



INVESTOR PRESENTATION

Q1 2021 FINANCIAL RESULTS



19 May 2021

| Today's presenters:



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President & Chief Executive Officer



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Disclaimer

Forward-Looking Statements



This presentation contains or may be deemed to contain forward-looking statements (as defined in the U.S. Private Securities Litigation Reform Act of 1995 and the Israeli Securities Law, 1968). In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about the Company, may include projections of the Company’s future financial results, its anticipated growth strategies and anticipated trends in its business. These statements are only predictions based on the Company’s current expectations and projections about future events or results. There are important factors that could cause the Company’s actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause such differences include, but are not limited to: market changes in freight, bunker, charter and other rates or prices, new legislation or regulation affecting the Company’s operations, new competition and changes in the competitive environment, the outcome of legal proceedings to which the Company is a party, and other risks and uncertainties detailed from time to time in the Company’s filings with the U.S. Securities and Exchange Commission, including under the caption “Risk Factors” in its 2020 Annual Report.

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

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

Use of non-IFRS financial measures

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

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

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

Free cash flow is a non-IFRS measure which we define as net cash generated from operating activities plus the net cash generated (used) from investment activities.

See the reconciliation of net income to Adjusted EBITDA and Adjusted EBIT below.

The Z Factor



| Q1 & YTD 2021 achievements

Achieved record profitability in Q1 2021



Outstanding net result!

Reached net profit **\$590** million in Q1 2021



Operating cash flow of **\$777** million,
highest ZIM operating cash flow ever!



Record Adjusted EBITDA and EBIT margins
of **47%** and **39%**, respectively, in Q1 2021;
Continue to deliver industry leading margins



Shareholder equity in excess of **\$1 billion**

Redeem \$349 million principal amount of
Series 1 and 2 notes due 2023

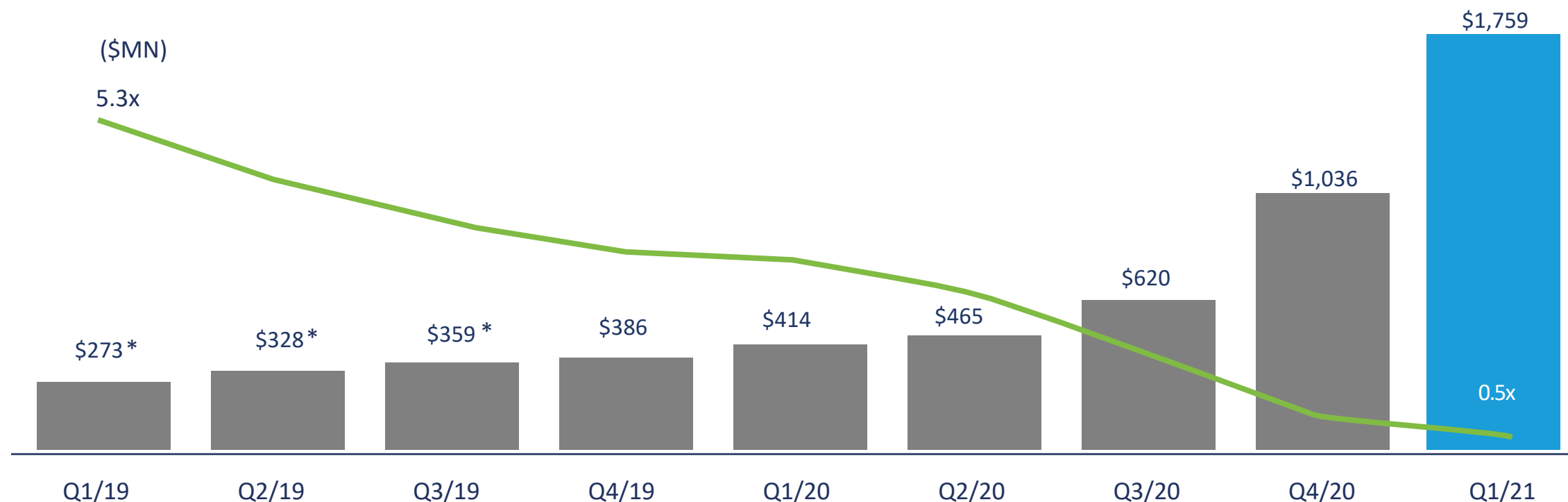
Raise 2021 full-year guidance

Declare a
special dividend of
\$2 / share





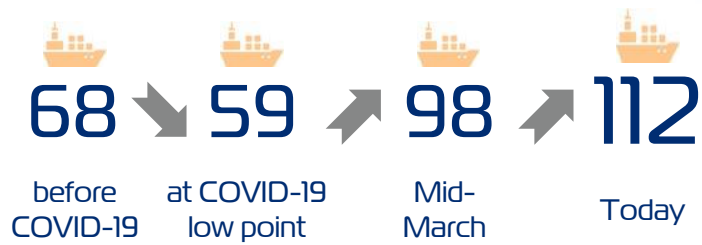
Consistent earnings growth and disciplined deleveraging strategy





Strong execution across all strategic pillars

Operational agility



Commercial agility



Operational excellence



- Advance initiatives & policies to mitigate environmental impact
- Effective cost management
- Invest in container fleet

Digitalization and innovation



Advance disruptive technologies to lead and set new standards in the shipping industry





Cash position significantly improved in Q1 2021; together with increased earnings our leverage ratio decreased to lowest level

Operational (Q1'21 vs. Q1'20)

Carried Volume (K TEUs)	818 638		28%
Freight Rate (USD/TEU)	1,925 1,091		76%
Revenue (USD Mn)	1,744 823		112%

Cash flow (Q1'21 vs. Q4'20)

FCF (USD Mn)	643 392		251
Cash Conversion Rate	78% 74%		5%

Balance Sheet (Q1'21 vs. Q4'20)

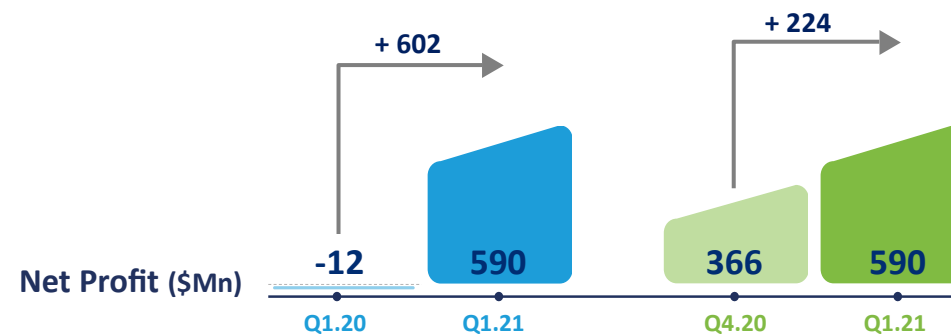
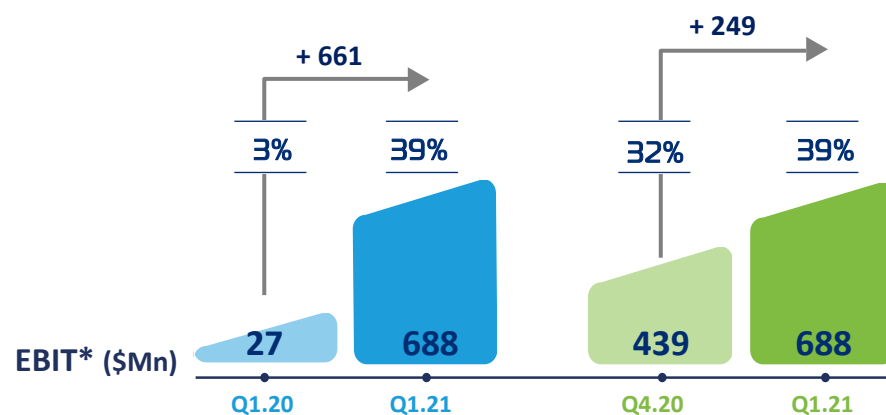
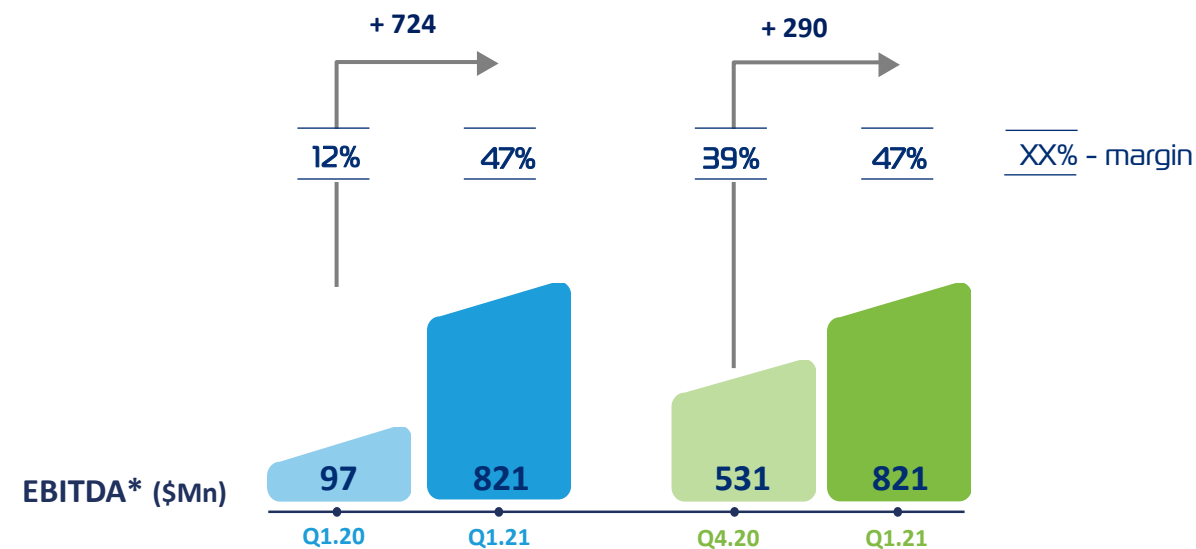
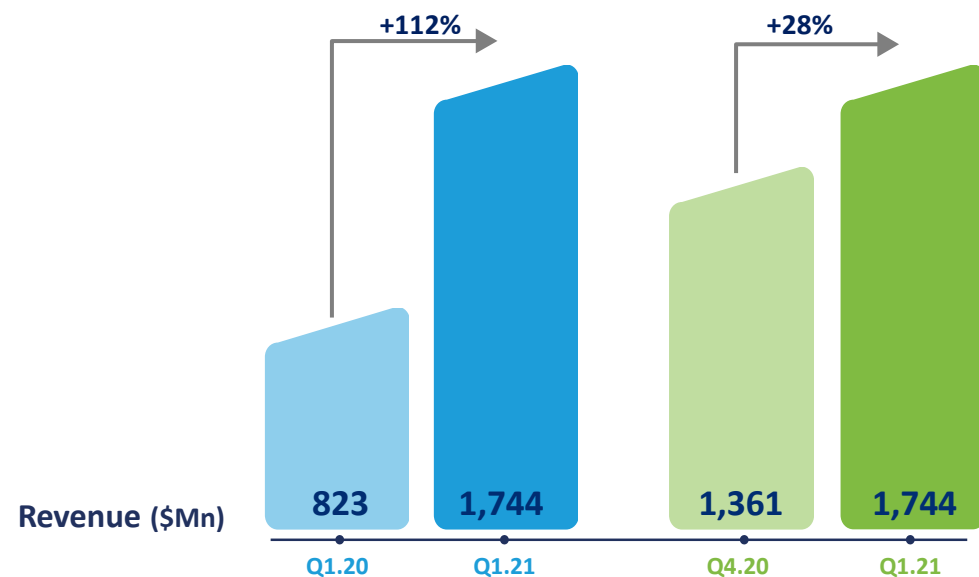
Total Debt* (USD Mn)	2,164 1,862		302
Cash, Cash Equivalents and ST Deposits (USD Mn)	1,249 626		623
Net Debt (USD Mn)	915 1,236		-321
Net Leverage Ratio	0.5X 1.2X		-58%

* Face value

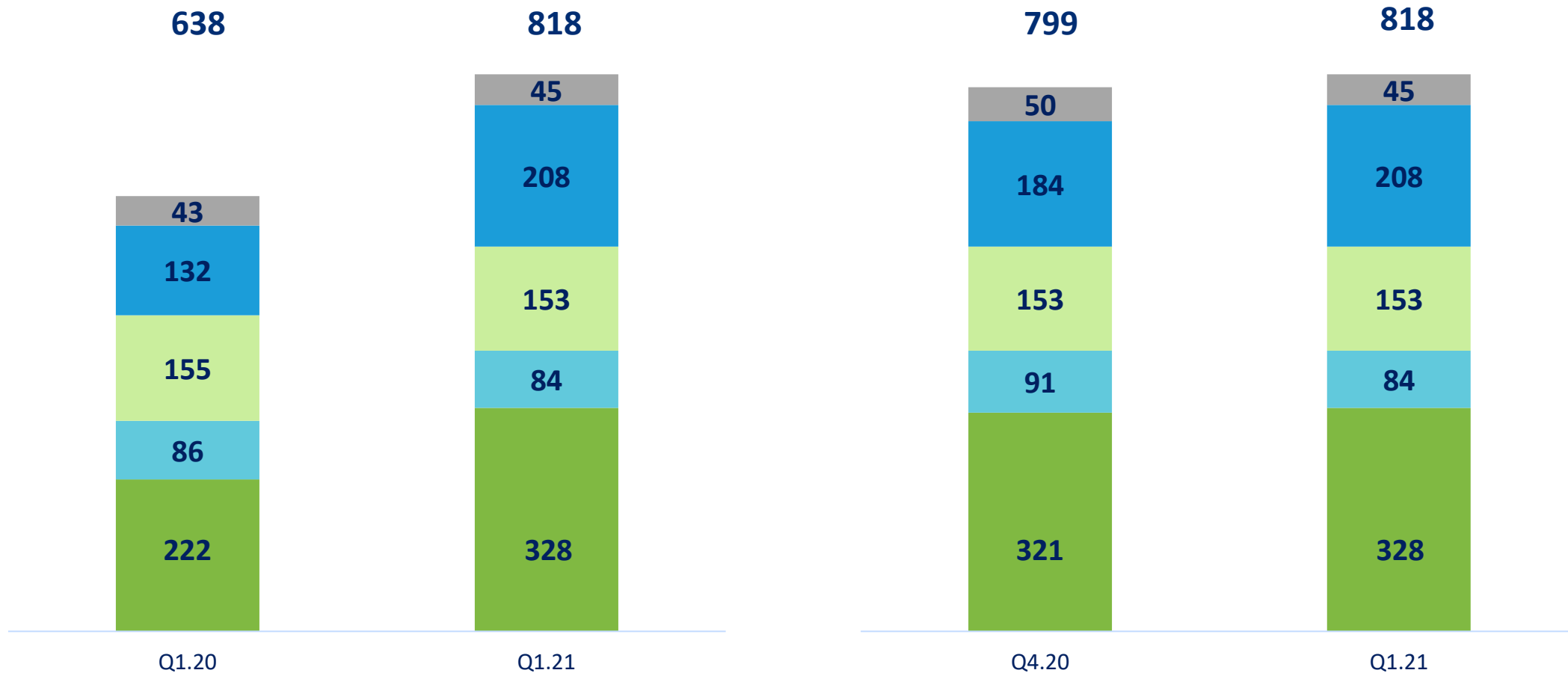




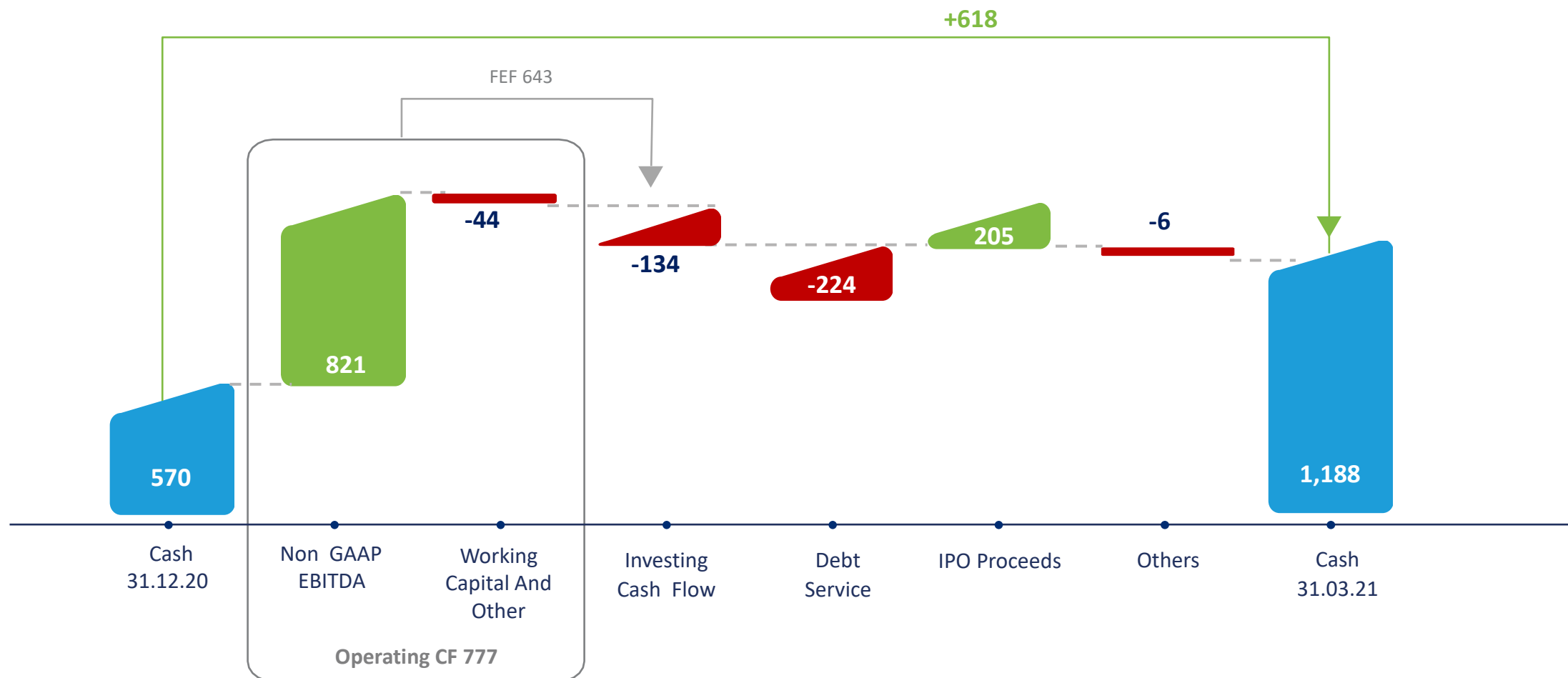
Significant improvement in all metrics in Q1 YOY and Q1.21 vs. Q4.20



Volume breakdown by geographic trade zone (K TEU)

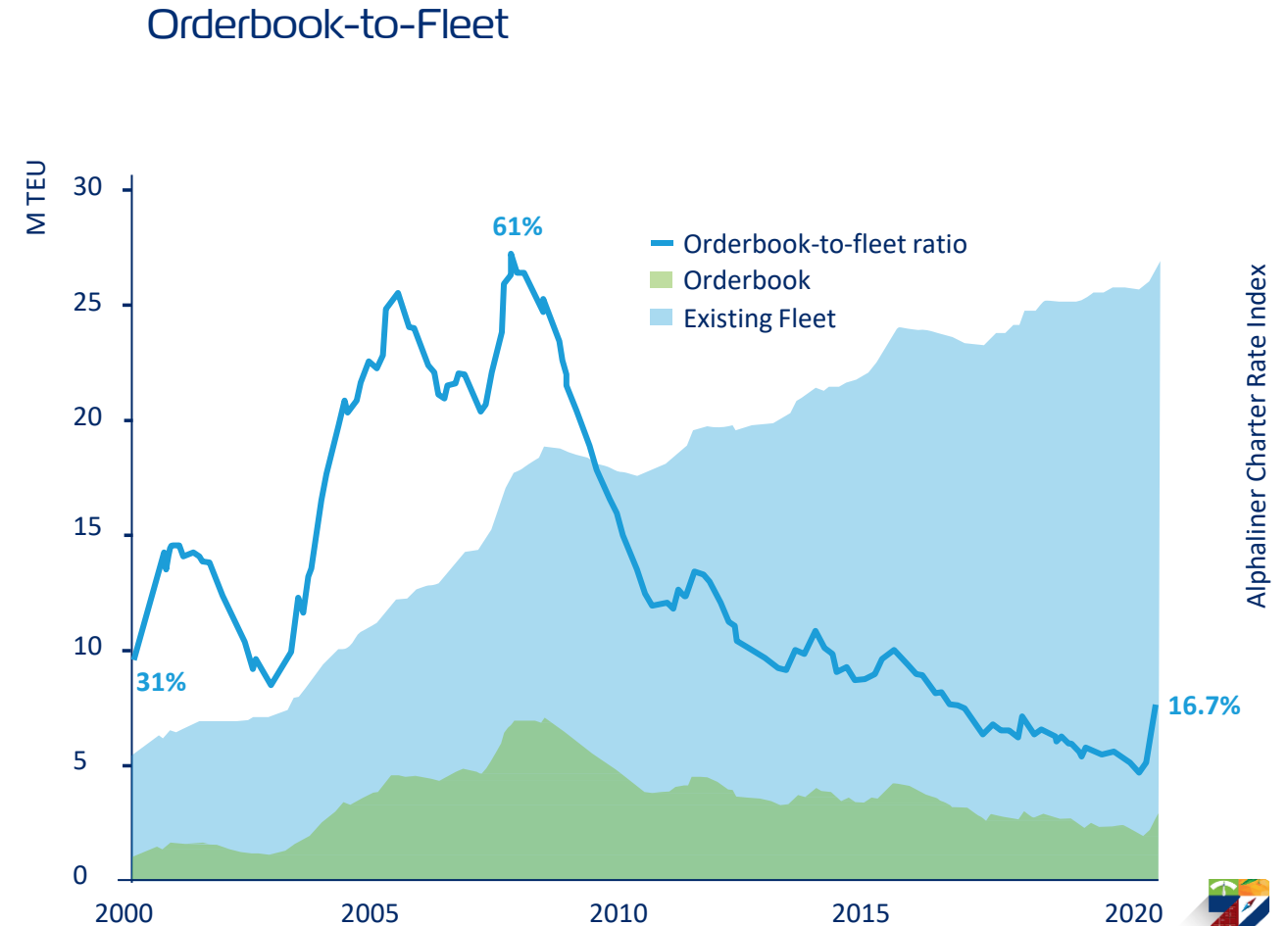
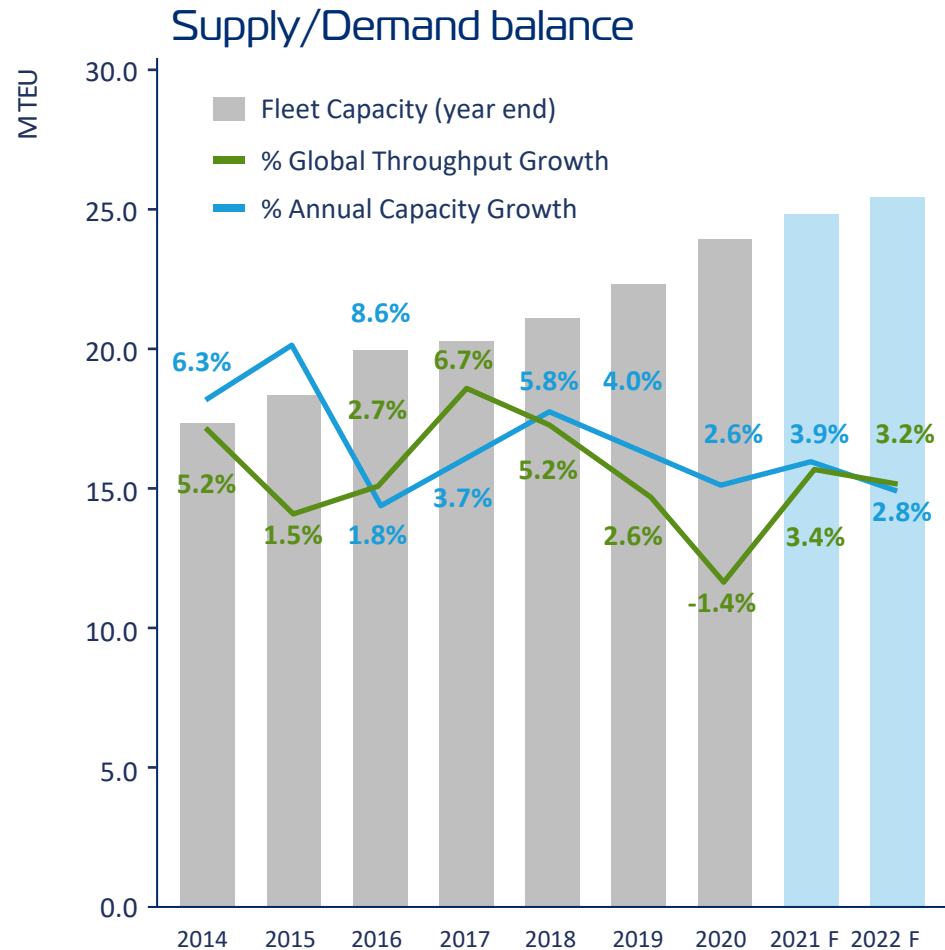


Cash flow Q1 2021 highlights (\$Mn)





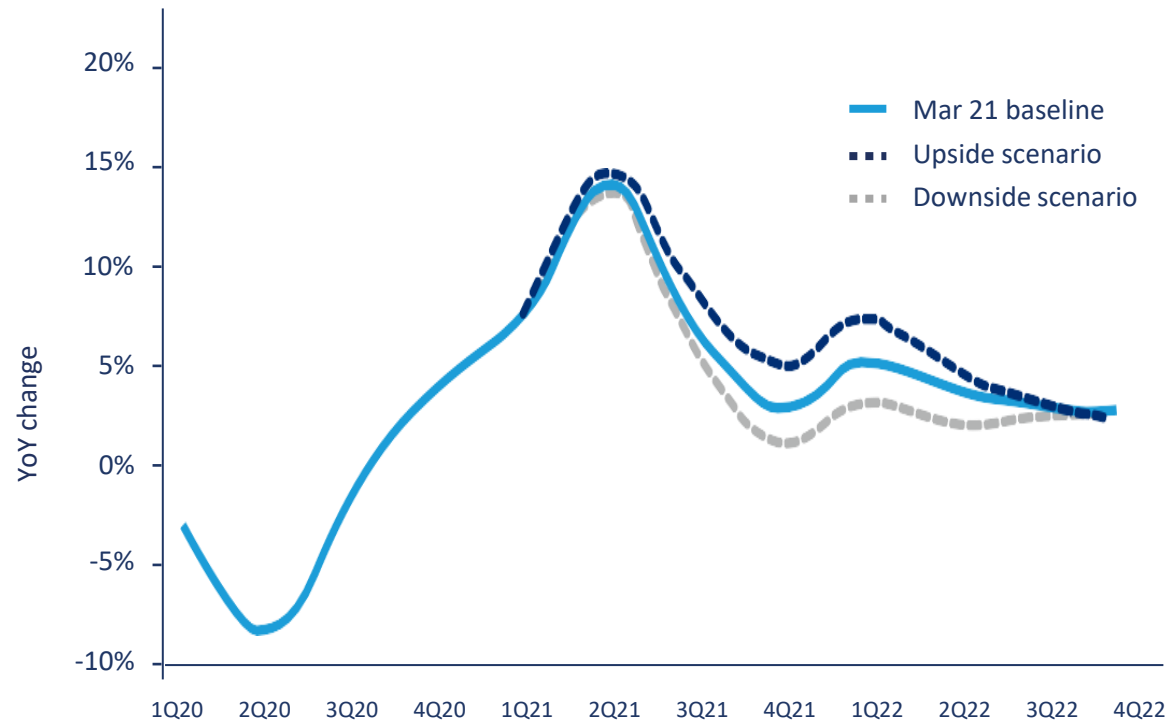
Market supply/demand fundamentals are positive;
The recently ramped up orderbook is still much below previous peaks



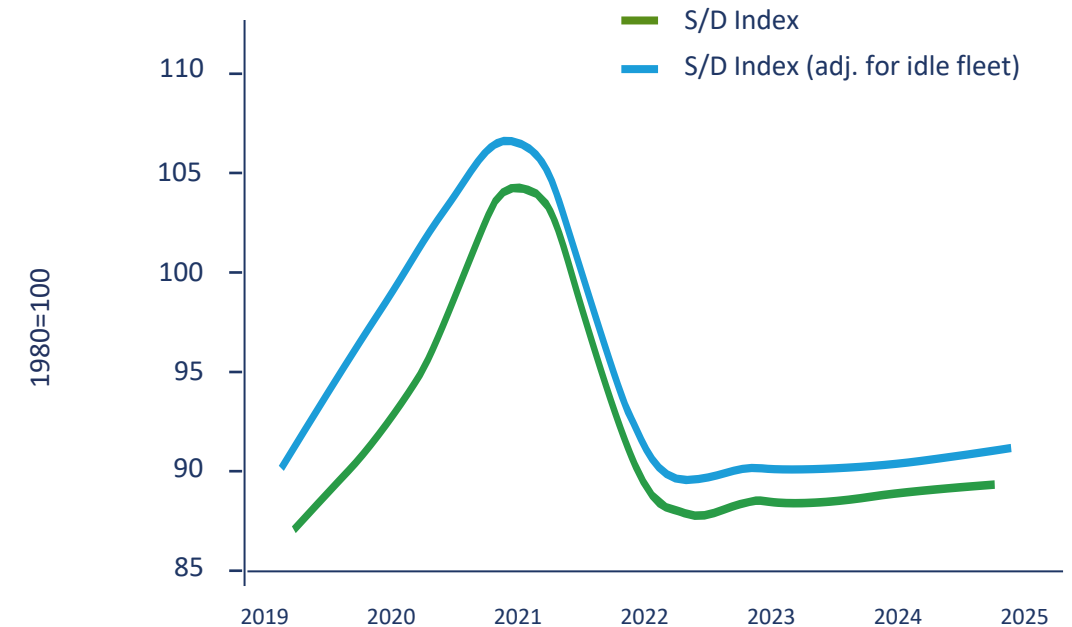
Drewry forecasts demand will surpass supply growth during 2021



Drewry port handling forecast



Drewry global supply-demand index



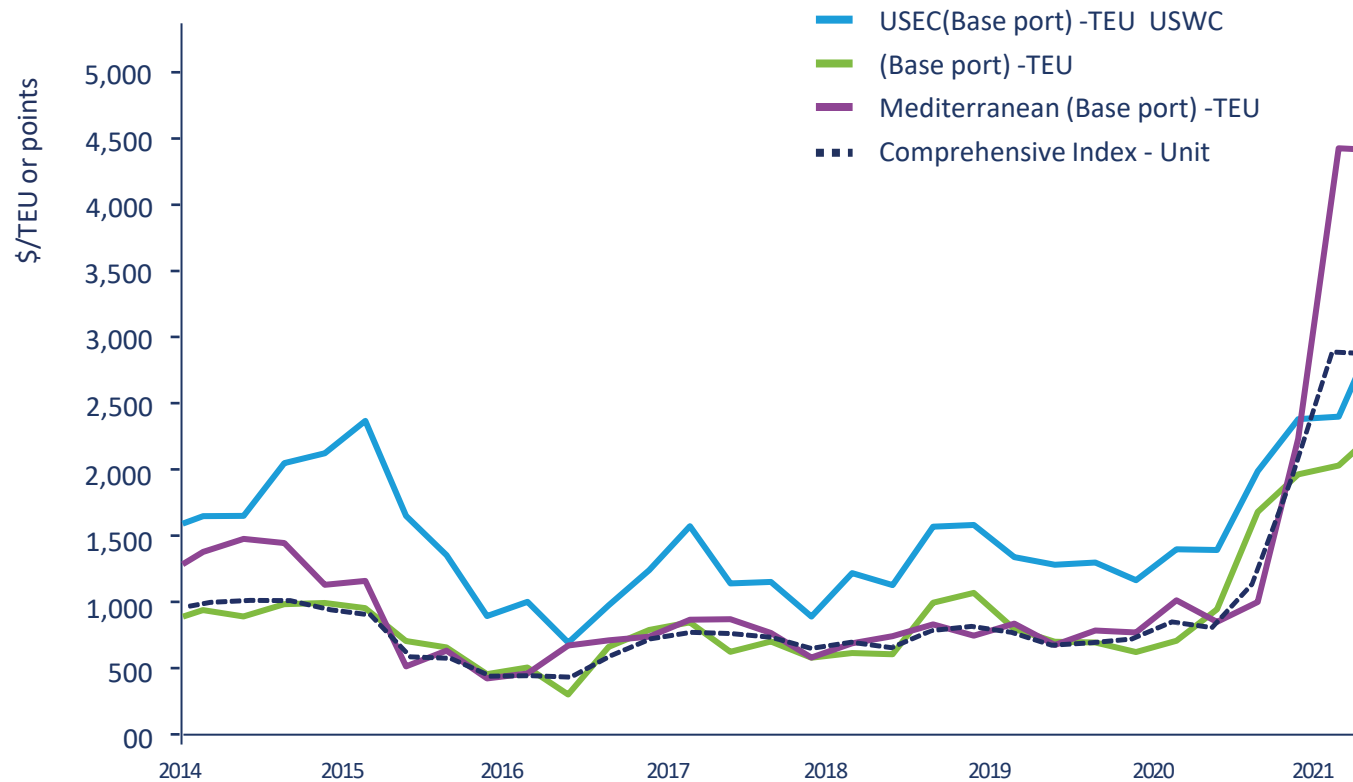
Note: a figure of 100 represents equilibrium between supply and demand; above 100 demand exceeds supply, below 100 the opposite



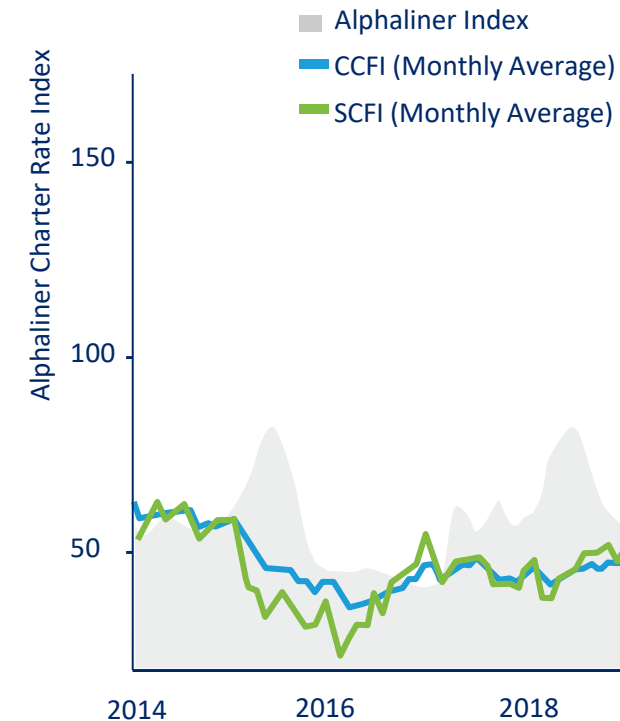


Freight rates remain well above the average of the past decade; Charter hire trend correlates with demand as reflected by spot rates

Shanghai Container Freight Index development



10 Year Charter Rate Index and Freight Rate Indices



Source: Alphaliner Monthly Monitor, April 2021



Despite continued demand boom, retailers' inventory levels have not yet been rebuilt

Retailers: Inventory to Sales ratio (US Census Bureau) still at lowest level in 28 years





Oil prices rise with hopes for demand recovery in the US and Europe



Bunker price development



| 2021 full-year guidance*

		Initial guidance for FY 2021	Updated guidance for FY 2021
	Average Freight Rate	Higher	Higher
	Average Bunker Price	Higher	Slightly higher
	Volume	Higher	Slightly higher
	Charter Rates	Higher	Higher
	EBITDA	\$ 1.4 - 1.6 Bn	\$ 2.5 - 2.8 Bn
	EBIT	\$ 0.85 - 1.05 Bn	\$ 1.85 - 2.15 Bn

| Dividend update

Declare

special dividend

on account of 2020 net profits

\$2.0 per share

(approximately \$240 Mn)

to be distributed in Sept. 2021

on top of 2021 dividend



Reconfirm

dividend policy

management recommendation
to distribute annual dividend of

30%-50%

of 2021 net profits in 2022

Continue to accelerate, leveraging the momentum!

Positioning ZIM as an innovative leader of seaborne transportation and logistics services with relentless focus on:



- Maintaining agility
- Promoting our core sustainability values
- Maximizing financial performance
- Expanding growth engines
- Fostering unique “Z-Factor” culture
- Embracing “Startup Nation” DNA to fuel growth
- Harnessing digital strategies

**THANK
YOU.**

APPENDIX



Reconciliation of net income (loss) to Adjusted EBITDA and Adjusted EBIT

(\$ in Mn)

	Q1'21	Q1'20	Q1'19
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBIT			
Net income (loss)	590	(12)	(24)
Financial expenses (income), net	39	34	39
Income taxes	54	3	4
Operating income (EBIT)	683	25	19
Non-cash charter hire expenses (1)(2)	1	2	3
Expenses related to legal contingencies	4	-	0
Adjusted EBIT	688	27	22
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA			
Net income (loss)	590	(12)	(24)
Financial expenses (income), net	39	34	39
Income taxes	54	3	4
Depreciation and amortization	134	72	49
EBITDA	817	97	68
Non-cash charter hire expenses (1)(2)	0	0	1
Expenses related to legal contingencies	4	0	0
Adjusted EBITDA	821	97	69

Notes .:

(1) Mainly related to amortization of deferred charter hire costs, recorded in connection with the 2014 restructuring.

(2) Following the adoption of IFRS 16 on January 1, 2019, part of the adjustments are recorded as amortization of right-of-use assets.