NEWS RELEASE

ZIM Q1 2020 Results

5/26/2020

Total revenues in Q1 2020 were $823.2 million, compared to $796.2 million in Q1 2019, reflecting an increase of 3.4%

Adjusted EBITDA of $97.2 million in Q1 2020, compared to $69.3 million in Q1 2019, an increase of 40.3%

Adjusted EBIT of $27.2 million in Q1 2020, compared to $22.0 million in Q1 2019, an increase of 23.6%

Operating cash flow of $101.6 million in Q1 2020, compared to $59.7 million in Q1 2019, an increase of 70.2%

The container shipping industry is dynamic and volatile and has been marked in recent years by instability of market environment, characterized by volatility in freight rates and bunker prices, including significant uncertainties in the global trade, mainly due to USA-China related trade restrictions. Moreover, the recent escalation of the Covid-19 pandemic outbreak has significantly impacted global economies, resulting in reduced demand and spending across many sectors, adversely affected the volume of trades, while also decreasing bunker prices and charter rates.

Confronted with this challenging and unprecedented business environment, ZIM continued to improve its commercial and financial performance and to expand its global network to its customers.

Eli Glickman, ZIM President & CEO, said: “I’m pleased to report a significant improvement in ZIM’s performance, compared to the same period in 2019. Despite the unprecedented impact of the Covid-19 crisis on the global economy in general and on the shipping industry in particular, ZIM was able to mitigate the adverse impact of the crisis, and Q1 2020 results show improvements in all parameters, compared to the same period in 2019, including strong cash generation and a continued deleveraging of our balance sheet.

This is the result of our vision and values put into practice, as the attention of management and employees remained focused on consistently delivering added value to our customers. Our Agility, Can-Do-Approach and Results-Driven mindset helped us identify, adapt and respond to the new challenges from a very early stage. ZIM took decisive steps to cope with the new reality by cutting costs, finding out-of-the-box operational solutions and switching smoothly to work-from-home mode. We took these actions in order to keep the supply chain running and provide our customers a very high level of service with minimal disruption. Our employees rose to the challenge, and even during the peak of the crisis, ZIM was able to introduce and promote advanced digital tools for the benefit of our customers based on our "Powered by Our Customers" approach.

While the crisis is still ongoing, we continue to deliver the best service to our customers. I'm convinced that our clear strategy and innovative approach will continue to lead us forward and strengthen our position."

Financial and Operating Highlights for the Three Months Ended March 31, 2020

- Total revenues were $823.2 million compared to $796.2 million in Q1 2019, a 3.4% increase
- ZIM carried 638 thousand TEUs compared to 668 thousand TEUs in Q1 2019, a 4.5% decrease
- The average freight rate per TEU was $1,091 compared to $1,019 in Q1 2019, a 7.1% increase
- Adjusted EBITDA was $97.2 million compared to $69.3 million in Q1 2019
- EBITDA was $97.0 million compared to $68.0 million in Q1 2019
- Adjusted EBIT was $27.2 million compared to $22.0 million in Q1 2019
- EBIT was $24.9 million compared to $18.6 million in Q1 2019
- Adjusted net loss was $6.0 million compared to $17.5 million in Q1 2019
- Net loss was $11.9 million compared to $24.3 million in Q1 2019
- Operating cash flow was $101.6 million compared to $59.7 million in Q1 2019