



# Investor Presentation Q2 2024 FINANCIAL RESULTS

August 19, 2024

# Disclaimer

## Forward-Looking Statements

The following information contains, or may be deemed to contain forward-looking statements (as defined in the U.S. Private Securities Litigation Reform Act of 1995). In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue,” the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about the Company, may include projections of the Company’s future financial results, its anticipated growth strategies and anticipated trends in its business. These statements are only predictions based on the Company’s current expectations and projections about future events or results. There are important factors that could cause the Company’s actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause such differences include, but are not limited to: market changes in freight, bunker, charter and other rates or prices, supply-demand fluctuations in the containerized shipping market, new legislation or regulation affecting the Company’s operations, new competition and changes in the competitive environment, our ability to achieve cost savings or expense reductions, the outcome of legal proceedings to which the Company is a party, global, regional and/or local political instability, including the ongoing war between Israel and Hamas and the ongoing hostilities between Israel and Hezbollah, inflation rate fluctuations, capital markets fluctuations and other risks and uncertainties detailed from time to time in the Company’s filings with the U.S. Securities and Exchange Commission (SEC), including under the caption “Risk Factors” in its 2023 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:** net income (loss) adjusted to exclude financial expenses (income), net, income taxes, depreciation and amortization in order to reach EBITDA, and further adjusted, as applicable, 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:** 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, as applicable, 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:** net cash generated from operating activities minus capital expenditures, net.

**Total cash position:** includes cash and cash equivalents and investments in bank deposits and other investment instruments.

**Net debt:** face value of short- and long-term debt, minus cash and cash equivalents, bank deposits and other investment instruments. Net cash: cash and cash equivalents, bank deposits and other investment instruments exceeding the face value of short- and long-term debt.

**Net leverage ratio:** net debt (defined above) divided by Adjusted EBITDA of the last twelve-month period.

# Q2 2024 – Continued Strong Momentum; Improved 2024 Outlook

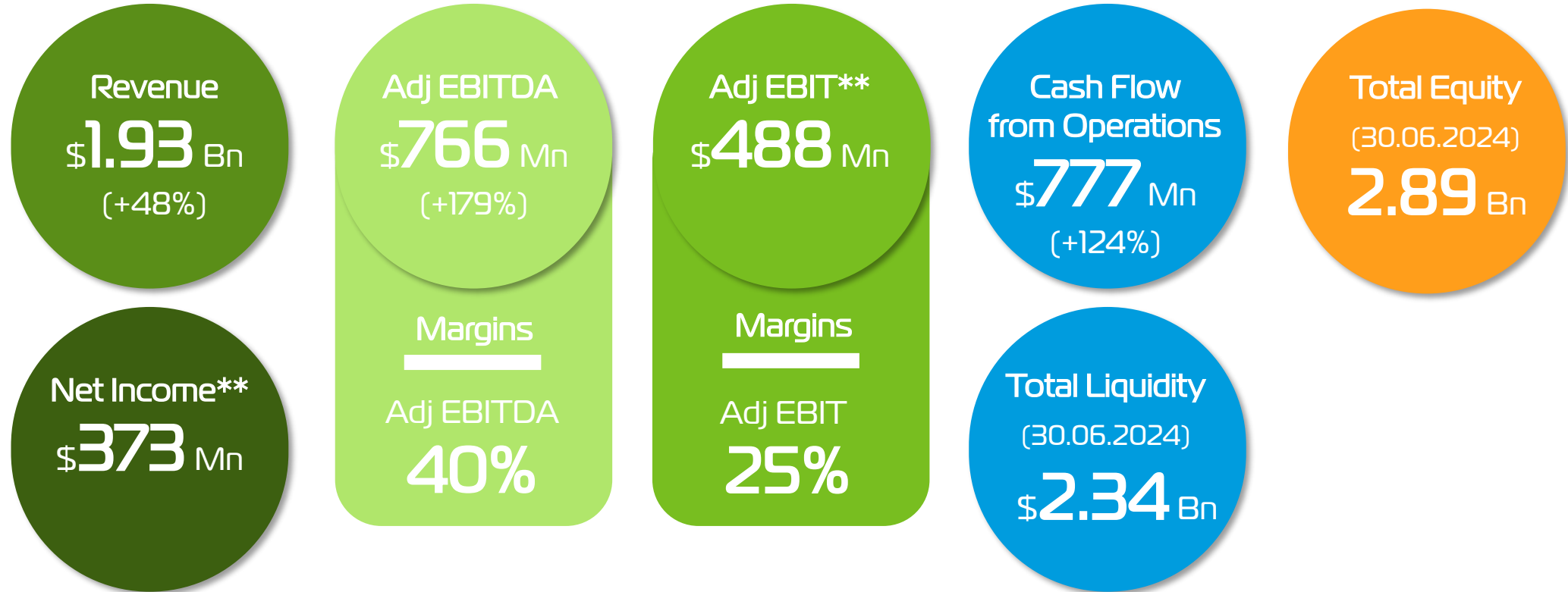
Improved Financial Performance

Record Carried Volume

Raised Full Year Guidance



# Solid Q2 2024 Results\*



\* Figures in parentheses reflect year-over-year comparison

\*\* Q2 2023 Net loss totaled \$213 million, and Q2 2023 Adjusted EBIT totaled a loss of \$147 million

# Increased FY 2024 Guidance; Declared Q2 2024 Dividend



**Adjusted EBITDA**  
\$2.6 Bn to \$3.0 Bn  
**Adjusted EBIT**  
\$1.45 Bn to \$1.85 Bn



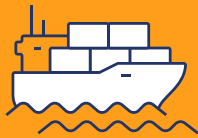
**\$0.93/Share**  
(~\$112 Mn)  
30% of Q2 2024 Net Income

\* Previous guidance provided in May 2024: Adjusted EBITDA of \$1,150 million to \$1,550 million and Adjusted EBIT of \$0 to \$400 million

# Strategy Yielding Strong Results

## Operational

### Fleet renewal program



- 46 newbuild vessels
- 28 LNG-powered
- 38 delivered to date

**Improved cost structure**

## Commercial

Increased exposure to higher transpacific spot rates

LNG capacity deployed on Asia-USEC trade

Commercial agility: adapted network to meet evolving demand

**Record carried volume; on track to achieve double digit volume growth in 2024**

# Growth Engines

## Strategic investments in disruptive technologies

- Related to ZIM's core shipping business and broader supply chain and logistics ecosystem as well as innovative sustainability related technologies
- Aim to enhance customer offering
- Modest capital requirements with significant potential for returns



Climate tech: Carbon Dioxide removal (CDR) technology

Logistic solutions: robotic grasping technology



# Key Operational and Financial Indicators\*

Operational	Q2-24	H1-24	Cash Flow	Q2-24	H1-24	Balance Sheet	30-6-2024
Carried volume (K TEUs)	952 (+11%)	1,799 (+10%)	Free cash flow (\$ Mn)	712 (+391)	1,015 (+552)	Total debt (\$ Mn)	5,583 (+585)
Freight rate (\$/TEU)	1,674 (+40%)	1,569 (+22%)	Cash conversion rate	93% (-24%)	85% (+14%)	Cash, bank deposit and investment instruments (\$ Mn)	2,338 (-351)
Revenue (\$ Mn)	1,933 (+48%)	3,495 (+30%)				Net debt (\$ Mn)	3,245 (+936)
						Net leverage ratio	2.0x

\* Operational and cash flow metrics – figures in parentheses reflect year-over-year comparison; balance sheet metrics – figure in parentheses reflect comparison to year-end 2023



# ZIM Operated Capacity; 2024-25 Expected Deliveries & Redeliveries

**148\***  
**Vessels**  
132 containerships +  
16 car carriers

## Newbuild Capacity

46 containerships (28 LNG-fueled); Delivery 2023-2024; 38 Delivered



10 x 15,000 TEU LNG-fueled

**Delivered 10**



4 x 12,000 TEU

**Delivered 4**



18 x 8,000 TEU LNG-fueled

**Delivered 12**



6 x 5,500 TEU wide beam

**Delivered 6**



8 x 5,300 TEU wide beam

**Delivered 6**

**Re**  
**deliveries**

**YTD 2024**  
**2024**  
**2025**

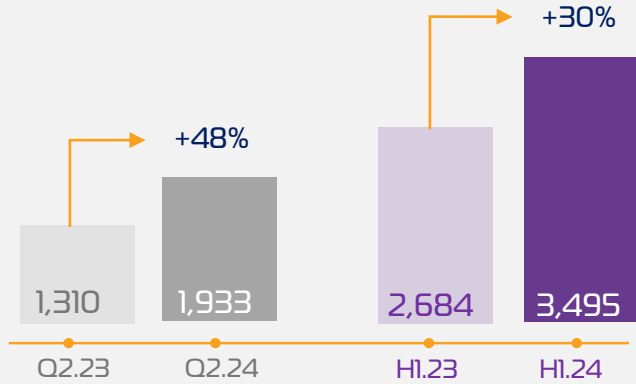
16 chartered vessels  
15 additional vessels up for renewal  
36 vessels up for renewal

\* Current operated capacity: of 132 containerships, 118 are chartered vessels and 14 are owned by ZIM; all car carriers are chartered

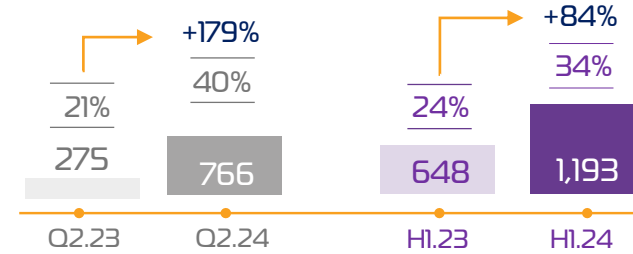
# Q2 and H1 2024 Financial Highlights

XX% - margin

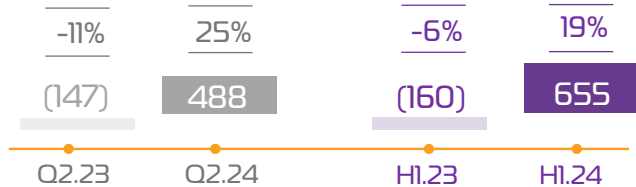
Revenue (\$Mn)



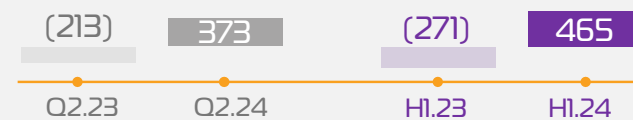
Adjusted EBITDA (\$Mn)



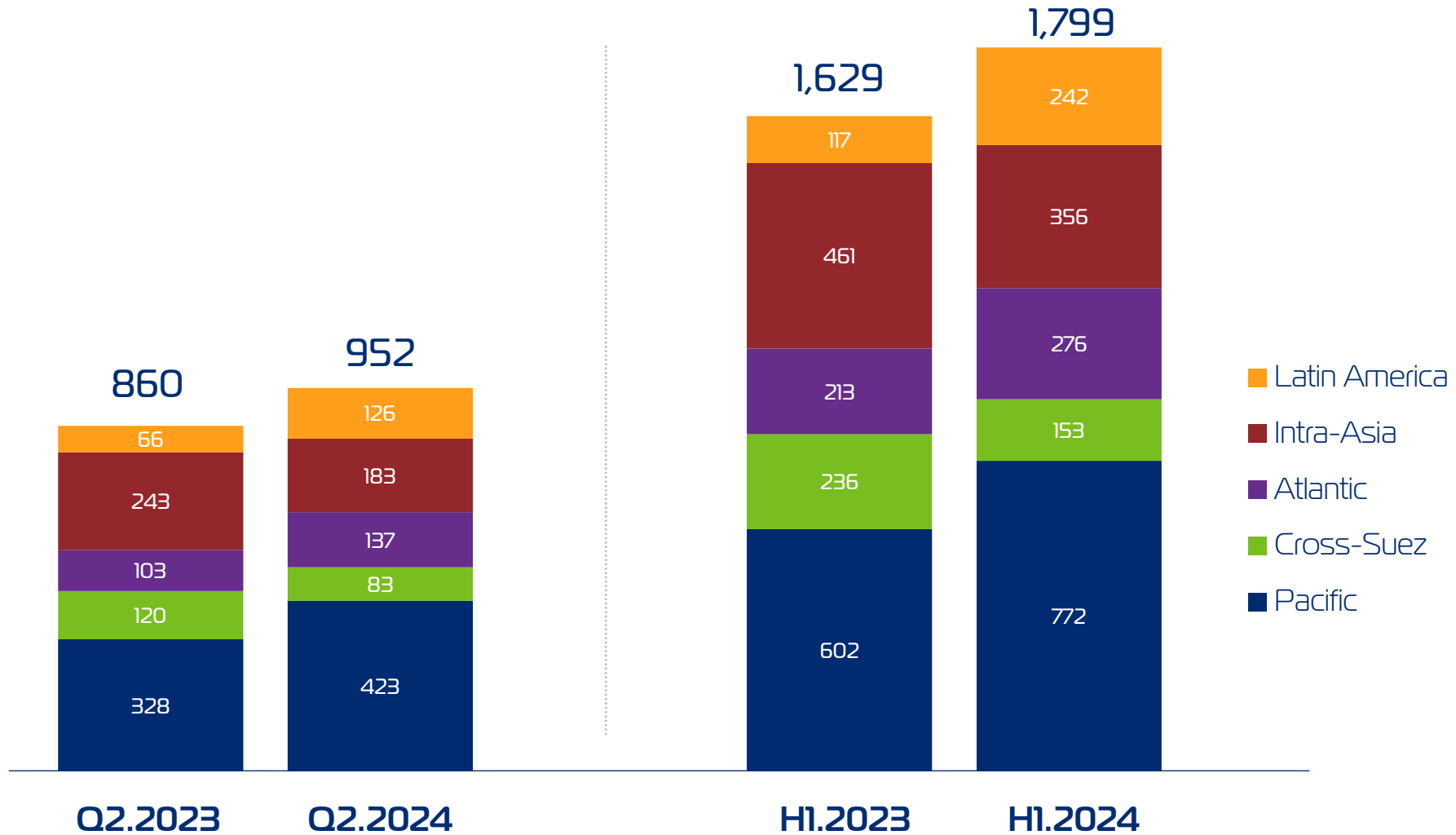
Adjusted EBIT (\$Mn)



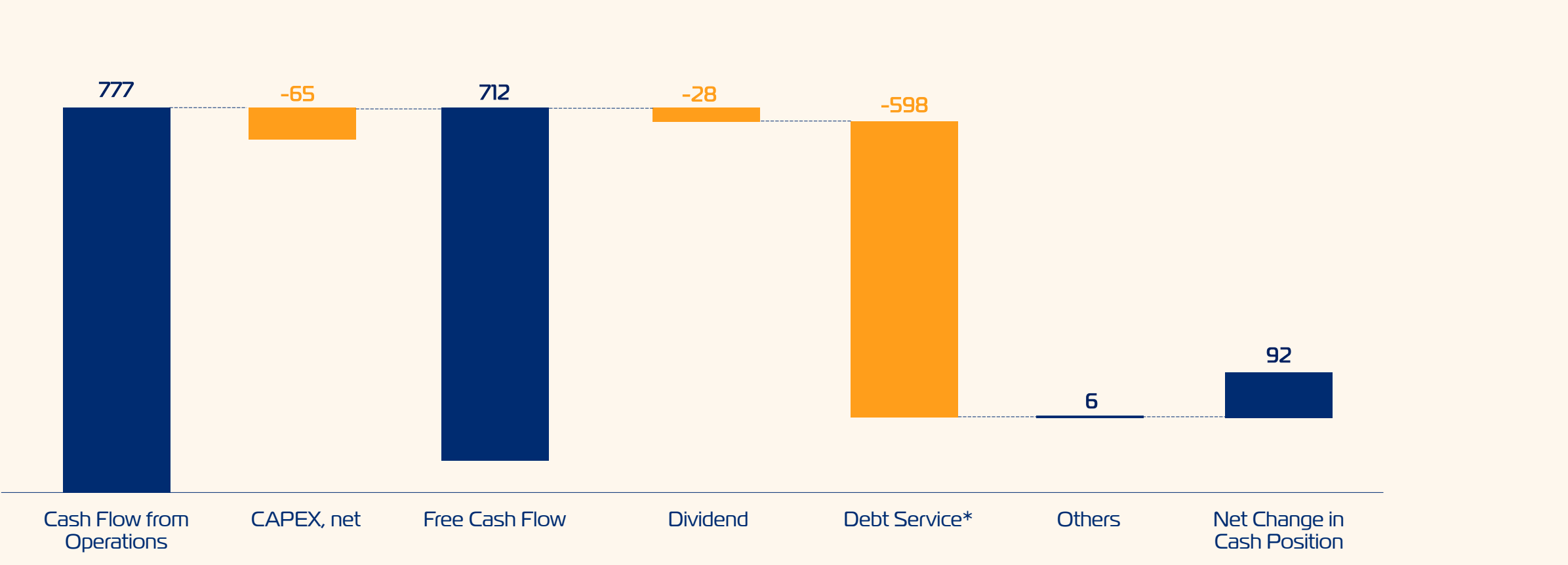
Net Income/ (Loss) (\$Mn)



# Volume Breakdown By Geographic Trade Zone (K TEU)

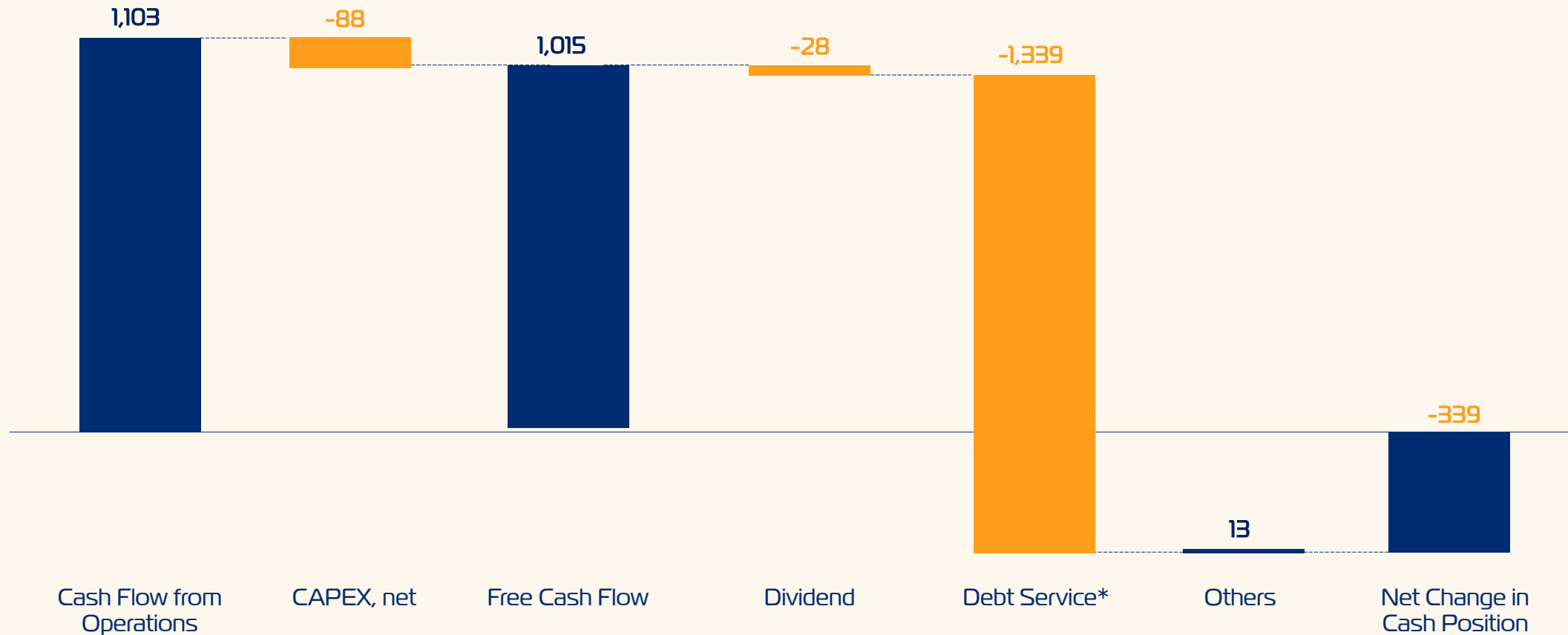


# Q2 2024 Cash Flow Bridge (\$Mn)



\* Debt service includes \$73 million reflecting downpayments for four LNG vessels received during the quarter

# HI 2024 Cash Flow Bridge (\$Mn)



\* Debt service includes \$308 million reflecting downpayments for 10 LNG vessels received during the period and payment for five vessels following an early notice for the exercise of purchase options held on these vessels.

# Increased 2024 Full Year Guidance

Adjusted EBITDA

\$2.6 Bn to \$3.0 Bn

Adjusted EBIT

\$1.45 Bn to \$1.85 Bn

Assumptions\*

Freight rates: Significantly higher

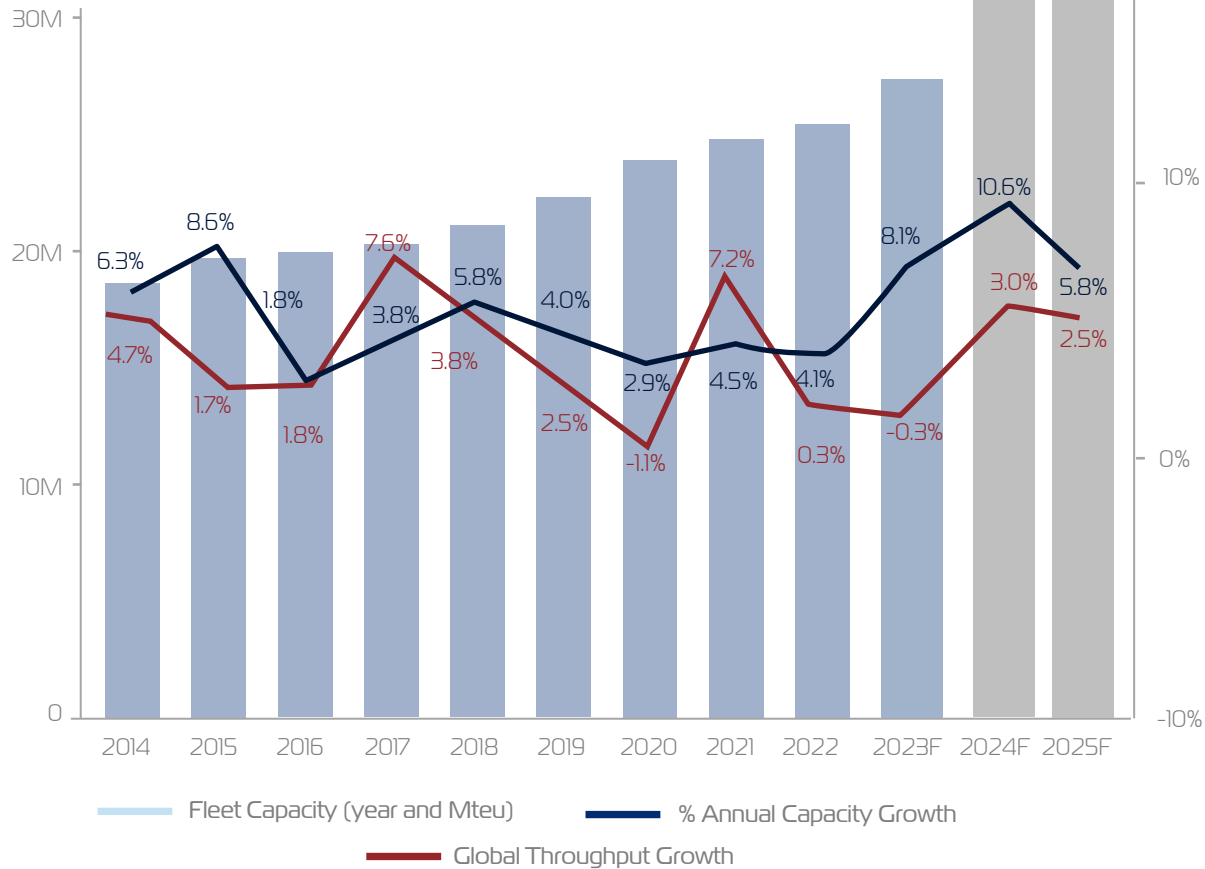
Volume: Unchanged

Bunker costs: Unchanged

\* New guidance assumptions compared to guidance provided in May 2024

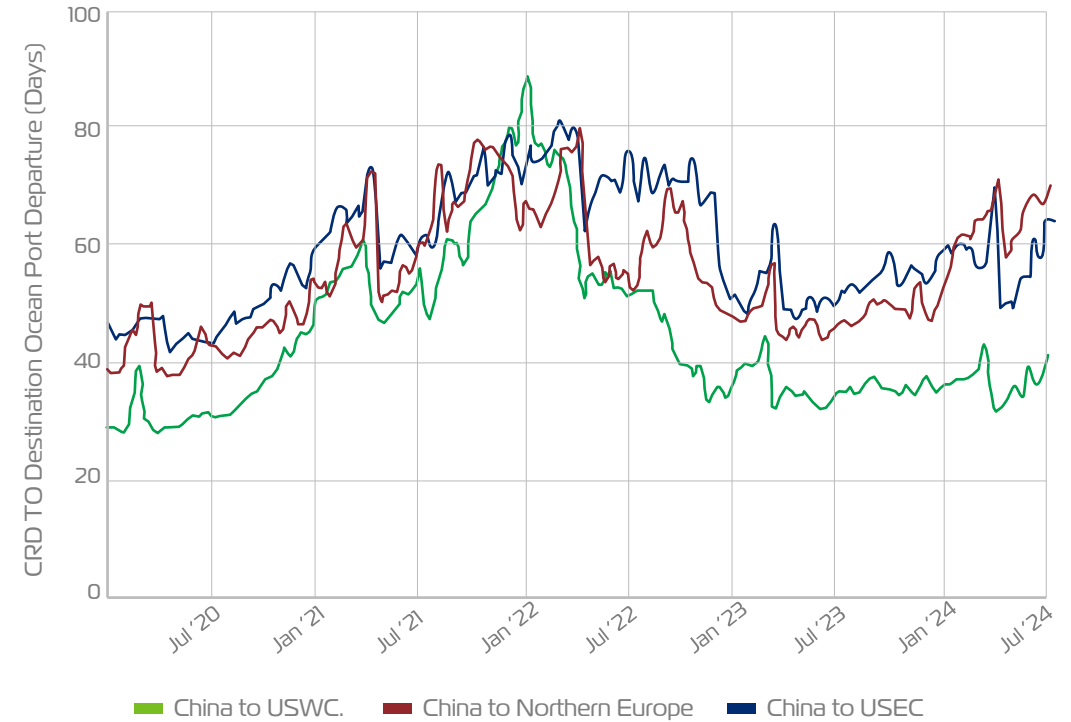
# Red Sea Crisis Altered Oversupply into an Equilibrium; Continued Pressure on Supply Contribute to Growing Tension in Supply Chain

Supply/Demand Balance



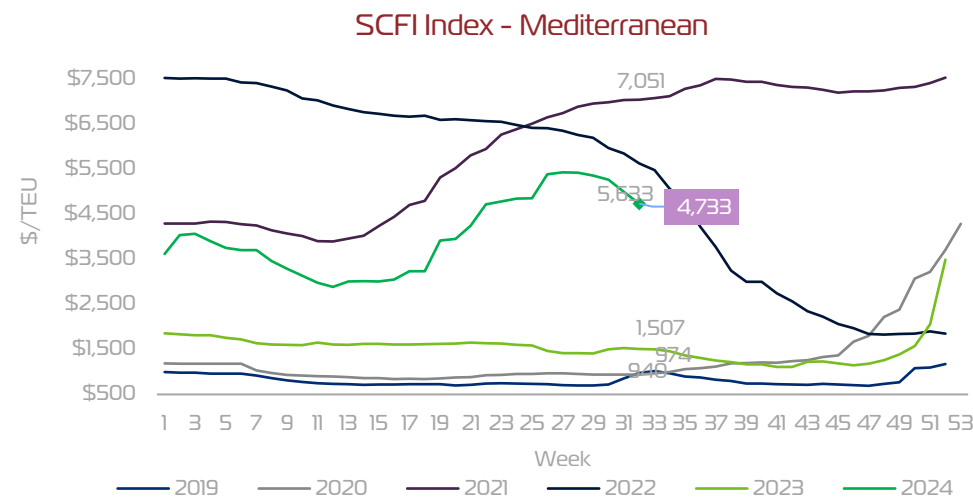
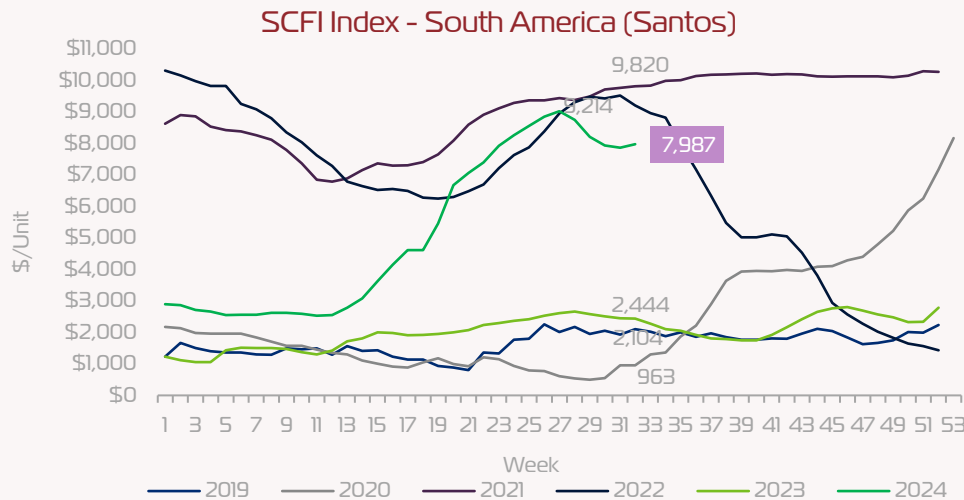
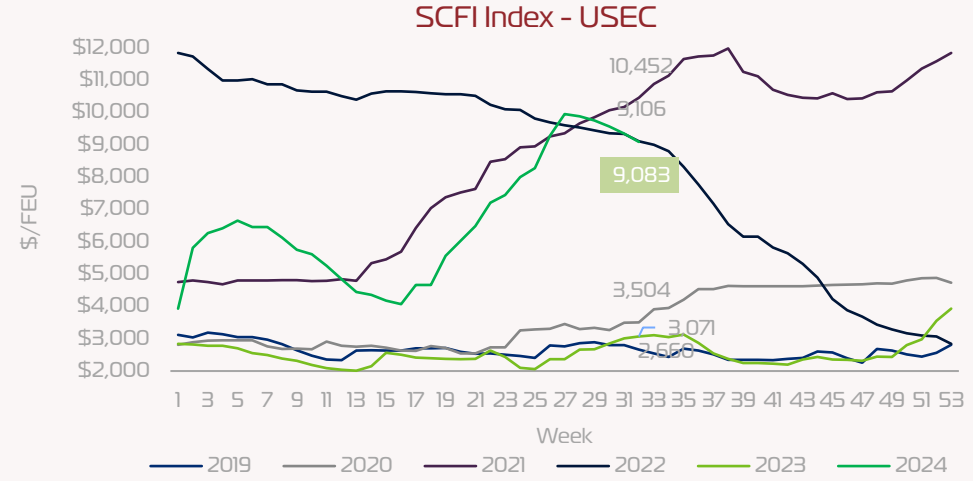
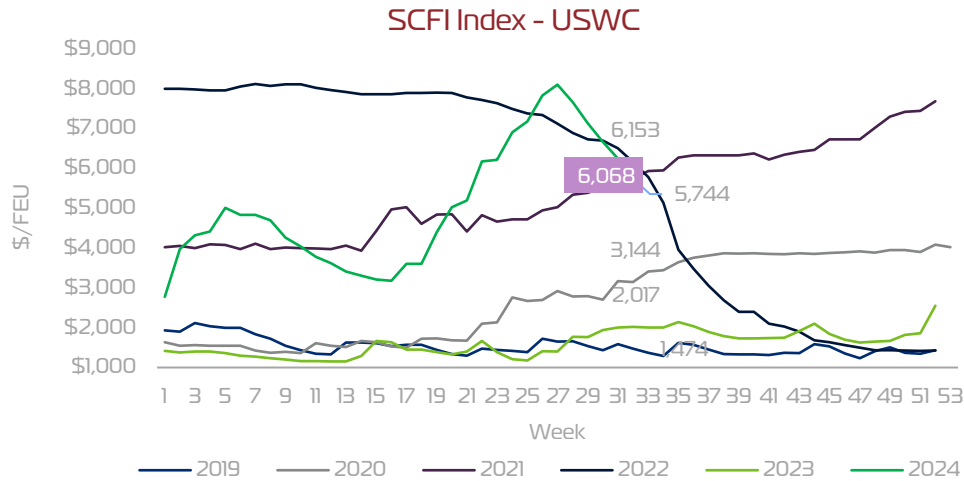
Source: Alphaliner Monthly Monitor, July 2024

Ocean Timeliness Indicator



Source: Flexport Research, July 2024

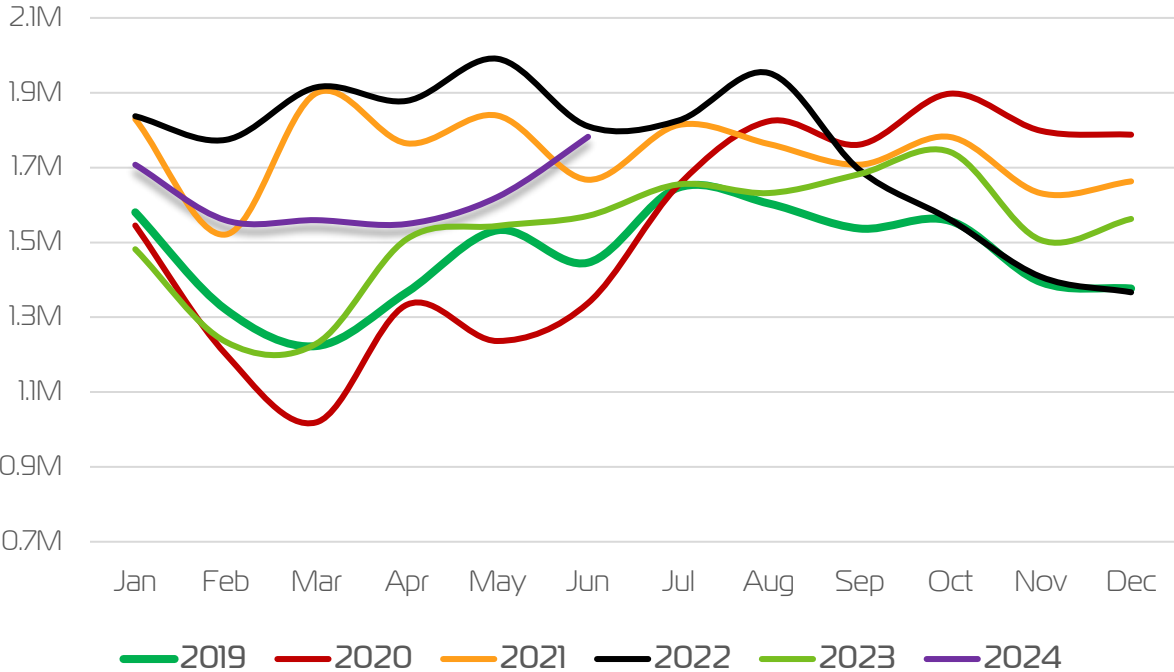
# Spot Rates Soar, Though Also May Have Peaked





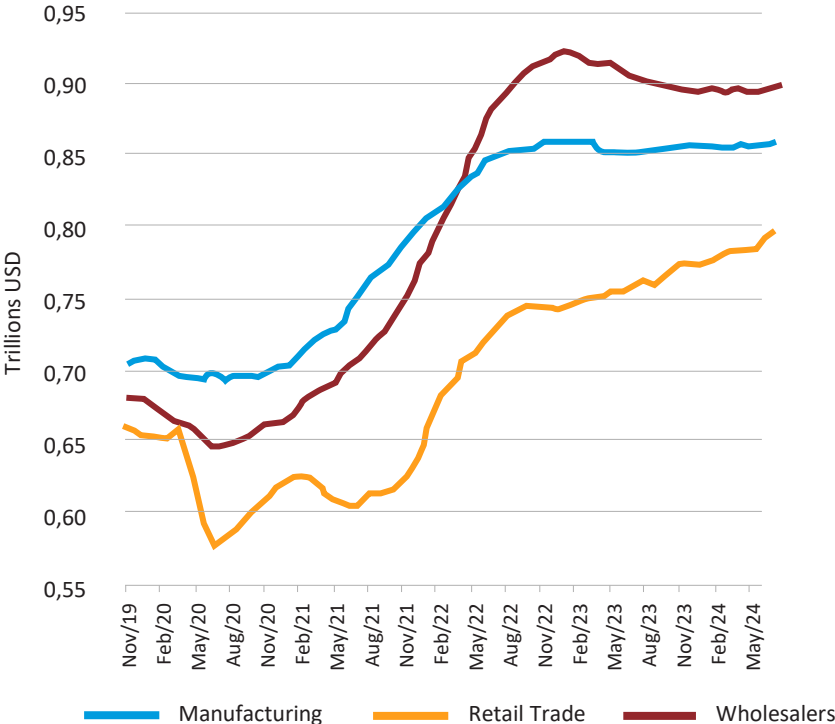
# Strong Container Volumes, But Inventory Levels Increasing

Asia to US Volumes, TEU per month



Source: CTS

Inventories by category (US)



Source: Sea Intelligence, Sunday Spotlight 21-July-24



# Q&A Session

# Strategic Transformation Continues; Yielding Results

Complete ZIM fleet renewal program

Capitalize on current market conditions to deliver full year guidance

Strong cash balance and balance sheet support long term view

Capital allocation priorities: promote long-term profitable growth and return capital to shareholders

**Remain focused on executing strategy to position ZIM as innovative leader of seaborne transportation**



# Appendix

# Reconciliation of Net Income to Adjusted EBITDA and Adjusted EBIT

(\$ in Mn)	Q2'24	Q2'23	Q2'22
<b>RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBIT*</b>			
Net income (loss)	373	(213)	1,336
Financial expenses, net	93	104	28
Income taxes	2	(59)	400
<b>Operating income (loss) (EBIT)</b>	<b>468</b>	<b>(168)</b>	<b>1,764</b>
Capital loss (gain), beyond the ordinary course of business	0	21	0
Expenses related to legal contingencies	20	0	0
<b>Adjusted EBIT</b>	<b>488</b>	<b>(147)</b>	<b>1,764</b>
<b>RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA*</b>			
Net income (loss)	373	(213)	1,336
Financial expenses, net	93	104	28
Income taxes	2	(59)	400
Depreciation and amortization	278	422	337
<b>EBITDA</b>	<b>746</b>	<b>254</b>	<b>2,101</b>
Capital loss (gain), beyond the ordinary course of business	0	21	0
Expenses related to legal contingencies	20	0	0
<b>Adjusted EBITDA</b>	<b>766</b>	<b>275</b>	<b>2,101</b>

\* The tables above may contain slight summation differences due to rounding

# Thank you

