



Financial Results

Half year ended 31 December 2020

16 February 2021



Disclaimer

The material contained in this document is a presentation of information about the Group's activities current at the date of the presentation, 16 February 2021. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group's periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

To the extent that this document may contain forward-looking statements, such statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, and which may cause actual results to differ materially from those expressed in the statements contained in this release.

This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Authorised for Release by: the Company Secretary, Gretchen Johanns

ABN 69 114 838 630

Head Office: level 9, 189 O'Riordan Street, Mascot, NSW, Australia 2020



Agenda

Results Overview

Alistair Field, Group CEO

Financial Results

Stephen Mikkelsen, Group CFO

Strategic Progress & Outlook

Alistair Field, Group CEO



360-degree virtual engagement room enables community participation in an accessible and flexible manner for proposed Campbellfield Resource Renewal Facility.



1H FY21 Themes

Significantly better results, higher prices, and substantial progress in strategic growth plans

Price recovery driven by limited supply and increased demand in many industrial sectors

- Market prices improved throughout the period, particularly during November and December 2020; however
- 1H FY21 proprietary intake volumes remained at 85% of average FY19 monthly volumes due to COVID-19 impacts but increased 9% compared to 2H FY20 levels

Nearly all financial measures improved during 1H FY21

- Statutory EBIT of \$78.5 million, up \$173.7 million over prior corresponding period
- Underlying EBIT¹ of \$56.4 million, up \$79.6 million over prior corresponding period
- FY21 interim dividend of 12.0 cents per share, fully franked
- Net cash balance of \$165.4 million, up 49.8% on FY20

Substantial progress in strategic growth plans

- Sims Resource Renewal
 - Commercial demonstration confirmed Sims ASR produces a high quality syngas. Next stage gate identifies best outputs from syngas
 - Submitted development application for pilot resource renewal facility in Rocklea Queensland
- Acquired leading aluminium processor, forecasted to grow NAM non-ferrous retail volumes 24%, with strong cultural fit
- Acquired existing purpose built recycling facility in Sydney's rapidly growing Southwest market

¹) Underlying earnings excludes significant non-recurring items and the impact of non-qualifying hedges.



Summary of Financial Outcomes

All profitability metrics showed strong improvement

Sales Revenue
\$2,452.0 million



1H FY20
\$2,709.6 million

-9.5%

Sales Volumes
4.310 million tonnes



1H FY20
4.474 million tonnes

-3.7%

Underlying¹ EBITDA
\$155.0 million



1H FY20
\$74.9 million

106.9%

Net Cash Balance
\$165.4 million



30 June 2020
\$110.4 million

49.8%

Underlying¹ EBIT
\$56.4 million



1H FY20
\$(23.2) million

343.1%

Return on Productive Assets²
6.2%



1H FY20
(2.4)%

358.3%

Underlying¹ NPAT
\$37.3 million



1H FY20
\$(34.7) million

207.5%

Dividend
Interim 12.0 cents per share (100% franked)



1H FY20
Interim 6.0 cents per share (100% franked)

100.0%

1) Underlying earnings excludes significant non-recurring items and the impact of non-qualifying hedges.

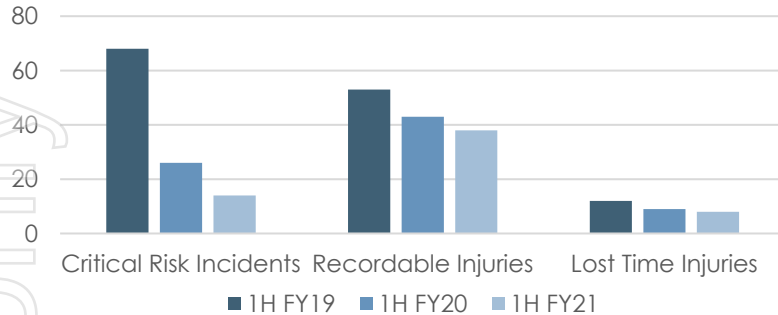
2) Annualised underlying EBIT / average of opening non-current assets and ending non-current assets excluding assets relating to adoption of AASB 16 Leases.



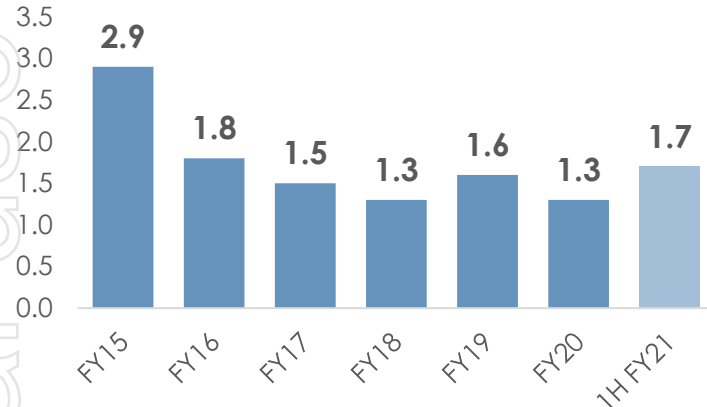
Employee Health & Safety

Lowest ever recorded number of injuries

All incidents significantly reduced



Total Recordable Injury Frequency Rate (TRIFR)¹



- Safety remains the most important priority for all stakeholders
- Actual recordable injuries decreased 12% and lost time injuries decreased 11%
- Decrease in hours worked by office based employees, who typically have fewer injuries, impacted the incident rate which increased to 1.7
- Critical Risk Incidents fell 46% compared to the prior corresponding period
 - Focus on Critical Risk Management and mandatory monthly Critical Control Verifications contributed to the continued improvement
 - Over 4,000 Critical Control Verification (CCV) inspections designed to ensure control effectiveness were completed in FY21
 - Over 1,900 opportunities for improvement were identified during CCV inspections with a 94% Corrective Action closure average

¹) Defined as total recordable injuries x 200,000 divided by number of hours worked for employees and contractors.



Sustainability

Sustainability goals drive economic, environmental and social value

OPERATE RESPONSIBLY



1	Foster a safe work environment
1.1	Total Recordable Injury Frequency Rate (TRIFR) ≤ 1
1.2	Lost Time Injury Frequency Rate (LTIR) ≤ 0.10
1.3	Achieve and maintain a safety culture index in the survey top quartile
1.4	Eliminate critical safety risks, Critical Risk Incident Frequency Rate (CRIFR) ≤ 0.50
2	Close gender gap
2.1	25% women in manager positions and above ¹
2.2	Reach 0% gender pay gap across Sims Limited
2.3	Achieve representation of women on the board $\geq 40\%$
3	Develop a skilled and engage workforce
3.1	Maintain an engaged and satisfied workforce as demonstrated by employee engagement survey results in the top quartile
3.2	Invest in education by increasing the number of available career development training programmes by 50% and promoting them
3.3	Improve annual employee performance review process to align with Sims Limited's purpose; incorporate role competencies and skills development plan
3.4	Ensure management incentive plan is consistent with sustainability goals
4	Ensure transparency on how our business is conducted in an ethical manner
4.1	Train all employees and agents on our Code of Conduct, anti-corruption and anti-bribery policies
4.2	Provide all employees with training on human rights, modern slavery and labour rights to raise awareness and help fight human rights violations
4.3	Develop a supplier Code of Conduct and implement supply chain due diligence to identify and address high risk of human rights violations and unethical practices



CLOSE THE LOOP



5	Become carbon neutral by 2042 and achieve net zero by 2050
5.1	Reduce Scope 1 and 2 emissions by 23% by FY25
6	Achieve no waste to landfill
6.1	Build resource renewal capacity to transform 120k tonnes of ASR per year into new products
7	Close materials loops further by expanding capacity and services
7.1	Close loops by expanding secondary metal volumes
7.2	Recycle 200,000 tonnes of cloud material
7.3	Expand municipal recycling coverage by 50%
7.4	Capture methane from landfills outside Australia and New Zealand ²



PARTNER FOR CHANGE



8	Build trusted relationships with our communities
8.1	Establish at key sites a community index survey; track progress for continuous improvement
8.2	Annually, invest 0.5% of three-year rolling pre-tax profits in programmes that support environmental stewardship and economic empowerment
8.3	Dedicate paid employee time for community engagement/volunteerism activities
9	Create new business models that further the circular economy
9.1	Generate 10% of our EBIT from new business models and opportunities that enable the circular economy



Group Financial Performance

A\$m	1H FY20	1H FY21	% Chg
Sales revenue	2,709.6	2,452.0	-9.5%
Statutory EBITDA	30.5	177.1	480.7%
Underlying EBITDA ¹	74.9	155.0	106.9%
Statutory EBIT	(95.2)	78.5	182.5%
Underlying EBIT¹	(23.2)	56.4	343.1%
Statutory NPAT	(91.1)	53.0	158.2%
Significant items	56.4	(15.7)	-127.8%
Underlying NPAT¹	(34.7)	37.3	207.5%
Statutory EPS - diluted (cents)	(44.9)	26.3	158.6%
Underlying EPS - diluted (cents)¹	(17.1)	18.5	208.2%
Dividend per share (cents)	6.0	12.0	100.0%
Average non-current assets ²	1,951.5	1,818.0	-6.8%
Return on productive assets²	-2.4%	6.2%	358.3%

- Strong earnings growth due to:
 - Lower operating costs, which are on track to achieve annualised cost savings in excess of \$70 million in FY21 compared to FY19; and
 - Margin improvement driven by active margin management and higher pricing; despite
 - Lower sales revenue and volumes

1) Underlying earnings excludes significant non-recurring items and the impact of non-qualifying hedges.

2) Annualised underlying EBIT / average of opening non-current assets and ending non-current assets excluding assets relating to adoption of AASB 16 Leases.



Markets

Meaningful price improvement in November and December 2020 but slight softening early 2021

Ferrous – Improved pricing since April 2020 lows

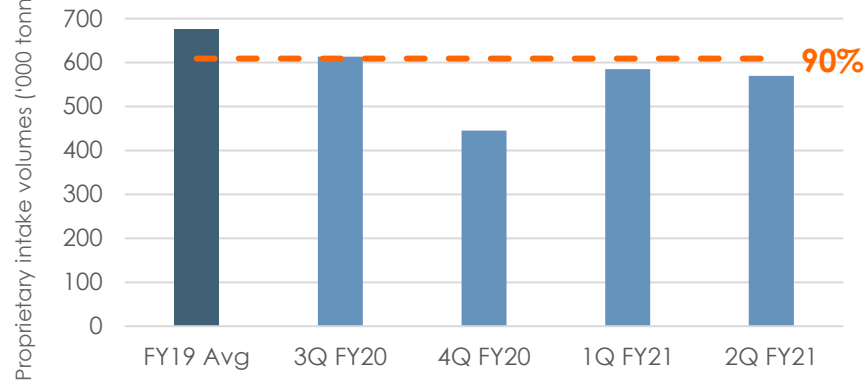


Non-ferrous – Improved pricing since April 2020 lows



Source: Platts (top and bottom chart)

Intake volumes remain at ~85% of the FY19 average



China Ferrous and Non-ferrous Reclassification

- China announced new regulations allowing high quality recycled ferrous to be freely imported from 1 January 2021
- Since 1 November 2020 recycled non-ferrous that meets quality standards can be freely imported into China without quotas



Financial Results

Stephen Mikkelsen, Group CFO



Business Segment Financial Performance

Strong earnings growth across the metal businesses

Underlying EBIT ¹ (A\$m)	1H FY20	1H FY21	Chg %
North America Metal	0.1	24.6	NMF
ANZ Metal	22.3	27.6	23.8%
UK Metal	(28.4)	10.5	137.0%
Sims Lifecycle Services ³	14.8	6.8	-54.1%
SA Recycling	-	24.4	NMF ⁴
Global Trading	(7.0)	(7.9)	-12.9%
Corporate & Other	(25.0)	(29.6)	-18.4%
Underlying EBIT	(23.2)	56.4	343.1%

Sales volumes ('000 tonnes)	1H FY20	1H FY21	Chg %
North America Metal ²	2,275	2,151	-5.5%
ANZ Metal ²	806	807	0.1%
UK Metal ²	662	706	6.6%
Global Trading	635	567	-10.7%
Other Brokerage	96	79	-17.7%
Total sales volumes	4,474	4,310	-3.7%
Intake volumes ('000 tonnes)	1H FY20	1H FY21	Chg %
North America Metal ²	2,239	2,013	-10.1%
ANZ Metal ²	809	742	-8.3%
UK Metal ²	661	703	6.4%
Global Trading	635	573	-9.8%
Other Brokerage	96	79	-17.7%
Intake volumes	4,440	4,110	-7.4%

1) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.

2) Proprietary volumes exclude ferrous and non-ferrous brokerage volumes.

3) Sims Lifecycle Services grew \$6.0 million on a remaining business basis.

4) No meaningful figure



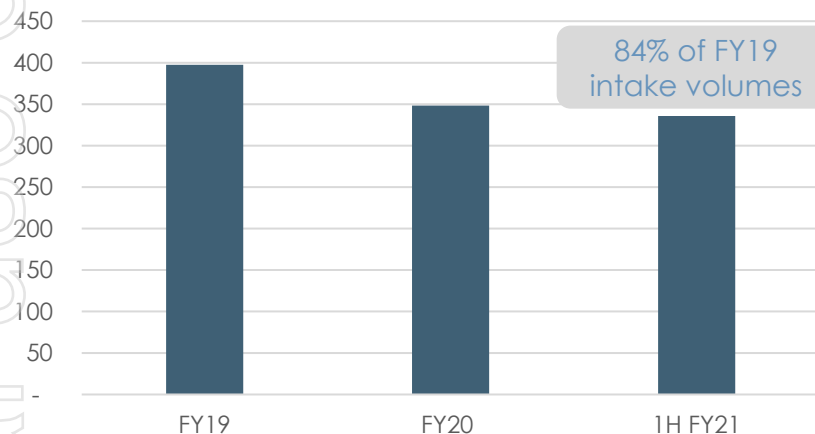
North America Metal

Significantly improved earnings due to lower operating costs and improved margins

A\$m	1H FY20	1H FY21	% Chg
Underlying EBIT¹	0.1	24.6	NMF
Underlying EBIT (constant currency)	0.1	26.0	NMF
Proprietary Sales Volumes ('000 tonnes)	2,275	2,151	-5.5%
Underlying EBIT / tonne	-	11.4	NMF

- Underlying EBIT of \$24.6 million, up \$25.9 million over prior corresponding period on constant currency basis driven by:
 - Cost reduction initiatives; and
 - Improved margins and prices for recycled ferrous and zorba related products; despite
 - Lower volumes across both ferrous and non-ferrous
- Proprietary sales volumes were down 5.5% over prior corresponding period driven by slower economic activity largely due to COVID-19 impacts

North America – average monthly intake volumes²



1) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.

2) Proprietary intake volumes.

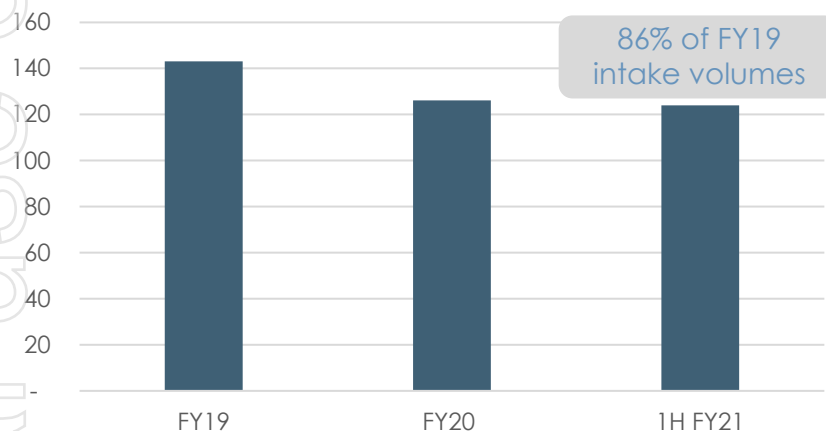


Australia & New Zealand Metal

Improved earnings supported by higher non-ferrous margins and cost reductions

A\$m	1H FY20	1H FY21	% Chg
Underlying EBIT¹	22.3	27.6	23.8%
Proprietary Sales Volumes ('000 tonnes)	806	807	0.1%
Underlying EBIT / tonne	27.7	34.2	23.5%

ANZ Metal – average monthly intake volumes²



- Underlying EBIT was \$27.6 million, up 23.8% over prior corresponding period due to:
 - Higher margins on non-ferrous; and
 - Cost reductions in both fixed and variable terms
- Intake volumes declined over the prior year, however intake flows steadily improved as the period progressed
- Despite recently improved intake, competition for material remains high
- Proprietary sales volume was flat over prior corresponding period with continued strong demand from domestic mills

1) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.

2) Proprietary intake volumes.



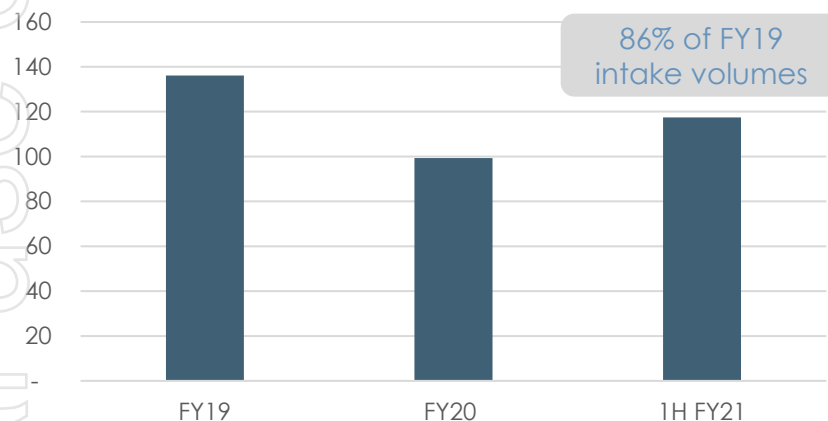
UK Metal

Lower operating costs and higher volumes and margins delivered significant earnings improvement

A\$m	1H FY20	1H FY21	% Chg
Underlying EBIT¹	(28.4)	10.5	137.0%
Underlying EBIT (constant currency)	(28.4)	13.7	148.2%
Proprietary Sales Volumes ('000 tonnes)	662	706	6.6%
Underlying EBIT / tonne	(42.9)	14.9	134.7%

- Underlying EBIT of \$10.5 million, up \$42.1 million over prior corresponding period on constant currency basis
- Significant earnings improvement due to:
 - Lower operating costs;
 - Higher volumes; and
 - Margin improvement driven by active margin management, higher pricing and less aggressive competition
- Proprietary sales volume increased 6.6% compared to prior corresponding period, despite continued challenges from COVID-19

UK Metal – average monthly intake volumes²



1) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.

2) Proprietary intake volumes.



Sims Lifecycle Services

Commercial interest remains robust with a focus on innovation to re-use more parts

A\$m	1H FY20	1H FY21	% Chg
Underlying EBIT¹	14.8	6.8	-54.1%
Underlying EBIT from remaining businesses	0.8	6.8	750.0%
Underlying EBIT from remaining businesses (constant currency)	0.8	7.3	812.5%

Sims Lifecycle Services Remaining Businesses²

A\$m	1H FY20	1H FY21	% Chg
Underlying EBIT¹	0.8	6.8	750.0%
Total Volumes (tonnes) ³	41,600	28,537	-31.4%
US Cloud Volumes	8,900	6,200	-30.3%
RoW Cloud Volumes	4,400	4,200	-4.5%
Total Cloud Volumes (tonnes)³	13,300	10,400	-21.8%

- Underlying EBIT for remaining businesses was \$6.8 million, an increase of \$6.0 million over the prior corresponding period
- Operating profits from the sold European compliance scheme operations were included in the \$14.8 million 1H FY20 result
- Logistics disruptions and customer personnel availability, due to COVID-19, continued. This limited the ability to increase cloud material volumes in 1H FY21
- Innovation focus to re-use more parts and extract more value
- Commercial discussions, activity and interest remains robust

1) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.

2) Excludes the sale of European compliance scheme operations.

3) Volumes differ from those disclosed at 1H FY20 due to final reconciliation of remaining businesses.



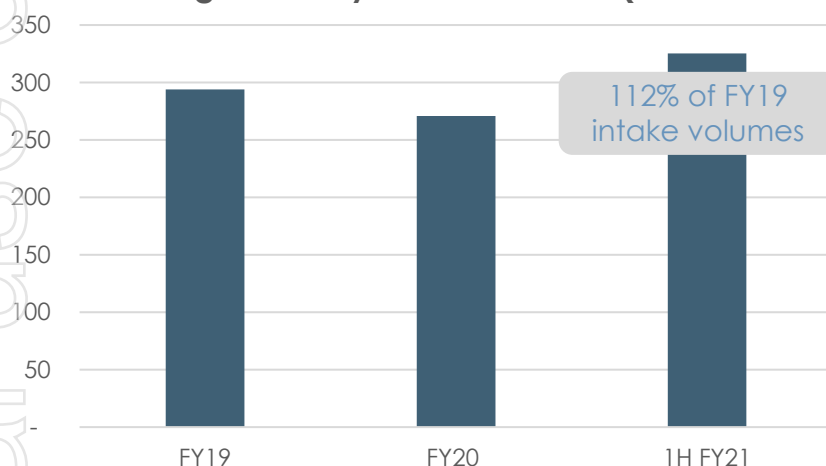
SA Recycling

Significant improvement due to increased volumes and higher margins

A\$m	1H FY20	1H FY21	% Chg
Underlying EBIT (50% share)¹	-	24.4	NMF
Underlying EBIT (constant currency)	-	25.7	NMF
Sales Volumes ('000 tonnes) (50% of SA tonnes)	800	929	16.1%
Underlying EBIT / tonne	-	26.3	NMF

- Underlying EBIT was \$24.4 million, up \$25.7 million over prior corresponding period on constant currency basis
- Significantly improved earnings driven by:
 - Higher margins; and
 - Higher volumes
- Sales volume increased 16.1% over prior corresponding period due to improved economic activity, pricing environment and incremental volume from bolt-on acquisitions

SAR – average monthly intake volumes (100% of volumes)



¹⁾ Underlying EBIT represents Sims Limited's 50% share of SA Recycling profit before tax.



Global Trading

Lower brokerage volumes reflect reduced export volumes from SA Recycling

A\$m	1H FY20	1H FY21	% Chg
Brokerage Gross Margin	5.9	5.5	-6.8%
Operating Costs	(12.9)	(13.4)	-3.9%
Underlying EBIT¹	(7.0)	(7.9)	-12.9%
<i>Underlying EBIT (constant currency)</i>	<i>(7.0)</i>	<i>(9.2)</i>	<i>-31.4%</i>
Brokerage Volumes (*000 tonnes)	635	567	-10.7%

- Underlying EBIT represents external and SA Recycling brokerage less the costs of running the global trading operations
- Brokerage export volumes decreased due to reduced export volumes from SA Recycling during the period
- Operating costs increased due to higher employee benefits expense

1) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.



Corporate & Other

Transparency of costs for growth businesses and flat Corporate costs at constant currency

Corporate (A\$m)	1H FY20	1H FY21	% Chg
Underlying EBIT¹	(31.3)	(30.0)	4.2%
<i>Underlying EBIT (constant currency)</i>	<i>(31.3)</i>	<i>(31.1)</i>	<i>0.6%</i>
Sims Municipal Recycling (A\$m)	1H FY20	1H FY21	% Chg
Underlying EBIT¹	1.0	(2.6)	-360.0%
<i>Underlying EBIT (constant currency)</i>	<i>1.0</i>	<i>(2.8)</i>	<i>-380.0%</i>
LMS Energy (A\$m)	1H FY20	1H FY21	% Chg
Underlying EBIT (50% share)	6.4	4.9	-23.4%
Sims Energy (A\$m)	1H FY20	1H FY21	% Chg
Underlying EBIT	(0.5)	(0.6)	-20.0%
Sims Resource Renewal (A\$m)	1H FY20	1H FY21	% Chg
Underlying EBIT	(0.6)	(1.3)	-116.7%

Corporate

- Corporate costs flat over prior corresponding period at constant currency

Sims Municipal Recycling

- Underlying EBIT loss of \$2.6 million driven by higher overtime and labour costs due to COVID-19 staffing shortages and increased residue rates and disposal costs

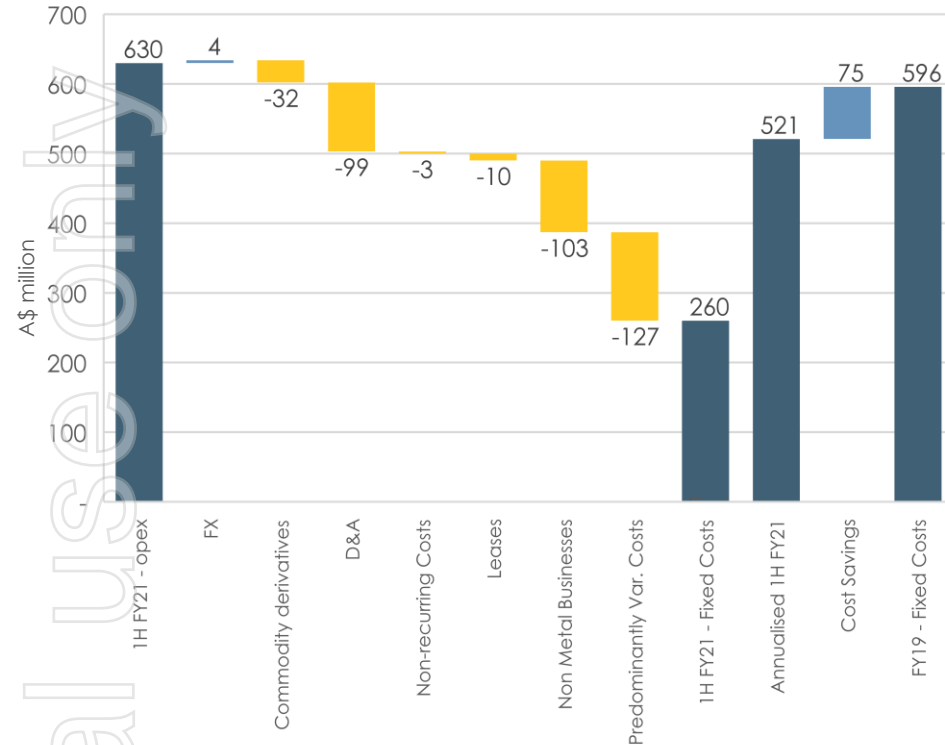
1) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.



Operating Costs

On track for \$75 million of predominantly fixed cost savings in FY21 compared to FY19

1H FY21 Predominantly Fixed Costs^{1,2}



- Achieved FY21 annualised predominantly fixed cost savings of \$75 million compared to estimated \$70 million savings in FY21 vs FY19
- Note: \$20 million of these further cost reductions require implementation of the ERP system in order for them to be maintained

1) Approximately 70% of these costs do not vary materially within reasonable volume changes.

2) Excludes Sims Lifecycle Services, Sims Municipal Recycling, Sims Resource Renewal and Sims Energy.



Net Cash Position

Strong improvement in net cash position

A\$m	1H FY21
Opening Net Cash	110.4
Net profit	53.0
Depreciation & amortisation	98.6
Joint venture non-cash income, net of dividends	(22.6)
Change in working capital	20.9
Net interest and tax received	6.7
Other non-cash items	(7.3)
Operating cash flow	149.3
Capital expenditure	(63.7)
Proceeds from sale of PPE	8.3
Other cash flow from investing	0.5
Free cash flow	94.4
Share buy-back	(7.3)
Lease payments	(37.4)
Other net cash flow from financing & FX	5.3
Change in net cash	55.0
Closing Net Cash	165.4

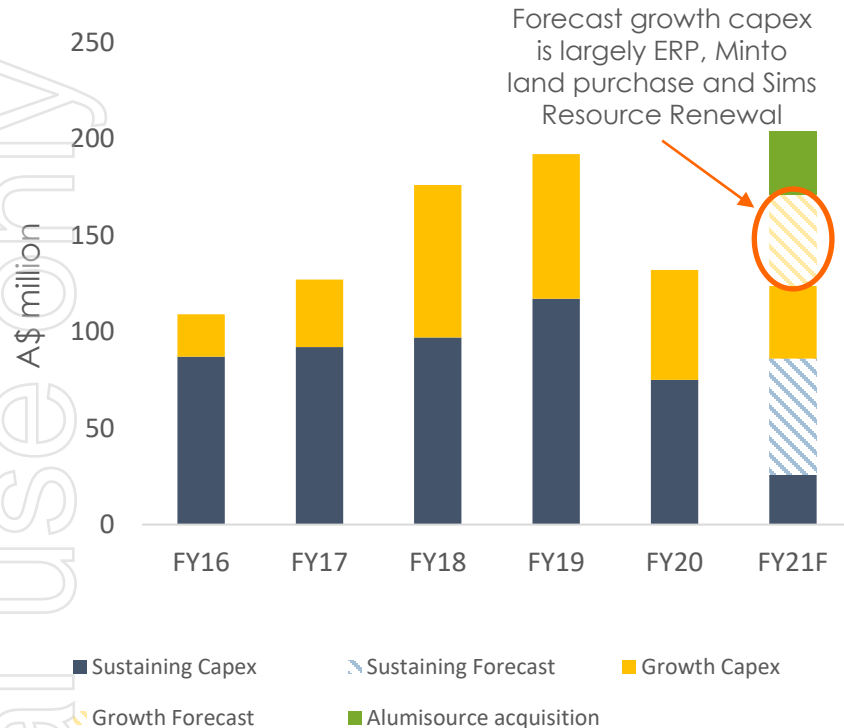
- Solid balance strength with net cash of \$165.4 million
- Working capital contributed \$20.9 million to operating cash flow due to increased payables from rising prices partially offset by higher inventory valuation compared to 30 June 2020
- \$63.7 million in capex primarily related to growth capital for the Enterprise Resource Planning system (ERP) and first Resource Renewal Facility



Capital Expenditure

Strong cash position enables strategic growth initiatives

Capital Expenditure



- Forecast capex of \$140 million in 2H FY21 of which \$80 million is growth capex including the Alumisource acquisition
- Growth capex is focused on the ERP, growing ferrous and non-ferrous volumes and the first Resource Renewal Facility
- Net cash balance of \$165 million as at 31 December to support strategic growth initiatives
- Depreciation from existing assets and new capital expenditure expected to be approximately \$200 million for FY21, including \$75 million of right of use (leased) assets



Strategic Progress & Outlook

Alistair Field, Group CEO



Global ERP Implementation

Achieved key milestones for sales, outbound logistics and human resources

Business area	Milestones Achieved
 Sales and outbound logistics	Successful roll out in: <ul style="list-style-type: none">▪ Global Non-Ferrous Trading▪ North America Metal
 Human Resources	Prepared implementation to all regions and businesses in March 2021

Status Update

- Programme remains on budget
- Global inability to travel has necessitated rescheduling. For example bringing forward the successful roll out of sales and outbound logistics
- A complete replan for calendar 2021 and 2022 is underway using the assumption that travel restrictions will, at best, only slowly ease. Early indications are that timing will push out, but there will not be a budget impact



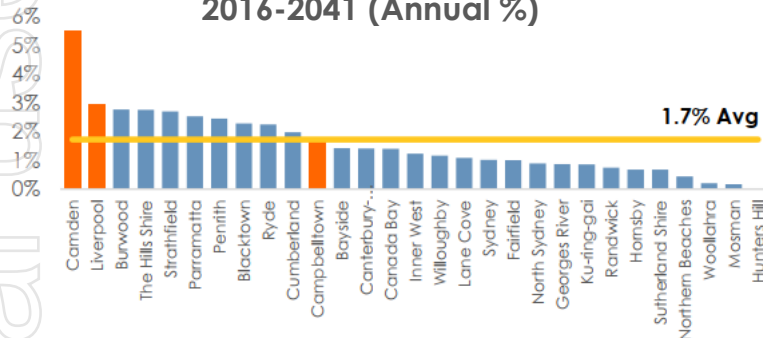
Strategic growth: Ferrous and non-ferrous

Identified and executed strategic growth opportunities in favourable geographies

Growing in Sydney with Minto site acquisition

- Establish presence in Sydney's rapidly growing Southwest market
- Turn-key ready facility with unique opportunity to meaningfully decrease start-up time and capital costs
- Good transport connections close to arterial roads and B-double rated access

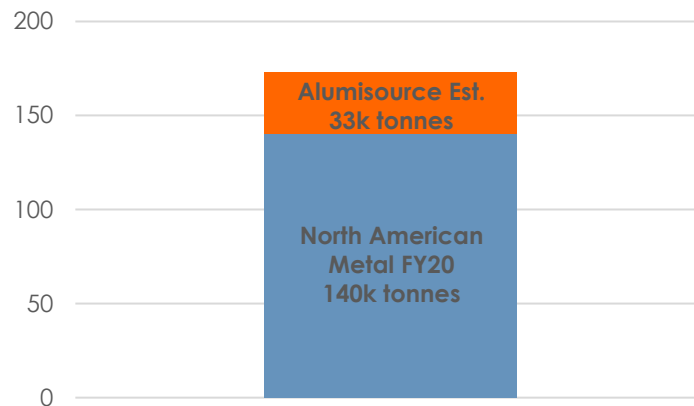
Sydney Forecast Population Growth by LGA 2016-2041 (Annual %)



Alumisource Corporation acquisition

- Leading aluminium processor with strong cultural fit on safety, product quality and sustainability
- Forecast to grow NAM non-ferrous retail volumes 24%

Non-ferrous Retail Volumes ('000 tonnes)

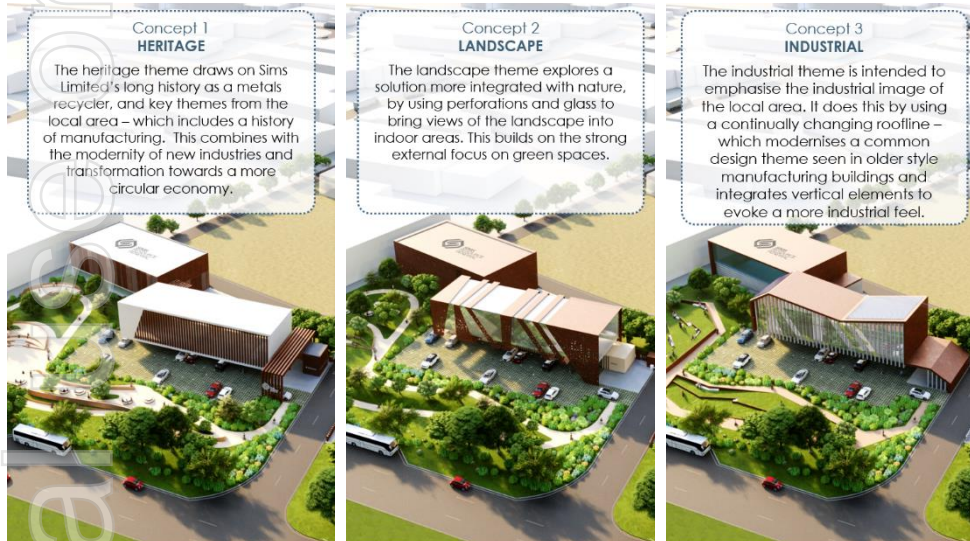


Sims Resource Renewal

Convert 1 million tonnes of ASR to quality products each year by 2030

Partner for Change: Community engagement

- Strong positive community and stakeholder engagement via virtual events and face to face where possible
- Virtual engagement event 2 is now [open](#) and includes initial facility building design concepts



Rocklea Pilot Facility

- Submitted development application
- Anticipating statutory planning approval mid 2021

Campbellfield Resource Renewal Facility

- Commercial demonstration:
 - Confirmed Sims ASR produces a high quality syngas
 - Confirmed chemical composition of syngas
 - Collected data for environmental and planning assessment processes
- Next stage gate identifies most suitable outputs from syngas and could include electricity, hydrogen or the building blocks for recycled plastic
- Progressing final stages of environmental and planning approvals for submission in Q2 2021



Conclusion & Outlook

1H FY21 result positions Sims well to implement strategic growth initiatives

1H FY21

- Significantly improved financial performance including higher margins and lower operating costs, which are on track to achieve annualised cost savings in excess of \$70 million in FY21 compared to FY19
- 1H FY21 proprietary intake volumes remained at 85% of average FY19 monthly volumes due to COVID-19 impacts, but increased 9% compared to 2H FY20 levels
- Substantial progress on implementation of strategic growth plans
- Transformative ERP implementation achieved key milestones in sales, outbound logistics and human resources

Outlook

- Signs of positive ferrous intake volume growth; January intake higher than January 2019 and 2020
- Retail non-ferrous intake volumes remain inconsistent; January intake lower than January 2020 but similar to 2019
- Ferrous liquidity and price volatility risks likely to persist in 2H FY21 but, over the medium term, prices should remain resilient due to infrastructure stimulus
- Global auto production is expected to return to normal and support zorba related prices
- China commenced the importing of high quality recycled ferrous. Volumes are starting to increase from a low base and may tighten demand / supply over the medium term





Questions & Answers





Appendix



Product Segment Volumes

Sales volumes ('000 tonnes)	1H FY20	1H FY21	Chg %
North America Metal	2,275	2,151	-5.5%
ANZ Metal	806	807	0.1%
UK Metal	662	706	6.6%
<i>Total Proprietary Volumes</i>	<i>3,743</i>	<i>3,664</i>	<i>-2.1%</i>
Global Trading & Other Brokerage	731	646	-11.6%
Sales volumes	4,474	4,310	-3.7%

Sales volumes ('000 tonnes)	1H FY20	1H FY21	Chg %
Ferrous Trading	3,521	3,502	-0.5%
Non-Ferrous Trading	222	162	-27.0%
Brokerage	731	646	-11.6%
Sales volumes	4,474	4,310	-3.7%

Intake volumes ('000 tonnes)	1H FY20	1H FY21	Chg %
North America Metal	2,239	2,013	-10.1%
ANZ Metal	809	742	-8.3%
UK Metal	661	703	6.4%
<i>Total Proprietary Volumes</i>	<i>3,709</i>	<i>3,458</i>	<i>-6.8%</i>
Global Trading & Other Brokerage	731	652	-10.8%
Intake volumes	4,440	4,110	-7.4%

Intake volumes ('000 tonnes)	1H FY20	1H FY21	Chg %
Ferrous Trading	3,492	3,285	-5.9%
Non-Ferrous Trading	217	173	-20.3%
Brokerage	731	652	-10.8%
Intake volumes	4,440	4,110	-7.4%



Group Profit & Loss

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Sales revenue	4,651.7	5,079.4	6,448.0	6,640.0	4,908.5		2,709.6	2,452.0	-9.5%
Statutory EBITDA	83.0	313.5	395.8	358.1	35.7		30.5	177.1	480.7%
Underlying EBITDA	190.4	292.4	392.3	363.4	144.9		74.9	155.0	106.9%
Statutory EBIT	(215.5)	201.2	278.6	225.0	(239.1)		(95.2)	78.5	182.5%
Underlying EBIT	64.0	180.1	275.1	230.3	(57.9)		(23.2)	56.4	343.1%
Net Interest expense	9.7	10.2	8.9	6.7	13.8		7.5	5.3	29.3%
Statutory tax (expense)/benefit	8.7	12.6	(66.2)	(65.7)	(12.4)		11.6	(20.2)	-274.1%
Underlying tax (expense)/benefit	(9.2)	(52.6)	(78.2)	(61.7)	13.6		(4.0)	(13.8)	-245.0%
Statutory NPAT	(216.5)	203.6	203.5	152.6	(265.3)		(91.1)	53.0	158.2%
Significant items	259.4	(85.3)	(14.9)	9.3	207.2		56.4	(15.7)	-127.8%
Underlying NPAT	42.9	118.3	188.6	161.9	(58.1)		(34.7)	37.3	207.5%
Statutory EPS – diluted (cents)	(106.8)	101.6	98.7	74.2	(131.2)		(44.9)	26.3	158.6%
Underlying EPS – diluted (cents)	21.2	59.0	91.5	78.8	(28.7)		(17.1)	18.5	208.2%
Dividend per share (cents)	22.0	50.0 ¹⁾	53.0	42.0	6.0		6.0	12.0	100.0%

1) Includes 10.0 cents per share 2017 Special Dividend.



North America Metal

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Sales Revenue	1,942.5	1,984.0	2,607.1	2,725.6	2,061.7		1,133.0	1,067.0	-5.8%
Statutory EBITDA	35.2	106.0	121.0	124.8	(16.2)		12.4	61.2	393.5%
Underlying EBITDA	84.8	124.4	159.5	162.6	55.0		43.4	70.5	62.4%
Depreciation	51.9	45.0	46.9	53.2	90.2		41.4	45.9	-10.9%
Amortisation	11.7	8.9	7.9	9.7	3.8		1.9	-	100.0%
Statutory EBIT	(35.1)	52.1	66.2	61.9	(145.8)		(45.5)	15.3	133.6%
Underlying EBIT	21.2	70.5	104.7	99.7	(39.0)		0.1	24.6	NMF
Assets	910.7	904.4	1,070.4	1,065.4	1,116.7		1,135.3	1,043.3	-8.1%
Intake Volumes (000's)	4,625	4,312	5,044	4,827	4,268		2,300	2,048	-11.0%
Proprietary Sales Volumes (000's)	4,517	4,344	4,865	4,887	4,042		2,275	2,151	-5.5%
Brokerage Sales Volumes (000's)	118	87	47	56	88		61	35	-42.6%
Total Sales Volumes (000's)	4,635	4,431	4,912	4,943	4,130		2,336	2,186	-6.4%
Employees ¹	1,656	1,490	1,578	1,577	1,124		1,475	1,138	-22.8%

1) FY18 employee count has been amended to exclude 156 contingent workers as these workers are non-permanent workers and are excluded from the FY19 employee count.



Investment in SA Recycling

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Statutory EBIT ¹	(120.6)	26.3	67.8	41.0	12.1		-	24.4	NMF
Underlying EBIT ¹	(1.5)	26.3	68.5	35.9	12.1		-	24.4	NMF
Assets	126.8	131.9	180.7	211.1	277.5		207.4	265.2	27.9%
Intake Volumes (000's)²	2,005	2,557	3,477	3,473	3,250		1,640	1,952	19.0%
Sales Volumes (000's)²	2,049	2,548	3,342	3,531	3,247		1,600	1,858	16.1%

1) Underlying EBIT represents Sims Limited's 50% share of SA Recycling profit before tax.

2) Volumes represent total volumes recorded for SA Recycling, LLC and includes the portion sold through Sims Group Global Trade Corporation.



Australia & New Zealand Metal

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Sales Revenue	743.6	981.4	1,071.0	1,203.7	924.8		503.5	478.3	-5.0%
Statutory EBITDA	58.0	90.9	121.6	125.6	92.3		42.3	69.0	63.1%
Underlying EBITDA	75.6	102.4	126.2	137.9	103.7		47.8	54.3	13.6%
Depreciation	26.0	28.2	29.1	31.2	52.8		25.4	26.6	-4.7%
Amortisation	0.9	0.4	0.2	0.2	0.2		0.1	0.1	0.0%
Statutory EBIT	31.1	62.3	92.3	94.2	39.3		16.8	42.3	151.8%
Underlying EBIT	48.7	73.8	96.9	106.5	50.7		22.3	27.6	23.8%
Assets	481.7	542.5	625.2	614.1	694.9		654.0	673.1	2.9%
Intake Volumes (000's)	1,485	1,616	1,669	1,836	1,584		843	785	-6.9%
Proprietary Sales Volumes (000's)	1,377	1,530	1,585	1,763	1,428		806	807	0.1%
Brokerage Sales Volumes (000's)	41	126	111	119	71		34	43	26.5%
Total Sales Volumes (000's)	1,418	1,656	1,696	1,882	1,499		840	850	1.2%
Employees ¹	712	709	715	921	924		932	885	-5.0%

1) FY18 employee count excludes Sims Pacific Metals employees.



UK Metal

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Sales Revenue	759.1	924.3	1,203.0	1,186.9	869.8		487.6	428.0	-12.2%
Statutory EBITDA	(15.7)	50.5	42.0	19.7	(59.4)		(46.6)	17.8	138.2%
Underlying EBITDA	43.8	54.2	50.5	39.5	(4.3)		(13.5)	22.6	267.4%
Depreciation	13.8	12.0	14.9	18.3	26.8		14.5	12.1	16.6%
Amortisation	-	-	0.3	0.9	0.8		0.4	-	-100.0%
Statutory EBIT	(29.7)	38.5	26.8	0.5	(110.0)		(61.5)	5.7	NMF
Underlying EBIT	30.0	42.2	35.3	20.3	(31.9)		(28.4)	10.5	137.0%
Assets	245.2	329.2	431.4	389.9	322.5		459.6	343.1	-25.3%
Intake Volumes (000's)	1,420	1,570	1,696	1,635	1,195		662	704	6.3%
Proprietary Sales Volumes (000's)	1,350	1,589	1,691	1,602	1,221		662	706	6.6%
Brokerage Sales Volumes (000's)	11	1	3	2	3		1	1	0.0%
Total Sales Volumes (000's)	1,361	1,590	1,694	1,604	1,224		663	707	6.6%
Employees ¹	612	660	690	761	676		704	555	-21.2%

1) FY18 employee count excludes Morley and Barnsley employees.



Global Trading

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Sales Revenue	352.6	386.6	733.5	690.9	550.8		293.2	284.2	-3.1%
Statutory EBITDA	3.2	3.1	19.0	23.3	8.2		3.0	4.1	36.7%
Underlying EBITDA	(10.5)	(15.3)	(12.3)	(14.9)	(13.9)		(6.4)	(7.4)	-15.6%
Depreciation	0.1	0.1	0.1	0.2	1.3		0.6	0.5	16.7%
Amortisation	-	-	-	-	-		-	-	-
Statutory EBIT	3.1	3.0	18.8	23.1	6.9		2.4	3.6	50.0%
Underlying EBIT	(10.6)	(15.4)	(12.4)	(15.1)	(15.2)		(7.0)	(7.9)	-12.9%
Assets	77.6	108.0	95.6	67.2	54.1		36.5	43.8	20.0%
Intake Volumes (000's)	1,135	1,028	1,558	1,384	1,287		635	573	-9.8%
Sales Volumes (000's)	1,137	1,023	1,554	1,374	1,301		635	567	-10.7%
Employees	45	46	69	75	66		74	68	-8.1%



Sims Lifecycle Services

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Sales Revenue	792.7	726.9	758.4	746.5	408.0		247.9	152.3	-38.6%
Statutory EBITDA	(2.6)	30.6	34.5	26.4	9.9		13.8	10.2	-26.1%
Underlying EBITDA	23.3	36.3	39.7	34.5	28.2		21.1	12.4	-41.2%
Depreciation	11.2	8.2	8.4	8.5	11.3		6.3	5.6	11.1%
Amortisation	0.4	-	-	-	-		-	-	-
Statutory EBIT	(60.2)	22.4	26.1	17.9	(14.8)		(5.5)	4.6	183.6%
Underlying EBIT	11.7	28.1	31.3	26.0	16.9		14.8	6.8	-54.1%
Assets	447.9	382.1	397.3	340.6	139.4		274.7	133.1	-51.5%
Employees ¹	1,471	1,417	1,420	1,350	919		971	841	-13.4%

1) FY20 employee count excludes sold European compliance scheme operations employees.



Corporate & Other

A\$m	FY16	FY17	FY18	FY19	FY20		1H FY20	1H FY21	Chg %
Sales Revenue	61.2	76.2	75.0	86.4	93.4		44.4	42.2	-5.0%
Statutory EBITDA	6.4	6.1	(10.1)	(2.7)	(11.2)		5.6	(9.6)	NMF
Underlying EBITDA	(25.1)	(35.9)	(39.8)	(32.1)	(35.9)		(17.5)	(21.8)	-24.6%
Depreciation	10.4	9.5	9.4	10.9	15.6		7.5	7.8	-4.0%
Amortisation	-	-	-	-	-		-	-	-
Statutory EBIT	(4.1)	(3.4)	(19.4)	(13.6)	(26.8)		(1.9)	(17.4)	NMF
Underlying EBIT	(35.5)	(45.4)	(49.2)	(43.0)	(51.5)		(25.0)	(29.6)	-18.4%
Assets	281.0	344.9	401.2	497.1	601.0		574.6	646.5	12.5%
Employees	260	239	280	311	366		363	375	3.3%

1) FY20 employee count includes employees from the new Sims Municipal Recycling contract in Florida.



Financial Summary – Group

A\$m	FY16	FY17	FY18	FY19	FY20	1H FY20	1H FY21
Group Results							
Sales Revenue	4,651.7	5,079.4	6,448.0	6,640.0	4,908.5	2,709.6	2,452.0
Underlying EBITDA	190.4	292.4	392.3	363.4	144.9	74.9	155.0
Underlying EBIT	64.0	180.1	275.1	230.3	(57.9)	(23.2)	56.4
Underlying NPAT	42.9	118.3	188.6	161.9	(58.1)	(34.7)	37.3
Underlying EPS – diluted (Cents per share)	21.2	59.0	91.5	78.8	(28.7)	(17.1)	18.5
Dividend (cents per share)	22.0	50.0 ³	53.0	42.0	6.0	6.0	12.0
Balance Sheet							
Total Assets	2,570.9	2,743.0	3,201.8	3,185.4	3,206.1	3,342.1	3,148.1
Total Liabilities	738.4	775.4	1,013.1	886.7	1,223.8	1,175.4	1,223.1
Total Equity	1,832.5	1,967.6	2,188.7	2,298.7	1,982.3	2,166.7	1,925.0
Net Cash	242.1	373.0	298.1	347.5	110.4	151.2	165.4
Cash Flows							
Operating Cash Flow	131.3	266.4	252.1	360.1	(65.3)	(34.1)	149.3
Capital Expenditure	(108.9)	(126.5)	(176.1)	(197.1)	(140.5)	(80.0)	(63.7)
Free Cash Flow¹	22.4	139.9	76.0	163.0	(205.8)	(114.1)	85.6
Average non-current assets ²	1,583.0	1,502.8	1,664.2	1,884.3	1,917.7	1,951.5	1,818.0
ROPA² (%)	4.0%	12.0%	16.5%	12.2%	-3.0%	-2.4%	6.2%

1) Free cash flow = operating cash flow – capex for property, plant and equipment and intangibles.

2) Return on Productive Assets = annualised underlying EBIT / average of opening non-current assets and ending non-current assets excluding assets relating to adoption of AASB 16 Leases.

3) Includes 10.0 cents per share 2017 Special Dividend.



Financial Summary – Segment

A\$mn	FY16	FY17	FY18	FY19	FY20	1H FY20	1H FY21
Sales Revenue							
North America Metal	1,942.5	1,984.0	2,607.1	2,725.6	2,061.7	1,133.0	1,067.0
ANZ Metal	743.6	981.4	1,071.0	1,203.7	924.8	503.5	478.3
UK Metal	759.1	924.3	1,203.0	1,186.9	869.8	487.6	428.0
Sims Lifecycle Services	792.7	726.9	758.4	746.5	408.0	247.9	152.3
Global Trading	352.6	386.6	733.5	690.9	550.8	293.2	284.2
Corporate & Other	61.2	76.2	75.0	86.4	93.4	44.4	42.2
Total	4,651.7	5,079.4	6,448.0	6,640.0	4,908.5	2,709.6	2,452.0
Underlying EBIT							
North America Metal	21.2	70.5	104.7	99.7	(39.0)	0.1	24.6
ANZ Metal	48.7	73.8	96.9	106.5	50.7	22.3	27.6
UK Metal	30.0	42.2	35.3	20.3	(31.9)	(28.4)	10.5
Sims Lifecycle Services	11.7	28.1	31.3	26.0	16.9	14.8	6.8
Investment in SA Recycling	(1.5)	26.3	68.5	35.9	12.1	-	24.4
Global Trading	(10.6)	(15.4)	(12.4)	(15.1)	(15.2)	(7.0)	(7.9)
Corporate & Other	(35.5)	(45.4)	(49.2)	(43.0)	(51.5)	(25.0)	(29.6)
Total	64.0	180.1	275.1	230.3	(57.9)	(23.2)	56.4
Underlying EBIT Margin (%)							
North America Metal	1.1%	3.6%	4.0%	3.7%	-1.9%	0.0%	2.3%
ANZ Metal	6.5%	7.5%	9.0%	8.8%	5.5%	4.4%	5.8%
UK Metal	4.0%	4.6%	2.9%	1.7%	-3.7%	-5.8%	2.5%
Sims Lifecycle Services	1.5%	3.9%	4.1%	3.5%	4.1%	6.0%	4.5%
Total	1.4%	3.5%	4.3%	3.5%	-1.2%	-0.9%	2.3%



Financial Summary – Segment (cont.)

A\$m	FY16	FY17	FY18	FY19	FY20	1H FY20	1H FY21
Proprietary sales tonnes ('000)¹							
North America Metal	4,517	4,344	4,865	4,887	4,042	2,275	2,151
ANZ Metal	1,377	1,530	1,585	1,763	1,428	806	807
UK Metal	1,350	1,589	1,691	1,602	1,221	662	706
Total	7,244	7,463	8,141	8,252	6,691	3,743	3,664
Underlying EBIT²							
North America Metal	21.2	70.5	104.7	99.7	(39.0)	0.1	24.6
ANZ Metal	48.7	73.8	96.9	106.5	50.7	22.3	27.6
UK Metal	30.0	42.2	35.3	20.3	(31.9)	(28.4)	10.5
Total	99.9	186.5	236.9	226.5	(20.2)	(6.0)	62.7
EBIT / tonne (\$/t)							
North America Metal	4.69	16.23	21.52	20.40	(9.65)	0.04	11.44
ANZ Metal	35.37	48.24	61.14	60.41	35.50	27.67	34.20
UK Metal	22.22	26.56	20.88	12.67	(26.13)	(42.90)	14.87
Total	13.79	24.99	29.10	27.45	(3.02)	(1.60)	17.11

1) Proprietary sales volumes exclude ferrous and non-ferrous brokerage sales volumes.

2) Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.



Financial Summary – Product

A\$m	FY16	FY17	FY18	FY19	FY20	1H FY20	1H FY21
Sales tonnes ('000)							
Ferrous Trading	6,768	7,009	7,709	7,817	6,301	3,521	3,502
Non Ferrous	476	454	432	435	390	222	162
Brokerage	1,307	1,237	1,715	1,551	1,463	731	646
Total	8,551	8,700	9,856	9,803	8,154	4,474	4,310
Sales Revenue							
Ferrous Metal	2,703.0	3,136.1	4,381.6	4,505.4	3,286.2	1,783.6	1,765.1
Non Ferrous Metal	1,055.3	1,123.7	1,215.6	1,271.4	1,095.5	624.0	486.9
Sims Lifecycle Services	792.7	726.9	758.4	746.5	408.0	247.9	152.3
Secondary processing & other	100.7	92.7	92.4	116.7	118.8	54.1	47.7
Total	4,651.7	5,079.4	6,448.0	6,640.0	4,908.5	2,709.6	2,452.0



Income Tax Expense – 1H FY21

A\$m	Profit Before Tax	Income Tax Expense	Effective Tax %
Statutory Result	73.2	20.2	27.6%
Significant Items	(22.1)	(6.4)	29.0%
Normalised Results	51.1	13.8	27.0%



Lease Standard Impact – 1H FY21

A\$m	EBIT	EBITDA
Underlying Result	56.4	155.0
Lease Depreciation	N/A	37.7
Lease Interest Expense	3.7	3.7
Underlying Result Excluding Lease Standard Impact	52.7	113.6



Significant items

A\$m	1H FY20 Pre-Tax Total	1H FY20 After-Tax Total	1H FY21 Pre-Tax Total	1H FY21 After-Tax Total
Legacy brand write offs	14.6	11.0	-	-
Other intangible asset impairments	13.0	9.4	-	-
JobKeeper grant income	-	-	(11.8)	(8.3)
Non-recurring gain on asset disposition	-	-	(6.6)	(4.7)
Restructuring and redundancies	33.6	26.9	0.9	0.6
Loss on asset disposals, net of related transactional expenses	3.2	2.9	0.5	0.5
Environmental provisions	11.0	8.2	1.1	0.9
Non-qualified hedges	1.9	1.9	(5.0)	(3.8)
Impact of fires, net of insurance recoveries	(5.3)	(3.9)	(1.2)	(0.9)
Significant Items for HY	72.0	56.4	(22.1)	(15.7)

A\$m	1H FY21
Statutory EBIT	78.5
Significant Items	(17.1)
Non qualifying hedges	(5.0)
Underlying EBIT	56.4

A\$m	1H FY21
Statutory NPAT	53.0
Significant Items	(11.9)
Non qualifying hedges	(3.8)
Underlying NPAT	37.3

