

INVESTOR PRESENTATION

Q2 2023 FINANCIAL RESULTS

August 16, 2023

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 as well as its intended dividend policy. 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 2021 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 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 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.

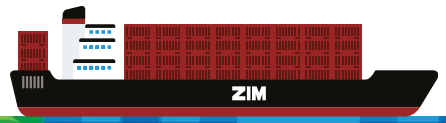
Net debt

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 for the last twelve-month period.

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



Q2.23 Results Continue to Reflect Industry Downturn

Revenue
$1.3 Bn
(-62%)

Adj EBITDA
$275 Mn
(-87%)

Adj EBIT
$(147) Mn*

Cash flow from operations
$347 Mn
(-80%)

Total equity
(30.06.2023)
$4.9 Bn

Margins

Adj EBITDA
21%

Margins

Adj EBIT
-11%

* Q2.2022 Adjusted EBIT totaled $1,764 million

Strong Balance Sheet & Ample Cash Allow Maintaining Long Term View

Long term – secured optimal fleet to support profitable growth



- Secure cost-effective & fuel-efficient newbuild capacity
- LNG capacity – advance ESG strategy & establish commercial differentiation
- Strengthen commercial position (diversify services, reefer offering, car carriage)

Short term – rationalize fleet to maximize cash position



- Redelivery of chartered capacity
- Adapt network & services
- Advance partnerships

Growth Engines

Seed / early-stage companies

Complementary to ZIM's core shipping activity

Disruptive technologies

Active investor – ZIM acts as strategic partner

SHIP4WD POWERED BY ZIM · SODYO · ZIMARK · SpinFRAME NextGen vehicle visuals · hoopo · wave BL revolutionizing trust in trade · DATA SCIENCE GROUP · 40seas

Modest investments with significant potential upside

2023 Full Year Guidance*

Adjusted EBITDA

- $1.2 – 1.6 Bn

Adjusted EBIT loss

- $(500) – (100) Mn

Revised assumptions*

- Soft peak season
- No material improvement in freight rates
- Lower volume growth

* Revised full year 2023 guidance announced July 12, 2023; underlying assumptions for revised guidance vs. assumptions of May 2023 guidance



Key Operational and Financial Indicators*

Operational	Q2-23	1H-23
Carried volume (K TEUs)	860 (+0%)	1,629 (-5%)
Freight rate ($/TEU)	1,193 (-67%)	1,286 (-65%)
Revenue ($ Mn)	1,310 (-62%)	2,684 (-62%)

Cash flow	Q2-23	1H-23
Free cash flow ($ Mn)	321 (-1,318)	463 (-2,659)
Cash conversion rate	117% (+39%)	71% (+4%)

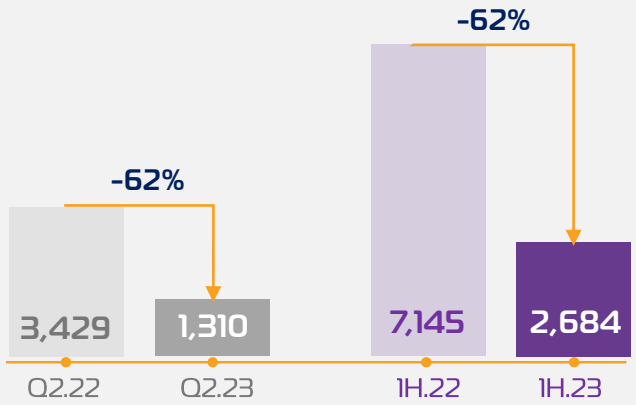
Balance Sheet	30-6-2023
Total debt** ($ Mn)	4,869 (+537)
Cash, bank deposit and investment instruments ($ Mn)	3,236 (-1,375)
Net debt ($ Mn)	1,633 (+1,912)
Net leverage ratio	0.5x

* Operational and cash flow metrics – figures in parentheses reflect comparison to the same period prior year
Balance sheet metrics – figure in parentheses reflect comparison to year-end 2022
** Face value

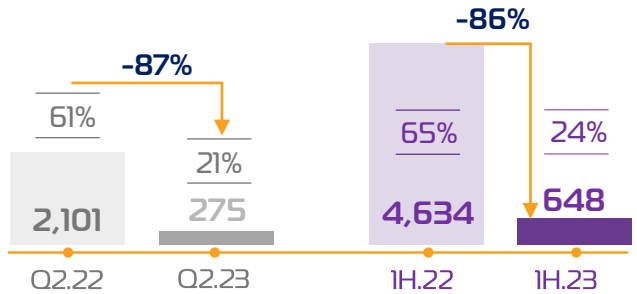
Q2.2023 Financial Highlights

XX% - margin

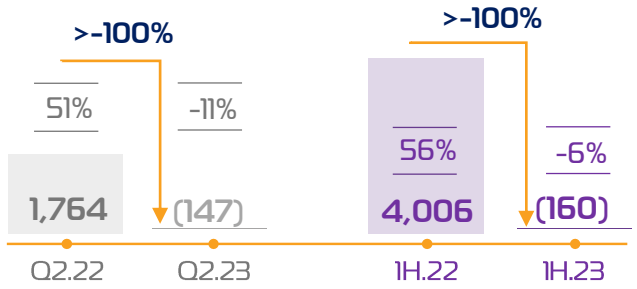
Revenue ($Mn)



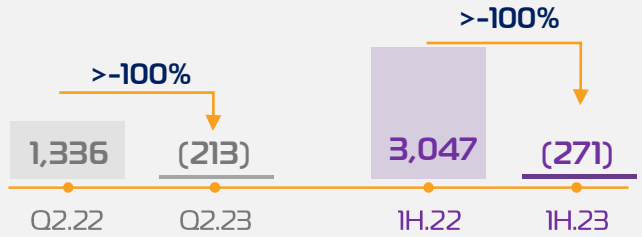
Adjusted EBITDA ($Mn)



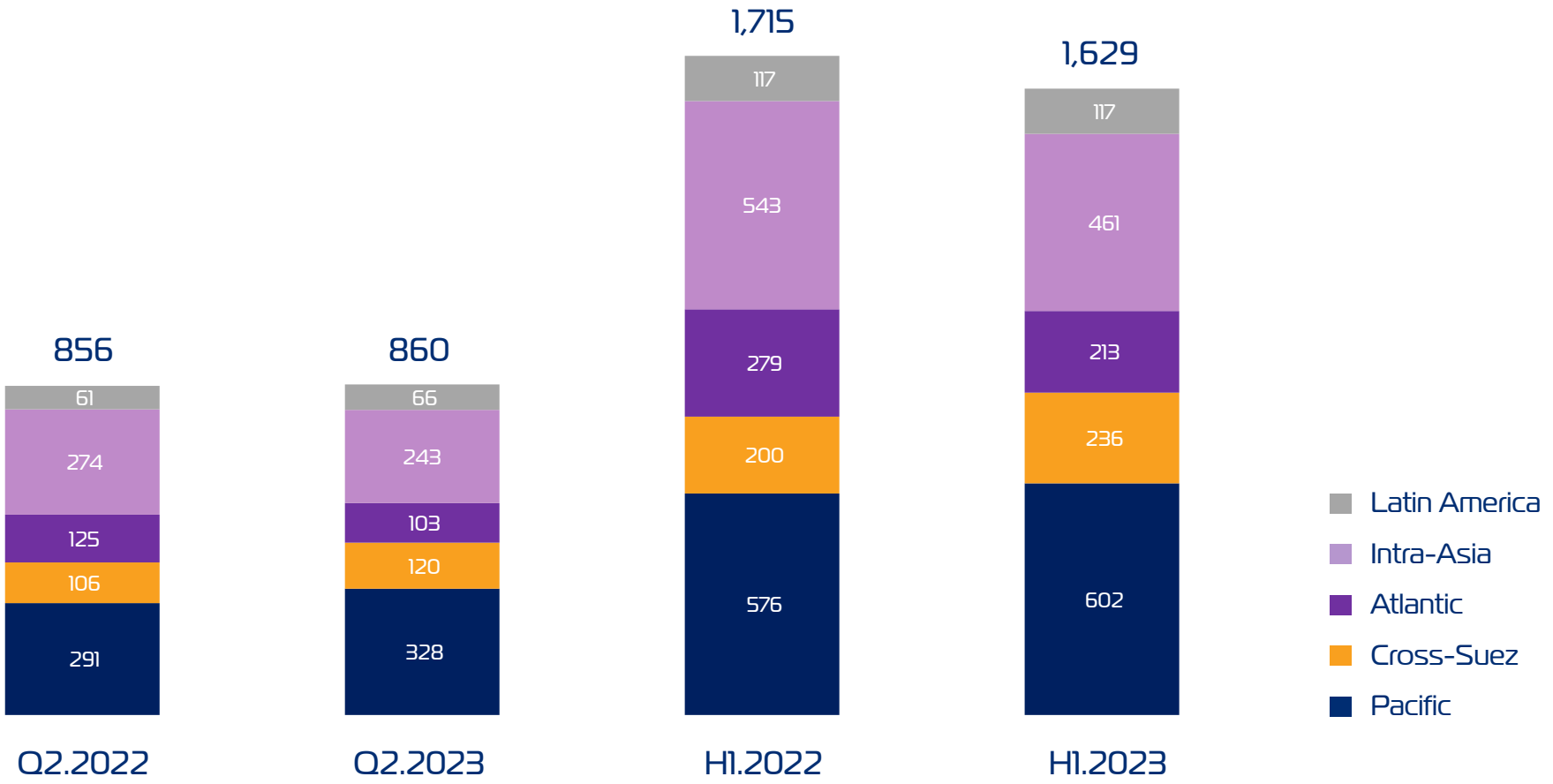
Adjusted EBIT ($Mn)



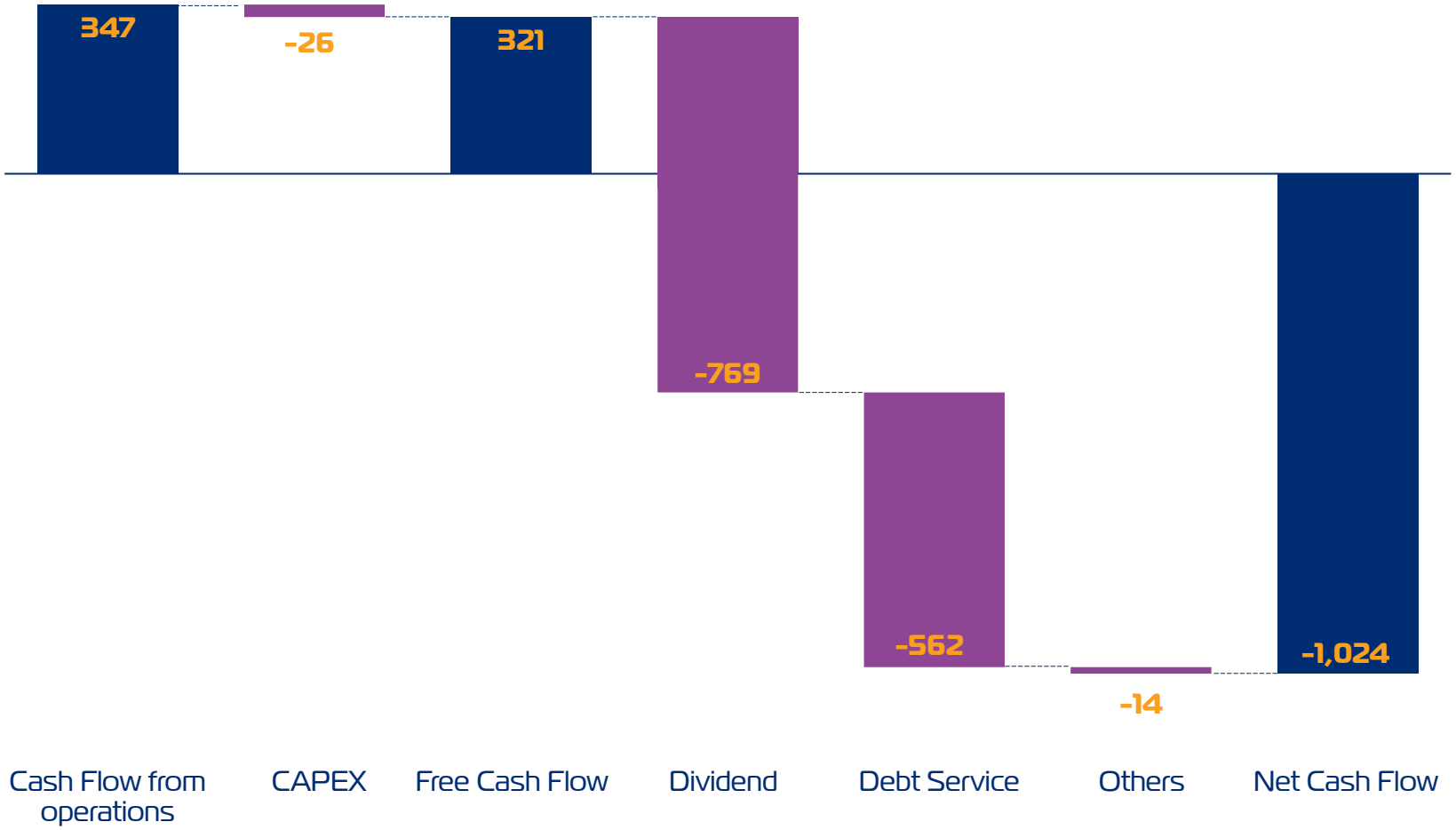
Net Income / (Loss) ($Mn)



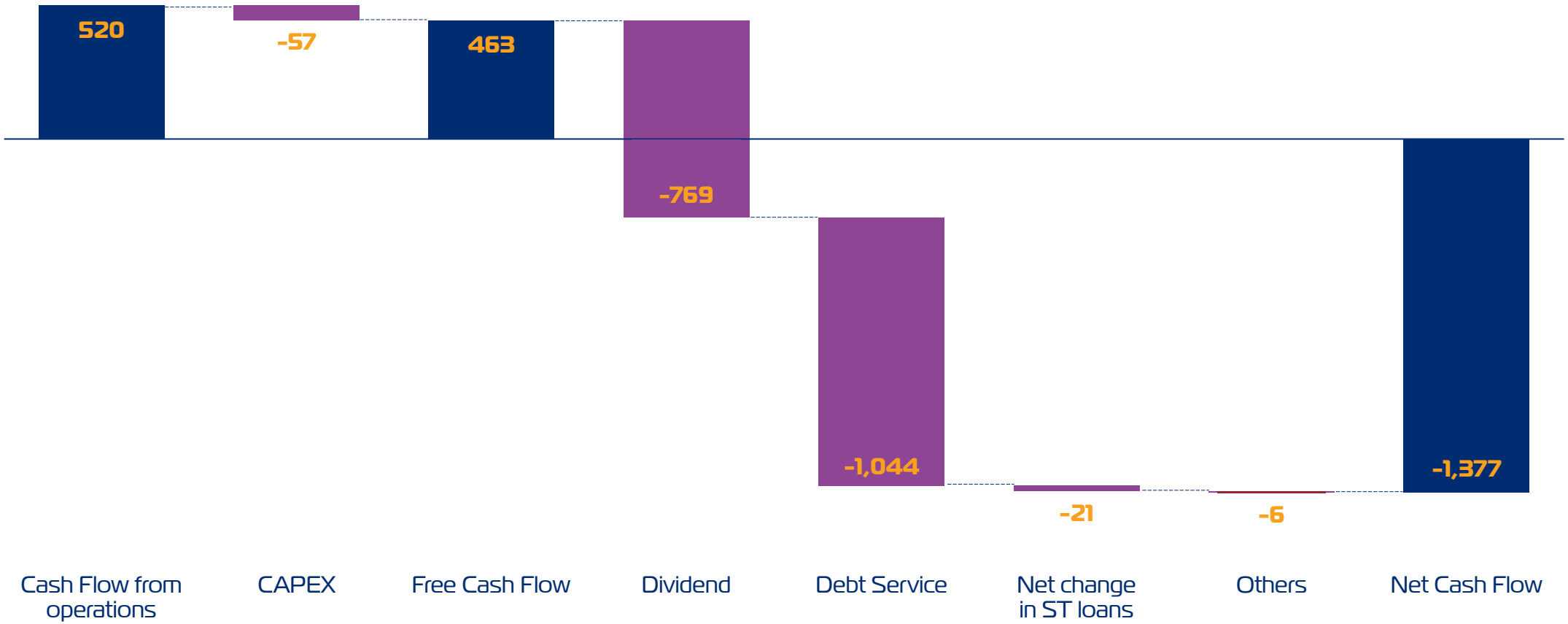
Volume Breakdown By Geographic Trade Zone (K TEU)



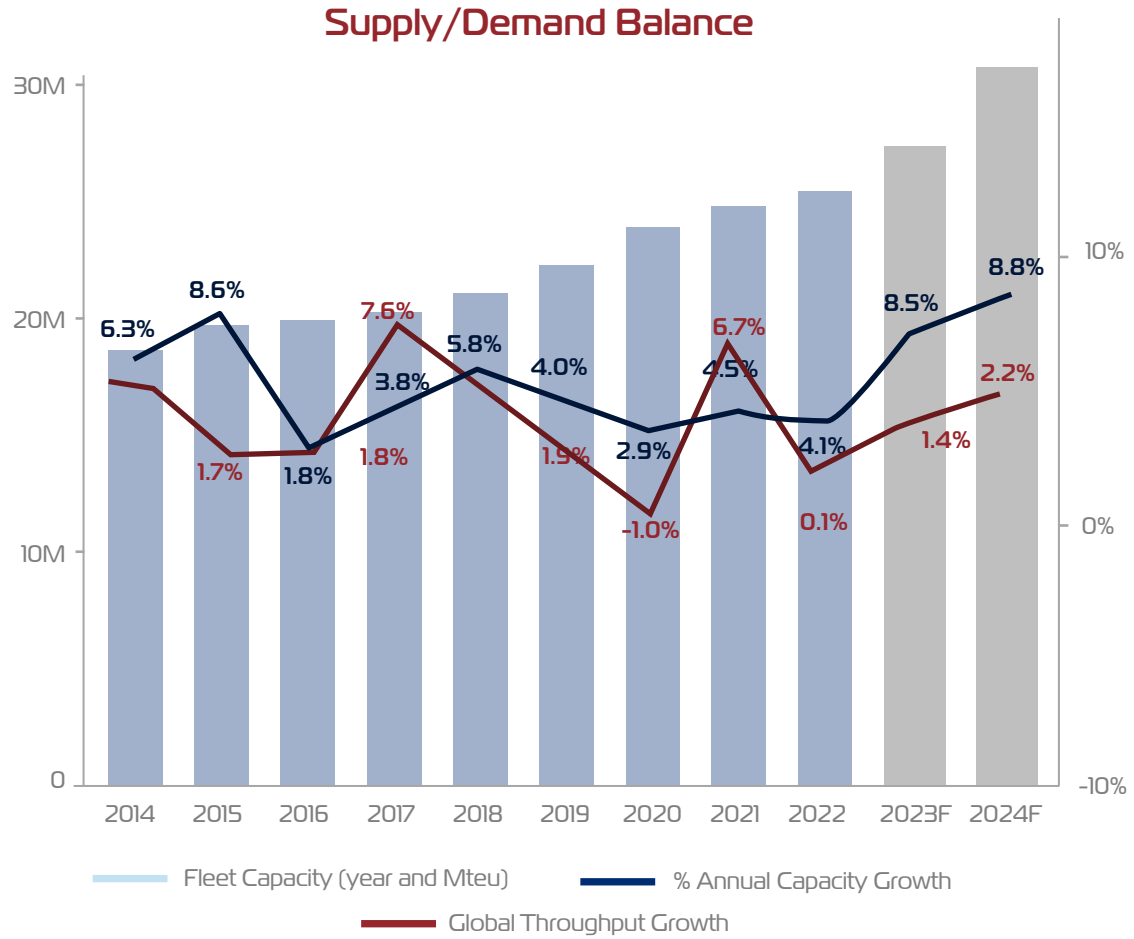
Q2 2023 cash flow bridge ($Mn)



1H 2023 cash flow bridge ($Mn)



Oversupply in 2023 & 2024 Expected; Potential Mitigating Factors: Only Slow Steaming Meaningful To Date

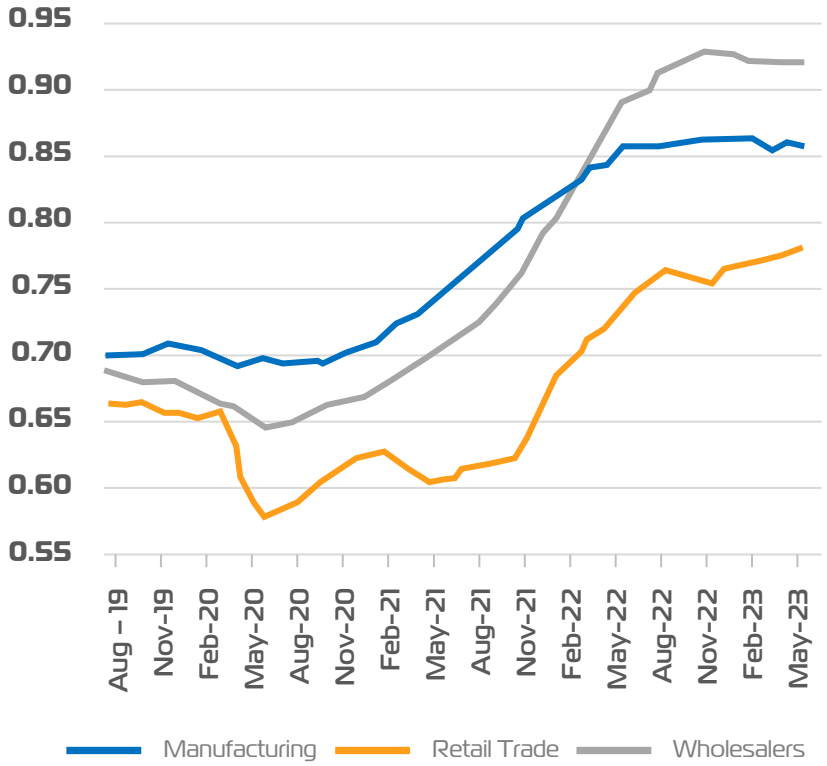


1. Slow steaming
2. Blanking
3. Idling | Scrapping | Newbuild delivery delays

Source: Alphaliner Monthly Monitor, July2023

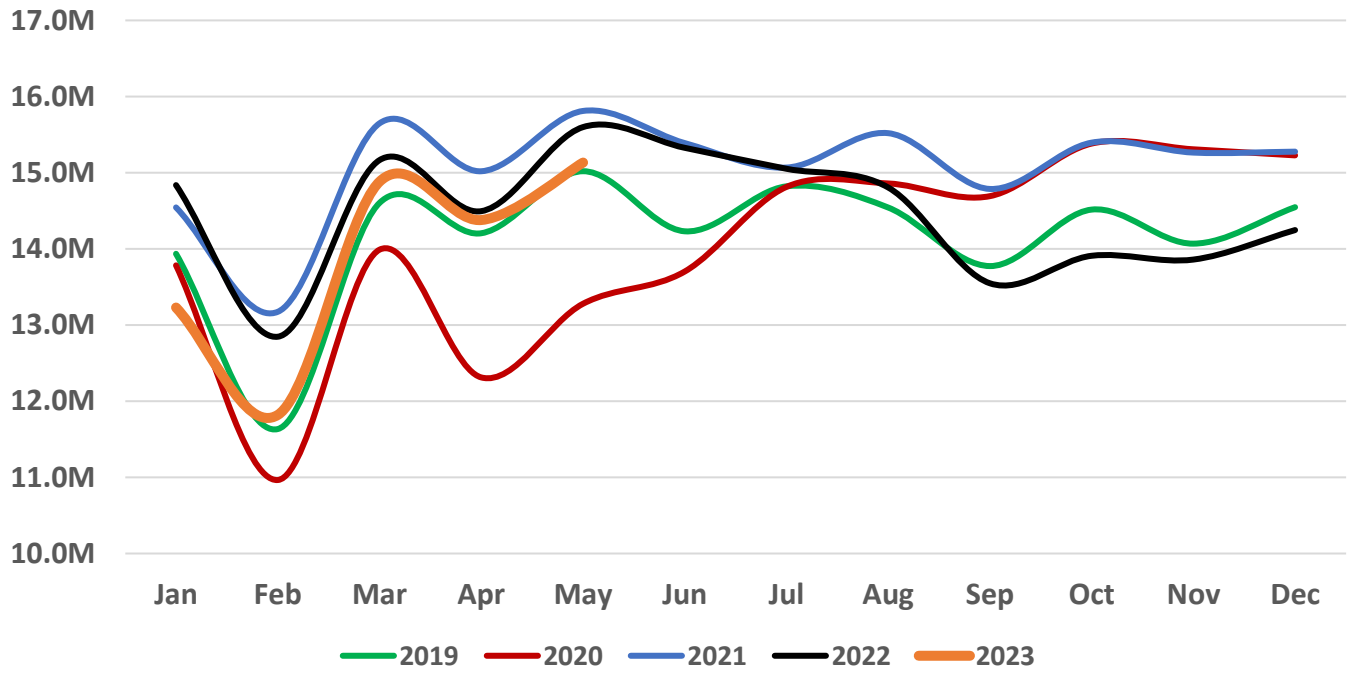
Inventory levels remain relatively high; demand development is positive globally, compared to the recent six months of downturn however, yet at 2019 levels

Inventories by category



Source: Sea-Intelligence Sunday Spotlight, July 23, 2023 (Issue 624)

Global volumes, TEU per month



Source: Container Trade Statistics

Q&A SESSION



Managing through the market downturn

Long term

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

Short term

Rationalize capacity and minimize cash burn

Strong balance sheet and cash position to support long term view

Deliver superior service to customers and long term sustainable value to shareholders

APPENDIX



Reconciliation of Net Income to Adjusted EBITDA and Adjusted EBIT

($ in Mn)	Q2'23	Q2'22	Q2'21
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBIT			
Net income (loss)	**(213)**	**1,336**	**888**
Financial expenses, net	104	28	45
Income taxes	(59)	400	224
Operating income (EBIT)	**(168)**	**1,764**	**1,157**
Capital gain, beyond the ordinary course of business	21	0	0
Non-cash charter hire expenses [1]	0	0	1
Expenses related to legal contingencies	0	0	1
Adjusted EBIT	**(147)**	**1,764**	**1,159**
RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA			
Net income (loss)	**(213)**	**1,336**	**888**
Financial expenses, net	104	28	45
Income taxes	(59)	400	224
Depreciation and amortization	422	337	176
EBITDA	**254**	**2,101**	**1,333**
Non-cash charter hire expenses [1]	0	0	1
Capital gain, beyond the ordinary course of business	21	0	0
Expenses related to legal contingencies	0	0	1
Adjusted EBITDA	**275**	**2,101**	**1,335**

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