



# Full Year ended 30 June 2022

*Creating Value by Providing a Pathway to Decarbonisation for our Customers*

16 August 2022



# 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 August 2022. 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





# Results Overview

Alistair Field, Group CEO





# FY22 – a very strong year...



- Record lowest Total Recordable Injury Frequency Rate
- Brought forward carbon neutrality target by 12 years

Record EBIT, in line with guidance range, despite freight price volatility, inflationary pressures, and COVID lockdowns

A high-quality result driven by excellent margin per tonne across all metal businesses

Significant improvement in operating cash flow

Robust proprietary intake volumes – At pre-Covid levels

Return on productive assets of 39.0%, up 16.0 ppts on FY21

Increased cash flow distribution, including a 50 cents per share final dividend, up 66.7% on FY21



# ...underpinned by disciplined strategy execution

<b>Metal</b>	<ul style="list-style-type: none"> <li>• Entered new JV with an auto-recycler<sup>1</sup></li> <li>• Launched programme to improve scrap sourcing and procurement efficiencies</li> <li>• Acquired Pinkenba land</li> <li>• Acquired Atlantic Recycling Group (US) and Recyclers Australia (Australia)</li> <li>• Opened new feeder yards in New Bern, Ewing, and Fernley in the US and Minto in Australia</li> <li>• Deployed enhancement technologies in ferrous and non-ferrous to assist customers in meeting their emission reduction targets</li> </ul>	<b>LMS</b>	<ul style="list-style-type: none"> <li>• Acquired long-term gas rights: 11 LFG projects including 5MW of power generation capacity in Aust/NZ and 9.0MW in the US via the Sims Energy JV, taking total LMS capacity to 85MW</li> <li>• Acquired 50% of Helmont Energy – anaerobic digestion from agricultural waste company</li> </ul>
<b>Sims Lifecycle Services</b>	<ul style="list-style-type: none"> <li>• Continued to grow market share</li> <li>• Expanded geographic footprint - Ireland, Mexico, and Atlanta</li> <li>• Newly designed Circular Centres in Chicago and Nashville</li> <li>• Expanded sustainability services e.g., SmartWay Transport Partner; launched Sustainability Calculator for transparent sustainability reporting</li> <li>• Released three-year sustainability goals</li> </ul>	<b>Sims Municipal Recycling</b>	<ul style="list-style-type: none"> <li>• Continued transition to standalone business</li> <li>• Executed Lee County, FL Operating Contract – commence October 2022</li> <li>• Selected for Rockland County, NY Operating Contract - commence fall 2022</li> <li>• Completed USD\$3.9 million upgrade to Palm Beach County MRF</li> </ul>
<b>SA Recycling</b>	<ul style="list-style-type: none"> <li>• Acquired PSC Metals, LLC; Pirkle; Southern Recycling; Metro Alloys; Star Scrap; 27 Recycling; Capital Scrap Metal, LLC and Metals USA.</li> </ul>	<b>Sims Resources Renewal</b>	<ul style="list-style-type: none"> <li>• Selected Pinkenba as preferred site to build commercial facility in Queensland</li> <li>• Obtained planning development approval for a Pilot Resource Renewal facility at Rocklea in Queensland</li> <li>• Appointed Christine Baker as General Manager<sup>1</sup></li> </ul>

<sup>1</sup> Closed after 30 June 2022



# FY22 Themes

## *Record full year 2022 financial results, despite volatile conditions*

### **Underlying EBIT<sup>1</sup> approximately doubled compared to FY21 driven by strong trading margins across the metal businesses**

- Statutory EBIT of \$773.6 million, up 146.4% over prior corresponding period
- Underlying EBIT of \$756.1 million, up 95.6% over prior corresponding period
- Underlying EPS of 285.5 cents, up 104.5% over prior corresponding period
- Strong trading margins in ferrous and non-ferrous products due to:
  - 43.0% increase in average sales prices for ferrous, and 32.0% for non-ferrous
  - disciplined margin management across all businesses
  - 23.1% increase in zorba volumes
- Partially offsetting the strong margins were across the board cost inflationary pressures
- Proprietary intake volumes were up 12.2% on the prior corresponding period
- Proprietary sales volumes were up 12.2% on the prior corresponding period with acquisitions contributing 169,500 tonnes

### **Significant improvement in operating cash flow**

- As expected, operating cash flow grew to \$547.8 million driven by operating earnings, up \$323.3% from the prior corresponding period
- Cash Flow Distribution<sup>2</sup> of \$244.7 million, up 74.5% from the prior corresponding period – included a 50 cents per share final dividend (66.7% up vs FY21)
- Return on Productive Assets of 39.0%, up from 23.0% in the prior corresponding period

<sup>1</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>2</sup> Comprising FY22 interim and final dividends and shares repurchased from 15 February 2022 to 18 July 2022



# Summary of Financial Outcomes

*High-quality result - materially increased sales volume, revenue, and profit. Significantly higher cash flow distribution while maintaining a strong balance sheet.*

**Sales Revenue**  
**\$ 9,264.4 million**



FY21  
\$5,916.3 million

**56.6%**

**Underlying<sup>1</sup> EBITDA**  
**\$958.9 million**



FY21  
\$579.9 million

**65.4%**

**Underlying<sup>1</sup> EBIT**  
**\$756.1 million**



FY21  
\$386.6 million

**95.6%**

**Underlying<sup>1</sup> NPAT**  
**\$578.9 million**



FY21  
\$284.1 million

**103.8%**

**Sales Volumes**  
**8,106 million tonnes**



FY21  
7,225 million tonnes

**12.2%**

**Operating Cash Flow**  
**\$547.8 million**



FY21  
\$129.4 million

**323.3%**

**Return on Productive Assets<sup>3</sup>**  
**39.0%**



FY21  
23.0%

**+16.0 pts**

**Cash Flow Distribution<sup>4</sup>**  
**\$244.7 million**



FY21  
\$140.3 million

**74.5%**

<sup>1</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>3</sup> Underlying EBIT / average of opening non-current assets and ending non-current assets excluding assets relating to adoption of AASB 16 Leases and deferred tax assets

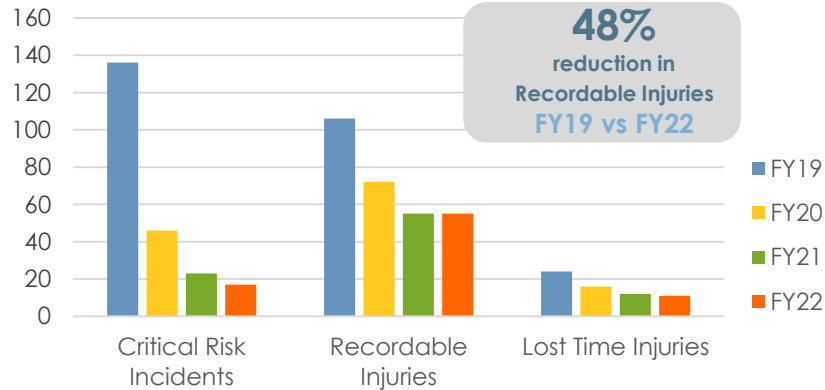
<sup>4</sup> Comprising FY22 interim and final dividends and shares repurchased from 15 February 2022 to 18 July 2022.





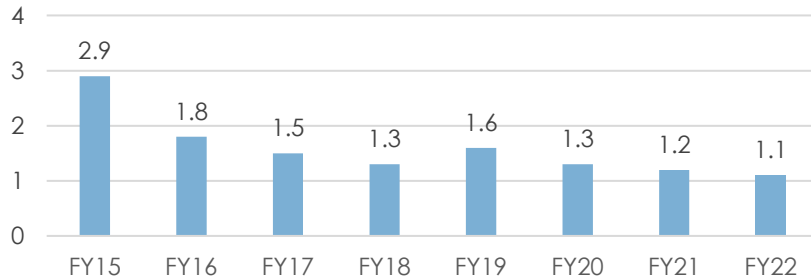
# Employee Health & Safety

*Strong safety performance with the lowest ever Total Recordable Injury Frequency Rate*



- Implementation of the Critical Risk Management strategy delivered sequential improvements since FY19
- Proactive lead indicator programmes focused on control measure improvements resulted in:
  - Lowest number of critical risk incidents ever reported
  - Lowest number of lost time injuries ever reported
  - Lowest Total Recordable Injury Frequency Rate ever reported
- 12,000+ Improvement actions generated – targeted risk focus on traffic management and ergonomics

## Total Recordable Injury Frequency Rate (TRIFR)<sup>1</sup>



<sup>1</sup> Defined as total recordable injuries x 200,000 divided by number of hours worked for employees and contractors



# Sustainability

## Strengthened ESG credentials

**Corporate  
Knights**

Ranked 11<sup>th</sup> in the Global 100 list of most sustainable companies, ranked for the 8<sup>th</sup> time

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

Received maximum AAA rating



Ranked #6 in Sustainability Magazine Top 100 companies in sustainability<sup>1</sup>



Included in Financial Times/Nikkei Asia inaugural APAC Climate Leaders List



Terra Carta Seal for creation of sustainable markets<sup>1</sup>



Included in Newsweek's list of America's Most Responsible Companies for the second year in a row

## Who we work with



**REVERSE  
LOGISTICS  
ASSOCIATION**  
MEMBER

**NYU STERN**

Center for  
Sustainable  
Business



Bureau of  
International  
Recycling



**Global Compact**  
Network Australia



<sup>1</sup>Announced in 2H FY22



# Sustainability

*Strong progress against FY25 goals*

## OPERATE RESPONSIBLY



- Lowest ever recordable Total Recordable Injury Rate
- Achieved Board gender diversity target, per the sustainability goals
- Achieved strong employee engagement score of 82%
- First cohort completed 'Women Leading @Sims' program
- Formed employee engagement focus groups
- Released second Modern Slavery statement
- 100% of employees trained on anti-corruption and bribery

## CLOSE THE LOOP

- Brought forward carbon neutrality target by 12 years
- Transition of largest site (Claremont, New Jersey) to renewable electricity<sup>1</sup>
- Included on inaugural Financial Times/Nikkei Asia 2022 APAC Climate Leader list
- Completed value chain (scope 3) emissions assessment.<sup>2</sup>



## PARTNER FOR CHANGE

- Became a signatory to the UN Global Compact
- Donated \$200,000 to UNICEF for relief efforts in Ukraine
- Included on 2022 Newsweek List of America's Most Responsible Companies for the second year in a row



<sup>1</sup>Final carbon emissions reduction achieved for this project and the Group to be disclosed in the FY22 annual report

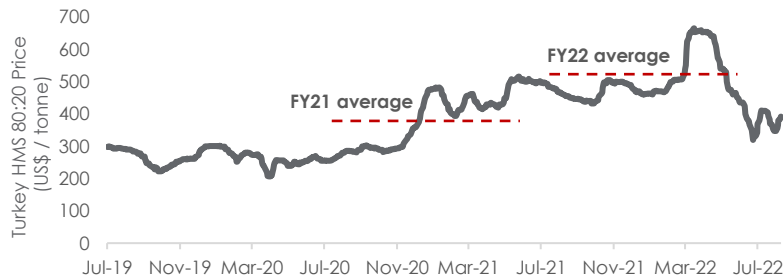
<sup>2</sup>Results to be disclosed in the Climate Report



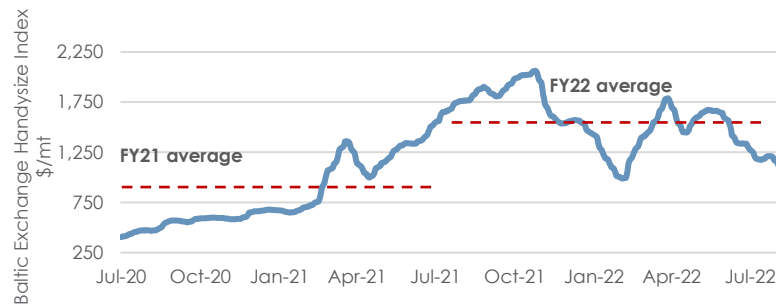
# Markets

*Ferrous and non-ferrous prices were volatile and above FY21 average levels driven by strong global demand for recycled metal*

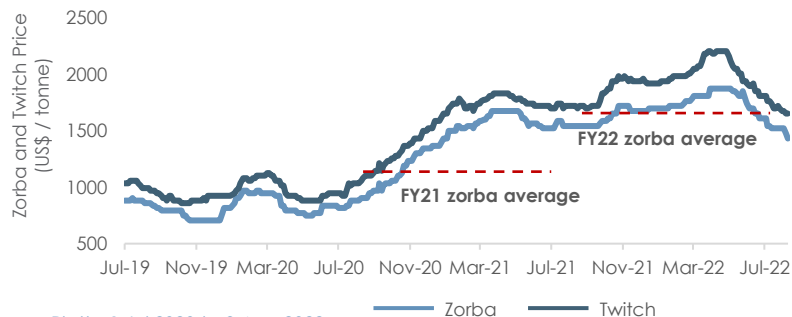
## 1. Ferrous<sup>1</sup> – FY22 average price above FY21 levels



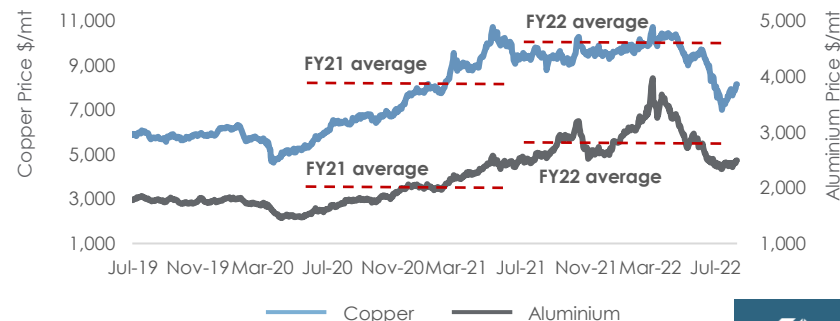
## 2. Freight<sup>2</sup> – FY22 average price above FY21 levels



## 3. Non-ferrous<sup>1</sup> – FY22 average price above FY21 level:



## 4. Copper<sup>4</sup> – FY22 average price above FY21 levels



<sup>1</sup> Source: Platts; 1 Jul 2020 to 9 Aug 2022

<sup>2</sup> Source: Bloomberg Finance; 1 July 2020 to 3 Aug 2022

<sup>3</sup> Source: Platts; 2 July 2019 to 11 Aug 2022

<sup>4</sup> Source: London Metal Exchange; 2 July 2019 to 12 August 2022





# Financial Results

Stephen Mikkelsen, Group CFO



# Group Financial Performance

*Record EBIT performance driven by growth in trading margin*

A\$m	FY21	FY22	Change
Sales Revenue	5,916.3	9,264.4	56.6%
Statutory EBITDA	507.3	976.4	92.5%
Statutory EBIT	314.0	773.6	146.4%
<b>Underlying EBITDA<sup>1</sup></b>	<b>579.9</b>	<b>958.9</b>	<b>65.3%</b>
<b>Underlying EBIT<sup>1</sup></b>	<b>386.6</b>	<b>756.1</b>	<b>95.6%</b>
Statutory NPAT	229.4	599.3	161.2%
<b>Underlying NPAT</b>	<b>284.1</b>	<b>578.9</b>	<b>103.8%</b>
EBITDA Margin <sup>2</sup> %	9.8%	10.4%	0.6 pts
EBIT Margin <sup>3</sup> %	6.5%	8.2%	1.7 pts

- Higher selling prices and sales volumes resulted in a 56.6% increase in sales revenue
- 43.6% increase in trading margins of the Metal segments through disciplined management of the buy/sell spread as prices and volatility increased throughout FY22
- Operating costs increased by 23.9% due to:
  - Increased volumes
  - New business acquisitions and greenfield facilities
  - Increased performance incentive provisions
  - Inflationary pressures
- Sims' share of SA Recycling's earnings were \$298.5 million, 89.2% higher than the FY21 result of \$157.8 million
- Underlying EBIT increased by 95.6% to \$756.1 million

<sup>1</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>2</sup> Underlying EBITDA / Sales revenue

<sup>3</sup> Underlying EBIT / Sales revenue

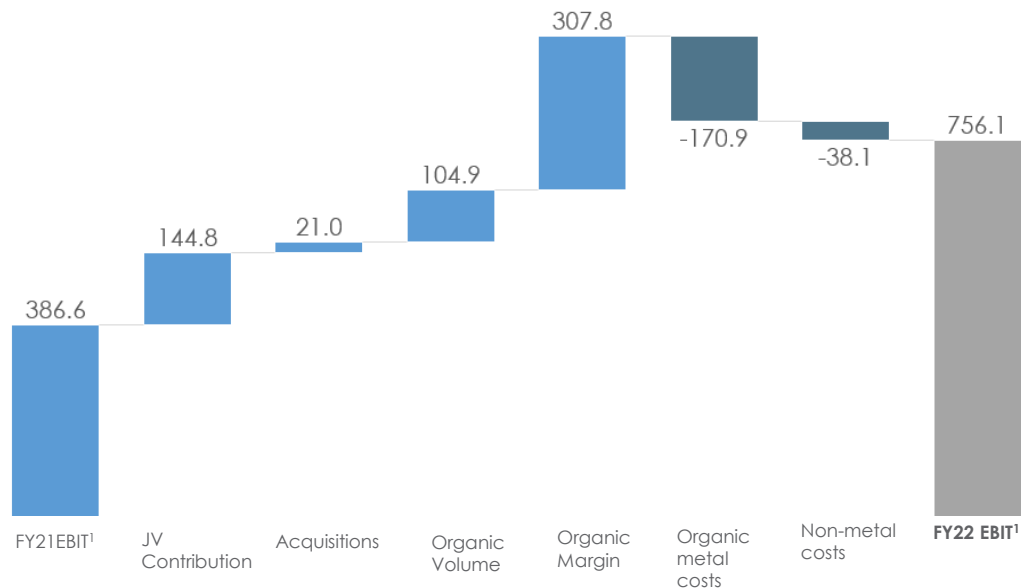




# EBIT Waterfall Chart

*Record EBIT performance driven by growth in trading margin*

Million \$AUD



- EBIT increase of \$369.5 million in FY22 compared to FY21
- JV contribution of \$144.8 million was primarily from SAR
- Acquisitions of Atlantic Recycling Group and Recyclers Australia contributed \$21.0 million
- \$104.9 million from a 13% in volume increase
- \$307.8 million reflected 27.9% improvement in trading margin
- Metal cost increased by \$170 million driven primarily by higher activity levels and inflationary pressures
- \$38.1 million included higher Group performance incentive provisions

<sup>1</sup> Underlying EBIT



# Business Segment Financial Performance

*Near doubling of year-on-year EBIT. Improved volumes driven by NAM and SA Recycling*

Trading Margin	FY21	FY22	Change
Trading Margin – Metals (A\$m)	1,071.5	1,539.1	43.6%
Trading Margin – Metals (%)	22.5%	19.9%	(2.6)ppts

Underlying EBIT <sup>1</sup> (A\$m)	FY21	FY22	Change
Metal Business <sup>2</sup>	286.3	550.1	92.1%
Sims Lifecycle Services	21.8	16.3	(25.2)%
SA Recycling	157.8	298.5	89.2%
Global Trading	(17.4)	(20.3)	16.7%
Corporate & Other	(61.9)	(88.5)	43.0%
<b>Underlying EBIT<sup>1</sup></b>	<b>386.6</b>	<b>756.1</b>	<b>95.6%</b>

Sales volumes ('000 tonnes)	FY21	FY22	Change
Metal Business <sup>2</sup>	7,225	8,106	12.2%
Global Trading	1,259	1,474	17.1%
Other Brokerage	109	127	16.5%
<b>Total sales volumes</b>	<b>8,593</b>	<b>9,707</b>	<b>13.0%</b>

<b>SAR sales volumes 100%</b>	<b>3,706</b>	<b>4,941</b>	<b>33.3%</b>
Intake volumes ('000 tonnes)	FY21	FY22	Change
Metal Business <sup>2</sup>	7,371	8,271	12.2%
Global Trading	1,261	1,474	16.9%
Other Brokerage	110	129	17.3%
<b>Intake volumes</b>	<b>8,742</b>	<b>9,874</b>	<b>12.9%</b>

<b>SAR intake volumes 100%</b>	<b>3,809</b>	<b>4,892</b>	<b>28.4%</b>
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<sup>1</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>2</sup> Metal Business EBIT comprises North America Metal, ANZ Metal and UK Metal



# North America Metal

*Very strong earnings growth driven by increased trading margin. Intake volumes above pre-Covid levels*

A\$m	FY21	FY22	Change
Proprietary Sales Volumes ('000 tonnes)	4,318	5,081	17.7%
Sales Revenue	2,669.9	4,453.4	66.8%
Trading Margin	568.6	881.4	55.0%
Net Operating Costs <sup>1</sup>	342.2	485.9	42.0%
<b>Underlying EBITDA<sup>2</sup></b>	<b>226.4</b>	<b>395.5</b>	<b>74.7%</b>
<b>Underlying EBIT<sup>2</sup></b>	<b>137.0</b>	<b>293.4</b>	<b>114.2%</b>
Underlying EBIT / tonne	\$31.73	\$57.74	\$26.01
Trading Margin %	21.3%	19.8%	(1.5)ppts
EBITDA Margin <sup>3</sup> %	8.5%	8.9%	0.4ppts
EBIT Margin <sup>4</sup> %	5.1%	6.6%	1.5ppts

<sup>1</sup> Net operating costs include all operating costs less depreciation and amortisation less significant items less other revenue and income

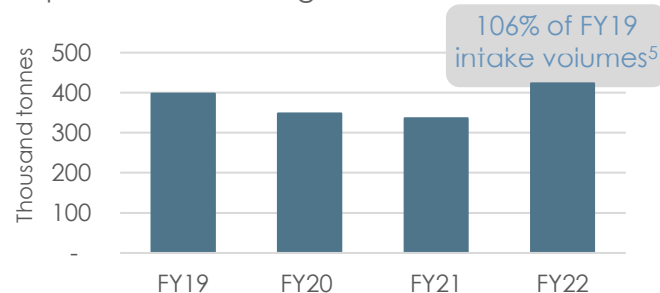
<sup>2</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>3</sup> Underlying EBITDA / Sales revenue

<sup>4</sup> Underlying EBIT / Sales revenue

<sup>5</sup> Proprietary intake volumes

- Sales volumes up by 17.7% due to post-COVID economic recovery, acquisitions and new feeder yards
- 66.8% increase in sales revenue due to higher volumes, improved metal recovery rates and 41.7% increase in average selling prices
- Trading margin up by 55.0%
- Operating costs increased due to:
  - Higher activity across the businesses
  - New business acquisitions and greenfield facilities
  - Inflationary pressures
- EBIT up 114.2% to \$293.4 million, the largest improvement among the metal businesses



# Australia & New Zealand Metal

*Strong EBIT result despite COVID restrictions in 1H22 and impacts of floods in Queensland*

A\$m	FY21	FY22	Change
Proprietary Sales Volumes ('000 tonnes)	1,537	1,532	(0.3)%
Sales Revenue	1,098.9	1,694.4	54.2%
Trading Margin	313.6	423.1	34.9%
Net Operating Costs <sup>1</sup>	157.0	182.9	16.5%
<b>Underlying EBITDA<sup>2</sup></b>	<b>156.6</b>	<b>240.2</b>	<b>53.4%</b>
<b>Underlying EBIT<sup>12</sup></b>	<b>103.6</b>	<b>186.9</b>	<b>80.4%</b>
Underlying EBIT / tonne	\$67.4	\$122.00	\$54.59
Trading Margin %	28.5%	25.0%	(3.6)ppts
EBITDA Margin <sup>3</sup> %	14.3%	14.2%	(0.1)ppts
EBIT Margin <sup>4</sup> %	9.4%	11.0%	1.6ppts

<sup>1</sup> Net operating costs include all operating costs less depreciation and amortisation less significant items less other revenue and income

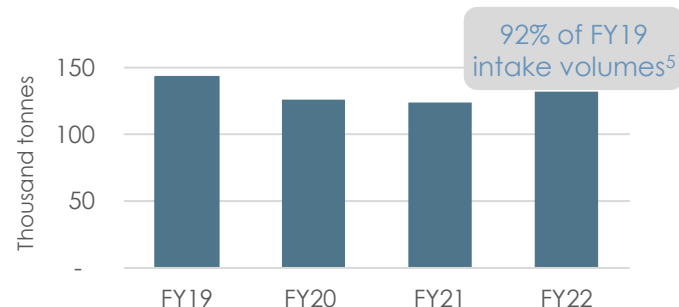
<sup>2</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>3</sup> Underlying EBITDA / Sales revenue

<sup>4</sup> Underlying EBIT / Sales revenue

<sup>5</sup> Proprietary intake volumes

- 54.2% increase in sales revenue due to 55.2% increase in average selling prices
- Trading margins lifted by 34.9%
- Operating costs increased due to:
  - Higher repairs and maintenance
  - Labour
  - Inflationary pressures
- EBIT up 80.4% to \$186.9 million
- Propriety sales volumes were slightly below the prior period driven by flow on effects from COVID and temporary closure of sites due to the floods in Queensland



# UK Metal

## Strong earnings growth driven by increased trading margin

A\$m	FY21	FY22	Change
Proprietary Sales Volumes ('000 tonnes)	1,370	1,493	9.0%
Sales revenue	993.3	1,594.9	60.6%
Trading Margin	189.3	234.6	23.9%
Net Operating Costs <sup>4</sup>	118.0	139.2	18.0%
<b>Underlying EBITDA<sup>1</sup></b>	<b>71.3</b>	<b>95.4</b>	<b>33.8%</b>
<b>Underlying EBIT<sup>1</sup></b>	<b>45.7</b>	<b>69.8</b>	<b>52.7%</b>
Underlying EBIT / tonne	\$33.36	\$46.75	\$13.39
Trading Margin %	19.1%	14.7%	(4.4)ppts
EBITDA Margin <sup>2</sup>	7.2%	6.0%	(1.2)ppts
EBIT margin <sup>3</sup>	4.6%	4.4%	(0.2)ppts

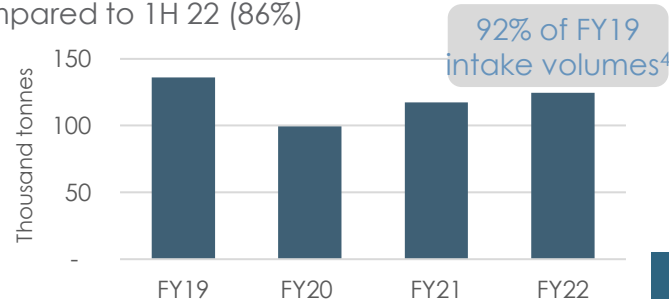
<sup>1</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>2</sup> Underlying EBITDA / Sales revenue

<sup>3</sup> Underlying EBIT / Sales revenue

<sup>4</sup> Proprietary intake volumes

- Sales volumes up by 9.0%
- 60.6% increase in sales revenue due to 47.3% increase in average selling prices
- Trading margins lifted by 23.9%
- Operating costs increased due to:
  - Timing of workforce mobilisation
  - Exchange rate
  - Inflationary pressures
- EBIT up 52.7% to \$69.8 million
- Margin percentage decline reflected lower demand for short sea cargos
- Intake volumes reflected site closures and improvement compared to 1H 22 (86%)



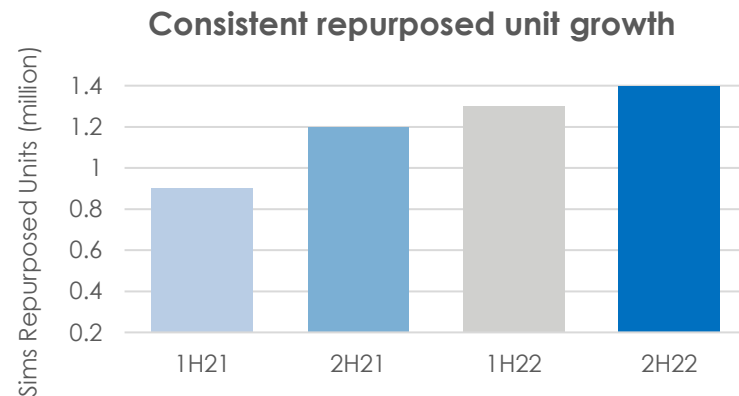
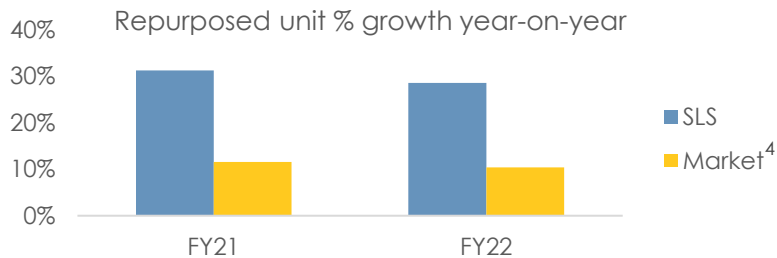
# Sims Lifecycle Services

*Repurposed unit growth and market share gains despite supply chain constraints*

A\$m	FY21	FY22	Change
Repurposed units (million)	2.1	2.7	28.6%
Sales revenue	318.9	327.0	2.5%
<b>Underlying EBITDA<sup>1</sup></b>	<b>31.1</b>	<b>25.9</b>	<b>(16.7)%</b>
<b>Underlying EBIT<sup>1</sup></b>	<b>21.8</b>	<b>16.3</b>	<b>(25.2)%</b>
EBITDA Margin <sup>2</sup> %	9.8%	7.9%	(1.9)ppts
EBIT Margin <sup>3</sup> %	6.8%	5.0%	(1.8)ppts

- 28.6% growth in repurposed units, despite supply chain constraints limiting the release of cloud material
- 25.2% fall in Underlying EBIT largely driven by a 30% reduction in resale prices due to China lockdowns

## In FY22 SLS continued to grow faster than the market



<sup>1</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

<sup>2</sup> Underlying EBITDA / Sales revenue

<sup>3</sup> Underlying EBIT / Sales revenue

<sup>4</sup> Market data source - IDC and SLS data





# SA Recycling

*Record EBIT growth with significant trading margin expansion and sales volume growth*

A\$m	FY21	FY22	Change
Proprietary Sales Volumes ('000 tonnes)	3,706	4,941	33.3%
Sales Revenue	2,856.4	4,993.1	74.8%
Trading Margin	899.5	1,520.1	69.0%
Net Operating Costs <sup>1</sup>	496.6	787.1	58.5%
<b>Underlying EBITDA<sup>2</sup></b>	<b>402.9</b>	<b>733.0</b>	<b>81.9%</b>
<b>Underlying EBIT<sup>2</sup></b>	<b>327.9</b>	<b>620.2</b>	<b>89.1%</b>
<b>Sims' interest<sup>3</sup></b>	<b>157.8</b>	<b>298.5</b>	<b>89.2%</b>
Underlying EBIT / tonne	\$88.49	\$125.50	\$37.01
Trading Margin %	31.5%	30.4%	(1.1)ppts
EBITDA Margin <sup>4</sup> %	14.1%	14.7%	0.6ppts
EBIT Margin <sup>5</sup> %	11.5%	12.4%	0.9ppts

- Sims' interest grew by 89.2% to \$298.5 million, compared to the prior corresponding period due to:
  - Significant trading margin expansion
  - Gains were predominantly from the core business. The majority of the acquisitions occurred in the last months of the first half
- Higher operating costs driven by increased volumes, acquisitions and inflation
- Strong market conditions throughout the year resulted in increased ferrous and non-ferrous margins compared to FY21
- Margins were further enhanced by higher zorba selling prices
- Ferrous and non-ferrous sales volumes up 33.3%

<sup>1</sup> Net operating costs include all operating costs less depreciation and amortisation less significant items less other revenue and income

<sup>2</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges. It represents Sims Limited's 50% share of SA Recycling earnings.

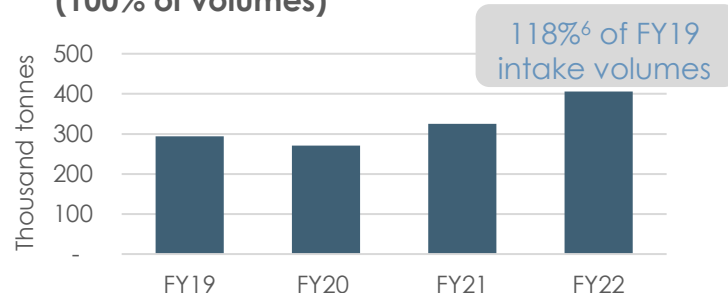
<sup>3</sup> Represents 50% of pre-tax earnings converted in Australian dollars

<sup>4</sup> Underlying EBITDA / Sales revenue

<sup>5</sup> Underlying EBIT / Sales revenue

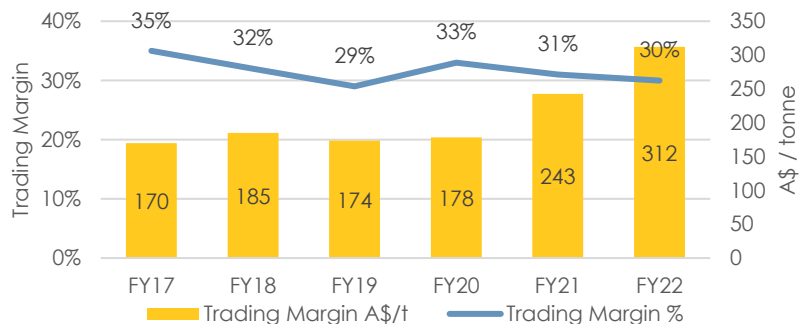
<sup>6</sup> Proprietary intake volumes

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



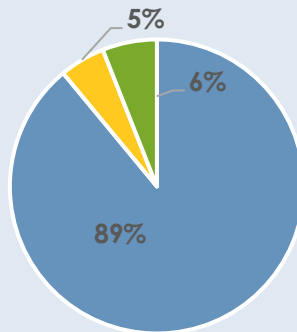
# SA Recycling

Strong growth in FY22 and a track record of stable trading margin percentages

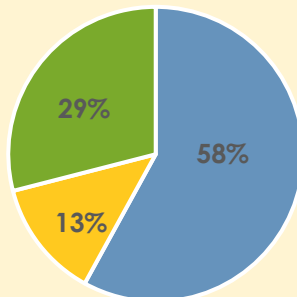


SA Recycling (in AUD)	FY17	FY18	FY19	FY20	FY21	FY22
Net Sales Revenue	1,226	1,940	2,122	1,743	2,856	4,993
<b>Trading Margin</b>	<b>428</b>	<b>613</b>	<b>610</b>	<b>575</b>	<b>899</b>	<b>1,520</b>
Net Operating Costs <sup>1</sup>	- 314	- 399	- 450	- 465	- 497	- 786
<b>Underlying EBITDA</b>	<b>114</b>	<b>215</b>	<b>159</b>	<b>110</b>	<b>403</b>	<b>735</b>
D&A	- 49	- 53	- 63	- 74	- 75	- 114
<b>Underlying EBIT</b>	<b>65</b>	<b>163</b>	<b>96</b>	<b>36</b>	<b>328</b>	<b>620</b>
Trading Margin	35%	32%	29%	33%	31%	30%
EBITDA Margin	9.3%	11.1%	7.5%	6.3%	14.1%	14.7%
EBIT Margin	5.3%	8.4%	4.5%	2.1%	11.5%	12.4%

<sup>1</sup> Net Operating Costs include all operating costs less depreciation & amortisation (which are disclosed separately) less significant items, less other revenue & income



Sales Volume  
FY22



Sales Revenue  
FY22

- Ferrous
- Non-Ferrous Shredder Recovery
- Non-Ferrous Retail



# Global Trading, Corporate & Other

*LMS Energy and SMR reported earnings growth*

Global Trading (A\$m)	FY21	FY22	Change
Underlying EBIT <sup>1</sup>	(17.4)	(20.3)	16.7%
Corporate (A\$m)	FY21	FY22	Change
Underlying EBIT <sup>1</sup>	(66.8)	(100.1)	49.9%
Sims Municipal Recycling (A\$m)	FY21	FY22	Change
Underlying EBIT <sup>1</sup>	3.1	14.6	371.0%
LMS Energy (A\$m)	FY21	FY22	Change
Underlying EBIT (50% share)	6.0	7.3	21.7%
Sims Energy (A\$m)	FY21	FY22	Change
Underlying EBIT	(1.2)	(3.3)	175.0%
Sims Resource Renewal (A\$m)	FY21	FY21	Change
Underlying EBIT	(3.0)	(7.0)	133.3%

## Global Trading

- Underlying EBIT represents external and SA Recycling brokerage less the costs of running the global trading operations

## Corporate

- Corporate costs increased due to:
  - Expanded capability to support business transformation
  - Commencement of SAP licence costs, with legacy system licences to be rolled off in the coming years
  - Increased incentive provisions

## Sims Municipal Recycling

- Benefitted from recovery of paper and plastic prices

## Sims Energy

- First investment in the US (Orlando, Florida) required start up costs

## Sims Resource Renewal

- Progressed with the technology proof of concept in Queensland

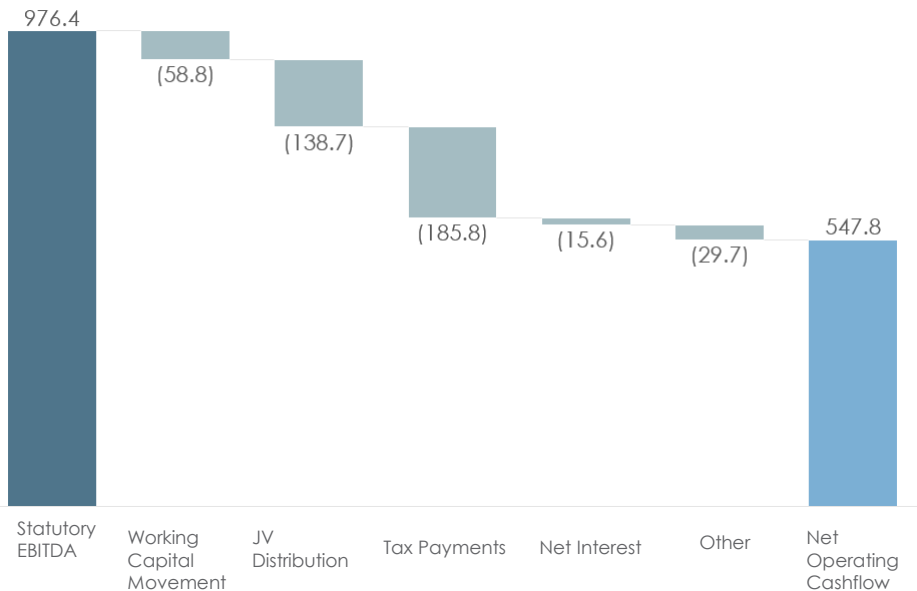
<sup>1</sup> Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges



# Cash generation

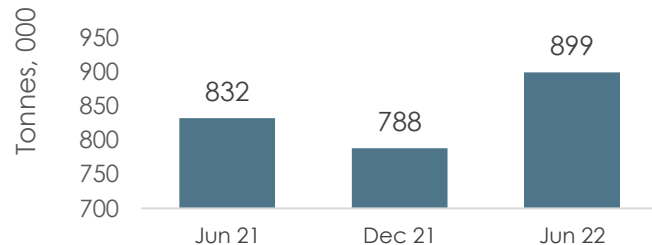
*Strong cashflow conversion from reduced investment in working capital*

Million \$AUD



- Strong operating performance translated into four times improvement in operating cashflows
- Quarterly lag in SA Recycling's dividend payment
- Additional working capital investment required in FY22:
  - Cash of Q4 FY22 sales to flow through in Q1 FY23
  - Higher inventory held at year end was largely sold. The increase was driven by slower inventory movement due to logistical issues
  - 50,000 tonnes of unprocessed material stockpiled in Queensland due to floods
- Working capital release expected in 1H of FY23
- Cashflow conversion<sup>1</sup> increased to 94.5% in FY22 from 45.5% in FY21

## Total Inventory



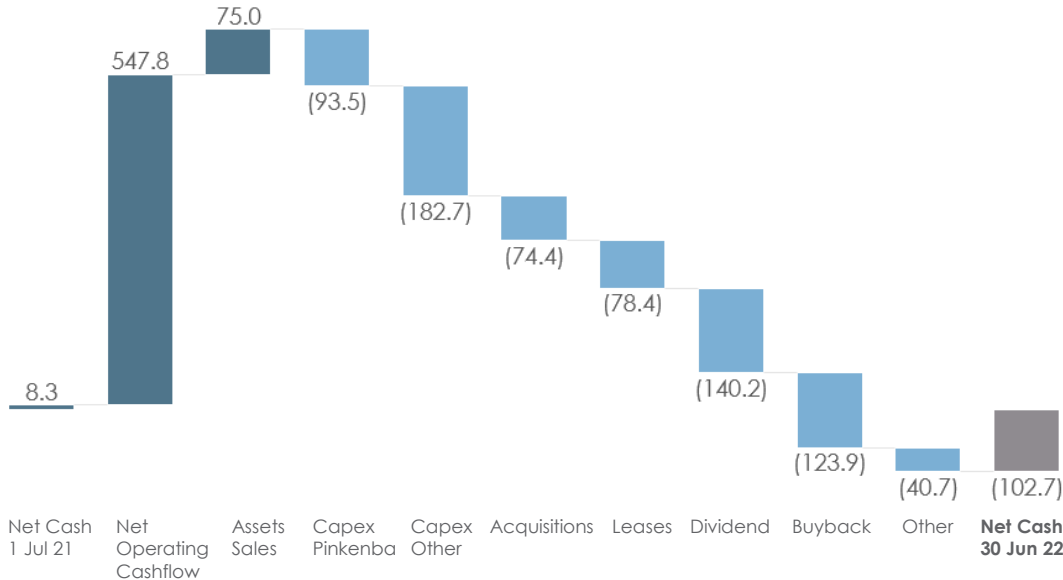
<sup>1</sup> Cash flow from operations / net profit after tax



# Net cash movement

*48.2% of operating cash generated was returned to shareholders*

Million \$AUD



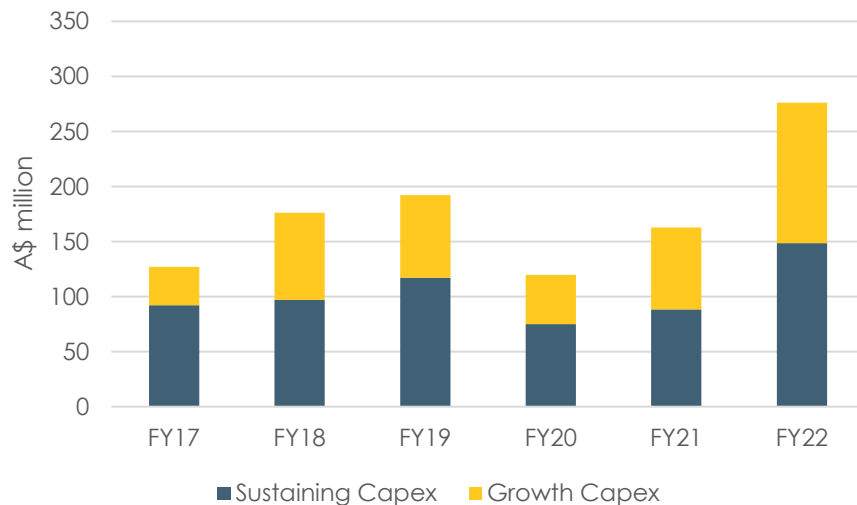
- \$414.2 million increase in cash inflow from operating activities due to strong FY22 operational performance
- Sale of 51% stake in SMR for \$76.5 million
- \$93.5 million paid for Pinkenba site, Queensland. Included property, stamp duty and transaction costs
- Other capital spend included:
  - Catch-up in projects postponed due to COVID
- \$78.4 million paid for metal acquisitions - Recyclers Australia and Atlantic Recycling Group
- Significant capital returned to shareholders - \$264.1 million



# Capital Expenditure

*Focused on disciplined capital expenditure*

## Capital Expenditure



- Total capex of \$276.2 million in FY22 was comprised of \$148.6 million in Sustaining Capex, and \$127.6 million in Growth Capex
- Growth Capex included spend of \$93.5 million in Pinkenba, \$10.7 million in Sims Resource Renewal and \$5.6 million in Alumisource
- Sustaining Capex included investment in improvement of product capability
- Depreciation from existing assets and new capital expenditure of \$200.3 million for FY22, including \$77.6 million of right of use (leased) assets
- Sustaining and environmental capex for FY23 is expected to be \$220 million







# Strategic Progress & Outlook

Alistair Field, Group CEO



# Business Strategy

*Grow core business and leverage synergies to expand into adjacent markets*

## Sims Metal

Fortify and grow sustainable profits

## Sims Resource Renewal

Utilise waste to create new revenue streams and reduce costs

## Sims Lifecycle

Grow product stewardship and services for recycling the cloud

## Sims Energy

Expand proven business model and technology globally

## Sims Municipal Recycling

Develop recycling solutions for major cities

**FY25**

Expand ferrous volumes<sup>1</sup> in favourable geographies - 9.6 m tonnes

Doubling the US non-ferrous volumes<sup>1</sup> to 300,000 tonnes

Process 120k of ASR tonnes/year

Repurpose 8.5 million units

Acquire or build 50 MW

Secure additional large city contracts

**FY22**

Ferrous 8.1 million tonnes

Non-Ferrous 200,000 tonnes (US)

Commenced construction of Rocklea Pilot Facility

2.7 million repurposed units

9MW

Execution contract with Pratt Industries; MRF operator for Lee County, FL.

<sup>1</sup> Proprietary sales volumes



# Metal – Acquisitions

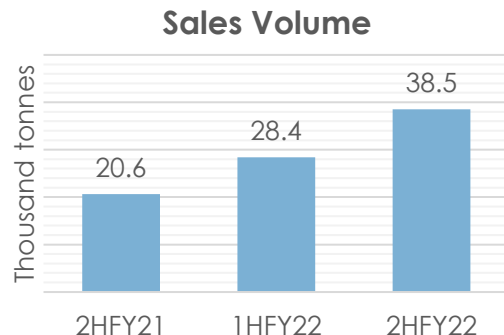
Volume contribution in FY22

## Non-Ferrous

### Alumisource

**Announced on 12 February FY21**

**Rationale:** increase non-ferrous volumes and access technology to enhance quality of products



## Ferrous & Non-ferrous

### Atlantic Recycling Group

**Announced on 16 December 2021**

**Rationale** – Enter new geographic market and secure “more at source” scrap metal

**Sales Volume:** Performed above target. 111.8 thousand tonnes<sup>1</sup> delivered in 2HY22

### Recyclers Australia

**Acquired on 7 December 2021**

**Rationale:** Strengthen market position

**Sales Volume:** 11.3 thousand tonnes<sup>1</sup> delivered in 2HY22

<sup>1</sup> Mostly comprised of ferrous volumes



# Metal – Acquisition of Pinkenba land

*A strategic asset to enable our growth and sustainability targets*



- Portside land (~140,000 m<sup>2</sup>) in Brisbane
- One of only a handful of private deep-water berths in Brisbane
- Total consideration of AUD\$93.5 million
- Capacity – berthing Handymax vessels up to 50,000 tonne displacement. Shipments from the facility anticipated in 2023
- Integrated operations: potential to create a best-in-class and lowest cost metals processing and resource renewal facility, producing high-quality ferrous and non-ferrous metals, with on-site waste treatment and hydrogen generation
- Carbon emission reduction expected through lower truck haulage distances and double handling; extensive solar panel installations
- Best-in-class design for shredder processing
- Eliminates the flood risk associated with the Rocklea operations



# SA Recycling leveraged M&A to grow

*Continued to create value through successful M&A integration*

## FY22 Acquisitions



Integration is progressing well and meeting expectations

## FY22 Pro-forma Sales Volume<sup>1</sup>

1.2 million tonnes<sup>1</sup>



■ Pre-Acquisitions ■ Acquisitions

<sup>1</sup>Acquisition sales volumes used in the graph were annualised



# Sims Lifecycle Services

*Strengthened foundations to accelerate growth when the operating environment normalises*

## Strengthened the engineering team



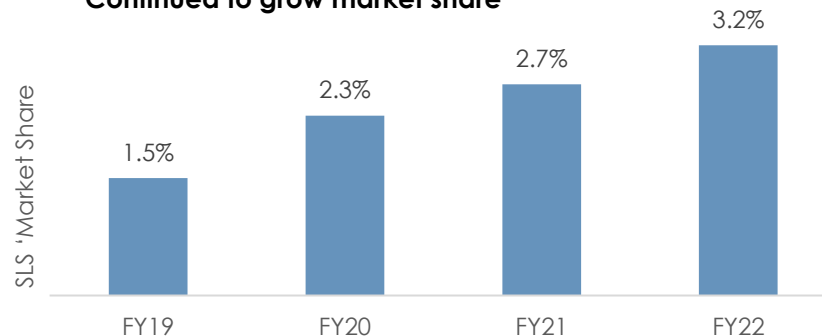
### Critical areas of expertise

- Product sales
- Engineering / tech / operational readiness
- Digital tech and innovation

## Expanded sustainability services

- Smart Way Partner
- Leading sustainability reporting
- Built new circular centres with highest standards and highest security and fully certified

## Continued to grow market share<sup>1</sup>



## Expanded geographic footprint



<sup>1</sup> Source: IDC and SLS data





# Sims Resource Renewal

*Progressing well towards achieving commercial operation*

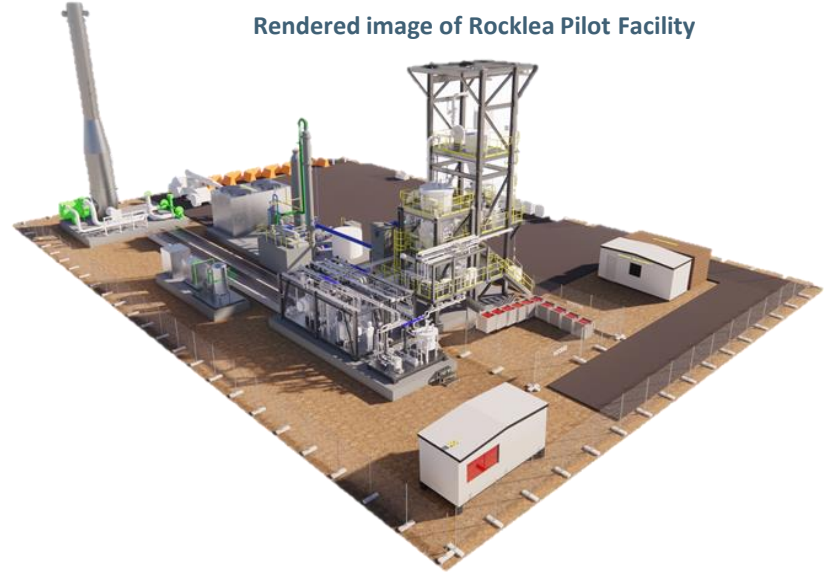
## Rocklea Pilot Facility

- Construction and fabrication is progressing well. Operations expected to commence in February 2023

## Queensland

- Selected Pinkenba as preferred site for the potential commercial facility in Brisbane, Queensland
- Early planning and government / stakeholder engagement underway to confirm opportunities for future development at site

Rendered image of Rocklea Pilot Facility



# Delivered on Strategy in FY22

*Maintained growth momentum in the core business, continued to build adjacent businesses, and strengthened strategic positioning across the portfolio*

- ✓ Embedded a safety culture in the business – FY22 was the safest year on record
- ✓ Continued to build momentum in achieving the FY25 strategic targets
- ✓ Strengthened market position in the Metal and SA Recycling businesses through strategic acquisitions
- ✓ Recycled capital: proceeds of the sale of SMR substantially funded acquisitions of Recyclers Australia and Atlantic Recycling Group
- ✓ SLS continued to strengthen the business. When the supply chain challenges ease, it will have the capacity and capability required to scale up operations quickly
- ✓ Significant progress towards constructing the Sims Resource Renewal Rocklea pilot plant. Selected the site for potential full-scale commercial operation in Queensland
- ✓ Strengthened our sustainability credentials through accelerating climate targets and continued acknowledgment from independent climate authorities



# Outlook

***We remain very confident in the medium and long-term fundamentals of the business. Softer economic conditions have impacted our markets in the short term.***

- Short-term outlook remains uncertain due to significant volatility:
  - Aggressive interest rate rises to combat rapidly increasing inflation have reduced the demand for steel, copper, and aluminium, and therefore the demand for recycled metal. Ferrous prices peaked at around US\$700 per tonne in March FY22, but have subsequently fallen to trade between US\$320 to US\$400 per tonne at the start of FY23
  - China's manufacturing activity deteriorated in the second half of FY22 after COVID lockdowns. Although we saw an improvement in May when the economy partially opened, activity continued to be below FY21 levels, and uncertainty remains as new lockdowns continue to be imposed
- As a result, FY23 has commenced with soft market conditions. FY23 results will depend on how quickly, and to what magnitude, global markets recover from the interest rate hike-induced slowdown
- We are actively seeking medium term efficiency gains to partially offset Inflationary cost pressures, likely to remain throughout FY23
- Our strong market position and strong balance sheet will enable us to weather the challenging short-term environment and progress according to our FY19 business strategy

## Macro-trends

- Increased demand for metal intensive infrastructure spending and the production of post consumption scrap is positive for metal recycling (both ferrous and non-ferrous).
- Global decarbonisation of steel making, growth of EAFs and the energy transition will drive demand for recycled metal
- The fundamental drivers of the cloud infrastructure recycling remain positive over the medium term. Cloud material shortage is expected to ease in 2023
- There are risks to the materialisation of these positive drivers, particularly as it relates to global uncertainty from geopolitical risks, macro-economic factors, and the unpredictability of how COVID may evolve





# Questions & Answers







# Appendix



# Product Segment Volumes

Sales volumes ('000 tonnes)	FY21	FY22	Change
North America Metal	4,318	5,081	17.7%
ANZ Metal	1,537	1,532	(0.3)%
UK Metal	1,370	1,493	9.0%
<i>Total Proprietary Volumes</i>	<i>7,225</i>	<i>8,106</i>	<i>12.2%</i>
Global Trading & Other Brokerage	1,368	1,601	17.0%
<b>Sales volumes</b>	<b>8,593</b>	<b>9,707</b>	<b>13.0%</b>

Sales volumes ('000 tonnes)	FY21	FY22	Change
Ferrous Trading	6,870	7,664	11.6%
Non-Ferrous Trading	355	442	24.5%
Brokerage	1,368	1,601	17.0%
<b>Sales volumes</b>	<b>8,593</b>	<b>9,707</b>	<b>13.0%</b>

Sales revenue (\$m)	FY21	FY22	Change
Ferrous Trading	3,266	5,182	58.7%
Non-Ferrous Trading	1,513	2,474	63.5%
Brokerage	701	1,166	66.4%
<b>Sales revenue</b>	<b>5,480</b>	<b>8,822</b>	<b>61.0%</b>

Intake volumes ('000 tonnes)	FY21	FY22	Change
North America Metal	4,432	5,071	14.4%
ANZ Metal	1,527	1,586	3.9%
UK Metal	1,412	1,614	14.3%
<i>Total Proprietary Volumes</i>	<i>7,371</i>	<i>8,271</i>	<i>12.2%</i>
Global Trading & Other Brokerage	1,371	1,603	16.9%
<b>Intake volumes</b>	<b>8,742</b>	<b>9,874</b>	<b>12.9%</b>

Intake volumes ('000 tonnes)	FY21	FY22	Change
Ferrous Trading	6,994	7,817	11.8%
Non-Ferrous Trading	377	454	20.4%
Brokerage	1,371	1,603	16.9%
<b>Intake volumes</b>	<b>8,742</b>	<b>9,874</b>	<b>12.9%</b>



# Product Segment Volumes

Sales revenue (\$m)	FY21	FY22	Change
Ferrous	3,946	6,337	60.6%
Non-Ferrous Retail	1,188	1,925	62.0%
Non-Ferrous Shredder Recovery	346	560	61.8%
<b>Sales revenue</b>	<b>5,480</b>	<b>8,822</b>	<b>61.0%</b>

Sales volumes ('000 tonnes)	FY21	FY22	Change
Ferrous	8,053	9,042	12.3%
Non-Ferrous Retail	362	445	22.9%
Non-Ferrous Shredder Recovery	178	220	23.6%
<b>Sales volumes</b>	<b>8,593</b>	<b>9,707</b>	<b>13.0%</b>

Average sale price	FY21	FY22	Change
Ferrous	489.98	700.83	43.0%
Non-Ferrous Retail	3,279.40	4,328.69	32.0%
Non-Ferrous Shredder Recovery	1,943.91	2,550.80	31.2%
<b>Average sale price</b>	<b>637.73</b>	<b>908.84</b>	<b>42.5%</b>



# Group Profit & Loss

A\$m	FY17	FY18	FY19	FY20	FY21	FY22	Change
Sales revenue	5,079.4	6,448.0	6,640.0	4,908.5	5,916.3	9,264.4	56.6%
Statutory EBITDA	313.5	395.8	358.1	35.7	507.3	976.4	92.5%
Underlying EBITDA	292.4	392.3	363.4	144.9	579.9	958.9	65.4%
Statutory EBIT	201.2	278.6	225.0	(239.1)	314.0	773.6	146.4%
Underlying EBIT	180.1	275.1	230.3	(57.9)	386.6	756.1	95.6%
Net Interest expense	10.2	8.9	6.7	13.8	11.5	16.0	39.1%
Statutory tax (expense)/benefit	12.6	(66.2)	(65.7)	(12.4)	(73.1)	(158.3)	116.6%
Underlying tax (expense)/benefit	(52.6)	(78.2)	(61.7)	13.6	(91.0)	(161.2)	77.1%
Statutory NPAT	203.6	203.5	152.6	(265.3)	229.4	599.3	161.2%
Significant items <sup>2</sup>	(85.3)	(14.9)	9.3	207.2	54.7	(20.4)	(137.3%)
Underlying NPAT	118.3	188.6	161.9	(58.1)	284.1	578.9	103.8%
Statutory EPS – diluted (cents)	101.6	98.7	74.2	(131.2)	112.8	295.6	162.1%
Underlying EPS – diluted (cents)	59.0	91.5	78.8	(28.7)	139.6	285.5	104.5%
Dividend per share (cents)	50.0 <sup>1</sup>	53.0	42.0	6.0	42.0	91.0	(116.7%)

1) Includes 10.0 cents per share 2017 Special Dividend.

2) After tax





# North America Metal

A\$m	FY17	FY18	FY19	FY20	FY21	FY22	Change
<b>Sales Revenue</b>	1,984.0	2,607.1	2,725.6	2,061.7	2,669.9	4,453.4	66.8%
<b>Trading Margin (\$)</b>	472.1	571.7	576.4	456.8	568.6	881.4	55.0%
<b>Trading Margin (%)</b>	23.8%	21.9%	21.1%	22.2%	21.3%	19.8%	(1.5)ppts
<b>Statutory EBITDA</b>	106.0	121.0	124.8	(16.2)	194.2	343.7	77.0%
<b>Underlying EBITDA</b>	124.4	159.5	162.6	55.0	226.4	395.5	74.7%
<b>Depreciation</b>	45.0	46.9	53.2	90.2	89.1	99.8	12.0%
<b>Amortisation</b>	8.9	7.9	9.7	3.8	0.3	2.2	633.3%
<b>Statutory EBIT</b>	52.1	66.2	61.9	(145.8)	104.8	241.7	130.6%
<b>Underlying EBIT</b>	70.5	104.7	99.7	(39.0)	137.0	293.4	114.2%
<b>Assets</b>	904.4	1,070.4	1,065.4	1,116.7	1,446.0	1,762.5	21.9%
<b>Intake Volumes ('000)</b>	4,312	5,044	4,827	4,268	4,483	5,094	13.6%
<b>Proprietary Sales Volumes ('000)</b>	4,344	4,865	4,887	4,042	4,318	5,081	17.7%
<b>Brokerage Sales Volumes ('000)</b>	87	47	56	88	50	23	(54.0%)
<b>Total Sales Volumes ('000)</b>	4,431	4,912	4,943	4,130	4,368	5,103	16.8%
<b>Employees<sup>1</sup></b>	1,490	1,578	1,577	1,124	1,172	1,439	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	FY17	FY18	FY19	FY20	FY21	FY22	Change
Statutory EBIT <sup>1</sup>	26.3	67.8	41.0	12.1	157.8	302.5	91.7%
Underlying EBIT <sup>1</sup>	26.3	68.5	35.9	12.1	157.8	298.5	89.2%
Assets	131.9	180.7	211.1	277.5	345.8	512.4	48.2%
Intake Volumes ('000) <sup>2</sup>	2,557	3,477	3,473	3,250	3,809	4,874	28.0%
Sales Volumes ('000) <sup>2</sup>	2,548	3,342	3,531	3,247	3,706	4,941	33.3%

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

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



# Australia & New Zealand Metal

A\$m	FY17	FY18	FY19	FY20	FY21	FY22	Change
<b>Sales Revenue</b>	981.4	1,071.0	1,203.7	924.8	1,098.9	1,694.4	54.2%
<b>Trading Margin (\$)</b>	256.7	298.3	312.8	260.3	313.6	423.1	34.9%
<b>Trading Margin (%)</b>	26.2%	27.9%	26.0%	28.1%	28.5%	25.0%	(3.5)ppts
<b>Statutory EBITDA</b>	90.9	121.6	125.6	92.3	147.6	216.8	46.9%
<b>Underlying EBITDA</b>	102.4	126.2	137.9	103.7	156.6	240.2	53.4%
<b>Depreciation</b>	28.2	29.1	31.2	52.8	52.9	53.1	0.4%
<b>Amortisation</b>	0.4	0.2	0.2	0.2	0.1	0.3	200.0%
<b>Statutory EBIT</b>	62.3	92.3	94.2	39.3	94.6	163.5	72.8%
<b>Underlying EBIT</b>	73.8	96.9	106.5	50.7	103.6	186.9	80.4%
<b>Assets</b>	542.5	625.2	614.1	694.9	772.2	877.2	13.6%
<b>Intake Volumes ('000)</b>	1,616	1,669	1,836	1,584	1,584	1,687	6.5%
<b>Proprietary Sales Volumes ('000)</b>	1,530	1,585	1,763	1,428	1,537	1,532	(0.3%)
<b>Brokerage Sales Volumes ('000)</b>	126	111	119	71	57	100	75.4%
<b>Total Sales Volumes ('000)</b>	1,656	1,696	1,882	1,499	1,594	1,632	2.4%
<b>Employees<sup>1</sup></b>	709	715	921	924	894	909	1.7%

1) FY17 & FY18 employee count excludes Sims Pacific Metals employees.

2) F1 HY22 balance includes profit on asset sales on \$4.2m, less costs incurred relating to the Recyclers Australia acquisition \$1.3m



# UK Metal

A\$m	FY17	FY18	FY19	FY20	FY21	FY22	Change
<b>Sales Revenue</b>	924.3	1,203.0	1,186.9	869.8	993.3	1,594.9	60.6%
<b>Trading Margin (\$)</b>	178.7	176.7	188.2	124.2	189.3	234.6	23.9%
<b>Trading Margin (%)</b>	19.3%	14.7%	15.9%	14.3%	19.1%	14.7%	(4.4) ppts
<b>Statutory EBITDA<sup>2</sup></b>	50.5	42.0	19.7	(59.4)	54.2	77.9	43.7%
<b>Underlying EBITDA</b>	54.2	50.5	39.5	(4.3)	71.3	95.4	33.8%
<b>Depreciation</b>	12.0	14.9	18.3	26.8	25.6	25.8	0.8%
<b>Amortisation</b>	-	0.3	0.9	0.8	-	-	0.0%
<b>Statutory EBIT<sup>2</sup></b>	38.5	26.8	0.5	(110.0)	28.6	52.2	82.5%
<b>Underlying EBIT</b>	42.2	35.3	20.3	(31.9)	45.7	69.8	52.7%
<b>Assets</b>	329.2	431.4	389.9	322.5	425.6	432.0	1.5%
<b>Intake Volumes ('000)</b>	1,570	1,696	1,635	1,195	1,414	1,619	14.5%
<b>Proprietary Sales Volumes ('000)</b>	1,589	1,691	1,602	1,221	1,370	1,493	9.0%
<b>Brokerage Sales Volumes ('000)</b>	1	3	2	3	2	5	150.0%
<b>Total Sales Volumes ('000)</b>	1,590	1,694	1,604	1,224	1,372	1,498	9.2%
<b>Employees<sup>1</sup></b>	660	690	761	676	562	623	10.9%

1) FY18 employee count excludes Morley and Barnsley employees.

2) F1 HY22 balance includes profit on asset sales on \$2.1m



# Global Trading

A\$m	FY17	FY18	FY19	FY20	FY21	FY22	Change
Sales Revenue	386.6	733.5	690.9	550.8	745.8	1,128.5	51.3%
Statutory EBITDA <sup>1</sup>	3.1	19.0	23.3	8.2	21.9	55.8	154.8%
Underlying EBITDA	(15.3)	(12.3)	(14.9)	(13.9)	(16.4)	(19.2)	17.0%
Depreciation	0.1	0.1	0.2	1.3	1.0	1.1	10.0%
Amortisation	-	-	-	-	-	-	-%
Statutory EBIT <sup>1</sup>	3.0	18.8	23.1	6.9	20.9	54.7	161.7%
Underlying EBIT	(15.4)	(12.4)	(15.1)	(15.2)	(17.4)	(20.3)	16.7%
Assets	108.0	95.6	67.2	54.1	70.8	90.2	27.4%
Intake Volumes ('000)	1,028	1,558	1,384	1,287	1,261	1,474	16.9%
Sales Volumes ('000)	1,023	1,554	1,374	1,301	1,259	1,474	17.1%
Employees	46	69	75	66	66	81	22.7%

1) H1 F22 balance Includes impact of non-qualifying hedges of \$1.6m



# Sims Lifecycle Services

A\$m	FY17	FY18	FY19	FY20	FY21	FY22	Change
Sales Revenue	726.9	758.4	746.5	408.0	318.9	327.0	2.5%
Statutory EBITDA	30.6	34.5	26.4	9.9	21.2	15.3	(27.8%)
Underlying EBITDA	36.3	39.7	34.5	28.2	31.1	25.9	(16.7%)
Depreciation	8.2	8.4	8.5	11.3	9.3	9.6	3.2%
Amortisation	-	-	-	-	-	-	-%
Statutory EBIT	22.4	26.1	17.9	(14.8)	11.9	5.6	(52.9%)
Underlying EBIT	28.1	31.3	26.0	16.9	21.8	16.3	(25.2%)
Assets	382.1	397.3	340.6	139.4	145.8	175.2	20.2%
Employees <sup>1</sup>	1,417	1,420	1,350	919	819	859	4.9%

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



# Corporate & Other

A\$m	FY17	FY18	FY19	FY20	FY21	FY22	Change
Sales Revenue	76.2	75.0	86.4	93.4	89.5	66.2	(26.0%)
Statutory EBITDA	6.1	(10.1)	(2.7)	(11.2)	(89.6)	(35.6)	60.3%
Underlying EBITDA	(35.9)	(39.8)	(32.1)	(35.9)	(46.9)	(77.6)	(65.5)%
Depreciation	9.5	9.4	10.9	15.6	15.0	10.9	(27.3)%
Amortisation	-	-	-	-	-	-	0.0%
Statutory EBIT <sup>2</sup>	(3.4)	(19.4)	(13.6)	(26.8)	(104.6)	(46.6)	55.4%
Underlying EBIT	(45.4)	(49.2)	(43.0)	(51.5)	(61.9)	(88.5)	(43.0)%
Assets	344.9	401.2	497.1	601.0	541.6	590.0	8.9%
Employees <sup>1</sup>	239	280	311	366	368	160	(56.5%)

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

2) Adjusted for impact of ERP implementation costs incurred during H1 FY22 of \$23.8m. No equivalent figure in H1 F21 balance.



# Financial Summary – Group

A\$m	FY17	FY18	FY19	FY20	FY21	FY22
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## Group Results

Sales Revenue	5,079.4	6,448.0	6,640.0	4,908.5	5,916.3	9,264.4
Underlying EBITDA	292.4	392.3	363.4	144.9	579.9	958.9
Underlying EBIT	180.1	275.1	230.3	(57.9)	386.6	756.1
<b>Underlying NPAT</b>	<b>118.3</b>	<b>188.6</b>	<b>161.9</b>	<b>(58.1)</b>	<b>284.1</b>	<b>578.9</b>

Underlying EPS (cents per share)	59.0	91.5	78.8	(28.7)	139.6	285.5
Dividend (cents per share)	50.0 <sup>3</sup>	53.0	42.0	6.0	42.0	91.0

## Balance Sheet

Total Assets	2,743.0	3,201.8	3,185.4	3,206.1	3,747.8	4,439.5
Total Liabilities	775.4	1,013.1	886.7	1,223.8	1,628.7	1,902.0
Total Equity	1,967.6	2,188.7	2,298.7	1,982.3	2,119.1	2,537.5
<b>Net Cash</b>	<b>373.0</b>	<b>298.1</b>	<b>347.5</b>	<b>110.4</b>	<b>8.3</b>	<b>(102.7)</b>

## Cash Flows

Operating Cash Flow	266.4	252.1	360.1	(65.3)	129.4	547.8
Capital Expenditure	(126.5)	(176.1)	(197.1)	(140.5)	(128.6)	274.7
<b>Free Cash Flow<sup>1</sup></b>	<b>139.9</b>	<b>76.0</b>	<b>163.0</b>	<b>(205.8)</b>	<b>0.8</b>	<b>273.1</b>

Average non-current assets <sup>2</sup>	1,502.8	1,664.2	1,884.3	1,917.7	1,680.9	1,939.9
<b>ROPA<sup>2</sup> (%)</b>	<b>13.3%</b>	<b>18.4%</b>	<b>13.4%</b>	<b>(3.4)%</b>	<b>23.0%</b>	<b>39.0%</b>

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

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

3) Includes 10.0 cents per share 2017 Special Dividend.





# Financial Summary – Segment

A\$m	FY17	FY18	FY19	FY20	FY21	FY22
<b>Sales Revenue</b>						
North America Metal	1,984.0	2,607.1	2,725.6	2,061.7	2,669.9	4,453.4
ANZ Metal	981.4	1,071.0	1,203.7	924.8	1,098.9	1,694.4
UK Metal	924.3	1,203.0	1,186.9	869.8	993.3	1,594.9
Sims Lifecycle Services	726.9	758.4	746.5	408.0	318.9	327.0
Global Trading	386.6	733.5	690.9	550.8	745.8	1,128.5
Corporate & Other	76.2	75.0	86.4	93.4	89.5	66.2
<b>Total</b>	<b>5,079.4</b>	<b>6,448.0</b>	<b>6,640.0</b>	<b>4,908.5</b>	<b>5,916.3</b>	<b>9,264.4</b>
<b>Underlying EBIT<sup>1</sup></b>						
North America Metal	70.5	104.7	99.7	(39.0)	137.0	293.4
ANZ Metal	73.8	96.9	106.5	50.7	103.6	186.9
UK Metal	42.2	35.3	20.3	(31.9)	45.7	69.8
Sims Lifecycle Services	28.1	31.3	26.0	16.9	21.8	16.3
Investment in SA Recycling	26.3	68.5	35.9	12.1	157.8	298.5
Global Trading	(15.4)	(12.4)	(15.1)	(15.2)	(17.4)	(20.3)
Corporate & Other	(45.4)	(49.2)	(43.0)	(51.5)	(61.9)	(88.5)
<b>Total</b>	<b>180.1</b>	<b>275.1</b>	<b>230.3</b>	<b>(57.9)</b>	<b>386.6</b>	<b>756.1</b>
<b>Underlying EBIT Margin (%)</b>						
North America Metal	3.6%	4.0%	3.7%	(1.9%)	5.1%	6.6%
ANZ Metal	7.5%	9.0%	8.8%	5.5%	9.4%	11.0%
UK Metal	4.6%	2.9%	1.7%	(3.7%)	4.6%	4.4%
Sims Lifecycle Services	3.9%	4.1%	3.5%	4.1%	6.8%	5.0%
<b>Total</b>	<b>3.5%</b>	<b>4.3%</b>	<b>3.5%</b>	<b>(1.2%)</b>	<b>6.5%</b>	<b>8.2%</b>

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



# Financial Summary – Segment (cont.)

A\$m	FY17	FY18	FY19	FY20	FY21	FY22
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## Proprietary sales tonnes ('000)<sup>1</sup>

North America Metal	4,344	4,865	4,887	4,042	4,318	5,081
ANZ Metal	1,530	1,585	1,763	1,428	1,537	1,532
UK Metal	1,589	1,691	1,602	1,221	1,370	1,493
<b>Total</b>	<b>7,463</b>	<b>8,141</b>	<b>8,252</b>	<b>6,691</b>	<b>7,225</b>	<b>8,106</b>

## Underlying EBIT<sup>2</sup>

North America Metal	70.5	104.7	99.7	(39.0)	137.0	293.4
ANZ Metal	73.8	96.9	106.5	50.7	103.6	186.9
UK Metal	42.2	35.3	20.3	(31.9)	45.7	69.8
<b>Total</b>	<b>186.5</b>	<b>236.9</b>	<b>226.5</b>	<b>(20.2)</b>	<b>286.3</b>	<b>550.1</b>

## EBIT / tonne (\$/t)

North America Metal	16.23	21.52	20.40	(9.65)	31.73	57.75
ANZ Metal	48.24	61.14	60.41	35.50	67.40	122.03
UK Metal	26.56	20.88	12.67	(26.13)	33.36	46.74
<b>Total</b>	<b>24.99</b>	<b>29.10</b>	<b>27.45</b>	<b>(3.02)</b>	<b>39.63</b>	<b>67.87</b>

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

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



# Financial Summary – Product

A\$m	FY17	FY18	FY19	FY20	FY21	FY22
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## Sales tonnes ('000)

Ferrous Trading	7,009	7,709	7,817	6,301	6,870	7,664
Non-Ferrous	454	432	435	390	355	442
Brokerage	1,237	1,715	1,551	1,463	1,368	1,601
<b>Total</b>	<b>8,700</b>	<b>9,856</b>	<b>9,803</b>	<b>8,154</b>	<b>8,593</b>	<b>9,707</b>

## Sales Revenue

Ferrous Metal	3,136.1	4,381.6	4,505.4	3,286.2	4,288.9	6,896.6
Non-Ferrous Metal	1,123.7	1,215.6	1,271.4	1,095.5	1,199.5	1,925.4
Sims Lifecycle Services	726.9	758.4	746.5	408.0	319.0	327.0
Secondary processing & other	92.7	92.4	116.7	118.8	108.9	115.4
<b>Total</b>	<b>5,079.4</b>	<b>6,448.0</b>	<b>6,640.0</b>	<b>4,908.5</b>	<b>5,916.3</b>	<b>9,264.4</b>



# Income Tax Expense – FY22

A\$m	Profit Before Tax	Income Tax Expense	Effective Tax rate
<b>Statutory Result</b>	<b>757.6</b>	<b>158.3</b>	<b>20.9%</b>
Significant Items	17.5	2.9	16.6%
<b>Normalised Results</b>	<b>775.1</b>	<b>161.2</b>	<b>20.8%</b>



# Significant Items

A\$m	FY21 Pre-Tax Total	FY21 After-Tax Total	FY22 Pre-Tax Total	FY22 After-Tax Total
ERP software implementation costs	60.8	45.8	<b>41.5</b>	<b>29.0</b>
JobKeeper grant income, net of amount voluntarily returned	(4.4)	(3.1)	-	-
Non-recurring gain on asset dispositions	(6.1)	(4.2)	<b>(79.1)</b>	<b>(59.2)</b>
Restructuring and redundancies	11.2	8.6	<b>5.9</b>	<b>4.3</b>
Environmental and legal provisions	10.4	8.0	<b>19.5</b>	<b>13.9</b>
Loss on sale of businesses, net of related transactional expenses				
Impact of fires and flood, net of insurance recoveries	(1.1)	(0.9)	<b>7.7</b>	<b>5.6</b>
Non-qualified hedges	(4.3)	(4.3)	<b>(16.7)</b>	<b>(16.7)</b>
Other non recurring items	6.1	4.8	<b>3.7</b>	<b>2.7</b>
<b>Total significant items</b>	<b>72.6</b>	<b>54.7</b>	<b>(17.5)</b>	<b>(20.4)</b>

A\$m	FY22
Statutory EBIT	773.6
Significant Items	(0.8)
Non-qualified hedges	(16.7)
<b>Underlying EBIT</b>	<b>756.1</b>

A\$m	FY22
Statutory NPAT	599.3
Significant Items	(3.7)
Non-qualified hedges	(16.7)
<b>Underlying NPAT</b>	<b>578.9</b>



# Net Cash Position

A\$m	FY21	FY22
<b>Opening Net Cash</b>	<b>110.4</b>	<b>8.3</b>
Underlying net profit	284.1	578.9
Depreciation & amortisation	193.3	202.8
Joint venture non-cash income, net of dividends	(110.8)	(138.7)
Change in working capital	(169.8)	(58.8)
Movement in tax balance	(29.2)	(14.7)
ERP current year spend	(50.9)	(41.5)
Other non-cash items	12.7	(19.8)
<b>Operating cash flow</b>	<b>129.4</b>	<b>547.8</b>
Capital expenditure - Pinkenba	-	(93.5)
Capital expenditure - Other	(128.6)	(182.7)
Proceeds from sale of PPE	10.7	12.6
Partial repayment of Adams Steel of Nevada loan	13.4	-
Acquisition	(23.1)	(74.4)
Disposals	-	62.4
Other cash flow from investing	0.6	(2.6)
<b>Free cash flow</b>	<b>2.4</b>	<b>274.8</b>
Dividends paid	(24.2)	(140.2)
Buy-backs	(16.5)	(123.9)
Lease payments	(74.1)	(78.4)
Other net cash flow from financing & FX	10.3	(43.3)
<b>Change in net cash</b>	<b>(102.1)</b>	<b>(43.3)</b>
<b>Closing Net Cash</b>	<b>8.3</b>	<b>(102.7)</b>



# SLS Global Footprint

