IASB. None of the financial statements were prepared in accordance with generally accepted accounting principles in the United States. We present our financial statements in U.S. dollars. We have made rounding adjustments to some of the figures included in this Annual Report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them.

Items included in our financial statements are measured using the currency of the primary economic environment in which we operate, the U.S. dollar, or the Functional Currency. Our financial statements and other financial information included in this Annual Report are presented in U.S. dollars unless otherwise noted. See Note 2(d) of our audited consolidated financial statements for the year ended December 31, 2025, included elsewhere in this Annual Report.

FORWARD-LOOKING STATEMENTS

We make forward-looking statements in this Annual Report that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, results of operations, liquidity, plans and objectives. In some cases, you can identify forward-looking statements by terminology such as “believe,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “expect,” “predict,” “potential,” or the negative of these terms or other similar expressions. Forward-looking statements include, but are not limited to, such matters as:

- The outcome of the Agreement and Plan of Merger (“Merger” and “Merger Agreement”) we entered into with Hapag-Lloyd AG, a German stock corporation (Aktiengesellschaft) incorporated under the laws of Germany (“Parent”), and Norazia (Israel) Ltd., a company organized under the laws of the State of Israel (“Merger Sub”) and a direct or indirect wholly owned Subsidiary of Parent on February 16, 2026, pursuant to which Merger Sub will merge with and into us, so that we will continue as the surviving corporation in the Merger and a wholly owned subsidiary of Parent. See “Item 10.C – Material Contracts – Entry Into Agreement and Plan of Merger with Hapag-Lloyd AG” and Item 3.D “Risk factors – Risks related to our Merger Agreement with Hapag-Lloyd AG”.
- our expectations regarding general market conditions as a result of the current geopolitical instability, developments and further escalation of events, including, but not limited to, the continued Houthi attacks against vessels in the Red Sea, the ongoing military tensions and armed conflicts between the U.S. and Iran, the U.S. and Venezuela, Israel, Iran and Iranian-backed proxies, the military tensions between Israel and Hamas following the ceasefire declared in October 2025, the political and military instability in the Middle East and the war between Russia and Ukraine;
- our expectations regarding general market conditions as a result of global economic trends and geopolitical events, including, but not limited to, concerns of global economic recession, trade tensions between U.S and China, tariffs and trade restrictions, potential rising inflation and interest rates;
- our expectations regarding trends related to the global container shipping industry, including with respect to fluctuations in vessel and container supply, industry consolidation, demand for containerized shipping services, bunker and alternative fuel prices and supply, charter and freights rates, container values, port congestion and land transportation conditions and other factors affecting supply and demand;
- our plans regarding our business strategy, areas of possible expansion and expected capital spending or operating expenses;
- our ability to adequately respond to the ongoing political, economic and military instability in Israel and the Middle East, and our ability to maintain business continuity as an Israeli-incorporated company with its headquarters located in Israel in times of emergency, including responding to restrictions and boycotts against us as an Israeli company or to trade restrictions and embargoes in connection with the Israeli trades;
- our ability to effectively handle cyber-security threats and recover from cyber-security incidents, including in connection with the war between Israel and Iran and Iranian-backed proxies;
- our anticipated ability to obtain additional financing in the future to fund expenditures;

- our expectation of modifications with respect to our and other shipping companies' operating fleet and lines, including the utilization of larger vessels within certain trade zones and modifications made in light of environmental regulations;
- the expected benefits of our cooperation agreements and strategic partnerships;
- Industry mergers and acquisitions and the formation of new alliances among global carriers, changes in and disintegration of existing alliances and collaborations, including alliances and collaborations to which we are not a party to;
- our anticipated insurance costs;
- our beliefs regarding the availability of crew;
- our expectations regarding our environmental and regulatory conditions, including extreme weather events (such as the drought conditions in the Panama Canal), changes in laws and regulations or actions taken by regulatory authorities, and the expected effect of such regulations;
- our beliefs regarding potential liability from current or future litigation;
- our plans regarding hedging activities;
- our ability to pay dividends in accordance with our dividend policy; and
- our expectations regarding our competition and ability to compete effectively.

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. The forward-looking statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These statements are only estimates based upon our current expectations and projections about future events. There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the forward-looking statements. In particular, you should consider the risks provided under Item 3.D "Risk factors" in this Annual Report.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Each forward-looking statement speaks only as of the date of the particular statement. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Annual Report, to conform these statements to actual results or to changes in our expectations.

EXPLANATORY INFORMATION

On February 16, 2026, we entered into an Agreement and Plan of Merger (“Merger Agreement”) by and among the Company, Hapag-Lloyd AG, a German stock corporation (Aktiengesellschaft) incorporated under the laws of Germany (“Parent”), and Norazia (Israel) Ltd., a company organized under the laws of the State of Israel and a direct or indirect wholly owned Subsidiary of Parent (“Merger Sub”). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions therein, Merger Sub will merge with and into us (the “Merger”), and we will remain the surviving corporation in the Merger and a wholly owned subsidiary of Parent. Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger, each of our outstanding ordinary share, of no par value, excluding the Special State Share (as defined in this Annual Report above), will be transferred to Parent in exchange for the right to receive \$35.00 per share in cash, without interest (the “Merger Consideration”).

For a description and a copy of the Merger Agreement, see “Item 10.C – Material Contracts - Entry Into Agreement and Plan of Merger with Hapag-Lloyd AG”, and our report on Form 6-K, filed with the SEC on February 17, 2026.

If the Merger is completed, our ordinary shares will be delisted from the New York Stock Exchange and deregistered under the Securities Exchange Act of 1934.

Our board of directors unanimously approved the Merger and the Merger Agreement. The completion of the Merger is subject to certain conditions, including, among others, the approval of the Merger Agreement and the Merger by the affirmative vote of the holders of a simple majority of the voting power of our ordinary shares represented at a shareholders meeting, the approval in accordance with the Special State Share and the receipt of required regulatory approvals under applicable competition and foreign investment laws. If the closing conditions are not satisfied or waived and the Merger is not consummated by February 17, 2027, or, if extended, until June 30, 2027, either we or Parent may, under certain circumstances, choose not to proceed with the Merger. There can be no assurance that any required approval will be obtained, and the timing thereof cannot be predicted. There are many risk factors that could cause our actual results, level of activity, performance or achievements or matters relating to the Merger Agreement transaction to differ materially from expected or as included in forward-looking statements. See Item 3.D “Risk factors – Risks related to our Merger Agreement with Hapag-Lloyd AG”.

Unless indicated otherwise by the context, the discussion in this annual report regarding our future business plans and activities does not take into account the effect of the consummation of the Merger.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

A. Directors and senior management

Not applicable.

B. Advisers

Not applicable.

C. Auditors

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

A. Offer statistics

Not applicable.

B. Method and expected timetable

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected financial data

[Reserved]

B. Capitalization and indebtedness

Not applicable.

C. Reasons for the offer and use of proceeds

Not applicable.

D. Risk factors

You should carefully consider the risks and uncertainties described below and the other information in this annual report before making an investment in our ordinary shares. Our business, financial condition or results of operations could be materially and adversely affected if any of these risks occurs, and as a result, the market price of our ordinary shares could decline and you could lose all or part of your investment. This annual report also contains forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements." Our actual results could differ materially and adversely from those anticipated in these forward-looking statements as a result of certain factors.

Summary of Risk Factors

The following is a summary of some of the principal risks we face. The list below is not exhaustive, and investors should read this “Risk factors” section in full.

- Risks related to the Agreement and Plan of Merger we entered with Hapag-Lloyd AG, a German stock corporation (Aktiengesellschaft) (the “Parent” or “Hapag-Lloyd AG”) incorporated under the laws of Germany, and Norazia (Israel) Ltd., a company organized under the laws of the State of Israel and a direct or indirect wholly owned Subsidiary of Parent (“Merger Sub”) on February 16, 2026, pursuant to which Merger Sub will merge with and into us, so that we will continue as the surviving corporation in the Merger and a wholly owned subsidiary of Parent. The consummation of the Merger is subject to a number of conditions, and there can be no assurance that the Merger will be completed in a timely manner or at all. There are many factors that could cause our actual results, level of activity, performance or achievements or matters relating to the Merger to differ materially from the results, level of activity, performance or achievements expressed or implied by our expectations or our forward-looking statements, including without limitation: (i) the parties may fail to satisfy any of the conditions to the closing of the Merger Agreement, including the potential failure to obtain approval by our shareholders or applicable regulatory authorities; (ii) we may incur unexpected costs, liabilities or delays relating to the Merger Agreement; (iii) our business may suffer as a result of uncertainty surrounding the Merger Agreement and diversion of management attention on matters related to the Merger, including the loss of or the deterioration of our business with our vendors, partners, contractors and employees; (iv) we may become subject to legal proceedings related to the Merger Agreement, and the outcomes thereof; (v) we may be adversely affected by other economic, business and/or competitive factors; (vi) the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger; (vii) difficulties in recognizing benefits of the Merger Agreement; (viii) the transactions underlying the Merger may disrupt current plans and operations and raise difficulties for employee retention; (ix) impact of the Merger Agreement on our business relationships; (x) other risks relating to the Merger Agreement, including the risk that the Merger Agreement transaction will not be completed within the expected time period or at all, and that its termination under certain conditions could result in the requirement we pay a termination fee;
- The container shipping industry is dynamic and volatile and has been marked in recent years by instability and uncertainties as a result of global geopolitical and economic conditions and the many factors that affect supply and demand in the shipping industry, including the continued Yemeni Houthis’ attacks on ships in the Red Sea that forced most ocean carriers to reroute some of their vessels to alternative, longer and more expensive routes, the political and military instability in the Middle East including tensions between the U.S., Israel, Iran and Iranian-backed proxies, the ongoing military conflict between Israel, Iran, Hamas and other Iranian backed proxies, the political instability in Syria and Lebanon, the Russia-Ukraine war, U.S.-China tensions related to tariffs and other trade restrictions, regulatory developments, relocation of manufacturing, logistical bottlenecks in certain locations along the cargo carriage chain, potential rising, concerns of global recession, inflation and interest rates and fluctuations in demand for containerized shipping services, which could significantly impact freight rates.
- We are incorporated and based in Israel. Our results may be adversely affected by political, economic, and military instability in Israel and the Middle East. The fact that we are incorporated in Israel might limit our ability to conduct and expand our business, and we may be subject to boycotts or other restrictions which will prevent us from calling certain ports or that our business may be affected as a result of trade restrictions and embargoes applicable to Israeli trades.

- The military conflicts between Russia and Ukraine and between the U.S. and Venezuela, the U.S, Israel, Iran and Iranian-backed proxies, the ongoing military conflict between Israel and Hamas and other Iranian-backed proxies and other geopolitical instabilities may cause volatility in the financial markets, a reduction and instability in global trade and an increase in oil and bunker prices or consumption, which may have a material adverse effect on our business, financial condition, results of operations and liquidity.
- We charter-in most of our fleet, which makes us more sensitive to fluctuations in the charter market, and as a result of our dependency on the vessel charter market, our costs associated with chartering vessels are unpredictable and could be, in certain circumstances, high even when the freight market is in a downward trend, and we may not be able to charter enough vessels or at all, especially in times of low supply and high demand of vessels for hire in the market.
- Future imbalance between supply of global container ship capacity and demand may limit our ability to operate our vessels profitably.
- Limited or unavailable access to ports, canal passages and means of land transportation (mostly rail and trucking), including due to congestion, geopolitical events and extreme weather conditions. Unlike some of our competitors, we do not own or hold substantial investments in terminals, therefore our ability to respond to congestion and port and inland accessibility is limited.
- Changing trading patterns, trade flows and sharpening trade imbalances, regulatory measures, variable operational costs, such as container storage costs, terminal costs and land transportation costs, may increase our container repositioning costs. If our efforts to minimize our repositioning costs are unsuccessful, it could adversely affect our business, financial condition and results of operations.
- Our ability to participate in operational partnerships in the shipping industry remains limited, and may be further reduced by recent regulatory changes, which may adversely affect our business.
- The container shipping industry is highly competitive, and competition may intensify even further. Certain of our large competitors may be better positioned and have greater financial resources than us and may therefore be able to offer more attractive schedules, services and rates, which could negatively affect our market position and financial performance.
- We may be unable to retain existing customers or may be unable to attract new customers.
- We face various cyber-security risks both as a shipping company and as an Israeli-based company, particularly in times of war and military conflicts.
- Volatile bunker prices, including as a result of geopolitical events, environmental regulation, dependency on gas suppliers for LNG operated vessels or other economic events, may have an adverse effect on our results of operations.
- We are subject to environmental regulations, and in addition, ESG regulation and reporting requirements have intensified and are expected to continue to intensify in the future, including without limitation, with respect to the use of cleaner fuel and/or imposition of vessel speed limits, which could increase our operating expenses.

The container shipping industry is extensively regulated and recently has been subject to increased legislative initiatives and extensive scrutiny by regulators around the world, especially in the U.S. and China. If we are found to be in violation of the applicable regulation, we could be subject to various sanctions, including monetary sanctions. Furthermore, in recent years, several governments have adopted and are promoting additional legislation intended to provide an advantage to local and/or national shipping industry participants over foreign-based carriers. The U.S. and China have adopted new regulations which impose port fees on non-local carriers and foreign-built vessels. These regulations are currently suspended until the last quarter of 2026, however, if resumed, will significantly increase our operating expenses, and we may be unable to recover them from our customers or at all.

Risks related to the Merger Agreement with Hapag-Lloyd AG

The Merger may not be completed due to the failure to satisfy any of the conditions to the closing of the Merger Agreement or other reasons; such a failure could negatively impact our ordinary share price, business, operations, financial condition, results of operations and/or prospects.

The completion of the Merger is subject to certain conditions, including, among others:

- the approval of the Merger Agreement and the Merger by the affirmative vote of the holders of a simple majority of the voting power of our ordinary shares represented at the next shareholders meeting;
- the approval in accordance with the Special State Share.
- the receipt of required regulatory approvals under applicable competition and foreign investment laws;
- the accuracy of the parties' respective representations and warranties in the Merger Agreement, subject to specified materiality qualifications;
- compliance by the parties with their respective covenants in the Merger Agreement in all material respects;
- the absence of any law or order restraining, enjoining, or otherwise prohibiting or making illegal the consummation of the Merger;
- the lapse of at least 50 days after the filing of a merger proposal with the Companies Registrar of the Israeli Corporations Authority and at least 30 days after obtaining the Company Shareholder Approval;
- the delivery by the Company and Parent of their respective customary closing certificates;
- the absence of (i) any legal proceeding pending by a governmental authority that would reasonably be expected to result in a Burdensome Condition (as defined in the Merger Agreement) or (ii) any condition, objection, order, injunction, decree, judgment or ruling imposing a Burdensome Condition; and
- the absence of a Company Material Adverse Effect (as defined in the Merger Agreement) having occurred on or after the date of the Merger Agreement.

The completion of the Merger is not subject to any financing condition.

The fulfillment of certain of these conditions is beyond our control. There can be no assurance that any of the required approvals will be obtained, and the timing thereof cannot be predicted. If the closing conditions are not satisfied or waived and the Merger is not consummated by the February 17, 2027, or if extended, by June 30, 2027 (the "Outside Date"), either we, or Hapag-Lloyd AG, may, under certain circumstances, choose not to proceed with the Merger. We and Hapag-Lloyd AG may terminate the Merger Agreement in accordance with its provisions. Moreover, if we terminate the Merger Agreement, or if Hapag-Lloyd AG terminates the Merger Agreement following a change to our Board of Director recommendations with respect to the consummation of the Merger Agreement, to pursue a superior acquisition transaction, or if we enter into an acquisition transaction within 18 months of the termination of the Merger Agreement due to the failure to consummate the Merger Agreement by the Outside Date, under certain circumstances we would be required to pay Hapag-Lloyd AG a termination fee of \$150,000,000 in cash.

There can be no assurance that the Merger will be completed in a timely manner or at all. If the conditions are not satisfied or waived in a timely manner and the Merger is not completed, our shareholders will not receive any of the Merger Consideration of \$35.00 per ordinary share. Further, unexpected events, change or other circumstances could give rise to the termination of the Merger Agreement. In an event of failure to complete the Merger, our directors, senior management and employees may have expended extensive time and effort and have experienced significant distractions from their work, and we will have incurred significant transaction costs during the period between signing the Merger Agreement and the failed closing and after. In addition, we could be subject to litigation related to any failure to complete the Merger.

If any one or more of these risks materialize, our financial condition, results of operations, prospects, share price, business, growth plans and/or operations, as well as our ability to raise funds (if required), may be materially adversely affected.

The State of Israel holds a Special State Share in us, which imposes certain restrictions on our operations and gives the Israeli government veto power over transfers of certain assets and share ownership above certain thresholds, and the State of Israel may not provide the required approval for the Merger

The State of Israel holds a Special State Share in us, which imposes certain limitations on our operating and managing activities and could negatively affect our business and results of our operations. The Special State Share requires us, among others: (i) to remain incorporated and registered in the State of Israel with its headquarters and principal office domiciled in Israel, (ii) to maintain a minimal fleet of 11 seaworthy vessels that are fully owned by us, at least three of which must be capable of carrying general cargo, (iii) at least a majority of our board of directors, including the chairperson, to be Israeli citizens, (iv) the chief executive officer of the Company to be an Israeli citizen, and (v) prior written consent from the State of Israel for any transfer or issuance of shares that confers possession of 35% or more of our issued share capital, or that provides control over us.

In connection with the Merger Agreement, Hapag-Lloyd AG entered into a binding memorandum of understanding with FIMI Opportunity 7, L.P. and FIMI Israel Opportunity 7, Limited Partnership (together, "FIMI"), pursuant to which Hapag-Lloyd AG and FIMI have agreed to use their respective reasonable best efforts to obtain the approval to consummate the transactions contemplated under the Merger Agreement, including the Merger and the Special State Share Release (as defined below), by the State of Israel pursuant to the Special State Share (the "Special State Share Approval") and to consummate the Special State Share Assumption (as defined below). Pursuant to the Merger Agreement, Hapag-Lloyd AG has agreed to use reasonable best efforts to obtain an irrevocable and perpetual release of us from all rights and obligations relating to the Special State Share (the "Special State Share Release"), which may be obtained pursuant to a transaction (the "Special State Share Assumption") in which Hapag-Lloyd AG causes at least 11 qualifying vessels to be sold or transferred to FIMI (or another qualifying Israeli partner), and such Israeli partner enters into a binding assumption agreement with the State of Israel pursuant to which it assumes the rights and obligations of the Special State Share effective as of the closing of the Merger.

There is no assurance that the Special State Share Release will be obtained, in a timely manner or at all, or under which conditions. If we cannot obtain the Special State Share Release, we will not be able to complete the Merger as planned and this may materially and adversely affect our financial condition, results of operations, prospects, share price, business, growth plans and/or operations, as well as our ability to raise funds.

Because the Special State Share restricts the ability of a shareholder to gain control of our Company, the existence of the Special State Share may have an anti-takeover effect and therefore depress the price of our ordinary shares or otherwise negatively affect our business and results of operations.

The pendency of the Merger Agreement could materially harm our business and results of operations

The pendency of the Merger may cause uncertainty about our future and disrupt our business. The Merger Agreement generally requires us to operate our business in the ordinary course and restricts us from taking certain actions until the Merger is completed. The Merger agreement includes covenants and other limitations which may limit our strategic opportunities and ability to respond quickly to market trends. These restrictions may prevent us from pursuing otherwise attractive business opportunities, making certain investments, or making other changes to our business that could be beneficial to our shareholders. While the Merger is pending, we are subject to a number of risks that may harm our financial condition, results of operations, prospects, share price, business, growth plans and/or operations and our ability to raise funds, including, but not limited to:

- loss of current customers and business partners, including the termination of operational agreements for the joint operation of services with other competitors.
- restrictions on the execution of our business strategy and plans, and our ability to respond to market trends and industry developments.
- we may incur significant costs, including legal, accounting and financial advisory fees in connection with the Merger.
- the process of the merger may divert our management's attention and resources from our ongoing business and strategic opportunity.
- We could be subject to costly litigation in connection with the Merger.
- Our current and prospective employees may be uncertain about their future roles and relationships with us following the completion of the Merger, which may adversely affect our ability to attract and retain key personnel and which could result in work unrest, strikes, and other organizational measures that our unionized employees could take, which could adversely affect our results of operation.
- The Merger may expose us to media attention and public scrutiny which may have a general negative impact on our relationships with our employees, customers, suppliers and other business partners.

Our obligation to pay a termination fee under certain circumstances and the restrictions on our ability to solicit or engage in negotiations with respect to other potential acquisition proposals may discourage other potential transactions that may be favorable to our shareholders.

Until the Merger is completed or the Merger Agreement is terminated, with limited exceptions, the Merger Agreement prohibits us, our subsidiaries and their respective representatives from soliciting alternative acquisition proposals from third parties or providing information to or participating in discussions or negotiations with third parties regarding alternative acquisition proposals. In addition, if we terminate the Merger Agreement in order to enter into a written definitive agreement with respect to a superior proposal, or if we engage in such a transaction within 18 months following the termination of the agreement because the Merger Agreement did not close by the Outside Date, we will be required to pay to Parent a termination fee of \$150 million.

Our shareholders could file claims challenging the Merger, which may delay or prevent the closing of the Merger and may cause us to incur substantial defense or settlement costs, or otherwise adversely affect us

As of the date of this annual report, there are no pending lawsuits challenging the Merger. However, securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into acquisition, Merger or other business combination agreements like the Merger agreement. Even if such a lawsuit is without merit, defending against these claims can result in substantial costs and divert management time and resources. This risk increases if a U.S. court determines that the forum selection clause in our articles of association is unenforceable in a lawsuit involving Israeli law claims, as this could lead to such claims being litigated in U.S. courts, substantially increasing the costs and complexity of the proceedings. An adverse judgment could result in monetary damages, which could have a negative impact on Parent's and our respective liquidity and financial condition. Lawsuits that may be brought against Hapag-Lloyd AG, us or our respective directors could also seek, among other things, injunctive relief or other equitable relief, including a request to rescind parts of the Merger agreement already implemented and to otherwise enjoin the parties from consummating the Merger. Such litigation, if not resolved, could prevent or delay completion of the Merger and result in substantial costs to the Company, including any costs associated with the indemnification of directors and officers. One of the conditions to the Closing is the absence of any condition, objection, order, injunction, decree, judgment or ruling imposing a Burdensome Condition (as defined in the Merger Agreement). Therefore, if a plaintiff were successful in obtaining an injunction prohibiting the consummation of the Merger on the agreed-upon terms, then such injunction may prevent the Merger from being completed, or from being completed within the expected timeframe. The defense or settlement of any lawsuit or claim that remains unresolved at the time the Merger is completed may adversely affect our business, financial conditions, results of operations and cash flows.

Our management and employees may have interests that may be different from, or in addition to, the interests of our shareholders.

Our managers and employees may have interests in the transaction contemplated by the Merger Agreement that may be different from, or in addition to, those of our shareholders. These interests include, among other things, the right to accelerate vesting of equity awards, the indemnification and insurance and certain payments and benefits provisions contained in or permitted by the Merger Agreement. Our current management and employees may be uncertain about their future roles and relationships with us following the completion of the Merger, and as a result, we are experiencing labor interruptions as a result of disagreements between management and unionized employees. If such disagreements persist or more disagreements arise and are not resolved in a timely and cost-effective manner, such labor conflicts could have a material adverse effect on our business and financial results. Disputes with our unionized employees may result in work stoppage, strikes and time-consuming litigation. In addition, we may not be able to attract and retain key personnel during the pendency of the Merger.

Even if completed, the Merger may not be successful, and the anticipated benefits of the Merger will not be realized, which could adversely affect the combined company's business.

The success of the Merger will depend, in large part, on the ability of the combined company to successfully integrate our operations with Hapag-Lloyd AG and to realize the anticipated benefits from the combination. There can be no assurance that the integration will be successful or that any of the anticipated benefits of the Merger will be realized in full, or at all. If the Merger is completed, our shareholders will cease to have any equity interest in our company and will no longer participate in our future earnings or growth. Upon completion, Hapag-Lloyd AG may implement significant changes to our management, business strategy, and operations. The strategic plans of Hapag-Lloyd AG may differ from our current plans and could result in changes to our business model, the divestiture of certain assets, or a shift in our corporate culture, any of which could have a material impact on our business and employees.

Certain of our customers and suppliers may terminate or alter their engagement with us due to the change of control.

If the combined company is not able to successfully manage the integration process, or if the anticipated benefits and synergies of the Merger are not realized, the business, financial condition, and results of operations of the combined company could be materially and adversely affected.

Completion of the Merger may trigger change-in-control or other provisions in certain agreements to which we are a party.

The completion of the Merger may trigger change-in-control or other provisions in certain agreements to which we are a party. If we or Hapag-Lloyd AG are unable to negotiate waivers of those provisions, the counterparties may exercise their rights and remedies under the agreements, potentially terminating the agreements or seeking monetary damages. Even if we or Hapag-Lloyd AG are able to negotiate waivers, the counterparties may require a fee for such waivers or seek to renegotiate the agreements on terms less favorable to us.

Risks related to our business and our industry

We predominantly operate in the container segment of the shipping industry, and the container shipping industry is dynamic and volatile.

Our principal operations are in the container shipping market and we are significantly dependent on conditions in this market, which are for the most part beyond our control. For example, our results in any given period are substantially impacted by supply and demand in the container shipping market, which impacts freight rates, bunker prices, and the prices we pay under the charters for our vessels. Unlike some of our competitors, we do not own any ports or similar ancillary assets. Due to our relative lack of diversification, an adverse development in the container shipping industry would have a significant impact on our financial condition and results of operations.

The container shipping industry is dynamic and volatile and has been marked in recent years by instability and uncertainties as a result of global geopolitical and economic crises and the many conditions and factors that affect supply and demand in the shipping industry, which include:

- global and regional economic and geopolitical trends, including armed conflicts, such as between the U.S. and Venezuela, in the Middle East between the U.S. and Iran, Israel and Iran and Iranian backed proxies including Hamas and Hizbullah, between Russia and Ukraine, terrorist activities such as the Houthi rebel continued attacks on the Red Sea, embargoes, strikes, trade wars, recession, inflation rates and potentially, climbing interest rates;
- the global supply and demand for commodities and industrial products and in certain key markets, such as China;
- developments or disturbances in international trade, including the imposition of tariffs, changes to trade agreements and other trade protectionism (for example, in the U.S.-China trade) and possible trade wars;
- currency exchange rates;
- prices of energy resources, including vessel fuels and marine LNG;
- environmental and other regulatory developments;
- changes in seaborne and other transportation patterns;
- changes in the shipping industry, including mergers and acquisitions, bankruptcies, restructurings and shifting of alliances;
- changes in the infrastructure and capabilities of canals, ports and terminals;
- weather conditions;
- outbreaks of diseases; and
- development of digital platforms to manage operations and customer relations, including billing and services.

As a result of some of these factors, including cyclical fluctuations in demand and supply, container shipping companies have experienced volatility in freight rates. For example, on January 1, 2025, the comprehensive Shanghai (Export) Containerized Freight Index (SCFI) started with 2,505 points, then dropped to 1,300 points on April 1, 2025, increased again to 2,000 points on June 1, 2025 and dropped back to 1,400 on December 31, 2025. Freight rates trends may change depending on future supply and demand curves, bottlenecks around the world and other factors. Furthermore, rates within the charter market, through which we source most of our capacity, may fluctuate significantly based upon changes in supply and demand for shipping services. Charter hire rates in 2025 have moderately increased with similar charter periods on average compared to 2024. See below “– We charter-in most of our fleet, which makes us more sensitive to availability of vessels and fluctuations in the charter rates, therefore some of the costs associated with our future chartering of vessels are unpredictable.”

As global trends continue to change, it remains difficult to predict their impact on the container shipping industry and on our business. If we are unable to adequately predict and respond to market changes, they could have a material adverse effect on our business, financial condition, results of operations and liquidity.

Global economic downturns and geopolitical challenges throughout the world could have a material adverse effect on our business, financial condition and results of operations.

Our business and operating results have been, and will continue to be, affected by worldwide and regional economic and geopolitical challenges, including global economic downturns. In particular, the outbreak of the war between Israel and Hamas and subsequently between Israel and Iran and other Iranian-backed proxies (such as Hezbollah in Lebanon and Houthi rebels in Yemen), the military tensions between the U.S., Venezuela and Iran and the political and economic instability and unpredictability in the Middle East, may adversely affect our business operations as an Israeli-based company. See also risk factor below “– We are incorporated and based in Israel and, therefore, our results may be adversely affected by political, economic and military instability in Israel and the Middle East. Specifically, the current military tensions between the U.S. and Iran, Israel and Iran and Iranian-backed proxies as well as the military tensions between Israel and Hamas after the ceasefire in October 2025 may adversely affect our business.”

Furthermore, since October 2023, the Iranian-linked Houthis in Yemen have been persistently launching attacks against vessels sailing in the Red Sea crossing the Bab-El-Mandeb straits, threatening vessels entering the Red Sea, causing cargo flow disruptions and disrupting global shipping, while particularly threatening Israeli owned or related vessels, or vessels calling Israeli ports. In response, and similarly to other carriers, we have taken proactive measures by re-routing some of our vessels and restructuring our services on the Indian subcontinent to the East Mediterranean trade, affecting global supply chain with longer voyage schedules and higher costs of operations. Plans to resume maritime routes through the Red Sea by certain carries have not yet fully materialized, and the situation remains volatile and unpredictable. Any development or escalation of this situation may have an adverse effect on our business operations and financial results.

The current military conflicts in the Middle East, the tension between the U.S. and Iran, between Russia and Ukraine, and any current and possible future conflicts or escalations thereof may further adversely affect the global supply chain and the maritime shipping industry and lead to a decline in the financial markets or a rise in energy prices. The ongoing conflicts also impede the global flow of goods, which could result in product and food shortages, harm economic growth and place more pressure on inflation. Furthermore, freight movement and supply chains in the Red Sea, Ukraine and neighboring countries have been, and may continue to be, significantly disrupted. Economic sanctions levied on Russia, Iran, Hamas and its leaders and on Russian oil and oil products may cause further global economic downturns, including additional increases in bunker costs. A further deterioration of the current conflicts or other geopolitical instabilities may cause global markets to plummet, affect global trade, increase bunker prices and may have a material adverse effect on our business, financial condition, results of operations and liquidity.

Currently, global demand for container shipping is highly volatile across regions and remains subject to downside risks stemming mainly from factors such as reduction in consumption, geopolitical conditions, risk of global economic recession, changes to trade policies and new tariffs, potential increase of interest rates, threat of pandemics, severe hits to the gross domestic product (GDP) growth of both advanced and developing countries, fiscal fragility in advanced economies, high sovereign debt levels, highly accommodative macroeconomic policies and persistent difficulties accessing credit.

According to a report by the International Monetary Fund (IMF), as of January 2026, global GDP growth is expected to remain stable at 3.2% in 2026, similarly to 2025. Global headline inflation is expected to decline to 3.8% in 2026 and 3.4% in 2027. Geopolitical trends and economic downturns may decrease global growth and increase inflation more than currently expected. The recent deterioration in the global economy has caused, and may continue to cause, volatility or a decrease in worldwide demand for certain goods shipped in containerized form. In particular, if growth in the regions in which we conduct significant operations, including the United States, Asia and the Black Sea, Europe and Mediterranean regions, slows for a prolonged period and/or there is significant additional deterioration in the global economy, such conditions could have a material adverse effect on our business, financial condition, results of operations and liquidity.

Uncertainty in the global economy, possible recent events such as changes to U.S. international trade agreements, greater restrictions on free trade and significant increases in tariffs on goods imported into the United States, may lead to fewer goods transported and the need to restructure certain terms of business with our suppliers or customers. During 2025, the U.S. government altered its approach to international trade policy and in some cases renegotiated certain existing bilateral or multi-lateral trade agreements and treaties with other countries. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated their willingness to impose additional tariffs on U.S. products. In May 2025 China and the U.S. have reached an agreement which reduced the tariffs to roughly 30% (depending on the imported products), however trade tensions still ensue. Furthermore, a recent U.S. Supreme Court ruling determined that certain tariffs imposed by President Trump pursuant to the International Emergency Economic Powers Act are invalid, adding uncertainty and confusion to the business environment. See “—A decrease in the level of China’s export of goods could have a material adverse effect on our business.” A significant portion of our containers and chartered vessels are manufactured in China. Global trade disruption, introductions of new trade barriers and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect our business, financial condition and results of operations.

If these or other global conditions continue to deteriorate during 2026, global growth may take another downturn and demand in the shipping industry may decrease. Geopolitical challenges, including political crises and military conflicts, trade wars, weather and natural disasters, embargoes and canal closures could also have a material adverse effect on our business, financial condition and results of operations.

In addition, under weak economic conditions or global recession, our customers and suppliers would experience deterioration of their businesses, cash flow shortages and/or difficulty in obtaining financing due to, amongst other causes, an increase in interest rates. As a result, our existing or potential customers and suppliers may delay or cancel plans to purchase our services or may be unable to fulfil their obligations to us in a timely fashion.

A decrease in the level of China’s export of goods could have a material adverse effect on our business.

Although we also operate in many other countries in Asia, a significant portion of our business originates from China and therefore depends on the level of imports and exports to and from China. Trade tensions between the U.S. and China have intensified in recent years, reduced bilateral trade between the U.S. and China and led to shifts in trade structure and reductions in container trade. Particularly, recent U.S. tariffs imposed or threatened to be imposed on China may cause a decrease in exports from China to the U.S. and an increase in costs associated with such exports, which may materially and adversely affect our business, financial condition and results of operations. For more information on the risks related to U.S./China trade restrictions, see “— Our business may be adversely affected by trade protectionism in the markets that we serve, particularly in China.” Furthermore, as China exports considerably more goods than it imports, any reduction in or hindrance to China-based exports, whether due to trade restrictions, decreased demand from the rest of the world, an economic slowdown in China, seasonal decrease in manufacturing levels due to the Chinese New Year holiday, factory shutdowns due to pandemics or other factors, could have a material adverse effect on our business. For instance, in recent years the Chinese government has implemented economic policies aimed at increasing domestic consumption of Chinese-made goods and national security measures for Hong Kong which may have the effect of reducing the supply of goods available for export and may, in turn, result in decreased demand for cargo shipping. In recent years, China has experienced an increasing level of economic autonomy and a gradual shift toward a “market economy” and enterprise reform. However, many of the reforms implemented, particularly some price limit reforms, are unprecedented or experimental and may be subject to revision, change or abolition. The level of imports to and exports from China could be adversely affected by changes to these economic reforms by the Chinese government, as well as by changes in political, economic and social conditions, or other relevant policies of the Chinese government. Geopolitical tensions and changing trade policies may also affect the volume and the geographic scope of exports from China. Changes in laws and regulations, including with regard to tax matters, and their implementation by local authorities could affect our vessels calling on Chinese ports and could have a material adverse effect on our business, financial condition and results of operations.

Imbalance between supply of global container ship capacity and demand may limit our ability to operate our vessels profitably.

According to Alphaliner, as of December 31, 2025, global container ship capacity was approximately 33.3 million TEUs, spread across approximately 6,700 vessels. Global container ship capacity is expected to increase by 3.7% in 2026, which is significantly lower than the growth rate of 7.3% in 2025 and growth rate of 10.3% in 2024. The expected vessels deliveries during 2026 is 1.4 million TEUs out of a total vessels order book of 11.3 million TEU, while demand for shipping services is projected to increase by only 2.5%, (slightly lower than the growth in demand of 3.5% in 2025), therefore the increase in vessel capacity is expected to continue to be higher than the increase in demand for container shipping.

We endeavor to adapt our vessel fleet capacity to the supply and demand trends. As of December 31, 2025, we operated 128 vessels. Responses to changes in market conditions may be slower as a result of the time required to build new vessels and adapt to market needs and due to shortage of vessels in the charter market, or, on the opposite, to terminate charter agreements earlier than expected. As shipping companies purchase vessels years in advance of their actual use to address expected demand, vessels may be delivered during times of decreased demand (or oversupply if other carriers act in kind) or unavailable during times of increased demand, leading to a supply/demand mismatch. The container shipping industry may face oversupply in the coming years and numerous other factors beyond our control may also contribute to increased capacity, including deliveries of new, refurbished or converted vessels, the possible full reopening of the Suez Canal, port and canal congestion, any change in the practice of slow steaming, a reduction in the number of void voyages and a decrease in the number of vessels that are out of service (e.g., vessels that are laid-up, drydocked, or are otherwise not available for hire), as well as decreased scrapping levels of older vessels. In the event of overcapacity, there is no guarantee that measures of blank sailings and redelivery of chartered vessels will prove successful, partially or at all in mitigating the gap between excess supply and demand. Excess capacity generally depresses freight rates and can lead to lower utilization of vessels, which may adversely affect our revenues and costs of operations, profitability and asset values.

Access to ports and canals could be limited or unavailable, including due to geopolitical events, weather and climate conditions, congestion in terminals and inland supply chains, and we may incur additional costs as a result thereof.

Global development of new terminals continues to be outpaced by the increase in demand. In addition, the increasing vessel size of containership newbuilding has forced adjustments to be made to existing container terminals. As such, existing terminals are coping with high berth utilization and space limitations of stacking yards, which are at near-full capacity. This results in longer cargo operations times for the vessels and port congestion, which could increase operating expenses and have a material adverse effect on affected shipping lines. Decisions about container terminal expansion and port access are made by national or local governments and are outside of our control. Such decisions are based on local policies, priorities and concerns and the interests of the container shipping industry may not be considered.

Our access to ports may also be limited or unavailable due to other reasons. As industry capacity and demand for container shipping continue to grow, we may have difficulty in securing sufficient berthing windows to expand our operations in accordance with our growth strategy, due to the limited availability of terminal facilities. Further, we do not own or hold any substantial investments in ports, terminals or related facilities which could further increase this risk, especially in cases of express or expedited services that we operate, which depend on our ability to secure favorable berthing windows that facilitate the flow of the carried cargo along the supply chain. In addition to ports, our access to canal transit may be restricted due to various reasons, including weather conditions such as the worsening drought conditions in the Panama Canal or the Yemeni Houthis' continued attacks on vessels in the Red Sea headed to the Suez Canal. If canal transit remains restricted or inaccessible altogether, we will be required to limit the number of vessels in the canals or re-route our vessels altogether, which is expected to increase our operating expenses and may have a material adverse effect on our business, financial condition and results of operations.

Our status as an Israeli company has limited, and may continue to limit, our ability to call on certain ports. For example, in August 2025 we received a notice from the Turkish Port Authorities through our local agent that vessels owned, managed or operated by an entity related to Israel will not be permitted to berth in Turkish ports due to a new regulation adopted with an immediate effect, causing us to reroute our vessels and develop a mitigating plan which reduced the potential adverse effects of this regulation. Prior to that, in December 2023, the Malaysian government announced its decision to prohibit us from docking at any Malaysian port in response to the Israel-Hamas war. Furthermore, major ports may close for long periods of time due to maintenance, natural disasters, strikes, pandemics, or other reasons beyond our control. Ports and terminals may implement certain measures such as dwell-time fees or similar charges applied against containers that remain in the terminal longer than the specified number of days, as well as work procedures intended to relieve congestion which may also limit our access to terminals and apply additional costs to us or to our customers. These and other measures may be imposed in additional ports and terminals in other geographical areas, and we may not be able to recover or mitigate the additional costs by applying similar charges on our customers. Congestion, economic trends and geopolitical events may place pressure on terminals to increase their services rates, thereby increasing our operating expenses. We cannot ensure that our efforts to secure sufficient port access will be successful. Any of these factors may have a material adverse effect on our business, financial condition and results of operations.

Our business may be adversely affected by trade and local maritime carriers' protectionism in the markets that we serve.

Our operations are exposed to the risk of increased trade protectionism. Governments may use trade barriers in an effort to protect their domestic industries against foreign imports, thereby further depressing demand for container shipping services. In recent years, increased trade protectionism in the markets that we access and serve, particularly in China, where a significant portion of our business originates, has caused, and may continue to cause, increases in the cost of goods exported and the risks associated with exporting goods as well as a decrease and volatility in the quantity of goods shipped. In November 2020, China and an additional 15 countries in the Asia-Pacific region entered into the largest free trade pact, the RCEP Regional Comprehensive Economic Partnership, which is expected to strengthen China's position on trade protectionism related matters. China's import and export of goods may continue to be affected by trade protectionism, specifically the ongoing U.S.-China trade tensions, which has been characterized by escalating trade barriers between the U.S. and China as well as trade relations among other countries. See " – A decrease in the level of China's export of goods could have a material adverse effect on our business." These risks may have a direct impact on demand in the container shipping industry. As tensions between China and the U.S. continue, there is no assurance that further escalation will be avoided or that current tensions will not be exacerbated.

The current U.S. administration has advocated greater restrictions on trade generally and significant increases on tariffs on certain goods imported into the United States from certain trade partners, and has taken steps toward restricting trade in certain goods. China and other countries have retaliated in response to new trade policies, treaties and tariffs implemented by the United States to such trade partners. The Recent U.S. Supreme Court ruling invalidating certain tariffs imposed by President Trump further adds uncertainty to the business environment. See " -Global economic downturns and geopolitical challenges throughout the world could have a material adverse effect on our business, financial condition and results of operations". Such trade escalations have had, and may continue to have, an adverse effect on manufacturing levels, trade levels and specifically, may cause an increase in the cost of goods exported from, and the risks associated with, exporting goods from a country or region subject to tariffs. Such increases may also affect the quantity of goods to be shipped, shipping time schedules, voyage costs and other associated costs. Further, increased tensions may adversely affect oil demand, which would have an adverse effect on shipping rates. They could also result in an increased number of vessels sailing from a country or region with less than their full capacity being met. These restrictions may encourage local production over foreign trade which may, in turn, affect the demand for maritime shipping. In addition, there is uncertainty regarding further trade agreements (such as with the EU), trade barriers or restrictions on trade in the United States. In addition, certain governments recently introduced legislation which would provide an advantage to local and national industry participants over foreign-based carriers, and if this legislative trend continues or increases, it could obstruct or impede the provision of our services in certain jurisdictions. See also – "The shipping industry is subject to extensive government regulation and standards, international treaties and trade prohibitions and sanctions." Any increased trade barriers or restrictions on trade may affect the global demand for our services and could have a material adverse effect on our business, financial condition and results of operations.

Changing trading patterns, trade flows and sharpening trade imbalances may adversely affect our business, financial condition and results of operations.

Our TEUs carried can vary depending on the balance of trade flows between different world regions. For each service we operate, we measure the utilization of a vessel on the "strong," or dominant, leg, as well as on the "weak," or counter-dominant, leg by dividing the actual number of TEUs carried on a vessel by the vessel's effective capacity. Utilization per voyage is generally higher when transporting cargo from net export regions to net import regions (the dominant leg). Considerable expenses may result when empty containers must be transported on the counter-dominant leg. We seek to manage the container repositioning costs that arise from the imbalance between the volume of cargo carried in each direction by utilizing our global network to increase cargo on the counter-dominant leg and by triangulating our land transportation activities and services. If we are unable to successfully match demand for container capacity with available capacity in nearby locations, we may incur significant balancing costs to reposition our containers in other areas where there is demand for capacity. It is not guaranteed that we will always be successful in minimizing the costs resulting from the counter-dominant leg trade, which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, sharpening imbalances in world trade patterns — rising trade deficits of net import regions in relation to net export regions — may exacerbate imbalances between the dominant and counter-dominant legs of our services. This could have a material adverse effect on our business, financial condition and results of operations.

Our ability to participate in operational partnerships in the shipping industry is limited, and may be further reduced by recent regulatory changes or in the event of a change of our control, which may adversely affect our business.

The container shipping industry has historically experienced a reduction in the number of major carriers and the termination and reformation of strategic alliances and partnerships among container carriers and this trend may continue in the future. Past consolidation in the industry has affected the existing strategic alliances between shipping companies. For example, the Ocean Three alliance, which consisted of CMA CGM, S.A. (CMA CGM), United Arab Shipping Company and China Shipping Container Lines, was terminated in 2019 and replaced by the Ocean Alliance, consisting of COSCO Shipping Group (including China Ocean Shipping Company (COSCO), and Orient Overseas Container Line Limited (OOCL)), CMA CGM Shipping Group (including American President Lines, LLC) and Evergreen Marine Corporation. In January 2025, the 2M Alliance, which included MSC and Maersk Group, was terminated and in February 2025, Maersk and Hapag-Lloyd AG (Hapag-Lloyd) launched the new Gemini Alliance, resulting in Hapag-Lloyd leaving the THE Alliance (subsequently renamed the Premier Alliance) which currently includes ONE, HMM and Yang Ming Marine Transport Corporation (Yang Ming).

We are currently not a party to any strategic alliances and therefore have not been able to achieve the benefits associated with being a member of such an alliance. If, in the future, we would like to enter into a strategic alliance but are unable to do so, we may be unable to achieve the cost and other synergies that can result from such alliances. However, we are a party to operational partnerships with other carriers in some of the trade zones in which we operate, including a strategic operational agreement with MSC on the Asia-U.S. East Coast and Asia-U.S. Gulf Coast trades. In addition, we are a party to additional operational agreements with MSC on other trades. See “Item 4.B – Business Overview – Our operational partnerships.” We may seek to enter into additional operational partnerships or similar arrangements with other shipping companies or local operators, partners or agents. The Merger Agreement with Hapag-Lloyd AG may further restrict our ability to enter into new operational agreement or alliances. The unilateral termination of our existing operational agreements either by MSC or by other partners, or of any future cooperation agreement we may enter into, could adversely affect our business, financial condition and results of operations.

These strategic cooperation agreements and other arrangements, if we choose to enter into them with other carriers, could also reduce our flexibility in decision making in the covered trade zones, and we are subject to the risk that the expected benefits of the agreements may not materialize. Furthermore, in other trade zones in which other alliances operate, we are still unable to benefit from the economies of scale that many of our competitors are able to achieve through participation in strategic arrangements (i.e., strategic alliances or operational agreements). Our status as an Israeli company has limited, and may continue to limit, our ability to call on certain ports and has therefore limited, and may continue to limit, our ability to enter into alliances or operational partnerships with certain shipping companies. We also rely on applicable competition and antitrust regulation exemptions in order to enter into operational agreements in various jurisdictions and with other carriers. Restrictive regulatory frameworks in the relevant jurisdictions, including the revocation of applicable block exemptions for operational agreements such as the previous European Consortia Block Exemption Regulation (CBER), may adversely affect our ability to engage in these types of partnerships in the future. See also “—We are subject to competition and antitrust regulations in the countries where we operate, have been subject to antitrust investigations by competition authorities in the past and may be subject to antitrust investigations in the future. The revocation of these exemptions could negatively affect our business and ability to conduct our business. If we are not successful in expanding or entering into additional operational partnerships which are beneficial to us, this could adversely affect our business.”

Public health crises, such as a major epidemic or pandemic, have in the past and may in the future create significant business disruptions, cause fluctuations in supply and demand, and adversely affect our business, financial condition and results of operations.

We are subject to the risk of public health crises, including epidemics or pandemics. For example, the COVID-19 pandemic previously significantly impacted our business, financial condition and results of operations. The COVID-19 pandemic resulted in reduced industrial activity in various countries around the world, with temporary closures of factories and other facilities such as port terminals, which led to a temporary decrease in supply of goods and congestion in warehouses and terminals. Government-mandated shutdowns in various countries also temporarily decreased consumption of goods, negatively affecting trade volumes and the shipping industry globally during the first half of 2020.

If another pandemic, including a resurgence of COVID-19, were to erupt, we may face risks to our personnel and operations. Such risks would include delays in the loading and discharging of cargo on or from our vessels due to severe congestion at ports and inland supply chains, difficulties in carrying out crew changes, off hire time due to quarantine regulations, delays and expenses in finding substitute crew members if any of our vessels’ crew members become infected, delays in drydocking if insufficient shipyard personnel are working due to quarantines or travel restrictions, difficulties in procuring new containers due to temporary factories’ shutdowns and increased risk of cyber-security threats due to our employees working remotely. Fear of the virus and the efforts to prevent its spread may increase pressure on the supply-demand balance, which could also put financial pressure on our customers and increase the credit risk that we face in respect of some of them. Such events have affected our operations in the past and any future outbreak of a major epidemic or pandemic would have a material adverse effect on our business, financial condition and results of operations.

The container shipping industry is highly competitive and competition may intensify even further, which could negatively affect our market position and financial performance.

We compete with a large number of global, regional and niche container shipping companies, including, for example, MSC, Maersk, COSCO, CMA CGM, Hapag-Lloyd, ONE and Yang Ming, to provide transport services to customers worldwide. In each of our key trades, we compete primarily with global container shipping companies. The cargo shipping industry is highly competitive, with the top three carriers in terms of global capacity — MSC, Maersk and CMA CGM — accounting for approximately 47.8% of global capacity, and the remaining carriers together contributing approximately 52.2% of global capacity as of December 2025, according to Alphaliner. Certain of our large competitors may be better positioned and have greater financial resources than us and may therefore be able to offer more attractive schedules, services and rates. Some of these competitors operate larger fleets with larger vessels and with higher vessel ownership levels than us and may be able to gain market share by supplying their services at aggressively lower freight rates for a sustained period of time. In addition, mergers and acquisition activities within the container shipping industry have further concentrated global capacity with certain of our competitors. See “— Our ability to participate in operational partnerships in the shipping industry is limited, which may adversely affect our business.” If one or more of our competitors expands its market share through an acquisition or secures a better position in an attractive niche market in which we operate or intend to enter, we could lose market share as a result of increased competition, which in turn could have a material adverse effect on our business, financial condition and results of operations.

We may be unable to retain existing customers or may be unable to attract new customers.

Our continued success requires us to maintain our current customers and develop new relationships. We cannot guarantee that our customers will continue to use our services in the future or at the current level. We may be unable to maintain or expand our relationships with existing customers or to obtain new customers on a profitable basis due to competitive dynamics, especially in periods of market downturn. In addition, as some of our customer contracts are longer-term in nature (up to one year), if market freight rates increase, we may not be able to adjust the contractually agreed rates to capitalize on such increased freight rates until the existing contracts expire, while if freight rates decline below the agreed contract terms we may face pressure from our customers to adjust the contract rates to the prevailing market rates. Upon the expiration of our existing contracts, we cannot assure you that our customers will renew the contracts on favorable terms, or if at all, or that we will be able to attract new customers. Any adverse effect would be exacerbated if we lose one or more of our significant customers. In 2025, our 10 largest customers represented approximately 12% of our freight revenues and our 50 largest customers represented approximately 27% of our freight revenues. Although we believe we currently have a diversified customer base, and we invest efforts to maintain such diversification, we may become dependent upon a few key customers in the future, especially in particular trades, such that we would generate a significant portion of our revenue from a relatively small number of customers. The Merger Agreement with Hapag-Lloyd may further increase this risk. Any inability to retain or replace our existing customers may have a material adverse effect on our business, financial condition, and results of operations.

Technological developments which affect global trade flows and supply chains are challenging some of our largest customers and may therefore affect our business and results of operations.

By reducing the cost of labor through automation and digitization, including by means of new technologies in artificial intelligence and machine learning, among others, and empowering consumers to demand goods whenever and wherever they choose, technology is changing the business models and production of goods in many industries, including those of some of our largest customers. Consequently, supply chains are being pulled closer to the end-customer and are required to be more responsive to changing demand patterns. As a result, fewer intermediate and raw inputs are traded, which could lead to a decrease in shipping activity. If automation and digitization become more commercially viable and/or production becomes more regional or local, total containerized trade volumes would decrease, which would adversely affect demand for our services. Supply chain disruptions caused by geopolitical and economic events, pandemics, rising tariff barriers and environmental concerns also accelerate these trends.

We rely on third-party contractors and suppliers, as well as our partners and agents, to provide various products and services and unsatisfactory or faulty performance of our contractors, suppliers, partners or agents could have a material adverse effect on our business.

We engage third-party contractors, partners and agents to provide services in connection with our business. An important example is our chartering-in of vessels from ship owners, whereby the ship owner is obligated to provide the vessel’s crew, insurance and maintenance along with the vessel. Another example is our carriers partners whom we rely on for their vessels and service to deliver cargo to our customers, as well as third party agencies who serve as our local agents in specific locations. Disruptions caused by third-party contractors, partners and agents could materially and adversely affect our operations and reputation.

Additionally, a work stoppage at any one of our suppliers, including our land transportation suppliers, could materially and adversely affect our operations if an alternative source of supply were not readily available. Also, we outsource part of our back-office functions to a third-party contractor. The back-office support center may shut down due to various reasons beyond our control, which could have an adverse effect on our business. There can be no assurance that the products delivered and services rendered by our third-party contractors and suppliers will be satisfactory and match the required quality levels. Furthermore, major contractors or suppliers may experience financial or other difficulties, such as natural disasters, terror attacks, failure of information technology systems or labor stoppages, which could affect their ability to perform their contractual obligations to us, either on time or at all. Any delay or failure of our contractors or suppliers to perform their contractual obligations to us could have a material adverse effect on our business, financial condition, results of operations and liquidity.

A shortage of qualified sea and shoreside personnel could have an adverse effect on our business and financial condition.

Our success depends, in large part, upon our ability to attract and retain highly skilled and qualified personnel, particularly seamen and coast workers who deal directly with activities related to vessel operation and sailing. In crewing our vessels, we require professional and technically skilled employees with specialized training who can perform physically demanding work on board our vessels. As the worldwide container ship fleet continues to grow, the demand for skilled personnel has been increasing, which has led to a shortfall of such personnel. An inability to attract and retain qualified personnel as needed could materially impair our ability to operate, or increase our costs of operations, which could adversely affect our business, financial condition, results of operations and liquidity. Furthermore, the shipping industry as a whole or in part may experience difficulties in carrying out crew changes in the event of future pandemic outbreaks, which could impede our ability to employ qualified personnel. The Merger Agreement we entered into with Hapag-Lloyd AG further increases this risk.

Risks related to operating our vessel fleet

We charter-in most of our fleet, which makes us more sensitive to fluctuations in the charter market, and as a result of our dependency on the vessel charter market, therefore some of the costs associated with our future chartering of vessels are unpredictable.

We charter-in most of our fleet. As of December 31, 2025, of the 128 vessels through which we provide transport services globally, 112 are chartered (accounted as right-of-use assets under the accounting guidance of IFRS 16), which represents 87.5% of our fleet, a percentage of chartered vessels that is significantly higher than the industry average of 37.6% (according to Alphaliner). Any rise in charter hire rates could adversely affect our results of operations.

While there have been fluctuations in the demand in the container shipping market, during 2025, charter demand remained very high for most vessel sizes, leading to an imbalance in supply and demand and a general shortage of vessels, including of vessels over 4,250 TEU available for hire, increased charter rates and longer charter periods dictated by owners. See “Item 4.B – Business Overview – Our vessel fleet.”

We are a party to a number of other long-term charter agreements and may enter into additional long-term agreements based on our assessment of current and future market conditions and trends. As of December 31, 2025, 85.7% of our chartered-in vessels (or 91.5% in terms of TEU capacity for container vessels) have a remaining charter period that exceeds one year, and we may be unable to take full advantage of short-term reductions in charter hire rates with respect to such longer-term charters. In addition, in the future we may substitute a short-term charter of one year or less with a long-term charter exceeding one year, which could cause our costs to increase quickly compared to competitors with longer-term charters or owned vessels. To the extent we replace vessels that are chartered-in under short-term leases with vessels that are chartered-in under long-term leases or that are owned by us, the principal amount of our long-term contractual obligations would increase. There can be no assurance that the terms of any such long-term leases will be favorable to us in the long run.

We may face difficulties in chartering or owning enough vessels in the future, including large vessels, to support our growth strategy due to the possible shortage of vessel supply in the market.

Charter rates for container and car carrier vessels are volatile. If we are unable in the future to charter vessels of the type and size needed to serve our customers efficiently on terms that are favorable to us, if at all, this may have a material adverse effect on our business, financial condition, results of operations and liquidity. Furthermore, container shipping companies have been incorporating, and are expected to continue to incorporate, larger, more economical vessels into their operating fleets. The cost per TEU transported on large vessels is less than the cost per TEU for smaller vessels as, among other factors, larger vessels provide increased capacity and fuel efficiency per carried TEU (assuming full vessel utilization). As a result, carriers are encouraged to deploy large vessels, particularly within the more competitive trades. According to Alphaliner, vessels in excess of 12,500 TEUs represented approximately 68% of the current global orderbook based on TEU capacity as of December 31, 2025, and approximately 39% of the global fleet based on TEU capacity consists of vessels in excess of 12,500 TEUs as of December 31, 2025. Furthermore, a significant introduction of large vessels, including very large vessels in excess of 18,000 TEUs, into any trade, will enable the transfer of existing, large vessels to other shipping trades on which smaller vessels typically operate. Such transfer, which is referred to as “fleet cascading,” may in turn generate similar effects in the smaller trades in which we operate. Other than ten 15,000 TEU LNG dual-fuel container vessels we long-term charter from Seaspan Corporation which are considered in the industry as large container vessels (see “Item 4.B – Business Overview – Our vessel fleet - Strategic Chartering Agreements”), we do not currently have additional agreements in place to procure or charter-in large container vessels in excess of 12,500 TEU, and the continued deployment of larger vessels by our competitors will adversely impact our competitiveness if we are not able to charter-in, acquire or obtain financing for such vessels on attractive terms or at all. Additionally, our status as an Israeli company has limited, and may continue to limit, our ability to charter vessels from certain vessel owners. This risk is further exacerbated as a result of our difficulties faced in participating in certain alliances and thereby accessing larger vessels for deployment. Even if we are able to acquire or charter-in larger vessels, we cannot assure you we will be able to achieve utilization of our vessels necessary to operate such vessels profitably.

Rising energy and bunker prices (including LNG) may have an adverse effect on our results of operations.

Fuel and energy expenses, in particular bunker expenses, represent a significant portion of our operating expenses, accounting for 25.7%, 28.5% and 28.3% of our operating expenses and cost of services for the years ended December 31, 2025, 2024 and 2023, respectively. Bunker price moves in close interdependence with crude oil prices, which have historically exhibited significant volatility. Crude oil prices are influenced by a host of economic and geopolitical factors that are beyond our control, particularly the U.S. military operations in Venezuela and the ongoing military tensions between the U.S. and Iran, as well as economic developments in emerging markets such as China and India, the U.S.-China trade tensions, the military conflicts in the Middle East, the Russian-Ukraine conflict and sanctions enacted on seaborne imports of Russian crude oil and petroleum product, concerns related to the global recession and financial turmoil, rising inflation, interest rates fluctuations, policies of the Organization of the Petroleum Exporting Countries (OPEC) and other oil producing countries and production cuts, sanctions on Iran by the U.S. and others, consumption levels of other transportation industries such as the aviation, rail and car industries, and ongoing political tensions and acts of terror in key production countries such as Libya, Nigeria and Venezuela. Crude oil prices have decreased to levels at an annual average of \$69 per barrel in 2025, compared to \$81 per barrel in 2024. Similarly, Very Low Sulfur Fuel Oil (VLSFO) decreased by 16% in 2025 compared to 2024 (based on prices in Singapore according to Platts Market Data). Any further deterioration of geopolitical and economic factors may lead to an increase in bunker prices.

In accordance with our ESG strategy and strategic long-term charter agreements (See “Item 4.B – Business Overview – Our vessel fleet – Strategic Chartering Agreements”), we currently operate 28 LNG dual fuel container vessels, with additional 10 LNG dual fuel container vessels expected to be delivered during 2027 and 2028. In August 2022 we have announced the signing of a ten-year marine LNG sale and purchase agreement with Shell NA LNG, LLC, or Shell, to supply LNG to our ten 15,000 TEU LNG vessels chartered from Seaspan, all delivered to date. In December 2024 we entered into a definitive agreement to supply LNG to our 8,000 class TEU LNG vessels. In accordance with both agreements, Shell agreed to sell and deliver, and we agreed to purchase and accept, LNG in quantities, quality, specifications, and prices as specified in the agreement. Each agreement is for a period of ten years from the date of the first bunkering operation executed by the parties. These agreements may be terminated with immediate effect by either party in the event of a material breach by the other party that has not been cured within 30 days of written notice thereof. In March 2023 we announced the successful LNG bunkering of the first 15,000 TEU LNG dual fuel vessel delivered to us, ZIM Sammy Ofer, in Kingston Freeport Terminal, Jamaica. The sale and purchase agreements described above were initially estimated by us to be valued in aggregate at more than \$1.7 billion for the duration of their respective ten-year terms. If these agreements are terminated (due to a breach of either party), we may not be able to supply our LNG fueled vessels with enough of LNG fuel required for their operation, and we will need to shift back to crude oil-based fuels, or alternatively, we may be required to buy LNG at the then market terms, which could be on worse terms for us compared to the terms of our agreements with Shell. In addition, changes in the U.S. LNG export policies may impact the availability of global LNG supply, and our ability to purchase LNG on market terms. Our operations may be significantly affected by the supply and demand conditions of the LNG global trade market, and we may need to rely on other LNG suppliers to supply LNG for our other LNG container vessels.

In recent years, there has been a significant increase in environmental regulation aimed to lower the levels of air polluting fuel consumption. For example, the IMO 2020 Regulations, in effect from January 1, 2020, require all ships to burn fuel with a maximum sulfur content of 0.5%, which is a significant reduction from the previous threshold of 3.5%. In addition, certain geographic regions were declared as Emission Control Areas (ECAs) under the MARPOL Convention, Annex VI and require ships to burn fuel with a maximum sulfur content of 0.1% upon entry to territorial waters. As a result, we have implemented a New Bunker Factor, or NBF, surcharge, in December 2019, intended to offset the additional costs associated with compliance with the IMO 2020 Regulations and other applicable low sulfur requirements. See “Item 3.D – Risk factors – Climate change and GHG restrictions may adversely affect our operating results.”

A rise in bunker prices (including LNG) could have a material adverse effect on our business, financial condition, results of operations and liquidity. Historically and in line with industry practice, we have imposed from time to time surcharges such as the NBF and New Emissions Factor, or NEF, over the base freight rate we charge to customers in part to minimize our exposure to certain market-related risks, including bunker price adjustments. However, there can be no assurance that we will be successful in passing on future price increases to customers in a timely manner, either for the full amount or at all.

Our bunker consumption is affected by various factors, including the number of vessels being deployed, vessel capacity, pro forma speed, vessel efficiency, the weight of the cargo being transported, port efficiency and sea conditions. We have implemented various optimization strategies designed to reduce bunker consumption, including operating vessels in “super slow steaming” mode, trim optimization, hull and propeller redesigning, polishing and sailing rout optimization. Additionally, we may sometimes manage part of our exposure to bunker price fluctuations by entering into hedging arrangements with reputable counterparties. Our optimization strategies and hedging activities may not be successful in mitigating higher bunker costs, and any price protection provided by hedging may be limited due to market conditions, such as choice of hedging instruments, and the fact that only a portion of our exposure is hedged. There can be no assurance that our hedging arrangements, if taken, will be cost-effective, will provide sufficient protection, if any, against rises in bunker prices or that our counterparties will be able to perform under our hedging arrangements.

As vessel owners we may incur additional costs and liabilities for the operation of our vessel fleet.

Although we charter most of our fleet, we currently own sixteen vessels. In February 2024 we purchased five vessels in addition to nine vessels we previously owned, and in January and May 2025 we purchased two additional 8,500 TEU vessels, both of which were previously chartered to us. We may purchase additional vessels, depending on market terms and conditions and on our operational needs. As a vessel owner we may incur additional costs due to maintenance and regulatory requirements, most of them described in this Item 3.D and elsewhere of this Annual Report. In addition, we may incur additional insurance costs as a result of operating our owned vessels in combat and unstable geographic zones. In addition, as vessel owners we may be exposed to higher risks due to our responsibility to the crew and operational condition of the vessel. We intend to mitigate these vessel owner liability risks by acquiring adequate insurance policy, however our insurance policy may not cover all or part of our costs. See also below “ – Our insurance may be insufficient to cover losses that may occur to our property or result from our operations”.

There are numerous risks related to the operation of any sailing vessel and our inability to successfully respond to such risks could have a material adverse effect on us.

There are numerous risks related to the operation of any sailing vessel, including dangers associated with potential marine disasters, operations in war zones, mechanical failures, collisions, lost or damaged cargo, poor weather conditions (including severe weather events resulting from climate change), the content of the load, exceptional load (including dangerous and hazardous cargo or cargo the transport of which could affect our reputation), meeting deadlines, risks of documentation, maintenance and the quality of fuel, terrorist attacks and piracy. For example, we incurred expenses of \$30.5 million in respect of claims and demands for lost and damaged cargo, vessels and war risks for the year ended December 31, 2025. Such claims are typically insured and our deductibles, both individually and in the aggregate, are typically immaterial. In addition, in the past, our vessels have been involved in collisions resulting in loss of life and property as well as weather-related events which damaged our cargo.

The occurrence of any of the aforementioned risks could have a material adverse effect on our business, financial condition, results of operations or liquidity and we may not be adequately insured against any of these risks. For more information about our insurance coverage, see the risk factor entitled “ – Our insurance may be insufficient to cover losses that may occur to our property or result from our operations.” For example, acts of piracy have historically affected oceangoing vessels trading in several regions around the world. Attacks similar to those in the Red Sea by the Houthi rebels or as a result of an escalation of war, potential acts of piracy, and acts of terrorism, continue to be a risk to the international container shipping industry that requires vigilance. Additionally, our vessels and containers may be subject to attempts by smugglers to hide drugs and other contraband onboard. If our vessels are found with contraband, whether with or without the knowledge of any of our crew, we may face governmental or other regulatory claims or penalties as well as suffer damage to our reputation, which could have an adverse effect on our business, results of operations and financial condition.

Our insurance may be insufficient to cover losses that may occur to our property or result from our operations.

The operation of any vessel includes risks such as mechanical failure, collision, fire, contact with floating objects, property loss, cargo loss or damage and business interruption due to political circumstances in foreign countries, hostilities and labor strikes. In addition, there is always an inherent possibility of a marine disaster, including oil spills and other environmental mishaps. There are also liabilities arising from owning and operating vessels in international trade. We procure insurance for our fleet in relation to risks commonly insured against by operators and vessel owners, which we believe is adequate. Our current insurance includes (i) hull and machinery insurance covering damage to our and third-party vessels' hulls and machinery from, among other things and collisions (ii) war risks insurance covering losses associated with the outbreak or escalation of hostilities and (iii) protection and indemnity insurance, entered with reputable protection and indemnity, or P&I, clubs covering, among other things, third-party and crew liabilities such as expenses resulting from the injury or death of crew members, passengers and other third parties, lost or damaged cargo, third-party claims in excess of a vessel's insured value arising from collisions with other vessels, damage to other third-party property including fixed and floating objects, in excess of a vessel's insured value and pollution arising from oil or other substances.

While all of our insurers and P&I clubs are highly reputable, we can give no assurance that we are adequately insured against all risks or that our insurers will pay a particular claim, especially with respect to war risks, the insurance cost for which has risen sharply recently as a result of the military tension and escalation in the Middle East. Even if our insurance coverage is adequate to cover our losses, we may not be able to obtain a timely replacement vessel or other equipment in the event of a loss. In addition, there are restrictions on the use of insurance proceeds we may receive from claims under our insurance policies. We may also be subject to supplementary calls, or premiums, in amounts based not only on our own claim records but also the claim records of all other members of the P&I clubs through which we receive indemnity insurance coverage. There is no cap on our liability exposure for such calls or premiums payable to our P&I clubs, even though unexpected additional premiums are usually at reasonable levels as they are distributed among a large number of ship owners. Our insurance policies also contain deductibles, limitations and exclusions which, although we believe are standard in the shipping industry, may nevertheless increase our costs. While we do not operate any tanker vessels, a catastrophic oil spill or a marine disaster could, under extreme circumstances, exceed our insurance coverage, which might have a material adverse effect on our business, financial condition and results of operations.

Any uninsured or underinsured loss could harm our business and financial condition. In addition, the insurance may be voidable by the insurers as a result of certain actions, such as vessels failing to maintain required certification. Further, we do not carry loss of hire insurance. Loss of hire insurance covers the loss of revenue during extended vessel off-hire periods, such as those that occur during an unscheduled drydocking due to damage to the vessel from accidents. Any loss of a vessel or any extended period of vessel off-hire, due to an accident or otherwise, could have an adverse effect on our business, financial condition and results of operations.

Maritime claimants could arrest our vessels, which could have a material adverse effect on our business, financial condition and results of operations.

Crew members, suppliers of goods and services to a vessel, shippers or receivers of cargo, vessel owners and lenders and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages, including, in some jurisdictions, for debts incurred by previous owners. In many jurisdictions, a maritime lienholder may enforce its lien by vessel arrest proceedings. Unless such claims are settled, vessels may be subject to foreclosure under the relevant jurisdiction's maritime court regulations. In some jurisdictions, under the "sister ship" theory of liability, a claimant may arrest both the vessel that is subject to the claimant's maritime lien and any "associated" vessel, which is any vessel owned or controlled by the same owner. Claimants could try to assert "sister ship" liability against one vessel in our fleet for claims relating to another of our vessels. The arrest or attachment of one or more of our vessels could interrupt our business or require us to pay or deposit large sums to have the arrest lifted, which could have a material adverse effect on our business, financial condition and results of operations.

Governments, including that of Israel, could requisition our vessels during a period of war or emergency, resulting in loss of earnings.

A government of the jurisdiction where one or more of our vessels are registered, as well as a government of the jurisdiction where the beneficial owner of the vessel is registered, could requisition for title or seize our vessels. Requisition for title occurs when a government takes control of a vessel and becomes its owner. A government could also requisition our vessels for hire. Requisition for hire occurs when a government takes control of a ship and effectively becomes the charterer at dictated charter rates. Requisitions generally occur during periods of war or emergency, although governments may elect to requisition vessels in other circumstances. We would expect to be entitled to compensation in the event of a requisition of one or more of our vessels; however, the amount and timing of payment, if any, would be uncertain and beyond our control. For example, our chartered-in and owned vessels, including those that do not sail under the Israeli flag, may be subject to control by Israeli authorities in order to protect the security of, or bring essential supplies and services to, the State of Israel. Government requisition of one or more of our vessels could have a material adverse effect on our business, financial condition and results of operations.

Risks related to regulation

The shipping industry is subject to extensive government regulation and standards, international treaties and trade prohibitions and sanctions.

The shipping industry is subject to extensive regulation that changes from time to time and that applies in the jurisdictions in which shipping companies are incorporated, the jurisdictions in which vessels are registered (flag states), the jurisdictions governing the ports at which vessels call, as well as regulations by virtue of international treaties and membership in international associations. As a global container shipping company, we are subject to a wide variety of international, national and local laws, regulations and agreements. As a result, we are subject to extensive government regulation and standards, customs inspections and security checks, international treaties and trade prohibitions and sanctions, including laws and regulations in each of the jurisdictions in which we operate, including those of the State of Israel, the United States, the International Safety Management Code, or the ISM Code, and the European Union. Such extensive regulation could also become more and more restrictive or less permissive from time to time, such as, for example, the OSRA enactment and the non-renewal of maritime block exemptions for operational agreements between carriers in several jurisdictions. Moreover, a few years ago the China Ministry of Transportation approached us as well as several other carriers with a request for information with respect to their customer charging practices and the reporting of such charges and variations thereof with the relevant regulator.

In recent years, several governments have adopted and are promoting additional legislation intended to provide an advantage to local and/or national shipping industry participants over foreign-based carriers. In February 2026 the U.S. Executive Office of President Trump released a “Maritime Action Plan”, which includes, among others, a proposal to impose a universal fee on foreign-built vessels from any nation entering U.S. ports. In addition, in April 2025 the U.S. Trade Representative, or USTR, published final actions that apply a fee on Chinese vessels operators and owners, Chinese built vessels and vessel operators of foreign vehicle carriers calling U.S. ports. In October 2025, days prior to the USTR entering into effect, the China Ministry of Transport, or MOT, issued a similar regulation in response to the USTR which imposes new port fees on certain U.S. affiliated vessels calling on China ports. While both USTR and the China MOT announced the suspension of all port fees collection for one year (until November 2026), if either or both regulations enforcement resume, this could have an adverse effect on our operations and financial conditions. A significant portion of the vessels we operate were built in China, and although the State of Israel holds the Special State Share in us, for so long as our ordinary shares are traded on the NYSE with more than 25% U.S. shareholders, we may be considered as a U.S. affiliated company under the suspended Chinese regulation. Therefore, if these regulations resume, we may incur substantial additional operating expenses which may not be recoverable from our customers. Similar regulatory trends exists in other jurisdictions, such as India, where a new legislative initiative includes the extension of the applicable competition block exemption for vessel sharing agreements, provided that: (i) at least 5% of the total space of the vessel sharing agreement is carried by Indian flag vessels; and (ii) at least 5% of the total space available in such vessel sharing agreement is allocated to an Indian non-vessel operating common carrier (NVOCCs) entity. In Bangladesh, legislation was passed requiring at least 50% of the sea-borne cargoes relating to foreign trade be carried by Bangladesh flag vessels. These legislative proposals and regulations, including any future similar legislation which may be adopted in other jurisdictions, may place us and other foreign carriers at a disadvantage in certain countries and adversely affect our business. For additional information, see below – “We are subject to competition and antitrust regulations in the countries where we operate, have been subject to antitrust investigations by competition authorities in the past and may be subject to antitrust investigations in the future. Moreover, we rely on applicable competition exemptions for operational agreement with other carriers, and the revocation of these exemptions could negatively affect our business and ability to conduct our business.”

Any violation or alleged violation of such laws, regulations, treaties and/or prohibitions could have a material adverse effect on our business, financial condition, results of operations and liquidity and may also result in the revocation or non-renewal of our “time-limited” licenses. Furthermore, the U.S. Department of the Treasury’s Office of Foreign Assets Control, or OFAC, administers certain laws and regulations that impose restrictions upon U.S. companies and persons and, in some contexts, foreign entities and persons, with respect to activities or transactions with certain countries, governments, entities and individuals that are the subject of such sanctions laws and regulations. Similar sanctions are imposed by the European Union and the United Nations. Under economic and trading sanction laws, governments may seek to impose modifications to business practices, and modifications to compliance programs, which may increase compliance costs, and may subject us to fines, penalties and other sanctions. For additional information, see “Item 4.B – Business Overview – Regulatory Matters.”

We are subject to competition and antitrust regulations in the countries where we operate, have been subject to antitrust investigations by competition authorities in the past and may be subject to antitrust investigations in the future. Moreover, we rely on applicable competition exemptions for operational agreement with other carriers, and the revocation of these exemptions could negatively affect our business and ability to conduct our business.

In recent years, a number of liner shipping companies, including us, have been the subject of antitrust investigations in the U.S., the EU and other jurisdictions into possible anti-competitive behavior. Although we have taken measures to fully comply with antitrust regulatory requirements and have adopted a comprehensive antitrust compliance plan, which includes, among other, mandatory periodic employee trainings, we face investigations from time to time, and, if we are found to be in violation of the applicable regulation, we could be subject to criminal, civil and monetary sanctions, as well as related legal proceedings.

We are subject to competition and antitrust regulations in each of the countries where we operate. In some of the jurisdictions in which we operate, operational partnerships among shipping companies are generally exempt from the application of antitrust laws, subject to the fulfillment of certain exemption requirements. We are a party to numerous operational partnerships and view these agreements as competitive advantages in response to the market concentration in the industry as a result of mergers and global alliances. An amendment to or a revocation of any of the exemptions for operational partnerships that we rely on could negatively affect our business and results of operations. Specifically, Commission Regulation (EC) No 906/2009, or the Consortia Block Exemption Regulation (CBER), exempted certain cooperation agreements in the liner shipping sector (such as operational cooperation agreements), from the prohibition on anti-competitive agreements contained at Article 101 of the Treaty on the Functioning of the European Union (TFEU), and expired in April 2024. Similarly, the United Kingdom’s Competition and Markets Authority (CMA) did not enact a UK block exemption that would replace the CBER following Brexit. The non-renewal of the block exemption regulation in the EU and UK may increase our legal costs, and the legal uncertainty stemming from such inaction may delay the implementation of operational cooperation agreements, thus potentially limiting our ability to enter into cooperation arrangements with other carriers. In addition, the non-renewal of the existing CBER raises concerns of a “domino effect” for the non-renewal or the shortening the effective period of similar block exemption regulations in other jurisdictions, including Israel (similarly to the UK). Any of the above could adversely affect our business, financial condition and results of operations.

During the last five years, there is an increased scrutiny and enforcement actions by governments and regulators around the world, including the FMC and the ministry of transportation in China. In the U.S., the Ocean Shipping Reform Act of 2022 (OSRA) signed into law in June 2022 mandates a series of rulemaking projects by the Federal Maritime Commission (FMC), including relating to the collection of detention and demurrage from U.S. truckers and consignees on import, which may affect our ability to effectively collect these fees from our customers, heighten the risk of civil litigation against us and adversely affect our financial results, and relating to the definition of unreasonable refusal to deal or negotiate with respect to vessel space accommodations, which may limit our ability to refuse shipments under certain circumstances due to commercial or operational considerations. Further, in January 2026 the FMC announced the launch of a non-adjudicatory investigation into alleged carrier practices and restrictions relating to chassis usage, and whether ocean common carriers are relying on service contract terms or other means to mandate that motor carriers (truckers) and shippers use the ocean common carriers’ designated chassis provider. If we are found to be in violation of the applicable regulation, we could be subject to various sanctions, including monetary sanctions.

We are also subject from time to time to civil litigation relating, directly or indirectly, to alleged anti-competitive practices and may be subject to additional investigations by other competition authorities. These types of claims, actions or investigations could continue to require significant management time and attention and could result in significant expenses as well as unfavorable outcomes which could have a material adverse effect on our business, reputation, financial condition, results of operations and liquidity. For further information, see “Item 4.B – Business Overview – Legal Proceedings” and Note 27 to our audited consolidated financial statements included elsewhere in this Annual Report.

We could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar anti-bribery laws outside of the United States.

The U.S. Foreign Corrupt Practices Act, or the FCPA, and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to government officials or other persons around the world for the purpose of obtaining or retaining business. Recent years have seen a substantial increase in anti-bribery law enforcement activity, with more frequent and aggressive investigations and enforcement proceedings by both the Department of Justice and the SEC, increased enforcement activity by non-U.S. regulators, and increases in criminal and civil proceedings brought against companies and individuals. On February 10, 2025, U.S. President Donald Trump issued an executive order and fact sheet suspending the initiation of new FCPA investigations and enforcement actions for a period of 180 days and directing the U.S. Department of Justice to review pending investigations. Future enforcement trends or policies are unpredictable. Our anti-bribery and anti-corruption compliance plan mandates compliance with these anti-bribery laws, establishes anti-bribery and anti-corruption policies and procedures, imposes mandatory training on our employees and enhances reporting and investigation procedures. We operate in many parts of the world that are recognized as having governmental and commercial corruption. We cannot assure you that our internal control policies and procedures will protect us from reckless or criminal acts committed by our employees or third party intermediaries. In the event that we believe or have reason to believe that our employees or agents have or may have violated applicable anti-corruption laws, including the FCPA, we may be required to investigate or have outside counsel investigate the relevant facts and circumstances, which can be expensive and require significant time and attention from senior management. Violations of these laws may result in criminal or civil sanctions, inability to do business with existing or future business partners (either as a result of express prohibitions or to avoid the appearance of impropriety), injunctions against future conduct, profit disgorgements, disqualifications from directly or indirectly engaging in certain types of businesses, the loss of business permits or other restrictions which could disrupt our business and have a material adverse effect on our business, financial condition, results of operations or liquidity.

Increased inspection procedures, tighter import and export controls and new security regulations could increase costs and disrupt our business.

International container shipments are subject to security and customs inspection and related procedures in countries of origin, destination, and certain transshipment points. These inspection procedures can result in cargo seizures, delays in the loading, offloading, transshipment, or delivery of containers, and the levying of customs duties, fines or other penalties against us as well as damage our reputation. Changes to existing inspection and security procedures, including as a result of political or public pressure, could impose additional financial and legal obligations on us or our customers and may, in certain cases, render the shipment of certain types of cargo uneconomical or impractical. For example, in December 2023, a criminal complaint was filed against us calling for an investigation into an alleged violation of local laws in connection with certain military cargo we carried on board at the time we arrived to the relevant jurisdiction. We cannot assess the outcome of this proceeding at this time. See Note 27 of our audited consolidated financial statements included elsewhere in this Annual Report for more information on this and other pending legal proceedings we are a party to. If, as a result of any government investigations, we are found to be in violation of the applicable regulation, we could be subject to criminal, civil and monetary sanctions. Any such changes or developments, including in our pending legal proceedings, may have a material adverse effect on our business, financial condition and results of operations.

The operation of our vessels is also affected by the requirements set forth in the International Ship and Port Facility Security Code, or the ISPS Code. The ISPS Code requires vessels to develop and maintain a ship security plan that provides security measures to address potential threats to the security of ships or port facilities. Although each of our vessels is ISPS Code-certified, any failure to comply with the ISPS Code or maintain such certifications may subject us to increased liability and may result in denial of access to, or detention in, certain ports. Furthermore, compliance with the ISPS Code requires us to incur certain costs. Although such costs have not been material to date, if new or more stringent regulations relating to the ISPS Code are adopted by the International Maritime Organization (the IMO) and the flag states, these requirements could require significant additional capital expenditures by us or otherwise increase the costs of our operations.

We are subject to environmental regulations and failure to comply with these regulations could have a material adverse effect on our business. In addition, Environmental, Social and Governance (ESG) regulation and reporting is expected to intensify in the future, which could increase our operating expenses.

Our operations are subject to international conventions and treaties, national, state and local laws and national and international regulations in force in the jurisdictions in which our vessels operate or are registered relating to the protection of the environment. Such requirements are subject to ongoing developments and amendments and relate to, among other things, the storage, handling, emission, transportation and discharge of hazardous and non-hazardous substances, such as sulfur oxides, nitrogen oxides and the use of low-sulfur fuel or shore power voltage, and the remediation of contamination and liability for damages to natural resources. We are subject to the International Convention for the Prevention of Pollution from Ships (or, MARPOL Convention, including designation of Emission Control Areas thereunder), the International Convention for the Control and Management of Ships Ballast Water & Sediments, the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea of 1996, the Oil Pollution Act of 1990, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the U.S. Clean Water Act (CWA), and National Invasive Species Act (NISA), among others. Compliance with such laws, regulations and standards, where applicable, may require the installation of costly equipment, make ship modifications or operational changes and may affect the useful lives or the resale value of our vessels.

If we fail to comply with any environmental requirements applicable to us, we could be exposed to, among other things, significant environmental liability damages, administrative and civil penalties, criminal charges or sanctions, and could result in the termination or suspension of, and substantial harm to, our operations and reputation. For example, in September 2022 we were approached by a state regulatory agency indicating to us that we did not meet the local environmental regulation and provided an initial informal assessment as to our scope of liability, and we ultimately settled this claim in 2025. See Note 27 of our audited consolidated financial statements included elsewhere in this Annual Report. Additionally, environmental laws often impose strict, joint and several liability for remediation of spills and releases of oil and hazardous substances, which could subject us to liability without regard to whether we were negligent or at fault. Under local, national and foreign laws, as well as international treaties and conventions, we could incur material liabilities, including remediation costs and natural resource damages, as well as third-party damages, personal injury and property damage claims in the event there is a release of petroleum or other hazardous substances from our vessels, or otherwise, in connection with our operations. We are required to satisfy insurance and financial responsibility requirements for potential petroleum (including marine fuel) spills and other pollution incidents. Although we have arranged insurance to cover certain environmental risks, there can be no assurance that such insurance will be sufficient to cover all such risks or that any claims will not have a material adverse effect on our business, results of operations and financial condition. Violations of, or liabilities under, environmental requirements can result in substantial penalties, fines and other sanctions, including in certain instances, seizure or detention of our vessels and events of this nature could have a material adverse effect on our business, reputation, financial condition and results of operations.

Furthermore, we are subject to limits imposed by IMO regulations on the maximum sulfur content of our fuel, as well as other GHG regulations such as the EU Emission Trade System and FuelEU Regulation. See- “Rising energy and bunker prices (including LNG) may have an adverse effect on our result of operations” and “Climate change and GHG restrictions may adversely affect our operating results.”

We may also incur additional compliance costs relating to existing or future ESG requirements, which have recently intensified and are expected to intensify in the future, and which could have a material adverse effect on our business, results of operations and financial conditions. Environmental or other incidents may result in additional regulatory initiatives, statutes or changes to existing laws that could affect our operations, require us to incur additional compliance expenses, lead to decreased availability of or more costly insurance coverage, and result in our denial of access to, or detention in, certain jurisdictional waters or ports. We may also become subject to legal mandates to disclose climate-related risks, GHG emissions data or other ESG-related information. For further information on the environmental regulations we are subject to and ESG (sustainability), see “Item 4.B – Business Overview – Regulatory matters – Environmental and other regulations in the shipping industry.”

Regulations relating to ballast water discharge may adversely affect our results of operation and financial condition.

The IMO has imposed updated guidelines for ballast water management systems specifying the maximum amount of viable organisms allowed to be discharged from a vessel’s ballast water. Depending on the date of the international oil pollution prevention, or IOPP, renewal survey, existing vessels constructed before September 8, 2017, must comply with the updated D-2 standard on or after September 8, 2019, but no later than September 9, 2024. For most vessels, compliance with the D-2 standard will involve installing on-board systems to treat ballast water and eliminate unwanted organisms (ballast water management systems). All vessels constructed on or after September 8, 2017, are required to comply with the D-2 standards. To date, all of our owned vessels are installed with on-board ballast systems, however any additional requirements may subject us to additional costs of compliance and adversely affect our results of operation and financial condition. New guidance on ballast water, which entered into effect in February 2025 and October 2025, address ballast water record keeping, approval of electronic record book systems and vessel-specific declaration requirements applicable to electronic ballast water record keeping.

We are also subject to U.S. regulations with respect to ballast water discharge. Although the 2013 Vessel General Permit (VGP) program and The National Invasive Species Act (NISA) are currently in effect to regulate ballast discharge, exchange and installation, the Vessel Incidental Discharge Act (VIDA), which was signed into law on December 4, 2018, requires that the EPA develop national standards of performance for approximately 30 discharges, similar to those found in the VGP. In October 2024, the EPA published the final standards of performance under VIDA. Pursuant to VIDA, these standards will become effective upon the U.S. Coast Guard's issuance of corresponding implementation, compliance and enforcement regulations regarding ballast water within two years of the EPA's publication of proposed rulemaking. Accordingly, all provisions of the 2013 VGP will remain in force and effect until the USCG regulations under VIDA are finalized. Furthermore, we are also subject, and may be subject in the future, to local or state ballast regulation. For example, on January 1, 2022, new ballast water management requirements entered into effect in California. State enacted requirements may include more stringent standards than the proposed requirements and standards set forth by the EPA and U.S. Coast Guard. New federal and state regulations could require the installation, or further improvement of already installed ballast management systems, or place new requirements and standards which may cause us to incur substantial costs.

Climate change and GHG restrictions may adversely affect our operating results.

Many governmental bodies have adopted, or are considering the adoption of, international, treaties, national, state and local laws, regulations and frameworks to reduce GHG emissions due to the concern about climate change. These measures in various jurisdictions include the adoption of cap and trade regimes, carbon taxes, increased efficiency standards, and incentives or mandates for renewable energy. In November 2016, the Paris Agreement, which resulted in commitments by 197 countries to reduce their GHG emissions with firm target reduction goals, came into force and could result in additional regulation on shipping. The IMO has been developing a comprehensive strategy on reduction of GHG emissions from ships. In addition, several non-governmental organizations and institutional investors have undertaken campaigns with respect to climate change, with goals to minimize or eliminate GHG emissions through a transition to a low- or zero-net carbon economy.

For example, on November 1, 2022, new amendments to the MARPOL Annex VI entered into effect and introduced new energy efficiency and CO₂ emissions requirements relating to Existing Ship Energy Index (EEXI), which is a vessel's energy efficiency rating compared to a baseline, and Operational Carbon Intensity Indicator (CII), which is a rating based on the vessel's GHG emissions relative to distance traveled and cargo carrying capacity, for both new and existing vessels. Compliance with the new regulation, which became mandatory as of January 1, 2023, involves additional costs and the implementation of optimization strategies such as slow steaming, which may increase our vessels' voyage transit times. Further, on January 1, 2024, the European Union's Emissions Trading System, or ETS, entered into effect for the maritime industry and sets a limit on the total amount of GHGs that we as a shipping company are permitted to emit en route to or from European Union members' ports. Such cap is expressed in emission allowances, where one allowance gives the right to emit one ton of carbon dioxide equivalent. Each year, we will be required to surrender enough allowances to fully account for our emissions, otherwise we will be subject to heavy fines. The ETS Regulations require us to purchase and surrender allowances equal to a percentage of our emissions that is 70% of reported emissions in 2025 and will increase to 100% of reported emissions in 2026. We have implemented a New Emission Factor, or NEF, surcharge, intended to shift the additional costs associated with compliance with the ETS Regulations to our customers.

Additionally, the new FuelEU Maritime Regulation (Regulation (EU) 2023/1805), which entered into effect in January 2025, sets requirements for the annual average GHG intensity of energy used by vessels trading within the European Union or European Economic Area. This regulation requires carriers to perform a gradual reduction in the GHG intensity of energy used by vessels at European ports from a baseline GHG intensity level derived from 2020 data, starting with a 2% reduction from the baseline by 2025 and reaching 80% by 2050. As a result, vessels will be required to shift to lower emission fuels instead of traditional marine fuels. We intend to recover the additional costs associated with this regulation by increasing the relevant bunker surcharges applied to our customers. However, there is no assurance that any of the surcharges described or the increase of applicable surcharges will enable us to mitigate the possible increased costs, in full or at all. The IMO 2020, ETS, the FuelEU Regulations or any additional air emissions or bunker regulation with which we must comply may cause us to incur substantial additional operating costs. See – "Regulatory Matters – European Union requirements."

Compliance with laws, regulations and obligations relating to climate change, including as a result of such international negotiations, as well as the efforts by non-governmental organizations and investors, could increase our costs related to operating and maintaining our vessels and require us to install new emission controls, acquire allowances or pay taxes related to our GHG emissions, or administer and manage a GHG emissions program. Revenue generation and strategic growth opportunities may also be adversely affected.

Compliance with safety and other requirements imposed by classification societies may be very costly and may adversely affect our business.

The hull and machinery of every commercial vessel must be classed by a classification society. The classification society certifies that the vessel has been built, maintained and repaired, when necessary, in accordance with the applicable rules and regulations of the classification society. Moreover, every vessel must comply with all applicable international conventions and the regulations of the vessel's flag state as verified by a classification society as well as the regulations of the beneficial owner's country of registration. Finally, each vessel must successfully undergo periodic surveys, including annual, intermediate and special surveys, which may result in recommendations or requirements to undertake certain repairs or upgrades. Currently, all our vessels have the required certifications. However, maintaining class certification could require us to incur significant costs. If any of our owned and certain of our chartered-in vessels does not maintain its class certification, it might lose its insurance coverage and be unable to trade, and we will be in breach of relevant covenants under our financing arrangements, in relation to both failing to maintain the class certification as well as having effective insurance. Failure to maintain the class certification of one or more of our vessels could have, under extreme circumstances, a material adverse effect on our financial condition, results of operations and liquidity.

Changes in tax laws, tax treaties as well as judgments and estimates used in the determination of tax-related asset (liability) and income (expense) amounts, could materially adversely affect our business, financial condition and results of operations.

We operate in various jurisdictions and may be subject to the tax regimes and related obligations in the jurisdictions in which we operate or do business. Changes in tax laws, bilateral double tax treaties, regulations and interpretations could adversely affect our financial results. The tax rules of the various jurisdictions in which we operate or conduct business often are complex, involve bilateral double tax treaties and are subject to varying interpretations. Specifically, Pillar Two rules, which were introduced in December 2022 by the OECD and are substantially in effect since January 1, 2024 in some of the jurisdictions in which we operate, are intended to ensure that large multinational enterprises (MNEs) pay a minimum level of tax on the income arising in each such jurisdiction. While Pillar Two model rules are not intended to be applied to international shipping income, they may apply to other sources of our income. While we do not expect any potential exposure to Pillar Two taxes, we may be subject to additional and/or higher tax payments as a result of this regulation, whether due to any amendment or due to the absence of applicable safe harbor exemptions to us and/or our subsidiaries.

Tax authorities may challenge tax positions that we take or historically have taken, may assess taxes where we have not made tax filings, or may audit the tax filings we have made and assess additional taxes. Such assessments, either individually or in the aggregate, could be substantial and could involve the imposition of penalties and interest. For such assessments, from time to time, we use external advisors. In addition, governments could impose new taxes on us or increase the rates at which we are taxed in the future. The payment of substantial additional taxes, penalties or interest resulting from tax assessments, or the imposition of any new taxes, could materially and adversely impact our results, financial condition and liquidity. Additionally, our provision for income taxes and reporting of tax-related assets and liabilities require significant judgments and the use of estimates. Amounts of tax-related assets and liabilities involve judgments and estimates of the timing and probability of recognition of income, deductions and tax credits. Actual income taxes could vary significantly from estimated amounts due to the future impacts of, among other things, changes in tax laws, regulations and interpretations, our financial condition and results of operations, as well as the resolution of any audit issues raised by taxing authorities.

Risks related to our financial position and results

If we are unable to generate sufficient cash flows from our operations, our liquidity will suffer and we may be unable to satisfy our obligations and operational needs.

Our ability to generate cash flow from operations to cover our operational costs and to make payments in respect of our obligations, financial liabilities (mainly lease liabilities) and operational needs will depend on our future performance, which will be affected by a range of economic, competitive and business factors. We cannot control many of these factors, including general economic conditions and the health of the shipping industry. If we are unable to generate sufficient cash flow from operations to satisfy our obligations, liabilities and operational needs, we may need to borrow funds or undertake alternative financing plans, or to reduce or delay capital investments and other costs. It may be difficult for us to incur additional debt on commercially reasonable terms due to, among other things, our financial position and results of operations and market conditions. Specifically, we have incurred substantial debt as part of our strategy to renew and improve our fleet by long-term chartering newbuild vessels, including TEU LNG fueled vessels, and we have entered into chartering agreements for additional vessels, ten of which are LNG fuelled, and which are expected to be delivered in 2027-2028, and we may incur substantial debt in the future if we purchase or long-term charter additional vessels. Although as of December 31, 2025, our cash position was strong with liquidity of \$2.8 billion, our potential inability to generate sufficient cash flows from operations or obtain additional funds or alternative financing on acceptable terms could have a material adverse effect on our business.

Volatile market conditions could negatively affect our business, financial position, or results of operations and could thereby result in impairment charges.

As of the end of each of our reporting periods, we examine whether there have been any events or changes in circumstances, such as a deterioration of general economic or market conditions, which may indicate an impairment. When there are indications of an impairment, an examination is made as to whether the carrying amount of the operating assets or cash generating units, or CGUs, exceeds their respective recoverable amount and, if necessary, an impairment loss is recognized in our financial statements.

We recognized a partial impairment reversal of approximately of \$137 million for the year ended December 31, 2025. We did not recognize any impairment loss (or reversal) for the year ended December 31, 2024. We recognized an impairment loss of approximately \$2.1 billion in the third quarter of 2023. With respect to the impairment analysis carried out during the years ended December 31, 2025, December 31, 2024 and December 31, 2023, see Note 7 to our audited consolidated financial statements included elsewhere in this Annual Report. We cannot assure that we will not recognize additional impairment losses in future years. If an impairment loss is recognized, our results of operations will be negatively affected. Should freight rates decline significantly or we or the shipping industry experience adverse conditions, this may have a material adverse effect on our business, results of operations and financial condition, which may result in us recording an impairment charge.

Foreign exchange rate fluctuations and controls could have a material adverse effect on our earnings and the strength of our balance sheet.

Since we generate revenues in a number of geographic regions across the globe, we are exposed to operations and transactions in other currencies. A material portion of our expenses are denominated in local currencies other than the U.S. dollar. Most of our revenues and a significant portion of our expenses are denominated in the U.S. dollar, creating a partial natural hedge. To the extent other currencies increase in value relative to the U.S. dollar, our margins may be adversely affected. Foreign exchange rates may also impact trade between countries as fluctuations in currencies may impact the value of goods as between two trading countries. Where possible, we endeavor to match our foreign currency revenues and costs to achieve a natural hedge against foreign exchange and transaction risks, although there can be no assurance that these measures will be effective in the management of these risks. Consequently, short-term or long-term exchange rate movements or controls may have a material adverse effect on our business, financial condition, results of operations and liquidity. In addition, foreign exchange controls in countries in which we operate may limit our ability to repatriate funds from foreign affiliates or otherwise convert local currencies into U.S. dollars.

Our operating results may be subject to seasonal fluctuations.

The markets in which we operate have historically exhibited seasonal variations in demand and, as a result, freight rates have also historically exhibited seasonal variations. This seasonality can have an adverse effect on our business and results of operations. As global trends that affect the shipping industry have changed rapidly in recent years, it remains difficult to predict these trends and the extent to which seasonality will be a factor affecting our results of operations in the future. See “Item 5 - Operating and Financial Review and Prospects — Factors affecting comparability of financial position and results of operations – Seasonality.”

Risks related to our operations in Israel

We are incorporated and based in Israel and, therefore, our results may be adversely affected by political, economic and military instability in Israel and the Middle East. Specifically, the current military tensions between the U.S. and Iran, Israel and Iran and Iranian-backed proxies as well as the military tensions between Israel and Hamas after the ceasefire in October 2025 may adversely affect our business.

We are incorporated and our headquarters are located in Israel and the majority of our key employees, officers and directors are residents of Israel. Additionally, the terms of the Special State Share require us to maintain our headquarters and to be incorporated in Israel, and to have our chairman, chief executive officer and a majority of our board members be Israeli. As an Israeli company, we have relatively high exposure, compared to many of our competitors, to war, acts of terror, hostile activities including cyber-attacks, security limitations imposed upon Israeli organizations overseas, possible isolation by various organizations and institutions for political reasons and other limitations (such as restrictions against entering certain ports). Political, economic and military conditions in Israel may directly affect our business, our service routes and port of calls and existing relationships with certain foreign corporations, as well as affect the willingness of potential partners to enter into business arrangements with us.

Our commercial insurance does not cover losses that may occur as a result of an event associated with the security situation in the Middle East, and we may not be able to obtain adequate insurance if events escalate further. The Israeli government currently provides compensation only for physical property damage caused by terrorist attacks or acts of war, based on the difference between the asset value before the attack and immediately after the attack or on any cost of repairing the damage, whichever is lower, but we cannot assure that this coverage will be maintained or that it will sufficiently cover any of our potential damages. Any losses or damages incurred by us could have a material adverse effect on our business. Further, due to the Israel-Hamas war, a special war risk insurance premium was levied on our owned and chartered vessels calling Israel's territorial water and ports. We have applied a war surcharge on our customers in an attempt to offset the cost associated with the payment of this war risk insurance premium; however, there is no assurance that this surcharge will enable us to mitigate the possible increased costs in full or at all.

Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel, its neighboring countries and terror organizations which are today considered to be mostly backed by Iran. Terrorist activity and acts of violence were perpetrated against Israel since its establishment, including from its northern border, Gaza, West Bank and East Jerusalem. On October 7, 2023, Hamas terrorists launched a surprise attack and invaded southern Israel from Gaza under the cover of a barrage of missiles launched into southern Israel, targeting the Israeli civilian population and local military forces, and taking hostages into the Gaza strip. In response to this assault, Israel declared war on Hamas and the Israeli Defense Force invaded the Gaza strip. In October 2025 Israel and Hamas agreed to a U.S. brokered ceasefire and a hostage release exchange, to form the first phase of a broader peace initiative advanced by the U.S. President Donald Trump.

During the two-year Israel-Hamas war, other terror organizations such as Hezbollah in Lebanon and the Houthis in Yemen, both backed by Iran, have launched missile and drone attacks against Israel as part of what they have referred to as "axis of resistance" and in support of Gaza. Further, in Yemen, the Houthis have attacked vessels in the Red Sea suspected by them to be either linked to Israel or to call Israeli ports. The situation remains volatile and unpredictable. Israel has also carried out four rounds of air strikes against the Houthis in retaliation for the drones and missiles attacks. In September 2024 Israel retaliated against Hezbollah by targeting and killing many members of the Hezbollah's senior leadership and launched a ground invasion to south of Lebanon to dismantle terror tunnels and military equipment used by Hezbollah to target Israeli towns on its northern border. Though Israel and Hezbollah declared a ceasefire in November 2024, military tensions erupted again in March 2026.

Iran is cultivating a strategy dedicated to annihilating the State of Israel through proxy militia groups across the Middle East and is believed to have strong influence over the terror organizations known as Hamas in Gaza, Hezbollah in Lebanon, Houthis in Yemen and pro-Iranian militia groups in Iraq. Furthermore, Iran is believed to be in advanced stages of obtaining nuclear weapon capabilities, which if completed, will pose a direct threat against the State of Israel, Europe, and the U.S. Iran attacked Israel twice, in April and October 2024, by launching a barrage of hundreds of missiles and drones towards Israel's territory each time. The attacks were mostly intercepted, and in October 2024 Israel retaliated by launching air strikes against various military and strategic sites in Iran. In June 2025, Israel launched a military campaign "Rising Lion", targeting Iran's rapidly advancing nuclear weapons program, ballistic missile program and related military infrastructure assessed to be posing an imminent and existential threat. The campaign ended with U.S. military operation "Midnight Hammer" which included the bombing of Iran's primary nuclear facility. Tensions between the U.S., Israel and Iran continued, and on February 28, 2026, the U.S. and Israel launched another campaign of attacks. The full outcome of this new military campaign, which included the killing of the second Supreme Leader of Iran, Ayatollah Ali Khamenei, is not yet fully known, and could have an adverse impacts on our ongoing operations in the region, as well as our results of operations.

Political uprisings, social unrest and violence in the Middle East and North Africa, including Egypt, have affected and continue to affect the political stability of those countries and the Middle East as a whole. In December 2024, groups of rebel militia succeeded in toppling down Bashar al-Assad's regime in Syria, which was backed by Iran. The rebels are led by Hay'at Tahrir al-Sham, a radical Islamist group initially aligned with the terrorist groups Al Qaida and the Islamic State (ISIS), which poses a threat against Israel and Israel's northern-east border. Moreover, Turkey, who declared a boycott on trade with Israel following the outbreak of the war in Gaza, is considered to have considerable influence in Syria after the change of regime, which may increase the risk of future confrontation with Israel.

This instability, especially the recent conflicts, has raised concerns regarding security in the region and the potential for further escalated armed conflicts. In addition, during 2024, multiple rating agencies downgraded Israel's credit rating but since then have elevated Israel's outlook from negative to stable, while risks of increased interest rates, recession, currency fluctuations, inflation, securities market volatility and uncertainty as to the scope of future investments in Israel remain.

The escalation of the war, the actual or perceived breach of the recently announced ceasefires between Israel and Hamas or Hezbollah, any new armed conflicts or hostilities in Israel or neighboring countries or a direct military war between Israel and Iran could increase the disruptions in our operations, including significant employee absences, failure of our information technology systems and cyber-attacks, which may lead to the shutdown of our headquarters in Israel for an unknown period of time. Although we maintain an emergency plan, such events can have material effects on our operational activities. Any future deterioration in the security or geopolitical conditions in Israel or the Middle East could adversely impact our business relationships and thereby have a material adverse effect on our business, financial condition, results of operations or liquidity. If our facilities, including our headquarters, become temporarily or permanently disabled by an act of terrorism or war, it may be necessary for us to develop alternative infrastructure and we may not be able to avoid service interruptions. Additionally, our owned and chartered-in vessels, including those vessels that do not sail under the Israeli flag, may be subject to control by the authorities of the State of Israel in order to protect the security of, or bring essential supplies and services to, the State of Israel. Israeli legislation also allows the State of Israel to use our vessels in times of emergency. Any of the aforementioned factors may negatively affect us and our results of operations.

Moreover, following the terror attack by Hamas on October 7, 2023, protests in support of Palestinians and Hamas and against Israel have erupted in the Middle East and western countries, including the U.S. Israel has since been target of sanctions and other legal actions, and arrest warrants have been brought against its leaders and its citizens before the International Criminal Court (ICC) in the Hague. Anti-Israel demonstrations and attacks against Israelis and Jewish communities have increased dramatically across the globe. The increased negative public opinion against Israel across the world may cause countries, corporations and organizations to limit their business activities with Israeli-linked businesses or deter them from expanding existing engagements. Our status as an Israeli company may limit our ability to cross the Suez Canal given the threat of Houthi attacks, call certain ports and enter into alliances or operational partnerships with certain shipping companies, which has historically adversely affected our operations and our ability to compete effectively within certain trades.

The war in Israel and the Middle East follows a period of internal civil controversy and protest in Israel over a judicial reform proposal introduced by the Israeli government in January 2023. The judicial reform has sparked a significant backlash both inside and outside of Israel, led to civil protest and raised economic concerns, and was challenged by an appeal made to the Israeli supreme court. In January 2024, the Israeli Supreme Court ruled that the portion of the judicial reform previously legislated by the Israeli parliament, the Knesset, in an attempt to limit judicial review of government actions, is stricken down as unconstitutional. Tensions between the judiciary, legislative and executive branches ensue, and new attempts to relaunch the judicial reform by government officials or parliament members may reignite the internal civil protest and escalate economic concerns.

Further, our operations could be disrupted by the obligations of personnel to perform military service. As of December 31, 2025, we had approximately 820 employees based in Israel, certain of whom are currently called upon for military service duty due to the war for an unlimited period, and more may be called in the future if the war continues or in other emergency circumstances. Further, some of our employees are called upon to perform several weeks of annual military reserve duty until they reach the age qualifying them for an exemption (generally 40 for men who are not officers or do not have specified military professions, although recently the Israeli government published a possible plan to extend military reserve service duty to the age of 46). Our operations could be disrupted by the absence of a significant number of employees related to military service, which could materially adversely affect our business and operations.

Our risks associated with our Israeli affiliation may enhance and further increase other risk factors detailed in this Annual Report.

Provisions of Israeli law and our articles of association may delay, prevent or otherwise impede a merger with, or an acquisition of, our company, even when the terms of such a transaction are favorable to us and our shareholders.

Israeli corporate law regulates mergers, requires tender offers for acquisitions of shares above specified thresholds, requires special approvals for transactions involving directors, officers or significant shareholders and regulates other matters that may be relevant to such types of transactions. For example, a tender offer for all of a company's issued and outstanding shares can only be completed if shares constituting less than 5% of the issued share capital are not tendered. Completion of a full tender offer also requires acceptance by a majority of the offerees that do not have a personal interest in the tender offer, unless less than 2% of the company's outstanding shares are not tendered. Furthermore, the shareholders, including those who indicated their acceptance of the tender offer (unless the acquirer stipulated in its tender offer that a shareholder that accepts the offer may not seek appraisal rights), may, at any time within six months following the completion of the full tender offer, petition an Israeli court to alter the consideration for the shares. In addition, special tender offer requirements may also apply upon a purchaser becoming a holder of 25% or more of the voting rights in a company (if there is no other shareholder of the company holding 25% or more of the voting rights in the company) or upon a purchaser becoming a holder of more than 45% of the voting rights in the company (if there is no other shareholder of the company who holds more than 45% of the voting rights in the company). These provisions of Israeli law could have the effect of delaying or preventing a change in control in us or obstructing or impeding a third party from acquiring us or some of our shareholders from electing individuals to our board of directors, even if doing so would be considered beneficial by some of our shareholders, and may limit the price that investors are willing to pay for our ordinary shares. Notwithstanding the foregoing, we have recently entered into a merger agreement with Hapag-Lloyd AG for the purchase of all our ordinary shares against cash. The closing of this Merger Agreement is subject to various conditions, including the required approvals under Israeli law and the Special State Share. For further information, see Item 10.C "Material Contracts - Entry Into Agreement and Plan of Merger with Hapag-Lloyd AG".

Furthermore, Israeli tax considerations may make potential transactions unappealing to us or to our shareholders whose country of residence does not have a tax treaty with Israel exempting such shareholders from Israeli tax. For example, Israeli tax law does not generally recognize tax-free share exchanges to the same extent as U.S. tax law. With respect to mergers involving an exchange of shares, Israeli tax law may allow for tax deferral under certain circumstances but makes the deferral contingent on the fulfillment of a number of conditions, including, in some cases, a holding period of two years from the date of the transaction during which sales and dispositions of shares of the participating companies are subject to certain restrictions. Moreover, with respect to certain share swap transactions in which the sellers receive shares in the acquiring entity that are publicly traded on a stock exchange, the tax deferral is limited in time, and when such time expires, the tax becomes payable even if no disposition of such shares has occurred. In order to benefit from the tax deferral, a pre-ruling from the Israel Tax Authority might be required.

It may be difficult to enforce a judgment of a U.S. court against us, our officers and directors or the Israeli experts named in this Annual Report in Israel or the United States, to assert U.S. securities laws claims in Israel or to serve process on our officers and directors and these experts.

We are incorporated in Israel. The majority of our directors and executive officers, and the Israeli experts listed in this Annual Report reside outside of the United States, and most of our assets and most of the assets of these persons are located outside of the United States. Therefore, a judgment obtained against us, or any of these persons, including a judgment based on the civil liability provisions of the U.S. federal securities laws, may not be collectible in the United States and may not be enforced by an Israeli court. It may also be difficult to effect service of process on these persons in the United States or to assert U.S. securities law claims in original actions instituted in Israel. Israeli courts may refuse to hear a claim based on an alleged violation of U.S. securities laws reasoning that Israel is not the most appropriate forum in which to bring such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proven as a fact by expert witnesses, which can be a time consuming and costly process. Certain matters of procedure will also be governed by Israeli law. There is little binding case law in Israel that addresses the matters described above. As a result of the difficulty associated with enforcing a judgment against us in Israel, you may not be able to collect any damages awarded by either a U.S. or foreign court.

Our articles of association provide a choice of forum provision that may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable.

Our articles of association provide that unless we consent in writing to the selection of an alternative forum, and other than with respect to plaintiffs or a class of plaintiffs which may be entitled to assert in the courts of the State of Israel, with respect to any causes of action arising under the Securities Act or the Exchange Act, the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act or the Exchange Act. Our articles of association further provide that unless we consent in writing to the selection of an alternative forum, the Haifa District Court will be the exclusive forum for the following: (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees, to us or to our shareholders, or (iii) any action asserting a claim arising pursuant to any provision of the Israeli Companies Law 5759-1999 (the "Companies Law") or the Israeli Securities Law of 1968.

This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. While the validity of choice of forum provisions has been upheld under the law of certain jurisdictions, uncertainty remains as to whether our choice of forum provision will be recognized by all jurisdictions, including by courts in Israel. If a court were to find either choice of forum provision contained in our articles of association to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our results of operations and financial condition.

Your rights and responsibilities as a shareholder are governed by Israeli law, which differs in some material respects from the rights and responsibilities of shareholders of U.S. companies.

We are incorporated in Israel. The rights and responsibilities of the holders of our ordinary shares are governed by our articles of association and by the Israeli law. These rights and responsibilities differ in some material respects from the rights and responsibilities of shareholders in U.S.-based corporations. In particular, a shareholder of an Israeli company has a duty to act in good faith and in a customary manner in exercising its rights and performing its obligations towards the company and other shareholders, and to refrain from abusing its power in the company, including, among other things, in voting at a general meeting of shareholders on matters such as amendments to a company's articles of association, increases in a company's authorized share capital, mergers and acquisitions and related party transactions requiring shareholder approval. In addition, a controlling shareholder, a shareholder who is aware that it possesses the power to determine the outcome of a shareholder vote or to appoint or prevent the appointment of a director or executive officer in the company has a duty of fairness toward the company. There is limited case law available to assist us in understanding the nature of this duty or the implications of these provisions. These provisions may be interpreted to impose additional obligations and liabilities on holders of our ordinary shares that are not typically imposed on shareholders of U.S. corporations.

Our business could be negatively affected as a result of actions of activist shareholders and/or class action filings, which could impact the trading value of our securities.

In recent years, certain Israeli issuers listed on United States exchanges have been faced with governance-related demands from activist shareholders, unsolicited tender offers and proxy contests. We faced such demands in our last annual general meeting of shareholders held on January 2, 2026, at which certain activist shareholders demanded the appointment of three directors proposed by them. This led to a proxy contest between such shareholders and our Board of Directors that included the publication of position statements and delayed our annual general meeting. This contest resulted in a settlement pursuant to which two of the proposed director nominees were recommended for election by our Board and were elected as directors of the Company, and the third director nominee proposed by our activist shareholders was appointed as an observer to our Board. See also Item 10.C "Material Contracts – Letter of Agreements by a shareholder activist group". Responding to these types of actions by activist shareholders was and could be time-consuming, disrupt our operations, divert the attention of our Board of Directors, management and employees and interfere with our ability to execute our strategic plan. In recent years, we have also seen a significant rise in the filing of class actions in Israel against public companies, as well as derivative actions against companies, their executives and board members. While the vast majority of such claims are dismissed, companies are forced to increasingly invest resources, including monetary expenses and investment of management attention due to these claims. This could adversely affect the willingness of our executives and board members to make decisions which could have benefitted our business operations. Such legal actions could also be taken with respect to the validity or reasonableness of the decisions of our Board of Directors. In addition, the rise in the number and magnitude of litigation could result in a deterioration of the level of coverage of our D&O liability insurance.

Any perceived uncertainties as to our future direction and control, our ability to execute on our strategy, or changes to the composition of our Board of Directors or senior management team that may arise from future proposals from shareholders could lead to instability which may be exploited by our competitors, result in the loss of potential business opportunities, and make it more difficult to pursue our strategic initiatives or attract and retain qualified personnel and business partners, any of which could have an adverse effect, which may be material, on our business and operating results. In addition, actions such as those described above could cause significant fluctuations in the trading prices of our ordinary shares based on temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business.

General risk factors

We face cyber-security risks.

Our business operations rely upon secure information technology systems for data processing, storage and reporting. As a result, we maintain information security policies and procedures for managing our information technology systems. Despite security and controls design, implementation and updates, our information technology systems may be subject to cyber-attacks, including, network, system, application and data breaches. A number of companies around the world, including in our industry, have been the subject of cyber-security attacks in recent years. For example, one of our peers experienced a major cyber-attack on its IT systems in 2017, which impacted such company's operations in its transport and logistics businesses and resulted in significant financial loss. As an Israeli company, we are a potential target for a cyber-attack, as cyber-attacks against Israeli entities have increased following the outbreak of war between Israel and Hamas. Other Israeli companies are facing cyber-attack campaigns, and it is believed the attackers may be from hostile countries. Cyber-attacks are becoming increasingly common and more sophisticated, and may be perpetrated by computer hackers, cyber-terrorists or others engaged in corporate espionage.

Cyber-security attacks could include malicious software (malware), attempts to gain unauthorized access to data, social media hacks and leaks, ransomware attacks and other electronic security breaches of our information technology systems as well as the information technology systems of our customers and other service providers that could lead to disruptions in critical systems, unauthorized release, misappropriation, corruption or loss of data or confidential information, and breach of protected data belonging to third parties. In addition, following the COVID-19 pandemic, we have reduced our staffing in our offices and increased our reliance on remote access of our employees. We have taken measures to enable us to face cyber-security threats, including backup and recovery and backup measures, as well as cyber security awareness trainings and annual company-wide cyber preparedness drills. However, there is no assurance that these measures will be successful in coping with cyber-security threats, as these develop rapidly, and we may be affected by and become unable to respond to such developments. A cyber-security breach, whether as a result of malicious, political, competitive or other motives, may result in operational disruptions, information misappropriation or breach of privacy laws, including the European Union's General Data Protection Regulation and other similar regulations, which could result in reputational damage and have a material adverse effect on our business, financial condition and results of operation.

We face risks relating to our information technology and communication system.

Our information technology and communication system supports all of our businesses processes throughout the supply chain, including our customer service and marketing teams, business intelligence analysts, logistics team and financial reporting functions. Our two main data centers are located in Europe. Each data center can back up the other one.

Additionally, our information systems and infrastructure could be physically damaged by events such as fires, terrorist attacks and unauthorized access to our servers and infrastructure, as well as the unauthorized entrance into our information systems. Furthermore, we communicate with our customers through an ecommerce platform. Our ecommerce platform was developed and is run by third-party service providers over which we have no management control. A potential failure of our computer systems or a failure of our third-party ecommerce platform providers to satisfy their contractual service level commitments to us may have a material adverse effect on our business, financial condition and results of operation. Our efforts to modernize and digitize our operations and communications with our customers further increase our dependency on information technology systems, which exacerbates the risks we could face if these systems malfunction.

We are subject to data privacy laws, including the European Union's General Data Protection Regulation, and any failure by us to comply could result in proceedings or actions against us and subject us to significant fines, penalties, judgments and negative publicity.

We are subject to numerous data privacy laws, including Israeli privacy laws and the European Union's General Data Protection Regulation (2016/679), or the GDPR, which relates to the collection, use, retention, security, processing and transfer of personally identifiable information about our customers and employees in the countries where we operate. We have also been certified as compliant with ISO27001 in Israel (information security management standard) and ISO27701(extension to the information security management standard).

The EU data protection regime expands the scope of the EU data protection law to all companies processing data of EEA individuals, imposes a stringent data protection compliance regime, including administrative fines of up to the greater of 4% of worldwide turnover or €20 million (as well as the right to compensation for financial or non-financial damages claimed by any individuals), and includes new data subject rights such as the "portability" of personal data. Although we are generally a business that serves other businesses (B2B), we still process and obtain certain personal information relating to individuals, and any failure by us to comply with the GDPR or other data privacy laws where applicable could result in proceedings or actions against us, which could subject us to significant fines, penalties, judgments and negative publicity.

In addition, the new amendment to the Israeli Privacy Protection Law of 1981, entered into effect in August 2025, expands the legal obligations of controllers and processors of personal data, and enables the Israeli Privacy Protection Authority to enforce such obligations and to impose administrative sanctions, including monetary sanctions and, in certain circumstances, initiate criminal prosecution. The amendment further modifies and expands certain legal requirements for the protection of personal information of data subjects, and, among other things, mandates certain organizations to appoint a designated data protection officer, to oversee privacy compliance. If we are found to be in violation with this new regulation once in effect, we could be subject to enforcement actions, including negative publicity, which could adversely affect our business, financial condition and results of operations.

Our use of artificial intelligence technology, internally and in our offerings, may not be successful and may result in operational challenges, legal liability, reputational concerns and privacy and competitive risks.

We currently use and intend to leverage third parties' artificial intelligence, or AI, applications in several of our internal processes, and the services we provide. Also, in 2024 we launched an inhouse AI development center aimed to develop, implement and improve new and automated working processes for the benefit of our customers. As this technology is becoming more prevalent, we expect to expand our use of AI in various areas of our business. Our use of AI may result in operational challenges, legal liability, reputational concerns, and privacy and competitive risks, which could result in adverse effects on our financial condition, results of operations, or reputation. For example, the models underlying our AI-powered solutions may be incorrectly or inadequately designed or implemented. They may also be trained on, or otherwise use, biased, incomplete, inaccurate, misleading, or poor-quality data or algorithms, any of which may not be easily detectable. Further, the use of generative AI processes at scale is relatively new and may lead to challenges, concerns and risks that are significant or that we may not be able to predict, especially if our use of such technologies in the development or delivery of our products or services becomes more important to our operations over time. Accordingly, our use of AI-powered solutions may inadvertently reduce our effectiveness and efficiency or generate unintentional or unexpected outputs (including any AI-generated content, analyses, or recommendations) that are, or are perceived to be, biased, incomplete, inaccurate, misleading, poor-quality, unethical, or otherwise deficient or flawed, do not match our business goals, standards, or values, do not comply with our policies or procedures, harm our brand and reputation, negatively impact consumers or otherwise interfere with the performance of our business. Further, our competitors or other third parties may incorporate AI into their business or operations more quickly or more successfully than us, which could impair our ability to compete effectively.

We may not have adequate rights to use the data on which our AI-powered solutions rely. To the extent that we do not have sufficient rights to use the data used in, or produced by, the AI-powered solutions employed in our business and operations, we may be subject to litigation by the owners of the content or other materials that comprise such data. Further, any content or other output created by us using AI-powered solutions may not be subject to copyright protection, which may adversely affect our ability to commercialize or use, or the validity or enforceability of any intellectual property rights in, such content or other output. In addition, AI technology may present new vulnerabilities of our business to cyber threats, as they serve additional means and methods to facilitate attacks by bad actors, that can easily access generative AI to create such threats. The use of AI by other companies has resulted in, and our use of AI may in the future result in, cyber-attacks, cybersecurity breaches, service outages or other similar incidents, including those that implicate the confidential and personal information of users of AI-powered solutions. If any of our employees, contractors, third-party providers or other third parties with whom we partner input confidential or personal information while using any third-party AI-powered solution in connection with our business or the products, solutions and services they provide to us, such practice may lead to the inadvertent disclosure of such confidential or personal information, which may impact our ability to realize the benefit of, or adequately obtain, maintain, protect, defend, and enforce our intellectual property in, such information or otherwise harm our competitive position, reputation or business. Any of the foregoing could adversely affect our reputation and expose us to legal liability or regulatory risks, including with respect to third-party intellectual property or privacy, publicity, contractual or other rights.

Regulation of AI is rapidly evolving worldwide as legislatures and regulators are increasingly focusing on these emerging technologies. For example, the European Union's Artificial Intelligence Act (the "AI Act"), which entered into force on August 1, 2024, establishes, among other things, a risk-based governance framework for regulating AI systems operating in the EU. This framework categorizes AI systems, based on the risks associated with such AI systems' intended purposes, as creating unacceptable or high risks, with all other AI systems being considered limited or low risk. There is a risk that our current or future AI-powered solutions may obligate us to comply with the applicable requirements of the AI Act, which may impose additional costs on us, increase our risk of liability and fines or otherwise adversely affect our business, results of operations, financial condition and future prospects.

Further, in the EU, we are subject to the GDPR, which regulates our use of personal data for automated decision-making that results in a legal or similarly significant effect on an individual, and provides rights to individuals in respect of that automated decision-making. Recent case law from the Court of Justice of the European Union has taken an expansive view of the scope of the GDPR's requirements around automated decision-making and introduced uncertainty in the interpretation of these rules. The legal obligations in this area may affect our use of AI and our ability to provide, improve or commercialize our solutions, products and services may require additional compliance measures and changes to our operations and processes, and result in increased compliance costs and potential increases in civil claims against us, any of which could adversely affect our business, results of operations, financial condition and future prospects. See “—We are subject to data privacy laws, including the European Union's General Data Protection Regulation, and any failure by us to comply could result in proceedings or actions against us and subject us to significant fines, penalties, judgments and negative publicity.”

It is possible that new laws and regulations will be adopted in Israel and other jurisdictions, or that existing laws and regulations may be interpreted in ways that could affect our use and provision of AI in our products, services, business and operations generally. We may not be able to adequately anticipate or respond to these evolving laws and regulations, and we may need to expend additional resources to adjust our products, solutions and services in certain jurisdictions if applicable legal frameworks are inconsistent across jurisdictions. The cost to comply with such laws or regulations could be significant and may increase our operating expenses, and we could incur liability resulting from the violation of applicable laws and regulations as well as contracts to which we are a party or civil claims.

Further, public and regulatory focus on ethical use and privacy and cybersecurity concerns regarding AI could lead to reputational damage if we fail, or are perceived to fail, to align with societal expectations or regulatory standards relating to the use of AI. Such scrutiny may result in financial or other penalties and may also erode customer trust, which is crucial for our long-term success. Although we have taken, and continue to take, steps designed to mitigate the risks associated with the use of AI in our business and operations, including, among other things, engaging with regulatory bodies, investing in compliance infrastructure and the adoption of relevant procedures, requiring human involvement in the training and monitoring of our AI-powered solutions, aligning our AI development policies and procedures with guidelines for secure development practices, and fostering transparent and ethical use of AI in our products, solutions and services, our use of AI may present ethical, reputational, technical, operational, legal, competitive and regulatory risks, any of which could adversely affect our business, financial condition and results of operations. Furthermore, the technologies underlying AI are complex and rapidly developing and, as a result, it is not possible to predict all of such risks related to our current or future use of AI. We expect our use of AI will require additional resources, including the incurrence of additional costs, to develop and maintain our products and services to minimize potentially harmful or unintended consequences, to comply with applicable and emerging laws and regulations, to maintain or extend our competitive position, and to address any ethical, reputational, technical, operational, legal, competitive or regulatory issues which may arise as a result of any of the foregoing.

Labor shortages or disruptions could have an adverse effect on our business and reputation.

We employ, directly and indirectly, approximately 6,785 employees around the globe (including contract workers) as of December 31, 2025. We, our subsidiaries, and the independent agencies with which we have agreements could experience strikes, industrial unrest or work stoppages. Several of our employees are members of unions. In recent years, we have experienced labor interruptions as a result of disagreements between management and unionized employees and have entered into collective bargaining agreements addressing certain of these concerns. Furthermore, we have experienced labor interruptions as a result of disagreements with our unionized employees following the entry into the Merger Agreement with Hapag-Lloyd AG and see “Risk factors related to the Merger Agreement with Hapag-Lloyd AG”. If disagreements arise or accelerate and are not resolved in a timely and cost-effective manner, such labor conflicts could have a material adverse effect on our business and reputation. Disputes with our unionized employees may result in work stoppage, strikes and time-consuming litigation. Our collective bargaining agreements include termination procedures which affect our managerial flexibility with re-organization procedures and termination procedures. In addition, our collective bargaining agreements affect our financial liabilities towards employees, including because of pension liabilities or other compensation terms.

We incur increased costs as a result of operating as a public company, and our management team, which has limited experience in managing and operating a company that is publicly traded in the U.S., will be required to devote substantial time to new compliance initiatives.

As a public company whose ordinary shares have been listed in the United States since January 2021, we incur accounting, legal and other expenses that we did not incur as a private company, including costs associated with our reporting requirements under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). We also incur costs associated with corporate governance requirements, including requirements under Section 404 and other provisions of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, as well as rules implemented by the SEC and the NYSE, and provisions of Israeli corporate laws applicable to public companies. These rules and regulations, including enhanced ESG reporting requirements, have increased our legal and financial compliance costs, introduced new costs such as investor relations and stock exchange listing fees, and make some activities more time-consuming and costly. In addition, our senior management and other personnel must divert attention from operational and other business matters to devote substantial time to these public company requirements. Our current management team has limited experience managing and operating a company that is publicly traded in the U.S. Failure to comply or adequately comply with any laws, rules or regulations applicable to our business may result in fines or regulatory actions, which may adversely affect our business, results of operation or financial condition and could result in delays in achieving or maintaining an active and liquid trading market for our ordinary shares.

Changes in the laws and regulations affecting public companies could result in increased costs to us as we respond to such changes. These laws and regulations could make it more difficult or more costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage and/or incur substantially higher costs to obtain the same or similar coverage, including increased deductibles. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our Board of Directors, our board committees or as executive officers. We cannot predict or estimate the amount or timing of additional costs we may incur in order to comply with such requirements. Any of these effects could adversely affect our business, financial condition and results of operations.

Risks related to our ordinary shares

Our share price may be volatile, and you may lose all or part of your investment.

The market price of our ordinary shares could be highly volatile and may fluctuate substantially as a result of many factors, including:

- actual or anticipated variations in our or our competitors’ results of operations and financial condition;
- variations in our financial performance or operating results from the expectations of market analysts;
- announcements by us or our competitors of significant business developments, changes in service provider relationships, acquisitions or strategic alliances, or expansion plans;
- our involvement in litigation;
- our sale of ordinary shares or other securities in the future;
- market conditions in our industry, which traditionally have been volatile;
- changes in key personnel;
- the trading volume of our ordinary shares;
- changes in government regulation;
- changes in the estimation of the future size and growth rate of our markets; and
- general economic and market conditions.

The shipping and offshore industries have been highly unpredictable and volatile. The market for shares of companies who operate in these industries may be equally volatile. In addition, the stock markets generally have experienced extreme price and volume fluctuations, which have been enhanced by the volatility of the industry in which we operate.

Broad market and industry factors may materially harm the market price of our ordinary shares, regardless of our operating performance. Consequently, you may not be able to sell the ordinary shares at prices equal to or greater than those paid by you, or you may not be able to sell them at all. In the past, following periods of volatility in the market price of a company’s securities, securities class action litigation has often been instituted against that company. If we were involved in any similar litigation, we could incur substantial costs and our management’s attention and resources could be diverted, which could affect our business, financial condition and results of operations.

If securities or industry analysts do not publish research or reports about our business, or publish negative reports about our business, our share price and trading volume could decline.

The trading market for our ordinary shares depends, in part, upon the research and reports that securities or industry analysts publish about us or our businesses. We do not have any control over analysts as to whether they will cover us, and if they do, whether such coverage will continue. If one or more of the analysts covering us cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause the price or trading volume of our shares to decline. In addition, if one or more of the analysts who cover us downgrade our shares or change their opinion of our shares, the price for our shares will likely decline.

Future sales of our ordinary shares or the anticipation of future sales could reduce the market price of our ordinary shares.

If we or our existing shareholders sell a substantial number of our ordinary shares in the public market, the market price of our ordinary shares could decrease significantly. The perception in the public market that our shareholders might sell our ordinary shares could also depress the market price of our ordinary shares and could impair our future ability to obtain capital, especially through an offering of equity securities. Substantially all of our outstanding ordinary shares are eligible for sale in the public market, except that ordinary shares held by our affiliates are subject to restrictions on volume and manner of sale pursuant to Rule 144 under the Securities Act of 1933, as amended (the “Securities Act”). We have also filed a registration statement on Form S-8 with the SEC, covering all of the ordinary shares issuable under our share incentive plans and such shares are available for resale following the expiration of any restrictions on transfer. In addition, a sale by us of additional ordinary shares or similar securities in order to raise capital might have a similar negative impact on the share price of our ordinary shares. A decline in the price of our ordinary shares might impede our ability to raise capital through the issuance of additional ordinary shares or other securities and may cause you to lose part or all of your investment in our ordinary shares.

We do not have a controlling or a dominant shareholder, which may expose us to adverse consequences.

As of March 1, 2026, no single shareholder beneficially owns more than 10% of our ordinary shares. Due to the absence of a controlling shareholder, we may be subject to future alliances or agreements between some of our shareholders, which may result in the exercise of a controlling or dominant power over our company by them. We have been subject to a demand to propose the appointment of new board members during our 2025 annual shareholders meeting and see – “Our business could be negatively affected as a result of actions of activist shareholders and/or class action filings, which could impact the trading value of our securities.” In the event a controlling group is formed and decides to exercise its controlling power over our company, we may be subject to unexpected changes in our corporate governance and strategies, including the replacement of directors and key executive officers. Additionally, we may be more vulnerable to a hostile takeover bid. Any unexpected change in our management team, business policy or strategy, any dispute between our shareholders, or any attempt to acquire control of our company may have an adverse impact on our business, financial conditions and results of operations. Although the Special State Share places certain requirements and restrictions on the ability of shareholders to obtain control over us, such attempts may still be successful if made pursuant to the provisions of applicable laws and our articles of association. For information regarding our entering into a merger agreement with Hapag-Lloyd AG for the purchase of all of our ordinary shares, see “Item 10.C “Material Contracts - Entry Into Agreement and Plan of Merger with Hapag-Lloyd AG”.

As a foreign private issuer, we are permitted, and intend, to follow certain home country corporate governance practices instead of otherwise applicable NYSE requirements, which may result in less protection than is accorded to investors under rules applicable to U.S. domestic issuers.

As a foreign private issuer, in reliance on NYSE rules that permit a foreign private issuer to follow the corporate governance practices of its home country, we are permitted to follow certain Israeli corporate governance practices instead of those otherwise required under the corporate governance standards for U.S. domestic issuers. We follow certain Israeli home country corporate governance practices rather than the requirements of the NYSE including, for example, to have a nominating committee or to obtain shareholder approval for certain issuances to related parties or the establishment or amendment of certain equity-based compensation plans. Following our home country governance practices as opposed to the requirements that would otherwise apply to a U.S. company listed on the NYSE may provide less protection than is accorded to investors in U.S. domestic issuers. See “Item 6.C – Board practices.”

As a foreign private issuer, we are not subject to the provisions of Regulation FD or U.S. proxy rules and are exempt from filing certain Exchange Act reports, which could result in our shares being less attractive to investors.

As a foreign private issuer, we are exempt from a number of requirements under U.S. securities laws that apply to public companies that are not foreign private issuers. In particular, we are exempt from the rules and regulations under the Exchange Act related to the furnishing and content of proxy statements, however as of March 2026 we will become subject to reporting provisions contained in Section 16(a) of the Exchange Act, as applicable to foreign private issuers. In addition, we are not required under the Exchange Act to file annual and current reports and financial statements with the SEC as frequently or as promptly as U.S. domestic companies whose securities are registered under the Exchange Act and we are generally exempt from filing quarterly reports with the SEC under the Exchange Act. We are also exempt from the provisions of Regulation FD, which prohibits the selective disclosure of material nonpublic information to, among others, broker-dealers and holders of a company's securities under circumstances in which it is reasonably foreseeable that the holder will trade in the company's securities on the basis of the information. Even though we have voluntarily filed and intend to continue to voluntarily file current reports on Form 6-K that include quarterly financial statements, and we have adopted a procedure to voluntarily comply with Regulation FD, these exemptions and leniencies reduce the frequency and scope of information and protections to which you are entitled as an investor.

We are not required to comply with the proxy rules applicable to U.S. domestic companies, including the requirement to disclose the compensation of our Chief Executive Officer, Chief Financial Officer and three other most highly compensated executive officers on an individual, rather than on an aggregate, basis. Nevertheless, regulations promulgated under the Companies Law require us to disclose in the notice convening an annual general meeting (unless previously disclosed in any report by us prepared pursuant to the requirements of NYSE or any other stock exchange on which our shares are registered for trade) the annual compensation of our five most highly compensated officers on an individual basis, rather than on an aggregate basis. This disclosure will not be as extensive as that required of a U.S. domestic issuer. For information regarding reliefs relating to general meetings for companies whose securities are traded outside of Israeli, see "Item 6.C – Board practices – Amendment to Companies Regulations (Reliefs for Companies whose Securities are Traded Outside of Israel), 2000".

We would lose our foreign private issuer status if a majority of our shares became held by U.S. persons and either a majority of our directors or executive officers are U.S. citizens or residents or we fail to meet additional requirements necessary to avoid loss of foreign private issuer status. Although we have elected to comply with certain U.S. regulatory provisions, our loss of foreign private issuer status would make such provisions mandatory. The regulatory and compliance costs to us under U.S. securities laws as a U.S. domestic issuer may be significantly higher. If we are not a foreign private issuer, we will be required to file periodic reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer. We would also be required to follow U.S. proxy disclosure requirements. We may also be required to modify certain of our policies to comply with good governance practices associated with U.S. domestic issuers. Such conversion and modifications will involve additional costs. In addition, we would lose our ability to rely upon exemptions from certain corporate governance requirements on U.S. stock exchanges that are available to foreign private issuers.

If we are classified as a passive foreign investment company, U.S. investors could be subject to adverse U.S. federal income tax consequences.

Companies, or PFICs, can have adverse effects for U.S. investors for U.S. federal income tax purposes. The tests for determining PFIC status for a taxable year depend upon the relative values of certain categories of assets and the relative amounts of certain kinds of income. As discussed in "Taxation – U.S. federal income taxation – Passive Foreign Investment Company Rules," we believe that we were not a PFIC for the taxable year ended December 31, 2025. However, there can be no assurance that the Internal Revenue Service, or the IRS, will agree with our conclusion. In addition, the determination of whether we are a PFIC depends on particular facts and circumstances (such as the valuation of our assets, including intangible assets, which may be determined, in part, by reference to the market price of our ordinary shares) and may also be affected by the application of the PFIC rules, which are subject to differing interpretations. In light of the foregoing, no assurance can be provided that we were not a PFIC for the taxable year ended December 31, 2025 or that we will not become a PFIC in any future taxable year. Furthermore, if we are treated as a PFIC, then one or more of our subsidiaries may also be treated as PFICs.

If we are or become a PFIC for any taxable year during which a U.S. investor holds our ordinary shares, we generally would continue to be treated as a PFIC with respect to that U.S. investor for all succeeding years during which the U.S. investor holds our ordinary shares, even if we ceased to meet the threshold requirements for PFIC status, unless certain exceptions apply. Such a U.S. investor may be subject to adverse U.S. federal income tax consequences, such as ineligibility for any preferential tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred, and additional reporting requirements under U.S. federal income tax laws and regulations. A "mark-to-market" election may be available that will alter the consequences of PFIC status if our ordinary shares are regularly traded on a qualified exchange. For further discussion, see "Taxation – U.S. federal income taxation – Passive Foreign Investment Company Rules." Investors should consult their own tax advisors regarding all aspects of the application of the PFIC rules to our ordinary shares.

If we are unable to maintain effective internal control over financial reporting in the future, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our ordinary shares could be negatively affected.

As a public company, we are required to maintain internal controls over financial reporting and to report any material weaknesses in such internal controls. We are required to furnish a report by management on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act. If we identify material weaknesses in our internal control over financial reporting, if we are unable to comply with the requirements of Section 404 in a timely manner or assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our ordinary shares could be negatively affected, and we could become subject to investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources.

Our dividend policy is subject to change at the discretion of our Board of Directors and there is no assurance that our Board of Directors will declare dividends in accordance with this policy.

Our Board of Directors has adopted a dividend policy, which was amended in August 2022, to distribute a dividend to our shareholders on a quarterly basis at a rate of 30% of the net quarterly income of each of the first three fiscal quarters of the year, while the cumulative annual dividend amount to be distributed by the Company (including the interim dividends paid during the first three fiscal quarters of the year) will total 30-50% of the annual net income, all subject to our Board of Directors absolute discretion at the time of any such distribution, and the satisfaction of the applicable relevant tests under the Israeli Companies Law at the time of these distributions. In accordance with the terms and covenants of the Merger Agreement we entered into with Hapag-Lloyd AG, following the signing of this agreement and until the closing of the Merger we will not distribute dividends except as in accordance with this dividend policy. On March 8, 2026, our Board of Directors approved the distribution of a cash dividend in an aggregate amount of approximately \$106 million, or \$0.88 per ordinary share, to be paid on March 26, 2026, to holders of our ordinary shares as of March 20, 2026. During the 2025 fiscal year, we paid cash dividends on April 3, 2025, June 9, 2025, September 9, 2025, and December 8, 2025, in an aggregate amount of approximately \$515 million, or \$4.28 per ordinary share. We have also paid cash dividends in prior years. In 2024, we paid cash dividends of approximately \$579 million, or \$4.81 per ordinary share, and in 2023, we paid a cash dividend in an amount of approximately \$769 million, or \$6.40 per ordinary share.

Any dividends must be declared by our Board of Directors, which will take into account various factors including our profits, our investment plan, our financial position and additional factors it deems appropriate. While we initially intend to distribute 30 - 50% of our annual net income, the actual payout ratio could be anywhere from 0% to 50% of our net income, and may fluctuate depending on our cash flow needs and such other factors. There can be no assurance that dividends will be declared in accordance with our Board's policy or at all, and our Board of Directors may decide, in its absolute discretion, at any time and for any reason, not to pay dividends, to reduce the amount of dividends paid, to pay dividends on an ad-hoc basis or to take other actions, which could include share buybacks, instead of or in addition to the declaration of dividends. Accordingly, we expect that the amount of any cash dividends we distribute will vary significantly as a result of such factors. We have not adopted a separate written dividend policy to reflect our Board's policy.

Our ability to pay dividends is limited by Israeli law, which permits the distribution of dividends only out of distributable profits (subject to limited exceptions) and only if there is no reasonable concern that such distribution will prevent us from meeting our existing and future obligations when they become due. See "Item 8.A – Consolidated statements and other financial information – Dividends and dividend policy."

ITEM 4. INFORMATION ON THE COMPANY

A. History and development of the company

Founded in Israel in 1945, we purchased our first ship in 1947. In the 1950s and 1960s, we expanded our fleet and global shipping lines. In 1969, approximately 50% of our company was acquired by Israel Corporation Ltd., which moved us away from government ownership. In 1972, we launched our first cargo shipping service. We continued to expand globally, including establishing a presence in China, and renovated our fleet in the late 1980s. In 2004, we were fully privatized. From 2010 through present, we have focused on changing our strategy and adopting a comprehensive transformation strategy designed to improve our long-term commercial and operational processes by reducing operational expenses and increasing profitability.

Our ordinary shares have been listed on the New York Stock Exchange (NYSE) under the symbol “ZIM” since January 28, 2021. During 2022, 2023, 2024 and 2025 we have made dividend payments of approximately \$5.17 billion in the aggregate to our shareholders. In February 2026 we have entered into a Merger Agreement with Hapag-Lloyd AG, which, if consummated, will include the delisting of all our ordinary shares from NYSE. See “Item 10.C – Material Contracts - Entry Into Agreement and Plan of Merger with Hapag-Lloyd AG”.

For a description of our principal capital expenditures and divestitures for the three years ended December 31, 2025 and for those currently in progress, see Item 5. “Operating and Financial Review and Prospects.”

Our legal and commercial name is ZIM Integrated Shipping Services Ltd. Our principal place of business is located at 9 Andrei Sakharov Street, P.O. Box 15067, Matam, Haifa, 3190500. The telephone number of our principal place of business is +972 4 8652111. Our website is www.zim.com. We have included our website address in this Annual Report solely for informational purposes. Information contained on, or that can be accessed through, our website does not constitute a part of this Annual Report and is not incorporated by reference herein. The SEC maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC, which can be found at <http://www.sec.gov>. Our agent for service of process is ZIM American Integrated Shipping Services Company, LLC, whose address is 4425 Zim Way, Virginia Beach, Virginia 23462, United States, and whose telephone number is 757-228-1300.

B. Business Overview

Our company

We are a global container liner shipping company with leadership positions in niche markets where we believe we have distinct competitive advantages that allow us to maximize our market position and profitability. Founded in Israel in 1945, we are one of the oldest shipping liners, with 80 years of experience, providing customers with innovative seaborne transportation and logistics services with a reputation for industry leading transit times, schedule reliability and service excellence.

Our main focus is to provide best-in-class service for our customers while maximizing our profitability. We have positioned ourselves to achieve industry-leading margins and profitability through our focused strategy, commercial excellence, agile approach and flexibility in responding to changing market conditions and enhanced digital tools. As part of our “Innovative Shipping” vision, we rely on careful analysis of data, including business and artificial intelligence, to better understand the needs of our customers and digitize our products accordingly, without compromising our personal touch. We operate and innovate as a truly customer-centric company, constantly striving to provide a best-in-class product offering.

As of December 31, 2025, we operated a fleet of 128 vessels and chartered-in approximately 86.4% of our TEU capacity and 87.5% of the vessels in our fleet. For comparison, according to Alphaliner, the industry average of chartered-in vessels is approximately 37.6% of the fleets as of the end of 2025 (in accordance with the Alphaliner December 2025 Report). Our fleet includes ten 15,000 TEU and eighteen uniquely designed 8,000-class TEU LNG (liquefied natural gas dual-fuel) container vessels which we charter on a long-term basis. Between 2021 and December 2025 we have completed the purchase of fifteen second-hand container vessels so that on December 31, 2025, we owned a total of 16 vessels of our operated fleet, including one vessel we already previously owned prior to these acquisitions. In April 2025, we entered into a charter agreement of ten new-built 11,500 TEUs LNG dual-fuel container vessels, for a total consideration of approximately \$2.3 billion, with expected deliveries between 2027 and 2028. In addition, during the last quarter of 2025, we entered into several chartering transactions with respect to twenty-four vessels, twenty of which range from approximately 3,000 to 5,000 TEUs, and four are approximately 9,000 TEUs, with charter periods ranging from 3 to 5 years and expected redeliveries as early as the end of 2026 to 2028. See – “Our vessel fleet”.

As of December 31, 2025, we chartered-in most of our capacity; in addition, 85.7% of our chartered-in vessels are under leases having a remaining charter duration of more than one year (or 91.5% in terms of TEU capacity for container vessels). We continue to adjust our operations in response to the effects of global and regional geopolitical and economic events, including the continuous Houthi attacks on the Red Sea, the Russia-Ukraine wars the instable climate in the Middle-East, and other recent geopolitical trends. Our fleet, mainly in terms of the size of our vessels, enables us to optimize vessel deployment to match the needs of both mainlane and regional routes and to ensure high utilization of our vessels and specific trade advantages. Our operated vessels have capacities that range from approximately 1,000 TEUs to approximately 15,000 TEUs. (See – “Our vessel fleet – Strategic Chartering Agreements”). Furthermore, we operate a modern and specialized container fleet and our current container fleet capacity exceeds 708,000 TEUs.

We operate across five geographic trade zones that provide us with a global footprint. These trade zones include (for the year ended December 31, 2025, of carried TEUs): (1) Transpacific (43.0%), (2) Atlantic (13.5%), (3) Cross Suez (7.9%), (4) Intra-Asia (21.2%) and (5) Latin America (14.4%). Within these trade zones, we strive to increase and sustain profitability by selectively competing in niche trade lanes where we believe that the market is underserved and that we have a competitive advantage versus our peers. These include both trade lanes where we have an in-depth knowledge, long-established presence and outsized market position as well as new trade lanes into which we are often driven by demand from our customers as they are not serviced in-full by our competitors. Several examples of niche trade lanes within our geographic trade zones include: (1) Mediterranean to U.S. East Coast & Gulf t lane (Atlantic trade zone) where we maintain a 6.6% market share, (2) Far East to Mediterranean & Black Sea (Cross Suez trade zone), 7.5% market share, (3) Far East (not including the Indian subcontinent) to U.S. East Coast & Gulf (Pacific trade zone), 10.1% market share and (4) West Coast South America to USEC, 8.7% market share, in each case according to the Port Import/Export Reporting Service (PIERS) and Container Trade Statistics (“CTS”).

During 2025 and to the date of this Annual Report, we launched the following services and service upgrades: (1) upgrading our premium express service connecting China and Los Angeles (ZEX & ZX2); (2) new strategic operational cooperation with MSC on the transpacific trade and replacing the previous agreement with the 2M Alliance (an alliance which terminated in January 2025); (3) the restructuring of the cross-Atlantic service in cooperation with Hapag-Lloyd; and (4) a new cooperation with ONE for slot selling, on our ZGT service.

In addition to containerized cargo, we also transport vehicles (such as cars, buses and trucks) via dedicated car carrier vessels westbound from Asia, and primarily from China, Japan and South Korea. Currently, we charter thirteen car carrier vessels and we serve ports in Europe (both North Europe and the Mediterranean), Central America and both coasts of South America. Global auto sales and intercontinental trade continue to grow, driven by increases in export plans for Chinese manufacturers. According to Clarksons Platou Shipbrokers market review as of January 2026, the car carrier fleet growth is estimated to continue during 2026, with an anticipated increase of approximately 7% capacity by year end.



As of December 31, 2025, we operated a global network of 56 weekly lines, calling over 300 ports, delivering cargo to and from more than 90 countries. Our complex and sophisticated network of lines allows us to be agile as we identify markets in which to compete. Within our global network we offer value-added and tailored services, including operating several logistics subsidiaries to provide complimentary services to our customers. We continue to develop our network of additional logistics companies in order to provide comprehensive services to our customers. These subsidiaries, which we operate, among others, in China, Canada, Brazil, India, Singapore, Hong Kong and the U.S, are asset-light and provide services such as land transportation, custom brokerage, LCL, project cargo and air freight services. Out of ZIM's total volume in the twelve months ended December 31, 2025, approximately 17% of our TEUs carried utilized additional elements of land transportation.

Our network is significantly enhanced by cooperation agreements with other container liner companies and alliances, allowing us to maintain a high degree of agility while optimizing fleet utilization by sharing capacity, expanding our service offering and benefiting from cost savings. Such cooperation agreements include vessel sharing agreements (VSAs), slot purchase and slot swaps. In September 2024, we entered into a strategic collaboration with MSC, which became effective in February 2025, replacing our previous agreement with the 2M Alliance which terminated in January 2025. The new agreement covers services on the Asia-U.S. East Coast and the Asia-U.S. Gulf Coast and approximately 23,000 weekly TEUs. Prior to this agreement, we also entered into an operational cooperation with MSC in September 2023, originally encompassing seven services on the southeast Asia-Oceania, India-East Mediterranean (currently rerouted) and East Mediterranean-North Europe trades, of which we currently jointly operate three (one in the southeast Asia-Oceania trade and two on the East Mediterranean-North Europe trade). In addition to these collaborations, we also maintain a number of partnerships with various global and regional liners in different trades. For example, in the Intra-Asia trade, we partner with both global and regional liners in order to extend our services in the region (See – “Our operational partnerships”).

We have a highly diverse and global customer base with approximately 30,500 customers (which considers each of our customer entities separately, including in instances where the entity is a subsidiary or branch of another customer, or on a non-consolidated basis) using our services. In 2025, our 10 largest customers represented approximately 12% of our freight revenues and our 50 largest customers represented approximately 27% of our freight revenues. One of the key principles of our business is our customer-centric approach and we strive to offer value-added services designed to attract and retain customers. Our strong reputation, high-quality service offering, and schedule reliability has generated a loyal customer base, with 9 of our 10 top customers in 2025 having a relationship with the Company lasting longer than 10 years.

We have focused on developing industry-leading and best in class technologies to support our customers, including improvements in our digital capabilities to enhance both commercial and operational excellence. We use our technology and innovation to power new services, improve our best-in-class customer experience and enhance our productivity and portfolio management. In 2024 we launched an inhouse Generative Artificial Intelligence Center of Excellence (GenAI CoE) aimed to develop, implement and improve new and automated working processes for the benefit of our customers and to improve efficiency of internal processes. Several additional examples of our digital services include: (i) ZIMonitor, which is an advanced tracking device that provides 24/7 online alerts to support high value cargo; (ii) myZIM, our digital platform which enables online quotation, booking and shipping instructions; (iii) Draft B/L, an online tool that allows export users to view, edit and approve their bill of lading online without speaking with a representative; and (iv) ZIMGuard, an artificial intelligence-based internal tool designed to detect possible misdeclarations of dangerous cargo in real-time.

Furthermore, we have formed a number of partnerships and collaborations with start-ups for the development of multiple engines of growth which are adjacent to our traditional container shipping business. To support and enhance our commercial partnerships and investments in technology companies, we have formed a ZIM team of professionals that specializes in the ecosystem of investing and collaborating with early-stage technology companies, and function as a “corporate venture capital”, or CVC, dedicating a substantial part of their time to such CVC activities. The members of this CVC team support ZIM's portfolio companies throughout the life cycles of their businesses, starting from identifying promising startups which are synergetic to ZIM's business or fields of interest, conducting due diligence over potential investments, negotiating investment and commercial agreements with ZIM's portfolio companies, and supporting them in additional investment and commercial transactions and in their operations, often by holding board membership or observer positions in such companies. These technological partnerships and initiatives include: (i) “ZIMARK”, an initiative in cooperation with Sodyo (in which we made additional investments in 2022 and 2024), an early stage scanning technology company, aimed to provide visual identification solutions for the entire logistics sector (inventory management, asset tracking, fleet management, shipping, access control, etc.), introducing a technology that is extremely fast and suitable for multiple types of media; (ii) our investment in and partnership with WAVE, a leading electronic bill of lading based on blockchain technology, to replace and secure original documents of title; (iii) our investment in Hoopo Systems Ltd. (“Hoopo”), a provider of cutting edge tracking solutions for unpowered assets, as well as our agreement to deploy Hoopo's tracking devices on ZIM's dry-van container fleet; (iv) our investment in Marine Shipp Fast (commercial brand name – Ship4wd), a digital freight forwarding platform offering an online, simple and reliable self-service end to end shipping solution, that is initially targeting small and medium-sized businesses importing and exporting from the U.S., Canada and the far East ; (v) our investment in Data Science Consulting Group (DSG), a leading technology company specializing in Artificial Intelligence based products, solutions and services, developer of e-volve, a holistic AI governance and decision management system, and our co-creator of a center of excellence for the development of AI tools for the maritime shipping industry; (vi) 40Seas, an innovative fintech company, providing an online end-to-end finance and sales managing tool, in which we have made an equity investment, in addition to extending an approximate \$100 million credit facility, which has terminated in 2025 and the loan withdrawn under this facility converted to shares ; (vii) our investment in Pickcommerce AI Robotics, which developed an innovative fully autonomous pick-and-pack station for the logistics industry. Pickcommerce's technology utilizes an advanced computer vision system powered by machine learning that enables the safe and intelligent packaging of objects of different sizes, weights and textures; (viii) our investment in Spinframe, which offers innovative vehicle-inspection systems that enable efficient anomaly detection from assembly to end user, and are capable of autonomously monitoring a large number of vehicles, both at land and at sea; (ix) our investment in the innovative bio-tech company Carbon Blue, a carbon dioxide removal company, which harnesses water and water-utilizing infrastructure to remove CO2 from the atmosphere, allowing entire industries to bring down emissions and combat climate change, while providing them with significant industrial co-benefits and a unique advantage in the circular economy of tomorrow; and (x) our investment in Zutacore, an Israeli start-up with a patent-protected technology of waterless liquid cooling for high performance AI processors, designed to preserve a large number of processors in the same space without overheating or harming their performance, all while reducing overall power usage.

Achieving industry leading profitability margins through both effective cost management initiatives as well as top-line improvement strategies is one of the primary focuses of our business. Over the past few years we have taken initiatives to reduce and avoid costs across our operating activities through various cost-control measures and equipment cost reduction (including, but not limited to, equipment interchanges such as swapping containers in surplus locations, street turns to reduce trucking of empty containers and domestic repositioning from inland ports). Our digital investment in our information technology systems has allowed us to develop a highly sophisticated allocation management tool that gives us the ability to manage our vessel and cargo mix to prioritize higher yielding bookings. The capacity management tool as well as our agility in terms of vessel deployment enables us to focus on the most profitable routes with our customers.

In addition to effective cost management, we would not have been able to achieve our financial results without our unique organizational culture. Our vision and values, “Z-Factor,” is fully aligned with and supports our strategy and long-term goals. Our vision of “Innovative shipping dedicated to you!” has driven our focus on innovation and digitalization and has led us to become a truly customer-centric company. Our can-do approach and results-driven attitude support our passion for commercial excellence and drives our focus on optimizing our cargo and customer mix. Through our core value of sustainability, we aim to uphold and advance a set of principles regarding Ethical, Social and Environmental concerns. Our goal is to work resolutely to eliminate corruption risks, promote diversity among our teams and continuously reduce the environmental impact of our operations, both at sea and onshore. Our organizational culture enables us to operate at the highest level, while also treating our oceans and communities with care and responsibility.

We are headquartered in Haifa, Israel. As of December 31, 2025, we had approximately 6,700 full-time employees worldwide (including contract workers). In 2025 and 2024, we carried 3.66 million and 3.75 million TEUs, respectively, for our customers worldwide. During the same periods, our revenues were \$6,904 million and \$8,427 million, our net income was \$481 million and \$2,154 million and our Adjusted EBITDA was \$2,171 million and \$3,692 million, respectively.

Our services

With a global footprint of more than 200 offices and agencies in more than 100 countries, we offer both door-to-door and port-to-port transportation services for all types of customers, including end-users, consolidators and freight forwarders.

Comprehensive logistics solutions

We offer our customers comprehensive logistics solutions to fit their transportation needs from door-to-door. Our wide range of transportation services, handled by our highly trained sea and shore crews and supported with personalized customer service and our unified information technology platform, allows us to offer our customers higher quality and tailored services and solutions at any time around the world.

Our customers place orders either online or with a customer service member in one of our local agencies located around the world. We issue the bill of lading detailing the terms of the shipment and, in the case of a typical door-to-door order, we deliver an empty container to the shipper’s designated address. Once the shipper has filled the container with cargo, it is transported to a container port, where it is loaded onto our cargo vessel. We have experience in shipping various types of cargo, such as over-sized cargo, dangerous and hazardous cargo, cars, trucks and vehicles and reefer shipments. The container is shipped either directly to the destination port or via one of our scheduled ports of call, where it is transferred, or “transshipped,” to another ship. When the container arrives at the final destination port, it is off-loaded from the ship and delivered to the recipient or a designated agent via land transportation. We partner with regional and local land transportation operators to provide a range of inland transportation services via rail, truck and river barge, often combining multiple modes of transportation to ensure efficient and cost-effective operation with minimum transit time. Out of ZIM’s total volume in the twelve months ended December 31, 2025, approximately 17% of our TEUs carried utilized additional elements of land transportation. We continuously strive to find logistic solutions for land transportation service offering under the current market conditions.

We also focus on growing the specialized cargo (reefers, dangerous goods and special equipment) transportation portion of our business. We offer ZIMonitor, our premium reefer cargo tracking service, an advanced real-time monitoring device that, among other things, allows our customers to monitor their shipments in real time. See –“Our specialized cargo”.

We believe that our global-niche strategy, as well as our focus on customer-centric services, place us in a good position to attract new customers through our reliable and competitive services.

Our services and geographic trade zones

As of December 31, 2025, we operated a global network of 56 weekly lines, calling over 300 ports delivering cargo to and from more than 90 countries. Our shipping lines are linked through hubs that strategically connect main lines and feeder lines, which provide regional transport services, creating a vast network with connections to and from smaller ports within the vicinity of main lines. We have achieved leadership positions in specific markets by focusing on trades where we have distinct competitive advantages and can attain and grow our overall profitability.

Our shipping lines are organized into geographic trade zones by trade. The table below illustrates our primary geographic trade zones and the primary trades they cover, as well as the percentage of our total TEUs carried by geographic trade zone for the years ended December 31, 2025, 2024 and 2023:

Geographic trade zone (percentage of total TEUs carried for the period)	Primary trade	Year ended December 31,		
		2025	2024	2023
Pacific	Transpacific	43%	43%	38%
Cross-Suez	Asia-Europe	8%	9%	12%
Atlantic-Europe	Atlantic	14%	15%	13%
Intra-Asia	Intra-Asia	21%	20%	28%
Latin America	Intra-America	14%	13%	9%
		100%	100%	100%

Pacific geographic trade zone

The Pacific geographic trade zone serves the Transpacific trade, which covers trade between Asia, including China, Korea, Southeast Asia, the Indian subcontinent, and the Caribbean, Central America, the Gulf of Mexico and the east coast and west coast of the United States and Canada. Our services within this geographic trade zone also connect to Intra-Asia and Intra-America regional feeder lines, which provide onward connections to additional ports.

Pacific Northwest service. Based on information from Piers, approximately 46.5% of all goods shipped to the United States are transported via ports located in the west coast of the United States and Canada. These include local discharge as well as delivery by train or trucks to their final destinations, mainly to the Midwestern United States and to the central and eastern parts of Canada. We hold a position within the PNW, via the Canadian gateway Vancouver and Prince Rupert, which enable us to serve the very large Canadian and U.S. Midwest markets quickly and efficiently. Our strategic relationships in these markets with Canadian National Railway Company, a rail operator, have allowed us to obtain competitive rates and provide consistent, high-quality service to our customers. We charter slots from MSC to serve the Pacific Northwest.

Pacific Southwest Coast service - we operate two eCommerce Xpress high-speed services, the ZEX and ZX2, focusing on e-Commerce between Central and South China, Vietnam and Los Angeles.

Asia-U.S. All-Water service. With respect to the Asia-U.S. East Coast Trade, “all-water” refers to trade between Asia and the U.S. East Coast and Gulf Coast using marine transportation only, via the Panama Canal or the Cape of Good Hope, so long as the passage in the Suez Canal is suspended. Until January 2025, we operated services in this trade in accordance with our agreement with the 2M Alliance, which was terminated and replaced by a strategic agreement with MSC. We updated the agreement with MSC, so that ZIM and MSC swap slots over a total of five services, four of which on the Asia-USEC and one on the Asia-USGC. Two of the services are operated by ZIM and one is a vessel sharing agreement. We have deployed ten 15,000 TEU LNG dual fuel vessels and eleven 8,000-class TEU LNG on the ZIM operated services under this agreement. (See “Our vessel fleet - Strategic Chartering Agreements”).

As of December 31, 2025, we offered 8 services in the Pacific geographic trade zone, which had an effective weekly capacity of approximately 31,333 TEUs and covered all major international shipping ports in the Transpacific trade. Our services in the Pacific geographic trade zone accounted for 51% of our freight revenues from containerized cargo for the year ended December 31, 2025.

Cross-Suez geographic trade zone

The Cross-Suez geographic trade zone covers trade between Asia and Europe (including the Indian sub-continent), originally through the Suez Canal, primarily focusing on the Asia- West and East Mediterranean Sea sub-trade, which is one of our key strategic zones. Due to the Yemeni Houthis’ attacks against vessels in the Red Sea our vessels are currently rerouted through the Cape of Good Hope (See Item 3.D – Risk factors – “Global economic downturns and geopolitical challenges throughout the world could have a material adverse effect on our business, financial condition and results of operations”). In previous years this trade was characterized by intense competition, and we have undertaken several initiatives to help us remain competitive within it.

As of December 31, 2025, we offered one service in the Cross-Suez geographic trade zone (currently rerouted), which had an effective weekly capacity of approximately 6,711 TEUs and covered international shipping ports in the West and East Mediterranean, China, East and Southeast Asia and India. The Cross-Suez geographic trade zone accounted for 10% of our freight revenues from containerized cargo for the year ended December 31, 2025.

Atlantic-Europe geographic trade zone

The Atlantic-Europe geographic trade zone serves the Atlantic trade, which covers trade between North America, Caribbean and the Mediterranean, along with Intra-Europe/Mediterranean trade. Our services within this geographic trade zone also connect to Intra-Mediterranean and Intra-America regional feeder lines which provide onward connections to additional ports. In February 2025 we have launched our restructured service in cooperation with Hapag-Lloyd in our Atlantic services which was first established in 2014. Our cooperation agreement with MSC also includes two joint services from Israel and the East Mediterranean to North Europe.

As of December 31, 2025, we offered 9 services within this geographic trade zone, with an effective weekly capacity of approximately 9,493 TEUs, covering major international shipping ports in the East and West Mediterranean, the Black Sea, Northern Europe, the Caribbean, the Gulf of Mexico and the U.S., and the east coast of North America. The Atlantic-Europe geographic trade zone accounted for 12% of our freight revenues from containerized cargo for the year ended December 31, 2025.

Intra-Asia geographic trade zone

The Intra-Asia and Asia-Africa geographic trade zone serves the Intra-Asia trade, which covers trades within regional ports in Asia, including ISC (Indian sub-continent), Africa and Australia. Our services within this geographic trade zone feed into the global lines of the Pacific and Cross-Suez trades. This geographic trade zone is characterized by extensive structural changes that we have made to respond to changes in trade and market conditions.

The Intra-Asia market is highly fragmented with many active carriers, all with relatively small market shares. Local shipping companies have a more significant presence within this trade, which is primarily serviced by relatively small vessels, compared to other trades. However, larger carriers that operate in the intercontinental trade also serve this trade and call at ports within the region. We have operational agreements with many other shipping companies within this trade.

Demand in this trade is impacted by, among other things, the relatively low cost of labor in the area and its proximity to developing economies with high growth rates, which incentivizes the manufacturing of finished products for export and the shipments of unfinished products between countries in this region.

As of December 31, 2025, we offered 25 services within this geographic trade zone with an effective weekly capacity of approximately 13,511 TEUs. The Intra-Asia geographic trade zone accounted for 13% of our freight revenues from containerized cargo for the year ended December 31, 2025. Our services within this geographic trade zone cover major regional ports, including those in China, Korea, Thailand, Vietnam and other ports in Southeast Asia, India, Africa and Australia, and connect to shipping lines within our Cross-Suez and Pacific geographic trade zones.

Latin America geographic trade zone

The Latin America geographic trade zone consists of the Intra-America trade, which covers trade within regional ports in the Americas, as well as trade between the South American East Coast and Asia, South American West Coast and Asia, and trade between the South American east coast and West Mediterranean. The regional services within this geographic trade zone are linked to our Pacific and Atlantic-Europe geographic trade zones. We cooperate with other carriers within the regional services: We cooperate with Maersk via a vessel sharing agreement in the Asia-East Coast South America, and we cooperate with other carriers on the Mediterranean-East Coast South America sub-trades mostly by slots purchase. In addition, we operate an independent service, ZIM Gulf Toucan (ZGT), connecting South America East Coast to the Gulf of Mexico, US East Coast, Caribbean, Central America and West Coast South America. We also operated a second independent service, ZIM Albatross (ZAT), connecting China and Southeast Asia to the West coast of South America, which is currently suspended. Finally, we operate ZIM Colibri (ZCX), a premium line from South America West Coast to U.S. East Coast with an expedited connection and an emphasis on refrigerated cargo.

As of December 31, 2025, we offered 13 services within this geographic trade zone as well as a complementary feeder network with an effective weekly capacity of approximately 9,033 TEUs and operated between major regional ports, including ports in Brazil, Argentina, Uruguay, Mexico, Peru, Chile, Venezuela the Caribbean, Central America, China, U.S. Gulf Coast, U.S. East coast and the West Mediterranean, and connect to our Pacific and Atlantic-Europe services. The Latin America geographic trade zone accounted for 14% of our freight revenues from containerized cargo for the year ended December 31, 2025.

Types of cargo

The following table sets forth details of the types of cargo we shipped during the twelve months ended December 31, 2025, as well as the related quantities and volume of containers (owned and leased).

Type of Container	Type of Cargo	Quantity	TEUs
Dry van containers	Most general cargo, including commodities in bundles, cartons, boxes, loose cargo, bulk cargo and furniture	1,939,926	3,402,987
Reefer containers	Temperature controlled cargo, including pharmaceuticals, electronics and perishable cargo	96,429	190,622
Other specialized containers	Heavy cargo and goods of excess height and/or width, such as machinery, vehicles and building	54,834	69,433
	Total	2,091,189	3,663,042

Other Specialized cargo

The volume of our specialized cargo shipments reached approximately 10% of our company's volume in 2025. We offer specialized shipping solutions through a dedicated team of supply chain experts that designs tailor-made solutions for our customers' specific transportation needs, issues approvals and documentation, arranges for insurance and provides other logistics services for all kinds of specialized cargo, including:

- *Out-of-gauge cargo.* Cargo that is over-weight, over-height, over-length and/or over-width can present many challenges and issues relating to proper stowage, securing and handling. We maintain our containers to the highest standards and offer premium third-party services relating to these particular challenges.
- *Dangerous and hazardous cargo.* We specialize in carrying dangerous and hazardous shipments safely in accordance with all applicable local and international rules and regulations. We ship a wide array of such cargos, and we employ dedicated teams of specialists in five offices around the globe who are specially trained to guide our customers through every stage of the supply chain challenges. We have also developed and implemented "ZIMGuard", an innovative artificial intelligence-based, screening software designed to detect and identify incidents of misdeclared hazardous cargo before loading to vessel.

- *Reefer cargo.* Reefer cargo includes perishable goods, pharmaceuticals and electronics. Our reefer specialists and merchant marine officers ensure the safe transport of reefer cargo with precise tracking and continuous monitoring throughout the cold chain. We focus on reefers as one of our growth engines. We strive to have the youngest reefer fleet in the industry, and have invested in new custom-made reefer containers already equipped with our ZIMonitor capabilities, as well as in controlled atmosphere units designed to ship fresh produce cargo.

ZIMonitor is our premium reefer cargo tracking service. A device is attached to the engine of the reefer, and allows customers to track and monitor sensitive, high-value cargo, such as pharmaceuticals, food and delicate electronics. The device monitors, among other things, GPS location, temperature, humidity and unnecessary container door opening. Customers can opt to receive alerts regarding their shipment via text message or email. ZIMonitor is designed to comply with the good distribution practice guidelines (GDP), which are applicable to the pharmaceutical industry, and to provide ongoing data flow, alerts in order to prevent cargo damage and automatic reports. Customers are also able to view their cargo status online on our designated myZIM application. In addition, we employ a 24/7 dedicated response team to promptly respond to hundreds of alerts daily. In 2025, ZIMonitor reached its highest record of container level since launching, reflecting a 32% growth compared to 2024.

Our vessel fleet

As of December 31, 2025, our fleet included 128 vessels (115 container vessels and 13 vehicle transport vessels), of which sixteen vessels were owned by us and 112 vessels were chartered in. As of December 31, 2025, our operating fleet (including both owned and chartered vessels) had a capacity of 708,543 TEUs. The average size of our vessels is approximately 6,086 TEUs, compared to an industry average of 4,972 TEUs.

During 2025 we purchased two 8,500 TEU vessels which were previously chartered by us, so that as of the date of the Annual Report, we own sixteen vessels in total. We may purchase additional second-hand vessels if we evaluate that such purchase is more suited to our needs than other available alternatives. In April 2025, we entered into a charter agreement of ten new-built 11,500 TEUs LNG dual-fuel container vessels, for a total consideration of approximately \$2.3 billion, with expected deliveries between 2027 and 2028. In addition, during the last quarter of 2025, we entered into several chartering transactions with respect to twenty-four vessels, twenty of which range from approximately 3,000 to 5,000 TEUs, and four are approximately 9,000 TEUs, with charter periods ranging from 3 to 5 years and expected redeliveries from as early as the end of 2026 to 2028.

We charter-in vessels under charter party agreements for varying periods. Our charter rates are negotiated and predetermined at the time of entry into the charter party agreement and depend upon market conditions existing at that time. As of December 31, 2025, all of our chartered vessel agreements consist of chartering-in the vessel capacity for a given period of time against a daily charter fee, while the crewing and technical operation of the vessel is handled by its owner. Subject to any restrictions in the applicable arrangement, we determine the type and quantity of cargo to be carried as well as the ports of loading and discharging.

Our vessels operate worldwide within the trading limits imposed by our insurance terms. As of December 31, 2025, the remaining average duration of our chartered fleet was approximately 51 months, based on the earliest date of redelivery.

As of December 31, 2025, our fleet was comprised of vessels of various sizes, ranging from 1,000 TEUs to 15,000 TEUs, which allows for flexible deployment in terms of port access and is optimally suited for deployment in the sub-trades in which we operate.

The following table provides summary information, as of December 31, 2025, about our fleet:

	Container Vessels	Capacity (TEU)	Other Vessels	Total
Vessels owned by us	16	96,080	-	16
Vessels chartered from third parties⁽¹⁾	99	612,463	13	112
Periods up to 1 year (from December 31, 2025)	14	52,063	2	16
Periods between 1 to 5 years (from December 31, 2025)	46	165,210	11	57
Periods over 5 years (from December 31, 2025)	39	395,190	-	39
Total	115	708,543	13	128

- (1) Under our time charters, the vessel owner is responsible for operational costs and technical management of the vessel, such as crew, maintenance and repairs including periodic drydocking, cleaning and painting and maintenance work required by regulations, and certain insurance costs. Transport expenses such as bunker and port canal costs are borne by us. Operational management services include the chartering-in, sale and purchase of vessels and accounting services, while technical management services include, among others, selecting, engaging, and training competent personnel to supervise the maintenance and general efficiency of our vessels; arranging and supervising the maintenance, drydockings, repairs, alterations and upkeep of the vessels, the requirements and recommendations of each vessel's classification society, and relevant international regulations and maintaining necessary certifications and ensuring that the vessels comply with the law of their flag state.

As of March 1, 2026, our operated fleet included 128 vessels (container vessels and vehicle transport vessels), of which 16 vessels are owned by us and 112 vessels are chartered-in. Our owned and chartered container vessels had a capacity of 707,528 TEUs. As of March 1, 2026, approximately 86.9% of our chartered-in vessels (92.4% in terms of TEU capacity) are under long-term leases with a remaining charter duration of more than one year, as we continue to actively manage our asset mix.

Strategic Chartering Agreements

Long-term charter agreement for LNG-Fueled Vessels from Seaspan Corporation

In February 2021 we and Seaspan Corporation entered into a strategic agreement for the long-term charter of ten 15,000 TEU liquified natural gas (LNG dual-fuel) container vessels. Pursuant to the agreement, we will charter the vessels for a period of 12 years with the option to extend it by additional charter periods. We deployed these vessels on our Asia-U.S. East Coast Trade as an enhancement to our service on this strategic trade.

In addition, in July 2021 we announced a second strategic agreement with Seaspan for the long-term charter of ten uniquely designed 8,000-class TEU LNG dual fuel container vessels with an option for additional five vessels, to serve across ZIM's various global niche trades. In September 2021 we announced the exercise of an option granted to us under this agreement to long-term charter five additional 8,000-class TEU LNG vessels. Following the exercise of this option, the total vessels to be chartered under this second strategic agreement is fifteen.

We were granted by Seaspan a right of first refusal to purchase the chartered vessels should Seaspan choose to sell them during the charter period, and an option to purchase the vessels at the end of the charter term. To date, all 15,000 TEU and all 8,000-class TEU LNG dual fuel container vessels have been delivered to us. The total costs, in annualized charter hire costs per vessel (in addition to down payments made on the delivery of each vessel), are estimated at approximately \$17 million in respect of the abovementioned 15,000 TEU vessels, and approximately \$13 million in respect of the abovementioned vessels, over the term of the agreements.

Long-term charter agreement for LNG-Fueled vessels from a shipping company affiliated with Kenon, our former major shareholder

In January 2022 we entered into a new eight-year charter agreement with a shipping company that is affiliated with Kenon, which was our largest shareholder until December 26, 2024, pursuant to which we will charter three 8,000-class TEU LNG dual-fuel container vessels to be deployed in our global niche trades for a total consideration of approximately \$400 million. The vessels were constructed at a Korean-based shipyard, Hyundai Samho Heavy Industries, and all vessels have already been delivered to us.

Charter agreement with Navios Maritime Holdings Inc.

In February 2022 we and Navios Maritime Holdings Inc. entered into a charter agreement for the charter of thirteen container vessels comprising of five second-hand vessels and eight newbuild vessels of total consideration of approximately \$870 million. All of the vessels have been delivered and deployed on our services. The charter period of the vessels is approximately 5 years.

Charter agreement with MPC Container Ships ASA and MPC Capital AG

In March 2022 we and MPC Container Ships ASA and MPC Capital AG entered into a new charter agreement according to which ZIM will charter a total of six 5,500 TEU wide beam newbuild vessels for a period of seven years and a total consideration of approximately \$600 million. The vessels were constructed at a Korean-based shipyard HJ Shipbuilding & Construction (formally known as Hanjin Heavy Industries & Construction Co.). To date, all vessels have been delivered.

Charter agreement with a non-affiliated third party

In November 2024, the Company entered into an agreement for the charter of four new-build 8,000 TEU scrubber-fitted container vessels, for periods ranging between five to seven years, scheduled to be delivered during the second half of 2026 and the first half of 2027. The total consideration is approximately \$400 million.

Charter Agreement with Containers Ventures Holdings Inc., and affiliate of the TMS Group

In April 2025 the Company entered into an agreement for the chartering of ten new-build 11,500 TEU liquefied natural gas (LNG) dual-fuel container vessels, for a total consideration of approximately \$2.3 billion. The vessels will be constructed at Zhoushan Changhong Shipyard in China, with delivery expected between 2027 and 2028.

Several chartering transactions for 24 vessels

We entered into several chartering transactions with respect to twenty-four vessels, twenty of which range from approximately 3,000 to 5,000 TEUs, and four are approximately 9,000 TEUs, with charter periods ranging from 3 to 5 years and expected redeliveries as early as the end of 2026 to 2028.

Our Containers

In addition to the vessels that we own and charter, we own and charter a significant number of shipping containers. As of December 31, 2025, we held 598,000 container units with a total capacity of approximately 1,067,000 TEUs, of which 41% were owned by us and 59% were leased (including 50% accounted as right-of-use assets). In some cases, the terms of our leases provide that we will have the option to purchase the container at the end of the lease term.

Container fleet management

We aim to reposition empty containers in the most cost-efficient way in order to minimize our overall empty container moves and container fleet while meeting demand. Due to a natural imbalance in demand between trade areas, we seek to optimize our container fleet by repositioning empty containers at minimum cost in order to timely and efficiently meet our customers' demands. Our global logistics team oversees the internal management of empty containers and equipment to support this optimization effort. In addition to repairing and maintaining our container fleet, our logistics team continuously optimizes the flow of empty containers based on commercial demands and operational constraints. Below is a summary of our logistics initiatives relating to container fleet management:

- *Slot swap agreements.* We enter into agreements with other carriers for the exchange of vessel space, or "slots", for repositioning of empty containers. Under these agreements, other carriers offer ZIM space on their own operated vessels, in exchange for space on our vessels for the purpose of repositioning empty containers. ZIM has greatly developed this type of cooperation. We have slot swap agreements with 16 carriers and exchange thousands of TEUs each year.
- *Slot sale agreements.* We sell slots on board our vessels to transport empty containers.

- *One-way container lease.* We use leasing companies and other shipping liners' empty containers to move cargo from locations with increased demand to over-supplied locations. We are a global leader in one-way container volumes.
- *Equipment sub-leases.* We lease our equipment to other carriers and freight forwarders in order to reduce our container repositioning and evacuation costs.

We believe that through these initiatives, we are able to minimize costs associated with natural trade imbalances, increase the utilization of our vessels, and reliably supply our customers with empty containers where and when they are needed.

In January 2024 we entered into an agreement with Hoopo to deploy Hoopo's tracking device on ZIM's dry-van container fleet, which offers our customers comprehensive tracking information including geofence alerts and open/close door notifications and more, while ensuring high reliability and durability combined with significant cost and energy efficiencies. We have completed a successful pilot project and purchased additional tracking devices from Hoopo, with the intention to install the devices in all of our dry container fleet. At this time, we have installed the devices in approximately 15% of our dry container fleet.

Our operational partnerships

We are party to a large number of cooperation agreements with other shipping companies, which generally provide for the joint operation of shipping services by vessel sharing agreements, the exchange of capacity and the sale or purchase of slots on vessels operated by us or other shipping companies. We do not participate in any alliances, which are a type of vessel sharing agreement that involves joint operations of fleets of vessels and sharing of vessel space in multiple trades. By not participating in alliances and focusing instead on cooperation agreements, we are able to capture many of the benefits of alliance membership while retaining a higher degree of strategic flexibility than is typically afforded to alliance members. Our cooperation agreements provide us with access to a wider coverage of ports and specialized lines, which enables us to improve our transit times and reduce operational expenses and repositioning costs. We continue to seek new collaborations and joint services for the purpose of improving port coverage, quality and frequency of service and for the benefit of our customers.

Strategic Cooperation Agreement with MSC

In September 2024 we entered into a strategic agreement with MSC on the Asia-U.S. East Coast (USEC) and Asia-U.S. Gulf Coast (USGC) under a full slot exchange and vessel sharing agreement, replacing our previous agreement with the 2M Alliance, which became effective in February 2025. The agreement includes a vessel sharing agreement and slot swap on a total of six services. Throughout 2025, in reaction to market changes, we jointly restructured the network by reducing the number of services to four, and thereafter increasing the number of services to five services on the same subtrades. Pursuant to the agreement, we or MSC may terminate the agreement by providing a six-month prior written notice following the initial 30-month period, or in the event of change of control, the other party may terminate the agreement by providing a six-month notice, and the affected party may terminate the agreement by providing twelve month notice. This strategic cooperation enables us to provide our customers with improved port coverage and transit time, while generating cost efficiencies.

Operational Collaboration Agreement with MSC on Multiple Trades

In July 2023 we entered into a new slot charter agreement with MSC on the Asia-Pacific Northwest trade. In July 2025 we renewed this agreement for an additional one year. In September 2023, we entered into new operational agreements with MSC, originally encompassing several trades and seven service lines. The cooperation scope includes services connecting the Indian Subcontinent with the East Mediterranean (terminated due to the Houthis' continued attacks in the Red Sea), the East Mediterranean with Northern Europe, and services connecting East Asia with Oceania. The joint services include vessel sharing agreements, slots swaps and slot purchase arrangements. Currently, we operate two vessel sharing agreements with MSC, with one on the East Asia – Oceania trade and one on the East Mediterranean - Northern Europe trade, in addition to a slot swap on a third service operated by MSC on the East Mediterranean - Northern Europe trade. The agreements are in effect and may be terminated by providing a six-month period prior notice, or in the event of change of control, by providing a 3-month period prior notice.

The table below shows our operational partners by geographic trade zone as of December 31, 2025:

Partner	Geographic trade zone				
	Pacific	Cross-Suez	Intra-Asia	Atlantic-Europe	Latin America
A.P. Moller-Maersk ⁽¹⁾					✓
Mediterranean Shipping Company (MSC) ⁽¹⁾	✓		✓	✓	✓
CMA CGM S.A.			✓		
Evergreen Marine Corporation			✓		
Hapag-Lloyd AG ⁽²⁾			✓	✓	
China Ocean Shipping Company (COSCO)			✓	✓	
ONE ⁽²⁾			✓		
Orient Overseas Container Line Limited (OOCL)			✓		
Yang Ming Marine Transport Corporation ⁽²⁾			✓		
Others			✓		✓

(1) Until February 2025, our cooperation on the Pacific trade was in accordance with our previous agreement with the 2M Alliance, in which Maersk and MSC were members of. Since February 2025 we cooperate on this trade in accordance with our agreement with MSC.

(2) With respect to the Atlantic-Europe trade, until January 2025 we were also a party to a swap agreement with THE Alliance member Hapag-Lloyd, supporting ZIM loadings on THE Alliance and Hapag-Lloyd service on this trade. In February 2025 ZIM and Hapag-Lloyd AG have launched a new slot swap and slot purchase agreement on this trade.

Our customers

We believe that as one of the oldest cargo shipping companies in the world, our extensive experience, our consistent track record of stable operations and our reputation for reliability and efficiency enable us to retain our existing customers and attract new customers.

In 2025, we had more than 30,500 customers (on a non-consolidated basis) using our services. Our customer base is well-diversified, and we do not depend upon any single customer for a material portion of our revenue. For the year ended December 31, 2025, no single customer represented more than 2% of our revenues. Additionally, our customers have maintained a high degree of retention and loyalty to our business. In 2025, we achieved record results for overall customer satisfaction, strong connection and customer loyalty on our Annual Customers Experience Survey, conducted by the international market research company Kantar, indicating overall positive and further improving customer experience. Nine of our 10 largest customers by revenue have been doing business with us for more than 10 years, and four of these customers have been doing business with us for more than 25 years. Five of our largest 10 customers by revenue in the fiscal year ended December 31, 2025, have been in the top 10 in each year since 2020. Our customers include blue chip companies as well as a growing customer base of small- and medium-sized enterprises.

We intend to continue to strengthen our relationships with our key customers and to increase our direct sales to small- and medium-sized enterprises, or SMEs, which we define as customers that ship up to 200 TEUs annually. Under this definition, for the years ended December 31, 2025 and 2024, SMEs represented approximately 16% of our aggregate carried volume worldwide. We believe this large and growing segment of the cargo shipping market represents a significant growth opportunity for us within certain of the jurisdictions in which we operate, including China, India, South-East Asia, United States, Canada, Brazil and the Mediterranean, wherein we have a dedicated sales team for this growing segment. In addition, during recent years we have increased our global deployment of services and presence by both establishing new local agencies and strengthening our partnerships primarily in Southeast Asia, South America, Africa and Australia.

Our customers are divided into direct customers (or, Beneficial Cargo Owners (BCOs), including exporters and importers, and “freight forwarders.” Exporters include a wide range of enterprises, from global manufacturers to small family-owned businesses that may ship just a few TEUs each year. Importers are usually the direct purchasers of goods from exporters, but may also comprise sales or distribution agents and may or may not receive the containerized goods at the final point of delivery. Freight forwarders are non-vessel operating common carriers that assemble cargo from customers for forwarding through a shipping company. We believe that a diverse mix of cargo from both BCOs and freight forwarders ensures optimal vessel utilization. BCOs generally have long-term commitments that facilitate planning for future volumes, which results in high entry barriers for competing carriers due to customer loyalty. Freight forwarders have short-term contracts at renegotiated rates. As a result, entry barriers are low for competing carriers for this customer base. Our relationships with large BCOs give us better visibility on future cargo shipping transport volumes while our relationships with large freight forwarders, which generate cargo in many locations worldwide, help us to optimize our trade flows.

During the last five years, BCOs have constituted approximately 27% of our customers in terms of TEUs carried, and the remainder of our customers were freight forwarders. Our contracts with our main customers are typically for a fixed term of one year on all trades. Our contracts with customers may be for a certain voyage or period of time and typically do not include exclusivity clauses in our favor. Our customer mix varies within each of the markets in which we operate, as we tailor our sales and marketing strategies to the unique conditions of each specific market.

For the years ended December 31, 2025, 2024 and 2023, our five largest customers in the aggregate accounted for approximately 7%, 9%, and 7% of our freight revenues and related services, respectively, and 6% of our TEUs carried for each year.

Global Sales

Over the last 12 months, we employed 23 full-time sales professionals in our headquarters in Haifa, Israel, and approximately 860 sales personnel (whether employees or third party contractors) worldwide in our various agency locations (including in Israel). Our sales force is generally organized by customer or cargo type and supported by data-driven analytics to better understand our customers and better address their needs while maintaining desired profitability levels. We currently manage over 94% of our business on our unified information technology platform (CRM), which supports all our business processes. Operating on this unified platform enables our sales teams to quickly and consistently deliver solutions to our customers. To date, we nearly completed implementing our upgraded CRM system, which is now a more improved and advanced version that enables us to further enhance our service and provide our personal approach to our customers. We have transformed our sales processes in all key markets in which we operate, to working by our commercial excellence methodology, to ensure alignment between all the sales initiatives and take our global sales a step forward. Each customer is assigned to a member of our sales team to serve as a single point of contact for all the customer's specific shipping needs.

Our sales teams are motivated by the operational and commercial targets we set for each specific country. We believe that our global network of services and the local presence of our offices and agencies around the world enable us to develop direct customer relationships, maintain a positive buying experience and increase the number of repeat customers. Our internal marketing team complements our external sales efforts by providing training and support materials, such as marketing kits and question-and-answer documents and ensuring the consistency of our brand messaging in our direct marketing, publicity, digital media and social media channels.

We have dedicated strategic accounts teams located in our headquarters in Haifa, supported by regional teams, working directly with our strategic accounts, such as international freight forwarders and end-users. Our sales team in our headquarters works directly with sales executives in either owned, partially owned or contracted local agencies which perform our primary sales and marketing functions and manage customer relationships on a day-to-day basis. We have an ability to provide proactive and differentiated services level to our strategic accounts in Asia and the U.S.

Global Customer service

As of December 31, 2025, we employed 35 full-time service professionals, of which 27 are located in our headquarters in Haifa and eight are located worldwide. The customer service head office functions along with four regional teams, leading and guiding our worldwide customer service teams, reaching over 1,600 customer service representative and managers, including a global outsourced back-office customer documentation center.

In the last six years, we have been focusing on implementing a new unified holistic program called SmartCS, a unified organizational structure, working methodology and best practice processes, supported by an advanced IT infrastructure and tools for better managing our customers' experience across our customer service units worldwide. SmartCS' main building blocks are: a CRM system, a unified information technology platform providing a 360 degree view of all customer interactions; a knowledge management system, enabling a professional and quick resolution to all customer queries; soft skills trainings; a defined set of strict 'best in class' KPIs; and a variety of ongoing and periodic surveys to reflect actual customer feedback.

We have also been investing significantly in a digital transformation to use technology, including various AI tools, in order to transform the way we think, act, and perform, making it easier for our customers to do business with us. Main platforms and services introduced in the last five years include: a new company website, which was recently re-designed and is continuously being improved with new features, supports multiple languages, and includes enhanced schedules, sustainability parameters (CO2 emission and distance per route), advanced local charges tool, dynamic service maps, local news and updates and live chat, reaching approximately 490,000 unique visitors per month; myZIM Customer Personal Area, which provides our customers with a more efficient and convenient way to manage all of their shipments under one digital platform, including booking shipments online, receiving instant quotes, submitting shipment instructions, easily accessing documentation such as online draft bill of lading and print bill of lading and proactive personal notifications, reaching over 39,000 registered customers; conducting dedicated webinars by customer's service teams to increase our customers' awareness to ZIM's digital tools, including myZIM, with a over 1,900 worldwide customers participating; upgrading and streamlining ZIM's communication with customers, including developing and integrating dedicated WhatsApp and WeChat channels; Lead-to-Agreement, a system that manages all of our commercial agreements and streamlines communications between our geographic trade zones, sales force and customers; Dynamic Pricing, an analytical engine that defines the optimal pricing for spot transactions, assisting us in increasing profitability margins; Commercial Excellence, an advanced cloud based analytical tool that assists our geographic trade zones in focusing on more profitable customers in specific trades; "Hive", a yield management platform which enables instant cargo selection and booking acceptance based on defined business rules, while providing geographic trade zones with live view and interactive control over forecasts, booking acceptances and equipment releases, maximizing the profitability of each voyage and improving response time to our customers; and ZIMapp, a complementary digital gateway service that allows easy access to myZIM, anywhere and anytime. In addition, approximately 23% of our original bills of ladings are electronic (based on blockchain technology), and as a member of the Digital Container Shipping Association (DCSA), we are committed to increasing the use of electronic bills of ladings to 50% by 2027 and 100% by 2030. All platforms & services are "Powered By Our Customers", an innovative approach supported by a working methodology in which customers are taking an active part in designing our digital experience for customers by customers. For the years ended December 31, 2025, and 2024, approximately 94% of transactions with our customers were completed via our websites, our platforms and e-commerce platforms, which reduces the error rate and costs associated with correcting errors.

Suppliers

Vessel owners

As of December 31, 2025, we chartered approximately 87.5% of our TEU capacity and 86.4% of the vessels in our fleet. Access to chartered-in vessels of varying capacities, as appropriate for each of the trades in which we operate, is necessary for the operation of our business. See "Item 3.D – Risk factors – We charter-in most of our fleet, which makes us more sensitive to fluctuations in the charter market, and as a result of our dependency on the vessel charter market, therefore some of the costs associated with our future chartering of vessels are unpredictable." Although we currently believe our current vessel capacity is adequate compared to existing market conditions, we may face a possible shortage of vessel for hire in the future. See "Item 3.D – Risk factors – We may face difficulties in chartering or owning enough vessels, including large vessels, to support our growth strategy due to the possible shortage of vessel supply in the market."

Port operators

We have Terminal Services Agreements (TSAs) with terminal operators and contractual arrangements with other relevant vendors to conduct cargo operations in the various ports and terminals that we use around the world. Access to terminal facilities in each port is necessary for the operation of our business. Such access is especially critical for express or expedited services (such as our ZEX and ZX2 services), where the speed of service and avoiding bottlenecks are key factors for our customers. Although we believe we have been able to contract for sufficient capacity at appropriate terminal facilities in the past five years, possible increase in demand, congestion in ports and terminals and other geopolitical and macroeconomic events may increase our costs and dependency on berthing windows in terminals. See "Item 3.D – Risk factors – Access to ports could be limited or unavailable, including due to congestion in terminals and inland supply chains, and we may incur additional costs as a result thereof."

Bunker and LNG suppliers

We have contractual agreements to purchase approximately 85% of our annual bunker estimated requirements with suppliers at various ports around the world. We have been able to secure sufficient bunker supply under contract or on a spot basis. For our strategic agreement with Shell and risks relating to the supply of LNG see "Item 3.D – Risk factors – Rising energy and bunker prices (including LNG) may have an adverse effect on our results of operations."

Land transportation providers

We have services agreements with third-party land transportation providers, including providers of rail, truck and river barge transport. We are a party to a rail services agreement with some of the Class-1 service providers to main inland locations in USA and Canada.

Information and communication systems

The ability to process information accurately and quickly is fundamental to our position in the cargo shipping industry, which is characterized by constant movement of millions of individual items across a global network of sea and inland routes. Our information and communication systems are key operational and management assets which support many of our units, including shipping agencies, individual lines and various head office departments. With two primary data centers in Europe (each data center can back up the other one), our information and communication systems enable us to monitor our vessels and containers, coordinate shipping schedules, manage the loading of containers onto vessels and plan transportation schedules. We also rely on our information and communication systems to support back-office activities, such as processing cargo bookings, generating bills of lading and cargo manifests, expediting customs clearance, and facilitating equipment control and the planning and management of inter-modal transportation, as well as financial and human resources activities. See Item 3.D. “Risk factors – We face risks relating to our information technology and communication system.” In addition, as our reliance on our information and communication systems grow and as we rely more on remote connectivity of our employees due to our hybrid work model and our global spreading, we face heightened cyber security threats. We have invested our efforts in mitigating our cyber security risks. See Item 3.D “Risk factors – We face cyber-security risks”.

Unified platform. Our proprietary information technology platform AgenTeam, as well as Iqship for local agencies, supports our business processes throughout the supply chain. AgenTeam or Iqship have been installed for 89 countries, and we currently manage more than 99% of our business on these platforms.

Business intelligence. Additionally, we use our platform to respond quickly to changes in demand in each of our shipping lines by providing information to our shipping agencies and area managers relating to the value, volume and mix of cargo on a particular voyage or vessel. Accurate and timely information on the value, volume and mix of cargo also helps us to analyze the efficiency of our fleet deployment, capacity utilization, demand and supply in different services and shipping lines, based on which we refine the positioning of vessels and containers to reduce imbalances between outgoing voyages from a point of origin and return voyages. See “Our Customers – Global Customer service.”

Data analysis. Moreover, we have a dedicated team of 30 business intelligence, artificial intelligence analysts and data scientists who monitor and analyze an average of seven terabytes of data per month relating to our key performance indicators, which helps, among others, our sales force target more profitable customers. We also analyze operating expenses by calculating the standard cost of each activity that affects our operating expenses either directly or indirectly and monitoring items such as fuel consumption, vessel charter hire rates, expenses incidental to cargo handling and port expenses for each vessel or voyage. This, in turn, enables us to identify opportunities to implement efficiency measures and improve margins using up-to-date operational data, including monthly financial results and expenses incurred for each voyage, routes, mileage information and other key performance indicators. Furthermore, by using the data analysis, we are also able to build forecasting models to improve our planning.

Customer support. Further, through our website, we enable our customers to monitor the movement of their cargo on our vessels from the cargo’s point of origin through various ports and inter-modal transportation to its final destination. As part of enhancing the customer experience, customer can also easily subscribe to proactive cargo-tracing notification and get the latest container event once it is occurred. This service provides a complementary service to the track a shipment functionality.

In addition, we offer customers automated data interchange for shipment information and invoicing, while also offering customers information relating to schedules, pricing, lines of service and other data to allow them to plan and book transactions directly with us. In addition, our information and communication systems allow us to prepare and transmit bills of lading more efficiently and enables shipping agencies to respond to individual customer needs quickly. We believe that by supporting our customers’ supply chain management, our information and communication systems can strengthen our customer service capabilities.

Sustainability and Focus on ESG

Through our core value of sustainability, and in accordance with our Code of Ethics, we aim to uphold and advance a set of principles regarding environmental, social and governance concerns, and with our supplier code of conduct we aim to withhold a strong, secure and responsible supply chain. Our goal is to work resolutely to eliminate corruption risks, promote fair employment and diversity among our teams and continuously reduce the environmental impact of our operations, both at sea and onshore. We have elected to enter into long-term charter transactions of LNG dual-fuel vessels to reduce pollutant emissions as a result of bunker consumption, and five of these vessels are also partly ready to be powered by ammonia in the event it will become a feasible “cleaner” fuel. As of December 31, 2025, we are members of the Move to -15°C Coalition, a coalition of industry participants intended to unite the industry in cutting GHG emissions ahead of the 2050 net zero goal while helping cold chain operators reduce costs through energy savings. In addition to actively working to reduce accidents and security risks in our operations, we also endeavour to eliminate corruption risks as a member of the Maritime AntiCorruption Network (“MACN”), with a vision of a maritime industry that enables fair trade. We invest efforts in preparing for future regulations and broadly map our environmental risks. We actively promote the preservation and protection of the marine environment and biodiversity. We also foster quality throughout the service chain, by selectively working with qualified partners to advance our business interests. Finally, we promote diversity among our teams, with a focus on developing high-quality training courses for all employees and an emphasis on creating an inclusive environment for all employees to succeed. Furthermore, we have published annual sustainability (ESG) reports since 2018, focusing, among others, on our environmental efforts and initiatives, best governance practices and diversity. As we continue to grow, sustainability remains a core value. We expect ESG regulation will intensify in the future.

Competition

We compete with a large number of global, regional and niche shipping companies to provide transport services to customers worldwide. In each of our key trades, we compete primarily with global shipping companies. The market is significantly concentrated with the top three carriers —MSC, Maersk and CMA-CGM — accounting for approximately 48% of global capacity, and the remaining carriers together contributing 52% of global capacity as of December 2025, according to Alphaliner. As of December 2025, we controlled approximately 2.1% of the global cargo shipping capacity and ranked 10th among shipping carriers globally in terms of TEU operated capacity, according to Alphaliner. See “Item 3.D – Risk factors – The container shipping industry is highly competitive, and competition may intensify even further, which could negatively affect our market position and financial performance.”

In addition to the large global carriers, regional carriers generally focus on a number of smaller routes within a regional market and typically offer services to a wider range of ports within a particular market as compared to global carriers. Niche carriers are similar to regional carriers but tend to be even smaller in terms of capacity and the number and size of the markets in which they operate. Niche carriers often provide an intra-regional service, focusing on ports and services that are not served by global carriers.

We believe that the cargo shipping industry is characterized by the significant time and capital required to develop the operating expertise and professional reputation necessary to obtain and retain customers. We believe that our development of a large fleet with varying TEU capacities has enhanced our relationship with our principal customers by enabling them to serve the East-West, North-South and Intra-regional shipping lines efficiently, while enabling us to operate in the different rate environments prevailing for those routes. We also believe that our focus on customer service and reliability enhances our relationships with our customers and improves customer loyalty. Additionally, we believe that our global deployment of services and presence through local agencies, both in our key trades and in our niche trades, is a competitive advantage. In addition, we operate transshipment hubs in trades, allowing us access to those zones while providing rapid and competitive services.

Seasonality

For a discussion of the impact of seasonality on our business, see “Item 5 – Operating and Financial Review and Prospects – Factors affecting comparability of financial position and results of operations – Seasonality.”

Risk of loss and liability insurance

General

The operation of any vessel includes risks such as mechanical failure, collision, property loss or damage, cargo loss or damage and business interruption due to a number of reasons, including political circumstances in foreign countries, hostilities and labor strikes. In addition, there is always an inherent possibility of marine disaster, including oil spills and other environmental mishaps, as well as other liabilities arising from owning and operating vessels in international trade. The U.S. Oil Pollution Act of 1990, or OPA 90, which imposes under certain circumstances, unlimited liability upon owners, operators and demise charterers of vessels trading in the United States exclusive economic zone for certain oil pollution accidents in the United States, has made liability insurance more expensive for shipowners and operators trading in the U.S. market.

We maintain hull and machinery and war risks insurance for our fleet to cover normal risks in our operations and in amounts that we believe to be prudent to cover such risks. In addition, we maintain protection and indemnity insurance up to the maximum insurable limit available at any given time. While we believe that our insurance coverage will be adequate, not all risks can be insured, and there can be no guarantee that we will always be able to obtain adequate insurance coverage at reasonable rates or at all, or that any specific claim we may make under our insurance coverage will be paid.

Protection and indemnity insurance

Protection and indemnity insurance is usually provided by protection and indemnity, or P&I, clubs, and covers third-party liability, crew liability and other related expenses resulting from the injury or death of crew, passengers and other third parties, the loss or damage to cargo, third-party claims arising from collisions with other vessels (to the extent not recovered by the hull and machinery policies), damage to other third-party property, pollution arising from oil or other substances and salvage, towing and other related costs, including wreck removal.

The respective owners of the vessels that we charter-in maintain insurance on those vessels, and we maintain charter liability insurance with a limit of \$750 million per incident, as the charterer’s activity typically consists of a much lower exposure than that of the owner. We also hold an excess policy provided by Lloyd’s underwriters of up to \$100 million in excess of \$750 million per incident for our chartered-in vessels.

Our protection and indemnity insurance is provided by several P&I clubs that are members of the International Group of P&I Clubs (International Group). The 13 P&I clubs that comprise the International Group insure approximately 90% of the world’s commercial blue-water tonnage and have entered into a pooling agreement to reinsure each association’s liabilities. Insurance provided by a P&I club is a form of mutual indemnity insurance.

Our maximum theoretical P&I insurance coverage for our own operated vessels is approximately \$7 billion per vessel per incident, subject to a limit of \$1 billion per vessel per incident for oil pollution, an aggregate limit of \$2 billion per vessel per incident for passengers only and \$3 billion per vessel per incident for passengers and seamen combined. War liabilities are covered in excess of the “insured value” of the specific vessel.

As a member of a P&I club, which is a member of the International Group, we will be subject to calls payable to the P&I club based on the International Group’s claim records as well as the claim records of all other members of the P&I club of which we are a member.

Regulatory Matters

Inspections, permits and authorizations

A variety of governmental and private entities subject our vessels to both scheduled and unscheduled inspections. These entities include the local port authorities’ Port State Control (such as the U.S. Coast Guard, harbor master or equivalent), classification societies, flag state administration (country of registry), particularly terminal operators. Certain of these entities require us to obtain certain permits, licenses, financial assurances and certificates with respect to our vessels. The kinds of permits, licenses, financial assurances and certificates required depend upon several factors, including the cargo transported, the waters in which the vessel operates, the nationality of the vessel’s crew and the type and age of the vessel. Failure to maintain necessary permits or approvals could require us to incur substantial costs or result in the temporary suspension of the operation of one or more of our vessels in one or more ports. We believe we have obtained all permits, licenses, financial assurances and certificates currently required to operate our vessels. Additional laws and regulations, environmental or otherwise, may be adopted which could limit our ability to do business or increase the cost of doing business.

Environmental and other regulations in the shipping industry

Government regulations and laws significantly affect the ownership and operation of our vessels. We are subject to international conventions and treaties, national, state and local laws and national and international regulations in force in the jurisdictions in which our vessels operate or are registered relating to the protection of the environment. Such requirements are subject to ongoing developments and amendments and relate to, among other things, the storage, handling, emission, transportation and discharge of hazardous and non-hazardous substances, such as sulfur oxides, nitrogen oxides and the use of low-sulfur fuel or shore power voltage, and the remediation of contamination and liability for damages to natural resources. These laws and regulations include the Oil Pollution Act of 1990 (OPA 90), Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the Clean Water Act (CWA), the U.S. Clean Air Act of 1970 (including its amendments of 1977 and 1990) (CAA), and regulations adopted by the International Maritime Organization (IMO), including the International Convention for Prevention of Pollution from Ships (MARPOL), and the International Convention for Safety of Life at Sea (the SOLAS Convention), as well as regulations enacted by the European Union and other international, national and local regulatory bodies. Compliance with such requirements, where applicable, entails significant expense, including vessel modifications and implementation of certain operating procedures. If such costs are not covered by our insurance policies or if we cannot recover them from our customers, we could be exposed to high costs in respect of environmental liability damages, administrative and civil penalties, criminal charges or sanctions, and could suffer substantive harm to our operations and goodwill to the extent that environmental damages are caused by our operations. We instruct the crews of our vessels on environmental requirements and we operate in accordance with procedures that are intended to ensure compliance with such requirements. We also insure our activities, where effective for us to do so, in order to hedge our environmental risks.

We believe that the heightened level of environmental and quality concerns among insurance underwriters, regulators and charterers is leading to greater inspection and safety requirements for all vessels and may accelerate designating older vessels for sale throughout the cargo shipping industry. Increasing environmental concerns have created a demand for vessels that conform to the strictest environmental standards (such as LNG fueled vessels). We are required to maintain operating standards for all of our vessels that emphasize operational safety, quality maintenance, continuous training of our officers and crews and compliance with U.S. and international regulations. For example, we are certified in accordance with ISO 14001-2015 (relating to environmental standards). We believe that the operation of our vessels is in substantial compliance with applicable environmental requirements and that our vessels have all material permits, licenses, certificates and other authorizations necessary for the conduct of our operations. However, because such requirements frequently change and may become increasingly more stringent, we cannot predict our ability to comply and the ultimate cost of complying with these requirements, or the impact of these requirements on the useful lives or resale value of our vessels. In addition, a future serious marine incident that causes significant adverse environmental impact could result in additional legislation or regulation that could negatively affect our profitability.

Finally, we are subject, in connection with our international activities, to laws, directives, decisions and orders in various countries around the world that prohibit or restrict trade with certain countries, individuals and entities.

International Maritime Organization

Our operated vessels are subject to standards imposed by the IMO, the United Nations agency for maritime safety and the prevention of pollution by vessels. The IMO has adopted regulations that are designed to reduce pollution in international waters, both from accidents and from routine operations, and has negotiated international conventions that impose liability for oil pollution in international waters and a signatory's territorial waters. For example, the IMO has adopted MARPOL, the SOLAS Convention, and the International Convention on Load Lines of 1966 (the LL Convention). MARPOL establishes numerous environmental standards including those relating to oil leakage or spilling, garbage management, sewage, air emissions, handling and disposal of noxious liquids and the handling of harmful substances in packaged forms. MARPOL is applicable to drybulk, tanker and LNG carriers, among other vessels, and is broken into six Annexes, each of which regulates a different source of pollution. Annex I relates to oil leakage or spilling; Annexes II and III relate to harmful substances carried in bulk in liquid or in packaged form, respectively; Annexes IV and V relate to sewage and garbage management, respectively; and Annex VI, lastly, relates to air emissions. Annex VI was introduced by the IMO in 1997 and new emissions standards, titled IMO-2020, and took effect on January 1, 2020. Annex VI was amended effective as of November 1, 2022 and requires vessels to improve their energy efficiency and GHG emissions.

In 2012, the IMO's Marine Environmental Protection Committee (MEPC), adopted a resolution amending the International Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk (IBC Code). The provisions of the IBC Code are mandatory under MARPOL and the SOLAS Convention. These amendments, which entered into force in June 2014, pertain to revised international certificates of fitness for the carriage of dangerous chemicals in bulk and identifying new products that fall under the IBC Code.

In 2013, the MEPC adopted a resolution amending MARPOL Annex I Conditional Assessment Scheme (CAS). These amendments became effective on October 1, 2014, and require compliance with the 2011 International Code of Enhanced Programme of Inspections during Surveys of Bulk Carriers and Oil Tankers, which provides for enhanced inspection programs.

We may need to make certain financial expenditures to continue to comply with these amendments. We believe that our vessels are currently in compliance in all material respects with these requirements.

Air Emissions

On October 27, 2016, the MEPC agreed to implement the IMO 2020 Regulations, including a global 0.5% m/m sulfur oxide emissions limit (reduced from 3.5%) starting January 1, 2020. This limitation can be met by using low-sulfur compliant fuel oil, alternative fuels, or certain exhaust gas cleaning systems. Ships are now required to obtain bunker delivery notes and International Air Pollution Prevention (IAPP) Certificates from their flag states that specify sulfur content. Additionally, amendments to Annex VI to prohibit the carriage of bunkers above 0.5% sulfur on ships were adopted and took effect March 1, 2020, with the exception of vessels fitted with scrubbers which can carry fuel of higher sulfur content. These regulations subject ocean-going vessels to stringent emissions controls, and may cause us to incur substantial costs, in particular those related to the purchase of compliant fuel oil. Annex VI also provides for the establishment of special areas known as Emission Control Areas, or ECAs, where more stringent controls on sulfur and nitrogen emissions apply. Since January 1, 2015, ships operating within an ECA have not been permitted to use fuel with sulfur content in excess of 0.1% m/m. Currently, the IMO has designated four ECAs, including specified portions of the Baltic Sea area, North Sea area, North American area, United States Caribbean area and the Mediterranean (including Israel). These and similar requirements, including new ECAs that may be approved in the future by the IMO or other new or more stringent air emission requirements adopted by the IMO or in the jurisdictions where we operate, could entail significant additional capital expenditures, operational changes or otherwise increase the costs of our operations, which could be material.

As determined at the MEPC 70, the new Regulation 22A of MARPOL Annex VI became effective as of March 1, 2018 and requires ships above 5,000 gross tonnage to collect and report annual data on fuel oil consumption to an IMO database, with the first year of data collection commenced on January 1, 2019. The IMO intends to use such data as the first step in its roadmap (through 2023) for developing its strategy to reduce GHG emissions from ships, as discussed further below.

As of January 1, 2013, MARPOL made mandatory certain measures relating to energy efficiency for ships. All ships are now required to develop and implement Ship Energy Efficiency Management Plans (SEEMPS), and new ships must be designed in compliance with minimum energy efficiency levels per capacity mile as defined by the Energy Efficiency Design Index (EEDI). Under these measures, by 2025, all new ships built will be required to be 30% more energy efficient than those built in 2014.

In addition, in June 2021, the IMO adopted extensive new CO₂ regulation applicable to existing ships, which became mandatory on January 1, 2023, and that comprises the following: (i) The Energy Efficiency Existing Ship Index (EEXI), which addresses the technical efficiency of ships, will enter into effect following the first annual, intermediate or renewal of Initial Air Pollution Prevention (IAPP) vessel survey after January 1, 2023, (ii) the Carbon Intensity Indicator (CII) rating scheme, also effective as of January 1, 2023, which addresses the operational efficiency of the vessel and imposes operational constraints on vessels with lower carbon-efficiency ratings (especially on older-built ships) by directing an annual reduction in allowable carbon intensity of approximately 2% per year through 2026, with further tightening operational constraints, and (iii) the enhanced Ship Energy Efficiency Management Plan (SEEMP), which will require vessel operators to keep an energy efficiency management plan onboard.

We may incur costs to comply with this proposed regulation and other revised standards. Additional or new conventions and international, national or local laws and regulations may be adopted that could require the installation of expensive emission control systems and could adversely affect our business, results of operations, cash flows and financial conditions.

Safety management system requirements

The SOLAS Convention was amended to address the safe manning of vessels and emergency training drills. The Convention of Limitation of Liability for Maritime Claims (the LLMC) sets limitations of liability for a loss of life or personal injury claim or a property claim against ship owners.

Additionally, the operation of our vessels is based on the requirements set forth in the ISM Code. The ISM Code requires vessel managers to develop and maintain an extensive Safety Management System, or SMS, that includes the adoption of a safety and environmental protection policy, sets forth instructions and procedures for safe vessel operation and describes procedures for dealing with emergencies. The ISM Code requires that vessel operators obtain a Safety Management Certificate for each vessel they operate from the government of the vessel's flag state. The certificate verifies that the vessel operates in compliance with its approved SMS. No vessel can obtain a certificate unless the flag state has issued a document of compliance with the ISM Code to the vessel's manager. Failure to comply with the ISM Code may lead to withdrawal of the permit to manage or operate the vessels, subject such party to increased liability, decrease or suspend available insurance coverage for the affected vessels and result in a denial of access to, or detention in, certain ports. Each of our vessels are ISM Code-certified.

Ballast water discharge requirements

In 2004, the IMO adopted the International Convention for the Control and Management of Ships' Ballast Water and Sediments (the BWM Convention). The BWM Convention entered into force on September 8, 2017. The BWM Convention requires ships to manage their ballast water to remove, render harmless, or avoid the uptake or discharge of new or invasive aquatic organisms and pathogens within ballast water and sediments.

As of the entry into force date, all ships in international traffic are required to manage their ballast water and sediments to a certain standard according to a ship-specific ballast water management plan, maintain a record book of the ship's discharge, intake and treatment of ballast water and (for ships over 400 gross tons) be issued a certificate by or on behalf of the flag state certifying that the ship carries out ballast water management in accordance with the BWM Convention. The MEPC adopted two ballast water management standards. The "D-1 standard" requires the exchange of ballast water in open seas and away from coastal waters. The "D-2 standard" specifies the maximum amount of viable organisms allowed to be discharged. The D-1 standard generally applies to all existing ships. The D-2 standard applies to all new ships, and for existing ships, becomes effective upon the ship's first IOPP renewal survey on or after September 8, 2019, but no later than September 9, 2024. For most existing ships, compliance with the D-2 standard will involve installing on-board systems to treat ballast water and eliminate unwanted organisms. Ballast water management systems, which include systems that make use of chemical, biocides, organisms or biological mechanisms, or which alter the chemical or physical characteristics of the ballast water, must be approved in accordance with IMO Guidelines (Regulation D-3). As of October 13, 2019, MEPC 72's amendments to the BWM Convention took effect, making the Code for Approval of Ballast Water Management Systems, which governs assessment of ballast water management systems, mandatory rather than permissive, and formalized an implementation schedule for the D-2 standard. Costs of compliance with these regulations may be substantial.

Many countries already regulate the discharge of ballast water carried by vessels from country to country to prevent the introduction of invasive and harmful species via such discharges. The U.S., for example, requires vessels entering its waters from another country to conduct mid-ocean ballast exchange, or undertake some alternate measure, and to comply with certain reporting requirements. The system specification requirements for trading in the U.S. have been formalized and we have been installing ballast water treatment systems on our vessels as their special survey deadlines come due.

Safe Recycling of Ships

The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships ("HKC") entered into force on June 26, 2025. The HKC establishes a global and legally binding framework governing the design, construction, operation and end-of-life recycling of ships, with strict obligations regarding hazardous materials management, recycling practices and certification requirements. The convention applies to all ships over 500 gross tons, even if their country flag did not ratify the HKC, so long as the vessel entered a port in a country that had ratified the HKC. These vessels must maintain a valid Inventory of Hazardous Materials (IHM) that identifies all hazardous materials on board, such as asbestos, PCB's and ozone-depleting substances, their location and approximate quantities. The HKC also requires new vessels to have an International Certificate on IHM (ICIHM) upon delivery to owner and that existing vessels to obtain ICIHM no later than June 26, 2030, or earlier, if sent to recycling. A retiring vessel may be sent only to HKC-authorized recycling facilities after preparing a Ship Recycling Plan (SRP) in cooperation with the selected facility.

Failure of our vessels to comply with the HKC may lead to Port State Control detentions or other restrictions on terminal access. Improper recycling of our vessels or other IHM inaccuracies may lead to financial and regulatory liabilities.

Pollution control and liability requirements

The IMO adopted the International Convention on Civil Liability for Oil Pollution Damage of 1969, as amended by different Protocols in 1976, 1984 and 1992, and amended in 2000 (the CLC). Under the CLC and depending on whether the country in which the damage results is a party to the 1992 Protocol to the CLC, a vessel's registered owner may be strictly liable for pollution damage caused in the territorial waters of a contracting state by discharge of persistent oil, subject to certain exceptions. The 1992 Protocol changed certain limits on liability expressed using the International Monetary Fund currency unit, the Special Drawing Rights. The limits on liability have since been amended so that the compensation limits on liability were raised. The right to limit liability is forfeited under the CLC where the spill is caused by the shipowner's actual fault and under the 1992 Protocol where the spill is caused by the shipowner's intentional or reckless act or omission where the shipowner knew pollution damage would probably result. The CLC requires ships over 2,000 tons covered by it to maintain insurance covering the liability of the owner in a sum equivalent to an owner's liability for a single incident. We have protection and indemnity insurance for environmental incidents.

The IMO International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, when it enters into force, will provide for compensation to be paid to victims of accidents involving hazardous and noxious substances, or HNS. HNS are defined by reference to lists of substances included in various IMO conventions and codes and include oils, other liquid substances defined as noxious or dangerous, liquefied gases, liquid substances with a flashpoint not exceeding 60°C, dangerous, hazardous and harmful materials and substances carried in packaged form, solid bulk materials defined as possessing chemical hazards, and certain residues left by the previous carriage of HNS. This convention will introduce strict liability for the shipowner and a system of compulsory insurance and insurance certificates. This convention is still awaiting the requisite number of signatories in order to enter into force.

The IMO has adopted the International Convention on Civil Liability for Bunker Oil Pollution Damage, or the Bunker Convention, to impose strict liability on vessel owners (including the registered owner, bareboat charterer, manager or operator) for pollution damage in jurisdictional waters of ratifying states caused by discharges of bunker fuel. The Bunker Convention requires registered owners of vessels over 1,000 gross tons to maintain insurance for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime (but not exceeding the amount calculated in accordance with the LLMC). With respect to non-ratifying states, liability for spills or releases of petroleum carried as fuel in ship's bunkers typically is determined by the national or other domestic laws in the jurisdiction in which the events or damages occur. Vessels are required to maintain a certificate attesting that they maintain adequate insurance to cover an incident. P&I Clubs in the International Group issue the required Bunker Convention's "Blue Cards" to enable signatory states to issue certificates. All of our vessels are in possession of a CLC State issued certificate attesting that the required insurance coverage is in force in accordance with the Bunker Convention. In jurisdictions such as the U.S., where the CLC or Bunker Convention has not been adopted, various legislative schemes or common law govern, and liability is imposed either on the basis of fault or strict liability.

United States requirements

OPA 90 established an extensive regulatory and liability regime for the protection of the environment from oil spills and cleanup of oil spills. OPA 90 applies to discharges of any oil from a vessel, including discharges of fuel and lubricants. OPA 90 affects all owners and operators whose vessels trade or operate within in the U.S., its territories and possessions or whose vessels operate in U.S. waters, which include the U.S.'s territorial sea and its 200 nautical mile exclusive economic zone. While we do not carry oil as cargo, we do carry bunker fuel in our vessels, making them subject to the requirements of OPA 90. The U.S. has also enacted CERCLA, which applies to the discharge of hazardous substances other than oil, except in limited circumstances, whether on land or at sea. OPA and CERCLA both define "owner and operator" in the case of a vessel as any person owning, operating or chartering by demise, the vessel. Both OPA and CERCLA impact our operations.

Under OPA 90, vessel owners, operators and bareboat charterers are “responsible parties” and are jointly, severally and strictly liable (unless the discharge of pollutants results solely from the act or omission of a third party, an act of God or an act of war) for all containment and clean-up costs and other damages arising from discharges or threatened discharges, of pollutants from their vessels, including bunkers. OPA 90 defines these other damages broadly to include:

- injury to, destruction or loss of, or loss of use of, natural resources and related assessment costs;
- injury to, or economic losses resulting from, the destruction of real and personal property;
- loss of subsistence use of natural resources that are injured, destroyed or lost;
- net loss of taxes, royalties, rents, fees and or net profit revenues resulting from injury, destruction or loss of real or personal property, or natural resources;
- lost profits or impairment of earning capacity due to injury, destruction or loss of real or personal property or natural resources; and
- net cost of increased or additional public services necessitated by removal activities following a discharge of pollutants, such as protection from fire, safety or health hazards, and loss of subsistence use of natural resources.

U.S. Coast Guard regulations limit OPA 90 liability. Effective March 23, 2023, the U.S. Coast Guard adjusted the limits of OPA liability for a tank vessel, other than a single-hull tank vessel, over 3,000 gross tons liability to the greater of \$2,500 per gross ton or \$21,521,000 (subject to periodic adjustment for inflation). These limits of liability do not apply if an incident was proximately caused by the violation of an applicable U.S. federal safety, construction or operating regulation by a responsible party (or its agent, employee or a person acting pursuant to a contractual relationship), or a responsible party’s gross negligence or willful misconduct. The limitation on liability similarly does not apply if the responsible party fails or refuses to (i) report the incident as required by law where the responsible party knows or has reason to know of the incident; (ii) reasonably cooperate and assist as requested in connection with oil removal activities; or (iii) without sufficient cause, comply with an order issued under the Federal Water Pollution Act (Section 311 (c), (e)) or the Intervention on the High Seas Act.

CERCLA applies to spills or releases of hazardous substances other than petroleum or petroleum products whether on land or at sea. CERCLA contains a similar liability regime to OPA and imposes joint and several liability, without regard to fault, on the owner or operator of a vessel, vehicle or facility from which there has been a release, along with other specified parties. Costs recoverable under CERCLA include cleanup, removal and remediation, as well as damages to injury to, or destruction or loss of, natural resources, including the reasonable costs associated with assessing the same, health assessments or health effects studies and governmental oversight costs. Liability under CERCLA is limited to the greater of \$300 per gross ton or \$5.0 million for vessels, other than incineration vessels, carrying any hazardous substances, such as cargo or residue, or the greater of \$300 per gross ton or \$0.5 million for any other vessel, other than an incineration vessel, per release of or incident involving hazardous substances. These limits of liability do not apply (rendering the responsible person liable for the total cost of response and damages) if the release or threat of release of a hazardous substance resulted is caused by gross negligence, willful misconduct or a violation of certain regulations, in which case liability is unlimited.

OPA 90 and CERCLA each preserves the right to recover damages under other existing laws, including maritime tort law. OPA 90 also contains statutory caps on liability and damages, which do not apply to direct clean-up costs. All owners and operators of vessels over 300 gross tons are required to establish and maintain with the U.S. Coast Guard evidence of financial responsibility sufficient to meet their potential liabilities under OPA 90 and CERCLA. Under the U.S. Coast Guard regulations, vessel owners and operators may evidence their financial responsibility by providing proof of insurance, surety bond, guarantee, letter of credit or self-insurance. An owner or operator of a fleet of vessels is required only to demonstrate evidence of financial responsibility in an amount sufficient to cover the vessel in the fleet having the greatest maximum liability under OPA 90 and CERCLA. Under the self-insurance provisions, the vessel owner or operator must have a net worth and working capital that exceeds the applicable amount of financial responsibility, measured in assets located in the United States against liabilities located anywhere in the world. We have received certificates of financial responsibility from the U.S. Coast Guard for each of the vessels in our fleet that calls U.S. waters.

OPA 90 specifically permits individual states to impose their own liability regimes with regard to oil pollution incidents occurring within their boundaries, provided they accept, at a minimum, the levels of liability established under OPA, and some states have enacted legislation providing for unlimited liability for oil spills. Many U.S. states that border a navigable waterway have enacted environmental pollution laws that impose strict liability on a person for removal costs and damages resulting from a discharge of oil or a release of a hazardous substance. These laws may be more stringent than U.S. federal law. In some cases, states which have enacted such legislation have not yet issued implementing regulations defining vessels owners’ responsibilities under these laws.

For each of our vessels, we maintain oil pollution liability coverage insurance in the amount of \$1 billion per vessel per incident. In addition, we carry hull and machinery and P&I insurance to cover the various risks of fire and explosion. Although our vessels only carry bunker fuel, a spill of oil from one of our vessels could be catastrophic under certain circumstances. Losses as a result of fire or explosion could also be catastrophic under some conditions. While we believe that our present insurance coverage is adequate, not all risks can be insured, and if the damages from a catastrophic spill exceeded our insurance coverage, the payment of those damages could have an adverse effect on our business or the results of our operations.

For additional information about our insurance policies, see “Risk of loss and liability insurance.”

Title VII of the Coast Guard and Maritime Transportation Act of 2004, or CGMTA, amended OPA 90 to require the owner or operator of any non-tank vessel of 400 gross tons or more that carries oil of any kind as a fuel for main propulsion, including bunker fuel, to prepare and submit a response plan for each vessel. These vessel response plans include detailed information on actions to be taken by vessel personnel to prevent or mitigate any discharge or substantial threat of such a discharge of oil from the vessel due to operational activities or casualties. Each of the vessels in our fleet that calls U.S. waters has an approved response plan.

Other United States environmental initiatives

The CWA prohibits the discharge of oil, hazardous substances and ballast water in U.S. navigable waters, unless authorized by a duly-issued permit or exemption, and imposes strict liability in the form of penalties for any unauthorized discharges. The CWA also imposes substantial liability for the costs of removal, remediation and damages and complements the remedies available under the more recently enacted OPA 90 and CERCLA, discussed above. The U.S. Environmental Protection Agency, or EPA, regulates the discharge of ballast water and other substances under the CWA. EPA regulations require vessels 79 feet in length or longer (other than commercial fishing vessels) to obtain coverage under a Vessel General Permit, or VGP, authorizing discharges of ballast waters and other wastewaters incidental to the operation of vessels when operating within the three-mile territorial waters or inland waters of the United States. The VGP requires vessel owners and operators to comply with a range of best management practices and reporting and other requirements for a number of incidental discharge types. The EPA regulates these discharges pursuant to VIDA, which was signed into law on December 4, 2018 and is intended to replace the 2013 VGP program (which authorizes discharges incidental to operations of commercial vessels and contains numeric ballast water discharge limits for most vessels to reduce the risk of invasive species in U.S. waters, stringent requirements for exhaust gas scrubbers, and requirements for the use of environmentally acceptable lubricants) and current Coast Guard ballast water management regulations adopted under NISA, such as mid-ocean ballast exchange programs and installation of approved U.S. Coast Guard technology for all vessels equipped with ballast water tanks bound for U.S. ports or entering U.S. waters. VIDA establishes a new framework for the regulation of vessel incidental discharges under the CWA, requires the EPA to develop performance standards for those discharges within two years of enactment, and requires the U.S. Coast Guard to develop implementation, compliance, and enforcement regulations within two years of EPA’s promulgation of standards. In October 2024, the EPA published the final standards of performance under VIDA. Pursuant to VIDA, these standards will become effective upon the U.S. Coast Guard’s issuance of corresponding implementation, compliance and enforcement regulations. Under VIDA, all provisions of the 2013 VGP and U.S. Coast Guard regulations regarding ballast water treatment remain in force and effect until the EPA and U.S. Coast Guard regulations are finalized. We have obtained coverage under the current version of the VGP for all of our vessels that call U.S. waters. We do not believe that any material costs associated with meeting the requirements under the VGP will be material.

Furthermore, the California Air Resources Board (CARB) updated regulations requiring certain vessels to control pollution when they run auxiliary engines and auxiliary boilers while at berth in California ports. We anticipate this regulation will be costly, and we may be subjected to heavy fines if we fail to meet these requirements.

Since 2015, the EPA and the U.S. Army Corp of Engineers have pursued multiple rulemakings under different administrations regarding the scope of the definition of “waters of the United States” (WOTUS), thereby establishing the scope of federal jurisdiction under the CWA. In January 2023, the U.S. EPA issued a final rule redefining WOTUS that became effective March 1, 2023. The new WOTUS rule would have expanded the definition of what waters would be considered to be a WOTUS. However, in May 2023, the U.S. Supreme Court issued a decision in *Sackett v. EPA* that significantly narrowed the definition of WOTUS, specifically as that definition relates to wetlands under the Clean Water Act. On August 29, 2023, the U.S. EPA re-issued its WOTUS rule, revised in accordance with the *Sackett* decision, as a final rule with no public notice and comment. As a result of ongoing litigation, the current implementation of the definition of WOTUS varies by state.

The EPA has adopted standards under the CAA that pertain to emissions of volatile organic compounds and other air contaminants. Our vessels are subject to vapor control and recovery requirements for certain cargoes when loading, unloading, ballasting, cleaning and conducting other operations in regulated port areas. The CAA also requires states to draft State Implementation Plans, or SIPs, designed to attain national health-based air quality standards in each state. Although state-specific, SIPs may include regulations concerning emissions resulting from vessel loading and unloading operations by requiring the installation of vapor control equipment. If new or more stringent regulations relating to emissions from marine diesel engines or port operations by ocean-going vessels are adopted by the EPA or states, these requirements could require significant capital expenditures or otherwise increase the costs of our operations.

European Union requirements

The European Union has also adopted legislation that (1) requires member states to refuse access to their ports to certain sub-standard vessels, according to vessel type, flag and number of previous detentions, (2) obliges member states to inspect at least 25% of foreign vessels using their ports annually and provides for increased surveillance of vessels posing a high risk to maritime safety or the marine environment, (3) provides the European Union with greater authority and control over classification societies, including the ability to seek to suspend or revoke the authority of negligent societies and (4) requires member states to impose criminal sanctions for certain pollution events, such as the unauthorized discharge of tank washings, and including minor discharges, if committed with intent, recklessly or with serious negligence and the discharges individually or in the aggregate result in deterioration of the quality of water.

Regulation (EU) 2015/757 of the European Parliament and of the Council of 29 April 2015 (amending EU Directive 2009/16/EC) governs the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and, subject to some exclusions, requires companies with ships over 5,000 gross tonnage to monitor and report carbon dioxide emissions annually, which may cause us to incur additional expenses.

Furthermore, the EU has implemented regulations requiring vessels to use reduced sulfur content fuel for their main and auxiliary engines. The EU Directive 2005/33/EC (amending Directive 1999/32/EC) introduced requirements parallel to those in Annex VI relating to the sulfur content of marine fuels. In addition, the EU imposed a 0.1% maximum sulfur requirement for fuel used by ships at berth in the Baltic, the North Sea and the English Channel (the so-called Sox-Emission Control Area). As of January 2020, EU member states must also ensure that ships in all EU waters, except the Sox-Emission Control Area, use fuels with a 0.5% maximum sulfur content.

In July 2021 the European Commission presented its 'Fit for 55' package, which includes, among others, a legislative proposal to apply the EU emissions Trading System (ETS) on maritime shipping. ETS are market-based "cap and trade" scheme in which entities trade emissions rights within an area under a cap placed on the quantity of specified pollutants. We expect to incur additional expenses as a result if and when this proposal becomes effective, and we may not be able to recover or minimize our additional costs by increasing our fees we collect from our customers.

The European Union's Emissions Trading System, or ETS, which entered into effect on January 1, 2024, set a limit on the total amount of GHGs that we as a shipping company are permitted to emit on route to or from European Union members' ports. Such cap is expressed in emission allowances, where one allowance gives the right to emit one ton of carbon dioxide equivalent. Each year, we will be required to surrender enough allowances to fully account for our emissions, otherwise we will be subject to heavy fines. The ETS Regulations require us to purchase and surrender allowances equal to a percentage of our emissions that gradually increases over time, from 40% of reported emissions in 2024 to 100% of reported emissions in 2026. We anticipate we will be required to purchase allowances from the EU carbon market on an ongoing basis, which will increase our operating costs. We have implemented a New Emission Factor, or NEF, surcharge, intended to pass on to customers the additional costs associated with compliance with the ETS Regulations, however there is no assurance that this surcharge will enable us to mitigate the possible increase costs in full or at all.

Additionally, the new FuelEU Maritime Regulation which entered into effect in January 2025, sets requirements for the annual average GHG intensity of energy used by vessels trading within the European Union or European Economic Area. This regulation requires carriers to perform a gradual reduction in the GHG intensity of energy used by vessels at European ports from a baseline GHG intensity level derived from 2020 data, starting with a 2% reduction from the baseline by 2025 and reaching 80% by 2050. As a result, vessels will be required to shift to lower emission fuels instead of traditional marine fuels.

The IMO 2020 Regulations, the ETS, the FuelEU Maritime Regulation and any future air emissions regulations with which we must comply may cause us to incur substantial additional operating costs.

Other regional requirements

The environmental protection regimes in certain other countries, such as Canada, resemble those of the United States. To the extent we operate in the territorial waters of such countries or enter their ports, our vessels would typically be subject to the requirements and liabilities imposed in such countries. Other regions of the world also have the ability to adopt requirements or regulations that may impose additional obligations on our vessels and may entail significant expenditures on our part and may increase the costs of our operations. These requirements, however, would apply to the industry operating in those regions as a whole and would also affect our competitors.

We are also subject to Israeli regulation regarding, among other things, national security and the mandatory provision of our fleet, environmental and sea pollution, and the Israeli Shipping Law (Seamen) of 1973, which regulates matters concerning seamen, and the terms of their eligibility and work procedures.

GHG regulation

Currently, emissions of GHGs from international shipping are not subject to the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which entered into force in 2005 and pursuant to which adopting countries have been required to implement national programs to reduce GHG emissions with targets extended through 2020. International negotiations are continuing with respect to a successor to the Kyoto Protocol, and restrictions on shipping emissions may be included in any new treaty. The 2015 United Nations Climate Change Conference in Paris resulted in the Paris Agreement, which entered into force on November 4, 2016 and does not directly limit GHG emissions from ships. The U.S. initially entered into the agreement, but in June 2017, President Donald Trump announced that the U.S. would withdraw from the Paris Agreement, which withdrawal became effective on November 4, 2020. On February 19, 2021, the U.S., under the Biden administration, officially rejoined the Paris Agreement and on January 20, 2025, President Trump signed an executive order to once again withdraw the U.S. from the agreement, effective in 2026.

International or multinational bodies or individual countries or jurisdictions may adopt climate change initiatives. For example, in June 2020 the UN's Climate Ambition Alliance (CAA) has launched a global campaign aiming for net zero GHG emissions by 2050, rallying both governments as well as businesses. The U.S. Congress has from time to time considered adopting legislation to reduce GHG emissions and almost one-half of the states have already taken legal measures to reduce GHG emissions primarily through the planned development of GHG emission inventories and/or regional GHG cap-and-trade programs. Most cap-and-trade programs require major sources of emissions, such as electric power plants, and major producers of fuels, such as refineries and gas processing plants, to acquire or surrender emission allowances that correspond to their annual GHG emissions. The number of allowances available for purchase is reduced each year in an effort to achieve the overall GHG emission reduction goal. The adoption of legislation or regulatory programs to reduce GHG emissions, if and to the extent applicable to us, could increase our operating costs.

At MEPC 70 and MEPC 71, a draft outline of the structure of the initial strategy for developing a comprehensive IMO strategy on reduction of GHG emissions from ships was approved. In accordance with this roadmap, in April 2018, nations at the MEPC 72 adopted an initial strategy to reduce GHG emissions from ships. The initial strategy identifies "levels of ambition" to reducing GHG emissions, including (1) decreasing the carbon intensity from ships through implementation of further phases of the Energy Efficiency Design Index for new ships; (2) reducing carbon dioxide emissions per transport work, as an average across international shipping, by at least 40% by 2030, pursuing efforts towards 70% by 2050, compared to 2008 emission levels; and (3) reducing the total annual greenhouse emissions by at least 50% by 2050 compared to 2008 while pursuing efforts towards phasing them out entirely. The initial strategy notes that technological innovation, alternative fuels and/or energy sources for international shipping will be integral to achieve the overall ambition. At MEPC 80, the 2023 IMO Strategy on Reduction of GHG Emissions from Ships was adopted, which includes an enhanced common ambition to reach net-zero GHG emissions from international shipping by or around, 2050, a commitment to ensure an uptake of alternative zero and near-zero GHG fuels by 2030 and the adoption of interim targets to reduce the total annual GHG emissions from international shipping by at least 20% by 2030 and by at least 70% by 2040 compared to 2008. These regulations could cause us to incur additional substantial expenses. We strive to cut GHG emissions to net-zero by 2050, and we have implemented various optimization strategies designed to reduce GHG emissions, including long-term chartering LNG dual fuel vessels, operating vessels in "super slow steaming" mode, trim optimization, hull and propeller polishing and sailing route optimization.

The member states of the EU made a unilateral commitment to reduce by 2020 their 1990 levels of GHG emissions by 20%. The EU also committed to reduce its emissions by 20% under the Kyoto Protocol's second period from 2013 to 2020. Starting in January 2018, large ships over 5,000 gross tonnage calling at EU ports are required to collect and publish data on carbon dioxide emissions and other information. In the U.S., the EPA has adopted regulations under the CAA to limit GHG emissions from certain mobile sources, and has issued standards designed to limit GHG emissions from both new and existing power plants and other stationary sources.

The EPA or individual U.S. states could enact environmental regulations that would affect our operations. Any passage of climate control legislation or other regulatory initiatives by the IMO, the EU, the U.S. or other countries where we operate, or any treaty adopted at the international level to succeed the Kyoto Protocol or Paris Agreement that restricts emissions of GHGs could require us to make significant financial expenditures which we cannot predict with certainty at this time. Even in the absence of climate control legislation and regulations, our business and operations may be materially affected to the extent that climate change results in sea level changes and more frequent and intense weather events.

Occupational safety and health regulations

The Maritime Labour Convention, 2006, or MLC, consolidated most of the 70 existing International Labour Organization maritime labor instruments in a single modern, globally applicable, legal instrument, and became effective on August 20, 2013. The MLC establishes comprehensive minimum requirements for working conditions of seafarers including, conditions of employment, hours of work and rest, grievance and complaints procedures, accommodations, recreational facilities, food and catering, health protection, medical care, welfare and social security protection. The MLC also provides a new definition of seafarer that now includes all persons engaged in work on a vessel in addition to the vessel's crew. Under the new definition, we may be responsible for proving that customer and contractor personnel aboard our vessels have contracts of employment that comply with the MLC requirements. We could also be responsible for salaries and/or benefits of third parties that board one of our vessels. The MLC requires certain vessels that engage in international trade to maintain a valid Maritime Labour Certificate issued by their flag administration. We have developed and implemented a fleet-wide action plan to comply with the MLC to the extent applicable to our vessels.

The COVID-19 pandemic has had significant impacts on the shipping industry and on seafarers themselves. Travel restrictions imposed by governments around the world have created significant hurdles to crew changes and repatriation of seafarers, which led to a growing humanitarian crisis as well as significant concerns for the safety of seafarers and shipping. IMO urged its members states to designate seafarers as key workers, so they can travel between the ships that constitute their workplace, and their countries of residence. Countries and port implemented strict COVID-19 requirements which affects ships operations and crew changes. Government authorities may implement similar measures as a result of future outbreaks of a new COVID-19 variant or strain, or any future infectious disease outbreak, pandemic or epidemic.

Vessel security regulations

A number of initiatives have been introduced in recent years intended to enhance vessel security. On November 25, 2002, the Maritime Transportation Security Act of 2002, or MTSA, was signed into law. To implement certain portions of the MTSA, the U.S. Coast Guard issued regulations in July 2003 requiring the implementation of certain security requirements aboard vessels operating in waters subject to the jurisdiction of the United States. Similarly, in December 2002, amendments to SOLAS created a new chapter of the convention dealing specifically with maritime security. This new chapter came into effect in July 2004 and imposes various detailed security obligations on vessels and port authorities, most of which are contained in the ISPS Code. Among the various requirements are:

- on-board installation of automatic information systems to enhance vessel-to-vessel and vessel-to-shore communications;
- on-board installation of ship security alert systems;
- the development of ship security plans; and
- compliance with flag state security certification requirements.

The U.S. Coast Guard regulations, intended to align with international maritime security standards, exempt non-U.S. vessels from MTSA vessel security measures; *provided* that such vessels have on board a valid "International Ship Security Certificate" that attests to the vessel's compliance with SOLAS security requirements and the ISPS Code. We have implemented the various security measures required by the IMO, SOLAS and the ISPS Code and have approved ISPS certificates and plans certified by the applicable flag state on board all our vessels.

Amendments to the SOLAS Convention Chapter VII apply to vessels transporting dangerous goods and require those vessels be in compliance with the International Maritime Dangerous Goods Code (IMDG Code). Effective January 1, 2018, the IMDG Code includes updates to the provisions for radioactive material, reflecting the latest provisions from the International Atomic Energy Agency, new marking, packing and classification requirements for dangerous goods, and new mandatory training requirements.

Amendments that took effect on January 1, 2020 also reflect the latest material from the UN Recommendations on the Transport of Dangerous Goods, including new provisions regarding IMO type 9 tank, new abbreviations for segregations groups, and special provisions for carriage of lithium batteries and of vehicles powered by flammable liquid or gas.

In November 2001, the U.S. Customs and Border Patrol established the Customs-Trade Partnership Against Terrorism (C-TPAT), a voluntary supply chain security program, which is focused on improving the security of private companies' supply chains with respect to terrorism. We have been a member of C-TPAT since 2005.

Competition regulations

We have been, and continue to be, subject to investigations and party to legal proceedings relating to competition concerns. In recent years, a number of liner shipping companies, including us, have been the subject of antitrust investigations in the U.S., the EU and other jurisdictions into possible anti-competitive behavior. Furthermore, over the past few years there has been an increased scrutiny by governments and regulators around the world, including the FMC in the U.S., and the ministry of transportation in China. In the U.S., the Ocean Shipping Reform Act of 2022 (OSRA) signed into law in June 2022 required us and all other carriers to immediately implement certain requirements in detention and demurrage invoices, which if not included will eliminate any obligation of the charged party to pay the charge, including certifying that all detention and demurrage invoices are issued in compliance with the FMC's Interpretive Rule on Detention and Demurrage of May 18, 2020. These requirements in detention and demurrage invoices may affect our ability to effectively collect these fees from our customers, heighten the risk of civil litigation and adversely affect our financial results. OSRA further mandates a series of rule-making projects by FMC, including: (i) defining prohibited practices by common carriers and other industry players when assessing detention and demurrage; (ii) defining what is an "unreasonable" refusal of cargo space, as well as unfair or unjustly discriminatory methods; (iii) defining what is "unreasonable refusal" to deal or negotiate with respect to vessel space, and (iv) authorizing the FMC to determine "essential terms" that are deemed by FMC necessary to be included in maritime shipping service. Subsequently, the FMC published in February 2023 a final rule that prohibits the collection of detention and demurrage from U.S. truckers and consignees on import, and in July 2024, published a final rule that defines when it is unreasonable for a carrier to deny cargo space accommodations when such space is available. In addition to the FMC rulemaking projects, other new legislation initiatives have been introduced in Congress, which, if passed, could further restrict our commercial position vis-à-vis supply chain providers and customers, create new regulatory (including environmental) requirements, as well as cancel or limit the applicable U.S. Shipping Act antitrust exemptions. Any new rule issued by the FMC addressing these topics or other legislative-related initiatives may have an adverse effect on our business and financial results, including on our ability to negotiate commercial terms with our customers in our favor and our ability to collect our fees in exchange for our services. If we are found to be in violation of the applicable regulation, we could be subject to various sanctions, including monetary sanctions. Legal proceedings have been initiated against us under the FMC's interpretive Rule on Detention and Demurrage of May 18, 2020, See Note 27 to our audited consolidated financial statements included elsewhere in this Annual Report. For additional information see "Item 3.D – Risk factors – Risks related to Regulation - The shipping industry is subject to extensive government regulation and standards, international treaties and trade prohibitions and sanctions."

Although we have taken measures to fully comply with antitrust regulatory requirements and have adopted a comprehensive antitrust compliance plan, which includes, among other, mandatory periodic employee trainings, we may face investigations, and, if we are found to be in violation of the applicable regulation, we could be subject to criminal, civil and monetary sanctions, as well as related legal proceedings. See Note 27 to our audited consolidated financial statements included elsewhere in this Annual Report and Item 3.D "Risk factors — We are subject to competition and antitrust regulations in the countries where we operate, have been subject to antitrust investigations by competition authorities in the past and may be subject to antitrust investigations in the future. Moreover, we rely on applicable competition exemptions for operational agreement with other carriers and the revocation of these exemptions could negatively affect our business."

United States

Our operations between the United States and non-U.S. ports are subject to the provisions of the U.S. Shipping Act of 1984, or the Shipping Act, which is administered by the Federal Maritime Commission (FMC). On October 16, 1998, the Ocean Shipping Reform Act of 1998 was enacted, amending the Shipping Act to promote the growth and development of U.S. exports through certain reforms in the regulation of ocean transportation. This legislation, in part, repealed the requirement that a common carrier or conference file tariffs with the FMC, replacing it with a requirement that tariffs be open to public inspection in an electronically available, automated tariff system. Furthermore, the legislation requires that only the essential terms of service contracts be published and made available to the public. Our operations involving U.S. ports are subject to FMC oversight under the Shipping Act and FMC regulatory requirements relating to carrier agreements, tariffs and service contracts, and certain "Prohibited Acts" under Section 10 of the Shipping Act. Violations of the requirements of the Shipping Act or FMC regulations are subject to civil penalties of up to \$14,988 per non-willful violation and up to \$74,943 per willful violation. Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, these civil penalties are subject to adjustments on an annual basis to reflect inflation.

European Union and United Kingdom

Our operations involving the European Union are subject to EU competition rules, particularly Articles 101 and 102 of the Treaty on the Functioning of the European Union, as modified by the Treaty of Amsterdam and Lisbon. Article 101 generally prohibits and declares void any agreement or concerted actions among competitors that adversely affects competition. Article 102 prohibits the abuse of a dominant position held by one or more shipping companies. However, until April 2024, certain joint operation agreements in the shipping industry such as vessel sharing agreements and slot swap agreements were block exempted from certain prohibitions of Article 101 by Commission Regulation (EC) No 906/2009 as amended by Commission Regulation (EU) No 697/2014 and were in effect until they expired and not renewed (Consortia Block Exemption Regulation, or “CBER”). Following the expiry of the CBER, operational agreements remain legally permitted if they fall within the conditions of Article 101 of Treaty on the Functioning of the European Union and are subject to a self-assessment. A similar decision was taken by the United Kingdom’s Competition and Markets Authority (CMA) not to enact a UK block exemption that would have replaced the CBER following Brexit. Although we currently do not believe the non-renewal of the block exemptions regulation in the EU and UK will have a material impact on our operations as currently conducted, the non-renewal may increase our legal costs, increase legal uncertainty and delay the implementation of operational cooperation agreements between carriers, thus potentially limiting our ability to enter into cooperation arrangements with other carriers. In addition, the non-renewal or modification of the existing CBER adversely affected the review and renewal processes of similar block exemptions regulations in other jurisdictions, including Israel, and may contribute to the shortening of block exemption regulation effective periods in other jurisdictions. See Item 3.D “Risk factors – We are subject to competition and antitrust regulations in the countries where we operate, have been subject to antitrust investigations by competition authorities in the past and may be subject to antitrust investigations in the future. Moreover, we rely on applicable competition exemptions for operational agreement with other carriers, and the revocation of these exemptions could negatively affect our business.”

Israel

Our operations in Israel are subject to Israeli competition rules, primarily the Israeli Economic Competition Law, 1988, or the Israeli Competition Law, and the regulations and guidelines thereunder. Under the Israeli Competition Law certain arrangements, known as “restrictive arrangements”, such as non- compete and exclusivity clauses, as well as other arrangements that may be deemed to undermine competition, such as “most-favored-nation” clauses, may create concerns under Israeli competition law and as such may require specific exemptions or approvals, and in certain cases they may be subject to “block exemptions” which automatically apply in the relevant circumstances. Our arrangements (agreements) and operations in Israel are reviewed on an ongoing basis in order to address this concern. Our cooperation with competitors is subject to the Israeli industry wide block exemption with respect to operational arrangements involving international transportation at sea, issued in 2012, extended until October 2025 and then again until April 2026. Under this block exemption, sea carriers are permitted to enter into operational agreements such as VSAs, swap agreements or slot charter agreements, subject to the completion of a self-assessment confirming the satisfaction of the following conditions: (i) the restraints in the arrangement do not reduce competition in a considerable share of the market, or do not result in a substantial harm to competition in such market; (ii) the object of the arrangement is not the reduction or elimination of competition; and (iii) the arrangement does not include any restraints which are not necessary in order to fulfill its objectives. The Israeli Competition Authority recently published proposed rules for public consultation to extend the block exemption until April 2031 without the previously enacted safe harbor provision relating to market share thresholds. There is no assurance that the Israeli block exemption will be further extended at all or under similar terms, particularly considering that the CBER expired and the UK CMA decided not to replace the CBER with a similar UK block exemption following Brexit (see above – “Competition Regulation – European Union”).

In addition, the Israeli Competition Law sets specific limitations and restraints on entities who are defined as “monopolies” in Israel (namely entities holding a market share that is greater than 50% or entities with a significant market power). This matter is also reviewed by us on an ongoing basis and we do not think that our activities in Israel currently fall within the scope of the definition of a “monopoly”.

Generally, violations of the Israeli Competition Law may result in administrative fines and in severe cases also in criminal sanctions, all of which may apply to us or to officers and employees involved in such violations. Such violations may also serve as a basis for class actions and tort claims. In addition, agreements which violate the Israeli Competition Law may be declared void.

Recent Developments

On February 16, 2026, we entered into an Agreement and Plan of Merger (“Merger Agreement”) by and among the Company, Hapag-Lloyd AG, a German stock corporation (Aktiengesellschaft) incorporated under the laws of Germany (“Parent”), and Norazia (Israel) Ltd., a company organized under the laws of the State of Israel and a direct or indirect wholly owned Subsidiary of Parent (“Merger Sub”). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions therein, Merger Sub will merge with and into us (the “Merger”), and we will remain the surviving corporation in the Merger and a wholly owned subsidiary of Parent. Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger, each of our outstanding ordinary share, of no par value, excluding the Special State Share (as defined in this Annual Report above), will be transferred to Parent in exchange for the right to receive \$35.00 per share in cash, without interest (the “Merger Consideration”). For more information, see “Item 10.C – Material Contracts - Entry Into Agreement and Plan of Merger with Hapag-Lloyd AG”.

C. Organizational structure

We were formed as a company in the State of Israel on June 7, 1945.

Our subsidiaries are organized under and subject to the laws of various countries. Please see Exhibit 8.1 to this Annual Report on Form 20-F for a listing of our subsidiaries.

D. Property, plants and equipment

We are headquartered in Haifa, Israel and conduct business worldwide. We currently lease approximately 170,000 square feet of office space at 9 Andrei Sakharov Street, Matam, Haifa 3190500, Israel. The lease commenced in 2004 and will expire in May 2034.

See also Note 5 of our audited consolidated financial statements for the year ended on December 31, 2025 of our audited consolidated financial statements for the year ended December 31, 2025, included elsewhere in this Annual Report.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Overview

We are a global container liner shipping company with leadership positions in niche markets where we believe we have distinct competitive advantages that allow us to maximize our market position and profitability. Founded in Israel in 1945, we are one of the oldest shipping liners, with 80 years of experience, providing customers with innovative seaborne transportation and logistics services with a reputation for industry leading transit times, schedule reliability and service excellence. Moreover, we continuously seek to maximize operational efficiencies while increasing our profitability and benefitting from a flexible cost structure. We have also developed a variety of digital tools to better understand our customers’ needs through careful analysis of data, including business and artificial intelligence.

As of December 31, 2025, we operated a global network of 56 weekly lines, calling over 300 ports delivering cargo to and from more than 90 countries. Our network is enhanced by cooperation agreements with other leading container liner companies and alliances, allowing us to maintain our independence while optimizing fleet utilization by sharing capacity, expanding our service offering and benefiting from cost savings. Within our global network we offer tailored services, including land transportation and logistical services as well as specialized shipping solutions, including the transportation of out-of-gauge cargo, refrigerated cargo and dangerous and hazardous cargo. Our strong reputation and high-quality service offerings have drawn a loyal and diversified customer base. We have a highly diverse and global customer base of approximately 30,500 customers (on a non-consolidated basis) using our services, while, in 2025, our 10 largest customers represented approximately 12% of our freight revenues and our 50 largest customers represented approximately 27% of our freight revenues.

In the years ended December 31, 2025, 2024 and 2023, we carried 3,663 thousand, 3,751 thousand and 3,281 thousand TEUs for our customers worldwide, respectively. Additionally, in the years ended December 31, 2025, 2024 and 2023, our net income (loss) was \$481.5 million, \$2,153.8 million and \$(2,687.9) million, respectively, and our Adjusted EBITDA was \$2,170.9 million, \$3,691.8 million and \$1,049.3 million, respectively.

Our ordinary shares have been listed on the New York Stock Exchange under the symbol “ZIM” since January 28, 2021.

Factors affecting our results of operations

Our results of operations are affected, among others, by the following factors:

Factors affecting our income from voyages and related services

Market Volatility. The container shipping industry continues to be characterized in recent years 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 conflicts between Israel and Hamas, U.S., Israel, Iran and Iranian-backed proxies, between Russia and Ukraine, the risk of economic events such as recession, or the continuing or possible escalation of trade restrictions between the U.S. and China). Following the peak levels reached during 2021 and the first quarter of 2022, freight rates have decreased in most trades throughout the remainder of the year 2022 and during 2023 as a result of reduced demand and increased capacity as well as the easing of both COVID-19 restrictions and congestion in ports, although some increases were demonstrated in certain trades towards the end of 2023, related to security concerns raised in the Red Sea. In 2024 average freight rates increased compared to 2023 due to several factors, including customer concerns of a long-term labor strike on the U.S. East Coast and new imposed tariffs on trade between the U.S. and China. Container freight rates were generally lower than in 2024, indicating easing rates for much of the year, though volatility persisted due to ongoing political risks, including continues Red Sea crisis.

Volume of cargo carried. The volume of cargo that we carry affects our income and profitability from voyages and related services and varies significantly between voyages that depart from, or return to, a port of origin. The vast majority of the containers we carry are either 20- or 40-foot containers. We measure our performance in terms of the volume of cargo we carry in a certain period in 20-foot equivalent units carried, or TEUs carried. Our management uses TEUs carried as one of the key parameters to evaluate our performance, used in real-time and take actions, to the extent possible, to improve performance.

Additionally, our management monitors TEUs carried from a longer-term perspective, to deploy the right capacity to meet expected market demand. Although the volume of cargo that we carry is principally a function of demand for container shipping services in each of our trade routes, it is also affected by factors such as:

- our local shipping agencies' effectiveness in capturing such demand;
- our level of customer service, which affects our ability to retain and attract customers;
- our ability to effectively deploy capacity to meet such demand;
- our operating efficiency; and
- our ability to establish and operate existing and new services in markets where there is growing demand.

The volume of cargo that we carry is also impacted by our lack of participation in strategic alliances and other cooperation agreements. In periods of increased demand and increased volume of cargo, we adjust capacity by chartering-in additional vessels and containers and/or purchasing additional slots from partners, to the extent feasible. During these periods, increased competition for additional vessels and containers may increase our costs. We may deploy our capacity through additional vessels and containers in existing services, through new services that we operate independently or through the exchange of capacity with vessels operated by other shipping companies or other cooperative agreements. In periods of decreased volumes of cargo, we may adjust capacity to demand by electing to reduce our fleet size in order to reduce operating expenses mainly by redelivering chartered-in vessels and not renewing their charters, or by cancelling specific voyages (which are referred to as "blank sailings"). We may also elect to close existing services within, or exit entirely from, less attractive trades. As a substantial portion of our fleet is chartered-in we retain a relatively high level of flexibility even though it is less so when it concerns vessels that are long-term chartered.

Freight rates. Freight rates are largely established by the freight market and we have a limited influence over these rates. We use average freight rate per TEU as one of the key parameters of our performance. Average freight rate per TEU is calculated as revenues from containerized cargo during a certain period, divided by total TEUs carried during that period. Container shipping companies have generally experienced volatility in freight rates. Freight rates vary widely as a result of, among other factors:

- cyclical demand for container shipping services relative to the supply of vessel and container capacity;
- competition in specific trades;
- costs of operation (including bunker, terminal and charter costs);
- the particular dominant leg on which the cargo is transported;
- average vessel size in specific trades;
- the origin and destination points selected by the shipper; and
- the type of cargo and container type.

As a result of some of these factors, including cyclical fluctuations in demand and supply, container shipping companies have experienced volatility in freight rates. For example, on January 1, 2025, the comprehensive Shanghai (Export) Containerized Freight Index (SCFI) started with 2,505 points, then dropped to 1,300 points on April 1, 2025, increased again to 2,000 points on June 1, 2025 and dropped back to 1,400 on December 31, 2025. Furthermore, rates within the charter market, through which we source most of our capacity, may also fluctuate significantly based upon changes in supply and demand for shipping services. During 2024, charter hire rates have increased as a result of the low numbers of vessels available for hire. Charter hire rates in 2025 have moderately increased with similar charter periods on average compared to 2024. In addition, according to Alphaliner, global container ship capacity is expected to increase by 3.7% in 2026, with deliveries of 1.4 million TEUs out of a vessel order book of 11.3 million TEU, while demand for shipping services is projected to increase only by 2.5%. Therefore, the increase in ship capacity is expected to continue to be higher than the increase in demand for container shipping. There are certain cargo types that require more expertise; for example, we charge a premium over the base freight rate for handling specialized cargo, such as refrigerated, liquid, over-dimensional, or hazardous cargo, which require more complex handling and more costly equipment and are generally subject to greater risk of damage. We believe that our commercial excellence and customer centric approach across our network of shipping agencies enable us to recognize and attract customers who seek to transport such specialized types of cargo, which are less commoditized services and more profitable. We focus on growing the specialized cargo transportation portion of our business. We also charge a premium over the base freight rate for global land transportation services we provide. Further, from time to time we impose surcharges over the base freight rate, in part to minimize our exposure to certain market-related risks, such as fuel price adjustments and in response to GHG regulation such as ETS and FuelEU Maritime Regulations, increased insurance premiums in war zones, exchange rate fluctuations, terminal handling charges and extraordinary events, although usually these surcharges are not sufficient to recover all of our costs. Amounts received related to these adjustment surcharges are allocated to freight revenues.

Factors affecting our operating expenses and costs of services

Cargo handling expenses. Cargo handling expenses represent the most significant portion of our operating expenses. Cargo handling expenses primarily include variable expenses relating to a single container, such as stevedoring and other terminal expenses, feeder services, storage costs, balancing expenses arising from repositioning containers with unutilized capacity on the counter-dominant leg, and expenses arising from inland transport of cargo.

Stevedoring expenses comprise the most significant component of cargo handling expenses. We contract stevedoring services from third parties in every port at which we call. We generally engage these services on a port-by-port basis, although, where possible, we seek to negotiate volume-based discounts or to enter into long-term contracts as a means of obtaining discounted rates. However, for example, changes in labor costs at the ports where our vessels call or certain more expensive shifts during which our vessels call may increase the cost of stevedoring services and in turn may lead to an increase in cargo handling expenses.

For each service we operate, we measure the utilization of a vessel on the dominant leg, as well as on the counter-dominant leg by dividing the number of TEUs carried on a vessel by that vessel's capacity. For example, some of our major trade routes, such as the Pacific and Cross Suez routes, are marked by significant trade imbalances, as the majority of goods are shipped from Asia for consumption in Europe and North America. We manage the container repositioning costs that arise from the imbalance between the volume of cargo carried in each direction using various methods, such as triangulating our land transportation activities and services. If we are unable to successfully match requirements for container capacity with available capacity in nearby locations, we may incur balancing costs to reposition our containers in other areas where there is demand for capacity. Cargo handling accounted for 47.1%, 44.6% and 43.0% of our operating expenses and cost of services for the years ended December 31, 2025, 2024 and 2023.

Bunker expenses. Bunker expenses, mainly comprised of fuel and marine LNG consumption, represent a significant portion of our operating expenses. As a result, changes in the price of bunker or in our bunker consumption patterns can have a significant effect on our results of operations. Bunker price has historically been volatile, can fluctuate significantly and is subject to many economic and political factors that are beyond our control. Bunker prices have decreased in 2023, following their increase in 2022, partially due to the military conflict between Russia and Ukraine. In an effort to reduce our bunker expenses, we have employed new procurement processes and tools aimed at reducing the prices at which we purchase our bunker from our suppliers. We also seek to control our costs by imposing surcharges over the base freight rate to minimize our exposure to changes in bunker costs, reviewing bunker prices in different markets and purchasing fuel for our vessels when such vessels are visiting bunkering ports that offer lower bunker price. We have entered into a sale and purchase agreement with Shell to supply LNG for our 15,000 TEU LNG dual fuel vessels, which have been delivered, and in September 2024 we entered into a Heads of Agreement (and thereafter entered into a definitive agreement in December 2024) with Shell to supply LNG to our operated 8,000-class TEU LNG vessels, deployed on the ZIM Ecommerce Baltimore Express (ZBX). We expect to rely on Shell and other LNG suppliers for the purchase and supply of LNG for the remaining LNG dual fuel fleet, including vessels to be further delivered. Additionally, we may sometimes manage, part of our exposure to fuel price fluctuations by entering into hedging arrangements. For more information on the risks of bunker price fluctuations, see Item 3.D "Risk factors – Risks relating to operating our vessel fleet – Rising energy and bunker prices (including LNG) may have an adverse effect on our results of operations." Our bunker consumption is affected by various factors, including the number of vessels being deployed, vessel size, pro forma speed, vessel efficiency, weight of the cargo being transported and sea state. We have implemented various optimization strategies designed to reduce bunker consumption, including operating vessels in "super slow steaming" mode, trim optimization, hull and propeller polishing and sailing route optimization. Our bunker expenses accounted for 25.7%, 28.5% and 28.3% of our operating expenses and cost of services for the years ended December 31, 2025, 2024 and 2023, respectively.

Vessel charter portfolio. Most of our capacity is chartered in. As of December 31, 2025, we chartered-in 112 vessels, which accounted for approximately 86.4% of our TEU capacity and 87.5% of the vessels in our fleet. Of such vessels, all are under a “time charter”, which consists of chartering-in the vessel capacity for a given period of time against a daily charter fee with the owner handling the crewing and technical operation of the vessel. Under these arrangements, both parties are committed for the charter period; however, vessels temporarily unavailable for service due to technical issues will qualify for relief from charges during such period (off hire). Further to the implementation of IFRS 16 (‘Leases’) on January 1, 2019, vessel charters with an expected term exceeding one year, are accounted through depreciation and interest expenses. Accordingly, the composition of our charter fleet in respect of expected term, affects the classification of our costs related to vessel charters. For strategic long-term charter agreements see “Item 4.B – Our vessel fleet – Strategic Chartering Agreements”.

We also purchase “slot charters,” which involve the purchase of slots on board of another shipping company’s vessel. Generally, these rates are based primarily on demand for capacity as well as the available supply of container ship capacity. As a result of macroeconomic conditions affecting trade flow between ports served by container shipping companies and economic conditions in the industries which use container shipping services, bareboat, time and slot charter rates can, and do, fluctuate significantly and are generally affected by similar factors that influence freight rates. Our results of operations may be affected by the composition of our general chartered-in vessels portfolio. Slots purchase and charter hire of vessels (other than those recognized as right-of-use-assets) accounted for 2.0%, 1.6% and 2.0%, of our operating expenses and cost of services for the years ended December 31, 2025, 2024 and 2023, respectively.

Port expenses (including canal fees). We pay port expenses, which are surcharges levied by a particular port and are applicable to a vessel and/or the cargo on board of a particular vessel, at each port of call along our various trade routes. Increases in port expenses increase our operating expenses and, if such increases are not reflected in the freight rate charged by us to our customers, may decrease our net income, margins and results of operations. We also pay canal fees, which are the transit fees levied by canals, such as the Panama Canal or the Suez Canal, in connection with a vessel’s passage and are generally correlated to the size of the vessel transporting the cargo. Larger vessels, notwithstanding their utilization in a given voyage and capacity of cargo, generally pay higher transit fees. An increase in transit fees, if not reflected in the freight rate charged by us to our customers, may decrease our net income, margins and results of operations. Our port (including canal) expenses accounted for 11.4%, 10.2% and 12.9% of our operating expenses and cost of services for the years ended December 31, 2025, 2024 and 2023, respectively.

Agents’ salaries and commissions. Our agents’ salaries and commissions reflect our costs related to agents’ services in connection with certain aspects of our shipping operations. Any increases in the salaries and commissions paid to agents for their services, would result in the corresponding increases to our operating expenses and cost of services. Agents’ salaries and commissions totaled \$250.5 million, \$251.7 million and \$209.5 million for the years ended December 31, 2025, 2024 and 2023, respectively, accounting for 5.6%, 5.6% and 5.4% of our operating expenses and cost of services for the years ended December 31, 2025, 2024 and 2023.

General and administrative expenses. Our general and administrative expenses include salaries and related expenses, office equipment and maintenance, depreciation and amortization, consulting and legal fees, advertising expenses and travel and vehicle expenses. General and administrative expenses totaled \$336.3 million, \$296.1 million and \$280.7 million for the years ended December 31, 2025, 2024 and 2023, respectively, including \$223.5 million, \$211.2 million and \$185.5 million of salaries and related expenses, respectively.

Personnel expenses, which comprise salaries, commissions and related expenses (including incentives) in both operating expenses and general and administrative expenses, totaled \$523.6 million, \$496.8 million and \$428.3 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Any adverse trends in volumes of trades, freight rates, charter rates and/or bunker prices, as well as other deteriorating global economic conditions, could negatively affect the entire industry and also affect our business, financial position, assets value, results of operations and cash flows.

Factors affecting comparability of financial position and results of operations

Seasonality

Our business has historically been seasonal in nature. As a result, our average freight rates have reflected fluctuations in demand for container shipping services, which affect the volume of cargo carried by our fleet and the freight rates which we charge for the transport of such cargo. Our income from voyages and related services are typically higher in the third and fourth quarters than the first and second quarters due to increased shipping of consumer goods from manufacturing centers in Asia to North America in anticipation of the major holiday period in Western countries. The first quarter is affected by a decrease in consumer spending in Western countries after the holiday period and reduced manufacturing activities in China and Southeast Asia due to the Chinese New Year. However, operating expenses such as expenses related to cargo handling, charter hire of vessels, bunker and lubricant expenses and port expenses are generally not subject to adjustment on a seasonal basis. As a result, seasonality can have an adverse effect on our business and results of operations.

Recently, as a result of the continuing volatility within the shipping industry, seasonality factors have not been as apparent as they have been in the past. As global trends that affect the shipping industry have changed rapidly in recent years, including trends resulting from the COVID-19 pandemic and other geopolitical events, it remains difficult to predict these trends and the extent to which seasonality will be a factor impacting our results of operations in the future.

Components of our consolidated income statements

Income from voyages and related services

Income from voyages and related services is primarily generated from the transportation of cargo and related services, including demurrage and value-added services.

Cost of voyages and related services

Cost of voyages and related services is comprised of: (i) operating expenses and costs of services, which mainly include expenses related to cargo handling, bunker and lubricants, port expenses, agents' salaries and commissions, slots purchase and charter hire of vessels, costs of related services and sundry expenses, and (ii) depreciation expenses.

Operating expenses and costs of services

Expenses related to cargo handling. Expenses related to cargo handling primarily include the cost relating to loading and discharge of containers, transport of empty containers, land transportation and transshipment of cargo.

Bunker and lubricants. Expenses related to the consumption of bunker and lubricants primarily consist of the purchase costs of fuel and LNG consumed by the vessels we operate and other oil-based lubricants required for the operation of our vessels.

Port expenses. Port expenses consist of port costs and canal dues. Port costs consist of charges we pay to ports, on a per-call basis, for a variety of services, including berthing, tug services, sanitary services and utilities. Canal expenses consist of canal dues we pay to the operators of the Panama and Suez Canals.

Agents' salaries and commissions. Agents' salaries and commissions comprise the cost of the services provided by the shipping agencies, in the form of salaries and commissions paid.

Slots purchase and charter hire of vessels. Slot purchases comprise mainly of the cost of purchases of slots from other shipping companies. Charter hire of vessels mainly consists of charges we pay to vessel owners for hiring their vessels, excluding those accounted as right-of-use assets (in accordance with IFRS 16). In addition, we charter-in the majority of our vessels on a time charter basis and, as a result, generally do not incur additional costs for crew provisioning, maintenance, repair or hull insurance with respect to these vessels.

Costs of related services and sundry. Costs of related services and sundry comprise mainly of expenses of subsidiaries providing shipping-agent services, logistics services, forwarding and customs clearance services.

Depreciation

Depreciation mainly consists of depreciation of operating assets, primarily vessels and containers. We depreciate owned vessels and containers, as well as leased vessels and containers (right-of-use assets) expected to be owned by the end of the lease, using a straight-line method, on the basis of their respective estimated useful life, taking into account their residual scrap value. The useful life (for new builds) is usually estimated at 25 years for vessels and 13-15 years for containers. The remaining leased vessels and containers are depreciated using a straight-line method along the shorter of the lease term and the useful life of the vessel or container.

Other income (expenses), net

Other income (expenses), net ordinarily consists of capital gains and losses, net related to the disposal of containers and handling equipment, vessels and other assets, as well as net gains related to modifications and terminations of leases of vessels and containers.

General and administrative expenses

General and administrative expenses consist mainly of employee salaries and other employee benefits (including incentives, pension and related payments) of our administrative personnel, as well as expenses related to office maintenance, computerized equipment and software (including depreciation and amortization), fees paid in respect of consulting, legal and insurance services, advertising expenses, as well as travel and vehicle expenses.

Share of profits (losses) of associates, net of tax

Share of profits (losses) of associates, net of tax comprises our share in the net income (loss) of associate companies, accounted for under the equity method.

Finance expenses, net

Finance income is ordinarily comprised of interest income from funds invested and net foreign currency exchange rate differences. Finance expenses are ordinarily comprised of interest expenses on lease liabilities, borrowings and other liabilities, net foreign currency exchange rate differences and impairment losses on trade and other receivables.

Income taxes

Income taxes comprise current and deferred tax expenses related to corporate income and other earnings. Current tax is the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their amounts used for taxation purposes, as well as in respect of carry forward losses, to the extent expected to be utilized.

How we assess the performance of our business

In addition to operational metrics such as TEUs carried and average freight rate per TEU carried and financial measures determined in accordance with IFRS, we make use of the non-IFRS financial measures Adjusted EBIT and Adjusted EBITDA in evaluating our past results and future prospects.

Adjusted EBIT and Adjusted EBITDA

Adjusted EBIT is a non-IFRS financial measure that 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 (or the reversal of which), non-cash charter hire expenses, capital gains (losses) beyond the ordinary course of business and expenses related to legal contingencies. Adjusted EBITDA is a non-IFRS financial measure that 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 impairments of assets (or the reversal of which), non-cash charter hire expenses, capital gains (losses) beyond the ordinary course of business and expenses related to legal contingencies.

We present Adjusted EBIT and Adjusted EBITDA in this Annual Report because each is a key measure used by our management and Board of Directors to evaluate our operating performance. Accordingly, we believe that Adjusted EBIT and Adjusted EBITDA provide useful information to investors and others in understanding and evaluating our operating results and comparing our operating results between periods on a consistent basis, in the same manner as our management and Board of Directors.

The following is a reconciliation of our net income (loss), the most directly comparable IFRS financial measure, to Adjusted EBIT and Adjusted EBITDA for each of the periods indicated.

	Year Ended December 31,		
	2025	2024	2023
	(in millions)		
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBIT			
Net income (loss)	\$ 481.5	\$ 2,153.8	\$ (2,687.9)
Financial expenses, net	357.5	322.3	304.5
Income taxes	177.0	51.2	(127.6)
Operating income (EBIT)	1,016.0	2,527.3	(2,511.0)
Non-cash charter hire expenses	0.0	0.0	0.2
Capital loss (gain), beyond the ordinary course of business ⁽¹⁾	(2.7)	(2.0)	20.0
Assets impairment loss (reversal) ⁽²⁾	(137.0)	0.0	2,063.4
Expenses related to legal contingencies	8.5	24.0	5.0
Adjusted EBIT	\$ 884.8	\$ 2,549.3	\$ (422.4)
Adjusted EBIT margin⁽³⁾	12.8%	30.3%	(8.2)%

(1) Related to disposal of assets, other than container and equipment (which are disposed on a recurring basis).

(2) For further details, see Note 7 to our audited consolidated financial statements included elsewhere in this Annual Report.

(3) Represents Adjusted EBIT divided by Income from voyages and related services.

	Year Ended December 31,		
	2025	2024	2023
	(in millions)		
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA			
Net income (loss)	\$ 481.5	\$ 2,153.8	\$ (2,687.9)
Financial expenses, net	357.5	322.3	304.5
Income taxes	177.0	51.2	(127.6)
Depreciation and amortization	1,286.1	1,142.5	1,471.8
EBITDA	2,302.1	3,669.8	(1,039.2)
Non-cash charter hire expenses	0.0	0.0	0.1
Capital loss (gain), beyond the ordinary course of business ⁽¹⁾	(2.7)	(2.0)	20.0
Assets Impairment loss (reversal) ⁽²⁾	(137.0)	0.0	2,063.4
Expenses related to legal contingencies	8.5	24.0	5.0
Adjusted EBITDA	\$ 2,170.9	\$ 3,691.8	\$ 1,049.3

(1) Related to disposal of assets, other than containers and equipment (which are disposed on a recurring basis).

(2) For further details, see Note 7 to our audited consolidated financial statements included elsewhere in this Annual Report.

Results of operations

The following table sets forth our results of operations in U.S. million dollars and as a percentage of income from voyages and related services for the periods indicated:

	Year Ended December 31,					
	2025		2024		2023	
	(in millions)					
Income from voyages and related services	\$ 6,904.2	100%	\$ 8,427.4	100%	\$ 5,162.2	100%
Cost of voyages and related services:						
Operating expenses and cost of services	(4,460.8)	(64.6)	(4,513.2)	(53.6)	(3,885.1)	(75.3)
Depreciation	1,259.5)	(18.2)	(1,130.2)	(13.4)	(1,449.8)	(28.1)
Impairment of assets	137.0	2.0			(2,034.9)	(39.4)
Gross profit	1,320.9	19.1	2,784.0	33.0	(2,207.6)	(42.8)
Other operating income (expenses), net	41.9	0.6	45.8	0.5	(14.9)	(0.3)
General and administrative expenses	(336.3)	(4.9)	(296.1)	(3.5)	(280.7)	(5.4)
Share of losses of associates	(10.5)	(0.2)	(6.4)	(0.1)	(7.8)	(0.2)
Results from operating activities	1,016.0	14.7	2,527.3	30.0	(2,511.0)	(48.6)
Finance expenses, net	(357.5)	(5.2)	(322.3)	(3.8)	(304.5)	(5.9)
Profit (loss) before income tax	658.5	9.5	2,205.0	(26.2)	(2,815.5)	(54.5)
Income taxes	(177.0)	(2.6)	(51.2)	(0.6)	127.6	(2.5)
Net income (loss)	\$ 481.5	7.0%	\$ 2,153.8	25.6%	\$ (2,687.9)	(52.1)%

Fiscal Year ended December 31, 2025, compared to fiscal year ended December 31, 2024

Income from voyages and related services

Income from voyages and related services for the year ended December 31, 2025 decreased by \$1,523.2 million, or 18.1%, from \$8,427.4 million for the year ended December 31, 2024, to \$6,904.2 million for the year ended December 31, 2025, primarily driven by a decrease of \$1,400 million in revenue from containerized cargo, as detailed in the table below mainly as a result of a decrease in average freight rates, as well as a decrease in TEUs carried.

The TEUs carried for the year ended December 31, 2025, decreased by 88 thousand TEUs, or 2.3%, from 3,751 thousand TEUs for the year ended December 31, 2024, to 3,663 thousand TEUs for the year ended December 31, 2025. This decrease was primarily driven by: (i) a change in the operated services in the Pacific Northwest sub-trade, the Intra-Mediterranean sub-trade and the Asia – Australia sub-trade, (ii) decreased utilization in the All Water sub-trade and the Cross Suez trade, (iii) more blank voyages in the Cross Atlantic sub-trade, Cross Suez trade, Asia – Australia sub-trade, and the All Water sub-trade, and (iv) a change in the structure of services in the All Water sub-trade.

The decreases were partially offset by: (i) a change in the operated services in the Pacific Southwest sub-trade, (ii) a change in the structure of services in the Indian Sub-Continental sub-trade, the Pacific Southwest sub-trade and the North America – South America sub-trade, (iii) deployment of larger vessels in the Asia – Africa sub-trade and the Cross Suez trade, and (iv) increased utilization in the North America – South America sub-trade, the Asia – South America sub-trade and the Pacific Southwest sub-trade.

The average freight rate per TEU carried for the year ended December 31, 2025 decreased by \$337, or 17.8%, from \$1,888 for the year ended December 31, 2024 to \$1,551 for the year ended December 31, 2025.

The following table shows a breakdown of our TEUs carried, average freight rate per TEU carried and freight revenues from containerized cargo (i.e., excluding non-containerized cargo and excluding other revenues mainly comprised of demurrage and value-added services; see also Note 17 to our audited consolidated financial statements included elsewhere in this Annual Report) for each geographic trade zone for the periods presented. For a discussion of the factors that affect the average freight rate per TEU carried in our industry, see “Factors affecting our income from voyages and related services.”

Geographic trade zone	TEUs carried			Average freight rate per TEU carried (USD)			Freight revenues from containerized cargo (USD millions)		
	Year Ended December 31,			Year Ended December 31,			Year Ended December 31,		
	2025	2024	% Change	2025	2024	% Change	2025	2024	% Change
Pacific	1,577	1,604	(1.7)%	\$ 1,852	\$ 2,444	(24.2)%	\$ 2,921.0	\$ 3,920.1	(25.5)%
Cross-Suez	287	332	(13.6)%	\$ 1,965	\$ 2,607	(24.6)%	\$ 563.9	\$ 864.5	(34.8)%
Atlantic-Europe	495	555	(10.8)%	\$ 1,343	\$ 1,240	8.3%	\$ 665.0	\$ 687.8	(3.3)%
Intra-Asia	778	746	4.3%	\$ 960	\$ 1,022	(6.1)%	\$ 747.1	\$ 762.9	(2.1)%
Latin America	526	514	2.3%	\$ 1,490	\$ 1,646	(9.5)%	\$ 784.0	\$ 845.8	(7.3)%
Total	3,663	3,751	(2.3)%	\$ 1,551	\$ 1,888	(17.8)%	\$ 5,681.0	\$ 7,081.1	(19.8)%

TEUs carried in the Pacific geographic trade zone for the year ended December 31, 2025, decreased by 27 thousand, or 1.7%, from 1,604 thousand for the year ended December 31, 2024, to 1,577 thousand for the year ended December 31, 2025, primarily driven by a change in the operated services in the Pacific Northwest sub-trade. In addition, the All Water sub-trade experienced a decrease due to decreased utilization, more blank voyages, as well as a change in the structure of services. On the other hand, the above was partially offset by growth in the Pacific Southwest sub-trade, mainly driven by a change in the operated services, as well as by increased utilization and a change in the structure of services.

The average freight rate per TEU carried in the Pacific geographic trade zone for the year ended December 31, 2025, decreased by \$592 or 24.2%, from \$2,444 for the year ended December 31, 2024 to \$1,852 for the year ended December 31, 2025.

TEUs carried in the Cross-Suez geographic trade zone for the year ended December 31, 2025, decreased by 45 thousand, or 13.6%, from 332 thousand for the year ended December 31, 2024, to 287 thousand for the year ended December 31, 2025, primarily driven by more blank voyages and a decrease in utilization. On the other hand, the above was partially offset by the deployment of larger vessels. The average freight rate per TEU carried in the Cross-Suez geographic trade zone for the year ended December 31, 2025, decreased by \$642, or 24.6%, from \$2,607 for the year ended December 31, 2024 to \$1,965 for the year ended December 31, 2025.

TEUs carried in the Atlantic-Europe geographic trade zone for the year ended December 31, 2025, decreased by 60 thousand, or 10.8%, from 555 thousand for the year ended December 31, 2024, to 495 thousand for the year ended December 31, 2025, primarily driven by a change in the operated services in the Intra-Mediterranean sub-trade. In addition, the Cross Atlantic sub-trade experienced a decrease due to more blank voyages. The average freight rate per TEU carried in the Atlantic-Europe geographic trade zone for the year ended December 31, 2025, increased by \$103, or 8.3%, from \$1,240 for the year ended December 31, 2024 to \$1,343 for the fiscal year ended December 31, 2025.

TEUs carried in the Intra-Asia geographic trade zone for the year ended December 31, 2025, increased by 32 thousand, or 4.3%, from 746 thousand for the year ended December 31, 2024, to 778 thousand for the year ended December 31, 2025, primarily driven by the deployment of larger vessels in the Asia – Africa sub-trade and by a change in the structure of the services in the Indian Sub-Continental sub-trade. On the other hand, the above was partially offset by more blank voyages and a change in the operated services in Asia – Australia sub-trade. The average freight rate per TEU carried in the Intra-Asia geographic trade zone for the year ending December 31, 2025 decreased by \$62, or 6.1%, from \$1,022 for the year ended December 31, 2024 to \$960 for the year ended December 31, 2025.

TEUs carried in the Latin America geographic trade zone for the year ended December 31, 2025, increased by 12 thousand or 2.3%, from 514 thousand for the year ended December 31, 2024, to 526 thousand for the year ended December 31, 2025, primarily driven by increased utilization on the Asia – South America and the North America - South America sub-trades, along with a change in the structure of services in the North America – South America sub-trade. The average freight rate per TEU carried in the Latin America geographic trade zone for the year ended December 31, 2025, decreased by \$156, or 9.5%, from \$1,646 for the year ended December 31, 2024 to \$1,490 for the year ended December 31, 2025.

Composition of gross profit

	Year Ended December 31,		Change	% Change
	2025	2024		
			(in millions)	
Income from voyages and related services	6,904.2	\$ 8,427.4	\$ (1,523.2)	18.1% decrease
Cost of voyages and related services:				
Operating expenses and cost of services	(4,460.8)	(4,513.2)	52.4	1.2% decrease
Depreciation	(1,259.5)	(1,130.2)	(129.3)	11.4% increase
Impairment reversal of assets	137.0	-	137.0	
Gross profit	1,320.9	\$ 2,784.0	\$ (1,463.1)	52.6% decrease

Cost of voyages and related services

Operating expenses and cost of services

Operating expenses and cost of services for the year ended December 31, 2025 decreased by \$52.4 million, or 1.2%, from \$4,513.2 million for the year ended December 31, 2024 to \$4,460.8 million for the year ended December 31, 2025, primarily driven by (i) a decrease of \$139.3 million (10.8%) in bunker and lubricants and (ii) a decrease of \$72.7 million (25.5%) in cost of related services and sundry, partially offset by (iii) an increase of \$89.0 million (4.4%) in expenses related to cargo handling and (iv) an increase of \$47.1 million (10.2%) in port expenses.

Depreciation for the year ended December 31, 2025 increased by \$129.3 million, or 11.4%, from \$1,130.2 million for the year ended December 31, 2024, to \$1,259.5 million for the year ended December 31, 2025, primarily due to an increase in depreciation of vessel right-of-use assets.

In the year ended December 31, 2023 we recognized an impairment loss in a total amount of \$2,063.4 million (mostly recorded in operating expenses and cost of services). In the year ended December 31, 2025 we recorded a partial reversal of this impairment loss, in a total amount of \$ 137.0 million. For further information regarding our impairment analysis and detailed results, see Note 7 to our audited consolidated financial statements included elsewhere in this Annual Report.

Gross profit (loss)

Gross profit for the year ended December 31, 2025 was \$1,320.9 million compared to \$2,784.0 million for the year ended December 31, 2024, a decrease of \$1,463.1 million. The decrease was primarily driven by a decrease of \$1,523.2 million in income from voyages and related services, partially offset by an impairment reversal of \$137.0 million recorded in the year ended December 31, 2025.

Other operating income (expenses), net

Other operating income, net for the year ended December 31, 2025, was \$41.9 million, compared to \$45.8 million for the year ended December 31, 2024, a decrease of \$3.9 million.

General and administrative expenses

General and administrative expenses for the year ended December 31, 2025 increased by \$40.2 million, or 13.6%, from \$296.1 million for the year ended December 31, 2024 to \$336.3 million for the year ended December 31, 2025, primarily driven by (i) an increase of \$14.3 million in depreciation and amortization, (ii) an increase of \$12.3 million in salaries and related expenses, (iii) an increase of \$7.2 million in office equipment and (iv) an increase of \$7.0 million in consulting and legal fees.

Net finance expenses, net

Finance expenses, net for the year ended December 31, 2025 were \$357.5 million compared to \$322.3 million for the year ended December 31, 2024, an increase of \$35.2 million, or 10.9%. The increase was primarily driven by (i) an increase of \$40.7 million related to net foreign currency exchange rate differences and (ii) an increase of \$7.4 million related to interest expenses (mostly related to lease liabilities), partially offset by (iii) an increase of \$11.7 million in Interest income.

Income taxes

Income taxes for the year ended December 31, 2025 amounted to an expense of \$177.0 million, compared to an expense of \$51.2 million for the year ended December 31, 2024, an increase of \$125.8 million, primarily driven by utilization of carried forward tax losses and the accounting of deferred taxes.

Fiscal Year ended December 31, 2024, compared to fiscal year ended December 31, 2023

See - “Item 5. Operating and Financial Review and Prospects” of the Company’s Annual Report on Form 20-F for the year ended December 31, 2024, filed with the Securities and Exchange Commission on March 12, 2025.

Liquidity and capital resources

We operate in the capital-intensive container shipping industry. Our principal sources of liquidity are cash inflows generated from operating activities, generally in the form of income from voyages and related services. Our principal needs for liquidity are operating expenses, expenditures related to lease liabilities and capital expenditures. Our long-term capital needs generally result from our need to fund our growth strategy. Our ability to generate cash from our operations depends on future operating performance, which is dependent, to some extent, on general economic, financial, legislative, regulatory and other factors, many of which are beyond our control, as well as the other factors discussed in Item 3.D “Risk factors.”

Our cash and cash equivalents amounted to \$1,051.7 million, \$1,314.7 million and \$921.5 million as of December 31, 2025, 2024 and 2023, respectively.

In addition, our bank deposits and other investment instruments amounted to \$1,750.2 million, \$1,825.5 million and \$1,755.4 million as of December 31, 2025, 2024 and 2023, respectively. See also Note 29(a) to our audited consolidated financial statements included elsewhere in this Annual Report in respect of the Company’s investment policy.

Working capital position

As of December 31, 2025, our current assets amounted to \$2,630.6 million while current liabilities amounted to \$2,134.1 million (including current maturities of lease liabilities and other financial liabilities), resulting in a working capital of \$496.5 million. This working capital balance does not include investments in investments instruments which are presented as non-current assets due to their contractual maturity, but are available for any immediate liquidity needs. We believe that our current cash and cash equivalents, along with our investments in bank deposits and other investment instruments, and our operating cash flows will be sufficient to meet our anticipated cash needs for working capital and capital expenditures for at least the 12 months following the date of this Annual Report and to make the required principal and interest payments on our indebtedness (mostly comprised of lease liabilities).

Cash flows

The following is a summary of the cash flows by activity for the years ended December 31, 2025, 2024 and 2023:

	Year Ended December 31,		
	2025	2024	2023
	(in millions)		
Net cash generated from operating activities	\$ 2,299.5	\$ 3,752.7	\$ 1,020.0
Net cash generated from (used in) investing activities	\$ (133.3)	\$ (223.2)	\$ 1,776.5
Net cash used in financing activities	\$ (2,433.3)	\$ (3,131.4)	\$ (2,892.9)

Fiscal Year ended December 31, 2025, compared to fiscal year ended December 31, 2024

Net cash generated from operating activities

Our cash flow from operating activities is generated primarily from containerized cargo transportation services, less our payments for operating expenses and costs of services, including expenses related to cargo handling, bunker and lubricants, slots purchase and charter hire of vessels, agents' salaries and commissions, port expenses, costs of related services and general and administrative expenses. We use our cash flows generated from operating activities to support working capital and capital expenditure (including right-of-use assets) for current and future operations, as well as to service our debt (mostly comprised of lease liabilities). Our business has historically been seasonal in nature. Recently, seasonality factors have not been as apparent as they have been in the past. During past periods of seasonality, our income from voyages and related services in the first and second quarters have historically declined as compared to the third and fourth quarters. As trends that affect the shipping industry have changed rapidly in recent years, it remains difficult to predict these trends and the extent to which seasonality will be a factor impacting our results of operations in the future.

For the year ended December 31, 2025, net cash generated from operating activities decreased by \$1,453.2 million, or 38.7%, from \$3,752.7 million for the year ended December 31, 2024 to \$2,299.5 million for the year ended December 31, 2025. The decrease in cash generated from operating activities was primarily driven by a decrease of \$1,535.8 million in profit before income taxes, excluded of net finance expenses and non-cash items.

Net cash generated from (used in) investing activities

Our investing activities are ordinarily comprised of investments in bank deposits and other investment instruments, capital expenditures and sale of tangible assets. We invest a portion of our cash in fixed income instruments and other investment instruments, as well as in various time deposits, some of which are not accounted as cash and cash equivalents. Accordingly, cash flows related to such investment instruments and bank deposits are accounted as cash used in (generated from) investing activities.

For the year ended December 31, 2025, net cash used in investing activities was \$133.3 million compared to \$223.2 million for the year ended December 31, 2024, a decrease of \$89.9 million. The decrease was primarily driven by a decrease of \$113.9 million in cash used in respect of other investments (mainly bank deposits).

Net cash used in financing activities

Our financing activities are ordinarily comprised of principal and interest payments in respect of lease liabilities and borrowings, dividend distributions and change in short-term loans.

For the year ended December 31, 2025, net cash used in financing activities was \$2,433.3 million compared to \$3,131.4 million for the year ended December 31, 2024, a decrease of \$698.1 million, primarily driven by a decrease of \$643.0 million in repayment of lease liabilities and borrowings.

Fiscal Year ended December 31, 2024, compared to fiscal year ended December 31, 2023

For a comparison of our cash flows for the fiscal years ended December 31, 2024 and 2023, see "Item 5. Operating and Financial Review and Prospects – Liquidity and capital resources – Cash flows" in the Company's Annual Report on Form 20-F for the year ended December 31, 2024, filed with the Securities and Exchange Commission on March 12, 2025.

Debt and other financing arrangements

Total outstanding indebtedness as of December 31, 2025, consisted of \$4,587.1 million in long-term debt and \$1,139.4 million in current maturities of long-term debt and short-term debt. Long-term debt is mainly comprised of lease liabilities, related to vessels and equipment.

The Company is required to comply with a certain minimum liquidity requirement, as well as with other non-financial covenants which are customary in financial arrangements. As of December 31, 2025, the Company is in compliance with its covenants, as the Company's liquidity, as defined in the related agreements, amounted to \$ 2.8 billion (compared to the minimum liquidity required of \$250 million).

As of December 31, 2025 and 2024, our total outstanding debt was \$5,726.6 million and \$6,015.7 million, respectively. The decrease of \$289.1 million during the year ended December 31, 2025 was primarily driven by a net decrease of \$274.2 million in lease liabilities. The increase of \$1,018.1 million during the year ended December 31, 2024 was primarily driven by a net increase of \$1,033.5 million in lease liabilities.

The weighted average interest rate paid per annum as of December 31, 2025, under all of our indebtedness was 7.8%.

<u>Type of debt</u>	<u>Original currency</u>	<u>Fixed / Variable</u>	<u>Effective interest (1)</u> <i>(in millions)</i>	<u>Year of maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Financial Debt:						
Other long term loans	U.S. dollars	Variable	6.7%(2)	2026 – 2030	46.5	46.5
Short-term credit from banks	U.S. dollars	Variable	4.8%	2026	32.0	32.0
Total					<u>\$ 78.5</u>	<u>\$ 78.5</u>
Lease liabilities	Mainly U.S. dollars	Fixed	7.8%(2)	2026– 2030	<u>\$ 5,648.1</u>	<u>\$ 5,648.1</u>
Total					<u>\$ 5,726.6</u>	<u>\$ 5,726.6</u>

(1) The effective interest rate is the rate that discounts estimated future cash payments or receipts through the contractual life of the financial instrument to the net carrying amount of the financial instrument and does not necessarily reflect the contractual interest rate.

(2) Based on weighted average.

Vessel leases liabilities

We are engaged in multiple lease arrangements for vessels, supporting our operating activities, including leases that provide an option to extend the lease term or to obtain ownership of the vessel at the end of the lease term.

Container leases liabilities

Some of our container assets are obtained through lease arrangements, including leases that provide an option to purchase the containers at the end of the lease period for an agreed amount. Our container leases generally include representations and warranties that are in each case customary for this type of transaction.

Short-term credit

We have short-term borrowings from banks, mainly dominated in U.S. dollars.

Factoring facility

In July 2019, we entered into a revolving arrangement with Bank Hapoalim, subject to periodic renewals, for the recurring sale of a portion of receivables, designated by us. According to this arrangement, an agreed portion of each designated receivable is sold to the financial institution in consideration of cash in the amount of the portion sold (limited to an aggregated amount of \$100 million), net of the related fees. The true sale of the receivables under this arrangement meets the conditions for derecognition of financial assets as prescribed in IFRS 9 (Financial Instruments).

As of December 31, 2025 and 2024, no amounts were withdrawn under this facility. In October 2024, the factoring agreement with Bank Hapoalim was further renewed for an additional period of three years, ending October 2027.

Capital expenditures

During the years ended December 31, 2025, 2024, and 2023, our capital expenditures were \$217.7 million, \$214.1 million and \$115.7 million, respectively. Such expenditures, which do not include additions of leased assets, were mainly related to investments in equipment and vessels, as well as in our information systems. Our projected capital expenditures for the next 12 months are aimed to support our ongoing operational needs. We believe our current cash and cash equivalents and our investments in bank deposits and other investment instruments, as well as, our operating cash flows will be sufficient to fund our operations for at least the next 12 months.

Quantitative and qualitative disclosures about market risk

We are exposed to risks associated with adverse changes in exchange rates, interest rates and commodity prices.

Management has established risk management policies to monitor and manage such market risks, as well as credit risks.

We are exposed to currency risk on revenues, expenses, receivables and payables where they are denominated in a currency other than the U.S. dollar. Although we did not enter into transactions of derivatives in recent years, we may do so from time to time, in order to manage market risks. We do not enter into commodity contracts other than to meet our operational needs.

The carrying amounts of certain financial assets and liabilities, including cash and cash equivalents, trade and other receivables, bank deposits and other financial assets at amortized cost, short-term loans and borrowings and trade and other payables, are the same or proximate to their fair value. When measuring the fair value of an asset or a liability, we use market observable data to the extent applicable.

For a discussion of our exposure to market risk, including foreign currency risk and interest rate risk, and our periodic fair value measurements, see Note 29 to our audited consolidated financial statements included elsewhere in this Annual Report.

Critical accounting policies and estimates

The preparation of our consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. We believe that our estimates and judgments are reasonable; however, actual results and the timing of recognition of such amounts could differ from those estimates. Critical accounting policies and estimates are defined as those that are reflective of significant judgments and uncertainties and could potentially result in materially different results under different assumptions and conditions. For a discussion of these and other accounting policies, see Notes 3 and 4 to our audited consolidated financial statements included elsewhere in this Annual Report.

Revenue recognition

We consider each freight transaction as comprised of one performance obligation, recognized per the time-based portion completed as at the reporting date. The operating expenses related to cargo traffic are recognized immediately as incurred. If the expected incremental and other direct costs related to the cargo exceed its expected related revenue, the loss is recognized immediately in profit or loss.

With respect to presentation and in accordance with IFRS 15 guidance, we recognize “Contract liabilities”, reflecting obligation to provide services, with respect to engagements with customers, not yet completed as at the respective reporting date. Trade receivables and contract liabilities deriving from the same contract are presented on a gross basis in the statement of financial position.

Assessment of probability of contingent liabilities

From time to time, we and our investees are subject to various pending legal matters. Management evaluates based on the opinion of its legal advisors, whether it is more likely than not that an outflow of economic resources will be required in respect of potential liabilities under such legal matters. The developments and/or resolutions in such matters, including through either negotiations or litigation, are subject to a high level of uncertainty which could result in recognition, adjustment or reversal of a provision for such claims. For information with respect to the Group’s exposure to claims and legal matters, see Note 27 to our audited consolidated financial statements included elsewhere in this Annual Report.

Assessment of non-financial assets for impairment

At each reporting date, the Company reviews the carrying amount of its operating assets and assesses them for impairment, or impairment reversal, when indications exist. The Group assesses the recoverable amount of its cash-generating units based on value-in-use. Value-in-use is the present value of the future net cash flows expected to be derived from the use of an asset or cash-generating unit. The Group’s assessment involves judgment in respect of multiple estimates, the change of which may affect the recognition, measurement or allocation of impairment losses, or the reversal of such. Although we believe our estimates are reasonable, these are all highly subjective and involve significant inherent uncertainties. Regarding the significant assumptions used in the assessments carried out during the reported periods, see Note 7 to our audited consolidated financial statements included elsewhere in this Annual Report.

Leases

A lease, in accordance with IFRS 16, defined as an arrangement that conveys the right to control the use of an identified asset for a period of time in exchange for consideration, is initially recognized on the date in which the lessor makes the underlying asset available for use by the lessee.

Upon initial recognition, we recognize a lease liability at the present value of the future lease payments during the lease term and concurrently recognize a right-of-use asset at the same amount of the liability, adjusted for any prepaid and/or initial direct costs incurred in respect of the lease.

The present value is calculated using the implicit interest rate of the lease, or our incremental borrowing rate applicable for such lease, when the implicit rate is not readily determinable. The Company estimates its incremental borrowing rate, with the assistance of a third-party appraiser, based on available debt transactions and their corresponding yield curves, while applying judgment in respect of the comparability of such debt transactions to the lease arrangements.

The lease term is the non-cancellable period of the lease, in addition to any optional period which is reasonably certain to apply, considering extension and/or termination options. When assessing such options, the Company applies judgment, while considering all relevant aspects and circumstances, including its expected operational needs, to conclude whether it expects there will be an economic incentive to exercise such options.

Following recognition, we depreciate a right-of-use asset on a straight-line basis, as well as adjust its value to reflect any re-measurement of its corresponding lease liability or any impairment losses in accordance with IAS 36. We chose to apply the available exemptions with respect to short-term leases and leases of low-value assets, as well as the expedient with respect to the inclusion of non-lease components in the accounting of a lease.

We also apply the requirements of IFRS 15 to determine whether an asset transfer, within a transaction of sale and lease-back, is accounted for as a sale. If an asset transfer satisfies the requirements of IFRS 15 to be accounted for as a sale, we measure the right-of-use asset arising from the lease-back at the proportion of the previous carrying amount that relates to the right-of-use retained by us. Accordingly, we only recognize the amount of gain or loss that relates to the rights transferred. If the asset transfer does not satisfy the requirements of IFRS 15 to be accounted for as a sale, we account for the transaction as secured borrowing.

If the terms of a lease in which we are a lessee are modified, we first assess whether the revised terms reflect an increase or a decrease in the lease scope. When a lease modification increases the scope of the lease by adding a right to use one or more underlying assets, and the consideration for the lease increased by an amount commensurate with the stand-alone price for the increase in such circumstances, we account for the modification as a separate lease. When we do not account the modification as a separate lease, on the initial date of the lease modification, we determine the revised lease term and measure the lease liability by discounting the revised lease payments using a revised discount rate, against the right-of-use asset. For lease modifications that include a decrease in scope of the lease, we first recognize a decrease in the carrying amount of the right-of-use asset (on a pro-rata basis) and the lease liability (considering the revised leased payments and pre-modification discounting rate), in order to reflect the partial or full cancellation of the lease, with the net change recognized in profit or loss.

Trend information

For a description of the factors affecting our results of operations see “– Factors affecting our income from voyages and related services.” According to Drewry Container Forecaster (Drewry) as of December 2025, container shipping demand has shown remarkable resilience in the face of significant challenges, amid the ongoing Red Sea crisis, unprecedented tariffs and various supply chain disruptions. For the full year 2025, it is now projected at 5.5% year-on-year growth at container shipping demand with a total of approximately 985 million TEU (including inland transportation), well above early year forecasts. The growth was driven by multiple factors that include economic drivers such as GDP growth, containerization and industrial production, as well as other non-economic drivers such as geopolitics, consumer preferences and demographic changes. Container shipping demand correlates closely with global economic growth. As global growth slows, shipping demand is likely to soften. Drewry expects 2025 to be the peak year for container throughput growth and anticipates growth moderating to 1.8% in 2026. Thereafter, growth is projected at 2.7% through 2029.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and senior management

The following table sets forth the name, age and position of each of our executive officers and directors as of the date of this Annual Report:

Name	Age	Position
<i>Executive officers</i>		
Eli Glickman	64	Chief Executive Officer and President
Xavier Destriau	53	Chief Financial Officer
Noam Nativ	55	EVP General Counsel and Company Secretary
David Arbel	66	EVP Chief Operations Officer
Arik Elimelech	57	EVP Human Resources & Organization
Eyal Ben-Amram	63	EVP Chief Information Officer
Saar Dotan	56	EVP Countries and Business Development
Assaf Tiran	50	EVP Cross Suez and Atlantic Business Unit
Abdallah Metanes	46	VP Intra Asia Trade Business Unit
Nissim Yochai	67	EVP ZIM USA President & Latin America Business Unit
Hani Kalinski	53	EVP Pacific Business Unit
<i>Directors</i>		
Yair Seroussi ⁽²⁾	70	Chairman of the Board
Yoram Turbowicz	67	Director
Liat Tennenholtz ⁽¹⁾⁽²⁾	41	Director
Nir Epstein ⁽¹⁾	56	Director
Anita Odedra ⁽¹⁾⁽²⁾	55	Director
Birger Johannes Meyer-Gloeckner	48	Director
Yair Avidan ⁽¹⁾	66	Director
William (Bill) Shaul ⁽¹⁾⁽²⁾	64	Director
Ran Gritzerstein ⁽²⁾	63	Director
Ron Hadassi ⁽¹⁾	61	Director

(1) Member of our audit committee.

(2) Member of our compensation committee.

Board of directors

Yair Seroussi has served as the Chairman of our Board of Directors since October 2020. Mr. Seroussi was chairman of Bank Hapoalim from 2009 to 2016 and he served as the head of Morgan Stanley Israel from 1993 to 2009. He is currently chairman of Enlight Renewable Energy, listed on the NASDAQ Global Select Market and the Tel Aviv Stock Exchange (TASE) and has served in the position since 2018. Mr. Seroussi also serves as a director of Prytek, a private Singapore-based technology company. From 2017 to 2019 he was the chairman of Mediterranean Towers which is listed on the TASE. He has been a board member of Stratasys which has been listed on NASDAQ since June 2017, and served as member of the investment committee of Menora Mivtachim between March 2018 and January 2024. Mr. Seroussi started his career at the Israeli Ministry of Finance in February 1981 where he held senior positions, the last one as head of the Ministry's mission to the USA from 1988 to 1992. Mr. Seroussi is also active in non-profit organizations and was a co-founder of Tovano Bechinuch in 2011. He has been the Chairman of the Eli Hurvitz Institute of Strategic Management in the Tel Aviv University since 2010, a member of the board of governors at the Hebrew University, the Weizmann Institute of Science, and Shenkar School of Design. Mr. Seroussi holds a bachelor's degree in economics and political science from the Hebrew University.

Yoram Turbowicz has served as a member of the Board of Directors since November 19, 2025. Mr. Turbowicz has served in various senior regulatory, management and board positions in the Israeli market during the past three decades. Mr. Turbowicz served, among other positions, as the General Director of the Israeli Competition Authority between 1992-1997, as Deputy CEO and CEO of Discount Investment Corporation between 1997-2001, as Chief of Staff in the Israeli Prime Minister's office between 2006-2008, as Chairman of the board of Azorim between 2008-2012, of Delek Energy between 2010-2012, and more recently as Chairman of Discount Investment Corporation and Property and Building Corporation, and board member at Cellem between 2020-2021. Mr. Turbowicz holds an LLB from the Hebrew University Law School in Jerusalem, and LLM and JSD from Harvard Law School.

Liat Tennenholtz has served as a member of the Board of Directors since May 2021. Ms. Tennenholtz is currently serving as EVP at Matrix and EVP M&A at Matrix Ltd., and as a member of the senior management of Matrix IT Ltd., a global Israeli technology corporation traded on the TASE, having joined Matrix as VP Business Development in 2018. Ms. Tennenholtz also served as a director in Navitas Buckskin Finance Ltd. (a public company traded on the TASE) between 2017 and 2022, in which she also acted as the head of the financial statements review committee, and as a member of the audit committee and the

compensation committee since 2017. Prior to her current positions in Matrix, Ms. Tennenholtz worked on complex local and international deals carrying various positions including Commercial Finance Business Partner in Amdocs Limited, a multi-billion global IT company traded on NASDAQ, Business Development Manager and Corporate Affairs Manager in Navitas Petroleum LP, a global energy entity traded on the TASE, and CPA and Attorney for international tax department in KPMG's Israel branch. Ms. Tennenholtz holds a bachelor's degree in accounting and an LL.B both from Tel Aviv University, studied Mathematics in UCLA, and is a licensed lawyer and a certified public accountant in Israel.

Nir Epstein has served as a member of our Board of Directors since July 2014 for a period of a few months and rejoined in 2018. He has served as Executive Director and Vice Chairman of Prothya Biosolutions Belgium and Prothya Biosolutions Netherlands since January 1, 2021. He has served as the CEO of Epstein Capital, an independent boutique investment and merchant banking house offering a full range of M&A and financial advisory services established in 2005. Mr. Epstein holds a LL.B degree from Tel Aviv University in Israel and a master's degree in business administration from INSEAD University in France.

Anita Odedra has served as our member of the Board of Directors since October 2023. Dr. Odedra has over 30 years of experience in the natural gas and shipping industry. Dr. Odedra currently serves as a director at Amphitrite Limited. Simultaneously, Dr. Odedra serves as an independent non-executive director at Navigator Gas. Prior roles include Executive Vice President, LNG Marketing for Tellurian Inc., Executive Vice President, Commercial at Angelicoussis Shipping Group Limited and VP, Global Shipping at BG Group. Dr. Odedra holds a Bachelor of Science degree in Geology from Imperial College, University of London and has a Ph.D. in Rock Physics from University College London and the Earthquake Research Institute of the University of Tokyo.

Birger Johannes Meyer-Gloeckner has served as a member of our Board of Directors since July 2014. He has served in various senior management positions at the CONTI Group and has served as Managing Director of CONTI HOLDING GmbH & Co. KG since 2017. Mr. Meyer-Gloeckner holds a degree in economics from Ernst- Moritz-Arndt University in Greifswald, Germany.

Yair Avidan has served as a member of the Board of Directors since November 19, 2025. Mr. Avidan has served in various senior regulatory, management and board positions in the Israeli market, primarily in the financial services sector, for more than thirty years. Most notably, Mr. Avidan served as the Supervisor of Banks and a member of the management of Bank Israel between 2020-2023, and in various senior management position in Israel Discount Bank between 1998-2019. Current directorship positions of Mr. Avidan include Bank Hapoalim and Modi'in Energy, as well as various leadership positions in non-profit organizations. Mr. Avidan holds a bachelor's degree in statistics and economics, MBA in finance and accounting, and master's degree in leadership and administration of education, all from Tel Aviv University.

William (Bill) Shaul has served as a member of the Board of Directors since May 2021. Mr. Shaul works as an independent business consultant. Mr. Shaul's current clients range from public companies, private equity funds, private businesses, and high net worth individuals. Mr. Shaul also currently serves as a director of an Israeli based technology company (Interactive Optical Technologies Group Ltd) and of a UK based company 3 to 5 Canfield Gardens Ltd. Mr. Shaul worked for KPMG in the UK between 1988 and 2019 during the last 24 years of which he was a tax partner. Mr. Shaul spent much of his time at KPMG working with large, global listed companies, as well as with high-net-worth individuals. Mr. Shaul holds a bachelor's and a master's degree in manufacturing engineering from Cambridge University.

Ran Gritzerstein has served as a member of the Board of Directors since January 2026. He is the founder and CEO of Titra Ltd., a cinema and audiovisual services/equipment company. He also serves as an external director and chairman of the compensation committee at Sure-tech Investments LLC and previously served as a member of the board and chairman of the strategic committee of Qualitau Inc. Prior to that, Mr. Gritzerstein served in a number of managerial positions, including as chief operating officer of the Israeli activity of Scrabble Entertainment Ltd. and founder and CEO of Cinepost Ltd. Mr. Gritzerstein holds a bachelor's degree in Mechanical Engineering from the City University of New York.

Ron Hadassi has served as a member of the Board of Directors since January 2026. He serves as the owner and Managing Director of Ligia Hadassi Management and Investments Ltd., a family-owned company providing management and investment services, a lecturer in banking and finance at the Hebrew University and the School of Economics at the College of Management and a lecturer in the Director Certification Course at The Hebrew University. Mr. Hadassi has served in various directorship positions and currently serves as an external director at each of Pacific-oak, The Zarasai Group Ltd. and Schnib Paper Industries Ltd. and as a director in various other companies, including Carmel Corp. Ltd., Carmel Wineries, Barkat Real Estate Financing and QauliTau Ltd. Mr. Hadassi also serves as Chairman of the board of Elbit Imaging Ltd. And as CEO and Chairman of Medical Technologies Ltd.. Mr. Hadassi holds a bachelor's degree in Economics, Political Science, and Law and an M.B.A., each from Tel Aviv University. Mr. Hadassi is also a licensed attorney in Israel.

Senior management

Eli Glickman has served as our Chief Executive Officer and President since July 2017. Prior to joining us, Mr. Glickman served as Chief Executive Officer of the Israeli Electric Corporation from 2011 to 2015. Prior to that, he served as Deputy Chief Executive Officer and VP Customers of Partner — Orange Cellular Communication. Mr. Glickman holds a Master of Science in financial management from the Naval post-graduate School Monterey (California) and is a graduate of Georgetown University's International Executive Business Administration program.

Xavier Destriau has served as our Chief Financial Officer since June 2018. Prior to joining us, he gained an international shipping experience with CMA CGM where he spent more than ten years serving in various senior positions such as CFO Asia and then Vice President — Head of Group Financing. Prior to CMA CGM, Mr. Destriau served as Financial Planning and Analysis Manager for Europe at Honeywell Inc. Mr. Destriau holds a Chemical Engineering degree from CPE Lyon and a Business degree from EM Lyon Business School.

Noam Nativ has served as our EVP General Counsel and Company Secretary since May 2018. Prior to joining us, Mr. Nativ served as Vice President, General Counsel and Corporate Secretary of Tnuva from October 2012 to May 2018 and as a partner at the law firm of Goldfarb Seligman & Co. from 2004 to 2012. Mr. Nativ holds an LL.B (magna cum laude) from The Hebrew University of Jerusalem and an LL.M. from the University of Chicago Law School and is admitted to practice law in Israel and in the State of New York.

David Arbel has served as our Executive Vice President and Chief Operations Officer since July 2015 and is responsible for our operational and procurement activities globally. Prior to joining us, Mr. Arbel served in various senior positions in the Israeli Navy and was honorably discharged after 28 years at the rank of Colonel as Head of the Planning, Maintenance and Logistics Division. Mr. Arbel holds a B.Sc. in mechanical engineering and a master's degree in business administration and high-tech management from the Technion Israel Institute of Technology.

Arik Elimelech has been our Executive Vice President of HR & Organization since September 2024. From May 2018 to September 2024, Mr. Elimelech served in a senior role in ZIM's Global HR directorate as the Head of the Global Compensation & Benefits, Organization and People Analytics unit. Prior to joining ZIM, Mr. Elimelech served for 30 years in various positions in the Israeli Navy, reaching the rank of Commander. Mr. Elimelech holds a bachelor's degree in economics and logistics from Bar Ilan University and completed Directors executive education at the BDO Finance Academy.

Eyal Ben-Amram has served as our Executive Vice President and Chief Information Officer since July 2015. Prior to joining us, he served as Vice President of Operations at N-trig from January 2010 to June 2015, as CIO and Head of Delivery Operations at Amdocs from 2004-2009, as Vice President of Operations at Scitex Vision and Aprion Digital from 1999 to 2003, as Planning and Control manager at Scitex from 1995 to 1999 and as Senior Operational Researcher at El-Al Israel Airlines from 1990 to 1995. Mr. Ben-Amram holds a B.Sc. with honors in industrial engineering and a master's degree in business administration with honors from Tel Aviv University.

Saar Dotan has served as our Executive Vice President of Countries & Business Development since September 2018. Mr. Dotan has been at ZIM since March 2005. Since March 2007, he has served in various management positions, such as Vice President of Human Resources, Vice President of Ship Management & Chartering, Vice President of Europe Area, and he also previously served as Executive Vice President of Sales & Customer Service. Prior to joining ZIM, Mr. Dotan served in Ofer Brothers Haifa in various managerial positions, from March 1996 to February 2005. Mr. Dotan holds a master's degree in business administration and a bachelor's degree in economics from the University of Haifa.

Abdallah Metanes has served as VP Intra-Asia BU since September 2023. Mr. Metanes joined ZIM in 2005 at the Global Network Development & Cooperation Unit, and since then has fulfilled several executive commercial roles, both in ZIM headquarters and in Hong Kong as the Asia-North America Commercial Director. Prior to his current position, Mr. Metanes led the Asia-Europe cluster in the Cross-Suez and Atlantic BU. Mr. Metanes holds a B.Sc in Industrial Engineering & Management from the Technion- Israel Institute of Technology and an executive master's degree in business administration from the University of Haifa.

Nissim Yochai has served as EVP LATAM BU and ZIM U.S. president since October 2022, based in Norfolk, VA, USA. He served as our Executive Vice President of Transpacific Trade since March 2016 until October 1, 2022, and was based in our regional office in Hong Kong. He joined us in 2011 with a long record of senior managerial experience in shipping and logistics. Prior to serving in this position, Mr. Yochai served as our Vice President of Global Sales from February 2015 to March 2016 and as Vice President of Corporate Customer Relationships from December 2011 to January 2015. Before joining us, Mr. Yochai served as Managing Director of Aviv Shigur Ltd, a courier services company, and as General Manager of Fridenson Air and Ocean LTD. Mr. Yochai worked for DHL Express in a variety of commercial roles, including Commercial Manager for Southeast Europe based in Vienna and Europe Sales Performance Manager based in Brussels, among others. Mr. Yochai holds a B.A. in business and economics from Bar Ilan University in Israel and a master's degree in business administration from New York Institute of Technology in New York.

Assaf Tiran has served as EVP Cross Suez & Atlantic BU since August 2022. He previously served as our VP of Global Customer Service from April 2018. Prior to joining us, Mr. Tiran worked at ECI Telecom for five years where he served as Global Services Division Business Manager & EMEA Regional Manager, and then as Vice President - Global Services Division. From 2002 to 2012, Mr. Tiran had various managerial positions at Partner Communication – Orange IL, including as Director, Head of Frontal Services formation between 2007 to 2012. Mr. Tiran holds a bachelor’s degree in business administration from the University of Derby.

Hani Kalinski was appointed as our Executive Vice President of Pacific BU in September 2022. Prior to serving in this position, Ms. Kalinski served as our VP of Medium and Small Countries since April 2018. She also served as our Director of Europe and East Mediterranean from April 2016 to March 2018, and as a Business Unit Manager from May 2010 to March 2016. Previous to that, Ms. Kalinski served in various senior financial positions. Ms. Kalinski holds a bachelor’s degree in economics from the University of Haifa and a master’s degree in business administration from Tel Aviv University.

B. Compensation

Compensation of directors

Under the Companies Law, the compensation of our directors requires the approval of our compensation committee, the subsequent approval of the Board of Directors and, unless exempted under the regulations promulgated under the Companies Law, the approval of the shareholders at a general meeting. Where the director is also a controlling shareholder or someone the controlling shareholder has a personal interest in his or her compensation, the requirements for approval of transactions with controlling shareholders apply, as described below under Item 6.C “Board practices - Disclosure of personal interests of a controlling shareholder and approval of certain transactions.”

For additional information, see below “– Compensation of officers and directors.”

Compensation of officers and directors

The aggregate compensation paid and share-based compensation and other payments expensed by us and our subsidiaries to our directors and executive officers with respect to the year ended December 31, 2025 was \$15.6 million. This amount includes share-based compensation of \$1.8 million and \$1.0 million set aside or accrued to provide pension, severance, retirement or similar benefits or expenses, but does not include business travel, relocation, professional and business association dues and expenses reimbursed to directors and officers, and other benefits commonly reimbursed or paid by companies in our industry.

For so long as we qualify as a foreign private issuer, we are not required to comply with the proxy rules applicable to U.S. domestic companies, including the requirement applicable to U.S. domestic companies to disclose the compensation of certain executive officers on an individual, rather than an aggregate, basis. Nevertheless, regulations promulgated under the Companies Law requires us to disclose the annual compensation of our five most highly compensated directors and officers on an individual, rather than on an aggregate, basis. This disclosure will not be as extensive as that required of a U.S. domestic company. So long as our ordinary shares continue to be traded on the NYSE, we intend to continue providing such disclosure, at the latest, in the proxy statement for our next annual meeting of shareholders, which will be furnished under cover of a Form 6-K.

Reservation of Ordinary Shares (Pool), Option Grants and IPO Grants

Following the recommendation of our compensation committee and the approval of our audit committee, our Board of Directors approved the grant of options exercisable for 546,822 ordinary shares in connection with the closing of our initial public offering to a senior member of the Company's management under the Company's 2020 Share Incentive Plan, or the Incentive Plan, with a fair market value (using a Black-Scholes valuation) equivalent to NIS 9.6 million translated into USD at the exchange rate in effect on the grant date. The options granted under our Incentive Plan are at an exercise price per share equal to the public offering price of \$15.00 and exercisable for a term of five years from grant date, subject to vesting. 25% of the options shall vest upon the first anniversary of the grant date with the remaining options vesting in equal quarterly installments over the following three-year period. The options were granted under the capital gains track through a trustee, under Section 102 of the Israeli Income Tax Ordinance (New Version), 1961. Our board further approved, following the approval by our compensation committee with respect to the grant to directors and officers only, the grant of 2,228,375 additional options to our then-serving Board members, officers and employees of the Company (including the grant of 935,061 options to Board members and senior members of the Company's management, of which 490,662 options were approved at our shareholders' meeting on May 2, 2022). The options granted under our Incentive Plan in 2022 were granted at an exercise price of \$68.37 per share, which is equal to the average closing price of our ordinary shares on the NYSE during the 30 trading days that ended on March 7, 2022, and are exercisable for a term of five years from grant date, subject to vesting.

In August 2022, our Board approved the grant of 107,110, subject to adjustments, options to executive officers and employees of the Company under our Incentive Plan, including the grant of 38,293 options to senior members of the Company's management (following the approval of our compensation committee) at an exercise price of \$47.78 per ordinary share, reflecting the average closing price of our ordinary shares on the NYSE during the 30 days that ended on August 14, 2022. These options vest upon the first, second, third and fourth anniversary of the grant date, in four equal installments of 25% each and are exercisable for a term of five years.

In August 2023, the compensation committee and the Board of Directors approved grants to three of our officers in a total of 80,868 share options under our Incentive Plan at an exercise price of \$13.84 per share, reflecting the average closing price of our ordinary shares on the NYSE during the 30 days that ended on August 16, 2023. 25% of these options vest upon their first anniversary of the grant date, and thereafter 6.25% of the options vest every three months over an additional three-year period, such that 100% of the options vest upon the fourth anniversary of their date of grant. The options are exercisable for a term of five years (subject to vesting terms and conditions).

During 2024, the compensation committee and the Board of Directors approved grants to three of our officers in a total of 77,987 share options under our Incentive Plan at a weighted average exercise price of \$17.05 per share. 25% of these options vest upon their first anniversary of the grant date, and thereafter 6.25% of the options vest every three months over an additional three-year period, such that 100% of the options vest upon the fourth anniversary of their date of grant. The options are exercisable for a term of five years.

For a summary of the principal provisions of our 2020 Share Incentive Plan see "Item 6.E Share ownership".

Employment agreements with executive officers

We have entered into written employment agreements with all of our executive officers. Each of these agreements contains provisions regarding confidentiality, non-competition/non-solicitation and ownership of intellectual property. The non-competition provision applies for a period that is generally 12 months following termination of employment. The enforceability of covenants not to compete in Israel and the United States and possibly elsewhere is subject to limitations.

In addition, our executive officers who are employed in our headquarters in Israel enjoy other standard terms offered to senior managers in the Israeli market such as annual vacation days and annual sick days in excess of the statutory quota, and coverage of car expenses.

Furthermore, all of our executive officers have received exculpation and indemnification letters from us, are entitled to annual bonus (subject to the discretion of our compensation committee and Board and to meeting required KPIs) and may participate in our long term equity incentive plan which we adopted in 2020, and are also entitled to certain additional benefits such as pension, life and health insurance and holiday gifts, as well as coverage of business expenses incurred in the course of their performance of their work.

In addition, we are required to provide notice prior to terminating the employment of our executive officers, generally between three to six months, other than in the case of a termination under circumstances which deprive the executive officer of severance pay under Israeli law, a breach of trust, or the executive officer's breach of the terms of confidentiality, non-competition/non-solicitation or ownership of intellectual property provisions of the relevant employment agreement.

C. Board practices

As an Israeli company, we are subject to various corporate governance requirements under the Companies Law. However, pursuant to regulations promulgated under the Companies Law, companies with shares traded on certain U.S. stock exchanges, including the NYSE, may, subject to certain conditions, “opt out” from the requirement of the Companies Law to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of the Board of Directors (other than the gender diversification rule under the Companies Law which requires the appointment of a director from the other gender if, at the time a director is appointed, all members of the Board of Directors are of the same gender). In accordance with these regulations, we have elected to “opt out” from such requirements of the Companies Law. Under these regulations, the exemptions from such Companies Law’s requirements will continue to be available to us so long as we comply with the following: (i) we do not have a “controlling shareholder” (as such term is defined under the Companies Law), (ii) our shares are traded on certain U.S. stock exchanges, including the NYSE, and (iii) we comply with the director independence requirements and the requirements regarding the composition of the audit committee and the compensation committee under U.S. laws (including applicable NYSE rules) applicable to U.S. domestic issuers.

Our Board of Directors has adopted corporate governance guidelines, which will serve as a flexible framework within which our Board of Directors and its committees operate, subject to the requirements of applicable law and regulations. Under these guidelines, it is our policy that the positions of chairperson of the Board of Directors and Chief Executive Officer may not be held by the same person unless approved by our shareholders pursuant to the Companies Law, as described below under “— Chairperson of the Board of Directors”. Our Board of Directors is responsible for nominating candidates for election to the Board of Directors, reviewing candidates’ qualifications for Board membership (including making independence determinations) and evaluating the composition of the Board. These guidelines also set forth the responsibilities of our audit committee and compensation committee and our policies with respect to director compensation, in each case as described further below.

We rely on the “home country practice exemption” with respect to certain listing requirements of the NYSE, including, for example, to have a nominating committee or to obtain shareholder approval for certain issuances to related parties or the establishment or amendment of certain equity-based compensation plans. We otherwise intend to comply with the rules generally applicable to U.S. domestic companies listed on the NYSE, including the requirement to obtain shareholder approval for certain other dilutive events (such as issuances that will result in a change of control or other transactions involving the issuance of a number of ordinary shares equal to 20% or more of our outstanding ordinary shares). We may in the future decide to use the foreign private issuer exemption with respect to some or all of the other NYSE corporate governance rules. Pursuant to regulations promulgated under the Companies Law, as a company listed on NYSE, nominations of directors may also be added to the agenda of a future general meeting of our shareholders, at the request of any one or more shareholders holding at least 5% of our outstanding voting power. Any director nominated by a shareholder is required to certify to us, as required for all director nominees, that he or she meets all the requirements of the Companies Law for election as a director of a public company, and possesses the necessary qualifications and is able to dedicate sufficient time to fulfill his or her duties as a director of our company, taking into consideration our company’s size and special needs.

In June 2023, the Knesset’s committee of Ministers for Legislative Amendments approved, following the memorandum issued by the Israeli Ministry of Justice in March 2021, the proposal of several legislative amendments to the Companies Law concerning companies without a controlling shareholder, such as ourselves, in light of the growing trend of decentralized ownership structures seen in public companies. Such amendments were proposed in recognition of the fact that decentralized ownership structures are characterized by a different agency problem than that of centralized ownership structures. The proposed amendments intend to align various corporate governance provisions to be better suited to the circumstances of such decentralized ownership structures. Generally, such proposed amendments concern, among other things, the definition of ‘control’ (where “control” will also include instances of 25% or more holdings of the means of control in a company where there is no holder of more than 50% of the means of control in the said company), changes to the composition of the board of directors, (generally, the replacement of external directors with a majority of independent directors in cases where there is no controlling shareholder), the nomination of candidates for the position of director on behalf of the board of directors by an independent nomination committee, the recommendation to appoint a ‘lead independent director’ for companies whose chairperson and CEO is the same person, the requirement to approve extraordinary transactions with certain material related parties (related parties holding 10% or more of the means of control in a company without a controlling shareholder) by the audit committee and board of directors, the requirement to approve non-extraordinary transactions with directors by the audit committee and board of directors, the requirement to approve extraordinary transactions with directors (even if not compensation related) by the audit committee, board of directors and the general meeting (by regular majority) and the requirement that the term of office of a director in a public company be limited to three years (without preventing their re-appointment for additional terms), provided that at any given moment, the tenure of at least half of the members of the board of directors will lapse upon the second annual general meeting following the said moment. There is no certainty as to when the provision of these amendments will indeed take effect, if at all.

Board of directors

Under the Companies Law and our articles of association, our business and affairs are managed under the direction of our Board of Directors.

Our Board of Directors may exercise all powers and may take all actions that are not specifically granted to our shareholders or to executive management. Our Chief Executive Officer (referred to as a “general manager” under the Companies Law) is responsible for our day-to-day management. Our Chief Executive Officer is appointed by, and serves at the discretion of, our Board of Directors. All other executive officers are appointed by the Chief Executive Officer and their terms of employment or consulting agreements are approved by the compensation committee and the Board of Directors and are subject to the terms of any applicable employment or consulting agreements that we may enter into with them.

Nine of our ten directors are independent under NYSE rules, thus, we comply with the rule of the NYSE that a majority of our directors be independent within one year following the listing of our shares on NYSE. Birger Johannes Meyer-Gloeckner is not independent.

Under our articles of association, as amended in our shareholders’ meeting convened in July 2022, our Board of Directors must consist of at least seven and not more than eleven directors, including at least two external directors to the extent required to be appointed under the Companies Law and regulations promulgated under that law. Our Board of Directors consists of ten directors. Each director will hold office until the next annual general meeting of our shareholders, unless the director is removed by a majority vote of our shareholders or upon the occurrence of certain events, in accordance with the Companies Law and our articles of association.

In addition, our articles of association allow our Board of Directors to appoint directors, create new directorships or fill vacancies on our Board of Directors, who will hold office until the next annual general meeting following their appointment. To the extent applicable and unless the exemptions under the Companies Law apply, external directors are elected for an initial term of three years and may be elected for up to two additional three-year terms and thereafter for additional three-year terms under the circumstances described below. External directors may be removed from office only under the limited circumstances set forth in the Companies Law.

Under the Companies Law, our Board of Directors must determine the minimum number of directors who are required to have accounting and financial expertise. In determining the number of directors required to have such expertise, our Board of Directors must consider, among other things, the type and size of the company and the scope and complexity of its operations. Our Board of Directors has determined that the minimum number of directors of our company who are required to have accounting and financial expertise is two, and that each of Yair Seroussi, Nir Epstein, William (Bill) Shaul, Anita Odedra and Liat Tennenholtz satisfy this requirement.

Chairperson of the Board of Directors

Our articles of association provide that the chairperson of the board is appointed by the members of the Board of Directors and serves as chairperson of the board throughout his or her term as a director, or until the appointment of a different chairperson in his or her place (the earlier of the two), unless resolved otherwise by the Board of Directors. Under the Companies Law, the Chief Executive Officer or a relative of the Chief Executive Officer may not serve as the chairperson of the Board of Directors, and the chairperson of the Board of Directors or a relative of the chairperson may not be vested with authorities of the Chief Executive Officer, without shareholder approval by a special majority.

External directors

Under the Companies Law, companies incorporated under the laws of the State of Israel that are “public companies,” including companies with shares listed on the NYSE, are required to appoint at least two external directors. The external directors must meet strict independence criteria to ensure that they are unaffiliated with the company and any controlling shareholder. At least one of the external directors is required to have financial and accounting expertise, and the other external director must have either financial and accounting expertise or professional qualifications, as defined in the regulations promulgated under the Companies Law. The Companies Law also provides that the external directors must serve on both the audit committee and the compensation committee, that the audit committee and the compensation committee must both be chaired by an external director, and that at least one external director must serve on every board committee authorized to exercise powers of the Board of Directors. Additional rules govern the term and compensation of external directors. Pursuant to regulations promulgated under the Companies Law, companies with shares traded on certain U.S. stock exchanges, including the NYSE, may, subject to certain conditions, “opt out” from the Companies Law requirements to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of the Board of Directors. In accordance with these regulations, we have elected to “opt out” from the Companies Law requirement to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of the Board of Directors.

Director independence

Our Board of Directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment and affiliations, our Board of Directors has determined that each of Yair Seroussi, Nir Epstein, Anita Odedra, William (Bill) Shaul Yoram Turbowitz, Yair Avidan, Ran Gritzerstein Ron Hadassi and Liat Tennenholtz do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that as of the date hereof, each of these directors is “independent” as that term is defined in the rules of the NYSE. In making these determinations, our Board of Directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our Board of Directors deemed relevant in determining their independence, including the beneficial ownership of our share capital by each non-employee director, and the transactions involving them described in Item 8.A “Related Party Transactions.”

Committees of the Board of Directors

Our Board of Directors established an audit committee and a compensation committee in accordance with SEC rules and NYSE requirements. The composition and responsibilities of each of the committees of our Board of Directors is described below. Members will serve on these committees until their resignation or until as otherwise determined by our Board of Directors. Since we have opted out of the requirements of the Companies Law regarding the composition of committees, we believe that the composition and functioning of all of our committees complies with the applicable requirements of the Exchange Act, the NYSE rules, SEC rules and regulations and the applicable provisions of the Companies Law.

Audit committee

Under the Companies Law, the Board of Directors of a public company must appoint an audit committee that will comply with certain composition requirements, subject to the possibility of a company to opt out of certain Companies Law requirements under certain circumstances, as we have. Accordingly, our audit committee consists of Nir Epstein, Liat Tennenholtz, Anita Odedra, Yair Avidan, Ron Hadassi (both Yair Avidan and Ron Hadassi joined in February 2026) and William (Bill) Shaul, each of whom meets the requirements for independence under the rules of the NYSE and the applicable rules and regulations of the SEC. Each member of our audit committee also meets the financial literacy requirements in the NYSE rules and the applicable rules and regulations of the SEC. In addition, our Board of Directors has determined that each of Nir Epstein and William (Bill) Shaul is an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K under the Securities Act. Our audit committee will, among other things:

- retain, oversee, compensate, evaluate and terminate our independent auditors, subject to the approval of the Board of Directors, and to the extent required, to that of the shareholders;
- approve or, as required, pre-approve, all audit, audit-related and all permitted non-audit services and related compensation and terms, other than de minimis non-audit services, to be performed by the independent registered public accounting firm;
- oversee the accounting and financial reporting processes of our company and audits of our financial statements, the effectiveness of our internal control over financial reporting and prepare such reports as may be required of an audit committee under the rules and regulations promulgated under the Exchange Act;
- review with management, and our independent auditor, as applicable, our annual, semi-annual and quarterly audited and unaudited financial statements prior to publication and/or filing (or submission, as the case may be) to the SEC;
- recommend to the Board of Directors the retention, promotion, demotion and termination of the internal auditor, and the internal auditor’s engagement fees and terms, in accordance with the Companies Law;
- approve the yearly or periodic work plan proposed by the internal auditor, and review the internal audit framework that exists within the Company and the functioning of the internal audit function, as well as whether the internal auditor has the necessary tools to fulfil his duties, giving attention to, *inter alia*, the special needs of the Company and its size;
- review with our general counsel and/or external counsel, as deemed necessary, legal or regulatory matters that could have a material impact on the financial statements or our compliance policies and procedures;

- establish policies and procedures with respect to transactions (other than transactions related to the compensation or terms of services) between the company and officers, directors, or controlling shareholders, or affiliates thereof, or transactions that are not in the ordinary course of the company's business, and determine whether such transactions are extraordinary;
- establish, with respect to certain related party transactions, the obligation to conduct a competitive process or other process, prior to engagement in such transaction and the audit committee may determine such obligation with respect to a certain type of transaction according to certain parameters that it will establish once a year in advance;
- review and approve any engagements or transactions that require the audit committee's approval under the Companies Law;
- receive and retain reports of suspected business irregularities and legal compliance issues, and suggest to the Board of Directors remedial courses of action; and
- establish procedures for the handling of employees' complaints as to the management of our business and the protection to be provided to such employees.

Our audit committee operates under a written charter, that satisfies the NYSE rules, the applicable rules and regulations of the SEC and the applicable provisions of the Companies Law.

Compensation committee

Under the Companies Law, the Board of Directors of a public company must appoint a compensation committee. The Companies Law provides composition requirements applicable to a compensation committee, unless a company elects to opt-out of certain Companies Law requirements, under certain circumstances, as we have. Our compensation committee consists of Bill Shaul, Yair Seroussi Liat Tennenholtz, Anita Odedra and Ran Gritzerstein (Ran Gritzerstein joined in February 2026) each of whom meets the requirements for independence under the NYSE rules and the applicable rules and regulations of the SEC.

In accordance with the Companies Law, the roles of the compensation committee are, among others, as follows:

- recommend to the Board of Directors with respect to the approval of the compensation policy for directors and officers and, once every three years, regarding any extensions to a compensation policy that was adopted for a period of more than three years;
- review the implementation of the compensation policy and periodically recommend to the Board of Directors with respect to any amendments or updates to the compensation policy;
- resolve whether or not to approve arrangements with respect to the terms of engagement and employment of officers and directors; and
- exempt, under certain circumstances, the compensation terms of a candidate for chief executive officer from the requirement to obtain shareholder approval.

An officer is defined in the Companies Law as a general manager, chief business manager, deputy general manager, vice general manager, any other person assuming the responsibilities of any of these positions regardless of such person's title, a director and any other manager directly subordinate to the general manager. Each person listed in the table under Item 6.A "Directors, senior management and employees – *Directors and Senior Management*" is an officer under the Companies Law.

Our compensation committee operates under a written charter that satisfies the NYSE rules, the applicable rules and regulations of the SEC and the provisions of the Companies Law.

Committee charters and chairpersons

We posted the charters of our audit and compensation committees, and any amendments thereto that may be adopted from time to time, on our website. Information on or that can be accessed through our website is not part of this Annual Report.

Nir Epstein and William Shaul were appointed as the chairperson of our audit committee and compensation committee, respectively.

Compensation policy under the Companies Law

In general, under the Companies Law, a public company must have a compensation policy approved by the Board of Directors after receiving and considering the recommendations of the compensation committee. Such compensation policy must be approved at least once every three years (except for the initial approval which can be made after a five-year term), first, by our Board of Directors, upon recommendation of our compensation committee, and second, by a simple majority of the ordinary shares present, in person or by proxy, and voting at a shareholders meeting, provided that either:

- at least a majority of the shares of the non-controlling shareholders and shareholders that do not have a personal interest in the approval, which are voted at the meeting, are voted in favor (disregarding abstentions); or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in such appointment, which are voted against such appointment, does not exceed two percent of the aggregate voting rights in the company.

We refer to such majority as “Special Majority for Compensation”.

Under special circumstances, the Board of Directors may approve the compensation policy despite the objection of the shareholders provided that the compensation committee, and then the Board of Directors, decide, on the basis of detailed grounds and after further discussion of the compensation policy, that approval of the compensation policy, despite the objection of the meeting of shareholders, is for the benefit of the company.

As described below, our shareholders approved a compensation policy, which was later amended by our shareholders in May 2022 and October 2023. The compensation policy expired in January 2026.

The compensation policy must be based on certain considerations, include certain provisions and reference certain matters as set forth in the Companies Law.

The compensation policy must serve as the basis for decisions concerning the financial terms of engagement or employment of the directors and officers, including exculpation, insurance, indemnification, or any monetary payment or obligation of payment in respect of engagement or employment. The compensation policy must be established and subsequently reevaluated from time to time according to certain factors, including: the advancement of the company’s objectives, business plan, and long-term strategy; the creation of appropriate incentives for directors and officers, while considering, among other things, the company’s risk management policy; the size and the nature of its operations; and with respect to variable compensation, the contribution of the director and officer towards the achievement of the company’s long-term goals, and the maximization of its profits, all with a long-term objective and according to the position of the director and officer. The compensation policy must furthermore consider the following additional factors:

- the education, skills, experience, expertise, and accomplishments of the relevant director or officer;
- the director’s or officer’s position, responsibilities, and prior compensation agreements with him or her;
- the ratio between the cost of the terms of employment of an office holder and the cost of employment of other employees of the company, including employees employed through contractors who provide services to the company, and in particular, the ratio between such cost to the average and median salary of such employees of the company, as well as the impact of disparities between them on the working relationship in the company;
- if the terms of engagement or employment include variable components — the possibility of reducing variable components at the discretion of the Board of Directors and the possibility of setting a limit on the value of non-cash variable equity-based components; and
- if the terms of engagement or employment include severance compensation — the term of engagement or employment of the director or officer, the terms of his or her compensation during such period, the company’s performance during such period, his or her individual contribution to the achievement of the company goals and the maximization of its profits, and the circumstances under which he or she is leaving the company.

The compensation policy must also include, among other features:

- with respect to variable components: (a) other than with respect to officers who report directly to the chief executive officer, to establish the variable components on a long-term performance basis and on measurable criteria; however, the company may determine that an immaterial part of the variable components of the compensation package of a director or officer, or the total sum of such components if such sum is not higher than three monthly salaries per annum, will be awarded based on non-measurable criteria, while taking into account such director's or officer's contribution to the company; and, (b) the ratio between variable and fixed components, as well as the limit of the values of variable components at the time of their payment, or in the case of equity-based compensation, at the time of grant.
- claw-back provisions under which the director or officer will be required to return to the company, according to terms to be set forth in the compensation policy, any amounts paid as part of his or her terms of engagement or employment, if such amounts were paid based on information later to be discovered to be wrong, and such information was restated in the company's financial statements;
- the minimum holding or vesting period of variable equity-based components to be set in the terms of engagement or employment, as applicable, while taking into consideration long-term incentives; and
- a limit to retirement grants.

Our compensation policy

In January 2026 our then-current compensation policy expired. In our last annual general meeting of shareholders held on January 2, 2026, our shareholders did not approve our proposed new compensation policy, whose terms were substantially similar to those of the then-current compensation policy. As a result, our Compensation Committee and Board of Directors approved certain changes to the proposed compensation policy, and we intend to submit the revised compensation policy to the approval of our shareholders. We are allowed to continue to pay the same compensation to our current directors and officers, however, in the absence of a compensation policy in place any changes to the current compensation, or a new compensation package, will generally require shareholder approval by a Special Majority for Compensation.

Our proposed compensation policy is designed to promote retention and motivation of directors and officers, incentivize superior individual excellence, align the interests of our directors and officers with our long-term performance, and provide a risk management tool. To that end, a portion of a director's and officer's compensation package is targeted to reflect our short and long-term goals, as well as individual performance. On the other hand, our compensation policy includes measures designed to reduce the director's and officer's incentives to take excessive risks that may harm us in the long-term, such as limits on the value of cash bonuses and equity-based compensation, limitations on the ratio between the variable and the total compensation of a director or officer, and minimum vesting periods for equity-based compensation.

Our proposed compensation policy also addresses our directors' and officers' individual characteristics (such as his or her respective position, education, scope of responsibilities, and contribution to the attainment of our goals) as the basis for compensation variation among our directors and officers and considers the internal ratios between compensation of our directors or officers and between directors and officers and other employees. Pursuant to our compensation policy, the compensation that may be granted to a director or officer may include: base salary, benefits, annual bonuses and other cash bonuses (such as a signing bonus and special bonuses with respect to any special achievements), equity-based compensation, and retirement and termination of service arrangements. All cash bonuses are limited to a maximum amount linked to the officer's base salary.

An annual cash bonus may be awarded to our officers upon the attainment of pre-set periodic objectives and individual targets. The annual cash bonus that may be granted to our officers, other than our Chief Executive Officer, will be based on performance objectives and a discretionary evaluation of the officer's overall performance by our Chief Executive Officer and subject to minimum thresholds.

The measurable performance objectives of our Chief Executive Officer will be determined annually by our compensation committee and Board of Directors. A non-material portion of the Chief Executive Officer's annual cash bonus may be based on a discretionary evaluation of the Chief Executive Officer's overall performance by the compensation committee and the Board of Directors, based on quantitative and qualitative criteria.

The equity-based compensation under our proposed compensation policy is designed in a manner consistent with the underlying objectives in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the officers' interests with our long-term interests and those of our shareholders and to strengthen the retention and the motivation of our officers in the long term. Our compensation policy provides for officers' compensation in the form of share options or other equity-based awards, such as restricted shares and restricted share units, in accordance with our share incentive plan then in place. All equity-based incentives granted to officers shall be subject to vesting periods in order to promote long-term retention of the awarded officers. The equity-based compensation shall be granted from time to time and be individually determined and awarded according to the performance, educational background, prior business experience, qualifications, role, and the personal responsibilities of the officer.

In addition, our proposed compensation policy allows us under certain conditions to recover bonuses, bonus compensation or performance-based equity compensation paid in excess, and allows us to exculpate, indemnify, and insure our directors and officers to the maximum extent permitted by Israeli law, subject to certain limitations set forth therein.

Our compensation policy also provides for compensation to the members of our Board of Directors in accordance with the amounts set forth therein.

Our shareholders approved on October 11, 2023, following the recommendations of our compensation committee and approval of the Board of Directors, a clawback policy, compliant with Section 10D of the Exchange Act and the listing standards of the New York Stock Exchange, which replaced the former clawback provisions included in the compensation policy as required by the Companies Law. In March 2026 our Board of Directors approved the same clawback policy. The new clawback policy allows us, under certain conditions, to recoup erroneously awarded compensation stemming from restatement in our financial statements.

Internal auditor

Under the Companies Law, the Board of Directors of a public company must appoint an internal auditor based on the recommendation of the audit committee. The role of the internal auditor is, among other things, to examine whether a company's actions comply with applicable law and orderly business procedure. Under the Companies Law, the internal auditor cannot be an interested party or a director or officer or a relative of any of the foregoing, nor may the internal auditor be the company's independent auditor or its representative. An "interested party" is defined in the Companies Law as: (i) a holder of 5% or more of the issued share capital or voting power in a company, (ii) any person or entity who has the right to appoint one or more directors or to appoint the chief executive officer of the company, or (iii) any person who serves as a director or as a chief executive officer of the company. Ms. Simcha Dahan-Nagar serves as our internal auditor.

D. Employees

Crew and shore employees

As of December 31, 2025, we had 345 seagoing staff serving on our vessels (including 283 contract workers), 4,714 full time shore employees (not including 2,071 contract workers), with 821 located in Israel, 576 in the United States, 1,095 in China and 2,348 across more than 90 other countries. The following table shows a breakdown of our full-time shore employees by category of activity as of the dates indicated:

	Year ended December 31		
	2025	2024	2023
Operational, administrative, and other	3,506	3,629	3,572
Sales and marketing	953	952	941
Information technology	255	269	265
Total	4,714	4,850	4,778

Approximately 89% of our employees in Israel work under collective bargaining agreements. Extension orders issued by the Israeli Ministry of Labor, Welfare and Social Services apply to us and affect matters such as cost of living adjustments to salaries, number of working hours, recuperation pay, travel expenses, and pension rights. See "Risk factors — Labor shortages or disruptions could have an adverse effect on our business and reputation". We have experienced labor-related work stoppages or strikes in February 2026 following the entering into a Merger Agreement with Hapag-Lloyd AG, and management is engaged in negotiations with our unionized employees. See "Item 3D. Risk Factors – Our management and employees may have interest that may be different from, or in addition to, the interest of our shareholders".

With respect to our Israeli employees, Israeli labor laws govern the length of the workday, minimum wages for employees, procedures for hiring and dismissing employees, determination of severance pay, annual leave, sick days, advance notice of termination of employment, equal opportunity and anti-discrimination laws and other conditions of employment. Subject to certain exceptions, Israeli law generally requires severance pay upon the retirement, death or dismissal of an employee, and requires us and our employees to make payments to the National Insurance Institute, which is similar to the U.S. Social Security Administration. Our employees have pension plans that comply with the applicable Israeli legal requirements and we make monthly contributions to severance pay funds for all employees. Our collective bargaining agreements provide our Israeli employees with beneficial arrangements such as a salary which exceeds minimum wage, annual leave and sick days in an amount which also exceeds the statutory rights, and additional payments which are beneficiary (clothing, certain supplemental payments for shifts, etc.). In addition, since our Israeli employees are unionized, termination procedures, and any other procedure which affect employees generally require consultation with the workers' committee.

In addition, certain of our full time Israeli shore employees are called upon for military service duty, and are obligated to perform military service duty in times of war (particularly after the war in Israel since October 7, 2023), or at least several days of annual military reserve duty each year until they reach the age qualifying them for an exemption (generally 40 for men who are not officers or do not have specified military professions, although recently the government published a possible plan to extend military reserve duty to the age of 46).

E. Share ownership

Share Option Plans

We have filed registration statements on Form S-8 with the SEC, covering all of the ordinary shares issuable under the Incentive Plan. The following is a description of our Incentive Plan:

2020 Share Incentive Plan

We have adopted the 2020 Share Incentive Plan, or the Incentive Plan. Pursuant to the Incentive Plan, we may issue ordinary shares or restricted ordinary shares, options to purchase ordinary shares, restricted share units or any other share-based award, or collectively, the Awards, to certain key employees, officers, directors, consultants and advisors of the Company and its direct or indirect subsidiaries, or the Participants and the Group, respectively. The Awards to be granted will have an exercise price equal to the average closing price per ordinary share on the stock exchange in which the ordinary shares are principally traded over the thirty (30) day calendar period preceding the subject date (unless otherwise determined by the Board of Directors). Unless otherwise determined by the Board of Directors, 25% of the Awards will vest upon the first anniversary of the vesting commencement date determined by the Board of Directors and 6.25% of the Awards will vest at the end of each three (3) month period following such first anniversary, such that 100% of the Awards will vest upon their fourth anniversary of the vesting commencement date, subject to the Participant's continued employment or service (as applicable). The vesting of the Awards will automatically accelerate upon the occurrence of certain Corporate Events, as such term is defined in the Incentive Plan. The exercise of options and (if and to the extent applicable) restricted share units shall be made by way of a "cashless" exercise, subject, in case of 102 Trustee Awards to a specific IOTA ruling (to the extent required). The Company may apply in its sole discretion additional procedures and requirements in connection with the exercise or sale mechanism of Awards by any Participant. The Awards are subject to customary adjustments including in connection with changes in capitalization, rights offering and distribution of cash dividends. The Awards expire on the tenth anniversary of their date of grant, subject to early termination and acceleration provisions. Our Board of Directors will have the power to administer the Incentive Plan, subject to applicable law.

The Special State Share

When the State of Israel sold 100% of its interest in us in 2004 to Israel Corporation Ltd., we ceased to be a “mixed company” (as defined in the Israeli Government Companies Law, 5735-1975) and issued a Special State Share to the State of Israel whose terms were amended as part of the Company’s 2014 debt restructuring. The objectives underlying the Special State Share are to (i) safeguard our existence as an Israeli company, (ii) ensure our operating ability and transport capacity so as to enable the State of Israel to effectively access a minimal fleet in a time of emergency or for national security purposes and (iii) prevent parties hostile to the State of Israel or parties liable to harm the State of Israel’s vital interest in the Company or its foreign or security interests or its shipping relations with foreign countries, from having influence on our management. The key terms and conditions of the Special State Share include the following requirements:

- We must be, at all times, a company incorporated and registered in Israel, with our headquarters and principal and registered office domiciled in Israel.
- Subject to certain exceptions, we must maintain a minimal fleet of 11 seaworthy vessels that are fully owned by us, either directly or indirectly through our subsidiaries, at least three of which must be capable of carrying general cargo. Subject to certain exceptions, any transfer of vessels in violation thereof shall be invalid unless approved in advance by the State of Israel pursuant to the mechanism set forth in our articles of association.
- At least a majority of the members of our Board of Directors, including the chairperson of the board and our chief executive officer, must be Israeli citizens.
- The State of Israel must provide prior written consent for any holding or transfer or issuance of shares that confers possession of 35% or more of our issued share capital, or that provides control over us, including as a result of a voting agreement.
- Any transfer of shares that confers its owner with a holding of more than 24% but not more than 35% of our issued share capital will require an advance notice to the State of Israel which will include full details regarding the proposed transferor and transferee, the percentage of shares to be held by the transferee after the transfer and relevant details regarding the transaction, including voting agreements and agreements for the appointment of directors (if any). If the State of Israel shall be of the opinion that the transfer of shares may possibly harm the security interests of the State of Israel or any of its vital interests or that it has not received the relevant information for the purpose of reaching its decision, the State of Israel shall be entitled to serve notice, within 30 days, that it objects to the transfer, giving reason for its objection. In such circumstances, the party requesting the transfer may initiate proceedings in connection with this matter with the competent court, which will consider and rule on the matter.
- The State of Israel must consent in writing to any winding-up, merger or spin-off, except for certain mergers with subsidiaries that would not impact the Special State Share or the minimal fleet.
- We must provide governance, operational and financial information to the State of Israel similar to information that we provide to our ordinary shareholders. In addition, we must provide the State of Israel with particular information related to our compliance with the terms of the Special State share and other information reasonably required to safeguard the State of Israel’s vital interests.
- Any amendment, review or cancellation of the rights afforded to the State of Israel by the Special State Share must be approved in writing by the State of Israel prior to its effectiveness.

Other than the rights enumerated above, the Special State Share does not grant the State any voting or equity rights. The full provisions governing the rights of the Special State Share appear in our articles of association. We report to the State of Israel on an ongoing basis in accordance with the provisions of our articles of association. Certain asset transfer or sale transactions that in our opinion require approval, have received the approval of the State (either explicitly or implicitly by not objecting to our request).

F. Disclosure of a registrant’s action to recover erroneously awarded compensation

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major shareholders

The following table sets forth information regarding the beneficial ownership of our ordinary shares as of March 1, 2026, by all of our executive officers and directors as a group, based upon the 120,465,908 ordinary shares outstanding as of such date, which represents our entire issued and outstanding share capital as of such date. As of March 1, 2026, no person or entity known by us owned or beneficially owned 5% or more of our outstanding ordinary shares.

To our knowledge, as of March 1, 2026, we had 9 shareholders of record in the United States holding approximately 99.9% of our outstanding ordinary shares. All of our ordinary shares have the same voting rights.

The beneficial ownership of ordinary shares is determined in accordance with the rules of the Securities and Exchange Commission and generally includes any ordinary shares over which a person exercises sole or shared voting or investment power, or the right to receive the economic benefit of ownership. For purposes of the table below, we deem shares subject to options that are currently exercisable or exercisable within 60 days of March 1, 2026, to be outstanding and to be beneficially owned by the person holding the options for the purposes of computing the percentage ownership of that person but we do not treat them as outstanding for the purpose of computing the percentage ownership of any other person.

Name of beneficial Owner	Ordinary Shares Owned	Percentage of Ordinary Shares	Special State Share	Percentage of Special State Share owned
<i>Principal Shareholders</i>				
State of Israel ⁽¹⁾			1	100%
<i>Executive Officers and Directors</i>				
Eli Glickman	1,613,189	1.3%		
Xavier Destriau	*	*		
David Arbel	*	*		
Arik Elimelech	*	*		
Eyal Ben-Amram	*	*		
Saar Dotan	*	*		
Abdallah Metanes	*	*		
Noam Nativ	*	*		
Nissim Yochai	*	*		
Assaf Tiran	*	*		
Hani Kalinski	*	*		
Yair Seroussi	*	*		
Yoram Torbowicz	*	*		
Nir Epstein	*	*		
Anita Odedra	—	—		
Birger Johannes Meyer-Gloeckner	*	*		
Yair Avidan	—	—		
William (Bill) Shaul	*	*		
Liat Tennenholtz	*	*		
Ran Gritzerstein	*	*		
Ron Hadassi	*	*		

* Less than 1%.

(1) For a description of the different voting rights held by the holder of the Special State Share, see “Item 6.E – Share ownership - The Special State Share.”

B. Related party transactions

Our policy is to enter into transactions with related parties on terms that, as a whole, are no more favorable, or no less favorable, than those available from unaffiliated third parties. Based on our experience in the business sectors in which we operate and the terms of our transactions with unaffiliated third parties, we believe that all of the transactions described below met this policy standard at the time they occurred.

Approval of related party transactions

Fiduciary duties of directors and officers

The Companies Law codifies the fiduciary duties that directors and officers owe to a company.

A director’s or officer’s fiduciary duties consist of a duty of care and a duty of loyalty. The duty of care requires a director or officer to act with the level of care with which a reasonable director or officer in the same position would have acted under the same circumstances. The duty of loyalty requires that a director or officer act in good faith and for the company’s benefit.

The duty of care includes a duty to use reasonable means to obtain:

- information on the advisability of a given action brought for his or her approval or performed by virtue of his or her position; and
- all other important information pertaining to these actions.

The duty of loyalty includes a duty to:

- refrain from any conflict of interest between the performance of his or her duties in the company and his or her personal affairs;
- refrain from any activity that is competitive with the business of the company;
- refrain from exploiting any business opportunity of the company in order to receive a personal gain for himself or herself or others; and
- disclose to the company any information or documents relating to the company's affairs which the director or officer received as a result of his or her position as a director or officer.

The company may approve an act specified above that would otherwise constitute a breach of the director's or officer's duty of loyalty, provided that the director or officer acted in good faith, the act or its approval does not harm the company and the director or officer discloses his or her personal interest a sufficient time in advance of discussion on the approval of such act, including any material fact or document.

Disclosure of personal interests of a director or officer and approval of certain transactions

The Companies Law requires that a director or officer promptly disclose to the Board of Directors any personal interest that he or she may have and all related material information known to him or her concerning any existing or proposed transaction with the company. Such disclosure must be made promptly and, in any event, no later than the first meeting of the Board of Directors at which the transaction is considered. A personal interest includes an interest of any person in an act or transaction of a company, including a personal interest of one's relative or of a corporate body in which such person or a relative of such person is a 5% or greater shareholder, director or general manager or in which he or she has the right to appoint at least one director or the general manager, but excluding a personal interest stemming solely from one's ownership of shares in the company. Except in certain circumstances, a personal interest includes the personal interest of a person for whom the director or officer holds a voting proxy or the personal interest of the director or officer with respect to his or her vote on behalf of a person for whom he or she holds a proxy even if such shareholder has no personal interest in the matter.

If it is determined that a director or officer has a personal interest in a non-extraordinary transaction (meaning any transaction that is in the ordinary course of business, on market terms and is not likely to have a material impact on the company's profitability, assets or liabilities), approval by the Board of Directors is required for the transaction, unless the company's articles of association provide for a different method of approval. Any such transaction that is not for the company's benefit may not be approved by the Board of Directors.

Approval first by the audit committee and subsequently by the Board of Directors is required for an extraordinary transaction (meaning, any transaction that is either not in the ordinary course of business, not on market terms or that is likely to have a material impact on the company's profitability, assets or liabilities) in which a director or officer has a personal interest.

Notwithstanding the foregoing, approval of compensation (including the grant of exculpation, indemnification or insurance) of an officer who is not a director requires approval first by the company's compensation committee, then by the company's Board of Directors, and, if such compensation arrangement is in deviation from with the company's stated compensation policy or if the officer is the Chief Executive Officer (apart from a number of specific exceptions), then such arrangement is subject to shareholder approval by the Special Majority for Compensation. Arrangements regarding the compensation of a director require the approval of the compensation committee, Board of Directors and shareholders by ordinary majority, in that order, and under certain circumstances, also by the Special Majority for Compensation.

A director or officer who has a personal interest in a transaction which is considered at a meeting of the Board of Directors or the audit committee generally (unless it is with respect to a transaction which is not an extraordinary transaction with an officer or in which an officer has a personal interest) may not be present at such a meeting or participate in the discussion or voting on that matter, unless a majority of the directors or members of the audit committee, as applicable, have a personal interest in the matter. If a majority of the members of the audit committee or the Board of Directors has a personal interest in the approval of such a transaction then all of the directors may participate in discussions and vote of the audit committee or Board of Directors, as applicable, and, if a majority of the members of the Board of Directors has a personal interest and the transaction is an extraordinary transaction, shareholder approval is also required (except in the case of specific reliefs).

Disclosure of personal interests of controlling shareholders and approval of certain transactions

Pursuant to Israeli law, the disclosure requirements regarding personal interests that apply to directors and officers also apply to a controlling shareholder of a public company. In this context, a controlling shareholder also includes a shareholder who holds 25% or more of the voting rights in the company if no other shareholder holds more than 50% of the voting rights in the company. To date, none of our shareholders hold 25% or more of our voting rights. For this purpose, the holdings of all shareholders who have a personal interest in the same transaction will be aggregated. The approval of the audit committee (or, with respect to certain matters, the compensation committee), the Board of Directors and the shareholders of the company, in that order, is required for (a) extraordinary transactions with a controlling shareholder or in which a controlling shareholder has a personal interest, (b) the engagement with a controlling shareholder or his or her relative, directly or indirectly, for the provision of services to the company, (c) the terms of engagement and compensation of a controlling shareholder or his or her relative who is not a director or officer or (d) the employment of a controlling shareholder or his or her relative by the company, other than as a director or officer. In addition, the shareholder approval must meet one of the following, which we refer to as a Special Majority:

- at least a majority of the shares held by all shareholders who do not have a personal interest in the approval of the transaction and who are present and voting at the meeting approves the transaction, excluding abstentions; or
- the shares voted against the transaction by shareholders who have no personal interest in the transaction and who are present and voting at the meeting do not exceed 2% of the voting rights in the company.

To the extent that any such transaction with a controlling shareholder is for a period extending beyond three years, approval is required once every three years, unless, with respect to certain transactions, the audit committee determines that the duration of the transaction is reasonable given the circumstances related thereto. The audit committee is also empowered to determine whether a transaction with a controlling shareholder is extraordinary, to establish criteria in advance for determining whether certain types of transactions are extraordinary and to set policies governing the process for entering into transactions with controlling shareholders.

Arrangements regarding the compensation, exculpation, indemnification or insurance of a controlling shareholder in his or her capacity as a director or officer require the approval of the compensation committee, Board of Directors and shareholders by a Special Majority.

Pursuant to regulations promulgated under the Companies Law, certain transactions with a controlling shareholder or his or her relative, or with directors, that would otherwise require approval of a company's shareholders may be exempt from shareholder approval upon certain determinations of the audit committee (and in certain instances, the compensation committee) and Board of Directors.

Shareholder duties

Pursuant to the Companies Law, a shareholder has a duty to act in good faith and in a customary manner toward the company and other shareholders and to refrain from abusing his or her power with respect to the company, including, among other things, in voting at a general meeting and at shareholder class meetings with respect to the following matters:

- an amendment to the company's articles of association;
- an increase of the company's authorized share capital;
- a merger; or
- interested party transactions that require shareholder approval.

In addition, a shareholder has a general duty to refrain from discriminating against other shareholders.

Furthermore, certain shareholders have a duty of fairness toward the company. These shareholders include any controlling shareholder, any shareholder who knows that it has the power to determine the outcome of a shareholder vote and any shareholder who has the power to appoint or to prevent the appointment of a director or officer of the company or exercise any other rights available to it under the company's articles of association with respect to the company. The Companies Law does not define the substance of this duty of fairness, except to state that the remedies generally available upon a breach of contract will also apply in the event of a breach of the duty of fairness, taking the position of such shareholder in the company into account.

Vessels chartered-in from interested and related parties

We have been chartering in vessels from corporations affiliated with Kenon (and its controlling shareholders), who until December 2024 was our largest shareholder (but which no longer owns any shares as of December 31, 2024). Yair Caspi and Yoav Sebba, who served on our Board of Directors until November 2025, also serve as either employees, officers or directors in Kenon or in other entities affiliated with Kenon. In addition, Barak Cohen, who resigned from his position as our Board member on December 5, 2024, also serves as a director of Kenon. All charters of vessels from entities affiliated with Kenon were approved as non-extraordinary transactions within the meaning of such term in the Companies Law (i.e., transactions conducted in the ordinary course of business, on market terms and which do not have a material impact on our assets, liabilities or profits). The aggregate amount paid in connection with these charters during the years ended December 31, 2025, 2024 and 2023 was \$54.2 million, \$129.9 million and \$42.7 million, respectively. For information on the long-term charter of three 8,000-class TEU LNG dual fuel vessels from a company affiliated to Kenon in January 2022, please see “Item 4.B – Business – Our vessels – Strategic Chartering Agreements”. During such time that Kenon was a related party, the charter of vessels from corporations affiliated with Kenon and/or its controlling shareholders was subject to our internal procedures for the approval of non-extraordinary transactions for the charter of vessels described below.

We have been chartering in vessels from corporations affiliated with the Conti Group. Birger Johannes Meyer-Gloeckner, who serves as a director on our Board of Directors, also serves as a Senior Executive Manager of the Conti Group. All such charters that were approved following the appointment of Mr. Meyer-Gloeckner to our Board of Directors, were approved as non-extraordinary transactions within the meaning of this term in the Companies Law. The aggregate amount paid in connection with these charters during the year ended December 31, 2025, 2024 and 2023 was \$24.7 million, \$49.7 million and \$46.9 million, respectively.

Internal Procedure for the Approval of Non-Extraordinary Transactions for the Charter of Vessels

Pursuant to the Companies Law, Extraordinary Transactions (as defined below) of a public company with its controlling shareholder or with another person in which the controlling shareholder has a personal interest require a special set of approvals, including by the public company’s shareholders by a Special Majority, while non-Extraordinary Transactions with such parties require approval by the audit committee and Board of Directors. For this purpose, a “Controlling Shareholder” is defined by the Companies Law as a shareholder holding 25% or more of the voting right in a company if there is no other person who holds more than 50% of the voting rights in such company.

On November 29, 2020 our Board of Directors approved, following the approval of our audit committee on November 27, 2020, an internal procedure, (the “Procedure”), which set forth guidelines for the approval of the chartering of vessels from Kenon (who at such approval date held more than 25% of our voting rights) or any other person in which Kenon has a personal interest (each shall be referred to herein as a “Related Party”) as non-Extraordinary Transactions for so long as Kenon was a Controlling Shareholder of the Company. Our audit committee and Board of Directors voluntarily broadened the definition of a “Controlling Shareholder”, for purposes of the Procedure, to include a holding of 20% or more of the voting rights in the Company if there is no other person who holds more than 50% of the voting rights in the Company, as detailed below.

On December 26, 2024, Kenon, our largest shareholder at that time, which held 20.7% of our outstanding ordinary shares and voting power as of December 31, 2023, announced that it had sold all of its holdings of our ordinary shares. As a result, Kenon is no longer deemed a Controlling Shareholder under the Procedure. Despite Kenon no longer being our shareholder, until November 2025 transactions between us and Kenon or its affiliates required special corporate approvals, since two of our former directors, Yair Caspi and Yoav Sebba, serve as senior executive positions at entities affiliated with Kenon.

Transportation of containers

We provide services for the transportation of containers to ICL Group, which is a corporation affiliated with Kenon and/or its controlling shareholder, who was our largest shareholder until December 2024. Two of our former Board members, Mr. Yoav Sebba and Mr. Yair Caspi, also serve as officers in companies affiliated with Kenon. We also provide services for the transportation of containers to the Oil Refineries Ltd. (Bazan) Group, which was affiliated with Kenon, but according to Bazan’s public filings, ceased to be an affiliate of Kenon as of February 2023.

On December 22, 2020, prior to the consummation of our IPO and when Kenon held over 25% of our outstanding voting rights and was deemed a controlling shareholder for the purpose of approving related party transactions, our shareholders approved, following the approval of our audit committee and Board of Directors, the terms of engagement with corporations within the ICL Group and the Oil Refineries Ltd. (Bazan) Group for the provision of services for the transportation of containers, which were to be in effect until February 1, 2026, and for as long as Kenon held 20% or more of the voting rights of the Company and no other person held more than 50% of the voting rights in the Company.

The following were the principal terms for engagement, when approved:

- The services to be provided by us may include transportation of containers services, including related land transportation, custom clearance, demurrage and detention services;
- Each engagement shall reflect, upon the date of the engagement, based on a reasonable best estimate of us, at minimum, either (i) a positive net operating revenue, or (ii) a positive return on variable costs for us;
- All the transactions entered into during a specific calendar year, on an aggregate basis, will result in a net profit to us;
- The maximum payment for all such services shall not exceed \$20 million per year, while a deviation of up to \$5 million between the years shall not be considered as a breach of this condition. In any event, the overall payment during the five-year term of the resolution will not exceed \$100 million;
- The specific transactions entered into by us in accordance with this resolution will be reviewed by the audit committee on a semi-annual basis, which will supervise the implementation of this resolution as well as analyze our actual profitability from these transactions on an annual basis and will have the authority to instruct the cessation of such engagements or propose amendments to this resolution to our shareholders.

Due to the fact that the Companies Law restricts the approval of controlling shareholder transactions for a term of up to three years, subject to certain exceptions, and in light of the fact that Kenon held less than 25% of our voting rights at such time, our Board approved, following the approval of our audit committee, a framework resolution for the transportation of containers of the ICL Group, as an extraordinary transaction in which certain directors of the Company may have a personal interest commencing on January 1, 2024, for a one-year period, and then renewed on January 1, 2025 for an additional one-year period.

The following are the principal terms of the framework resolution:

- The services to be provided by us include transportation of containers and other related services, such as land transportation, custom clearance, demurrage and detention services, etc.;
- Each engagement shall reflect, upon the date of the engagement, based on a reasonable best estimate of us, at minimum, either (i) a positive net operating revenue (NOR), or (ii) a positive return on variable costs for us;
- All the transactions entered into during a specific calendar year, on an aggregate basis, will result in a net profit to us;
- The maximum payment for all such services shall not exceed \$20 million per year; and
- The specific transactions entered into by us in accordance with this resolution will be reviewed by the audit committee on a semi-annual basis, which will supervise the implementation of this resolution.

Since Kenon is no longer an interested party, we have not adopted a similar Board of Directors resolution for 2026.

The aggregate amount received in connection with these services during the years ended December 31, 2025, 2024 and 2023 (including from the Bazan Group, during the relative portion of 2023) amount to less than 0.5% of our revenues.

Other shipping related services

We provide from time to time certain services to corporations affiliated with Kenon (which ceased to be an interested party of the Company in November 2025 following the resignation of Yoav Sebba and Yair Caspi from our Board of Directors) and/or its controlling shareholders, including among other things, certain insurance agency services provided by our subsidiary, Ramon International Insurance Brokers Limited, container, repair, maintenance and sale services via our subsidiary, Gal Marine Ltd., certain port services (including husbanding services) to the XT Group in Sri Lanka via our agency located in Sri Lanka and certain electronic equipment, via our subsidiary, Alhoutyam Ltd. In addition, we receive certain land-based transport services from Israel Railways Ltd., who works with a number of logistics vendors, one of which is ICL. Kenon was our largest shareholder until December 2024, and two of our former Board members, Yair Caspi and Yoav Sebba, served as office holders in entities affiliated with Kenon until November 2025. We work with all of these vendors from time to time, allocating our containers between the vendors based on their commissions and the quantities allocated to us. All the above-mentioned transactions were approved as non-extraordinary transactions within the meaning of this term in the Companies Law. In the aggregate, the above-mentioned services received constitute less than 0.1% of our revenues and our operating expenses, during each of the years ended December 31, 2025, 2024 and 2023. Since Kenon is no longer a related party, we have not adopted similar Board of Directors resolutions for 2026.

Transactions with Matrix IT Ltd.

We have engaged for several years and continue to engage from time to time and in the ordinary course of business in transactions with Matrix IT Ltd. and its subsidiaries, or Matrix, for the receipt of various IT services, including purchase of computer hardware equipment, IT manpower services, software purchase, maintenance services and other statements of work and project services from Matrix and/or parties who work with Matrix as their vendor. We additionally engage, from time to time and on an ad-hoc basis, in specific engagements with Matrix for the receipt of IT related services for one-off, special projects. Our director, Ms. Liat Tennenholtz, is a senior officer in Matrix, making such transactions from the date of her appointment interested party transactions under the Companies Law. All such transactions are not considered by us to be material and are approved in accordance with the Companies Law and our internal procedures. In the aggregate, the above-mentioned services received constitute less than 0.5% of our revenues and our operating expenses, during the years ended December 31, 2025 and 2024.

Other immaterial transactions in the ordinary course of business

We engage, from time to time, in the ordinary course of business, in various transactions with related parties, such as engagements with IT service providers, various suppliers, sale of products and services, etc. These transactions are not considered by us to be material, and they are viewed by us as within the ordinary course of business and are made on market terms. These transactions are approved in accordance with the Companies Law and our internal procedures.

Relationship with Kenon, our former major shareholder

Kenon does not own our ordinary shares since December 2024. However, prior to March 2022, Kenon's ownership of our shares exceeded 24% of our share and voting capital, and as such, was subject to the terms and conditions of the Special State Share, which limited Kenon's ability to transfer its equity interest in us to third parties. The holder of our Special State Share granted a permit, or the Permit, to Kenon and Mr. Idan Ofer, individually and collectively referred to in this paragraph as a "Permitted Holder" of our ordinary shares. Pursuant to the terms of the Permit, the Permitted Holders may hold 24% or more of the means of control of us (but no more than 35% of the means of control of us), and only to the extent that this does not grant the Permitted Holders control in us. The Permit further stipulates that it does not limit the Permitted Holder from distributing or transferring our ordinary shares. However, the terms of the Permit provide that the transfer of the means of control of us is limited in instances where the recipient is required to obtain the consent of the holder of our Special State Share, or is required to notify the holder of our Special State Share of its holding of our ordinary shares pursuant to the terms of the Special State Share, unless such consent was obtained by the recipient or the State of Israel did not object to the notice provided by the recipient. In addition, the terms of the Permit provide that, if Idan Ofer's holding interest in Kenon, directly or indirectly, falls below 36% or if Idan Ofer ceases to be the sole controlling shareholder of Kenon, then the shares held by Kenon will not grant Kenon any right in respect of its ordinary shares that would otherwise be granted to an ordinary shareholder holding more than 24% of our ordinary shares (even if Kenon holds a greater percentage of our ordinary shares), until or unless the State of Israel provides its consent, or does not object to, such decrease in holding interest or control in Kenon. "Control", for the purposes of the Permit, shall bear the meaning ascribed to it in the Permit with respect to certain provisions. Additionally, the State of Israel is entitled to revoke Kenon's permit if there was a material change in the facts upon which the State of Israel's consent was based, or upon a breach of the provisions of the Special State Share by Kenon, Mr. Ofer, or us. According to the Permit, the obligations of the Permitted Holder under the Permit apply only for as long as the Permitted Holder holds more than 24% of our shares. Currently, the Permitted Holder does not hold any of our ordinary shares. We are not aware of whether the State of Israel considers the Permit to be still in effect following Kenon's disposal of our shares.

Rights of appointment

Our current Board of Directors consists of ten directors. Currently serving directors will continue to serve pursuant to their appointment until the next annual meeting of shareholders, unless their office is earlier vacated upon removal by a majority vote of our shareholders or upon the occurrence of certain events, in accordance with the Companies Law and our articles of association. We are not a party to, and are not aware of, any voting agreements among our shareholders.

Agreements with directors and officers

Employment agreements. We have entered into written employment agreements with each of our officers. See “Item 6.B Compensation – Employment agreements with executive officers.”

Chairman’s compensation. In December 2024, the annual and extraordinary shareholders meeting approved, following the recommendation of the compensation committee and the Board of Directors, an amendment to the compensation terms to the Chairman. In accordance with the new amended agreement, the compensation paid to Mr. Yair Seroussi for his service as the chairman of our Board of Directors as of January 1, 2025, consists of a monthly fee of NIS 110,000 plus VAT (approximately \$30,000, instead of his previous monthly fee of NIS 150,000 plus VAT, which was approximately \$40,000), as well as reimbursement for all reasonable office expenses, as customary in the Company. Such amount includes all car expenses (whether Mr. Seroussi uses a leased Company car or chooses to use his own car), as well as any gross-up amounts, such that Mr. Seroussi is not entitled to additional reimbursement of any car expenses or gross-up (while prior to the 2024 amendment, Mr. Seroussi was entitled to use a leased company car of a type and model appropriate to the role of an Active Chairman, or to be reimbursed by us if he were to elect to use his own car). Subject to the receipt of the required approvals by the Company’s organs under the Company’s articles of association and any other applicable law and the Company’s compensation policy, Mr. Seroussi may be granted a bonus, subject to the sole discretion of the Board of Directors.

In addition, subject to obtaining all required approvals according to the articles of association and any applicable law, Mr. Seroussi will participate in the Company’s Share Option Plan, as in effect from time to time. The term of our chairman services agreement with Mr. Seroussi is for an unspecified duration, subject to his re-election by the general meeting of shareholders as required by applicable law and our articles, or until terminated earlier in accordance with the provisions of the chairman services agreement. Mr. Seroussi is further entitled to a notice period of 90 days. Mr. Seroussi is also bound by intellectual property, confidentiality, no-competition and no solicitation undertakings included in the agreement. The above compensation was recommended by our compensation committee and approved by our audit committee, Board of Directors and shareholders. In addition, on February 22, 2022 and March 9, 2022, our compensation committee and Board of Directors respectively approved, and on May 2, 2022, our shareholders’ meeting approved, the amendment of our compensation policy and the grant of 26,918 options to Mr. Seroussi, exercisable for 26,918 of our ordinary shares (subject to adjustments) under our Incentive Plan, with a total fair market value (using a Black-Scholes valuation) equivalent to \$800,000, which shall vest in four equal annual instalments of 25%, and be exercisable for a term of five years. The options shall also be subject to automatic acceleration under certain Corporate Events, as such term is defined in the Incentive Plan, and all remaining terms of the Options are in accordance with the Incentive Plan, which includes conditions with respect to, among other things, adjustments, assumption and termination of engagement.

Directors’ compensation. Our directors (other than our Chairman) receive an annual fee in the amount of \$100,000 as well as payment per participation in meetings of the Board of Directors and its committees in the amount of \$2,000 per meeting. Such amount is subject to VAT payment to the extent applicable. The participation fee for meetings held without actual convening of the directors is reduced by 50% and for meetings held via media communications by 40%. The directors are also entitled to reimbursement for reasonable expenses incurred as part of their service as our directors, including, among other things, travel expenses, allowance for daily living expenses, and air travel business expenses. In addition, on February 22, 2022 and March 9, 2022, our compensation committee and Board of Directors approved, and on May 2, 2022 our shareholders’ meeting approved, the amendment of our compensation policy and the grant of 13,459 options to certain members of our board, each (other than our Chairman and not including two new Board members elected in October 2023) exercisable for 13,459 our ordinary shares (subject to adjustments) under our Incentive Plan, with a fair market value (using a Black-Scholes valuation) equivalent to \$3.2 million in the aggregate, which shall vest in four equal annual instalments of 25%, and be exercisable for a term of five years. The options shall also be subject to automatic acceleration under certain Corporate Events, as such term is defined in the Incentive Plan, and all remaining terms of the Options are in accordance with the Incentive Plan, which includes conditions with respect to, among other things, adjustments, assumption and termination of engagement. See also - “Item 6B. “Compensation – Compensation of officers and directors – Reservation of Ordinary Shares (Pool), Option Grants and IPO Grants”.

Exculpation, indemnification and insurance. We have entered into agreements with our directors and officers, exculpating them from a breach of their duty of care to us to the fullest extent permitted by law and undertaking to indemnify them to the fullest extent permitted by law (subject to certain exceptions), including with respect to liabilities resulting from our initial public offering to the extent that these liabilities are not covered by insurance. We have also entered into certain directors’ and officers’ liability insurance policies.

For further information regarding the compensation arrangements with our directors and officers, see “Item 6.B Compensation – Compensation of officers and directors,” “Compensation – Employment agreements with executive officers” and Item 6.E “Share ownership – Share Option Plans.”

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated statements and other financial information

Financial statements

See “Item 18. Financial Statements,” which contains our audited financial statements prepared in accordance with IFRS.

Legal proceedings

From time to time, we are involved in disputes that arise in the ordinary course of our business. Any claims against us, whether meritorious or not, can be time consuming, result in costly litigation, require significant management time and result in the diversion of significant operational resources.

We are also from time to time subject to a number of judicial and administrative proceedings in court systems, including competition claims, class action applications and other proceedings, which we believe are incidental to business operations in the industry in which we operate. We recognize provisions for legal proceedings in our financial statements, in accordance with accounting rules, when we are advised by counsel that (1) it is more likely than not that an outflow of resources will be required to settle the obligation; and (2) a reliable estimate can be made of the amount of the obligation. The assessment of the likelihood of loss includes analysis by legal counsel of available evidence, the hierarchy of laws, available case law, recent court rulings and their relevance in the legal system. Our provisions for more likely than not losses arising from these matters are estimated and periodically adjusted by management. In making these adjustments our management relies on the opinions of our legal advisors. However, developments and/or resolutions in some of such matters, including through either negotiations or litigation, are subject to a high level of uncertainty that cannot be reliably quantified. If one or more cases were to result in a judgment against us in any reporting period for amounts that exceeded our management’s expectations, the impact on our results of operations or financial condition for that reporting period could be material.

For further information on this and certain other legal proceedings, see Note 27 to our audited consolidated financial statements included elsewhere in this Annual Report.

Dividends and dividend policy

Our Board of Directors has adopted a dividend policy, which was amended in August 2022, to distribute a dividend to our shareholders on a quarterly basis at a rate of approximately 30% of the net quarterly income of each of the first three fiscal quarters of the year, while the cumulative annual dividend amount to be distributed by the Company (including the interim dividends paid during the first three fiscal quarters of the year) will total 30-50% of the annual net income, and provided that such distribution would not be detrimental to our cash needs or to any plans approved by our Board of Directors. Any dividends must be declared by our Board of Directors, which will take into account various factors including, inter alia, our profits, our investment plan, our financial position, the progress relating to our strategy plan, the conditions prevailing in the market and additional factors it deems appropriate. While we initially intend to distribute 30- 50% of our annual net income, the actual payout ratio could be anywhere from 0% to 50% of our net income, and may fluctuate depending on our cash flow needs and such other factors. There can be no assurance that dividends will be declared in accordance with our Board’s policy or at all, and our Board of Directors may decide, in its absolute discretion, at any time and for any reason, not to pay dividends, to reduce the amount of dividends paid, to pay dividends on an ad hoc basis or to take other actions, which could include share buybacks, instead of or in addition to the declaration of dividends. For example, our Board may determine that our cash needs for debt service, capital expenditures or operations may increase and that it would not be prudent to distribute dividends. Accordingly, we expect that the amount of any cash dividends we distribute will vary between distributions, and you should not expect that any particular amount will be distributed by us as dividends at any time, even if we have previously made dividend payments in such amount. We have not adopted a separate written dividend policy to reflect our Board’s policy.

In connection with the Merger Agreement with Hapag-Lloyd AG, during the period between the signing of the Merger Agreement and until the closing of the Merger Agreement we will not distribute any dividends other than in accordance with our dividend policy and subject to applicable law.

Our ability to pay dividends may be subject to limitations under any future indebtedness we may incur. In addition, the distribution of dividends is limited by Israeli law, which permits the distribution of dividends only out of distributable profits (subject to limited exceptions) and only if there is no reasonable concern that such distribution will prevent us from meeting our existing and future obligations when they become due. See below. Generally, dividends paid by an Israeli company are subject to an Israeli withholding tax, except for dividends paid to an Israeli company. For a discussion of certain tax considerations affecting dividend payments, see “Item 10.E – Taxation.” Any dividends declared on our ordinary shares will be declared and paid in U.S. dollars.

Dividend and liquidation rights

We have declared, and may declare in the future, a dividend to be paid to the holders of our ordinary shares in proportion to their respective shareholdings. In accordance with the Companies Law and our articles of association, dividend distributions are determined by the board of directors and do not require the approval of the shareholders of a company.

Pursuant to the Companies Law, the distribution amount is limited to the greater of retained earnings or earnings generated over the previous two years, according to our then last reviewed or audited financial statements, provided that the date of the financial statements is not more than six months prior to the date of the distribution (the “Profit Test”), or we may distribute dividends that do not meet such criteria with court approval. In each case, we are only permitted to distribute a dividend if our Board of Directors and the court, if applicable, determines that there is no reasonable concern that payment of the dividend will prevent us from satisfying our existing and foreseeable obligations as they become due, which is referred to as the Solvency Test. Pursuant to regulations promulgated under the Companies Law, Israeli companies listed on certain non-Israeli stock exchanges, including the NYSE, may make a distribution, including by way of a share repurchase program (buy-back) if the company does not meet the Profit Test, without seeking the approval of the court, subject to the following conditions: (i) the company meets the Solvency Test; and (ii) the company provides a notice to certain creditors of its intention to make a distribution by way of a share repurchase program without meeting the Profit Test and no such creditor submits an objection within 30 days of the notice (otherwise, court approval would be required for such distribution in accordance with the requirements of the Companies Law).

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of our ordinary shares in proportion to their shareholdings. This right, as well as the right to receive dividends, may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights that may be authorized in the future.

B. Significant changes

Except as disclosed elsewhere in this Annual Report, there have been no other significant changes since December 31, 2025.

ITEM 9. THE OFFER AND LISTING

A. Offering and listing details

Not applicable.

B. Plan of distribution

Not applicable.

C. Markets

Our ordinary shares have been listed on the New York Stock Exchange under the symbol “ZIM” since January 28, 2021.

D. Selling shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share capital

Not applicable.

B. Memorandum of association and by-laws

A copy of our Articles of Association is attached as Exhibit 1.1 to this Annual Report (incorporated by reference). The information called for by this Item is set forth in Exhibit 2.1 to this Annual Report.

C. Material contracts

Entry Into Agreement and Plan of Merger with Hapag-Lloyd AG

On February 16, 2026, we entered into an Agreement and Plan of Merger (the “Merger Agreement”), by and among the Company, Hapag-Lloyd AG, a German stock corporation (*Aktiengesellschaft*) incorporated under the laws of Germany (“Parent”), and Norazia (Israel) Ltd., a company organized under the laws of the State of Israel and a direct or indirect wholly owned Subsidiary of Parent (“Merger Sub”). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions therein, Merger Sub will merge with and into us (the “Merger”), and we will continue as the surviving corporation in the Merger and a wholly owned subsidiary of Parent.

In accordance with the terms and subject to the conditions of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each of our ordinary share, of no par value, excluding the Special State Share (as defined below), issued and outstanding immediately prior to the Effective Time (a “Company Share”), other than Converted Shares and Deemed Cancelled Shares (each as defined in the Merger Agreement), will automatically be converted into the right to receive \$35.00 per share in cash, without interest (the “Merger Consideration”).

The Merger Agreement provides that, at the Effective Time:

- Each option to purchase Company Shares granted under Company’s 2018 Share Option Plan and the Company’s 2020 Share Incentive Plan, in each case, as amended or amended and restated (each, a “Company Option”), that is outstanding and unexercised, whether vested or unvested, will be cancelled, and the holders thereof will be entitled to receive the Merger Consideration applicable to the Company Shares covered by such Company Option net of the exercise price (as determined in accordance with the formula in the Merger Agreement), less applicable tax withholdings.
- Each Company Option with a per share exercise price that is equal to or greater than the Merger Consideration will be cancelled for no consideration

The completion of the Merger is subject to certain conditions, including, among others: (i) the approval of the Merger Agreement and the Merger by the affirmative vote of the holders of a simple majority of the voting power of Company Shares represented at a Shareholders Meeting (as defined below) and voting thereon (the “Company Shareholder Approval”); (ii) the Special State Share Approval (as described below); (iii) the receipt of required regulatory approvals under applicable competition and foreign investment laws; (iv) the accuracy of the parties’ respective representations and warranties in the Merger Agreement, subject to specified materiality qualifications; (v) compliance by the parties with their respective covenants in the Merger Agreement in all material respects; (vi) the absence of any law or order restraining, enjoining, or otherwise prohibiting or making illegal the consummation of the Merger; (vii) the lapse of at least 50 days after the filing of a merger proposal with the Companies Registrar of the Israeli Corporations Authority and at least 30 days after obtaining the Company Shareholder Approval (the “Statutory Waiting Period”); (viii) the delivery by the Company and Parent of their respective customary closing certificates; (ix) the absence of (A) any legal proceeding pending by a governmental authority that would reasonably be expected to result in a Burdensome Condition (as defined in the Merger Agreement) or (B) any condition, objection, order, injunction, decree, judgment or ruling imposing a Burdensome Condition and (x) the absence of a Company Material Adverse Effect (as defined in the Merger Agreement) having occurred on or after the date of the Merger Agreement. The completion of the Merger is not subject to any financing condition.

The State of Israel holds a special state share of the Company (the “Special State Share”), which, among other things, requires (a) we remain incorporated and registered in the State of Israel with our headquarters and principal office domiciled in Israel, (b) to maintain a minimal fleet of 11 seaworthy vessels that are fully owned by us, at least three of which must be capable of carrying general cargo, (c) at least a majority of our board of directors, including the chairperson, to be Israeli citizens, (d) the chief executive officer of the Company to be an Israeli citizen, and (e) prior written consent from the State of Israel for any transfer or issuance of shares that confers possession of 35% or more of the Company’s issued share capital, or that provides control over the Company. In connection with the Merger Agreement, Parent entered into a binding memorandum of understanding with FIMI Opportunity 7, L.P. and FIMI Israel Opportunity 7, Limited Partnership (together, “FIMI”), pursuant to which Parent and FIMI have agreed to use their respective reasonable best efforts to obtain the approval to consummate the transactions contemplated under the Merger Agreement, including the Merger and the Special State Share Release (as defined below), by the State of Israel pursuant to the Special State Share (the “Special State Share Approval”) and to consummate the Special State Share Assumption (as defined below). Pursuant to the Merger Agreement, Parent has agreed to use reasonable best efforts to obtain an irrevocable and perpetual release of the Company from all rights and obligations relating to the Special State Share (the “Special State Share Release”), which may be obtained pursuant to a transaction (the “Special State Share Assumption”) in which Parent causes at least 11 qualifying vessels to be sold or transferred to FIMI (or another qualifying Israeli partner), and such Israeli partner enters into a binding assumption agreement with the State of Israel pursuant to which it assumes the rights and obligations of the Special State Share effective as of the closing of the Merger.

If the Merger is completed, our ordinary shares will be delisted from the New York Stock Exchange and deregistered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

The Merger Agreement and the consummation of the transactions contemplated thereby (collectively, the “Transactions”) have been unanimously approved by each of our board of directors, Parent’s board of management and supervisory board and Merger Sub’s board of directors. Our board of directors has also resolved to recommend to the Company’s shareholders to approve the Merger Agreement and the Transactions, including the Merger.

The Merger Agreement contains customary representations, warranties and covenants made by each of us, Parent and Merger Sub, including, among others, covenants by the Company and Parent regarding the conduct of their respective businesses during the pendency of the Transactions, public disclosures and other matters.

The Merger Agreement contains customary non-solicitation restrictions prohibiting us, our subsidiaries and their respective representatives from soliciting alternative acquisition proposals from third parties or providing information to or participating in discussions or negotiations with third parties regarding alternative acquisition proposals, subject to customary exceptions relating to unsolicited acquisition proposals that our board of directors determines in good faith after consultation with its financial advisors and outside counsel constitutes, or would reasonably be likely to lead to, a Superior Proposal (as defined in the Merger Agreement) and that the failure to take such action would be reasonably likely to be inconsistent with the directors’ fiduciary duties under applicable law.

In addition, the parties have agreed to use reasonable best efforts to consummate the Transactions as promptly as reasonably practicable, including taking all actions necessary to obtain the regulatory approvals necessary to complete the Transactions, subject to certain limitations as set forth in the Merger Agreement.

We and Parent may each terminate the Merger Agreement under certain specified circumstances, including, among others, (i) if the Merger is not consummated by February 17, 2027, subject to an extension to June 30, 2027, in order to obtain required regulatory approvals (such applicable date, the “Outside Date”), (ii) if the Company Shareholder Approval is not obtained at the Company Shareholders Meeting to approve the Merger Agreement, and (iii) if, in the case of the Parent, our board of directors effects a change of recommendation with respect to the Transactions or, in the case of the Company, the Company terminates the Merger Agreement to enter into a definitive agreement with respect to a Superior Proposal. In certain circumstances in connection with the termination of the Merger Agreement, including if Parent terminates the Merger Agreement because our board of directors effects a change of recommendation, we terminate the Merger Agreement to enter into a definitive agreement with respect to a Superior Proposal, or we enter into or consummate an alternative acquisition transaction within 18 months of the termination of the agreement under certain circumstances as a result of reaching the Outside Date, failure to receive the Company Shareholder Approval or a breach of our obligations, we would be required to pay Parent a termination fee of \$150,000,000 in cash. Additionally, if the Merger Agreement is terminated under certain specified circumstances related to the failure to obtain required regulatory approvals (excluding the Special State Share Approval and other Israeli regulatory laws other than the Israeli Economic Competition Law 5748-1988), Parent would be required to pay us a termination fee of \$160,000,000 in cash.

We will provide to our shareholders a proxy statement describing the Merger, the Merger Agreement, procedures for voting in person or by proxy at an extraordinary general meeting of our shareholders (the “Company Shareholders Meeting”) and various other details related to this Shareholders Meeting, and will schedule, publish notice of, and convene the Company Shareholders Meeting as soon as reasonably practicable after the date of the Merger Agreement in accordance with applicable law, our organizational documents and the Merger Agreement. If the Merger is approved at the Company Shareholders Meeting, Israeli law mandates passage of the Statutory Waiting Period before the Merger can become effective.

A copy of the Merger Agreement is filed as Exhibit 10.1 to this Annual Report.

Letter of Agreements by a shareholder activist group

In connection with a proxy contest (see Item 3D. "Risk Factors" - Risks related to our operations in Israel - Our business could be negatively affected as a result of actions of activist shareholders and/or class action filings, which could impact the trading value of our securities"), the legal counsel who represented a certain shareholder group, or the "Group" sent a letter of agreements, or the "Letter", to our Board of Directors on December 16, 2025, detailing the understandings between the Company and the Group. Pursuant to the Letter, among other things, the Board of Directors approved on December 16, 2025, an updated notice of the Company's annual general meeting of shareholders increasing the number of directors to be elected to 10 (instead of 8), adding Messrs. Ron Hadassi and Ran Gritzerstein to the board-recommended slate, and removing Dr. Keren Bar-Hava as a director nominee. Dr. Bar-Hava will instead be appointed as a board observer (with no voting rights), subject to signing customary confidentiality undertakings, with director-level compensation, invitations to all meetings, and access to the same information as directors. Messrs. Hadassi and Gritzerstein attended Board of Directors' meetings as observers until the convening of the annual general meeting. Dr. Bar-Hava withdrew her candidacy and consent to serve as director, and the shareholder group withdrew its position statement. Following the Annual General Meeting adjourned on January 2, 2026, Messrs. Ron Hadassi and Ran Gritzerstein were appointed as directors in our Company and Dr. Bar-Hava was appointed as a director observer. A copy of the Letter of Agreements is filed as Exhibit 10.2 to this Annual Report.

D. Exchange controls

There are currently no Israeli currency control restrictions on the import or export of capital or the remittances of dividends on our Ordinary Shares, proceeds from the sale of the shares or interest or other payments to non-residents of Israel, except for shareholders who are subjects of countries that are, or have been, in a state of war with Israel.

E. Taxation

The following description is not intended to constitute a complete analysis of all tax consequences relating to the acquisition, ownership and disposition of our ordinary shares. You should consult your own tax advisor concerning the tax consequences of your particular situation, as well as any tax consequences that may arise under the laws of any state, local, foreign or other taxing jurisdiction.

Israeli tax considerations

The following is a brief summary of the material Israeli tax laws applicable to us. This summary does not discuss all the aspects of Israeli tax law that may be relevant to a particular investor in light of his or her personal investment circumstances or to some types of investors subject to special treatment under Israeli law. Examples of such investors include residents of Israel or traders in securities who are subject to special tax regimes not covered in this discussion. To the extent that the discussion is based on new tax legislation that has not yet been subject to judicial or administrative interpretation, we cannot assure you that the appropriate tax authorities or the courts will accept the views expressed in this discussion. The discussion below is subject to change, including due to amendments under Israeli law or changes to the applicable judicial or administrative interpretations of Israeli law, possibly with a retroactive effect, which change could affect the tax consequences described below. The discussion below is not intended, and should not be construed, as legal or professional tax advice and is not exhaustive of all possible tax considerations.

THEREFORE, YOU ARE URGED TO CONSULT YOUR OWN TAX ADVISORS AS TO THE ISRAELI OR OTHER TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR SHARES, INCLUDING, IN PARTICULAR, THE EFFECT OF ANY FOREIGN, STATE OR LOCAL TAXES.

General corporate tax in Israel

Israeli Resident Companies are generally subject to corporate tax on their taxable income at the rate of 23% for the 2025 tax year. A corporation will generally be considered as an "Israeli Resident Company" if it meets one of the following: (i) it was incorporated in Israel; or (ii) the control and management of its business are exercised in Israel.

Taxation of our shareholders

Capital Gains Taxes Applicable on Sales of Shares. Israeli tax law generally imposes a capital gains tax on the sale or disposition of capital assets by Israeli residents, as defined for Israeli tax purposes, and on the sale or disposition of capital assets by a non-Israeli resident if those assets (i) are located in Israel; (ii) are shares or a right to a share in an Israeli resident corporation, (iii) represent, directly or indirectly, rights to assets located in Israel, or (iv) are a right in a foreign resident corporation, which in its essence is the owner of a direct or indirect right to property located in Israel (with respect to the portion of the gain attributed to the property located in Israel), unless a tax treaty between Israel and the seller's country of residence provides otherwise. The Israeli tax law distinguishes between "Real Capital Gain" and the "Inflationary Surplus." Real Capital Gain is the excess of the total capital gain over Inflationary Surplus, which is computed generally on the basis of the increase in the Israeli Consumer Price Index or, in certain circumstances, a foreign currency exchange rate, between the date of purchase and the date of disposition. Inflationary Surplus is not subject to tax in Israel under certain conditions.

Generally, Real Capital Gain accrued by individuals on the sale of our ordinary shares will be taxed at the rate of 25%. However, if the individual shareholder is a "substantial shareholder" at the time of sale or at any time during the preceding 12 months period, such gain will be taxed at the rate of 30%. A "substantial shareholder" is generally a person who alone or together with such person's relative or another person who collaborates with such person on a permanent basis, holds, directly or indirectly, including together with others, at least 10% of any of the "Means of control" of the corporation. "Means of control" generally include the right to vote, receive profits, nominate a director or an executive officer, receive assets upon liquidation, or order someone who holds any of the aforesaid rights how to act, regardless of the source of such right. Real Capital Gain derived by corporations will be generally subject to a corporate tax rate of 23% (in 2026). The foregoing tax rates will not apply to a person whose gains from selling or otherwise disposing of the shares are deemed to be a business income.

Capital Gains Taxes Applicable to Non-Israeli Resident Shareholders A non-Israeli resident who derives capital gains from the sale of shares in an Israeli resident company that were purchased after the company was listed for trading on a stock exchange outside of Israel will generally be exempt from Israeli tax, provided that, among other conditions, (i) the shares were purchased on or commencing January 1, 2009; (ii) the gain is not attributable a permanent establishment that the non-resident maintains in Israel; (iii) the shares were not acquired from a relative, and (iv) the capital gain did not derive from sale of shares of a company, which on the date of their purchase and during a two-years period prior to their sale, the main value of the assets held by such company, whether directly or indirectly, results from (a) rights in real estate or in a real estate association (as defined in the Income Tax Ordinance (New Version), 1961); (b) rights to use real estate or any asset attached to land; (c) rights to exploit natural resources in Israel; or (d) rights to produce from land in Israel. However, non-Israeli corporations will not be entitled to the foregoing exemption if Israeli residents (i) have a controlling interest of more than 25% in any of the means of control of such non-Israeli corporation or (ii) are the beneficiaries of, or are entitled to, 25% or more of the revenues or profits of such non-Israeli corporation, whether directly or indirectly. Such exemption is not applicable to a person whose gains from selling or otherwise disposing of the shares are deemed to be a business income.

Additionally, a sale of securities by a non-Israeli resident may be exempt from Israeli capital gains tax under the provisions of an applicable tax treaty. For example, under the United States-Israel Tax Treaty, the sale, exchange or disposition of shares by a shareholder who (i) is a U.S. resident (for purposes of the treaty), (ii) holds the shares as a capital asset, and (iii) is entitled to claim the benefits afforded to such person by the treaty, is generally exempt from Israeli capital gains tax. Such exemption will not apply if: (i) the capital gain arising from such sale, exchange or disposition can be attributed to a permanent establishment in Israel; (ii) the shareholder holds, directly or indirectly, shares representing 10% or more of the voting capital during any part of the 12-month period preceding the disposition, subject to certain conditions; (iii) such U.S. resident is an individual and was present in Israel for 183 days or more during the relevant taxable year; (iv) the capital gain arising from such sale, exchange or disposition is attributed to real estate located in Israel; or (v) the capital gain arising from such sale, exchange or disposition is attributed to royalties. In such case, the sale, exchange or disposition of our ordinary shares would be subject to Israeli tax, to the extent applicable; however, under the United States-Israel Tax Treaty, the taxpayer may be permitted to claim a credit for such taxes against the U.S. federal income tax imposed with respect to such sale, exchange or disposition, subject to the limitations under U.S. law applicable to foreign tax credits, discussed below. The United States- Israel Tax Treaty does not relate to U.S. state, territorial or local taxes.

Regardless of whether our shareholders may be liable for Israeli tax on the sale of their ordinary shares, the payment of the consideration may be subject to the withholding of Israeli tax at source.

Shareholders may be required to demonstrate that they are exempt from tax on their capital gains, obtain a tax withholding exemption certificate from the Israeli Tax Authority and provide other documentation in order to avoid withholding at source at the time of sale.

Taxation of Israeli shareholders on receipt of dividends. Israeli resident individuals are generally subject to Israeli income tax on the receipt of dividends paid on our ordinary shares at the rate of 25%. With respect to a person who is a “substantial shareholder” at the time of receiving the dividend or at any time during the preceding twelve months, the applicable tax rate is 30%. Such dividends are generally subject to Israeli withholding tax at a rate of 25% if the shares are registered with a nominee company (whether the recipient is a substantial shareholder or not). If the recipient of the dividend is an Israeli resident corporation such dividend income will be exempt from tax provided the income from which such dividend is distributed was derived or accrued within Israel and was received directly or indirectly from another corporation that is liable to Israeli corporate tax.

Taxation of non-Israeli shareholders on receipt of dividends. Non-Israeli residents are generally subject to Israeli income tax on the receipt of dividends paid on our ordinary shares at the rate of 25%, unless relief is provided in a treaty between Israel and the shareholder’s country of residence. With respect to a person who is a “substantial shareholder” at the time of receiving the dividend or at any time during the preceding 12 months, the applicable tax rate is 30%. Dividends paid on publicly traded shares, like our ordinary shares, to non-Israeli residents are generally subject to Israeli withholding tax at a rate of 25%, unless a different rate is provided under an applicable tax treaty, provided that a certificate from the Israeli Tax Authority allowing for a reduced withholding tax rate is obtained in advance. Under the United States-Israel Tax Treaty, the maximum rate of tax withheld at source in Israel on dividends paid to a holder of our ordinary shares who is a U.S. resident (for purposes of the United States-Israel Tax Treaty) is 25%. However, generally, the maximum rate of withholding tax on dividends that are paid to a United States corporation holding 10% or more of our outstanding voting capital throughout the tax year in which the dividend is distributed as well as during the previous tax year, is 12.5% (under certain circumstances), provided that not more than 25% of the gross income for such preceding year consists of certain types of dividends and interest.

Surtax. Individuals who are subject to tax in Israel are also subject to an additional tax at a rate of 3% on annual income including, but not limited to, income derived from dividends, interest and capital gains, exceeding a certain threshold (currently NIS 721,560 for years 2024 through 2027, amount which will be updated annually starting January 1, 2028, based on the change in the Israeli consumer price index) (the “Threshold Amount”). An additional 2% tax applies to “capital income” earned as of January 1, 2025 (including capital gains, dividends, and interest) exceeding the Threshold Amount.

Estate and gift tax. Israeli law presently does not impose estate or gift taxes if the Israeli Tax Authority is satisfied that the gift was made in good faith and on condition that the recipient of the gift is not a non-Israeli resident.

U.S. federal income taxation

The following is a description of the material U.S. federal income tax consequences to U.S. Holders and Non-U.S. Holders (each defined below, and together, “Holders”) described below of owning and disposing of our ordinary shares, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person’s decision to hold our ordinary shares. This discussion applies only to a Holder that holds our ordinary shares as capital assets for tax purposes. In addition, it does not describe all of the tax consequences that may be relevant in light of the Holder’s particular circumstances, including alternative minimum tax consequences, the potential application of the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), known as the Medicare contribution tax, special tax accounting rules under Section 451(b) of the Code, and tax consequences applicable to Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding our ordinary shares as part of a hedging transaction, straddle, wash sale, conversion transaction or integrated transaction, or persons entering into a constructive sale with respect to our ordinary shares;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities, including “individual retirement accounts” and “Roth IRAs”;

- persons that own or are deemed to own 10% or more of our voting stock or of the total value of our stock;
- persons who acquired our ordinary shares pursuant to the exercise of an employee stock option or otherwise as compensation; or
- persons holding shares in connection with a trade or business conducted outside of the United States.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds our ordinary shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding our ordinary shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of holding and disposing of our ordinary shares.

This discussion is based on the Code, administrative pronouncements, judicial decisions, and final, temporary and proposed Treasury regulations, and the income tax treaty between the United States and Israel, or the Treaty, all as of the date hereof, any of which is subject to change, possibly with retroactive effect.

U.S. Holders

A “U.S. Holder” is a person that is eligible for the benefits of the Treaty and for U.S. federal income tax purposes, is a beneficial owner of ordinary shares and is:

- a citizen (other than a resident of Israel) or individual resident of the United States;
- a corporation (or other entity taxable as a corporation) created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Treasury regulations may in some circumstances prohibit a U.S. person from claiming a foreign tax credit with respect to certain non-U.S. taxes that are not creditable under applicable income tax treaties. Notices from the IRS indicate, however, that Treasury and the IRS are considering proposing amendments to such Treasury regulations and allow, subject to certain conditions, taxpayers to defer the application of many aspects of such Treasury regulations until the date that further IRS guidance is released. Accordingly, U.S. investors that are not eligible for Treaty benefits should consult their tax advisers regarding the creditability or deductibility of any Israeli taxes imposed on them. This discussion does not apply to investors in this special situation. U.S. Holders should consult their tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of our ordinary shares in their particular circumstances.

This discussion assumes that we are not, and will not, become a passive foreign investment company (a “PFIC”) as described below.

Taxation of Distributions

Distributions paid on our ordinary shares, other than certain pro rata distributions of ordinary shares, will be treated as dividends to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we do not maintain calculations of our earnings and profits under U.S. federal income tax principles, it is expected that distributions generally will be reported to U.S. Holders as dividends. Subject to applicable limitations, dividends paid to certain non-corporate U.S. Holders may be eligible for taxation as “qualified dividend income” and therefore may be taxable at rates applicable to long-term capital gains. Dividends will constitute qualified dividend income if the ordinary shares with respect to which such dividends are paid are readily tradable on an established securities market in the U.S., and we are not a PFIC in the year in which the dividend is paid (or the prior taxable year). We do not believe we were or will become a PFIC and our ordinary shares are traded on the NYSE. Though our ordinary shares are currently listed on the NYSE, there can be no assurances that we will remain listed on the NYSE or that our ordinary shares will remain readily tradable on an established securities market in the future nor that (as described under “--Passive Foreign Company Investment Rules” below) we will not be a PFIC for any future taxable year. U.S. Holders should consult their tax advisers regarding the availability of the reduced tax rate on dividends in their particular circumstances.

The amount of a dividend will include any amounts withheld in respect of Israeli taxes. The amount of the dividend will be treated as foreign-source dividend income to U.S. Holders and will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Dividends will be included in a U.S. Holder's income on the date of the U.S. Holder's receipt of the dividend. The amount of any dividend income paid in Israeli shekels will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt.

Subject to applicable limitations, some of which vary depending upon the U.S. Holder's circumstances, Israeli income taxes withheld from dividends on our ordinary shares will be creditable against the U.S. Holder's U.S. federal income tax liability. The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisers regarding the creditability or deductibility of foreign taxes in their particular circumstances.

Sale or Other Disposition of our Ordinary Shares

For U.S. federal income tax purposes, gain or loss realized on the sale or other disposition of our ordinary shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held our ordinary shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's amount realized on the disposition and the tax basis in the ordinary shares disposed of, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes.

As described in "Taxation—Israeli tax considerations" above, gains realized on the sale or other disposition of our ordinary shares may be subject to Israeli taxes. Subject to certain exceptions, Treasury regulations generally preclude U.S. taxpayers from claiming a foreign tax credit with respect to any non-U.S. tax imposed on gains from dispositions of shares held as capital assets, unless the tax is creditable under an applicable income tax treaty. Therefore, a U.S. Holder generally will not be entitled to claim a foreign tax credit for any Israeli taxes imposed on gains from dispositions of our shares, unless they are eligible for the benefits of the Treaty and elect to apply the Treaty benefits to their gains. In lieu of claiming a credit, a U.S. Holder may be able to elect to deduct the Israeli taxes in computing taxable income, subject to applicable limitations. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all creditable foreign taxes paid or accrued in the relevant taxable year. U.S. Holders should consult their tax advisers regarding eligibility for the benefits of the Treaty and the creditability or deductibility of any Israeli tax on disposition gains in their particular circumstances (including any applicable limitations).

Passive Foreign Investment Company Rules

We believe that we were not a PFIC for U.S. federal income tax purposes for the taxable year ended December 31, 2025 and we do not expect to become one in the foreseeable future. However, because PFIC status depends on the composition of a company's income and assets and the market value of its assets from time to time, there can be no assurance that we will not be a PFIC for any taxable year.

If we were a PFIC for any taxable year during which a U.S. Holder held our ordinary shares, gain recognized by a U.S. Holder on a sale or other disposition (including certain pledges) of the ordinary shares would be allocated ratably over the U.S. Holder's holding period for the ordinary shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed on the tax on such amount. Further, to the extent that any distribution received by a U.S. Holder on its ordinary shares exceeds 125% of the average of the annual distributions on the ordinary shares received during the preceding three years or the portion of the U.S. Holder's holding period that preceded the taxable year of the distribution, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the ordinary shares. U.S. Holders should consult their tax advisers to determine whether any of these elections would be available and, if so, what the consequences of the alternative treatments would be in their particular circumstances.

In addition, if we were a PFIC or, with respect to a particular U.S. Holder, were treated as a PFIC, for the taxable year in which it paid a dividend or for the prior taxable year, the preferential dividend rates discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns our ordinary shares during any year in which we were a PFIC, the U.S. Holder generally must file annual reports containing such information as the U.S. Treasury may require on IRS Form 8621 (or any successor form) with respect to us, generally with the U.S. Holder's federal income tax return for that year.

U.S. Holders should consult their tax advisers regarding whether we are or were a PFIC and the potential application of the PFIC rules.

Non-U.S. Holders

Non-U.S. Holder is a beneficial owner (other than a partnership or disregarded entity for U.S. federal income tax purposes) of our ordinary shares that is not a U.S. Holder.

Taxation of Distributions and Sale or Other Disposition of Our Ordinary Shares

Subject to the U.S. backup withholding rules described below, Non-U.S. Holders of our ordinary shares generally will not be subject to U.S. withholding tax on distributions with respect to, or gain on sale or disposition of, our ordinary shares.

A Non-U.S. Holders who are engaged in a trade or business in the United States who receive payments with respect to our ordinary shares that are effectively connected with such trade or business should consult their own tax advisers with respect to the U.S. tax consequences of the ownership and disposition of our ordinary shares. Individuals who are present in the United States for 183 days or more in any taxable year should also consult their own tax advisers as to the U.S. federal income tax consequences of the ownership and disposition of our ordinary shares.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. A Non-U.S. Holder may qualify as an exempt recipient by submitting a properly completed IRS Form W-8.

The amount of any backup withholding from a payment to a U.S. Holder or a Non-U.S. Holder will be allowed as a credit against the Holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the IRS.

Certain U.S. Holders who are individuals (and certain specified entities) may be required to report information relating to their ownership of and interest in certain foreign financial assets, including stock of a non-U.S. person, subject to certain exceptions (including an exception for financial assets held through a U.S. financial institution). U.S. Holders should consult their tax advisers regarding their reporting obligations with respect to the ordinary shares.

F. Dividends and paying agents

Not applicable.

G. Statement by experts

Not applicable.

H. Documents on display

We are subject to the information requirements of the Exchange Act, except that as a foreign issuer, we will not be subject to the proxy rules of the Exchange Act. In accordance with these statutory requirements, we will file or furnish reports and other information with the SEC. The SEC maintains an Internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

I. Subsidiary information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

During fiscal year 2025, most of our revenues and most of our operating expenses were denominated in U.S. dollar or linked to the U.S. dollar. See also Note 29 to our audited consolidated financial statements included elsewhere in this Annual Report, in respect of currency risk.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt securities

Not applicable.

B. Warrants and rights

Not applicable.

C. Other securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

A. Defaults

No matters to report.

B. Arrears and delinquencies

No matters to report.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

See “Item 14 – Material modifications to the rights of security holders and use of proceeds” in the Company’s Annual Report on Form 20-F for the year ended December 31, 2024, filed with the Securities and Exchange Commission on March 12, 2025.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

As of December 31, 2025, ZIM Integrated Shipping Services Ltd., including the Company’s Chief Executive Officer and the Chief Financial Officer, performed an evaluation of the effectiveness of ZIM’s disclosure controls and procedures. ZIM’s disclosure controls and procedures are designed to ensure that information required to be disclosed under the Exchange Act is accumulated and communicated to ZIM’s management to allow timely decisions regarding required disclosures.

Based on this evaluation, the Company’s Chief Executive Officer and the Chief Financial Officer concluded that as of December 31, 2025, ZIM’s disclosure controls and procedures are effective for recording, processing, summarizing and reporting the information the Company is required to disclose in the reports it files under the Exchange Act within the time periods specified in the SEC’s rules and forms.

B. Management’s Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed by, or under the supervision of, our principal executive and principal financial officers, or persons performing similar functions, and effected by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our internal control over financial reporting as of December 31, 2025. In making this assessment, our management used the criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Our management has concluded, based on its assessment, that our internal control over financial reporting was effective as of December 31, 2025.

C. Attestation Report of the Registered Public Accounting Firm

Our independent registered public accounting firm, Somekh Chaikin (a member firm of KPMG International), has audited the consolidated financial statements included in this annual report on Form 20-F, and as part of its audit, has issued its attestation report regarding the effectiveness of our internal control over financial reporting as of December 31, 2025. The report of Somekh Chaikin is included with our consolidated financial statements included elsewhere in this annual report.

D. Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by this annual report that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [Reserved]

ITEM 16A. Audit committee financial expert

Under the Companies Law, our Board of Directors must determine the minimum number of directors who are required to have accounting and financial expertise. In determining the number of directors required to have such expertise, our Board of Directors must consider, among other things, the type and size of the company and the scope and complexity of its operations. Our Board of Directors has determined that the minimum number of directors of our company who are required to have accounting and financial expertise is two, and that each of Yair Seroussi, Nir Epstein, Anita Odedra, William (Bill) Shaul, and Liat Tennenholtz satisfy this requirement, and are independent. For more information see “Item 6.C – Board practices – Board of directors.”

ITEM 16B. Code of Ethics

We have adopted a Code of Business Conduct and Ethics applicable to all of our directors, executive officers and employees, including our Chief Executive Officer, Chief Financial Officer, controller or principal accounting officer, or other persons performing similar functions, which is a code of ethics as defined in Item 16B of Form 20-F promulgated by the SEC. The full text of the Code of Business Conduct and Ethics can be found on our website at www.zim.com. Information contained on, or that can be accessed through, our website does not constitute a part of this report and is not incorporated by reference herein. If we make any amendment to the Code of Business Conduct and Ethics or grant any waivers, including any implicit waiver, from a provision of the code of ethics, we will disclose the nature of such amendment or waiver on our website to the extent required by the rules and regulations of the SEC. Under Item 16B of Form 20-F, if a waiver or amendment of the Code of Business Conduct and Ethics applies to our principal executive officer, principal financial officer, principal accounting officer or controller and relates to standards promoting any of the values described in Item 16B(b) of Form 20-F, we are required to disclose such waiver or amendment on our website in accordance with the requirements of Instruction (e) to such Item 16B.

ITEM 16C. Principal Accountant Fees and Services

Somekh Chaikin, a member firm of KPMG International, located in Haifa, Israel, PCAOB ID 1057, has served as our principal independent registered public accounting firm for each of the two years ended December 31, 2025 and 2024.

Amounts billed by KPMG International member firms for audit and other services were as follows:

	<u>2025</u>	<u>2024</u>
	<u>(in thousands of U.S. \$)</u>	
Audit fees ⁽¹⁾	2,155	1,963
Audit-related fees ⁽²⁾	197	205
Tax fees ⁽³⁾	606	353
All other fees	<u>62</u>	<u>0</u>
Total	<u>3,020</u>	<u>2,521</u>

- (1) Audit fees are the aggregate fees billed or expected to be billed for the audit of our annual financial statements. This category also includes services that are normally provided by an auditor for statutory or regulatory filings, such as consents and review of documents filed with the SEC.
- (2) Audit-related fees are the aggregate fees billed for assurance and related services rendered during the years ended December 31, 2025 and 2024, that are traditionally performed by an auditor and are reasonably related to the performance of the audit and are not reported under audit fees.
- (3) Tax fees are the aggregate fees billed for professional services rendered during the years ended December 31, 2025 and 2024, for tax compliance, tax advice, and tax planning.

Pre-Approval Policies and Procedures

Our audit committee is responsible for pre-approving audit and non-audit services provided to us by our independent registered public accounting firm. All of the audit and non-audit services provided to us by the independent auditors following the formation of our audit committee were pre-approved by the audit committee.

ITEM 16D. Exemptions from the listing standards for audit committees

None.

ITEM 16E. Purchases of equity securities by the issuer and affiliated purchasers.

None.

ITEM 16F. Change in registrant's certifying accountant

None.

ITEM 16G. Corporate governance

As an Israeli company, we are subject to various corporate governance requirements under the Companies Law. However, pursuant to regulations promulgated under the Companies Law, companies with shares traded on certain U.S. stock exchanges, including the NYSE, may, subject to certain conditions, "opt out" from the requirement of the Companies Law to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of the Board of Directors (other than the gender diversification rule under the Companies Law which requires the appointment of a director from the other gender if, at the time a director is appointed, all members of the Board of Directors are of the same gender). In accordance with these regulations, we have elected to "opt out" from such requirements of the Companies Law. Under these regulations, the exemptions from such Companies Law's requirements will continue to be available to us so long as we comply with the following: (i) we do not have a "controlling shareholder" (as such term is defined under the Companies Law), (ii) our shares are traded on certain U.S. stock exchanges, including the NYSE, and (iii) we comply with the director independence requirements and the requirements regarding the composition of the audit committee and the compensation committee under U.S. laws (including applicable NYSE rules) applicable to U.S. domestic issuers.

Our Board of Directors has adopted corporate governance guidelines which serve as a flexible framework within which our Board of Directors and its committees operate, subject to the requirements of applicable law and regulations. Under these guidelines, it is our policy that the positions of chairperson of the Board of Directors and Chief Executive Officer may not be held by the same person unless approved by our shareholders pursuant to the Companies Law. Our Board of Directors is also responsible for nominating candidates for election to the Board of Directors, reviewing candidates' qualifications for Board membership (including making independence determinations) and evaluating the composition of the Board. These guidelines also set forth the responsibilities of our audit committee and compensation committee and our policies with respect to director compensation, in each case as described further below.

We rely on the "home country practice exemption" with respect to certain listing requirements of the NYSE, including, for example, having a nominating committee or obtaining shareholder approval for certain issuances to related parties or the establishment or amendment of certain equity-based compensation plans. We otherwise intend to comply with the rules generally applicable to U.S. domestic companies listed on the NYSE, including the requirement to obtain shareholder approval for certain other dilutive events (such as issuances that will result in a change of control or other transactions involving the issuance of a number of ordinary shares equal to 20% or more of our outstanding ordinary shares). We may in the future decide to use the foreign private issuer exemption with respect to some or all of the other NYSE corporate governance rules.

ITEM 16H. Mine safety disclosure

Not applicable.

ITEM 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

ITEM 16J. Insider Trading Policies

We have adopted an insider trading policy. Our insider trading policy as amended governs the purchase, sale, and other dispositions of our securities by directors, senior management, and employees that we believe are reasonably designed to promote compliance with applicable insider trading laws, rules, and regulations, and NYSE listing standards. A copy of our insider trading policy is filed as Exhibit 11.1 to this Annual Report.

ITEM 16K. Cybersecurity

Risk management and Strategy

Our business operations rely upon secure information technology systems for data processing, storage and reporting. As a global shipping company and an Israeli-based company, we face heightened risks of cyber-attacks, and we remain potentially vulnerable to known or unknown threats, which are constantly evolving. Although to date we have not experienced any cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations or financial condition, there can be no guarantee that we will not experience such an incident in the future. Any future cybersecurity breach, whether as a result of malicious, political, competitive or other motives, may result in operational disruptions, heavy costs, information misappropriation or breach of privacy laws, including the European Union's General Data Protection Regulation, the Israeli applicable privacy law and regulations and other applicable regulations, which could result in reputational damage and have a material adverse effect on our business, financial condition and results of operation. Increasing regulation regarding responses to cybersecurity incidents, including reporting and disclosure regulation, could subject us to additional liability and reputational harm.

At ZIM, cybersecurity risk management is an integral part of our overall enterprise risk management program. We are committed to maintaining a cybersecurity work plan and procedures that implement processes to assess, identify and manage cybersecurity risks on a periodic and ongoing basis, aligned with applicable industry standards and reviewed periodically. We are certified as compliant with ISO 27001 in Israel (information security management standard) and ISO 27701 (extension to the information security management standard). Our work procedures include, among others, periodic risk assessments and implementation, periodic tests, periodic employee security awareness trainings (including annual company-wide cybersecurity emergency drills), and a third-party data security risk management plan. The third-party data security risk management plan includes due diligence procedures and the application of minimum-security requirements during their engagement with us; this plan helps us to analyse controls and monitor and mitigate cybersecurity risks associated with our third-party engagements. Additionally, we employ a dedicated 24/7 security operating center supervised by our Chief Information Security Officer (CISO) to monitor and respond to suspected cybersecurity threats.

Governance

We employ top-tier professionals with extensive experience managing cybersecurity threats headed by our CISO, who reports to the CEO and management, and who works in collaboration with our Chief Information Officer (CIO). Our CIO also has extensive prior work experience with the CISO, and CIO's teams are responsible to implement all necessary measures for the cybersecurity protection. We also engage with reputable third-party consultants, advisors and vendors who review our overall data security and have helped us refine our cybersecurity-related work procedures, periodic risk assessments and trainings.

In addition, cybersecurity reports are also submitted by our CIO and our management to our Board of Directors, which is responsible for the oversight of cybersecurity risks, several times during a year. These reports include status reports as well as proposals regarding the cybersecurity budget and insurance policy. Our Board of Directors and management are responsible for identifying, considering and assessing material cybersecurity risks on an ongoing basis, establishing processes to ensure that such potential cybersecurity risk exposures are monitored, putting in place appropriate mitigation measures and maintaining cybersecurity programs.

For more information about these risks, please see "Risk factors – General risk factors" in this annual report on Form 20-F.

PART III

ITEM 17. Financial statements

We have responded to Item 18 in lieu of this item.

ITEM 18. Financial statements

Financial Statements are filed as part of this annual report, see pages F-1 to F-72 to this annual report.

ITEM 19. Exhibits

Exhibit No.	Description
1.1	Amended and Restated Articles of Association of the Registrant (incorporated by reference to Exhibit 1.1 to the Company's 2022 Annual Report on Form 20-F filed with the SEC on March 13, 2023.)
2.1 *	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934
4.1	Specimen share certificate (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form F-1 (File No. 333-251822) filed with the SEC on December 30, 2020.
4.2	Form of Letter of Exculpation and Indemnification (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form F-1 (File No. 333-251822) filed with the SEC on December 30, 2020.
4.3	2020 Share Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Proxy Statement on Form F-1 (File No. 333-251822) filed with the SEC on December 30, 2020.
4.4	Clawback policy in compliance with Section 10D of the Exchange Act (incorporated by reference to Exhibit 4.11 to the Company's 2023 Annual Report on Form 20-F (File No. 001-39937) filed with the SEC on March 13, 2023).
8.1 *	List of Subsidiaries and entities in which the Company has ownership rights.
10.1	Agreement and Plan of Merger, signed on February 16, 2026, by and among Hapag-Lloyd AG, Norazia (Israel) Ltd. and the Company (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 6-K filed with the SEC on February 17, 2026).
10.2 *	Letter of Agreements Regarding the Appointment of New Office Holders at the Annual and Extraordinary General Meeting of the Company, dated December 16, 2025 (unofficial translation from Hebrew to English)
11.1 *	Insider Trading Policy, as amended on March 8, 2026
12.1 *	Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002
12.2 *	Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002
13.1 **	Certification pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002
13.2 **	Certification pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002
15.1 *	Consent of Somekh Chaikin, a member firm of KPMG International
101	The following materials from our Annual Report on Form 20-F for the year ended December 31, 2025 formatted in iXBRL (Inline Extensible Business Reporting Language) are furnished herewith: (i) the Reports of Independent Registered Public Accounting Firms, (ii) the consolidated statements of financial position, (iii) the consolidated income statements, (iv) the consolidated statements of comprehensive loss, (v) the consolidated statements of changes in equity, (vi) the consolidated statements of cash flows, and (vii) the notes to consolidated financial statements, tagged as blocks of text and in detail.
104	The cover page from ZIM Integrated Shipping Services Ltd.'s Annual Report on Form 20-F for the year ended December 31, 2025 formatted in iXBRL (Inline eXtensible Business Reporting Language) and contained in Exhibit 101.

* Filed herewith

** Furnished

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

ZIM INTEGRATED SHIPPING SERVICES LTD.

By: /s/ Eli Glickman

Name: Eli Glickman

Title: President and Chief Executive Officer

Date: March 9, 2026

**ZIM INTEGRATED
SHIPPING SERVICES LTD.**

**CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025**

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Report of Independent Registered Public Accounting Firm

**To the Shareholders and Board of Directors
ZIM Integrated Shipping Services Ltd.:**

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated statements of financial position of ZIM Integrated Shipping Services Ltd. and subsidiaries (“the Company”) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, “the consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s consolidated financial statements and an opinion on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment assessment of non-financial assets

As discussed in Note 4 to the consolidated financial statements, at each reporting date the Company reviews the carrying amount of its operating assets and assesses them for impairment, or impairment reversal, when indications exist. At December 31, 2025, the Company's non-financial assets included vessels and containers and handling equipment amounting to \$5,801.7 million and \$1,102.1 million, respectively. As discussed in Note 7 to the consolidated financial statements, as of December 31, 2025, the impairment test for the container shipping services cash generating unit (CGU) resulted in a partial reversal amounting to \$137.0 million of the previously recognized impairment loss. The Company estimated the recoverable amount of its CGUs on the basis of value-in-use, using the discounted cash flow method.

We identified the evaluation of the impairment, or impairment reversal, assessment of non-financial assets as a critical audit matter. Subjective and challenging auditor judgment was required to assess the estimated value-in-use of the container shipping services CGU as of December 31, 2025. Subjective auditor judgment was required to evaluate certain key assumptions, including the discount rate, projected freight rates, and carried volume assumptions, used to determine the recoverable amount of the Company's container shipping services CGU, due to the degree of uncertainty related to these assumptions. Additionally, the audit effort associated with evaluating the discount rate required specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls relating to the impairment assessment of non-financial assets. This included controls related to the determination of the discount rate, projected freight rates, and carried volume assumptions used in valuation of the container shipping services CGU at December 31, 2025. To evaluate the key assumptions related to the estimated recoverable value of the container shipping services CGU as of December 31, 2025, we compared the projected freight rates to analysts projected rates and trends from external sources. We assessed the reasonableness of the carried volume assumptions by comparing them to the Company's business plans presented to the board of directors and available industry trends. We involved valuation professionals with specialized skills and knowledge, who assisted in evaluating the discount rate by comparing the Company's discount rate to a range of discount rates independently developed using inputs from publicly available information. We also evaluated the changes in market conditions and projected freight rates by comparing to analysts projected rates and trends from external sources.

/s/ Somekh Chaikin

Member Firm of KPMG International

We have served as the Company's auditor since 2004.

Haifa, Israel
March 8, 2026

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	December 31	
		2025	2024
		US \$ in millions	
Assets			
Vessels	5	5,801.7	5,733.0
Containers and handling equipment	5	1,102.1	1,013.3
Other tangible assets	5	137.8	97.7
Intangible assets	6	109.4	109.8
Investments in associates		28.6	25.4
Other investments	10	1,051.7	1,080.9
Other receivables		137.0	61.0
Deferred tax assets	25(c)	9.2	7.5
Total non-current assets		8,377.5	8,128.6
Inventories		167.8	212.2
Trade and other receivables	9	676.0	933.6
Other investments	10	735.1	800.4
Cash and cash equivalents	11	1,051.7	1,314.7
Total current assets		2,630.6	3,260.9
Total assets		11,008.1	11,389.5
Equity			
Share capital and reserves	12	2,051.4	2,032.7
Retained earnings		1,969.5	2,004.2
Equity attributable to owners of the Company		4,020.9	4,036.9
Non-controlling interests		4.7	5.8
Total equity		4,025.6	4,042.7
Liabilities			
Lease liabilities	8(b)	4,551.6	4,600.6
Loans and other liabilities	13	47.2	59.9
Employee benefits	14	63.4	47.5
Deferred tax liabilities	25(c)	186.2	27.6
Total non-current liabilities		4,848.4	4,735.6
Trade and other payables	15	636.4	736.2
Provisions	16	118.4	96.6
Contract liabilities		239.9	408.9
Lease liabilities	8(b)	1,096.5	1,321.7
Loans and other liabilities	13	42.9	47.8
Total current liabilities		2,134.1	2,611.2
Total liabilities		6,982.5	7,346.8
Total equity and liabilities		11,008.1	11,389.5

/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: March 8, 2026

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

CONSOLIDATED INCOME STATEMENTS

	Note	Year ended December 31		
		2025	2024	2023
		US \$ in millions		
Income from voyages and related services	17	6,904.2	8,427.4	5,162.2
Cost of voyages and related services:				
Operating expenses and cost of services	18	(4,460.8)	(4,513.2)	(3,885.1)
Depreciation	23	(1,259.5)	(1,130.2)	(1,449.8)
Impairment reversal (loss) of assets	7	137.0		(2,034.9)
Gross profit (loss)		1,320.9	2,784.0	(2,207.6)
Other operating income	19	43.4	46.6	14.4
Other operating expenses	20	(1.5)	(0.8)	(29.3)
General and administrative expenses	21	(336.3)	(296.1)	(280.7)
Share of loss of associates		(10.5)	(6.4)	(7.8)
Results from operating activities		1,016.0	2,527.3	(2,511.0)
Finance income	24(a)	133.1	149.2	142.2
Finance expenses	24(b)	(490.6)	(471.5)	(446.7)
Net finance expenses		(357.5)	(322.3)	(304.5)
Profit (loss) before income taxes		658.5	2,205.0	(2,815.5)
Income taxes	25	(177.0)	(51.2)	127.6
Profit (loss) for the year		481.5	2,153.8	(2,687.9)
Attributable to:				
Owners of the Company		479.2	2,147.7	(2,695.6)
Non-controlling interests		2.3	6.1	7.7
Profit (loss) for the year		481.5	2,153.8	(2,687.9)
Earnings (loss) per share (US\$)				
Basic earnings (loss) per 1 ordinary share	12(d)	3.98	17.84	(22.42)
Diluted earnings (loss) per 1 ordinary share	12(d)	3.98	17.82	(22.42)

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended December 31		
	2025	2024	2023
	US \$ in millions		
Profit (loss) for the year	481.5	2,153.8	(2,687.9)
Other components of comprehensive income:			
Items of other comprehensive income that were or will be reclassified to profit or loss			
Foreign currency translation differences for foreign operations	2.2	(2.4)	(9.1)
Net change in fair value of investments in debt instruments at fair value through other comprehensive income, net of tax	11.9	7.6	4.4
Net change in fair value of investments in debt instruments at fair value through other comprehensive income that was transferred to profit or loss	(1.0)	0.7	13.6
Items of other comprehensive income that would never be reclassified to profit or loss			
Net change in fair value of investments in equity instruments at fair value through other comprehensive income, net of tax	1.6	(0.1)	1.5
Defined benefit pension plans actuarial gains (losses), net of tax	1.6	(1.7)	0.1
Other comprehensive income for the year, net of tax	16.3	4.1	10.5
Total comprehensive income for the year	497.8	2,157.9	(2,677.4)
Attributable to:			
Owners of the Company	495.1	2,151.3	(2,683.3)
Non-controlling interests	2.7	6.6	5.9
Total comprehensive income for the year	497.8	2,157.9	(2,677.4)

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

CONSOLIDATED 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						
Balance at January 1, 2025	927.3	1,151.3	(45.9)	2,004.2	4,036.9	5.8	4,042.7
Profit for the year				479.2	479.2	2.3	481.5
Other comprehensive income for the year, net of tax		12.3	1.9	1.7	15.9	0.4	16.3
Exercise of options	0.3	(0.3)					
Share-based compensation		4.5			4.5		4.5
Dividend to owners of the Company				(515.6)	(515.6)		(515.6)
Dividend to non-controlling interests in subsidiaries						(3.8)	(3.8)
Balance at December 31, 2025	927.6	1,167.8	(44.0)	1,969.5	4,020.9	4.7	4,025.6
Balance at January 1, 2024	926.6	1,133.7	(42.8)	437.2	2,454.7	3.3	2,458.0
Profit for the year				2,147.7	2,147.7	6.1	2,153.8
Other comprehensive income for the year, net of tax		8.2	(3.1)	(1.5)	3.6	0.5	4.1
Exercise of options	0.7	(0.7)					
Share-based compensation		10.0			10.0		10.0
Dividend to owners of the Company				(579.2)	(579.2)		(579.2)
Acquisition of non-controlling interest in a subsidiary		0.1			0.1	(0.1)	
Dividend to non-controlling interests in subsidiaries						(4.0)	(4.0)
Balance at December 31, 2024	927.3	1,151.3	(45.9)	2,004.2	4,036.9	5.8	4,042.7
Balance at January 1, 2023	925.9	1,097.3	(35.5)	3,901.9	5,889.6	6.3	5,895.9
Loss for the year				(2,695.6)	(2,695.6)	7.7	(2,687.9)
Other comprehensive income for the year, net of tax		19.5	(7.3)	0.1	12.3	(1.8)	10.5
Exercise of options	0.7	(0.7)					
Share-based compensation		17.6			17.6		17.6
Dividend to owners of the Company				(769.2)	(769.2)		(769.2)
Dividend to non-controlling interests in subsidiaries						(8.9)	(8.9)
Balance at December 31, 2023	926.6	1,133.7	(42.8)	437.2	2,454.7	3.3	2,458.0

(*) Include reserves related to share-based compensation, changes in fair value of investment instruments and transactions with an interested party in prior

periods.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Year ended December 31		
		2025	2024	2023
		US \$ in millions		
Cash flows from operating activities				
Profit (loss) for the year		481.5	2,153.8	(2,687.9)
Adjustments for:				
Depreciation and amortization	23	1,286.1	1,142.5	1,471.8
Impairment loss (reversal)	7	(137.0)		2,063.4
Net finance expenses		357.5	342.4	304.5
Share of losses and change in fair value of investees		5.6	6.4	6.5
Capital gains, net	19	(37.6)	(43.9)	(10.9)
Income taxes	25	177.0	51.2	(127.6)
Other non-cash items		(0.1)	10.9	18.9
		<u>2,133.0</u>	<u>3,663.3</u>	<u>1,038.7</u>
Change in inventories		44.4	(32.9)	11.4
Change in trade and other receivables		262.3	(352.9)	242.7
Change in trade and other payables including contract liabilities		(267.1)	357.8	(95.1)
Change in provisions and employee benefits		35.6	35.4	15.9
		<u>75.2</u>	<u>7.4</u>	<u>174.9</u>
Dividends received from associates		1.9	3.1	2.3
Interest received		113.7	97.3	133.8
Income taxes paid		(24.3)	(18.4)	(329.7)
Net cash generated from operating activities		<u>2,299.5</u>	<u>3,752.7</u>	<u>1,020.0</u>
Cash flows from investing activities				
Proceeds from sale of tangible assets, intangible assets and interest in investees		36.6	18.7	27.4
Acquisition and capitalized expenditures of tangible assets, intangible assets and interest in investees		(217.7)	(214.1)	(115.7)
Disposal (acquisition) of investment instruments, net		148.6	85.8	(138.2)
Loans granted to investees, net		(8.1)	(6.1)	(5.4)
Change in other receivables, net		(67.5)	31.6	3.2
Change in other investments (mainly deposits), net		(25.2)	(139.1)	2,005.2
Net cash generated from (used in) investing activities		<u>(133.3)</u>	<u>(223.2)</u>	<u>1,776.5</u>

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Year ended December 31		
		2025	2024	2023
		US \$ in millions		
Cash flows from financing activities				
Repayment of lease liabilities and borrowings	13(d)	(1,439.6)	(2,082.6)	(1,713.1)
Change in short-term loans				(21.0)
Interest paid		(474.3)	(465.6)	(380.7)
Dividend paid to owners of the company		(515.6)	(579.2)	(769.2)
Dividend paid to non-controlling interests		(3.8)	(4.0)	(8.9)
Net cash used in financing activities		(2,433.3)	(3,131.4)	(2,892.9)
Net change in cash and cash equivalents		(267.1)	398.1	(96.4)
Cash and cash equivalents at beginning of the year		1,314.7	921.5	1,022.1
Effect of exchange rate fluctuation on cash held		4.1	(4.9)	(4.2)
Cash and cash equivalents at the end of the year	11	1,051.7	1,314.7	921.5

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Reporting entity

- (i) ZIM Integrated Shipping Services Ltd. (hereinafter - the "Company" or "ZIM") and its subsidiaries (hereinafter - the "Group") and the Group's interests in associates, operate in the field of cargo 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.

Entry Into Agreement and Plan of Merger

On February 16, 2026, the Company entered into an Agreement and Plan of Merger, by and among the Company, Hapag-Lloyd AG, a shipping company incorporated under the laws of Germany ("Parent"), and Norazia (Israel) Ltd., a company organized under the laws of the State of Israel and a direct or indirect wholly owned Subsidiary of Parent ("Merger Sub"). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions therein, Merger Sub will merge with and into the Company (the "Merger"), with the Company continuing as the surviving corporation in the Merger and a wholly owned subsidiary of Parent. In connection with the Merger Agreement, Parent entered into a binding memorandum of understanding with FIMI Opportunity 7, L.P. and FIMI Israel Opportunity 7, Limited Partnership (together, "FIMI"), pursuant to which certain activities and related assets will be transferred to a new entity established by FIMI, that would assume the responsibilities related to the Special State Share, subject to the approval of the State of Israel (see also Note 12(b)).

The completion of the Merger is subject to certain conditions, including, among others, the approval of the Merger Agreement and the Merger at the Company Shareholders Meeting, obtaining the approval in connection with the Special State Share, and other regulatory approvals required.

Upon the completion of the merger, if completed, each issued and outstanding ordinary share of the Company, excluding the Special State Share, will automatically be converted into the right to receive \$35.00 per share in cash, without interest (the "Merger Consideration"). At that time, the Company Shares will be delisted from the New York Stock Exchange and deregistered under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

(ii) Financial position

- (a) The container shipping industry continues to be impacted by the supply and demand dynamics, as well as by uncertainties in the global trade, including the continuing disruption in the Red Sea, the changing, and sometimes escalating, trade barriers between the US and China and other countries, the implications of the ongoing armed conflicts between Russia and Ukraine and in the Middle-East and other geopolitical challenges. Furthermore, a recent US Supreme Court ruling determined that certain tariffs imposed by the Trump administration pursuant to the International Emergency Economic Powers Act are invalid, adding uncertainty and confusion to the business environment. These factors contribute to the continuing volatility in freight rates, charter rates and bunker prices. In addition, regulators in certain jurisdictions have increased their regulatory oversight activities over our industry.

In April 2025, the US administration declared its intention to impose new fees, as from mid-October 2025, on vessels calling ports in the US, which were built in China or are owned / operated by Chinese entities. On October 10, 2025, the Ministry of Transportation in China announced that special port charges would be imposed on US related vessels calling Chinese ports. However, on October 25, 2025, following meetings held between the US and China administrations, both countries announced a mutual one-year suspension of these fees as from November 10, 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Reporting entity (cont'd)**(ii) Financial position (cont'd)**

In August 2025, the Turkish authorities adopted a new regulation prohibiting Israeli and Israel-related vessels from calling ports in Turkey, further to which the Company had to adjust its operations in certain trades.

Since October 2023, Israel has been subject to a prolonged war situation, including a direct armed conflict with Iran that concluded in June 2025, as well as a more recent armed conflict between Iran and the combined forces of the U.S. and Israel, which began on February 28, 2026, the outcome and implications of which (including, among other, volatility in bunker prices) remain uncertain. To date, this situation has had no material impact on the Company's activities in Israel. However, those may be subject to temporary disruptions if this situation was to further escalate.

Since December 2023, many ocean carriers including the Company, paused their activities in the Red Sea, following attacks made against commercial vessels by armed organizations in Yemen. The Company continues to call ports in the Mediterranean Sea, as well as to operate services which previously crossed the Suez-canal, by re-routing its vessels around Africa. This disruption results in the extension of voyages duration, as well as leading to an increase in demand for vessel capacity, as additional vessels are operated in order to maintain the same frequency of services. The Company continues to monitor the situation and intends to resume its operations in the Red Sea when conditions permit.

Further to the above, during 2024 freight rates have experienced an overall increase, although decreases were observed during the second half of the year. During 2025, freight rates continued to experience an overall decrease, while demonstrating high level of volatility as certain markets reacted to announcements on tariffs issued by the U.S administration.

At each reporting date, the Company reviews the carrying amount of its operating assets and assesses them for impairment, or impairment reversal, when indications exist. In the fourth quarter of 2025 the Company recorded a partial impairment reversal in a total amount of US\$ 137 million - see also Note 7 for further details of the Company's analysis.

- (b) In September 2024, the Company entered into a long-term operational cooperation with Mediterranean Shipping Company (MSC), which was launched in February 2025, for a minimum period of three years.

According to this cooperation, the Company and MSC operate together six services on the Asia - US East Coast and Asia - US Gulf trades, enabling ZIM to provide its customers with extended port coverage and improved service quality, while achieving significant operational efficiencies.

Further to the abovementioned factors affecting the trade lanes within the scope of this partnership, the Company and MSC are actively leveraging their operational collaboration to constantly adjust the overall capacity being deployed on those services as dictated by market trends and demand.

The Company's operational cooperation with the 2M alliance (Maersk and MSC), originally launched in 2018, covering services on the Asia - US East Coast and Asia - US Gulf trades, has ended in January 2025, further to the previously announced termination of the 2M alliance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Reporting entity (cont'd)**(ii) Financial position (cont'd)****(c) Charter agreements:**

In April 2025, the Company entered into a series of long-term time charter agreements, with a company affiliated with the TMS Group, for ten 11,500 TEU liquefied natural gas (LNG) dual-fuel new-build container vessels. The vessels are scheduled to be delivered during the second half of 2027 and into 2028 and will be deployed across the Company's various global trades. Pursuant to these agreements, the Company will charter the vessels for a period of twelve years, for a total aggregated commitment of approximately US\$ 2.3 billion. In addition, and for each vessel, at the end of the initial twelve-year charter period, the Company has secured an option to either purchase the vessel or to extend the charter duration for an additional period of three years.

During the fourth quarter of 2025, the Company entered into several time-charter agreements covering (i) twenty new-build vessels with capacities ranging from 3,000 TEU to 5,000 TEU for charter periods of three to four years, each with extension options, and (ii) four vessels of 9,000 TEU capacity for charter periods of five years, also with extension options. The total aggregate contractual commitment under these agreements amounts to approximately US\$ 1.1 billion. The vessels are scheduled to be delivered in 2027 and 2028 and will be deployed across the Company's various global trades.

As of today, the Company has secured the future delivery of 41 vessels, including those under the abovementioned agreements (see also Note 26 – Commitments).

(d) During the first quarter of 2025, the Company acquired two vessels which were operating in its fleet under prior charter arrangements. Out of the related consideration, an amount of US\$ 52 million is presented in the cash flow statement as repayment of lease liabilities.**(e) Dividends:**

In April, June, September and December 2025, further to the approval of the Company's Board of Directors, the Company distributed dividends in amounts of US\$ 382 million, US\$ 89 million, US\$ 7 million and US\$ 37 million, reflecting US\$ 3.17, US\$ 0.74, US\$ 0.06 and US\$ 0.31 per ordinary share, respectively.

In March 2026, the Company's Board of Directors approved a dividend distribution of approximately US\$ 0.88 per ordinary share (or approximately US\$ 106 million, considering the number of ordinary shares outstanding as of December 31, 2025). The dividend is scheduled to be paid on March 26, 2026 to all holders of ordinary shares on record as of March 20, 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

These Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards (IFRSs), as issued by the IASB. The Board of Directors approved the Financial Statements for issue on March 8, 2026.

(b) Basis of measurement

The Consolidated Financial Statements have been prepared on the historical cost basis except for the following assets and liabilities, that are measured as disclosed in Note 3 below:

- Financial instruments measured at fair value through profit or loss
- Financial instruments measured at fair value through other comprehensive income
- Deferred tax assets and liabilities
- Provisions
- Assets and liabilities in respect of employee benefits
- Investments in associates

(c) Use of estimates and judgements

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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Information about accounting estimates and judgments made by management in the application of IFRSs that have significant effect on the Financial Statements and / or with a significant risk of material adjustment in future periods, are discussed in Note 4(i).

In respect of estimates related to determination of fair value, please also refer to Note 4(ii).

(d) Functional and presentation currency

These Consolidated Financial Statements are presented in United States dollars, which is the Company's functional currency. All amounts are presented in US\$ millions unless indicated otherwise.

(e) Operating cycle

The normal operating cycle of the Company is not longer than one year.

2 Basis of Preparation (cont'd)**(f) Changes in accounting guidance**Accounting standards issued not yet adopted**IFRS 18, Presentation and disclosure in financial statements:**

In April 2024, the IASB issued IFRS 18 which will replace IAS 1, Presentation of financial statements. The new standard introduces new presentation and disclosure requirements, including: (i) classifying all income and expenses to new distinct activity categories of operating, investing, financing, income taxes and discontinued operations, based on the main business activities as specified by each entity, and (ii) disclosing in a single note to the financial statements, the Management-defined performance measures (often referred to as Non-GAAP measures). In addition, the pronouncement provides enhanced guidance regarding aggregation of information in the financial statements. The standard is effective retrospectively for annual periods beginning on or after January 1, 2027, with early adoption permitted. The Group is assessing the expected effect of the new requirements.

Amendments to IFRS 9 and IFRS 7 (Financial Instruments):

In May 2024, the IASB issued amendments to IFRS 9 (Financial instruments) and IFRS 7 (Financial instruments – Disclosures). The amendments provide clarifications for the timing of recognition and derecognition of financial assets and liabilities, as well as for the classification of financial assets with contingent features. The amendments also add certain disclosure requirements for certain financial assets. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Group does not expect a material impact to result from the implementation of these amendments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by Group entities, unless indicated otherwise.

(a) Basis of consolidation**(i) Subsidiaries**

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences and until the date that control ceases. The accounting policies of subsidiaries have been adjusted when necessary to align them with the accounting policies applied by the Group.

(ii) Investment in associate

Associates are those entities over which the Group has significant influence, but not control or joint control, over the financial and operating activities. Significant influence is presumed to exist when the Group holds between 20% and 50% of voting rights in another entity. In assessing significant influence, potential voting rights that are currently exercisable or convertible into shares of the investee are taken into account. Associates are recognized initially at cost, including any related transaction costs. The consolidated financial statements include the Group's share of the profit or loss and of other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group (the 'Equity method'). When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term interests that form part thereof, is reduced to zero. The recognition of further losses is discontinued except to the extent that the Group has an obligation to support the investee or has made payments on behalf of the investee.

(iii) Change in interest held in associated companies while retaining significant influence

When the Group increases its interest in an associated company accounted for by the equity method while retaining significant influence, it implements the acquisition method only with respect to the additional interest obtained whereas the previous interest remains unaffected. When there is a decrease in the interest in an associated company accounted for by the equity method while retaining significant influence, the Group derecognizes a proportionate part of its investment and recognizes in profit or loss a gain or loss from such decrease in interest.

(b) Foreign currency**(i) Foreign currency transactions**

Transactions in foreign currencies are translated to the respective functional currency of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(b) Foreign currency (cont'd)****(ii) Foreign operations**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into United States dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to United States dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognized in other comprehensive income and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

(c) Financial instruments**(i) Non-derivative financial assets**Initial recognition of financial assets

The Group initially recognizes receivables, deposits and loans on the date that they are originated. All other financial assets acquired in a regular way of purchase, are recognized initially on the trade date which is the date that the Group becomes a party to the contractual provisions of the instrument. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset other than a trade receivable is initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance of the financial asset, unless the asset is subsequently measured at fair value through profit or loss.

Classification of financial assets into categories and the accounting treatment of each category

The Group's non-derivative financial instruments include investments in debt and equity securities, trade and other receivables and cash and cash equivalents, classified at initial recognition to one of the following measurement categories: (i) amortized cost, (ii) fair value through other comprehensive income – investments in debt instruments, (iii) fair value through other comprehensive income – investments in equity instruments, or (iv) fair value through profit or loss.

A financial asset, not designated at fair value through profit or loss, is measured at amortized cost if it meets both of the following conditions: (i) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise to cash flows representing solely payments of principal and interest on specified dates. A financial asset, not designated at fair value through profit or loss asset, is measured at fair value through other comprehensive income if it meets both of the following conditions: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (ii) the contractual terms of the debt instrument give rise to cash flows representing solely payments of principal and interest on specified dates. All financial assets which are not designated at fair value through profit or loss and are not classified as measured at amortized cost or per fair value through other comprehensive income as described above, are measured at fair value through profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(c) Financial instruments (cont'd)**

The Group's balances of trade and other receivables and deposits are held within a business model whose objective is collecting the contractual cash flows. The contractual cash flows of these financial assets represent solely payments of principal and interest that reflects consideration for the time value of money and the credit risk. Accordingly, these financial assets are subsequently measured at amortized cost.

The Group classifies its investment instruments according to the objectives of the business model within which the instruments are held, at the level of the portfolio. Such assessment considers the Company's stated policies and objectives for the portfolio and management's considerations in evaluating its performance, as well as the frequency, volume and timing of purchases and disposals of the portfolio's financial assets, in prior periods and per future expectations. See also Notes 10 and 29(b) in respect of the classification of the Company's investment instruments.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights of the Group to the cash flows from the asset expire or the Group transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Subsequent measurement and gains and losses

Financial assets at fair value through profit or loss - these assets, mostly investments in equity instruments, are subsequently measured at fair value, result with net gains and losses, including any interest income or dividend income, which are recognized in profit or loss.

Financial assets at amortized cost - these assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, impairment losses / recoveries and gains or losses on derecognition are recognized in profit or loss, as financial income (expenses).

Investments in debt instruments at fair value through other comprehensive income - these assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment losses / recoveries are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(c) Financial instruments (cont'd)**

On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Cash and cash equivalents

Cash include cash balances available for immediate use. Cash equivalents include call deposits and liquidity funds representing short-term highly liquid investments (with original maturities of three months or less) that are readily convertible into known amounts of cash and are exposed to insignificant risks of change in value.

(ii) Non-derivative financial liabilities

The Group's non-derivative financial liabilities include lease liabilities, loans and borrowings from banks and others, and trade and other payables.

Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. With respect to lease liabilities, the Group also remeasures their carrying amount to reflect reassessments and / or modifications of their respective lease cash flows (see also Note 3(d)(ii)).

Financial assets and liabilities are offset with the net amount presented in the statement of financial position when, and only when, the Group currently has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Derivative financial instruments

Derivatives are recognized initially at fair value, as attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives, including embedded derivatives presented separately, are measured at fair value and changes therein are recognized in profit or loss.

(iv) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(d) Vessels, containers, handling equipment and other tangible assets****(i) Owned assets**

Vessels, containers, handling equipment and other tangible assets are recorded at cost less accumulated depreciation (see below) and accumulated impairment losses (see Note 3(f)). The cost of inspecting a vessel (dry-docking), that needs to be performed after a number of years of operation (usually once every five years), is separated from the cost of the vessel as a separate cost component and depreciated over the period until the following inspection. The Group's management believes that there is no other material separate component whose expected period of use is different from the expected period of use of the vessel as a whole.

Subsequent costs

The Group recognises within the carrying amount of an asset (vessel, container, handling equipment or other tangible asset), the cost of replacing part of such an asset, when that cost is incurred, if it is probable that the future economic benefits embodied with such part will flow to the Group and the cost of the part can be measured reliably (while the carrying amount of the replaced part is derecognized). The costs of material improvements that increase the economic benefits expected from the assets are capitalised. All other costs are recognized as an expense in profit or loss as incurred.

Depreciation

Depreciation is a systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount is the cost of the asset, or other amount substituted for cost, less its residual value. An asset is depreciated from the date it reaches the location and condition required for it to operate in the manner intended by management. Depreciation is recognized in profit and loss on a straight-line basis over the estimated useful life of each part of the asset. Freehold land is not depreciated.

The estimated useful lives of vessels, containers and handling equipment are as follows (in most cases taking into account a residual value of 10%-20% of the cost of the assets, where applicable):

	<u>years</u>
1. Vessel	Mainly 25
Containers	Mainly 13-
2.	15
3. Chassis	30
4. Other equipment	13
5. Dry docking for owned vessels	Up to 5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(d) Vessels, containers, handling equipment and other tangible assets (cont'd)**

The estimated useful lives of other tangible assets for the current and comparative periods are as follows:

	years	
1. Buildings	25	
2. Computer systems and communication equipment	4 - 7	(Mainly 5 years)
3. Other	5 - 15	

Depreciation methods, useful life and residual values are reviewed at least each financial year end and adjusted if appropriate.

(ii) Leased (Right-of-use) assets

A lease, in accordance with IFRS 16, is an arrangement that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The lease is initially recognized on the date in which the lessor makes the underlying asset available for use by the lessee.

Upon initial recognition, the Group as a lessee recognizes a lease liability at the present value of the future lease payments during the lease term and concurrently recognizes a right-of-use asset at the same amount of the liability, adjusted for any prepaid and/or initial direct costs incurred in respect of the lease. The present value is calculated using the implicit interest rate of the lease, or the Company's incremental borrowing rate applicable for such lease, when the implicit rate is not readily determinable. The lease term is the non-cancellable period of the lease, considering also extension and/or termination options which are reasonably certain to apply (see also Note 4(i)(b)).

Following recognition, the Group depreciates a right-of-use asset on a straight-line basis (see below), as well as adjust its value to reflect any re-measurement of its corresponding lease liability or any impairment losses in accordance with IAS 36.

The Group chose to apply the available exemptions, with respect to certain asset classes (including vessels and containers), for short-term leases and leases of low-value assets, as well as the expedient for the inclusion of non-lease components in the accounting of a lease.

The purchase and sale of slots (container spaces on operated vessels) from and to other carriers, are not accounted as leases, since these arrangements do not refer to an identified asset. Such arrangements are recorded in profit or loss as service contracts, per the time-based portion completed as at the reporting date.

Lease modifications

When a lease modification increases the scope of the lease by adding a right to use one or more underlying assets, and the consideration for the lease increased by an amount commensurate with the stand-alone price for the increase in such circumstances, the Group accounts for the modification as a separate lease. When the Group doesn't account the modification as a separate lease, the Group determines the revised terms and remeasures the lease liability by discounting the revised lease payments using a revised discounting rate, against the right-of-use asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(d) Vessels, containers, handling equipment and other tangible assets (cont'd)**

For lease modifications that include a decrease in scope of the lease, as a preceding step and before remeasuring the lease liability against the right-of-use asset, the Group first recognizes a decrease in the carrying amount of the right-of-use asset (on a pro-rata basis) and the lease liability (considering the revised lease payments and the pre-modification discounting rate), in order to reflect the partial or full cancellation of the lease, with the net change recognized in profit or loss.

A lease contract that is terminated early as a result of the underlying asset being acquired by the Group, while no purchase option was originally available, is accounted similarly to a modification. Accordingly, the related lease liability and the right-of-use asset are remeasured per the revised cash flows, reflecting the payments related to the purchase and to the remaining lease period (if any). Under this approach, no settlement gain or loss arises.

Sale and lease-back

The Group applies the requirements of IFRS 15 to determine whether an asset transfer is accounted for as a sale. If an asset transfer satisfies the requirements of IFRS 15 to be accounted for as a sale, the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount that relates to the right of use retained by the Group. Accordingly, the Group only recognizes the portion of gain or loss that relates to the rights transferred. If the asset transfer does not satisfy the requirements of IFRS 15 to be accounted for as a sale, the Group accounts the transaction as secured borrowing. This mostly applies when options embedded in the lease-back arrangement are expected to result with retained ownership of the Group over the transferred asset. If such options eventually expire with no retained ownership of the asset, the Group accounts for such transaction as a sale on the options expiration date.

Depreciation

Right-of-use assets are depreciated over the lease term, or their useful lives (considering residual value, when applicable) if it is reasonably certain that the Group will obtain ownership by the end of the lease term. The terms of leases in which the Group is engaged with, are as follows:

	<u>years</u>
1. Vessels	1 – 12
2. Containers	1 – 13
3. Buildings, vehicles and other assets	Mainly 1 – 8

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(e) Intangible assets****(i) Development of software**

Development activities involve a plan or design for the production of new or substantially improved processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete the development and to use the asset. The expenditures capitalized, mostly in respect of development and enhancement of information systems, include mainly the cost of direct labor and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditures are recognized in profit or loss as incurred. In subsequent periods, capitalized development expenditures are measured at cost less accumulated amortization and accumulated impairment losses.

(ii) Software

The Group's assets include computer systems consisting of hardware and software. The licenses for the software, which are considered to be a separate item, adding functionality to the hardware, are classified as intangible assets.

(iii) Amortization

Amortization is a systematic allocation of the amortizable amount of an intangible asset over its useful life. The amortizable amount is the cost of the asset, or other amount substituted for cost. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use in the manner intended by management. The estimated useful lives for the current and comparative periods are as follows:

Software	5 years
Capitalised software development costs	5-8 years

Amortization methods, useful life and residual values are reviewed at least each financial year end and adjusted if appropriate.

(f) Impairment**(i) Financial assets**

The Group recognizes an expected credit loss, considering the lifetime of a financial asset, when it determines that the credit risk of such financial asset has increased significantly since initial recognition, based on reasonable and supportable indicative information. Otherwise, the Group recognizes an expected credit loss of a financial asset, considering the following twelve-month period. An impairment loss is calculated as the difference between the financial asset's carrying amount and the present value of its estimated (probability-weighted, where applicable) future cash flows discounted at the original effective interest rate. Allowances for expected credit losses of financial assets measured at amortized cost are recognized in profit or loss and deducted from the gross carrying amount of the financial assets. For investments in debt instruments at fair value through other comprehensive income, allowances for expected credit losses are recognized in profit or loss against other comprehensive income (without reducing the carrying amount of the financial asset).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(f) Impairment (cont'd)****(ii) Non-financial assets**

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (hereinafter: cash-generating unit, or "CGU"). The Company concluded that its operating assets are grouped to two cash-generating units, Container shipping services and Vehicle shipping services.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell.

In 2025, 2024 and 2023, the Group, further to its assessment of indicators for impairment loss / reversal (see also Note 4)i(a)), estimated the recoverable amount of its CGUs which have been tested for impairment, on the basis of value-in-use, using the discounted cash flow (DCF) method.

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the CGU's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of the Company's cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amount of the other assets in that unit, on a pro rata basis (considering that the carrying amount of each individual asset will not be reduced below the greater of its value-in-use and its fair value less costs to sell).

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are re-assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the moving average method, and mainly includes bunker (fuel and liquefied natural gas) on board of operated vessels and emission allowances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(h) Employee benefits****(i) Post-employment benefits**

The Group has a number of post-employment benefit plans. The plans are usually financed by deposits with insurance companies or with funds managed by a trustee, and they are classified as defined contribution plans or as defined benefit plans.

(a) Defined contribution plans

A defined contribution pension plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which related services are rendered by the employee.

(b) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted from the defined benefit liability. The calculation is performed by a qualified actuary using the projected unit credit method.

The Group recognizes immediately, directly in other comprehensive income, all actuarial gains and losses arising from defined benefit plans. Gains or losses resulting from settlements of a defined benefit plan are recognized in profit or loss.

(ii) Termination benefits

Termination benefits are recognized as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

(iii) Other long-term benefits

The Group's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefits that employees have earned in return for their service in the current and prior periods; these benefits are discounted to determine their present value, and the fair value of any related assets is deducted. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

(iv) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related employees' services are provided. The employee benefits are classified, for presentation purposes, as short-term benefits or as other long-term benefits depending on when the Group expects the benefits to be settled.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(i) Share-based compensation**

The grant date fair value of share-based compensation awards granted to employees is recognized as a payroll expense, with a corresponding increase in equity, over the period during which the employees become unconditionally entitled to the awards. The amount recognized as an expense in respect of share-based compensation awards that are conditional upon meeting service conditions, is adjusted to reflect the number of awards that are expected to vest.

(j) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is more likely than not that an outflow of economic benefits will be required to settle the obligation.

The Group recognizes a reimbursement asset if, and only if, it is virtually certain that the reimbursement will be received if the Group settles the obligation. The amount recognized in respect of the reimbursement does not exceed the amount of the provision.

Provision for legal matters

The statement of financial position includes appropriate provisions in respect of legal matters involving the Group, in each of which, in the opinion of the Group's management, based, among others, on the opinion of its legal advisers obtained in respect of those matters, it is more likely than not that an outflow of economic benefits will be required to settle the obligation and the amount of obligation can be estimated reliably. Note 27 includes details of additional exposure due to contingent legal matters, where the amounts might be significant.

(k) Revenue recognition from shipping services and related expensesRevenue from containerized and non-containerized cargo

The Group considers each freight transaction as comprised of one performance obligation, recognized per the time-based portion completed as at the reporting date. The operating expenses related to cargo traffic are recognized immediately as incurred. If the expected incremental and other direct costs related to the cargo exceed its expected related revenue, a provision for onerous contracts is recognized as an expense in profit or loss, in accordance with IAS 37.

Contract assets and contract liabilities relating to the same contract are presented on a net basis in the statement of financial position. However, trade receivables and contract liabilities deriving from the same contract are presented on a gross basis in the statement of financial position.

Revenue from demurrage

Revenues from demurrage and detentions of containers are accounted as separate performance obligation and recognized over time, up until the customer's late return or pick-up of the related containers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(k) Revenue recognition from shipping services and related expenses (cont'd)**Revenue from related and value-added services

Revenues from related and value-added services provided to the customers by the Company and its subsidiaries, such as handling of documentation, customs, duties and logistic services, are accounted as separate performance obligation and recognized when the service is rendered.

Cooperation agreements

Non-monetary exchange of slots with other shipping companies in order to facilitate sale of services to customers are not recognized as revenues.

(l) Finance income and expenses

Finance income includes interest income recognized in profit or loss as it accrues, using the effective interest method. Finance expenses include mainly interest expense in respect of lease liabilities and borrowings and impairment losses recognized with respect of trade and other receivables.

Foreign currency gains and losses are reported on a net basis.

In the statements of cash flows, interest received and dividends received are presented as part of cash flows from operating activities. Interest paid and dividends paid are presented as part of cash flows from financing activities.

(m) Income taxes

Income taxes include current and deferred taxes. Current taxes and deferred taxes are recognized in profit or loss except to amounts relate to items recognized directly in equity or in other comprehensive income, to the extent they relate to such items. Current taxes are the taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding amounts used for taxation purposes. Deferred taxes are not recognized in respect of temporary differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future, either by way of selling the investment or by way of distributing dividends by the investee.

Deferred taxes are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, or to the extent it can be utilized in future periods against taxable temporary differences (i.e. deferred tax liabilities).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Material accounting policies (cont'd)**(m) Income taxes (cont'd)**

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognized in profit or loss when the liability to pay the related dividends is recognized by the distributing company.

Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, the Company or the Group has the legally enforceable right to set off such balances and the following additional conditions are met:

- In the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- In the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on the same taxable entity.

(n) Segment information

The Group is managed as one operating unit, generating revenues from operating a global liner service network of cargo 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 single operating segment.

(o) Earnings (losses) per share

The Group presents basic and diluted earnings (losses) per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reported period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 Accounting estimates**(i) Significant accounting estimates and judgements**

The significant accounting estimates and judgements are as follows:

(a) Assessment of non-financial assets for impairment

At each reporting date, the Group reviews the carrying amount of its operating assets and assesses them for impairment, or impairment reversal, when indications exist. When assessing whether indicators for impairment or impairment reversal exist, the Group considers external inputs, including changes in market interest rates and other market conditions, including freight indices, as well as internal inputs, including updates to the Group's business plans and initiatives. The Group assesses the recoverable amount of its cash-generating units based on value-in-use. Value-in-use is the present value of the future net cash flows expected to be derived from the use and disposal of an asset or a cash-generating unit. The Group's assessment involves judgment in respect of multiple estimates, the change of which may affect the recognition, measurement or allocation of impairment losses, or the reversal of such. Regarding the significant assumptions used in the assessments carried out during the reported periods, see also Note 7.

(b) Assessment of extension options and purchase options available in lease arrangements

Future lease payments during the lease term, measured at present value, include extension options and /or purchase options, when such options are available and estimated by the Group as reasonably certain to apply. When assessing such options, the Group applies judgment, while considering all relevant aspects and circumstances, including its expected operational needs, to conclude whether it expects there will be an economic incentive to exercise each option. The assessment of those options affects the measurement of the related lease liabilities and their corresponding right-of-use assets, and in some circumstances, also the recognition of such liabilities and assets.

(c) Assessment of incremental borrowing rate applicable for lease arrangements

A lease liability is measured using the Company's applicable incremental borrowing rate, when the implicit rate is not readily determinable. The Company estimates its incremental borrowing rate, with the assistance of a third-party appraiser, based on credit rating derived from available debt transactions and their corresponding yield curves, while applying judgment in respect of the comparability of such debt transactions to the lease arrangements.

(d) Assessment of contingent liabilities

Legal matters, including applications for class actions, are pending against the Company and/or its investees. Management evaluates based on the opinion of its legal advisors, whether it is more likely than not that an outflow of economic resources will be required to settle the potential liabilities under such legal matters. The developments and/or resolutions in such matters, including through either negotiations or litigation, are subject to a high level of uncertainty which could result in recognition, adjustment or reversal of a provision for such matters. For information in respect to the Group's exposure to claims and legal matters, see Note 27 (Contingencies).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 Accounting estimates (cont'd)**(ii) Determination of fair values**

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure as referred below. When applicable, further information regarding the assumptions applied in determining fair values is disclosed in the notes specific to the related asset or liability.

(a) Financial instruments (including derivatives)

See Note 29(b).

(b) Share-based compensation arrangements

See Note 12(c).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Vessels, containers, equipment and other tangible assets (*)

Cost:

	Balance at January 1, 2025	Additions	Disposals	Lease modifications and terminations	Effect of movements in exchange rates	Balance at December 31, 2025
	US \$ in millions					
Vessels	11,486.0	264.5		474.4		12,224.9
Containers and equipment	2,144.1	196.5	(88.4)	(28.6)		2,223.6
Computer systems and communication equipment	69.4	5.6	(3.4)	2.0	0.3	73.9
Other property and equipment	237.8	40.7	(2.5)	(3.2)	1.5	274.3
Total	13,937.3	507.3	(94.3)	444.6	1.8	14,796.7

Depreciation and impairment charges:

	Balance at January 1, 2025	Depreciation	Impairment reversal (**)	Disposals	Lease modifications and terminations	Effect of movements in exchange rates	Balance at December 31, 2025
	US \$ in millions						
Vessels	5,753.0	1,140.8	(96.7)		(373.9)		6,423.2
Containers and equipment	1,134.0	108.0	(27.9)	(44.8)	(25.0)		1,144.3
Computer systems and communication equipment	56.3	4.3	(0.3)	(3.4)		0.3	57.2
Other property and equipment	153.2	13.1	(12.1)	(1.9)		0.9	153.2
Total	7,096.5	1,266.2	(137.0)	(50.1)	(398.9)	1.2	7,777.9

Payments on account	3.2	22.8
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Net carrying amounts:

	Balance at January 1, 2025	Balance at December 31, 2025
	US \$ in millions	US \$ in millions
Vessels	5,733.0	5,801.7
Containers and equipment	1,010.1	1,079.3
Payments on account, net	3.2	22.8
	1,013.3	1,102.1
Computer systems and communication equipment	13.1	16.7
Other property and equipment	84.6	121.1
	97.7	137.8
Total	6,844.0	7,041.6

(*) Including right-of-use assets (see also Note 8).

(**) See Note 7.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Vessels, containers, equipment and other tangible assets (cont'd) (*)

Cost:

	Balance at January 1, 2024	Additions	Disposals	Lease modifications and terminations	Effect of movements in exchange rates	Balance at December 31, 2024
	US \$ in millions					
Vessels	8,760.2	2,865.6		(139.8)		11,486.0
Containers and equipment	1,871.7	328.7	(19.1)	(37.2)		2,144.1
Computer systems and communication equipment	67.1	5.4	(2.6)		(0.5)	69.4
Other property and equipment	230.5	20.0	(9.2)	(0.7)	(2.8)	237.8
Total	10,929.5	3,219.7	(30.9)	(177.7)	(3.3)	13,937.3

Depreciation and impairment charges:

	Balance at January 1, 2024	Depreciation	Disposals	Lease modifications and terminations	Effect of movements in exchange rates	Balance at December 31, 2024
	US \$ in millions					
Vessels	5,002.3	1,023.6		(272.9)		5,753.0
Containers and equipment	1,078.8	98.3	(14.1)	(29.0)		1,134.0
Computer systems and communication equipment	57.4	1.9	(2.5)		(0.5)	56.3
Other property and equipment	155.0	5.2	(5.6)		(1.4)	153.2
Total	6,293.5	1,129.0	(22.2)	(301.9)	(1.9)	7,096.5

Payments on account	1.0					3.2
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Net carrying amounts:

	Balance at January 1, 2024	Balance at December 31, 2024
	US \$ in millions	
Vessels	3,757.9	5,733.0
Payments on account, net	1.0	
	3,758.9	5,733.0
Containers and equipment	792.9	1,010.1
Payments on account, net		3.2
	792.9	1,013.3
Computer systems and communication equipment	9.7	13.1
Other property and equipment	75.5	84.6
	85.2	97.7
Total	4,637.0	6,844.0

(*) Including right-of-use assets (see also Note 8).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 Intangible assets**Cost:**

	Balance at January 1, 2025	Additions	Effect of movements in exchange rates	Balance at December 31, 2025
	US \$ in millions			
Software (mostly development costs)	289.5	19.6	(0.1)	309.0
Other intangible assets	3.4			3.4
Total	292.9	19.6	(0.1)	312.4

Amortization and impairment charges:

	Balance at January 1, 2025	Amortization	Effect of movements in exchange rates	Balance at December 31, 2025
	US \$ in millions			
Software (mostly development costs)	179.9	19.7		199.6
Other intangible assets	3.2	0.2		3.4
Total	183.1	19.9		203.0

Net carrying amounts:

	Balance at January 1, 2025	Balance at December 31, 2025
	US \$ in millions	US \$ in millions
Software (mostly development costs)	109.6	109.4
Other intangible assets	0.2	
Total	109.8	109.4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 Intangible assets (cont'd)

Cost:

	<u>Balance at January 1, 2024</u>	<u>Additions</u>	<u>Disposals</u>	<u>Effect of movements in exchange rates</u>	<u>Balance at December 31, 2024</u>
	US \$ in millions				
Software (mostly development costs)	268.4	21.2		(0.1)	289.5
Other intangible assets	4.5		(1.1)		3.4
Total	<u>272.9</u>	<u>21.2</u>	<u>(1.1)</u>	<u>(0.1)</u>	<u>292.9</u>

Amortization and impairment charges:

	<u>Balance at January 1, 2024</u>	<u>Amortization</u>	<u>Disposals</u>	<u>Effect of movements in exchange rates</u>	<u>Balance at December 31, 2024</u>
	US \$ in millions				
Software (mostly development costs)	166.7	13.4		(0.2)	179.9
Other intangible assets	4.2	0.1	(1.1)		3.2
Total	<u>170.9</u>	<u>13.5</u>	<u>(1.1)</u>	<u>(0.2)</u>	<u>183.1</u>

Net carrying amounts:

	<u>Balance at January 1, 2024</u>	<u>Balance at December 31, 2024</u>
	US \$ in millions	
Software (mostly development costs)	101.7	109.6
Other intangible assets	0.3	0.2
Total	<u>102.0</u>	<u>109.8</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 Impairment test

At each reporting date, the Group reviews the carrying amount of its operating assets and assesses them for impairment, or impairment reversal, when indications exist. For the purpose of IAS 36, the Group concluded that its operating assets are grouped into two cash-generating units (CGUs), Container shipping services and Vehicle shipping services.

(a) Impairment test as of December 31, 2025:

Further to the volatile market terms, as also mentioned in Note 1(ii), the Group tested both of its CGUs for impairment as of December 31, 2025.

The Group estimated the recoverable amount of its CGUs on the basis of value-in-use, using the discounted cash flow (DCF) method.

The Group's projections were estimated for the period ended on December 31, 2030 and a representative terminal year intended to reflect a long-term steady state. The key assumptions regarding both CGUs are set forth below:

- Detailed cash flows for the abovementioned period, based upon the Group's business plans.
- Freight rates: expected to be further affected by industry's supply and demand dynamics, as well as by macroeconomic trends and uncertainties.
- Containerized carried volume: expected to increase over the projected period, in accordance with the Group's fleet structure and business plans.
- Bunkering costs: according to the future price curves of fuel and liquefied natural gas (LNG).
- Charter hire rates: according to contractual rates for committed chartering periods as of the assessment date, and estimated market rates for future renewals.
- Post tax discounting rate of 11.0% for the Container shipping services CGU and 9.0% for Vehicle shipping services CGU.
- Long-term nominal growth rate of 2.5%.
- Tax payments in accordance with the Company's corporate tax rate of 23%.

Impairment test results:

The impairment test for the CGU of the Vehicle shipping services resulted with no impairment to be recorded, as its recoverable amount exceeded its carrying amount.

The impairment test for the CGU of the Container shipping services resulted with a partial impairment reversal in a total amount of US\$ 137.0 million, which was allocated to the related assets, based on their carrying amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 Impairment test (cont'd)

The impairment reversal as of December 31, 2025 was allocated to the impaired assets as follows:

	US \$ in millions	Income statement line item
Vessels (*)	96.7	Impairment reversal (loss) of assets
Containers and handling equipment (*)	27.9	Impairment reversal (loss) of assets
Other tangible assets (*)	12.4	Impairment reversal (loss) of assets
	<u>137.0</u>	

(*) Comprised of owned and right-of-use assets.

The Group believes that the assumptions used in its analysis are reasonable and appropriate, considering past experience and current market trends and expectations. However, by nature, such assumptions are subject to significant uncertainties and there can be no assurance that the Group's assumptions will materialize, or whether freight rates, charter rates and bunker costs will increase or decrease by any significant degree.

(b) Impairment test as of September 30, 2024:

Further to the volatile market terms that prevailed during the first nine months of 2024, which mostly affected the Group's Container shipping services, the Group tested the carrying amount of its Container shipping services CGU for impairment loss (or reversal) as of September 30, 2024, and concluded that no material adjustment to the CGU's assets carrying amount was required.

Consistent with its previous analysis (as of September 30, 2023, see section (c) below), the Group estimated the recoverable amount of its CGU on the basis of value-in-use, using the discounted cash flow (DCF) method and applying similar estimation methods for updated assumptions, including in respect of freight rates, carried volume, charter hire rates and bunkering costs.

The Group's projections were estimated for the period ended on June 30, 2029 and a representative terminal year intended to reflect a long-term steady state, considering a post-tax discount rate of 12.5% and a long-term nominal growth rate of 2.5%.

(c) Impairment test as of September 30, 2023:

Further to the volatile market terms that prevailed during the first nine months of 2023, as well as the prolonging decrease in its market capitalization value at that time, the Group tested both of its CGUs for impairment as of September 30, 2023.

The Group estimated the recoverable amount of its CGUs on the basis of value-in-use, using the discounted cash flow (DCF) method.

The Group's projections were estimated for the period ended on June 30, 2028 and a representative terminal year intended to reflect a long-term steady state.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 Impairment test (cont'd)Impairment test results:

The impairment test for the CGU of the Vehicle shipping services resulted with no impairment to be recorded, as its recoverable amount exceeded its carrying amount.

The impairment test for the CGU of the Container shipping services resulted with an impairment loss in a total amount of US\$ 2,063.4 million, which was allocated to the related assets, based on their carrying amount and limited to their individual estimated fair value, net of disposal costs.

Fair value of individual assets was estimated using several methods. Right of use assets of vessels and containers were estimated based on the cashflow approach, considering estimated lease and discounting rates. The market approach and the cost approach were used to estimate owned vessels and containers, as well as intangibles and other tangible assets.

The impairment loss as of September 30, 2023 was allocated as detailed below:

	<u>US \$ in millions</u>	<u>Income statement line item</u>
Vessels (*)	1,598.7	Impairment reversal (loss) of assets
Containers and handling equipment (*)	391.8	Impairment reversal (loss) of assets
Other tangible assets (*)	63.8	Impairment reversal (loss) of assets / Other operating expenses (**)
Goodwill	9.1	Impairment reversal (loss) of assets
	<u>2,063.4</u>	

(*) Comprised of owned and right-of-use assets.

(**) Impairment loss in the amount of US\$ 28.5 million was included in Other operating expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8 Leases

The Group is engaged in multiple lease arrangements for vessels and containers, supporting its operating activities, as well as for buildings, vehicles, IT equipment and other tangible assets. Such lease arrangements (some of which include options for extension and / or purchase of the underlying asset) are characterized by large-scale, frequent and recurring engagements at common market terms.

(a) Right-of-use-assets

	<u>Vessels</u>	<u>Containers And Equipment</u>	<u>Buildings, vehicles and other tangible assets</u>	<u>Total</u>
	US \$ in millions			
Balance as at January 1, 2025	5,256.8	366.6	48.9	5,672.3
Additions	207.0	75.6	28.5	311.1
Depreciation	(1,087.2)	(69.5)	(12.9)	(1,169.6)
Impairment reversal	76.0	5.2	10.9	92.1
Other (*)	794.0	(3.7)	(0.7)	789.6
Balance as at December 31, 2025	<u>5,246.6</u>	<u>374.2</u>	<u>74.7</u>	<u>5,695.5</u>

	<u>Vessels</u>	<u>Containers And Equipment</u>	<u>Buildings, vehicles and other tangible assets</u>	<u>Total</u>
	US \$ in millions			
Balance as at January 1, 2024	3,613.3	283.5	49.2	3,946.0
Additions	2,852.6	158.4	9.2	3,020.2
Depreciation	(982.5)	(67.2)	(8.2)	(1,057.9)
Other (*)	(226.6)	(8.1)	(1.3)	(236.0)
Balance as at December 31, 2025	<u>5,256.8</u>	<u>366.6</u>	<u>48.9</u>	<u>5,672.3</u>

(*) Mainly lease modifications and terminations, see also Note 5.

(b) Maturity analysis of the Group's lease liabilities

	<u>As at December 31</u>	
	<u>2025</u>	<u>2024</u>
	US \$ in millions	
Less than one year	1,096.5	1,321.7
One to five years	2,560.3	2,581.0
More than five years	1,991.3	2,019.6
Total	<u>5,648.1</u>	<u>5,922.3</u>

The Group's lease liabilities are mostly denominated in USD, discounted by interest rates with weighted average of 7.8% (8.1% as at December 31, 2024).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8 Leases (cont'd)

(c) Amounts recognized in profit or loss

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Interest expenses related to lease liabilities	465.5	458.8	370.0
Expenses relating to short-term leases:			
Vessels		0.9	27.3
Containers	36.5	31.9	23.6

(d) Amounts recognized in the statement of cash flows

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Cash outflow related to lease liabilities	1,889.3	2,524.1	2,063.0

(e) For further details regarding the Group's commitment in respect of future leases and other leases not accounted as a lease liability as of December 31, 2025, see Note 26.

9 Trade and other receivables

(a) Carrying amounts

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Non-current other receivables (*)	137.0	61.0
Current trade and other receivables		
Trade receivables	<u>501.8</u>	<u>765.2</u>
Other receivables		
Insurance recoveries (see also Note 16)	40.1	36.6
Government institutions	25.1	23.6
Prepaid expenses	22.5	25.1
Other receivables (*)	<u>86.5</u>	<u>83.1</u>
	<u>174.2</u>	<u>168.4</u>
	<u>676.0</u>	<u>933.6</u>

(*) As at December 31, 2025, mainly includes receivables related to vessel owners and interest receivables. The Group's exposure to credit and market risks is disclosed in Note 29.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 Trade and other receivables (cont'd)**(b) Factoring arrangements**

In August 2019, the Group entered into a revolving arrangement with a financial institution, for the recurring sale of portion of receivables, designated by the Group. The sale of the receivables under this arrangement meets the conditions for derecognition of financial assets as prescribed in IFRS 9 (Financial Instruments).

As at December 31, 2025 and 2024, no amounts were withdrawn under this arrangement. In October 2024, the agreement was renewed for an additional period ending October 2027.

(c) Credit line to an investee

In January 2023, the Company entered into a transaction with a certain investee, according to which the Company made an equity investment in this entity and agreed to provide it a three-year revolving credit facility, secured by account receivables, of up to approximately US\$100 million. In December 2025 this credit facility was terminated in the framework of an investment agreement between the Company and that investee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 Other investments

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Non-current investments		
Financial assets at fair value through other comprehensive income (*)	1,024.8	1,060.0
Financial assets at fair value through profit or loss (*)	21.7	13.2
Other	5.2	7.7
	<u>1,051.7</u>	<u>1,080.9</u>
Current investments		
Bank deposits and other financial assets at amortized cost	179.0	150.9
Financial assets at fair value through other comprehensive income (*)	555.9	648.5
Other	0.2	1.0
	<u>735.1</u>	<u>800.4</u>

(*) See also Note 29 in respect of the Group's exposure to credit, currency, interest rate and fair value risks related to investments.

As of December 31, 2025: Investment in bank deposits at amortized costs bare average interest of 4.6% (2024: 5.0%) and mature in 2026. Investment in debt securities at fair value through other comprehensive income bare average interest of 4.3% (2024: 4.4%) and mature in a weighted average of 1.7 years.

11 Cash and cash equivalents

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Bank balances and cash in hand	301.5	300.4
Bank deposits	278.8	397.5
Money market funds	471.4	616.8
	<u>1,051.7</u>	<u>1,314.7</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 Capital and reserves**(a) Share capital**

	<u>2025</u>	<u>2024</u>
Number of ordinary shares (issued and paid up):		
Balance at the beginning of the year	120,423,333	120,286,627
Exercise of share options (cashless)	42,575	136,706
Balance at the end of the year	<u>120,465,908</u>	<u>120,423,333</u>

As at December 31, 2025 the authorized share capital is comprised of 350,000,001 ordinary shares, with no par value. The holders of ordinary shares are entitled to receive dividends when declared and are entitled to one vote per share at meetings of the Company's shareholders. All shares rank equally in respect to interests in the Company, including in respect to the Company's residual assets, except as disclosed in (b) below.

In respect of dividends distributed by the Company to its shareholders, see Note 1(ii)(e).

(b) Special State Share

The issued and paid-up share capital includes one share which is a Special State Share.

In the framework of privatizing the Company, as concluded in February 2004, all the State of Israel's holdings in the Company (about 48.6%) were acquired by The Israel Corporation (as later transferred to Kenon holdings Ltd.) pursuant to the related agreement. As part of the process, the Company allotted to the State of Israel a Special State Share, so that it could protect the vital interests of the State.

On July 14, 2014 the State and the Company have reached a settlement agreement (the "Settlement Agreement") that has been validated as a judgment by the Supreme Court. The Settlement Agreement provides, inter alia, that the following arrangement shall apply: State's consent is required to any transfer of the shares in the Company which confers on the holder a holding of 35% or more of the Company's share capital. In addition, any transfer of shares which confers on the holders a holding exceeding 24% but not exceeding 35%, shall require a prior notice to the State. To the extent the State determines that the transfer involves a potential damage to the State's security or any of its vital interests or if the State did not receive the relevant information in order to formulate a decision regarding the transfer, the State shall be entitled to inform, within 30 days, that it objects to the transfer, and it will be required to reason its objection. In such an event, the transferor shall be entitled to approach a competent court on this matter.

In addition, the Company is required to maintain a minimal fleet of 11 vessels, fully owned, either directly or through its subsidiaries. Subject to certain exceptions, any transfer of vessels in violation thereof shall be approved in advance by the State of Israel, pursuant to the related mechanism.

The Special State Share is non-transferable; its rights are described in the new Company's Articles of Association. Except for the rights attached to the said share, it does not confer upon its holder voting rights or any share capital related rights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 Capital and reserves (cont'd)

(c) Share-Based Payment Arrangements

During 2024 and 2023 the Board of Directors approved grants under the Company's share option plans for employees, officers and directors (see also Note 28(b)), as detailed below:

<u>Grant Date</u>	<u>Number of instruments</u>	<u>Instrument terms</u>	<u>Vesting terms</u>	<u>Contractual life</u>
August 2023	80,868	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
March 2024	43,160			
November 2024	34,827			

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

Granted in	November 2024	March 2024	August 2023
Grant date fair value	USD 14.41	USD 4.94	USD 7.06
Share price on grant date	USD 26.10	USD 10.99	USD 14.26
Exercise price	USD 22.71	USD 12.48	USD 13.84
Expected volatility	54.0%	50.5%	50.1%
Expected life	5 years	5 years	5 years
Expected dividends (*)	0%	0%	0%
Risk-free interest rate	4.5%	4.1%	4.3%

(*) Options' exercise price is adjusted in respect of dividend distributions.

Reconciliation of outstanding share options

	2025		2024		2023	
	<u>Issuable shares</u>	<u>Weighted average exercise price</u>	<u>Issuable shares</u>	<u>Weighted average exercise price</u>	<u>Issuable shares</u>	<u>Weighted average exercise price</u>
Outstanding at the beginning of the period	2,100,107	28.52	2,238,787	32.36	2,461,430	37.05
Granted during the year			77,987	12.76	80,868	13.84
Exercised during the year	(45,206)	1.03	(136,706)	0.00	(136,706)	0.00
Forfeited during the year	(74,396)		(79,961)		(166,805)	
Outstanding at the end of the period	<u>1,980,505</u>	<u>25.46</u>	<u>2,100,107</u>	<u>28.52</u>	<u>2,238,787</u>	<u>32.36</u>
Exercisable at the end of the period	<u>1,425,604</u>	<u>24.97</u>	<u>965,791</u>	<u>29.39</u>	<u>513,115</u>	<u>11.74</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 Capital and reserves (cont'd)**(c) Share-Based Payment Arrangements (cont'd)**

The weighted average contractual life of the outstanding options as of December 31, 2025 was 1.35 years.

During the years ended December 31, 2025, 2024 and 2023, the Group recorded expenses related to share-based compensation arrangements of US\$ 4.5 million, US\$ 10.0 million and US\$ 17.6 million, respectively.

(d) Earnings (loss) per share

Basic and diluted earnings (loss) per share:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Profit (loss) attributable to ordinary shareholders used to calculate basic and diluted earnings per share (US \$ in millions)	479.2	2,147.7	(2,695.6)
Number of outstanding shares at the beginning of the period used to calculate basic earnings per share	120,423,333	120,286,627	120,149,921
Effect of share options	30,338	70,688	63,110
Weighted average number of ordinary shares used to calculate basic earnings per share	120,453,671	120,357,315	120,213,031
Effect of share options	62,183	135,110	
Weighted average number of ordinary shares used to calculate diluted earnings per share	<u>120,515,854</u>	<u>120,492,425</u>	<u>120,213,031</u>

In the year ended December 31, 2025, options for 1,875,158 ordinary shares, granted under the Company's share option plans for employees, officers and directors (see also above) were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 Loans and other liabilities

This Note provides information regarding the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate, foreign currency and liquidity risks, see Note 29.

(a) Carrying amounts:

	<u>2025</u>	<u>2024</u>
	<u>US\$ in millions</u>	
Non-current liabilities		
Loans from financial institutions		5.0
Other loans and liabilities	35.6	40.6
Derivative instruments	11.6	14.3
	<u>47.2</u>	<u>59.9</u>
Current liabilities		
Current portion of loans from financial institution	5.0	10.0
Current portion of other loans and liabilities	5.9	5.8
	<u>10.9</u>	<u>15.8</u>
Short-term borrowings	32.0	32.0
	<u>42.9</u>	<u>47.8</u>

See Note 29 with respect to the contractual maturities of financial liabilities and the Group's exposure to interest rate risk. See also Note 8(b) with respect to lease liabilities.

Securing assets

As security for certain long-term bank loans and other long-term loans and liabilities, liens have been registered on certain assets, including the insurance rights in respect of such assets.

(b) Terms and repayment schedule

Terms and conditions of outstanding loans are as follows:

	December 31, 2025				
	<u>Currency</u>	<u>Effective interest (1)</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying Amount</u>
	<u>US \$ in millions</u>				
Long-term loans	US\$	6.7%(2)	2026-2030	46.5	46.5
Derivative instruments	US\$		2026-2034	11.6	11.6
Short-term credit from banks	US\$	4.8%	2026	32.0	32.0
				<u>90.1</u>	<u>90.1</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 Loans and other liabilities (cont'd)

	December 31, 2024				
	Currency	Effective interest (1)	Year of maturity	Face value	Carrying amount
				US \$ in millions	
Long-term loans	US\$	6.5%(2)	2025-2030	61.4	61.4
Long-term liabilities	US\$		2025-2034	14.3	14.3
Short-term credit from banks	US\$	5.3%	2025	32.0	32.0
				<u>107.7</u>	<u>107.7</u>

See also Note 8(b) with respect to lease liabilities.

- (1) The effective interest rate is the rate that discounts estimated future cash payments or receipts through the contractual life of the financial instrument to its net carrying amount, and it does not necessarily reflect the contractual interest rate.
- (2) Weighted average.

(c) Financial covenants

As of December 31, 2025, the Group complies with all of its covenants. According to these Consolidated Financial Statements, the Group's liquidity, as defined in the related agreements, amounts to US\$ 2,802 million (Minimum Liquidity required is US\$ 250 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 Loans and other liabilities (cont'd)

(d) Movement in liabilities deriving from financing activities

	Loans and other liabilities	Lease liabilities
Balance as at January 1, 2025	<u>107.7</u>	<u>5,922.3</u>
Changes related to financing cash flows:		
Repayment of borrowings and lease liabilities	(15.8)	(1,423.8)
Lease additions		311.1
Lease modifications		835.1
Other changes	(1.8)	3.4
Balance as at December 31, 2025	<u>90.1</u>	<u>5,648.1</u>
	Loans and other liabilities	Lease liabilities
Balance as at January 1, 2024	121.8	4,888.8
Changes related to financing cash flows:		
Repayment of borrowings and lease liabilities	(16.2)	(2,066.4)
Lease additions		3,020.0
Lease modifications		85.8
Other changes	2.1	(5.9)
Balance as at December 31, 2024	<u>107.7</u>	<u>5,922.3</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 Employee benefits**(a) Composition**

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Present value of obligations (see section (f) below)	62.3	56.4
Fair value of the plan assets (see section (f) below)	(29.7)	(27.3)
Recognized liability for defined benefit obligations	32.6	29.1
Termination benefit-liability for early retirement	11.6	3.1
Other long-term benefits	19.2	15.3
Total non-current	63.4	47.5
Presented as current liabilities:		
Liability for annual leave	10.9	10.9
Current portion of liability for early retirement	4.2	1.7
Total current (Note 15)	15.1	12.6
Total employee benefits	<u>78.5</u>	<u>60.1</u>

(b) Defined contribution pension plans

According to the Israeli Severance Pay Law - 1963, an employee who is dismissed, or who reaches the retirement age, is entitled to severance payments, in a sum equal, in essence, to $8\frac{1}{3}\%$ of his last monthly salary multiplied by the actual months of employment (hereinafter – “Severance Obligation”). With respect to some of its employees, the Group makes such payments replacing its full Severance Obligation regarding those employees and, therefore, treats those payments as if they were payments to a defined contribution pension plan. With respect to the remaining employees, the Group makes such payments replacing only $(6\%)/(8\frac{1}{3}\%)$ of the respective Severance Obligation. Therefore, the Company treats those payments as payments to a defined contribution pension plan and treats the remainder $(2\frac{1}{3}\%)/(8\frac{1}{3}\%)$ as payments to a defined benefit pension plan. The Group’s payments in respect of the above-mentioned, as well as in respect of other defined contribution plans, during the years ended December 31, 2025, 2024 and 2023, were US\$ 15.5 million, US\$ 13.1 million and US\$12.5 million, respectively.

(c) Defined benefit pension plans

- (i) The post-employment liability included in the statement of financial position represents the balance of liabilities not covered by deposits and/or insurance policies in accordance with the existing labour agreements, the Severance Pay Law and the salary components which Management believes entitle the employees to receipt of compensation. To cover their pension and severance liabilities, the Company and certain of its subsidiaries make regular deposits with recognized pension and severance pay funds in the employees’ names and purchase insurance policies.

The reserves in severance pay funds include accrued linkage differentials (for Israeli CPI), interest accrued and are deposited in banks and insurance companies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 Employee benefits (cont'd)**(c) Defined benefit pension plans (cont'd)**

- (ii) Group retirees receive, in addition to the pension payments, benefits which consist mainly of a periodical holiday gifts and reduced- cost vouchers. The Group's liability in respect of these benefits accumulates during the employees' service period. The contractual costs are in respect of the post-employment period, based on an actuarial calculation for existing retirees and for the serving employees entitled to this benefit according to their contractual retirement age.

(d) Other long-term employee benefits**(i) Provision for annual absence**

Under labour agreements, employees retiring on pension are entitled to certain compensation in respect of unutilised annual absence. The provision was measured based on actuarial calculations. The actuarial assumptions applied include those noted in section (g) below, as well as assumptions based on the Group's experience according to the likelihood of payment of annual absence pay at retirement age.

(ii) Company participation in education fees for children of employees studying in higher educational institutions

Under the labour agreement, employees are entitled to the participation of the Company in education fees for their children. The provision was measured based on actuarial calculations, by applying actuarial assumptions included in section (g) below, as well as assumptions based on the Company's experience according to the likelihood of payment of educational fees.

(e) Benefits in respect of voluntary early retirement

According to agreements reached with certain employees who retired early, these employees are entitled to a pension from the Group until they reach regular retirement age. A provision, computed based on the present value of the early retirement payments, is included in the Consolidated Statement of Financial Position.

(f) Movement in the present value of the defined benefit pension plans obligation and assets

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Defined benefit obligation at January 1	56.4	54.1
Benefits paid by the plan	(4.9)	(4.0)
Service cost and interest incurred	6.0	4.9
Foreign currency exchange changes	6.0	(1.3)
Actuarial losses recognized in other comprehensive income	(1.2)	2.7
Defined benefit obligation at December 31	<u>62.3</u>	<u>56.4</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 Employee benefits (cont'd)**(f) Movement in the present value of the defined benefit pension plans obligation and assets (cont'd)**

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Fair value of plan assets at January 1	27.3	27.1
Contribution paid by the Group	1.2	0.9
Benefits paid by the plan	(2.8)	(2.2)
Return on plan assets	1.5	1.2
Foreign currency exchange changes	2.1	(0.7)
Actuarial gain recognized in other comprehensive income	0.4	1.0
Fair value of plan assets at December 31	<u>29.7</u>	<u>27.3</u>

Plan assets composition

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Equity instruments	9.0	8.7
Debt instruments	15.0	13.0
Cash and deposits	2.3	2.5
Other	3.4	3.1
	<u>29.7</u>	<u>27.3</u>

(g) Actuarial assumptions

The main actuarial assumptions at the reporting date are detailed below:

- (i) Annual resignation and dismissal rates were determined on the basis of the past experience of the Group.
- (ii) Assumptions regarding future benefits growth were made based on the Group's experience and management's assessments.
- (iii) Assumptions regarding future mortality are based on published statistics and mortality tables.
- (iv) The relevant discount rates in 2025, 2024 and 2023 ranged between 4.1%-5.1%, 3.2%-5.7%, and 3.7%-6.0%, respectively.
- (v) The overall long-term annual rate of return on assets applied in 2025, 2024 and 2023 ranged between 4.1%-5.4%, 3.2%-5.6% and 3.7%-5.7%, respectively. The long-term annual rate of return addresses the portfolio as a whole, based exclusively on historical returns, without adjustments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 Employee benefits (cont'd)

- (h) As at December 31, 2025, the weighted average duration of the defined benefit plans obligation was 8.7 years (as at December 31, 2024 - 9 years). In 2026, the Group expects to pay approximately US\$ 1.1 million in contributions to the funded defined benefit pension plan.
- (i) The Company's Board of Directors approved compensation plans for the Group's employees and management (the "Plans"), payable as cash bonuses, in respect of each of the years 2025, 2024 and 2023. The payment of cash bonuses under the Plans was subject to the satisfaction of certain pre-conditions, such as profitability and minimum EBITDA, while the actual bonus payable to each participant under the Plans is based on each participant's meeting of certain key performance indicators (determined based on the overall performance of the Group and the individual performance of each participant). The accrual for bonuses is presented within the current liabilities.
- (j) In 2020, the Company's Board of Directors approved the adoption of the 2020 share incentive plan, pursuant to which the Company may grant share-based awards. The Company's Board of directors further approved the reservation of ordinary shares of the Company, which shall be available for issuance under its Share Option Plans, in a maximal aggregated amount of 4,200,000 ordinary shares.

In respect of options to purchase ordinary shares, granted further to the above-mentioned plans, see Note 12(c).

15 Trade and other payables

	<u>2025</u>	<u>2024</u>
	<u>US \$ in millions</u>	
Trade payables	467.1	508.3
Other payables		
Salaries and related payables	34.3	77.9
Provision for annual leave and early retirement (see Note 14(a))	15.1	12.6
Government institutions	22.9	19.7
Accrued interest	5.0	5.0
Accrued expenses	51.8	41.6
Advances from customers and others	14.3	11.2
Payables and other credit balances	25.9	59.9
	<u>169.3</u>	<u>227.9</u>
	<u>636.4</u>	<u>736.2</u>

All of the trade and other payables are contractual to be settled within one year or are repayable on demand.

The Group's exposure to currency, liquidity and market risks related to trade and other payables is disclosed in Note 29.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16 Provisions

Provisions are mostly recorded in respect of legal matters and insurance claims.

	2025
	US \$ in millions
Balance at the beginning of the year	96.6
Provisions added during the year	55.6
Provisions utilized during the year	(12.7)
Provisions reversed during the year	(21.1)
Balance at the end of the year	<u>118.4</u>

Legal matters

For legal matters addressed against the Group, see Note 27.

Claims covered by insurance

Claims covered by insurance represent mainly claims for damage to customers' cargo that was shipped at the responsibility of the Group. The Group has agreements with insurance companies that indemnify it in respect of such damages (other than the deductible amounts provided in the insurance agreements). Regarding insurance recoveries that were recognized in respect thereto, see Note 9.

17 Income from voyages and related services

Revenues generated throughout the Group's global network, are disaggregated as follows:

	2025	2024	2023
	US \$ in millions		
Freight revenues from containerized cargo:			
Pacific	2,921.0	3,920.1	1,779.1
Cross-Suez	563.9	864.5	491.3
Atlantic	665.0	687.8	636.3
Intra-Asia	747.1	762.9	616.6
Latin America	784.0	845.8	425.0
	<u>5,681.0</u>	<u>7,081.1</u>	<u>3,948.3</u>
Freight revenues from non-containerized cargo (mostly related to vehicle shipping services)	397.9	497.0	534.5
Other revenues (*)	825.3	849.3	679.4
	<u>6,904.2</u>	<u>8,427.4</u>	<u>5,162.2</u>

(*) Mainly demurrage, related services and other value-added services.

See also Notes 3(k) and 3(n).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 Operating expenses and cost of services

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Wages, maintenance and other vessel operating costs	45.5	37.3	31.8
Expenses relating to fleet equipment (mainly containers and chassis)	37.0	37.3	31.5
Bunker and lubricants	1,146.7	1,286.0	1,098.8
Insurance	30.5	34.5	21.5
Expenses related to cargo handling	2,102.1	2,013.1	1,671.4
Port expenses	508.9	461.8	500.7
Agents' salaries and commissions	250.5	251.7	209.5
Cost of related services and sundry	212.5	285.2	216.9
Slots purchase and hire of vessels	90.5	74.4	79.4
Hire of containers	36.6	31.9	23.6
	<u>4,460.8</u>	<u>4,513.2</u>	<u>3,885.1</u>

19 Other operating income

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Capital gains, net	37.6	43.9	10.9
Sundry	5.8	2.7	3.5
	<u>43.4</u>	<u>46.6</u>	<u>14.4</u>

20 Other operating expenses

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Impairment loss (see Note 7)			28.5
Sundry	1.5	0.8	0.8
	<u>1.5</u>	<u>0.8</u>	<u>29.3</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 General and administrative expenses

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Salaries and related expenses	223.5	211.2	185.5
Office equipment and maintenance	35.7	28.5	25.2
Depreciation and amortization	26.6	12.3	22.0
Consulting, legal fees and insurance	23.7	16.7	19.8
Advertising expenses	7.7	7.2	8.0
Travel and vehicle expenses	4.0	3.7	3.8
Other	15.1	16.5	16.4
	<u>336.3</u>	<u>296.1</u>	<u>280.7</u>

22 Personnel expenses

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Salaries, commissions and related expenses included in:			
Operating expenses and cost of services	300.1	285.6	242.8
General and administrative	223.5	211.2	185.5
	<u>523.6</u>	<u>496.8</u>	<u>428.3</u>

23 Depreciation and amortization expenses

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Cost of voyages and related services:			
Depreciation	1,259.5	1,130.2	1,449.8
General and administrative	26.6	12.3	22.0
	<u>1,286.1</u>	<u>1,142.5</u>	<u>1,471.8</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 Finance income and expenses**(a) Finance income**

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Interest income on debt instruments measured at amortized cost	58.0	52.5	64.2
Interest income on debt instruments at fair value through other comprehensive income	74.1	67.9	78.0
Profits reclassified to profit or loss on derecognition of debt instruments at fair value through other comprehensive income	1.0		
Net foreign currency exchange rate differences		28.8	
	<u>133.1</u>	<u>149.2</u>	<u>142.2</u>

(b) Finance expenses

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Interest expenses	475.1	467.7	380.8
Adjustments to financial liabilities in respect of cashflows and repayments (*)			46.0
Losses reclassified to profit or loss on derecognition of debt instruments at fair value through other comprehensive income		0.7	13.6
Net foreign currency exchange rate differences	11.9		1.2
Impairment losses on trade and other receivables	3.6	3.1	5.1
	<u>490.6</u>	<u>471.5</u>	<u>446.7</u>

(*) In 2023, further to an expiration of related repurchase options, the Company concluded that certain vessels, which were previously subject to a sale and lease back transaction accounted as a secured borrowing, will be redelivered on lease maturity. Accordingly, the Company recorded US\$ 46 million as a financial expense for remeasurement of the related liability (and US\$ 21 million as a capital loss for derecognizing such liability and the related vessels, all with no cash impact).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 Income taxes**(a) Measurement of results for tax purposes**

The Company measures its results for tax purposes in United States dollar, as stipulated by the relevant regulations. The Company and its Israeli subsidiaries are taxed under the Israeli Income Tax ordinance – 1961, for which the relevant tax rate during the years 2023-2025 is 23%.

Non-Israeli subsidiaries are taxed under the laws in their countries of residence.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. The legislation became effective for the Group's financial year beginning January 1, 2024. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. This assessment is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities of the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. Although, there is a limited number of jurisdictions where the Transitional Safe Harbour relief does not apply, the Group does not expect any material potential exposure to Pillar Two Top-Up Taxes, given the status of Pillar Two legislation adoption in the jurisdictions in which the group operates.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Current tax expenses			
Current year	27.2	31.2	26.0
Taxes in respect of previous years	(1.8)	0.7	2.5
	<u>25.4</u>	<u>31.9</u>	<u>28.5</u>
Deferred tax expenses			
Origination and reversal of temporary differences	151.6	19.3	(156.1)
Total income taxes in income statements	<u>177.0</u>	<u>51.2</u>	<u>(127.6)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 Income taxes (Cont'd)

(b) Reconciliation of effective tax rate

The reconciliation is based on the Company's domestic tax rate.

	2025	2024	2023
	US \$ in millions		
Profit (loss) for the year	481.5	2,153.8	(2,687.9)
Income taxes	177.0	51.2	(127.6)
Profit (loss) excluding income taxes	658.5	2,205.0	(2,815.5)
Income tax using the domestic corporation tax rate	151.4	507.2	(647.6)
Current year losses and other temporary differences for which no deferred tax asset was recognized	2.4		488.7
Utilization of carried forward tax losses for which no deferred tax assets were recognized		(471.0)	
Effect of tax rates in foreign jurisdictions	5.6	9.2	7.4
Non-deductible expenses	3.5	0.2	5.8
Effect of different tax rates on specific gains	14.8	5.7	15.2
Effect of share of profits (losses) of associates	0.6	(0.5)	1.8
Other	(1.3)	0.4	1.1
	177.0	51.2	(127.6)

(c) Deferred tax assets and liabilities

(i) Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	US \$ in millions					
Fixed assets (including right of use assets) (*)			(799.9)	(591.7)	(799.9)	(591.7)
Financial instruments and lease liabilities	533.4	549.4			533.4	549.4
Employee benefits	18.7	13.4			18.7	13.4
Tax losses carry-forwards	58.3	0.5			58.3	0.5
Other items	12.5	8.3			12.5	8.3
Net deferred tax assets (liabilities)	622.9	571.6	(799.9)	(591.7)	(177.0)	(20.1)
Net deferred tax assets recognized in the statement of the financial position					9.2	7.5
Net deferred tax liabilities recognized in the statement of the financial position					(186.2)	(27.6)
					(177.0)	(20.1)

(*) In accordance with Israeli Income Tax Regulations, the Group is entitled to deduct depreciation for vessels and related equipment at a higher rate than recorded in its financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 Income taxes (Cont'd)

(ii) Unrecognized deferred tax assets

On December 31, 2025 the group had carry forward tax losses in the amount of US\$ 345 million (2024: US\$ 89 million, 2023: US\$ 1,003 million).

Deferred tax assets in the amount of US\$ 22 million at December 31, 2025 (2024: US\$ 20 million, 2023: US\$ 483 million) have not been recognized in respect of the tax losses and other temporary differences, since it is not probable that future taxable profits will be available against which the Group can utilize the benefits therefrom. Under existing Israeli tax laws, there is no time limit for utilizing tax losses.

(d) Movement in deferred tax assets and liabilities during the year

	<u>Fixed assets (including right of use assets)</u>	<u>Financial Instruments and lease liabilities</u>	<u>Employee benefits</u>	<u>Accumulated tax losses</u>	<u>Other items</u>	<u>Total</u>
	US \$ in millions					
Balance at January 1, 2025	(591.7)	549.4	13.4	0.5	8.3	(20.1)
Recognized in profit or loss	(208.1)	(11.3)	5.3	57.8	4.8	(151.5)
Recognized in other comprehensive income	(0.1)	(4.7)			(0.6)	(5.4)
Balance at December 31, 2025	<u>(799.9)</u>	<u>533.4</u>	<u>18.7</u>	<u>58.3</u>	<u>12.5</u>	<u>(177.0)</u>
	<u>Fixed assets (including right of use assets)</u>	<u>Financial Instruments and lease liabilities</u>	<u>Employee benefits</u>	<u>Accumulated tax losses</u>	<u>Other items</u>	<u>Total</u>
	US \$ in millions					
Balance at January 1, 2024	(428.9)	405.0	13.4	0.4	6.6	(3.5)
Recognized in profit or loss	(162.8)	141.5	0.3	0.1	1.6	(19.3)
Recognized in other comprehensive income		2.9	(0.3)		0.1	2.7
Balance at December 31, 2024	<u>(591.7)</u>	<u>549.4</u>	<u>13.4</u>	<u>0.5</u>	<u>8.3</u>	<u>(20.1)</u>

(e) Tax assessments

The tax assessments of the Company through (and including) the year 2020 are considered to be final.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26 Commitments

Commitments are mainly in respect of committed future leases, purchase obligations, short-term leases and other service arrangements (all mainly denominated in United States dollar).

As at December 31, 2025, the projected future payments are as follows:

	US \$ in millions
2026	340.2
2027	395.4
2028	740.9
2029	785.4
2030 and thereafter	3,300.0
	<u>5,561.9</u>

The above schedule includes the Group's commitments in respect of the following agreements:

- (a) 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, secures the supply of LNG for the Company's ten 15,000 TEU LNG-fueled vessels.
- (b) In September 2024, the Company entered into a second long-term agreement with Shell NA LNG, LLC to secure the supply of marine liquefied natural gas (LNG) for some of its 8,000 TEU LNG-fueled vessels, for a period of up to ten years commencing 2025.
- (c) In November 2024, the Company entered into an agreement for the charter of four new-build 8,000 TEU scrubber-fitted container vessels, for periods ranging between five to seven years, scheduled to be delivered during the second half of 2026 and the first half of 2027.
- (d) In respect of additional charter agreements the Company entered into during 2025, see also Note 1(ii)(c).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27 Contingencies

- (a) The Group is involved in a number of legal matters, including applications to approve the filing of class actions, some of which may involve significant amounts. The developments and/or resolutions in some of such matters, including through either negotiations or litigation, are subject to a high level of uncertainty that cannot be reliably quantified at the reporting date.

In addition, regulators in certain jurisdictions have become more active in their regulatory oversight over our industry by, among others, increased audit activities and introduction of new regulation relating to the contractual relations between carriers and their customers. In the U.S., the Ocean Shipping Reform Act of 2022 (OSRA) mandated a series of rulemaking projects by the Federal Maritime Commission (FMC) and in February 2023, the FMC published a final rule that prohibits the collection of detention and demurrage charges from U.S. truckers and consignees on import. Recent ruling by a U.S. Federal Court of Appeals upheld the validity of collection by ocean carriers of detention and demurrage charges from U.S. truckers.

- (b) As at December 31, 2025, the aggregated exposure in excess of provision amounts recorded by the Group with respect to legal matters, excluding those disclosed below, as well as excluding claims in the ordinary course of business, which are covered by insurance, is estimated at approximately US\$ 10 million.

In addition, within the ordinary course of business, the Company and its subsidiaries provided guaranties, which as at December 31, 2025 amounted to approximately US\$ 46 million.

- (c) During 2017, the Company was served, together with another defendant, with an application to the Central District Court in Israel to approve the filing of class action in Israel, related to alleged breaches of competition laws in respect of carriage of vehicles from South-East Asia to Israel. The applicants estimated the total damage caused to the class of plaintiffs at a total of NIS 403 million (approximately US\$ 126 million) based on an expert opinion attached to the application, although it may not necessarily be correct and/or relevant to the Company. Management, based on legal advice, believes that it has good defense arguments for dismissing the application of the claim to be approved as a class action and it is more likely than not that such application will be dismissed.
- (d) During 2017, in one jurisdiction, courts ruled against shipping agencies operating in this jurisdiction in respect of alleged overcharging of local charges from customers, including a subsidiary of the Company. The shipping agencies in that jurisdiction (including the subsidiary) have appealed to the local Supreme Court against this ruling. The shipping agencies are conducting negotiations to achieve an out of court settlement.
- (e) During 2020, in a certain jurisdiction, a claim was filed against the Company, together with other carriers operating in that jurisdiction, regarding competition and commercial issues. The involved carriers jointly responded to the claim, as well as filed a motion for its dismissal which was later denied. Subsequently, the involved carriers have filed a motion for leave to file an appeal, while the hearing of this matter is progressing.
- (f) During 2020, in a certain jurisdiction, the Company was served with a demand letter alleging the use by the Company of confiscated property in another jurisdiction for which the potential plaintiffs are allegedly entitled to compensation. Management, based on legal advice, believes it is more likely than not that this matter, if materialized to an asserted claim, will be rejected.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27 Contingencies (Cont'd)

- (g) In January 2022, an industry-related investigation involving a subsidiary of the Company was initiated in a certain jurisdiction. Since then, there were no significant updates relating to this matter.
- (h) 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. In April 2025, the FMC provided its decision on this matter according to which the Company is required to compensate the customer in an amount of approximately US\$ 4 million. The Company and the customer each filed an appeal on this decision.
- (i) 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. In October 2025, the Company and the regulator reached a settlement on this matter.
- (j) In June 2023, a local court accepted an appeal on the decision to exclude a subsidiary of the Company from an industry-related competition law investigation, initiated in 2020. In September 2025, the Company's subsidiary was informed that the investigation was concluded without any finding of violation on its part.
- (k) In December 2023, in one jurisdiction, the Company's wholly owned subsidiary was approached by the local customs authorities with a request to provide information regarding voyages of the Company's vessels to that jurisdiction, which included carriage of military cargo, in order to ascertain if the Company had all the necessary permits to carry such cargo to, through, and from that jurisdiction. Simultaneously at that jurisdiction, a criminal complaint was filed against the Company, coupled with a request to appoint an investigating judge to investigate an alleged violation of local law by the Company by virtue of the Company arriving to that jurisdiction with military cargo on board. At this stage, based on the opinion of the Company's legal advisors, the outcome of these proceedings cannot be assessed.
- (l) During the third quarter of 2024, the Company was approached by the Federal Maritime Commission (FMC), requesting the Company to provide certain information regarding its demurrage and detention practices vis-à-vis a number of its customers during the period of 2023 and 2024. In June 2025, the Company received a notice of proposed fine of US\$ 10 million from the FMC, which is primarily related to the Company's cargo hold practices that are based on the wording of the contracts with its customers. The Company is currently reviewing with its counsel the notice received. The Company believes that it has good arguments against the imposition of fine on the Company and against the amount proposed to be imposed with respect to this matter.
- (m) In December 2025, a labor dispute was declared by the employees' unions of the Company at the head office, in respect of the potential involvement of the Company in a merger transaction. Subsequently, following the announcement of the signing of a merger agreement between the Company and Hapag Llyod on February 16, 2026, the employees' union intensified its measures in opposition to the merger transaction, and commenced strike measures that interrupted with the orderly operations of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27 Contingencies (Cont'd)

- (n) In February 2026, a subsidiary of the Company was notified that a certain third-party entity, which the subsidiary previously appointed as its representative, may have breached certain local regulations. The Company is reviewing this matter with its legal advisors.
- (o) The matters mentioned in sections (d), (e), (g), (k), (l) and (m) above do not include a specific claimed amount, and/or, based on the Group's legal advisors, the outcome of which, if any, can't be assessed at this preliminary stage.

Those matters, based on their alleged claims, regardless of their validity and merits, may each result in a potential exposure of tens of millions of US dollars. However, the developments and/or resolutions in such matters, including through either negotiations or litigation, are subject to significant level of uncertainty that cannot be reliably quantified at the reporting date.

- (p) Based on legal advice and management estimation, the Group included a provision in its financial statements in respect of amounts it is more likely than not to bear. Regarding the provision recognized in respect of legal matters, including insurance claims - see Note 16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28 Related parties

The Group's transactions with related parties as detailed below are mainly comprised of compensation to directors and key-management personnel, transactions with associates and transactions with entities which were controlled by or under joint control of those which retained significant influence over the Company during all or part of the reported periods.

In December 2024, Kenon Holding Ltd., which held approximately 21% of the Company's shares as at January 1, 2024, announced that it had disposed all of its shareholding in the Company. Further to such disposal, Kenon Holding Ltd. and its related entities ceased to be related parties of the Group.

(a) Associates:**(i) Transactions:**

	<u>Note</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
		<u>US \$ in millions</u>		
Other operating income	19	—	0.1	0.2
Operating expenses and cost of services	18	3.4	4.0	3.4
Finance income	24(a)	0.7	0.3	0.2

(ii) Balances:

	<u>Note</u>	<u>2025</u>	<u>2024</u>
		<u>US \$ in millions</u>	
Trade and other receivables	9	25.4	17.4
Trade and other payables	15	0.5	0.4

(b) Key management personnel (*):

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Short-term employee benefits	5.5	5.6	3.7
Share-based compensation	0.9	2.1	4.0
Long-term employee benefits	0.5	0.5	0.4

(*) See also Notes 12(c), 14(i) and 14(j).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28 Related parties (cont'd)**(c) Other related parties (excluding those detailed in (a)-(b) above)****(i) Transactions:**

	<u>Note</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
		<u>US \$ in millions</u>		
Income from voyages and related services	17	13.2	5.1	
Finance expenses (*)	24(b)	19.0	4.3	

(ii) Transactions with directors:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	<u>US \$ in millions</u>		
Directors' fees	1.1	1.0	1.0
Share-based compensation	0.2	0.4	1.0

(iii) Balances:

	<u>Note</u>	<u>2025</u>	<u>2024</u>
		<u>US \$ in millions</u>	
Trade and other receivables	9	1.4	
Trade and other payables	15	0.1	0.3
Lease liabilities (*)	8	261.2	

(*) As at December 31, 2025, the Company's financial statements include lease liabilities in the amount of US\$ 227 million in respect of vessel charter arrangements with entities that were classified as related parties at the time of engagement. During the years ended December 31, 2025 and 2024, the Group paid (principal and interest) amounts of US\$ 53 million and US\$ 128 million, respectively, in connection with these lease liabilities.

(d) Transactions with related parties were carried out in common market terms in the ordinary course of business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Financial risks management**Overview**

The Group has exposure to the following risks, related to financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This Note presents information regarding the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing such risks, as well as the Group's management of its capital. Further quantitative disclosures are included throughout the Financial Statements.

The CFO has overall responsibility for the establishment and oversight of the Group's risk management framework. The Company's Board of Directors has appointed the Audit Committee to oversight, among other issues, certain financial reporting aspects of the Group's activities and monitoring the Group's hedging policies. The Company's Chief Executive Officer also appointed an Investment Committee to monitor the Company's investing activities and compliance with its investment policy. The Investment Committee, chaired by the Company's Chief Executive Officer, provides periodical updates to the Company's Audit Committee and Board of Directors on its activities.

(a) Financial risks**(1) Credit risk****Trade and other receivables**

The Group's exposure to credit risk is influenced by the individual characteristics of each significant customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has also an influence on credit risk.

The income of the Group is derived from voyages and services in different countries worldwide. The exposure to a concentration of credit risk with respect to trade receivables is limited due to the relatively large number of customers, wide geographic spread and the ability in some cases to auction the contents of the container, the value of which is most likely to be greater than the customer's debt for the services provided with respect to such container.

The Group has established a credit policy under which each new credit customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes financial analysis from external sources, to the extent available. Credit limits are established for each customer, representing its maximum outstanding balance, available upon approval by the relevant level of authorization. These limits are reviewed periodically, at least once a year. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a cash basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Financial risk management (cont'd)**(a) Financial risks (cont'd)****(1) Credit risk (cont'd)**

Most of the Group's customers have been transacting with the Group for a few years and losses have occurred infrequently. Trade and other receivables relate mainly to the Group's wholesale customers. Customers that are graded as "high risk" are placed on a restricted customer list and future sales are made on a cash basis, unless otherwise approved by the credit committee. In some cases, based on their robustness, customers are requested to provide guarantees. Provisions for doubtful debts are made to reflect the expected credit losses related to debts whose collection is doubtful per management's estimation (see also Note 24(b)).

The carrying amount of financial assets represents the maximum credit exposure.

As at December 31, 2025 credit to customers in the amount of approximately US\$ 169 million is guaranteed by credit insurance.

Investments

In 2021, the Company adopted a new investment policy in respect of its cash reserves, mainly comprised of investments in time deposits, fixed income instruments and liquidity funds, all of which denominated in US dollar, aiming to achieve diversification, while maintaining conservative credit risk and capital preservation. According to such policy, the Company invests in Investment-Grade rated debt instruments, based on leading credit rating agencies. As of December 31, 2025, the weighted average duration of the Company's investments in debt instruments was 1.5 years. The Company's investment committee meets, at least on a quarterly basis, to review the performance of the portfolio managers, discuss market trends and investment outlook, while ensuring compliance with the Company's investment policy.

Cash and cash equivalents and bank deposits – Deposits and cash balances at banks are primarily held at banks with a credit rating of at least BBB.

Other investment instruments - Carrying amount by credit rating:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>US \$ in millions</u>	
AA- to AAA	551.0	765.4
A- to A+	562.7	566.7
BBB- to BBB+	464.7	375.7
Total Outstanding	<u>1,578.4</u>	<u>1,707.8</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Financial risk management (cont'd)

(a) Financial risks (cont'd)

(2) Liquidity risk

The Group monitors its level of cash and highly marketable investments to ensure sufficient liquidity to meet its obligations and expected needs, considering the Group's short-term and long-term plans and forecasts.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

		December 31, 2025					
		Carrying amount	Contractual cash flows	0-1 years	1-2 years	2-5 years	More than 5 years
Note	US \$ in millions						
Non-derivative financial liabilities							
Long-term loans and other liabilities	13(b)	46.5	53.0	12.4	7.0	33.6	
Lease liabilities	8(b)	5,648.1	7,479.8	1,501.7	1,213.4	2,349.4	2,415.3
Short-term borrowings	13(b)	32.0	32.0	32.0			
Trade and other payables	15	579.0	579.0	579.0			
		<u>6,305.6</u>	<u>8,143.8</u>	<u>2,125.1</u>	<u>1,220.4</u>	<u>2,383.0</u>	<u>2,415.3</u>
		December 31, 2024					
		Carrying amount	Contractual cash flows	0-1 years	1-2 years	2-5 years	More than 5 years
Note	US \$ in millions						
Non-derivative financial liabilities							
Long-term loans and other liabilities	13(b)	61.4	71.8	18.5	12.5	20.9	19.9
Lease liabilities	8(b)	5,922.3	7,909.9	1,751.8	1,325.9	2,274.7	2,557.5
Short-term borrowings	13(b)	32.0	32.0	32.0			
Trade and other payables	15	694.7	694.7	694.7			
		<u>6,710.4</u>	<u>8,708.4</u>	<u>2,497.0</u>	<u>1,338.4</u>	<u>2,295.6</u>	<u>2,577.4</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Financial risk management (cont'd)

(a) Financial risks (cont'd)

(3) Market risk

(i) Currency risk

The Group is exposed to currency risk on purchases, receivables and payables where they are denominated in a currency other than the United States dollar.

The Group's exposure to foreign currency risk was as follows based on notional amounts:

	December 31, 2025		
	US\$	NIS	Others
	US \$ in millions	US \$ in millions	US \$ in millions
Non-current assets			
Other receivables	132.6	0.3	4.1
Other non-current investments	1,048.7	1.5	1.5
Current assets			
Other current investments	726.0		9.1
Trade and other receivables	479.0	18.7	111.6
Cash and cash equivalents	1,012.5	7.1	32.1
Non-current liabilities			
Loans and other liabilities	(35.6)		
Lease liabilities	(4,483.5)	(37.8)	(30.3)
Current liabilities			
Short term borrowings and current maturities	(42.9)		
Lease liabilities	(1,078.3)	(8.7)	(9.5)
Trade and other payables	(465.1)	(46.8)	(75.9)
	<u>(2,706.6)</u>	<u>(65.7)</u>	<u>42.7</u>
	December 31, 2024		
	US\$	NIS	Others
	US \$ in millions	US \$ in millions	US \$ in millions
Non-current assets			
Other receivables	58.0		3.0
Other non-current investments	1,078.4	1.2	1.3
Current assets			
Other current investments	782.4		18.0
Trade and other receivables	786.3	8.6	74.2
Cash and cash equivalents	1,241.3	10.1	63.3
Non-current liabilities			
Loans and other liabilities	(45.6)		
Lease liabilities	(4,542.1)	(36.2)	(22.3)
Current liabilities			
Short term borrowings and current maturities	(47.7)		(0.1)
Lease liabilities	(1,307.9)	(6.9)	(6.9)
Trade and other payables	(575.1)	(59.8)	(64.6)
	<u>(2,572.0)</u>	<u>(83.0)</u>	<u>65.9</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Financial risk management (cont'd)

(a) Financial risks (cont'd)

(3) Market risk (cont'd)

(i) Currency risk (cont'd)

Sensitivity analysis

A 10% appreciation of the United States dollar against NIS at December 31 would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis has been performed on the same basis for 2025 and 2024.

	Profit or loss US \$ in millions
December 31,2025	6.8
December 31,2024	8.3

A 10% devaluation of the United States dollar against the NIS on December 31 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	2025	2024
	US \$ in millions	US \$ in millions
Fixed rate instruments (Unlinked)		
Financial assets	2,835.8	3,189.3
Financial liabilities (including lease liabilities)	(5,667.0)	(5,940.5)
	<u>(2,831.2)</u>	<u>(2,751.2)</u>
Variable rate instruments		
Financial assets		3.7
Financial liabilities	(59.5)	(75.2)
	<u>(59.5)</u>	<u>(71.5)</u>

Fair value sensitivity analysis for fixed rate instruments

Fixed rate instruments accounted by the group at fair value through profit or loss are at immaterial amounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Financial risk management (cont'd)**(a) Financial risks (cont'd)****(3) Market risk (cont'd)****(ii) Interest rate risk (cont'd)****Cash flow sensitivity analysis for variable rate instruments**

A 10% change in variable interest rates at the reporting date would not have significant influence over the Company's equity and profit or loss (assuming that all other variables, in particular foreign currency rates, remain constant).

(b) Fair value**(1) Financial instruments not measured at fair value**

The carrying amounts of certain financial assets and liabilities, including cash and cash equivalents, trade and other receivables, bank deposits and other financial assets at amortized cost, trade and other payables and loans and other liabilities, reflect reasonable approximation of their fair value.

(2) Financial instruments measured at fair value

When measuring the fair value of an asset or a liability, the Company uses market observable data to the extent applicable. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3: inputs that are not based on observable market data (unobservable inputs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Financial risk management (cont'd)

(b) Fair value (cont'd)

(3) Financial instruments measured at fair value

	Balance at December 31,					
	2025			2024		
	US \$ in millions					
	Level 1	Level 3	Total	Level 1	Level 3	Total
Fair value through profit and loss						
Cash and cash equivalents:						
Money markets instruments	471.4		471.4	616.8		616.8
Other investments:						
Equity instruments		21.7	21.7		13.2	13.2
Loans and other liabilities:						
Derivative instruments		(12.4)	(12.4)		(16.9)	(16.9)
Fair value through other comprehensive income						
Other investments:						
Sovereign bonds	384.1		384.1	546.0		546.0
Corporate bonds	1,194.3		1,194.3	1,161.8		1,161.8
Equity instruments	3.0		3.0	1.7		1.7

Description of Securities

The following is a summary of the material terms of our securities registered under Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act"). All references to the "Company," "we," "us," "our" and "ZIM" refer to ZIM Integrated Shipping Services Ltd. Our Ordinary Shares, no par value (the "Ordinary Shares") are the only type and class of securities of the Company that are registered under Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended. We are incorporated as a limited liability company under the laws of the State of Israel.

Type and Class of Securities

Our Ordinary Shares are listed on the New York Stock Exchange under the symbol "ZIM". Our authorized share capital consists of 350,000,001 Ordinary Shares, no par value, of which 120,465,908 Ordinary Shares were issued and outstanding as of December 31, 2025, and as of March 1, 2026. All of our outstanding Ordinary Shares have been validly issued, fully paid and are non-assessable. Our Ordinary Shares are not redeemable and do not have any preemptive rights.

Rights of our Ordinary Shares

The following description of our share capital and provisions of our articles of association are summaries and are qualified in their entirety by reference to the full text of the articles of association, which was filed as Exhibit 1.1 to the Company's 2022 Annual Report on Form 20-F filed with the Securities and Exchange Commission on March 13, 2023.

Dividend and Liquidation Rights

We may declare a dividend to be paid to the holders of our Ordinary Shares in proportion to their respective shareholdings. In accordance with the Israeli Companies Law 5759-1999, or the "Companies Law", and our articles of association, dividend distributions are determined by the board of directors and do not require the approval of the shareholders of a company.

Pursuant to the Companies Law, the distribution amount is limited to the greater of retained earnings or earnings generated over the previous two years, according to our then last reviewed or audited financial statements, provided that the date of the financial statements is not more than six months prior to the date of the distribution, or the "Profit Test", or we may distribute dividends that do not meet the Profit Test with court approval. In each case, we are only permitted to distribute a dividend if our Board of Directors determines that there is no reasonable concern that payment of the dividend will prevent us from satisfying our existing and foreseeable obligations as they become due. Pursuant to an amendment to the Companies Regulations (Reliefs for Companies whose Securities are Traded Outside of Israel), 2000, approved in March 2024, or the or the "Reliefs Regulations" we may conduct a distribution by means of a share buyback that does not meet the Profit Test, without requiring the court's approval, if several conditions are met.

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of our Ordinary Shares in proportion to their shareholdings. This right, as well as the right to receive dividends, may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights that may be authorized in the future.

Voting Rights

Pursuant to our articles of association, holders of our Ordinary Shares have one vote for each Ordinary Share held on all matters submitted to a vote before the shareholders at a general meeting. Our Ordinary Shares do not have cumulative voting rights for the election of directors.

Quorum

The necessary quorum for a general meeting of shareholders consists of two shareholders who together represent at least thirty-three and a third percent of the voting rights of our Ordinary Shares entitled to vote at the meeting, present in person or by proxy within half an hour from the time determined for the opening of the general meeting. A meeting adjourned for lack of a quorum is generally adjourned to the same day in the following week at the same time and place or to a later time or date, if so specified in the notice of the meeting. At the reconvened meeting, any single shareholder present in person or by proxy shall constitute a lawful quorum.

Shareholders' Meeting and Resolutions

Our articles of association provide that all resolutions of our shareholders require a simple majority vote, unless otherwise required by the Companies Law or by our articles of association. Under the Companies Law, certain actions require a special majority, including: (i) the approval of an extraordinary transaction with a controlling shareholder or with another person in which the controlling shareholder has a personal interest, (ii) the terms of employment or other engagement of a controlling shareholder of the company or a controlling shareholder's relative (even if such terms are not extraordinary), and (iii) approval of certain compensation-related matters.

Under the Companies law, we are required to hold an annual general meeting of our shareholders once every calendar year that must be held no later than 15 months after the date of the previous annual general meeting. All meetings other than the annual general meeting of shareholders are referred to in our articles of association as extraordinary general meetings. Our Board of Directors may call extraordinary general meetings whenever it sees fit, at such time and place, within or outside of Israel, as it may determine. In addition, the Companies Law provides that our Board of Directors is required to convene an extraordinary general meeting upon the written request of (i) any two of our directors or one-quarter of the members of our Board of Directors or (ii) one or more shareholders holding, in the aggregate, either (a) 5% or more of our outstanding issued shares and 1% of our outstanding voting power or (b) 5% or more of our outstanding voting power. One or more shareholder holding at least 1% of the voting rights in the general meeting is entitled to request the company's Board of Directors to include a proposal on the agenda of a general meeting, provided that the proposal is appropriate to be discussed at a general meeting. Regulations promulgated under the Companies Law provide that such a request may be provided within three to seven days following the convening of the general meeting depending on the item. Pursuant to an amendment to the Reliefs Regulations, which applies to us, a shareholder who wishes to add an item to the agenda of a general meeting which entails the proposal of a candidate to serve as a director on the board of directors, may do so if such shareholders holds 5% or more of our voting rights (instead of 1%).

Subject to the provisions of the Companies Law and the regulations promulgated thereunder, shareholders entitled to participate and vote at general meetings are the shareholders of record on a date to be decided by the Board of Directors, which may be between four and 40 days prior to the date of the meeting (or 60 days prior to the date of the meeting pursuant to an amendment to the Reliefs Regulations, which applies to us).

Furthermore, the Companies Law requires that resolutions regarding the following matters must be passed at a general meeting of our shareholders:

- amendments to our articles of association;
- appointment or termination of our independent auditors;
- appointment of external directors (to the extent applicable);
- approval of certain related party transactions;
- increases or reductions of our authorized share capital;
- a merger;
- the exercise of our board of director's powers by a general meeting, if our Board of Directors is unable to exercise its powers and the exercise of any of its powers is required for our proper management; and
- certain liquidation events.

The Companies Law requires that notice of any annual general meeting or extraordinary general meeting be provided to shareholders at least 21 days prior to the meeting and if the agenda of the meeting includes (among other things) the appointment or removal of directors, the approval of transactions with directors or officers or interested or related parties, or an approval of a merger, notice must be provided at least 35 days prior to the meeting.

Under the Companies Law, shareholders are not permitted to take action via written consent in lieu of a meeting.

Modification of Shareholders' Rights

Under our articles of association, the alteration of the rights, privileges, preferences or obligations of any class of our shares (to the extent there are classes other than Ordinary Shares) requires a simple majority of the class so affected (or such other percentage of the relevant class that may be set forth in the governing documents relevant to such class), in addition to the ordinary majority vote of all classes of shares voting together as a single class at a shareholder meeting.

Transfer of Ordinary Shares

Our fully paid Ordinary Shares are issued in registered form and, subject to the limitations imposed by the Special State Share as detailed below, may be freely transferred under our articles of association, unless the transfer is restricted or prohibited by another instrument, applicable law or the rules of a stock exchange on which the Ordinary Shares are listed for trade. The ownership or voting of our Ordinary Shares by non-residents of Israel is not restricted in any way by our articles of association or the laws of the State of Israel, except for ownership by nationals of some countries that are, or have been, in a state of war with Israel.

The Special State Share

When the State of Israel sold 100% of its interest in us in 2004 to Israel Corporation Ltd., we ceased to be a “mixed company” (as defined in the Israeli Government Companies Law, 5735-1975) and issued a Special State Share to the State of Israel whose terms were amended as part of the Company’s 2014 debt restructuring. The objectives underlying the Special State Share are to (i) safeguard our existence as an Israeli company, (ii) ensure our operating ability and transport capacity so as to enable the State of Israel to effectively access a minimal fleet in a time of emergency or for national security purposes and (iii) prevent parties hostile to the State of Israel or parties liable to harm the State of Israel’s vital interest in the Company or its foreign or security interests or its shipping relations with foreign countries, from having influence on our management. The key terms and conditions of the Special State Share include the following requirements:

- We must be, at all times, a company incorporated and registered in Israel, with our headquarters and principal and registered office domiciled in Israel.
- Subject to certain exceptions, we must maintain a minimal fleet of 11 seaworthy vessels that are fully owned by us, either directly or indirectly through our subsidiaries, at least three of which must be capable of carrying general cargo. Subject to certain exceptions, any transfer of vessels in violation thereof shall be invalid unless approved in advance by the State of Israel pursuant to the mechanism set forth in our articles of association.
- At least a majority of the members of our Board of Directors, including the chairperson of the board and our chief executive officer, must be Israeli citizens.
- The State of Israel must provide prior written consent for any holding or transfer or issuance of shares that confers possession of 35% or more of our issued share capital, or that provides control over us, including as a result of a voting agreement.
- Any transfer of shares that confers its owner with a holding of more than 24% but not more than 35% of our issued share capital will require an advance notice to the State of Israel which will include full details regarding the proposed transferor and transferee, the percentage of shares to be held by the transferee after the transfer and relevant details regarding the transaction, including voting agreements and agreements for the appointment of directors (if any). If the State of Israel shall be of the opinion that the transfer of shares may possibly harm the security interests of the State of Israel or any of its vital interests or that it has not received the relevant information for the purpose of reaching its decision, the State of Israel shall be entitled to serve notice, within 30 days, that it objects to the transfer, giving reason for its objection. In such circumstances, the party requesting the transfer may initiate proceedings in connection with this matter with the competent court, which will consider and rule on the matter.
- The State of Israel must consent in writing to any winding-up, merger or spin-off, except for certain mergers with subsidiaries that would not impact the Special State Share or the minimal fleet.
- We must provide governance, operational and financial information to the State of Israel similar to information that we provide to our ordinary shareholders. In addition, we must provide the State of Israel with particular information related to our compliance with the terms of the Special State share and other information reasonably required to safeguard the State of Israel’s vital interests.
- Any amendment, review or cancellation of the rights afforded to the State of Israel by the Special State Share must be approved in writing by the State of Israel prior to its effectiveness.

Other than the rights enumerated above, the Special State Share does not grant the State any voting or equity rights. The full provisions governing the rights of the Special State Share appear in our articles of association. We report to the State of Israel on an ongoing basis in accordance with the provisions of our articles of association. Certain asset transfer or sale transactions that in our opinion require approval, have received the approval of the State (either explicitly or implicitly by not objecting to our request).

Any change, including an amendment or a cancellation, of the provisions of our articles of association pertaining to the rights granted and/or attached to the Special State Share and to its holder, will not bind us, our shareholders or any third party without the prior written consent of the holder of the Special State Share.

Access to Corporate Records

Under the Companies Law, shareholders are provided access to: minutes of our general meetings; our shareholders register and principal shareholders register, articles of association and financial statements; and any document that we are required by law to file publicly with the Israeli Companies Registrar. In addition, shareholders may request to be provided with any document related to an action or transaction requiring shareholder approval under the related party transaction provisions of the Companies Law. We may deny this request if we believe it has not been made in good faith or if such denial is necessary to protect our interest or protect a trade secret or patent.

Changes in Capital

Our articles of association enable us to increase or reduce our share capital (subject to the provisions of our Special State Share). Any such changes are subject to the provisions of the Companies Law and must be approved by a resolution duly passed by our shareholders at a general meeting by voting on such change in the capital. In addition, certain transactions that have the effect of reducing capital, such as the declaration and payment of dividends in the absence of sufficient retained earnings or profits, require the approval of both our board of directors and an Israeli court.

Acquisitions under Israeli Law

Full tender offer

A person wishing to acquire shares or voting rights of a public Israeli company, who would, as a result, hold over 90% of the target company's voting rights or issued and outstanding share capital (or of a certain class of shares thereof), is required by the Israeli Companies Law to make a tender offer to all of the company's shareholders (or all of the holders of that certain class of shares), for the purchase of all of the issued and outstanding shares of the company (or of the applicable class of shares). If (a) the shareholders who do not accept the offer hold less than 5% of the issued and outstanding shares of the company (or of the applicable class), and the shareholders who accept the offer constitute a majority of the offerees that do not have a personal interest in the acceptance of the tender offer, or (b) the shareholders who did not accept the offer hold less than 2% of the issued and outstanding share capital of the company (or of the applicable class of shares), all of the shares that the acquirer offered to purchase will be transferred to the acquirer by operation of law.

Upon a successful completion of such a full tender offer, any shareholder who had its shares so transferred regardless of whether such shareholder agreed to the tender offer, may, within six months from the date of acceptance of the full tender offer, petition an Israeli court to determine whether the tender offer was for less than fair value and whether the fair value should be paid as determined by the court. However, an offeror may provide in the tender offer document that a shareholder who accepted the offer will not be entitled to petition the court for appraisal rights as aforementioned, as long as the offeror and the company disclosed the information required by law in connection with the full tender offer.

If the full tender offer was not accepted, the acquirer may not acquire shares of the company that will increase its holdings to more than 90% of the company's voting rights or issued and outstanding share capital (or of the applicable class) from shareholders who accepted the tender offer.

Shares acquired in contradiction of the full tender offer rules under the Israeli Companies Law will have no rights and will become dormant shares.

Special tender offer

The Israeli Companies Law provides that, subject to certain exceptions, an acquisition of shares of an Israeli public company must be made by means of a special tender offer if as a result of the acquisition (i) the purchaser would become a holder of 25% or more of the voting rights in the company if there is no holder of 25% or more of the voting rights in the company or (ii) the purchaser would become a holder of more than 45% of the voting rights in the company, unless there is already a holder of more than 45% of the voting rights in the company. These requirements do not apply, if, in general, the acquisition of the shares (i) was in a private placement that was approved by the company's shareholders as a private placement whose purpose is to grant the purchaser 25% or more of the voting rights in the company, if there is no person who holds 25% or more of the voting rights in the company, or as a private placement whose purpose is to grant the purchaser 45% of the voting rights in the company, if there is no person who holds 45% of the voting rights in the company; (ii) was made by a holder of 25% or more of the voting rights in the company which resulted in the purchaser becoming a holder of 25% or more of the voting rights in the company; or (iii) was made by a holder of more than 45% of the voting rights in the company which resulted in the purchaser becoming a holder of more than 45% of the voting rights in the company.

A special tender offer must be extended to all shareholders of a company. A special tender offer may be consummated only if (i) at least 5% of the voting power attached to the company's outstanding shares will be acquired by the purchaser and (ii) the number of shares tendered in the offer exceeds the number of shares whose holders objected to the offer (excluding shares held by the purchaser, its controlling shareholders, holders of 25% or more of the voting rights in the company and any person having a personal interest in the acceptance of the tender offer, or any other person acting on their behalf, including any such person's relatives and entities under their control).

In the event that a special tender offer is made, a company's board of directors is required to express its opinion on the advisability of the offer or may abstain from expressing an opinion if it is unable to do so, provided that it gives the reasons for its abstention. The board of directors shall also disclose any personal interest that any of the directors has with respect to the special tender offer or in connection therewith.

An office holder in a target company who, in his or her capacity as an office holder, performs an action the purpose of which is to cause the failure of an existing or foreseeable special tender offer or the impairment of the chances of its acceptance, may be liable towards the potential purchaser and the target company's shareholders for damages resulting from his or her acts, unless such office holder acted in good faith and had reasonable grounds to believe he or she was acting for the benefit of the company. However, office holders of the target company may negotiate with the potential purchaser in order to improve the terms of the special tender offer and may further negotiate with third parties in order to obtain a competing offer.

If a special tender offer is accepted, then shareholders who did not respond to the special tender offer or had objected to the special tender offer may accept the offer within four days of the last day set for the acceptance of the offer and they will be considered to have accepted the offer from the first day it was made.

Furthermore, if a special tender offer is accepted, then the purchaser or any person or entity controlling it at the time of the offer and any entity controlled by the purchaser or such controlling person or entity may not make a subsequent tender offer for the purchase of shares of the target company and may not enter into a merger with the target company for a period of one year from the date of the offer, unless the purchaser or such person or entity undertook to effect such an offer or merger in the initial special tender offer.

Shares acquired in contradiction of the special tender offer rules under the Companies Law will have no rights and will become dormant shares.

Merger

The Israeli Companies Law includes provisions that govern a merger transaction. Under the Israeli Companies Law, the board of directors of each company that is a party to the merger must approve the merger and, unless certain requirements described under the Israeli Companies Law are met, a simple majority of the outstanding shares of each party to the merger voting on the merger must approve the merger, and, in the case of the target company, also a majority of each class of its shares. The board of directors of a merging company, when considering if to approve a merger, is required to discuss and determine, taking into account the financial condition of the merging companies, whether in its opinion there exists a reasonable concern that, as a result of a proposed merger, the surviving company will not be able to satisfy its obligations towards its creditors. If the board of directors determines that such a concern exists, it may not approve a proposed merger. Following the approval of the board of directors of each of the merging companies, the boards of directors must jointly prepare a merger proposal for submission to the Israeli Registrar of Companies.

For purposes of the shareholder vote of each party to a merger, unless a court rules otherwise, the merger will not be deemed approved if shares representing a majority of the voting power voting on the matter at the shareholders' meeting (excluding abstentions) that are not held by the other party to the merger, or by any person or group of persons acting together who hold 25% or more of the voting power or the right to appoint 25% or more of the directors of the other party (or anyone acting on their behalf, including their relatives and entities under their control), vote against the merger.

If the transaction would have been approved by the shareholders of a merging company but for the separate approval of each class or the exclusion of the votes of certain shareholders as provided above, a court may still approve the merger upon the petition of holders of at least 25% of the voting rights of a company. For such a petition to be granted, the court must find that the merger is fair and reasonable, taking into account the valuation of the merging companies and the consideration offered to the shareholders of the company. If, however, the merger involves a merger with a company's controlling shareholder or if the controlling shareholder has a personal interest in the merger, then the merger is instead subject to the same special majority approval that governs extraordinary transactions with controlling shareholders (as described under "Item 7B.— Related Party Transactions -- *Disclosure of personal interests of a director or officer and approval of certain transactions*").

Under the Israeli Companies Law, each merging company must deliver the merger proposal to its secured creditors and inform its unsecured creditors of the merger proposal and its content.

Upon the request of a creditor of either party to the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that, as a result of the merger, the surviving company will be unable to satisfy the obligations of the merging companies, and may further give instructions to secure the rights of creditors.

In addition, a merger may not be completed unless at least 50 days have passed from the date on which the required proposals for approval of the merger were filed by each merging party with the Israeli Registrar of Companies and at least 30 days have passed from the date on which the merger was approved by the shareholders of each merging company.

ZIM - List of Subsidiaries and Entities in which the Company has ownership rights - December 31, 2025

	Name of Subsidiary	Jurisdiction of Incorporation or Organization
1	Alhoutyam Ltd.	Israel
2	Arebee Star Maritime Agencies Privet Limited	India
3	Assessment Recoveries Limited (ARL)	Jamaica
4	Astrix Ltd.	Seychelles
5	Beit Yacov in the name of Yacov Caspi (deceased) Ltd.	Israel
6	Belstar Denizcilik Ve Tasimacilik Anonim Sirketi	Turkey
7	BMG Insurance Brokers Limited	United Kingdom
8	Bulk Ocean Transport Inc.	Liberia
9	Bulk Transport Corporation	Liberia
10	Carbon Blue Ltd.	Israel
11	Carib Star Shipping Ltd.	Jamaica
12	Data Science Consulting Group Ltd.	Israel
13	DP World Tarragona S.A., Spain	Spain
14	Etablissement Astarta	Liechtenstein
15	Etablissement Neptune Shipping	Liechtenstein
16	Expanso Forwarding B.V.	Netherlands
17	Gal Marine Ltd.	Israel
18	Global Logistics Solutions Ltd.	St. Lucia
19	Gold Maritime Co. Ltd.	Japan
20	Gold Star Line Ltd. *	Hong Kong
21	Gold Star Lines Ltd. **	Mauritius
22	Gold Star Line (S) Ltd.	Seychelles
23	GSL Africa Limited	Liberia
24	Hellastir Shipping Enterprise Ltd.	Greece
25	Hoopo Systems LTD.	Israel
26	Intermodal Shipping Agencies (Ghana) Ltd.	Ghana
27	Jamaica Container Repair Services Ltd. (JAMCOR)	Jamaica
28	Jamaica International Free Zone Development Ltd.	Jamaica
29	Kastor Europe Srl	Italy
30	Kastor Holdings Limited	United Kingdom
31	Kastor Services Limited	United Kingdom
32	Kingston Logistics Center Ltd.	Jamaica
33	KLC Panama Logistics S.A.	Panama
34	Lagos & Niger Shipping Agencies Ltd.	Nigeria
35	Laurel Navigation (Mauritius) Ltd. **	Mauritius
36	Liberty Ships Inc.	Liberia
37	Maritime Agencies Ltd. **	Mauritius
38	Marine Mutual Services (Nigeria) Ltd.	Nigeria
39	Marine Shipp Fast (Canada) Inc.	Canada
40	Marine Shipp Fast (Vietnam) Company Limited	Vietnam
41	Marine Shipp Fast China Co. Ltd.	China
42	Marine Shipp Fast Ltd.	Israel
43	Marlin Marine Group Pte. Ltd.	Singapore
44	Newstar Agencies Sdn. Bhd. **	Malaysia
45	Nigerian Star Line Ltd.	Nigeria

46	Ocean Carrier Ltd.	Seychelles
47	Ocean Navigation Services Ltd.	Seychelles
48	OGY Docs, Inc.	USA
49	Omega Depot S.L.	Spain
50	Overseas Commerce Ltd.	Israel
51	Overseas Freighters Shipping Inc.	Philippines
52	Pagan Steamship Corp. Ltd.	Bahamas
53	Pickcommerce AI Robotics Ltd.	Israel
54	Prime Maritime Services Pte. Ltd.	Singapore
55	PT Star Shipping Indonesia **	Indonesia
56	Qingdao Lu Hai International Logistics Co. Ltd.	China
57	Ramon International Insurance Brokers Ltd.	United Kingdom
58	Ramon Korea Limited	S. Korea
59	SAJE Logistics Infrastructure Limited	Jamaica
60	Sanctuary Insurance Brokers Limited	United Kingdom
61	Seth Shipping Ltd, Mauritius **	Mauritius
62	Seth Shipping (S) Ltd.	Seychelles
63	Shanghai Sino-Star International Shipping Agency Co. Ltd.	China
64	Shoham Maritime Services Ltd.	Israel
65	Sodyo Ltd.	Israel
66	Spin Frame Technologies Ltd.	Israel
67	Star Brasil Servicos Logisticos Ltda.	Brazil
68	Star Lanka Shipping (Private) Ltd.	Sri Lanka
69	Star Logistics Holding Company B.V.	Netherlands
70	Star Shipping Argentina S.A.	Argentina
71	Star Shipping Services (HK) Ltd.	Hong Kong
72	Star Shipping Services (India) Private Ltd. **	India
73	Startrans Internationale Transporte	Germany
74	Stellahaven Expeditiebedrijf N.V.	Belgium
75	Swiflet Ltd.	Seychelles
76	Tan Cang Shipping Warehouse Service Company Ltd.	Vietnam
77	Thames Marine & Logistics (UK) Ltd	United Kingdom
78	The Maritime Educational & Training Authorities	Israel
79	Trident Shipping Line Ltd.	Bangladesh
80	Ymir International Ltd.	Liberia
81	ZF Charleston Limited	Liberia
82	ZF Charleston LP (Limited Partnership)	Liberia
83	ZF Rotterdam LP (Limited Partnership)	Liberia
84	ZF Shenzhen Limited	Liberia
85	ZF Shenzhen LP (Limited Partnership)	Liberia
86	ZIM (Thailand) Co. Ltd.	Thailand
87	ZIM American Integrated Shipping Services Co. LLC	USA
88	ZIM Antwerp Limited	Liberia
89	ZIM Antwerp LP (Limited Partnership)	Liberia
90	ZIM Asia Limited	Liberia

91	ZIM Asia LP (Limited Partnership)	Liberia
92	ZIM Atlantic Limited	Liberia
93	ZIM Atlantic LP (Limited Partnership)	Liberia
94	ZIM Australia Limited	Liberia
95	ZIM Australia LP (Limited Partnership)	Liberia
96	ZIM Belgium Nv	Belgium
97	ZIM China Limited	Liberia
98	ZIM China LP (Limited Partnership)	Liberia
99	ZIM Do Brasil Ltda.	Brazil
100	ZIM France SAS	France
101	ZIM Germany GmbH & Co. KG	Germany
102	Zim Hai An Joint Venture Company Limited	Vietnam
103	ZIM Iberia Limited	Liberia
104	ZIM Iberia LP (Limited Partnership)	Liberia
105	ZIM Integrated Shipping Agencies (HK) Ltd.	Hong Kong
106	ZIM Integrated Shipping Services (Australia) Pty Ltd.	Australia
107	ZIM Integrated Shipping Services (Canada) Co. Ltd.	Canada
108	ZIM Integrated Shipping Services (China) Co. Ltd.	China
109	ZIM Integrated Shipping Services (India) Private Ltd.	India
110	ZIM Integrated Shipping Services (NZ) Ltd.	New Zealand
111	ZIM Integrated Shipping Services (Taiwan) Co. Ltd.	Taiwan
112	ZIM Integrated Shipping Services (Vietnam) LLC	Vietnam
113	ZIM Integrated Shipping Services Georgia Ltd.	Georgia
114	ZIM Integrated Shipping Services Hellas S.A.	Greece
115	ZIM Integrated Shipping Ukraine Services Ltd.	Ukraine
116	ZIM Israel (M. Dizengoff) Ltd.	Israel
117	ZIM Italia S.r.l.u.	Italy
118	ZIM Japan Ltd.	Japan
119	ZIM Korea Ltd.	Korea
120	ZIM Logistics (China) Co. Ltd.	China
121	ZIM Logistics (HK) Co. Ltd.	Hong Kong
122	ZIM Logistics Canada (Co) Ltd.	Canada
123	ZIM Logistics Global Ltd.	Israel
124	ZIM Logistics S.E.A. Pte. Ltd.	Singapore
125	ZIM Logistics USA, LLC	USA
126	ZIM Logistics Vietnam Co. Ltd.	Vietnam
127	ZIM Mexico Integrated Shipping Services S. de R. L. de C.V.	Mexico
128	ZIM Netherlands B.V.	Netherlands
129	ZIM New Zealand Limited	Liberia
130	ZIM New Zealand LP (Limited Partnership)	Liberia
131	ZIM Ningbo Limited	Liberia
132	ZIM Ningbo LP (Limited Partnership)	Liberia
133	ZIM Pacific Limited	Liberia
134	ZIM Pacific LP (Limited Partnership)	Liberia
135	ZIM Panama S.A	Panama
136	ZIM Poland Sp z.o.o	Poland

137	ZIM Rotterdam Limited	Liberia
138	"ZIM Russia" Closed Joint-Stock Company	Russia
139	ZIM San Diego Limited	Liberia
140	ZIM San Diego LP (Limited Partnership)	Liberia
141	ZIM Singapore PTE Ltd.	Singapore
142	ZIM Supply Chain (Shanghai) Co.,Ltd	China
143	ZIM Tianjin Limited	Liberia
144	ZIM Tianjin LP (Limited Partnership)	Liberia
145	ZIM UK Ltd.	United Kingdom
146	ZIM Venezuela C.A.	Venezuela
147	ZIMARK Ltd.	Israel
149	Ziss Capital S.L.	Spain
148	ZIMrom Shipping S.R.L.	Romania
150	ZLN (India) Private Ltd.	India
151	Zuta-Core Ltd.	Israel
152	40Seas LTD.	Israel
* Denotes a wholly-owned "significant subsidiary" of the registrant, as defined in Rule 1-02 of Regulation S-X under the Securities Exchange Act of 1934.		
**Held in trust for the benefit of the registrant. The registrant has the right to acquire 100% of such entity's equity interests in its discretion.		

[NAOR-GERSHT, LAW FIRM LETTERHEAD]

December 16, 2025

To:
The Board of Directors of ZIM Integrated Shipping Services Ltd.

Re: Agreements Regarding the Appointment of New Office Holders at the Annual and Extraordinary General Meeting of ZIM Integrated Shipping Services Ltd. (the “Company”)

Further to the letters we have sent to the Company’s Board of Directors on November 11, 2025 and on November 19, 2025 on behalf of a group of shareholders which includes Mor Gemel and Pension Ltd., Reading Capital Ltd., Sparta 24 Ltd., Yaron Shidlo, Shira Bakal, Idan Bakal, Avraham Bakal, Moshe Shemesh, Creative Value Capital Limited Partnership, Rotem Shimoni, Neveh Sirbal Ltd., Matan Har Noy, Carmit Shemesh, Idea Limited Partnership, Ran Gritzerstein, Muesli Real Estate Ltd., Vega Investments Ltd., and Davidian Brosh Initiatives Ltd. (together, the “Group”), and further to the Group’s position statement dated December 9, 2025 in advance of the annual and extraordinary general meeting scheduled for December 26, 2025 (the “Position Statement” and the “Annual Meeting,” respectively), and further to discussions held between us and representatives of the Company’s Board of Directors and the Company, we hereby set forth in writing the agreements reached regarding the appointment of directors at the Annual Meeting as follows:

1. The Company’s Board of Directors will adopt resolutions on December 16, 2025 on the following matters: (a) to publish an updated notice for the Annual Meeting stating that the number of directors to be elected at the Annual Meeting will be 10 (instead of 8), the nominees Mr. Ron Hadassi and Mr. Ran Gritzerstein will be added to the list of candidates recommended by the Company’s Board of Directors, and the nomination of Dr. (CPA) Keren Bar-Hava will be removed from the list of candidates and will no longer stand for election as a director at the Annual Meeting (the “Updated Notice”); (b) Dr. (CPA) Keren Bar-Hava will be appointed as an observer to the Board of Directors, commencing from the next meeting of the Board, subject to her signing a confidentiality agreement as customary with the Company and her undertaking to comply with the relevant Company procedures as may be in effect from time to time, and as an observer she will not have voting rights on the Board, she will receive compensation equal to that of the directors, will be invited to all Board meetings, and will receive all information provided to the directors; and (c) Mr. Ron Hadassi and Mr. Ran Gritzerstein will be invited as observers to all Board meetings held until the Annual Meeting, with their rights and obligations as observers as described above (the “Board Resolution”).
2. The Updated Notice will be published shortly after the Board’s Resolution and will present the 10 candidates as set forth above to serve as directors, all of whom will be recommended by the Company’s Board of Directors, and 10 directors will be elected at the Meeting accordingly and subject to the election conditions (majority of the shares participating in the vote).
3. On behalf of the candidate for director Dr. (CPA) Keren Bar-Hava, we hereby notify that Dr. (CPA) Bar-Hava withdraws her candidacy to serve as a director and retracts her letter of consent for such service, subject to the Board Resolution.
4. On behalf of the Group, we hereby withdraw the Position Statement submitted to the Company and published as part of the notice for the Annual Meeting and notify that the Position Statement will have no validity or standing, subject to the Board Resolution.
5. The Company will publish a press release and add to the Updated Notice that the members of the Group, institutional investors and Israeli shareholders, express full confidence in the Company’s Board of Directors and support the strategic review process being conducted by the Board in order to maximize shareholder returns, and express their support for the 10 candidates to serve on the Company’s Board of Directors.
6. Without this constituting a voting agreement, I have been informed by the members of the Group that, subject to the fulfillment of the agreements as set forth above, they intend to vote in favor of all 10 candidates who will be included in the Updated Notice to serve as directors of the Company.

We congratulate the Company’s Board of Directors and the Group on reaching the agreements set forth in this letter.

Respectfully,

/s/ Ofir Naor, Adv. /s/ Adi Granot, Adv.
Naor-Gersht, Attorneys-at-Law

ZIM Integrated Shipping Services Ltd.

Statement of Policy Concerning Trading in Company Securities

Effective as of January 27, 2021

As amended on March 8, 2026

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I. SUMMARY OF POLICY CONCERNING TRADING IN COMPANY SECURITIES

It is ZIM Integrated Shipping Services Ltd.'s and its subsidiaries' (collectively, the "Company") policy that it will, without exception, comply with all applicable laws and regulations in conducting its business. Each employee and each director is expected to abide by this policy. When carrying out Company business, employees and directors must avoid any activity that violates applicable laws or regulations. In order to avoid even an appearance of impropriety, the Company's directors, officers and certain other employees are subject to pre-approval requirements and other limitations on their ability to enter into transactions involving the Company's securities. Although these limitations do not apply to transactions pursuant to written plans for trading securities that comply with Rule 10b5-1 under the Securities Exchange Act of 1934 (the "Exchange Act"), the entry into, amendment or termination of any such written trading plan is subject to pre-approval requirements and other limitations.

II. THE USE OF INSIDE INFORMATION IN CONNECTION WITH TRADING IN SECURITIES

A. General Rule.

The U.S. securities laws regulate the sale and purchase of securities in the interest of protecting the investing public. U.S. securities laws give the Company, its officers and directors, and other employees the responsibility to ensure that information about the Company is not used unlawfully in the purchase and sale of securities.

All employees and directors should pay particularly close attention to the laws against trading on "inside" information. These laws are based upon the belief that all persons trading in a company's securities should have equal access to all "material" information about that company. For example, if an employee or a director of a company knows material non-public financial information, that employee or director is prohibited from buying or selling shares in the company until the information has been disclosed to the public. This is because the employee or director knows information that will probably cause the share price to change, and it would be unfair for the employee or director to have an advantage (knowledge that the share price will change) that the rest of the investing public does not have. In fact, it is more than unfair; it is considered to be fraudulent and illegal. Civil and criminal penalties for this kind of activity are severe.

The general rule can be stated as follows: It is a violation of U.S. federal securities laws and Israeli securities laws for any person to buy or sell securities if he or she is in possession of material inside information. Information is material if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. It is inside information if it has not been publicly disclosed in a manner making it available to investors generally on a broad-based non-exclusionary basis. Furthermore, it is illegal for any person in possession of material inside information to provide other people with such information or to recommend that they buy or sell the securities. (This is called "tipping"). In that case, they may both be held liable.

The U.S. Securities and Exchange Commission (the "SEC"), the stock exchanges and plaintiffs' lawyers focus on uncovering insider trading. A breach of the insider trading laws could expose the insider to criminal fines up to three times the profits earned and imprisonment up to ten years, in addition to civil penalties (up to three times of the profits earned), and injunctive actions. In addition, punitive damages may be imposed under applicable U.S. state laws. Securities laws also subject controlling persons to civil penalties for illegal insider trading by employees, including employees located outside the United States. Controlling persons include directors, officers, and supervisors. These persons may be subject to fines up to the greater of \$1,000,000 or three times profit (or loss avoided) by the insider trader.

Inside information does not belong to the individual directors, officers or other employees who may handle it or otherwise become knowledgeable about it. It is an asset of the Company. For any person to use such information for personal benefit or to disclose it to others outside the Company violates the Company's interests. More particularly, in connection with trading in the Company's securities, it is a fraud against members of the investing public and against the Company.

B. Who Does the Policy Apply To?

The prohibition against trading on inside information applies to directors, officers and all other employees, and to other people who gain access to that information. The prohibition applies to both domestic and international employees of the Company and its subsidiaries. Because of their access to confidential information on a regular basis, Company policy subjects its directors and certain employees (the “Window Group”) to additional restrictions on trading in Company securities. The restrictions for the Window Group are discussed in Section F below. In addition, directors and certain employees with inside knowledge of material information may be subject to ad hoc restrictions on trading from time to time.

C. Other Companies’ Stock.

Employees and directors who learn material information about suppliers, customers, or competitors through their work at the Company, should keep it confidential and not buy or sell stock in such companies until the information becomes public. Employees and directors should not give tips about such stock.

D. Hedging and Derivatives.

Employees and directors are prohibited from engaging in any hedging transactions (including transactions involving options, puts, calls, prepaid variable forward contracts, equity swaps, collars and exchange funds or other derivatives) that are designed to hedge or speculate on any change in the market value of the Company’s equity securities.

Trading in options or other derivatives is generally highly speculative and very risky. People who buy options are betting that the stock price will move rapidly. For that reason, when a person trades in options in his or her employer’s stock, it will arouse suspicion in the eyes of the SEC that the person was trading on the basis of inside information, particularly where the trading occurs before a company announcement or major event. It is difficult for an employee or director to prove that he or she did not know about the announcement or event.

If the SEC or the stock exchanges were to notice active options trading by one or more employees or directors of the Company prior to an announcement, they would investigate. Such an investigation could be embarrassing to the Company (as well as expensive), and could result in severe penalties and expense for the persons involved. For all of these reasons, the Company prohibits its employees and directors from trading in options or other securities involving the Company’s ordinary shares. This policy does not pertain to employee share options granted by the Company. Employee share options cannot be traded.

E. Pledging of Securities and Margin Accounts.

Pledged securities may be sold by the pledgee without the pledgor's consent under certain conditions. For example, securities held in a margin account may be sold by a broker without the customer's consent if the customer fails to meet a margin call. Because such a sale may occur at a time when an employee or a director has material inside information or is otherwise not permitted to trade in Company securities, the Company prohibits employees and directors from pledging Company securities in any circumstance, including as collateral for a loan, by purchasing Company securities on margin or holding Company securities in a margin account.

F. General Guidelines.

The following guidelines should be followed in order to ensure compliance with applicable antifraud laws and with the Company's policies:

1. Nondisclosure. Material inside information must not be disclosed to anyone, except to persons within the Company whose positions require them to know it.
2. Trading in Company Securities. No employee or director should purchase, sell, gift or otherwise transfer, or recommend that another person purchase, sell, gift or otherwise transfer the Company's securities when he or she has knowledge of material information concerning the Company that has not been disclosed to the public. This includes orders for purchases and sales of ordinary shares and convertible securities. The exercise of employee share options is not subject to this policy. However, an ordinary share that was acquired upon exercise of a share option will be treated like any other ordinary share, and may not be sold by an employee who is in possession of material inside information. Any employee or director who possesses material inside information should wait until the start of the second business day after the information has been publicly released before transacting in the Company's securities.
3. Avoid Speculation. Investing in the Company's ordinary shares provides an opportunity to share in the future growth of the Company. But investment in the Company and sharing in the growth of the Company does not mean short range speculation based on fluctuations in the market. Such activities put the personal gain of the employee or director in conflict with the best interests of the Company and its shareholders. Although this policy does not mean that employees or directors may never sell shares, the Company encourages employees and directors to avoid frequent trading in Company ordinary shares. Speculating in Company ordinary shares is not part of the Company culture.
4. Trading in Other Securities. No employee or director should purchase, sell, gift or otherwise transfer, or recommend that another person purchase, sell, gift or otherwise transfer, in the securities of another corporation, if the employee or director learns in the course of his or her employment confidential information about the other corporation that is likely to affect the value of those securities. For example, it would be a violation of the securities laws if an employee or director learned through Company sources that the Company intended to purchase assets from a company, and then placed an order to buy or sell stock in that other company because of the likely increase or decrease in the value of its securities.

5. Restrictions on the Window Group. The Window Group consists of (i) directors and officers of the Company and their assistants and household members, (ii) the Company's treasurer, deputy treasurer, controller, deputy controller, manager of the budget's division and deputy manager of the budget division, and (iii) such other persons as may be designated from time to time and informed of such status by the Company's General Counsel. The Window Group is subject to the following restrictions on trading in Company securities:

- trading is permitted from the start of the second business day following an earnings release with respect to the preceding fiscal period until the fifteenth calendar day of the last month of the then current fiscal quarter (the "Window"), subject to the restrictions below;
- all trades are subject to prior review;
- no trading is permitted outside the Window except for reasons of exceptional personal hardship and subject to prior review by the Chief Executive Officer and General Counsel; provided that, if one of these individuals wishes to trade outside the Window, it shall be subject to prior review by the other; and
- individuals in the Window Group are also subject to the general restrictions on all employees.

6. Pre-clearance by Directors and Executive Officers. Pre-clearance for all transactions by directors and officers must be obtained from the Company's General Counsel. A request for pre-clearance must be in writing, should be made at least two business days in advance of the proposed transaction, and should include the identity of the individual engaging in the transaction, a description of the proposed transaction, the proposed date of the transaction, and the number of shares or other securities involved. Pre-clearance for all transactions by the Company's General Counsel must be obtained by the Chief Executive Officer. The General Counsel maintains the discretion to require other designated Company employees to pre-clear all transactions at any time.

Note that at times the General Counsel may determine that no trades may occur even during the Window when clearance is requested. No reasons may be provided and the closing of the Window itself may constitute material inside information that should not be communicated. The Company also maintains the ability to enact a discretionary window to restrict all trading upon the occurrence or contemplation of certain material, non-public business transactions.

Pre-clearance should not be understood to represent legal advice by the Company that a proposed transaction complies with the law. None of the Company, the General Counsel, or the Company's other employees will have any liability for any delay in reviewing, or refusal of, a request for pre-clearance.

G. Exempt Transactions

The foregoing Window Group restrictions do not apply to transactions pursuant to written plans for trading securities that comply with Rule 10b5-1 under the Exchange Act ("10b5-1 Plans"). However, Window Group members may not enter into, amend or terminate a 10b5-1 Plan relating to Company securities without the prior approval of the General Counsel, or in the case of the General Counsel, the Chief Executive Officer, which will only be given during a Window period.

Further, other than as specified above, this policy does not apply to:

- transactions directly with the Company;
- transactions relating to equity incentive awards without any open-market sale of securities (e.g., cash exercises of stock options or the “net settlement” of restricted stock units but not broker-assisted cashless exercises or open-market sales to cover taxes upon the vesting of restricted stock units);
- “sell-to-cover” transactions pursuant to a non-discretionary policy adopted by the Company that is intended to facilitate the payment of withholding taxes associated with vesting of equity awards (other than stock options).

H. Applicability of U.S. Securities Laws to International Transactions.

All employees of the Company’ and its subsidiaries are subject to the restrictions on trading in Company securities and the securities of other companies. The U.S. securities laws may be applicable to the securities of the Company’s subsidiaries or affiliates, even if they are located outside the United States. Transactions involving securities of subsidiaries or affiliates should be carefully reviewed by counsel for compliance not only with local law but also for possible application of U.S. securities laws.

III. OTHER LIMITATIONS ON SECURITIES TRANSACTIONS

A. Public Resales – Rule 144.

The U.S. Securities Act (the “Securities Act”) requires every person who offers or sells a security to register such transaction with the SEC unless an exemption from registration is available. Rule 144 under the Securities Act is the exemption typically relied upon for (i) public resales by any person of “restricted securities” (*i.e.*, unregistered securities acquired in a private offering or sale) and (ii) public resales by directors, officers and other control persons of a company (known as “affiliates”) of any of the Company’s securities, whether restricted or unrestricted.

The exemption in Rule 144 may only be relied upon if certain conditions are met. These conditions vary based upon whether the Company has been subject to the SEC’s reporting requirements for 90 days (and is therefore a “reporting company” for purposes of the rule) and whether the person seeking to sell the securities is an affiliate or not.

1. Holding Period. Restricted securities issued by a reporting company (*i.e.*, a company that has been subject to the SEC’s reporting requirements for at least 90 days) must be held and fully paid for a period of six months prior to their sale. Restricted securities issued by a non-reporting company are subject to a one-year holding period. The holding period requirement does not apply to securities held by affiliates that were acquired either in the open market or in a public offering of securities registered under the Securities Act. Generally, if the seller acquired the securities from someone other than the Company or an affiliate of the Company, the holding period of the person from whom the seller acquired such securities can be “tacked” to the seller’s holding period in determining if the holding period has been satisfied.

2. Current Public Information. Current information about the Company must be publicly available before the sale can be made. The Company’s periodic reports filed with the SEC ordinarily satisfy this requirement. If the seller is not an affiliate of the Company issuing the securities (and has not been an affiliate for at least three months) and one year has passed since the securities were acquired from the issuer or an affiliate of the issuer (whichever is later), the seller can sell the securities without regard to the current public information requirement.

Rule 144 also imposes the following additional conditions on sales by persons who are “affiliates.” A person or entity is considered an “affiliate,” and therefore subject to these additional conditions, if it is currently an affiliate or has been an affiliate within the previous three months:

3. Volume Limitations. The amount of debt securities which can be sold by an affiliate during any three-month period cannot exceed 10% of a tranche (or class when the securities are non-participatory preferred stock), together with all sales of securities of the same tranche sold for the account of the affiliate. The amount of equity securities that can be sold by an affiliate during any three-month period cannot exceed the greater of (i) one percent of the outstanding shares of the class or (ii) the average weekly reported trading volume for shares of the class during the four calendar weeks preceding the time the order to sell is received by the broker or executed directly with a market maker.

4. Manner of Sale. Equity securities held by affiliates must be sold in unsolicited brokers' transactions, directly to a market-maker or in riskless principal transactions.

5. Notice of Sale. An affiliate seller must file a notice of the proposed sale with the SEC at the time the order to sell is placed with the broker, unless the amount to be sold neither exceeds 5,000 shares nor involves sale proceeds greater than \$50,000. See "Filing Requirements".

Bona fide gifts are not deemed to involve sales of shares for purposes of Rule 144, so they can be made at any time without limitation on the amount of the gift. Donees who receive restricted securities from an affiliate generally will be subject to the same restrictions under Rule 144 that would have applied to the donor, depending on the circumstances.

B. Private Resales.

Directors and officers also may sell securities in a private transaction without registration. Although there is no statutory provision or SEC rule expressly dealing with private sales, the general view is that such sales can safely be made by affiliates if the party acquiring the securities understands he is acquiring restricted securities that must be held for at least six months (if issued by a reporting company that meets the current public information requirements) or one-year (if issued by a non-reporting company) before the securities will be eligible for resale to the public under Rule 144. Private resales raise certain documentation and other issues and must be reviewed in advance by the Company's General Counsel.

C. Underwriter Lock-Up Agreements.

All of the directors and executive officers of the Company have agreed to additional limitations on their ability to transfer, pledge or convey any of the economic consequences of ownership of any Company securities prior to the date that is 180 days after the date of the prospectus used in connection with its initial public offering.

D. Restrictions on Purchases of Company Securities.

In order to prevent market manipulation, the SEC adopted Regulation M under the U.S. Exchange Act. Regulation M generally restricts the Company or any of its affiliates from buying Company shares, including as part of a share buyback program, in the open market during certain periods while a distribution, such as a public offering, is taking place. You should consult with the Company's General Counsel, if you desire to make purchases of Company shares during any period that the Company is conducting an offering or buying shares from the public.

E. Filing Requirements.

1. Section 16. Under Section 16(a), the Company's directors, executive officers and holders of more than 10% of Company securities (each, a "Section 16 Insider") are required to file statements of beneficial ownership with respect to Company securities with the SEC.

Each Section 16 Insider is required to file a Form 3 with the SEC within 10 calendar days of becoming a director, officer or holder of more than 10% of Company securities. The Form 3 will list your holdings of Company securities (which should include shares of common stock, stock options and restricted stock units). Each Section 16 Insider is required to report most transactions in Company securities on Form 4 within two business days following the transaction. Each Section 16 Insider is required to file a Form 5 within 45 calendar days of the end of the Company's fiscal year to report any transactions that were not required to be reported on Form 4.

Please contact the legal department prior to engaging in any transaction that involves or could affect the control or ownership of Company securities. Any late or missed Section 16 filings may be required to be disclosed in the Company's public disclosures and can subject the Section 16 Insider to liability. All Section 16 reports must be filed electronically with the SEC, at which time they become publicly available.

2. Schedule 13D and 13G. Section 13(d) of the Exchange Act requires the filing of a statement on Schedule 13D (or on Schedule 13G, in certain limited circumstances) by any person or group which acquires beneficial ownership of more than five percent of a class of equity securities registered under the Exchange Act. The threshold for reporting is met if the ordinary shares owned, when coupled with the amount of ordinary shares subject to options exercisable within 60 days, exceeds the five percent limit.

A report on Schedule 13D is required to be filed with the SEC and submitted to the Company within ten days after the reporting threshold is reached. If a material change occurs in the facts set forth in the Schedule 13D, such as an increase or decrease of one percent or more in the percentage of ordinary shares beneficially owned, an amendment disclosing the change must be filed promptly. A decrease in beneficial ownership to less than five percent is *per se* material and must be reported.

A person is deemed the beneficial owner of securities for purposes of Section 13(d) if such person has or shares voting power (*i.e.*, the power to vote or direct the voting of the securities) or dispositive power (*i.e.*, the power to sell or direct the sale of the securities). A person filing a Schedule 13D may disclaim beneficial ownership of any securities attributed to him or her if he or she believes there is a reasonable basis for doing so.

3. Form 144. As described above under the discussion of Rule 144, an affiliate seller relying on Rule 144 must file a notice of proposed sale with the SEC at the time the order to sell is placed with the broker unless the amount to be sold during any three-month period neither exceeds 5,000 shares nor involves sale proceeds greater than \$50,000.

302 Certification by the Principal Executive Officer

I, Eli Glickman, certify that:

1. I have reviewed this annual report on Form 20-F of ZIM Integrated Shipping Services Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 9, 2026

/s/ Eli Glickman

Eli Glickman

President & CEO

302 Certification by the Principal Financial Officer

I, Xavier Destriau, certify that:

1. I have reviewed this annual report on Form 20-F of ZIM Integrated Shipping Services Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 9, 2026

/s/ Xavier Destriau

Xavier Destriau
Chief Financial Officer

906 CERTIFICATION by the Principal Executive Officer

The certification set forth below is being submitted in connection with the Annual Report on Form 20-F (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Eli Glickman, the Chief Executive Officer of ZIM Integrated Shipping Services Ltd., certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of ZIM Integrated Shipping Services Ltd.

Date: March 9, 2026

/s/ Eli Glickman

Name: Eli Glickman

President & CEO

906 CERTIFICATION by the Principal Financial Officer

The certification set forth below is being submitted in connection with the Annual Report on Form 20-F (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Xavier Destriau, the Chief Financial Officer of ZIM Integrated Shipping Services Ltd., certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of ZIM Integrated Shipping Services Ltd.

Date: March 9, 2026

/s/ Xavier Destriau

Name: Xavier Destriau
Chief Financial Officer

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (Nos. 333-252619 and 333-263390) on Form S-8 of our report dated March 8, 2026, with respect to the consolidated financial statements of ZIM Integrated Shipping Services Ltd. and the effectiveness of internal control over financial reporting.

/s/ Somekh Chaikin
Somekh Chaikin
Member Firm of KPMG International

Haifa, Israel

March 9, 2026
