



ASX & MEDIA RELEASE

(ASX: SGM, USOTC: SMSMY)

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MARKET UPDATE AND WITHDRAWAL OF EARNINGS GUIDANCE

On 18 February 2020 Sims Limited (the "Company") advised that 2H FY20 Underlying EBIT was expected to be within the range of A\$40 million to A\$60 million. At the time, the Company noted that risks to this outcome were COVID-19, aggressive competitor buy side pricing and change to the gradual Turkish recovery. The Company today announced that given the unprecedented world-wide response to slowing the spread of COVID-19, and the magnitude of the impact this will have on economic activity, it is prudent to withdraw its outlook for 2H FY20.

Regarding current market conditions:

- Notwithstanding the significant contraction in business activity globally, the Company has sales across all divisions, including cloud infrastructure
- China has commenced progressive resumption of business activity across the country with demand for non-ferrous metals now evident
- Ferrous scrap liquidity in North and South East Asia is limited; however, there is demand in the Gulf Cooperation Council, as well as Turkey, and Central and South America, albeit at lower prices

Group CEO & Managing Director, Alistair Field said, "The safety of our employees, suppliers, customers and communities in which we operate is our first priority and we are following the guidelines and recommendations made by the various authorities, including health, hygiene and social distancing."

"We've entered this environment with a strong balance sheet. While our focus has always been on disciplined capital expenditure and cost management, we will be particularly cautious during this period. This will put us in a strong strategic position when the market normalises," Mr Field said.

Authorised for release by: The Board of Sims Limited.

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About Sims Limited

Founded in 1917, Sims Limited is a global leader in metal and electronics recycling, and an emerging leader in the municipal recycling and the renewable energy industries. Our nearly 4,500 employees operate from almost 250 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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