



INVESTOR PRESENTATION

Q2 2021 FINANCIAL RESULTS



August 18, 2021

| Today's presenters:



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President & Chief Executive Officer



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*Executive Vice President,
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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 that 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 impairment of assets, non-cash charter hire expenses, capital gains (losses) beyond the ordinary course of business and expenses related to legal contingencies.

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

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

The Z Factor



Q2 & YTD 2021 achievements

Record Quarterly Results



Revenues of **\$2.4 billion** and net profit of **\$888 million**; exceeds 2020 results



Operating cash flow of **\$1,181 million**



Adjusted EBITDA and EBIT margins of **56%** and **49%**, respectively; continue to deliver industry leading margins



Shareholder equity in excess of **\$1.7 billion**

Major Milestones

Second strategic long-term chartering agreement with



10 x 7,000 TEU LNG-fueled vessel



Raise 2021 full-year guidance

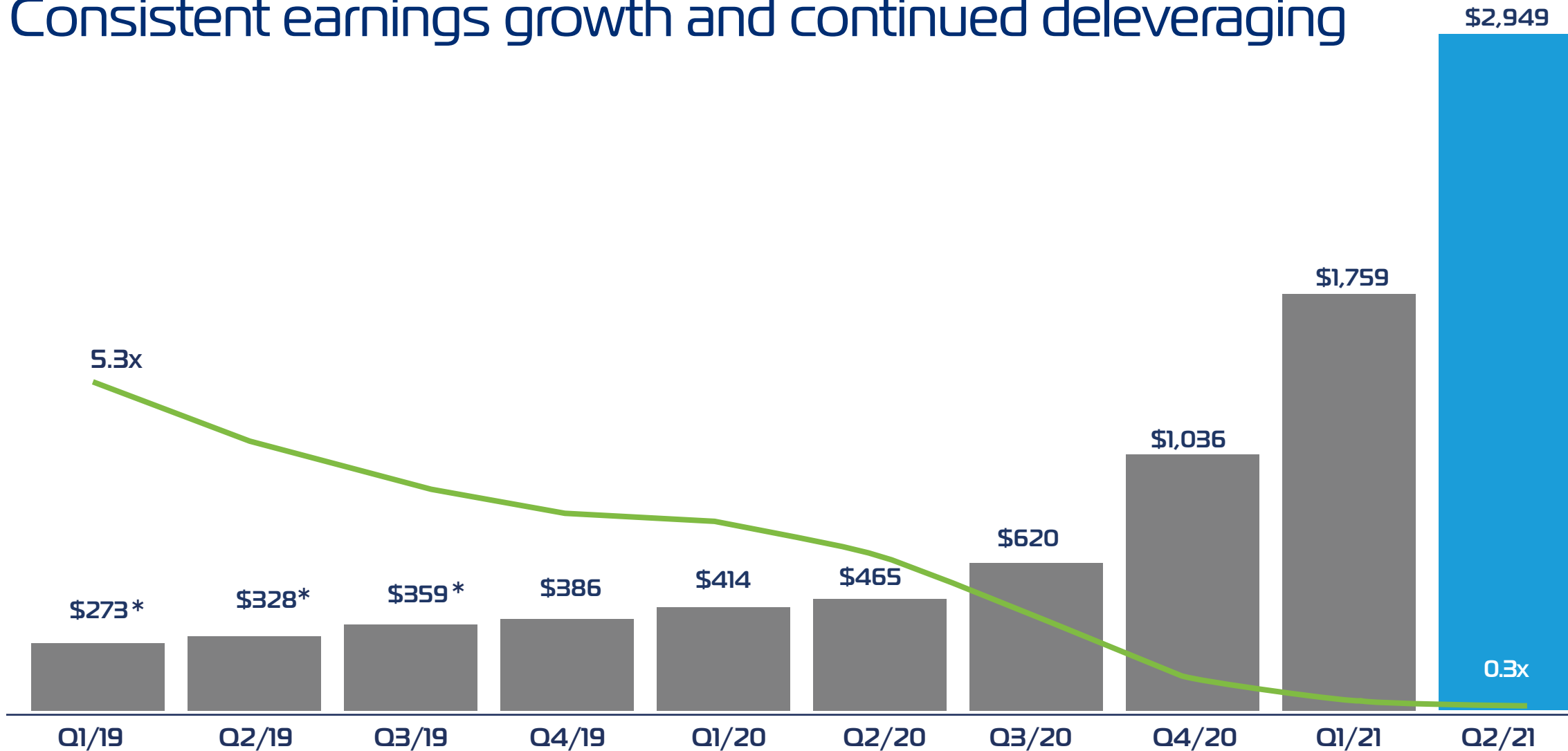


Full redemption of \$349 million principal amount of Series 1 and 2 notes





Consistent earnings growth and continued deleveraging



* LTM Adjusted EBITDA was adjusted to simulate IFRS 16 impact during periods prior to January 1, 2019, based on actual IFRS 16 impact in periods following its implementation



Strong execution across all strategic pillars

Operational agility

Adapt fleet size to capitalize on market opportunities:



Commercial agility



Capitalize on ecommerce trends:



Operational excellence



Expand LNG-fueled fleet



Invest in container fleet



Strengthen local presence in target markets

Digitalization and innovation



Continue investing in smart tools for better revenue management



Enhancing data science and AI capabilities

WAVE BL Growing acceptance of solution





Improvement across key operational and financial indicators

Operational	Q2'21 vs. Q2'20	1H'21 vs. 1H'20
Carried Volume (K TEUs)	921 641 > 44%	1,739 1,280 > 36%
Freight Rate (\$/TEU)	2,341 1,071 > 119%	2,145 1,081 > 98%
Revenue (\$ Mn)	2,382 795 > 200%	4,126 1,618 > 155%

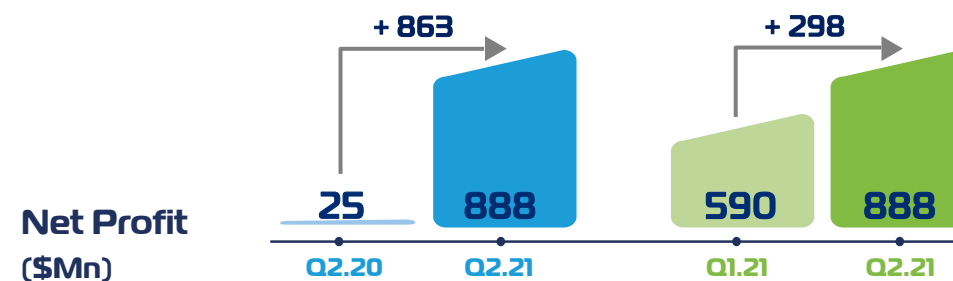
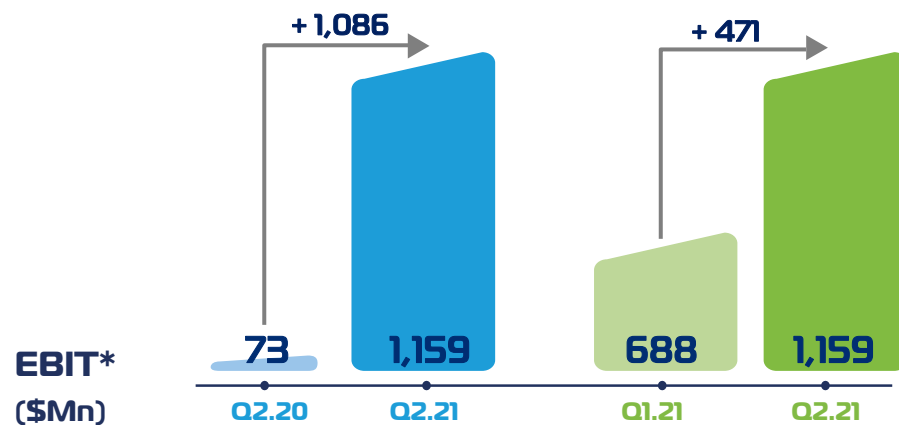
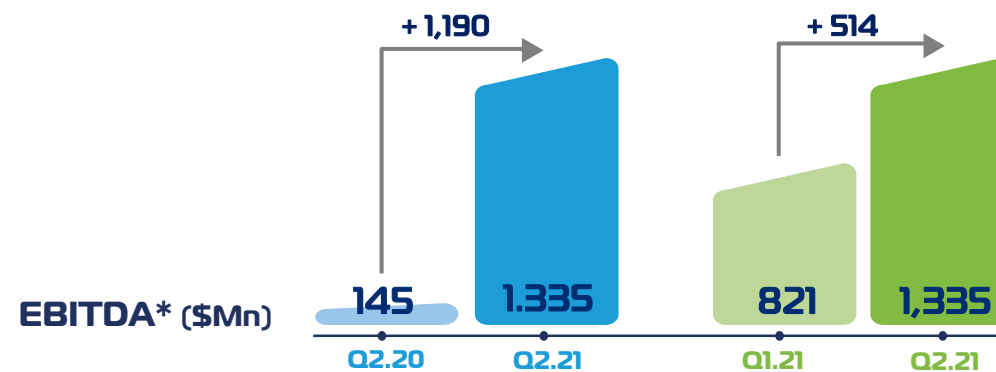
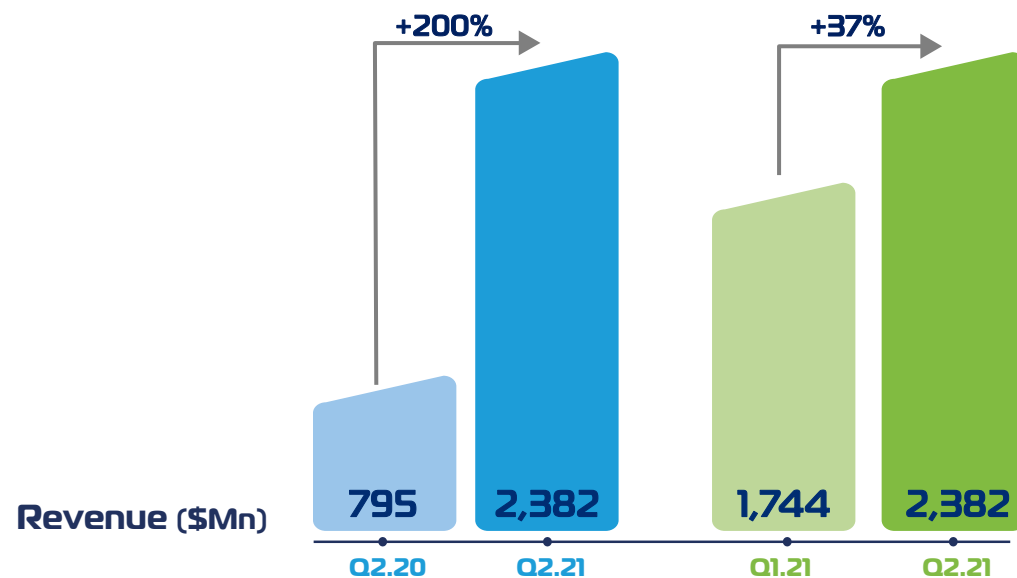
Cash flow	Q2'21 vs. Q2'20	1H'21 vs. 1H'20
FCF (\$ Mn)	867 115 > 752	1,510 214 > 1,296
Cash Conversion Rate	65% 79% > -14%	70% 88% > -18%

* Face value

Balance Sheet	Q2'21 vs. Q4'20
Total Debt* (\$ Mn)	2,371 1,862 > 509
Cash, Cash Equivalents and ST Deposits (\$ Mn)	1,588 626 > 962
Net Debt (\$ Mn)	783 1,236 > -453
Net Leverage Ratio	0.3X 1.2X > -75%

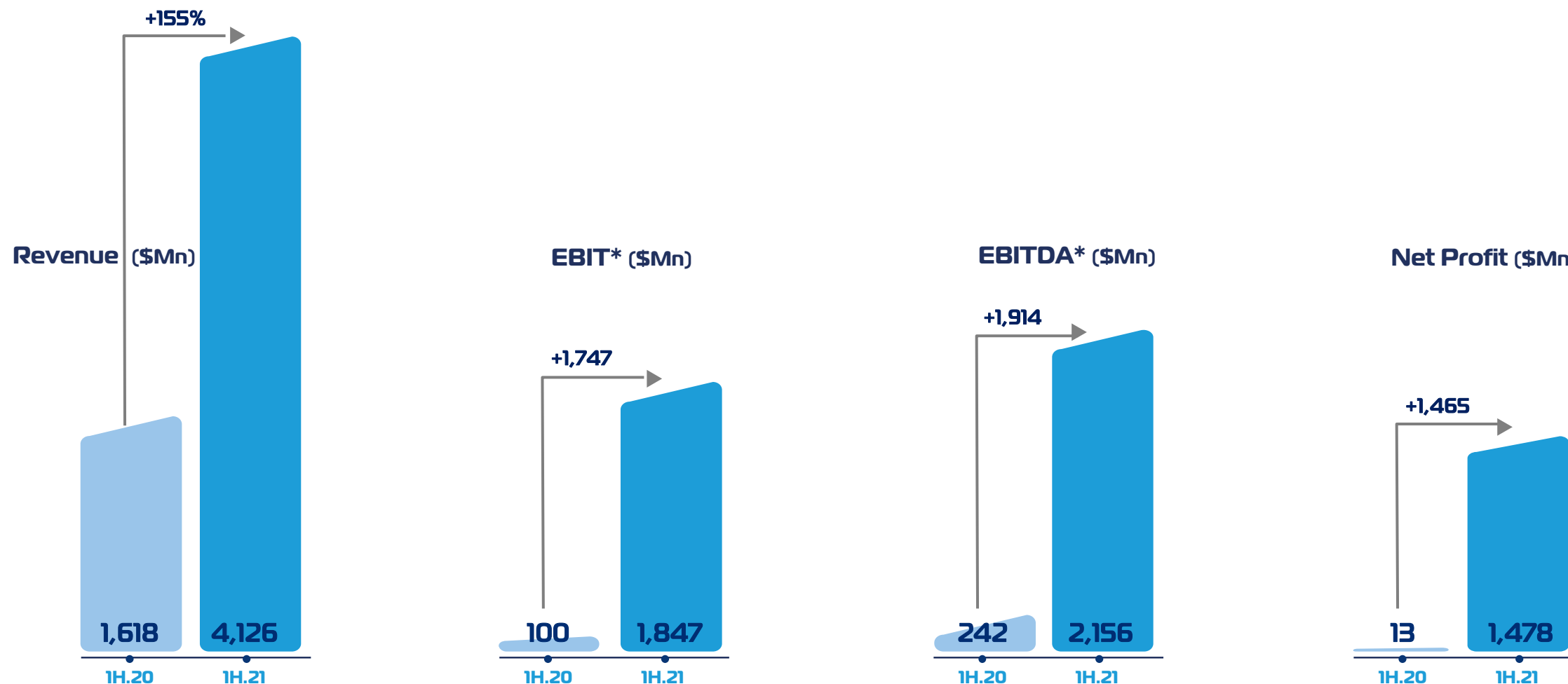


Significant improvement in all metrics: Q2 YOY & Q2.21 vs. Q1.21





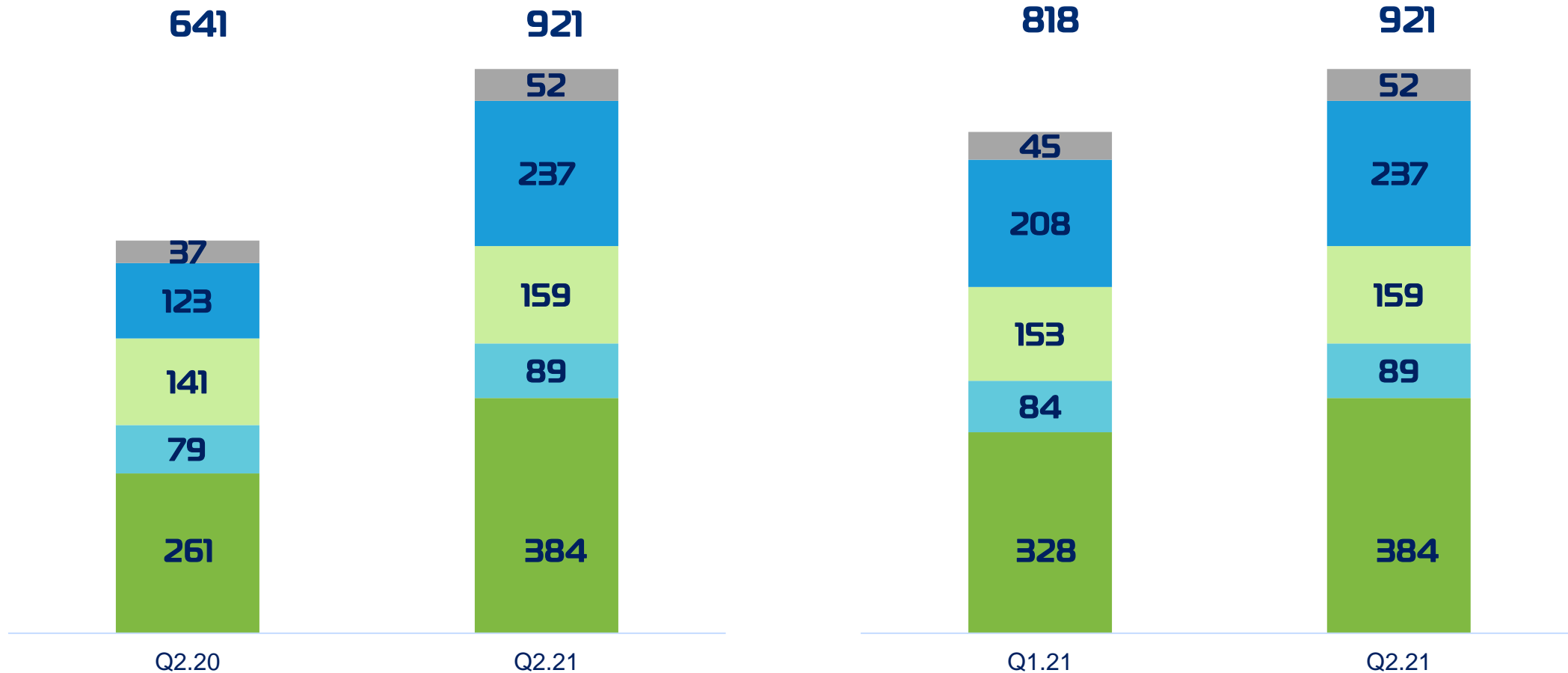
Significant improvement in all metrics: 1H.21 vs. 1H.20





| ZIM 44% growth vs. overall market growth of ~15%* (Q2 YoY)

Volume breakdown by geographic trade zone (K TEU)

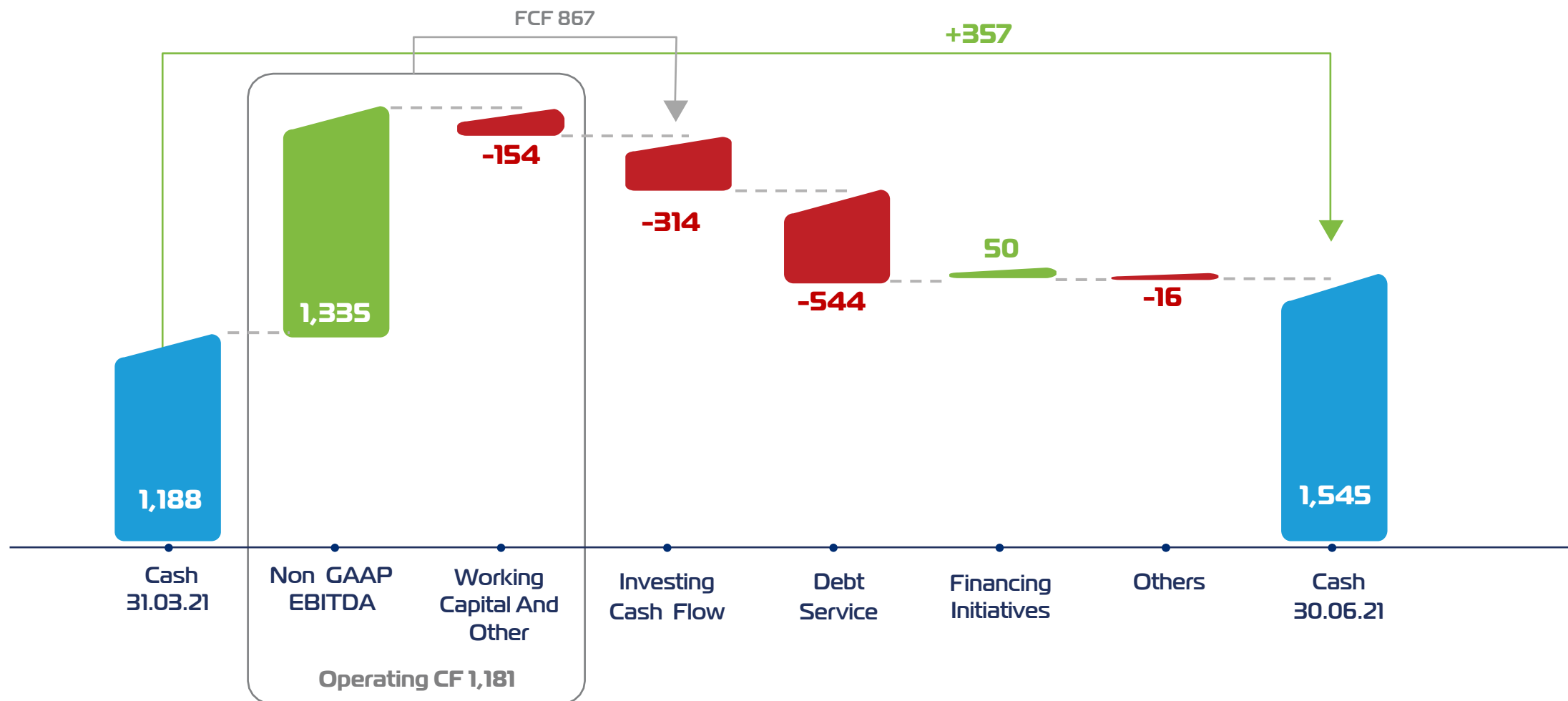


* Source: Container Trade Statistics

Pacific Cross-Suez Atlantic Intra-Asia Latin America



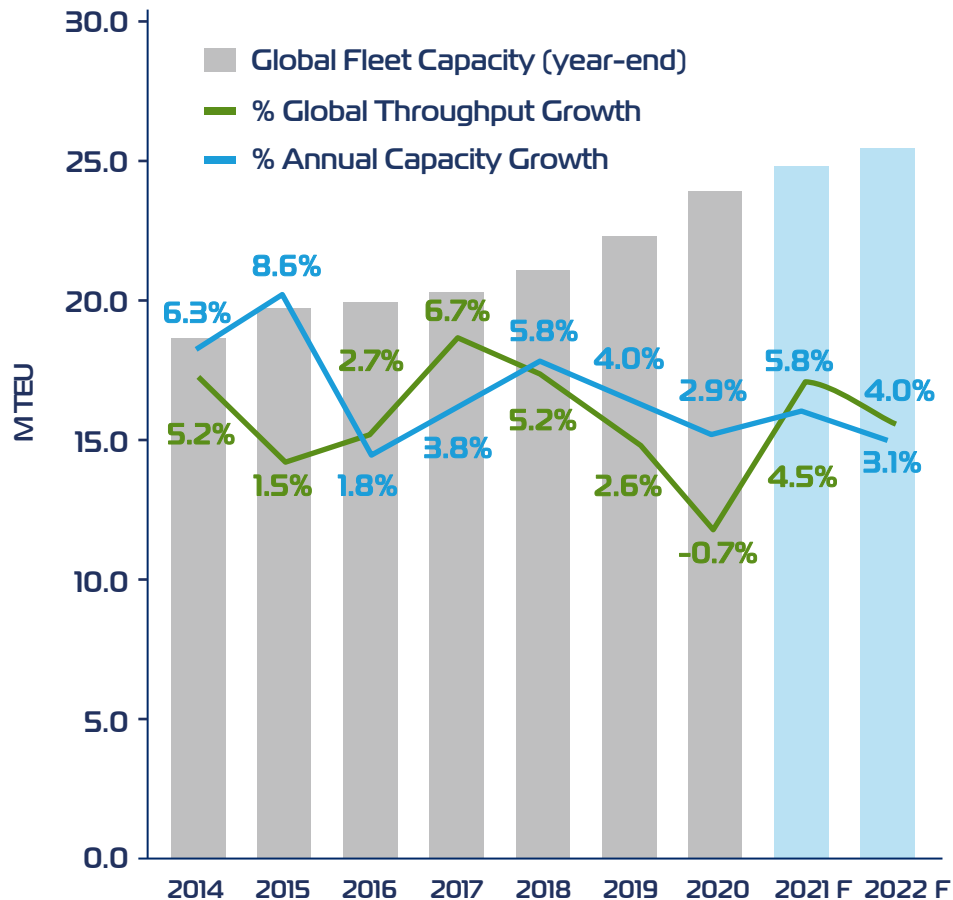
Cash flow Q2 2021 highlights (\$ Mn)





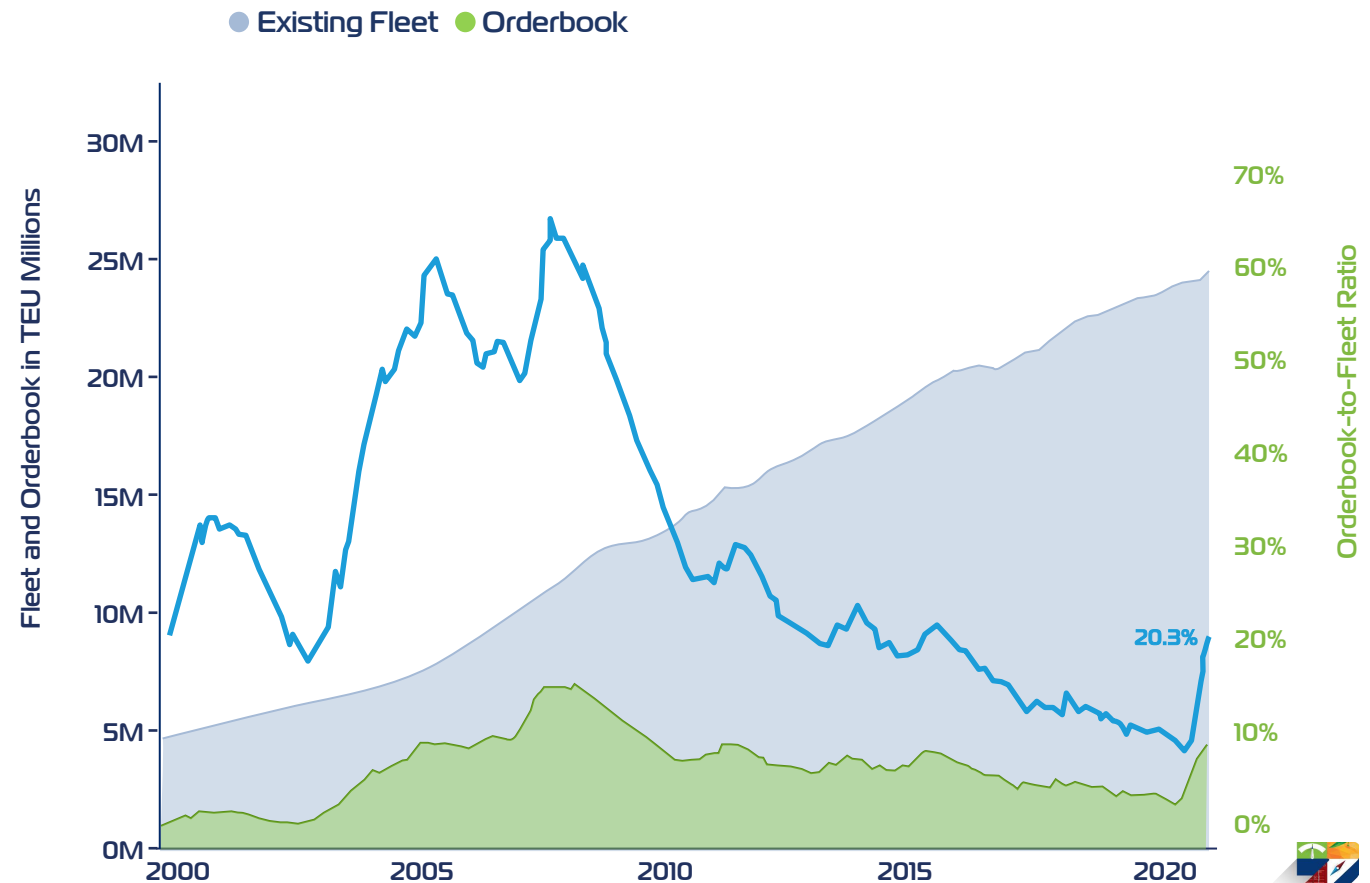
Market supply/demand fundamentals remain positive; Recent ramped up in orderbook expected to be offset with land-side bottlenecks and decarbonization efforts

Supply/Demand Balance



Source: Alphaliner Monthly Monitor, July 2021

Orderbook-to-Fleet



Source: Alphaliner Monthly Monitor, July 2021



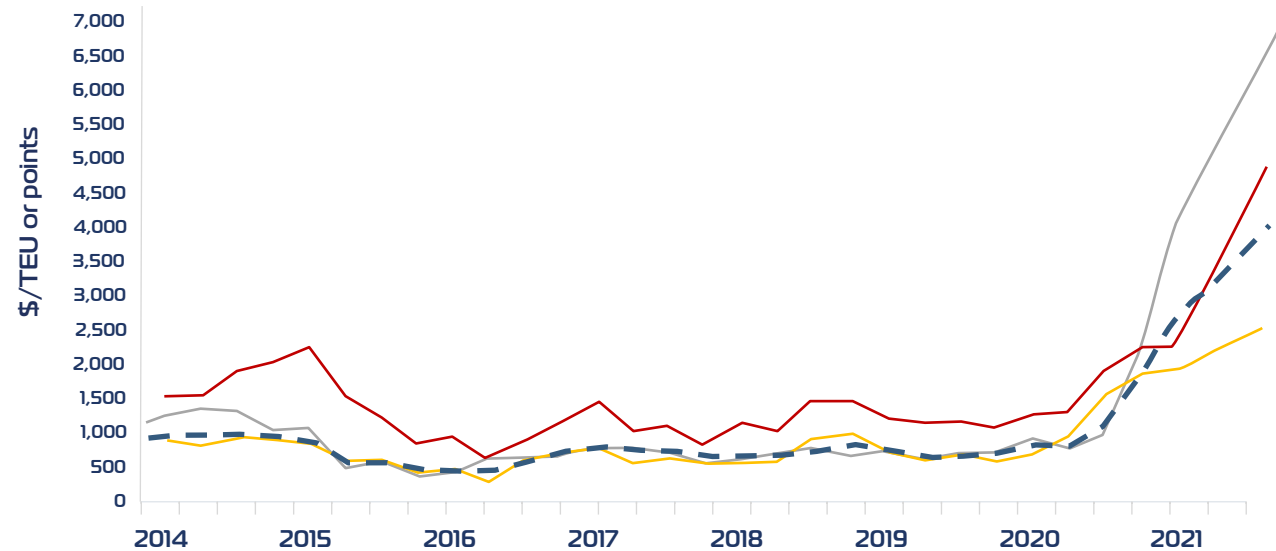


Freight rates trend continues to rise well-above average of the past decade driven by supply challenges

Charter hire trend correlates with demand as reflected by spot rates

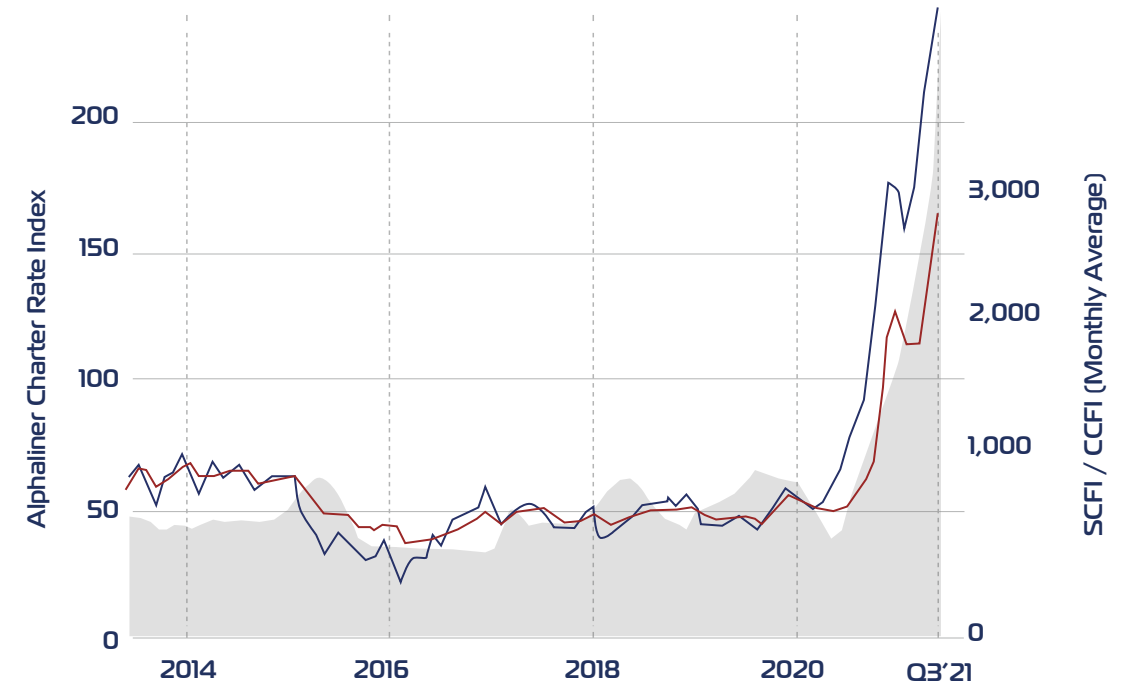
Shanghai Container Freight Index Development

■■■ Comprehensive Index – Unit ■ Mediterranean (Base port) – TEU
 ■ USWC (Base port) – TEU ■ USEC (Base port) – TEU



Alphaliner Charter Rate Index and Freight Rate Indices

● CCFI (Monthly Average) ● SCFI (Monthly Average) ● Charter Rate index



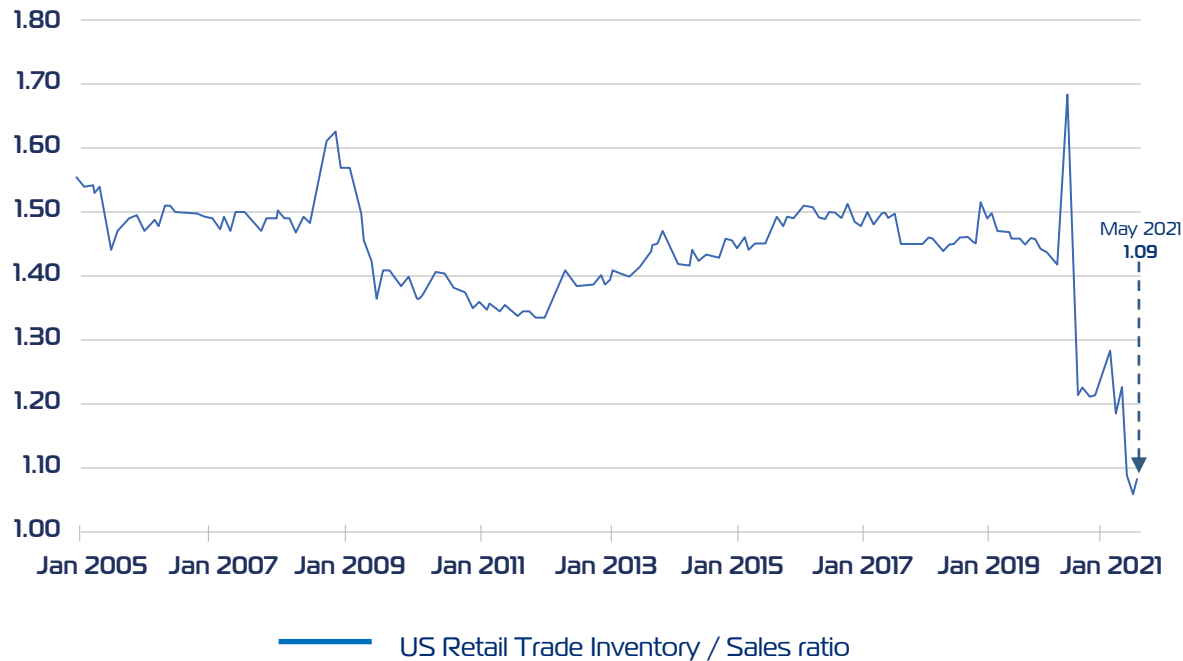
Source: Alphaliner Monthly Monitor, July 2021





Despite continued demand boom, retailers' inventory levels remain very low

US Retail Trade Inventory/Sales Ratio

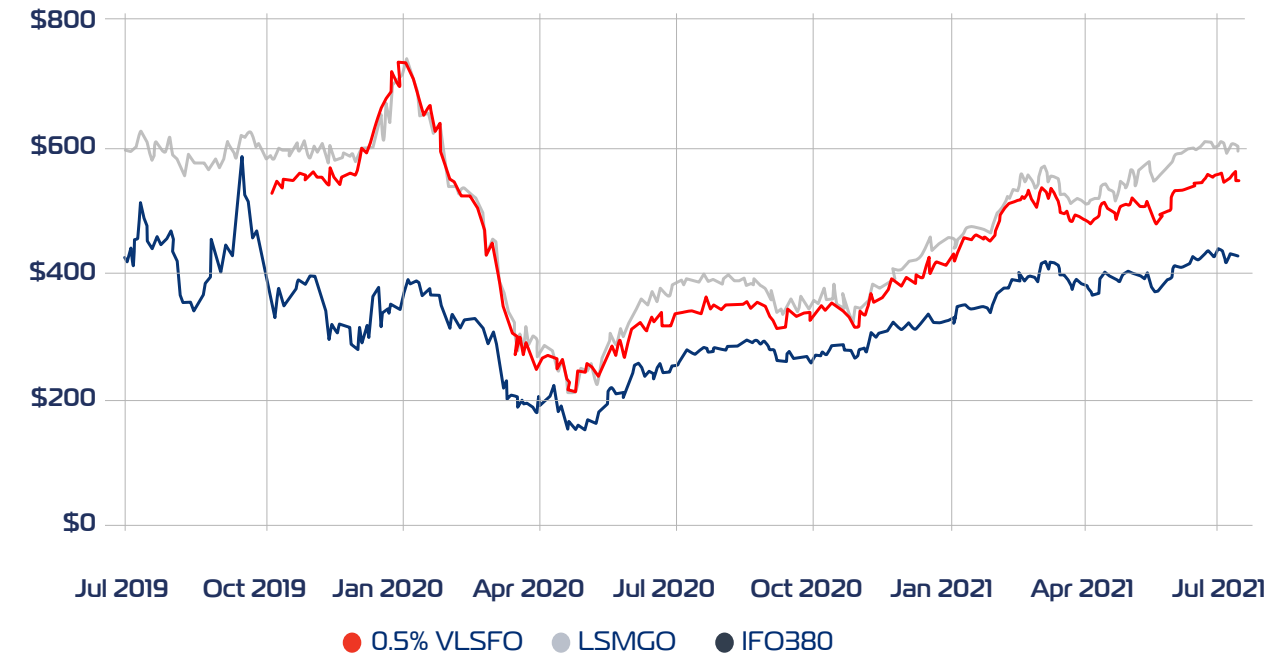


Source: <https://fred.stlouisfed.org/series/RETAILIRSA>

Oil prices rise amid uncertainty on OPEC stand and US bigger than expected drop in gasoline inventories

Bunker Price Development

Singapore Bunker Price: IFO30 vs VLSFO \$/ton



Source: Alphaliner Monthly Monitor, July 2021, ClearlynxIQ



| 2021 full-year guidance

	Previous Guidance 5.2021	Updated Guidance 8.2021
 Adjusted EBITDA	\$2.5 - 2.8 Bn	\$4.8 - 5.2 Bn
 Adjusted EBIT	\$1.85 - 2.15 Bn	\$4.0 - 4.4 Bn



| Dividend

Declared

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*



Poised for continued growth and delivering shareholder value

Positioning ZIM as an innovative leader of seaborne transportation and logistics services



- Differentiated strategy and strong underlying market conditions generate record results and profitability in 1H.21
- Continued surge in demand (particularly in the US) and persistent operational constraints support very positive outlook for 2H.21
- Leverage strong cash generation to invest in future growth and return significant capital to shareholders

APPENDIX



Reconciliation of net income to Adjusted EBITDA and Adjusted EBIT

(\$ in Mn)

	Q2'21	Q2'20	Q2'19
RECONCILIATION OF NET INCOME TO ADJUSTED EBIT			
Net income	888	25	5
Financial expenses, net	46	40	36
Income taxes	224	4	3
Operating income (EBIT)	1,158	69	44
Non-cash charter hire expenses ⁽¹⁾⁽²⁾	0	2	3
Capital gain (loss), beyond the ordinary course of business	0	0	(8)
Impairment of assets	0	2	0
Expenses related to legal contingencies	1	0	0
Adjusted EBIT	1,159	73	39
RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA			
Net income	888	25	5
Financial expenses, net	46	40	36
Income taxes	224	4	3
Depreciation and amortization	175	74	58
EBITDA	1,333	143	102
Non-cash charter hire expenses ⁽¹⁾⁽²⁾	1	0	1
Capital gain (loss), beyond the ordinary course of business	0	0	(8)
Impairment of assets	0	2	0
Expenses related to legal contingencies	1	0	0
Adjusted EBITDA	1,335	145	95

