



ASX & MEDIA RELEASE

(ASX: SGM, USOTC: SMSMY)

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SA Recycling entered into a definitive agreement to buy PSC Metals

Sims Limited ("Sims or the Company") today announced that its North American joint venture partner, SA Recycling has entered into a definitive agreement to acquire PSC Metals, LLC ("PSC Metals") from Icahn Enterprises L.P. (NASDAQ: IEP) ("Icahn Enterprises").

PSC Metals is a leading scrap recycling business with operations across Ohio, Pennsylvania, Missouri, Illinois, Arkansas, Tennessee, and Georgia. The business processes and sells ~800,000 tonnes of ferrous and non-ferrous secondary metal per annum, across its 30 facilities, including eight shredders. Total consideration for the acquisition was US\$290 million, including normalised working capital and on a debt-free basis. The transaction implies an EV/EBITDA multiple of 5.4x on a post-synergies basis and will be funded entirely by SA Recycling without any injection of capital from Sims.

This transaction follows three other strategic bolt-on acquisitions – Pirkle, Southern Recycling, and Metro - carried out by SA Recycling in FY22. These acquisitions delivered significant benefits to the business, including an additional 300,000 tonnes of volume over five sites and strengthened SA Recycling's position in Nashville and Atlanta and expanded its footprint into Kentucky.

Commenting on the acquisition, George Adams, CEO of SA Recycling, said, "I welcome PSC Metals and its team to the SA Recycling family. The announced acquisition represents an exciting step forward in our strategy. It enhances our business profile with 14 businesses acquired since 2017 and accelerates our growth strategy."

Alistair Field, CEO and Managing Director of Sims, commenting on the acquisition, said: "I am excited about the opportunity this acquisition creates for SA Recycling to accelerate its growth strategy. The acquisition highlights the complementary relationship between the joint venture and Sims 100% owned North America Metal business, leveraging SA Recycling's strengths in the domestic markets, while delivering on Sims' core-competitive advantage in coastal export-oriented markets."

The Company will provide a general business update at the AGM, scheduled for 10th November 2021.

Authorised for release by: The Company Secretary, Gretchen Johans.

About Sims Limited

Founded in 1917, Sims Limited is a global leader in metal recycling and data center IT circularity, and an emerging leader in municipal recycling and renewable energy. Our 4,000 employees operate from more than 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.simsmm.com.

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