



ASX & MEDIA RELEASE

(ASX:SGM, USOTC:SMSMY)

4 OCTOBER 2024

SIMS LIMITED COMPLETES SALE OF UK METAL

Sims Limited (“Sims” or the “Company”) today confirmed it had reached completion on the previously announced sale of its UK Metal business (“UKM”) to Unimetals Limited (“Unimetals”).

Since signing, initial cash proceeds of circa £40 million have been received from the conversion of working capital surplus to Unimetals specified requirements. Additionally, post-completion after-tax cash proceeds are estimated at approximately £182 million¹, comprising:

- Residual net asset value: £97 million
- Working capital transferred to Sims Limited at completion: £85 million

Retained working capital transferred to Sims, comprised mainly of pre-completion receivables, is expected to be largely collected within the next 30 days. In addition, Unimetals will assume lease liabilities of £25 million as part of the transaction.

Of the residual asset value of £97 million, Unimetals will pay a minimum of £30 million by 31 December 2024, with an option to extend the financing of any remaining balance to 30 June 2025². A competitive interest charge applies to all outstanding amounts.

This transaction is aligned with Sims' strategy to focus on high-potential markets such as United States, Australia, and New Zealand, where stronger demand for scrap allows the company to maximise its strengths.

¹ Subject to final completion accounts

² Sims retains full security over the assets of UK Metal for all deferred payments.

The proceeds will initially be used to strengthen the balance sheet. The Company intends to continue to take a balanced approach to driving business growth and returning cash to shareholders over the medium-term.

Authorised for release by: The Company Secretary

About Sims Limited

Founded in Australia in 1917, Sims Limited is a global leader in metal recycling and the provision of circular solutions for technology. Sims Limited plays a vital role in helping increase circularity and decarbonisation by supplying recycled materials and re-purposed products. 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). The Company's purpose, create a world without waste to preserve our planet, is what drives its constant innovation and leadership in the circular economy. For more information, visit www.simsltd.com.

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