



ASX & MEDIA RELEASE

(ASX: SGM, USOTC: SMSMY)

15 June 2021

Trading update and forecast earnings

Sims Limited ("Sims or the Company") today announced it is now expecting Underlying EBIT for full year FY21 to be between \$360 million and \$380 million. This compares with the previous guidance range of between \$260 million and \$310 million.

The Company's business divisions are now forecasting to maintain the excellent third quarter results right through the fourth quarter. The market conditions described in the 19 April 2021 release continue, namely:

- Proprietary intake volumes for 2H FY21 have remained at around 95% of FY19 average monthly volumes, compared to 85% in 1H FY21;
- A general improvement in gross margin per tonne due to higher scrap prices, and good margin management;
- A significant contribution from SA Recycling driven by high scrap prices, particularly for zorba linked products, good intake volumes, and good margin management.

Commenting on the increased earnings guidance, Alistair Field, CEO and Managing Director, said "In our April release we factored in justifiable concerns that the rapid rise in prices commencing in December 2020 contributed to exceptional EBIT that would not be sustained in the fourth quarter. It is pleasing that this is not the case and we are forecasting the fourth quarter to be as strong as the third quarter."

The main risk to achieving the forecasted FY21 result is delivering on the assumed June shipping schedule.

Authorised for lodgement by: The Board of Sims Limited.

About Sims Limited

Founded in 1917, Sims Limited is a global leader in metal recycling and electronics recovery, and an emerging leader in the municipal recycling and the renewable energy industries. Our 4,000 employees operate from over 200 facilities across 15 countries. The Company's ordinary shares are listed on the Australian Securities Exchange (ASX: SGM) and its American Depositary Shares are quoted on the Over-the-Counter market in the United States (USOTC: SMSMY). Our purpose, create a world without waste to preserve our planet, is what drives us to constantly innovate and offer new solutions in the circular economy for consumers, businesses, governments and communities around the world. For more information, visit www.simsltd.com.

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