

Appendix 4D

Sims Limited
 ABN 69 114 838 630
 Half Year Report

Results for announcement to the market

Current period: Half year ended 31 December 2025

Prior corresponding period: Half year ended 31 December 2024

Results A\$M			Half year ended 31 December			
			2025	2024		
Sales revenue from continuing operations	Up	3.7%	to	3,778.6	from	3,645.5
Net (loss)/ profit for the period attributable to members	Down	(197.1)%	to	(29.9)	from	30.8

Underlying NPAT for the 6 months to 31 December 2025 increased by 70.9% to \$60.0 million from \$35.1 million.

Dividends (A¢)	Cents per Security	% Franked per Security
2025 Final Dividend	13	100%
2026 Interim Dividend	14	100%

Net tangible assets (A\$)	31 December 2025	31 December 2024
Net tangible asset per security	11.6	12.6

There were no entities over which control has been gained or lost during the reporting period.

For further explanation of the above figures, please refer to the Directors' Report and the condensed consolidated interim financial report, press release and market presentation filed with the Australian Securities Exchange Limited ("ASX").

The remainder of the information required by Listing Rule 4.2A is contained in the attached additional information.

The accompanying half year financial report has been reviewed by Deloitte Touche Tohmatsu. A signed copy of their review report is included in the financial report.

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DIRECTORS' REPORT

The Directors present their report on the consolidated entity (referred to hereafter as the "Group") consisting of Sims Limited (the "Company") and the entities it controlled at the end of, or during, the half year ended 31 December 2025 ("HY26").

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial period comprised of (a) buying, processing, and selling of ferrous and non-ferrous recycled metals, and (b) repurposing and recycling of IT assets and electronic equipment for commercial customers. The Group's principal activities remain unchanged from the previous financial year.

DIRECTORS

The persons listed below were Directors of the Company during the half year and up to the date of this report:

Name	Title
Managing Director:	
Stephen Mikkelsen	Group Chief Executive Officer and Managing Director
Non-Executive Directors:	
Philip Bainbridge	Chairperson and Independent Non-Executive Director
Victoria Binns	Independent Non-Executive Director
Grant Dempsey	Independent Non-Executive Director
Kathy Hirschfeld	Independent Non-Executive Director
Nancy Novak ¹	Independent Non-Executive Director
Shinichiro Omachi	Non-independent Non-Executive Director
Russell Rinn	Independent Non-Executive Director

¹Appointed to the Board of Directors on 16 December 2025.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW

Disclosing Non-IFRS Financial Information (unaudited)

(A\$M UNLESS OTHERWISE DEFINED)	HALF YEAR ENDED		
	31 DECEMBER 2025	31 DECEMBER 2024	CHANGE
<i>Financial Performance metrics from continuing operations</i>			
Sales revenue	3,778.6	3,645.5	3.7%
Statutory earnings before interest, tax, depreciation and amortisation ("EBITDA")	143.8	194.9	(26.2%)
Significant items, and the impact of non-qualifying hedges	(106.0)	(6.6)	1506.1%
Underlying EBITDA ¹	249.8	201.5	24.0%
Depreciation expense	(122.4)	(118.4)	3.4%
Amortisation expense	(6.3)	(10.1)	(37.6%)
Statutory earnings before interest and tax ("EBIT")	15.1	66.4	(77.3%)
Underlying EBIT ¹	121.1	73.0	65.9%
Net interest expense	(21.7)	(16.3)	33.1%
Statutory income tax expense	(23.3)	(19.3)	20.7%
Underlying income tax expense	(39.4)	(21.6)	82.4%
Statutory net (loss)/profit after tax ("NPAT")	(29.9)	30.8	(197.1%)
Underlying NPAT ¹	60.0	35.1	70.9%
Statutory diluted (loss)/earnings per share ("EPS") (cents)	(15.5)	15.8	(198.1%)
Underlying diluted EPS (cents)	30.7	18.0	70.6%
Interim dividends per share (cents)	14	10	40.0%
<i>Financial Position metrics</i>			
Net assets	2,497.8	2,738.5	(8.8%)
Net debt	306.8	100.9	204.1%
Lease liabilities	312.2	291.4	7.1%
Total capital ²	3,116.8	3,130.8	(0.4%)
Average non-current assets excluding lease-related assets and deferred tax assets	2,413.4	2,406.1	0.3%
Return on productive assets (%) ³	10.0 %	6.1 %	3.9ppts
Return on invested capital (%) ⁴	6.2 %	4.3 %	1.9ppts
Net tangible assets	2,241.3	2,431.4	(7.8%)
Net tangible assets per share (cents)	11.60	12.58	(7.8%)
<i>Other Key metrics</i>			
Net cash inflow from operating activities ⁵	155.2	347.8	(55.4%)
Free cashflow ⁶	37.4	N/A	N/A
Employees	3,920	3,887	0.8%
Proprietary sales tonnes ('000)	3,058	3,192	(4.2%)

1 Excludes significant items, the impact of non-qualifying hedges and internal recharges.

2 Total capital = net assets plus net debt plus lease liabilities.

3 Return on productive assets = annualised underlying EBIT/average of opening non-current assets and ending non-current assets excluding right of use assets arising from AASB16 Leases, deferred tax assets and long term lease receivables.

4 Return on invested capital ("ROIC") = annualised net operating profit after tax / average invested capital.

5 31 December 2024 includes sale of surplus inventory as a component of the UK Metal disposal.

6 Free cashflow = underlying EBITDA adjusted for underlying changes in working capital, sustaining and growth capex, lease payments, interest and underlying taxes.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Sensitivity to movements in foreign exchange rates

The principal currencies in which the Group's continuing operations conducted business during the period were United States ("US\$") dollars and Australian dollars ("A\$"). Although the Group's reporting currency is the Australian dollar, a significant portion of the Group's sales and purchases are in currencies other than the Australian dollar. In addition, significant portions of the Group's net assets are denominated in currencies other than the Australian dollar.

As a result, the Group's consolidated financial position, results of operations, and cash flows may be materially affected by movements in the exchange rate between the Australian dollar and the respective local currencies to which its subsidiaries are exposed.

Some of the results discussed below are presented on a "constant currency" basis. This presents the current period results translated into Australian dollars using exchange rates applicable in the prior corresponding period, enabling a comparison of underlying performance between the two periods before the impact of currency fluctuations.

Foreign exchange rates for the major currency impacting the Group's results, compared with the prior corresponding periods are as follows:

	AVERAGE RATE			CLOSING RATE - AS AT		
	HY26	HY25	Change	31 DECEMBER 2025	30 JUNE 2025	Change
US dollar	0.6553	0.6609	(0.8%)	0.6672	0.6580	1.4%

All balances are denominated in Australian dollars unless otherwise stated.

Summary

INTAKE VOLUMES TONNES ,000	HALF YEAR ENDED		
	31 DECEMBER 2025	31 DECEMBER 2024	CHANGE
Continuing operations			
North America Metal	2,370	2,442	(2.9%)
Australia / New Zealand Metal	741	728	1.8%
Total Proprietary Volumes	3,111	3,170	(1.9%)
Global Trading Operations and other	412	584	(29.5%)
Total Intake Volume from continuing operations	3,523	3,754	(6.2%)
Discontinued operations			
UK Metal ¹	0	369	(100.0%)
Total Intake Volume	3,523	4,123	(14.6%)

Shrunk intake volumes excluding brokerage tonnes ("proprietary intake volumes") reduced by 1.9% in comparison to HY25 levels to 3.1 million tonnes in HY26. This was primarily driven by a 2.9% reduction in North America Metal ("NAM") volumes, reflecting the momentum gained in the second half of FY25 to source more unprocessed material over processed scrap to improve trading margins, as well as weaker construction activity in the United States. In Australia and New Zealand ("ANZ"), volumes increased by 1.8% in HY26 compared to HY25, reflecting improved non-ferrous flows as the business secured additional volumes as a result of market dynamics affecting competitors.

¹ Half year ended 31 December 2024 represent three months trading only.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Summary (continued)

SALES VOLUMES TONNES ,000	HALF YEAR ENDED		
	31 DECEMBER 2025	31 DECEMBER 2024	CHANGE
Continuing operations			
North America Metal	2,337	2,464	(5.2%)
Australia / New Zealand Metal	721	728	(1.0%)
Total Proprietary Volumes	3,058	3,192	(4.2%)
Global Trading Operations and other	593	686	(13.6%)
Total Sales Volume from continuing operations	3,651	3,878	(5.9%)
Discontinued operations			
UK Metal ¹	0	421	(100.0%)
Total Sales Volume	3,651	4,299	(15.1%)

¹ Half year ended 31 December 2024 represent three months trading only.

Proprietary sales volumes fell by 4.2% in HY26 compared to HY25, primarily reflecting a 5.2% reduction in NAM volumes as the business shifted toward sourcing more unprocessed material. Higher intake of unprocessed volumes in HY26, compared to HY25, required additional processing resulting in normal shrinkage and yield losses that reduced reported sales volumes, while supporting stronger Zorba sale. ANZ volumes declined by 1.0% in HY26 compared to HY25, with the softer ferrous market partially offset by improved non-ferrous trading.

Financial Performance

Sales revenue of \$3,778.6 million in HY26 increased 3.7% compared to sales revenue of \$3,645.5 million in HY25. At constant currency, sales revenue was up 1.0%. The increase in revenue reflected the benefit of improved non-ferrous pricing despite Metal volumes being down slightly on the prior corresponding period, and the impact of volume and prices for Sims Lifecycle Services ('SLS') following higher activity levels from hyperscaler customers.

Statutory EBIT in HY26 was \$15.1 million compared to \$66.4 million in HY25. At constant currency, HY26 statutory EBIT was \$17.2 million. HY26 Underlying EBIT of \$121.1 million was \$48.1 million higher than HY25 due to continued growth in SLS and improvement in the operating performance of the North American Metal business. Higher waste and electricity costs primarily contributed to a 4% uplift in the rebased total cost base, with costs otherwise kept in line with inflation through a continued focus on cost-out opportunities and additional operating efficiencies across all areas. Included within the statutory results is \$41.1 million in unrealised mark-to-market hedge loss, which will unwind in the second half of the year as hedges are settled. Statutory income tax expense was \$23.3 million compared to \$19.3 million in HY25, reflecting the increased underlying profit generated in the period.

Statutory NPAT in HY26 was \$(29.9) million compared to \$30.8 million in HY25. Net interest expense of \$21.7 million was \$5.4 million higher than HY25. Statutory EBITDA in HY26 was \$143.8 million compared to \$194.9 million in HY25, impacted by non-qualifying hedges and residual asset writedowns. Refer to the Reconciliation of Statutory Results to Underlying Results included herein for more information.

Statutory diluted EPS was (15.5) cents in HY26 compared to 15.8 cents in HY25. Underlying diluted EPS was 30.7 cents, compared to 18.0 cents in HY25. The weighted average number of shares during HY26 remained consistent with HY25.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

External Operating Environment

Sims Metal

Market conditions in the ferrous segment in HY26 were broadly unchanged from FY25, with muted price volatility.

Macro-economic conditions were broadly stable period-on-period, although several key indicators softened. Persistent inflation in the US and Australia continued to pressure cost structures, while GDP growth remained modest. Construction activity remained subdued in Australia and weakened in the US, and consumer sentiment stayed cautious. Despite this backdrop, scrap market sentiment was supported by an expansion of US Electric Arc Furnace (EAF) capacity and announcements of proposed EAF developments in Australia.

US crude steel production in HY26 remained broadly in line with HY25. Despite flat production volumes, US steel spreads improved, reflecting a more supportive domestic pricing environment. This was largely driven by tariffs that constrained import volumes, tightening domestic supply and supporting steel prices. As a result, US steel imports are estimated to have declined by approximately 9.1%, or 23.8 million tonnes, in CY25¹ compared to CY24.

US domestic scrap conditions were challenging, though relatively more resilient than export markets, with demand remaining steady under tariff support. Midwest ferrous shred prices declined by 12.8% in HY26 compared with the prior corresponding period. Weak construction activity and soft economic indicators weighed on supply.

Export markets were exposed to global scrap dynamics. Turkey HMS prices declined by 4.6% in HY26 compared with the prior corresponding period, reflecting the impact of elevated Chinese steel exports. Chinese steel exports increased by 5.6% in HY26 compared with HY25 and by 1% against 2H FY25, contributing to persistent oversupply across South-East Asia. Despite this environment, net scrap importers such as Turkey and Bangladesh remained active buyers.

Non-ferrous markets provided a degree of earnings stability. LME copper increased by approximately 13.5% period on period, supported by tariffs, while LME aluminium prices rose by approximately 9.8%, reflecting resilient global consumption and broadly supportive sentiment. This partially offsets ferrous market headwinds.

Sims Lifecycle Services

In HY26, demand for DDR4 memory continued to increase while DDR4 supply diminished due to manufacturers shifting production to DDR5 chips. DDR4 pricing rose by 461.9% period on period compared with the prior corresponding period as a result.

Legacy installations across industries (hyperscaler, automotive, consumer products) are expected to continue to rely on DDR4 throughout this decade, underscoring its ongoing economic relevance within these large installed system bases. Concurrently, supply conditions have tightened as manufacturers increasingly prioritise HBM and DDR5 production to support AI-driven workloads, diverting wafer capacity away from DDR4.

This combination of constrained supply and resilient demand has contributed to a widening structural imbalance in the DDR4 market, with limited incremental capacity expected in the near term. Supplier commentary suggests these dynamics are likely to persist through 2026 and beyond, providing continued support for demand and pricing in secondary markets.

¹ CY25 figures are based on year-to-date data available through October and have been annualised to estimate full-year outcomes. American Iron and Steel Institute (AISI)

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results (unaudited)- Continuing Operations

North America Metal

A\$m	HALF YEAR ENDED			
	31 DECEMBER 2025	31 DECEMBER 2024	CHANGE	CONSTANT CURRENCY CHANGE
Sales revenue	2,271.4	2,257.4	0.6%	(0.2%)
Trading margin	498.8	479.6	4.0%	3.1%
Operating costs (excluding D&A)	(356.9)	(344.5)	3.6%	2.6%
Share of results of JV (underlying)	0.3	(1.9)	(115.8%)	(115.8%)
Underlying EBITDA	142.2	133.2	6.8%	5.9%
Underlying EBIT	53.3	46.7	14.1%	13.3%
Proprietary Sales tonnes (thousands)	2,337	2,464	(5.2%)	
Trading margin %	22.0%	21.2%	0.8ppts	
Underlying EBIT margin %	2.3%	2.1%	0.2ppts	

NAM generated sales revenue of \$2,271.4 million in HY26, a 0.6% increase compared to HY25. At constant currency, revenue declined by 0.2%.

Lower ferrous sales volumes reflected the company's strategic shift towards sourcing unprocessed material rather than processed scrap. Higher unprocessed intake reduced sales volumes due to normal processing shrink and yield losses. Shipment timing also impacted volumes. This was offset by a higher average sales price, supported by higher Zorba yields and sustained strength in non-ferrous pricing. Comparatively challenging ferrous trading conditions persisted from the second half of FY25 into the first half of FY26, marked by low price volatility, a soft export market, and weak US construction activity.

Trading margin increased by 4.0% year-on-year (3.1% at constant currency), with trading margin percentage improving by 0.8 percentage points, to 22.0% in HY26 compared to HY25. The uplift was driven by an improved ferrous margin percentage and strong non-ferrous trading margins, supported by a shift toward unprocessed scrap sourcing, disciplined commercial execution, and logistics investments that enabled more agile sales strategies.

Operating costs rose by 3.6% to \$356.9 million (or 2.6% at constant currency) in HY26 compared to HY25. The increase broadly aligned with inflation, with labour cost pressures partially offset by restructuring benefits. Operating costs were also impacted by higher waste and electricity costs from more unprocessed material.

Underlying EBIT for HY26 increased by 14.1% to \$53.3 million compared to HY25 (or \$52.9 million at constant currency).

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results (unaudited)- Continuing Operations (continued)

SA Recycling Joint Venture

A\$m	HALF YEAR ENDED			
	31 DECEMBER 2025	31 DECEMBER 2024	CHANGE	CONSTANT CURRENCY CHANGE
Sales revenue ²	2,869.8	2,544.6	12.8%	11.8%
Trading margin	821.0	725.9	13.1%	12.1%
Operating costs (excluding D&A)	(585.9)	(525.3)	11.5%	10.6%
Underlying EBITDA	235.0	200.6	17.1%	16.2%
Underlying EBIT	128.5	105.5	21.8%	20.8%
Underlying PBT	118.0	94.8	24.5%	23.4%
Sims' underlying EBIT (50% share) ¹	59.0	47.4	24.5%	23.4%
Proprietary Sales tonnes (thousands)	2,761	2,511	10.0%	
Trading margin % ²	28.6%	28.5%	0.1ppts	
Underlying EBIT margin % ²	4.5%	4.1%	0.4ppts	

¹ Sims underlying EBIT represents a 50% share of SAR's profit before tax, after accounting for adjustments from US GAAP to IFRS.

² During the current period, the Group updated the presentation of sales revenue from net sales to gross sales to align with the presentation of other segments. Comparative figures have been updated accordingly.

SAR HY26 sales revenue was up by 12.8% compared to HY25 to \$2,869.8 million, driven by higher selling prices from a favourable mix toward non-ferrous retail and Zorba, despite the challenging ferrous market. This favourable product mix also supported a 13.1% increase in trading margin. Absolute operating costs were up by 11.5% (10.6% at constant currency) but were broadly driven by volume acquisitions and general inflationary pressures. The joint venture contributed \$59.0 million to the Group's underlying EBIT compared to \$47.4 million in HY25. At constant currency, the contribution from SAR was \$58.5 million.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results (unaudited)- Continuing Operations (continued)

Australia & New Zealand Metal

A\$m	HALF YEAR ENDED		CHANGE
	31 DECEMBER 2025	31 DECEMBER 2024	
Sales revenue	843.6	770.6	9.5%
Trading margin	175.5	197.4	(11.1%)
Operating costs (excluding D&A)	(124.6)	(128.9)	(3.3%)
Share of results of JV (underlying)	1.3	–	N/A
Underlying EBITDA	52.2	68.5	(23.8%)
Underlying EBIT	21.5	37.9	(43.3%)
Proprietary Sales tonnes (thousands)	721	728	(1.0%)
Trading margin (%)	20.8%	25.6%	(4.8ppts)
Underlying EBIT margin (%)	2.5%	4.9%	(2.4ppts)

ANZ sales revenue of \$843.6 million was 9.5% higher in HY26 compared to HY25. The 1.0% decline in sales volumes was more than offset by a higher average sales price, driven by an uplift in non-ferrous prices.

The HY26 trading margin reduced by 11.1% compared to HY25, with deteriorating ferrous market conditions, driven by ongoing elevated Chinese steel exports into Asia and tough domestic market conditions. Total trading margin percentage declined by 4.8 percentage points to 20.8%. Both were inclusive of an \$8.8 million reclassification of transport costs from operating expenses.

Conversely, operating costs decreased by 3.3% in HY26 compared to HY25, largely reflecting the favourable cost reclassification impact. Higher waste and electricity charges were also experienced in ANZ but were again offset by disciplined cost management and reduced remediation expenses. The business achieved an Underlying EBIT of \$21.5 million in HY26, a 43.3% decrease on the prior period.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results (unaudited)- Continuing Operations (continued)

Sims Lifecycle Services

A\$m	HALF YEAR ENDED		
	31 DECEMBER 2025	31 DECEMBER 2024	CHANGE
Sales revenue	327.4	192.7	69.9%
Underlying EBITDA	56.8	20.9	171.8%
Underlying EBIT	49.0	14.1	247.5%
Underlying EBIT margin (%)	15.0%	7.3%	7.7ppts
Repurposed units (million)	5.3	4.5	17.8%

Sims Lifecycle Services ("SLS") delivered significant sales revenue growth in HY26, with revenue increasing to \$327.4 million, representing an increase of 69.9% compared to HY25. Approximately 70% of the revenue uplift was driven by pricing.

SLS's volume of processed repurposed units grew by 17.8% compared to HY25, reflecting expanded hyperscaler activity and the continued build out of US data centre capacity. Market pricing strengthened notably, with DDR4 resale values rising materially due to structurally strong demand from legacy systems and tight supply. Ongoing shifts in manufacturer production toward DDR5 and HBM platforms constrained DDR4 availability, supporting price momentum through the period.

SLS also benefited from a continued expansion of its current service offering within the hyperscaler segment, adding diversification through new offerings.

Operating costs were up by 25.8% in HY26 compared to HY25, primarily reflecting variable volume costs and business expansion.

Underlying EBIT was \$49.0 million in HY26 compared to \$14.1 million in HY25 reflecting strong resale prices, continued growth in service revenues and the significant growth in repurposed units.

Corporate and Other (Underlying EBIT)

A\$m	HALF YEAR ENDED		
	31 DECEMBER 2025	31 DECEMBER 2024	CHANGE
Global Trading Operations	(10.0)	(7.8)	28.2 %
Central, Corporate and Projects	(51.7)	(59.3)	(12.8)%
Resource Renewal	–	(6.0)	(100.0)%

Global Trading Operations' underlying EBIT loss of \$10.0 million during HY26 reflects general operating costs and reduced brokerage volumes following the cessation of the Unimetals brokerage.

Central, Corporate & Project costs were reduced to \$51.7 million as the benefits of previously announced restructuring begin to be reflected in a lower cost base. This was partially offset by IT systems expenditure required to support the deployment of a replacement yard-based operations management system for the Metal business.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Reconciliation of Statutory Results to Underlying Results (Non-IFRS Information – Unaudited)

	EBITDA ¹		EBIT		(Loss)/ profit after tax from continuing operations	
	HALF YEAR ENDED		HALF YEAR ENDED		HALF YEAR ENDED	
	31 DECEMBER 2025	31 DECEMBER 2024	31 DECEMBER 2025	31 DECEMBER 2024	31 DECEMBER 2025	31 DECEMBER 2024
Continuing operations only						
A\$m						
Reported earnings	143.8	194.9	15.1	66.4	(29.9)	30.8
Significant items:						
Impairment of assets	65.6	–	65.6	–	49.3	–
Non-qualifying hedges	41.1	2.7	41.1	2.7	41.1	2.7
Gain on business transactions (net of transaction costs and impact of discontinued operations)	–	(1.7)	–	(1.7)	–	(2.6)
Restructuring and redundancies	4.2	5.6	4.2	5.6	3.2	4.2
Gain on sale of business	(4.9)	–	(4.9)	–	(3.7)	0.0
Underlying earnings²	249.8	201.5	121.1	73.0	60.0	35.1

The significant item amounts recorded in HY26 include the following:

- Impairment of assets reflects a loss allowance of \$65.6 million primarily relating to the prior year sale of UK Metal.
- Non-qualifying hedges reflects the mark-to-market commodity hedges held at balance date.
- Restructuring and redundancies predominantly related to measures to simplify the organisational structure in HY26 and includes the Group's transition to a Global Shared Service function.
- Gain on sale of business relates to the Group's share of the profit made by its joint venture partner SA Recycling on the sale of certain business units.

Reconciliation of Statutory NPAT to EBIT and EBITDA

A\$m	HALF YEAR ENDED	
	31 DECEMBER 2025	31 DECEMBER 2024
Statutory net (loss)/profit after tax from continuing operations	(29.9)	30.8
Interest expense from external borrowings, net of interest income	14.7	10.2
Lease liability interest expense	7.0	6.1
Income tax expense	23.3	19.3
Statutory EBIT from continuing operations	15.1	66.4
Depreciation and amortisation, excluding right of use asset depreciation	86.7	85.3
Right of use asset depreciation	42.0	43.2
Statutory EBITDA from continuing operations	143.8	194.9

¹ EBITDA is a measurement of non-IFRS financial information. See table above that reconciles EBITDA to statutory net (loss)/profit.

² Underlying earnings is a non-IFRS measure that is presented to provide an understanding of the underlying performance of the Group. The measure excludes the impacts of acquisitions and disposals, as well as items that are subject to significant variability from one period to the next. The reconciling items above (before tax) have been extracted from the unaudited interim financial statements.

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Cashflow and Net Debt

The approach to capital management is staged and disciplined and reflects the volatility of the market. The company remains conservative in its approach to debt to ensure appropriate flexibility and liquidity to operate through cycles.

On a statutory basis, HY26 cashflow from operating activities was \$155.2 million compared to \$347.8 million in HY25. The HY25 cash position benefited from the sale of the UK Metal business and Sims' residual interest in Closed Loop.

Capital expenditure for property, plant and equipment and intangible assets, on a statutory basis, was a total cash outflow of \$66.5 million in HY26 compared to \$83.5 million in HY25.

The Company continues to actively pursue other opportunities to recycle capital through the sale of surplus assets.

Free cash flow

Free Cash Flow represents cash flow available to pay dividends, repay debt, invest in additional major growth projects or return surplus cash to shareholders. In line with the Group's Dividend policy, Sims aims to provide returns to shareholders by targeting an ordinary dividend of between 25% and 35% of its pre-growth free cashflow, while prioritising the maintenance of a strong balance sheet. The following table presents the Group's free cash flow for the half year, reconciled from underlying EBITDA.

A\$M	AS AT 31 DECEMBER 2025
Underlying EBITDA	249.8
Underlying working capital movement	(25.8)
Net interest paid	(20.7)
Underlying tax expense	(39.4)
Non cash impact of SAR	(19.9)
Underlying operating cash flow	144.0
Lease payments	(40.1)
Sustaining capex	(58.4)
Pre-growth free cashflow	45.5
Growth capex	(8.1)
Free cashflow	37.4

Underlying working capital movement includes circa \$70 million in additional margin deposits related to derivative trading that is expected to be at least partially unwound in the second half.

The majority of HY26 growth-related capital expenditure occurred in NAM, primarily driven by investments into improving metal recovery and throughput. In ANZ, investment continued into the redevelopment of the Pinkenba facility, including a new copper recovery plant.

Sustaining capex includes regulatory-related projects such as shredder emission controls, as well as operational investments such as railcar and material handler purchases, supporting the efficient operation of the yards and distribution infrastructure.

The Group paid cash dividends of \$25.1 million in HY26.

Net Debt

On 31 December 2025, the Group had a net debt position of \$306.8 million compared to a net debt position of \$332.3 million on 30 June 2025. The Group calculates net debt as total financial borrowings less cash balances as follows:

A\$m	AS AT 31 DECEMBER 2025	AS AT 30 JUNE 2025
Total borrowings	412.9	513.4
Less: Total cash ¹	(106.1)	(181.1)
Net debt	306.8	332.3

¹Total cash at 31 December 2025 includes restricted cash of \$13.4 million (30 June 2025: \$29.6 million).

Directors' Report

For the half year ended 31 December 2025

OPERATING AND FINANCIAL REVIEW (continued)

Strategic Developments

Progressing the strategic growth plan

The Company continued to make progress across strategic growth areas during the six months to 31 December 2025:

Initiative	Progress
Metal	<p>ANZ Metal</p> <ul style="list-style-type: none"> Commenced redevelopment works at Pinkenba Commenced construction of a rail siding in Auckland to serve EAF supply Commenced installation of fines plants at Pinkenba and Broadmeadows Upgraded electrical supply across multiple sites to support capacity expansion and electrification of existing assets <p>North America Metal</p> <ul style="list-style-type: none"> Go to market investments: Claremont waterway dredging to allow additional barge and vessel loading; West Coast trans-loading to streamline export logistics capabilities; and rail car and infrastructure expansion Bolt-on metal in waste investments to improve non-ferrous and Zorba yields Site expansion and brownfield developments on the East and West coasts
SA Recycling	<ul style="list-style-type: none"> Closed five bolt on acquisitions
Lifecycle Services	<ul style="list-style-type: none"> Expanded footprint in Ireland Further investment in process automation Expansion of West Chicago and Roseville facilities

Outlook

AI-driven migration to DDR5 chips is constraining DDR4 chip supply, while legacy demand remains resilient across hyperscaler, automotive and consumer applications. This structural imbalance is expected to continue supporting secondary-market pricing. As a leading participant in DDR4 repurposing, SLS is well positioned to benefit from structurally supported pricing.

Non-ferrous markets are expected to remain strong, with sustained strength in non-ferrous demand continuing to deliver significant trading margin contributions across our NAM, ANZ and SAR operations.

Tariffs are expected to continue to support US ferrous and non-ferrous demand, as domestic steel and aluminium industries remain protected and local demand for ferrous scrap is sustained. The premium for domestic shred sales is expected to continue to benefit NAM and SAR margins.

Long-term ferrous scrap fundamentals are expected to remain strong, as EAF capacity and scrap demand continue to grow, supported by decarbonisation, and government policies supporting onshoring.

Chinese exports remain the strongest headwind, with record-high Chinese steel exports likely to keep ferrous prices muted in markets outside the USA. This will continue to challenge NAM, ANZ, and SAR ferrous exports, as well as ANZ's domestic market. While pricing pressure is likely to persist, further significant declines from current levels appear limited, with prices having approached apparent market floors.

Directors' Report

For the half year ended 31 December 2025

ENVIRONMENTAL REGULATION

Sims Limited and its controlled entities ("Sims" or "the Group") are subject to environmental regulations and reporting requirements in Australia as well as other countries in which it operates. The Group has environmental licenses and consents in place at various operating sites as prescribed by relevant environmental laws and regulations in respective jurisdictions. Conditions associated with these licenses and consents include those which stipulate environmental monitoring requirements and reporting limits to monitor conformance with the requirements of such licenses and consents.

Under Australian environmental regulation, an entity is required to provide a summary of its environmental performance as per s299(1)(f) of the Corporations Act 2001. Further information on the Company's environmental performance is set out in the Group's Annual Sustainability Report. On 8 October 2025, the Group lodged its 2025 Sustainability Report on the ASX. A copy of the report can be viewed at <https://www.simsltd.com/investors/reports>.

Additionally, the Group's Australian operations are subject to the reporting requirements of the National Greenhouse and Energy Reporting Act 2007 ("NGER"). The NGER Act requires the Group to report its annual greenhouse emissions and energy use of its Australian operations.

Sims has been closely monitoring the development of the Australian Sustainability Reporting Standards ("ASRS"), which will introduce mandatory climate-related and broader sustainability disclosures aligned with global frameworks. In preparation, the Group has engaged external consultants and is enhancing internal systems and processes to ensure compliance and uphold high-quality disclosure standards. We plan to report in accordance with ASRS as part of our FY26 results, alongside our existing mandatory disclosures.

There has been no material exposure to the risk of breaches of environmental permits conditions or legislation.

MANAGING RISKS

An integral part of the way Sims operates is recognising and managing the broad range of risks that it faces. Each must be given careful and appropriate consideration in order to support our commitments to our customers and stakeholders in line with our vision to: create a world without waste to preserve our planet. In accordance with our Risk Management Policy and Framework, Sims manages risk with the aim of:

- Supporting the achievement of strategic objectives through the identification and management of key areas of risk and opportunity on a proactive basis;
- Providing the basis for informed decision making;
- Enabling consistent and frequent communication between management and key governance committees; and
- Continuously enhancing the perception of Sims to our key stakeholders, including customers, shareholders and the community.

Through our Risk Management process (which is detailed in our Risk Management Policy), Sims Limited continuously monitors, assesses and manages the response to these risks, which range from operational events to external factors. Some of these key areas of threats and opportunities are discussed in detail in the following sections.

CLIMATE RISKS

Climate change poses physical and transition risks to our business, our people, and the infrastructure, communities and environments in which we operate. These risks have the potential to affect Sims' operations, assets, supply chains and financial performance. We believe that the transition to a low-carbon economy encompasses a parallel transition to a circular economy and presents both threats and opportunities for our business.

Further information on our approach to climate change, including our detailed assessment of climate-related risks and opportunities, is available in our 2025 Sustainability Report. Performance data is included in our Sustainability Databook, both available at <https://www.simsltd.com/sustainability/download-centre/>

Directors' Report

For the half year ended 31 December 2025

Opportunities

At Sims, the transition to a low-carbon economy is central to our business strategy. Sims provides high-quality recycled metals in place of virgin materials, enabling the avoidance of greenhouse gas emissions associated with extraction, refining and primary production. Metals such as steel, copper and aluminium are essential to the transition to a low-carbon economy and are used in applications including renewable energy infrastructure, electric vehicles and urban construction.

Our strategic and scenario analyses, as outlined in our Sustainability Report, demonstrate that as an enabler of the global circular economy, Sims is well positioned to support customers in reducing their carbon footprints as the world transitions to a circular, low-carbon economy, while delivering on our purpose to create a world without waste to preserve our planet.

Threats

Climate change impacts physical, economic and social systems, and climate-related risks are therefore reflected across Sims' broader risk profile. Climate change may alter the likelihood and severity of existing risks, as well as the effectiveness of established controls.

Physical climate risks arise primarily from extreme temperatures and extreme wet conditions, including flooding, sea level rise and other acute weather events, which may affect employee health and safety, asset integrity, productivity and operational continuity. Transition risks relate to changes in policy, regulation, market dynamics and customer expectations associated with the transition to a low-carbon economy. These may influence energy costs, planning and compliance requirements, customer demand, and the competitiveness of Sims' operations and assets over time.

Failure to effectively manage climate-related risks could result in loss of stakeholder confidence, increased regulatory and compliance costs, enforcement action, litigation, reputational impacts, challenges in attracting and retaining talent, reduced access to capital, and adverse impacts on operational performance and financial outcomes.

Risk Appetite

Sims is committed to living its purpose and views climate-related risks as opportunities to differentiate our offering, even where the transition is complex. We pride ourselves in providing a pathway to de-carbonisation and circularity to our customers, delivering constant innovation and improvement that aims at protecting the environment and communities we operate in, and setting the standard for our industry.

Our management response includes:

- Providing a comprehensive view on our climate impact, aligned to the ASRS disclosures requirements.
- Outlining our approach to managing the transition and physical risks of climate change in our Sustainability Report;
- Establishing clear targets to lower greenhouse gas ("GHG") emissions in our direct operations over the short, medium, and long term to reduce risk exposure relating to policy, regulation, and carbon pricing;
- Where appropriate and material we consider the carbon impact in our decisions to support capital expenditure and investment decision making, including merger & acquisition activity;
- Advocating for an orderly transition to a circular, low-carbon economy.
- Engaging regularly with investors, governments, industry associations, membership-based sustainability organisations, Environmental, social, and governance ("ESG") proxy advisers and customers to identify and monitor emerging climate change risks, opportunities and trends;
- Transparently disclosing climate related performance, risks and opportunities, in line with recognised sustainability reporting standards including ASRS and GRI.

Directors' Report

For the half year ended 31 December 2025

HEALTH & SAFETY RISKS

Health & Safety are core company values. Sims leads in safety performance for the simple reason that we do not wait to respond to incidents but rather we effectively address risks proactively through our global lead indicator programs. Our Health and Safety strategy uses data to target specific risks and verifying the effectiveness of controls, to drive continuous improvement. We build culture through proactive Commit to Care training; principles that focus on psychological safety and building trust based management/ employee relationships.

Learn more about our approach to safety, including performance data in the Sustainability Report and Databook, available at <https://www.simsltd.com/sustainability/download-centre/>

Opportunities

Demonstrating that we can meet or exceed our commitments in safety supports operational resilience, our ability to attract and retain talent, and helps us achieve our purpose. Therefore, Sims has built a program as the foundation of our safety culture called Commit to Care. A program that all leaders must complete, building understanding and setting expectations on how to treat personnel, avoiding blame culture. The success of this program has seen an increase in the reporting of high-risk potential incidents, as well as low risk events, which gives Sims the opportunity to improve upon control measures.

Threats

We engage in activities that have the potential to cause harm to our people, including serious injuries and fatalities. Safety incidents can alter the lives of the individual, their family and community. A serious safety event could also cause damage or disruptions to our assets and operations, impact our financial performance, result in litigation or regulatory action, and cause long-term damage to our social licence to operate and reputation.

Risk Appetite

First and foremost is safety. We are committed to providing a safe working environment for our people, and will take all reasonable steps to protect the public, our customers, contractors and suppliers. Therefore, we have no tolerance for behaviour that knowingly compromises the safety of our people and the wider community.

Our management response includes:

- Defining critical control verifications to address critical risks (those risks with the potential of causing the most serious harms). Key focus areas, such as traffic management, have been identified based on risk levels and the highest likelihood of occurrence;
- Specifying minimum and recommended requirements for hazard controls;
- Reporting, investigating, and sharing learnings from incidents across Sims;
- Developing a proactive safety culture through training, surveying and management example;
- Investigating and deploying technology for incident prevention and detection;
- Providing mental health and wellbeing training in order to reduce the stigma of mental health conditions. Ensuring Employee Assistance Programs are in place for employees to receive support related to mental health, general wellbeing, and other concerns;
- Including Leading Indicator targets related to safety performance in remuneration incentives. Reactive 'Lagging Indicators' programs (Injury treatment data) have been retired (Total Case Injury Frequency Rate & Lost Time Injury Frequency Rate) in order to focus on hazards and associated risks although continue to be monitored;
- Maintaining Emergency Response Plans, which include evacuation routes, fire response equipment, and injury first aid;
- Being transparent in our annual disclosure of climate related performance, opportunities and threats, in accordance with sustainability reporting standards including GRI and SASB.

Directors' Report

For the half year ended 31 December 2025

SOCIAL LICENCE

We recognise the significant shifts in our external operating environment and increased stakeholder expectations regarding the role of companies in society and the communities in which they operate. In particular, we recognise that without a social licence from our communities and broader stakeholders, we would simply not be able to operate. In this context we have developed a Social Licence Framework, not just to manage risks associated with maintaining our Social Licence, but importantly to ensure Sims continues to be a partner for change in the communities in which we operate.

Opportunities

Building, maintaining and deepening our relationships with the communities we operate, and our wider stakeholders supports operational resilience and our ability to attract and retain talent (which is mostly sourced from the local community). Our customer base is often also local, and we want to be the place where the local community and supplier base recycle their metals. This not only helps our bottom-line by giving us access to intake at source, but also develops our brand and credibility as a business and supports our purpose.

Threats

The rapid gentrification or urbanisation of previously industrial or semi-rural suburbs in the vicinity of larger cities means that most of our sites, even if relatively removed from urban centres at inception, are now in close proximity to (or in the midst of) urban areas or sensitive receptors. Through our operations, we have the potential to cause disruption and nuisance to the communities and the environment around us, whether through fires at our sites, dust, noise, increased heavy-vehicle traffic, and other factors. A serious fire event, for example, could potentially cause damage or disturbances to the environment, our neighbours and the community at large, impact our financial and operational performance, result in litigation or regulatory action, and ultimately cause long-term damage to our social licence to operate and reputation.

Risk Appetite

We pride ourselves in providing a pathway to decarbonisation and circularity to our customers, and delivering constant innovation and improvement that aims at protecting the environment and communities we operate in, and set the standard for our industry.

Our management response includes:

- A vast array of operational measures is in place and substantial investments identified to address and mitigate any undesirable impact of our operations on our communities and the environment. Such measures include (but are not limited to) buffer walls, enclosing some of our equipment (where reasonably practicable), and planting trees to screen off noise and improve visuals.
- Targeted, locally focused, action plans in place for key sites;
- Social Licence Framework and associated governance mechanisms in place;
- Dedicated resources in key locations to understand our communities' needs and drive our action plans;
- Reporting, investigating, and sharing learnings from incidents impacting our communities and the environment across the Group;
- Developed crisis and emergency response plans and business continuity plans;
- Sims works collaboratively with local fire departments and fire detection firms to ensure our control measures in fire prevention and methods for response continually improve with new technologies. Over the past few years, we have partnered with fire detection firms to trial state-of-the-art, machine-learning, early detection warning systems to control fire risk.

Directors' Report

For the half year ended 31 December 2025

REGULATIONS AND PUBLIC POLICY

As previously articulated, we recognise the significant shift in our external operating environment and increased stakeholder expectations, including those from government and regulatory authorities. In this regard, we view the efforts of government (and the private sector) to decarbonise and lower emissions as a significant opportunity for Sims.

Particularly relevant to Sims are cap and trade schemes, emission limits, as well as carbon-pricing mechanisms and taxes on GHG emissions. Sims supports the efforts endorsed by the European Council in December 2019 to make the EU climate neutral by 2050 and by Australia to achieve net zero greenhouse gas emissions by no later than 2050, in line with the Paris Agreement. Sims remains committed to curbing its own emissions.

Opportunities

As described under 'Climate Change' for Sims, a low-carbon transition is at the heart of our business strategy. As such, we see a significant upside in the current and proposed government policies which have the objective of transitioning to a low-carbon economy. As a leader in the metals recycling industry, we see ourselves as an indispensable part of the transition, and in furthering the circular-economy agenda, either through strategic industry associations or directly engaging with government where appropriate.

Threats

The potential threats arising from these changes or measures range between tactical challenges such as an increased cost of purchased energy, or capital costs needed for the electrification of equipment, or lower emissions equipment to, on a strategic front, potential restrictions to the export of our products which may come through waste management initiatives. Sims has not to date experienced any material negative impact related to these current or potential regulations, but we continue to monitor, evaluate and engage with government and through industry associations to ensure we remain current and are able to respond to these changes with sufficient agility.

Risk appetite

Sims requires strict compliance with laws and regulations across our organisation including safety, trading, environment, and reporting to our stakeholders and the public. While we require compliance, we simultaneously pursue clarity in regulations which impact our business and strive to ensure all players in the industry are held to the same environmental standards that we pursue.

We encourage regular community and bi-partisan political engagement efforts at a federal, state and local level to support the achievement of our purpose and vision. We discourage complacency in our processes and procedures that put us at risk of regulatory violations and potential litigation.

Our management response includes:

- Engaging through industry associations, business chambers, and directly with government where appropriate.
- Annual review of industry association lobbying to monitor activity alignment with Sims' policy and position (particularly regarding climate change);
- Monitoring and scanning for changes in the policy and regulatory environment;
- Engagement of specialised third-party advisory firms or individuals as required;
- Government Engagement & Advocacy Policy to guide activities;
- Rotating, regular internal Audit reviews of site compliance with key regulatory obligations;
- A bi-annual sign-off process from key executives on areas which includes sign-off on regulatory compliance across all our operations;
- Annual Compliance training for all staff;
- Whistleblower mechanisms in place to ensure any breaches of laws or regulation can be promptly and anonymously reported and recorded.

Directors' Report

For the half year ended 31 December 2025

TECHNOLOGY AND CYBER SECURITY

As Sims continues to evolve, our processes are becoming increasingly reliant on technology, and the systems with which we operate more sophisticated. We view technology as a tool to assist and enhance the running of our day-to-day operations and also a key component of our future strategy. Consequently, Sims has consistently invested in enhancing its technology suite and bolstering its cyber security and incident response management.

Opportunities

We see a significant upside in enhancing our core operating systems, as well as in the use of business intelligence, data analytics and, where appropriate, artificial intelligence.

Our Sims Lifecycle Services business is exceptionally positioned to take full advantage of the increasing use of data centres across the globe and partners with a range of well-established technology companies, playing a critical role in helping businesses and data centres manage the profound shift in how and where technology is managed. As a worldwide leader in IT asset and cloud infrastructure reuse, redeployment, recycling and refining, SLS provides repurposing and IT recycling solutions for businesses. Our data centre division plays a hands-on role in decommissioning IT equipment, bulk hard drive destruction and repurposing data centre parts and equipment.

Threats

We view technology and its use as a sizeable opportunity, while also recognising that it presents clear threats which need to be managed, such as risks associated with the adoption and implementation of new technologies and the failure to take necessary steps to prepare for cybersecurity incidents or technical outages which could result in operational incidents, business disruptions or data breaches, and ultimately have adverse effects on our social license to operate, reputation, financial performance, and overall competitiveness.

Risk appetite

We encourage all Sims employees to believe they have a responsibility to protect Sims' assets and data and encourage investment in training that promotes proactive behaviours to prevent, detect, respond and recover from cyber security incidents.

Our management response includes:

- Maintaining technologies to improve our overall cybersecurity resilience, including but not limited to global virtual private networks ("VPNs"), multi-factor authentication ("MFA"), robust anti-virus/anti-spyware/anti-malware software technologies, data protection via encryption and machine authentication;
- Implementing a robust incident response strategy in partnership with third-party service providers of managed detection and incident response and conducting our annual global IT incident response tabletop exercise;
- Conducting an executive level Crisis Management exercises simulating a wide-spread cyber security event with the participation of the Board as well as key executives across all potentially impacted business units and functions;
- Enhancing our information security/cybersecurity awareness training program by leveraging various internal communication channels, including email (frequent publication of cybersecurity articles) and MySims Intranet site (security videos and Cybersecurity Awareness newsletter);
- Continuing to include training on relevant security awareness policies (e.g., acceptable use, protection of information assets) as part of our new employee onboarding process;
- Mandatory Annual Cybersecurity Training, which is managed through the Sims University Learning Centre;
- Conducting bi-monthly internal simulated phishing testing attacks and enhancing our KPI reporting;
- Maintaining appropriate cyber insurance;
- Testing our Disaster Recovery Plans across all regions;
- Subjecting our cybersecurity practices to annual internal and external audit, and vulnerability assessment and penetration testing multiple times during the year.

Directors' Report

For the half year ended 31 December 2025

GEOPOLITICAL AND MACROECONOMIC RISKS

Sims financial and operational performance is exposed to fluctuations in the market price for ferrous and non-ferrous metals and precious metals, which at times are volatile. The underlying causes for these fluctuations are typically geopolitical and macroeconomic factors which, albeit being beyond Sims' direct control, need to be closely monitored and, to the extent possible, their impact anticipated and mitigated.

Opportunities

We are confident in the medium and long-term fundamentals of the business. The demand for ferrous scrap in the USA supported by infrastructure spending and Electric Arc Furnace ("EAF") steelmaking production is expected to remain robust. India remains a key area of growth and we expect to be able to leverage its foreshadowed infrastructure expansion in the coming years.

On more general terms, we continue to build our understanding of geopolitical and macroeconomic threats and opportunities as we believe this can not just assist us in implementing appropriate risk mitigation measures, but also enhance the development of our strategy, our operations planning and response, and ultimately provide a potential future competitive advantage.

Threats

In the short term, adverse movements in commodity prices may negatively impact our financial performance. Current ferrous scrap prices, driven, at least partially, from an oversupply of Chinese steel, may result in a continuation of soft ferrous scrap flows. We expect non-ferrous volumes and prices to provide a level of offset.

The cost of capital may also affect the results of our operations, financial performance and returns to investors in the short term depending on interest rates and currency movements.

Our management response includes:

- Monitoring geopolitical and macroeconomic developments and trends, including through signal monitoring and our enterprise-level watch list of emerging themes, to provide an early indication of events that could impact our strategy;
- Regular briefings and updates from external Subject Matter Experts to management and the Board as appropriate;
- Maintaining response plans for various scenarios (including major international conflict/s) to mitigate disruptions to sales and logistics;
- Inventory management and turning inventories quickly;
- Use of forward commodity contracts matched to purchases or sales of non-ferrous metals (primarily copper, nickel and aluminium) and certain precious metals (primarily gold, silver and palladium);
- Strategic planning and stress testing of assumptions using a range of diverse pricing forecasts for key commodities;
- Cost containment measures and other initiatives deployed to offset the impact of a commodity pricing downturn and improve margins.

Directors' Report

For the half year ended 31 December 2025

DIVIDENDS

Since the end of the reporting period, the Directors have determined the payment of an interim dividend of 14 cents per share (100% franked).

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Acquisition of Tri Coastal Trading

On 9 February 2026, the Group entered into a binding agreement to purchase TCT Trading, LLC d/b/a Tri Coastal Trading (TCT), a privately owned metal recycling business based in Houston, Texas for US\$66.5 million (approximately A\$95 million). The transaction includes the novation of TCT's Enstructure LLC's service agreement to Sims (Service Agreement), which includes access to harbour side land and a deep-sea dock facility in the Galena Park industrial area of Houston.

The business combination reflects the Group's strategic intent to strengthen its presence in Houston, Texas, optimise operational synergies and is aligned with our overall strategic objectives.

The consideration paid will be allocated against the fair value of the assets and liabilities acquired, including identified intangibles, with the difference being allocated to goodwill. The process of determining fair value at the completion date is being undertaken and is expected to be reported in the 30 June 2026 Financial Report.

Subsequent to the half-year end, the Group also entered into an agreement to sell its Mayo Shell property in Houston. The sale is subject to customary conditions, including due diligence and regulatory approvals.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 20 and forms part of the Directors' Report for the half year ended 31 December 2025.

ROUNDING OFF OF AMOUNTS

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest tenth of a million dollars, unless otherwise indicated.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board of Directors.



P Bainbridge
Chairperson
Sydney
17 February 2026



S Mikkelsen
Managing Director and Group CEO
Sydney
17 February 2026

17 February 2026

The Board of Directors
Sims Limited
Level 9, 189 O'Riordan Street
Mascot, NSW, 2020

Dear Board Members

Auditor's Independence Declaration to Sims Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Sims Limited.

As lead audit partner for the review of the half-year financial report of Sims Limited for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



Samuel Vorweg
Partner
Chartered Accountants

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Condensed Consolidated Income Statement

For the half year ended 31 December 2025

	NOTE	HALF YEAR ENDED 31 DECEMBER	
		2025 A\$M	2024 A\$M
Continuing operations			
Revenue	3	3,791.2	3,662.9
Other income	3	6.7	22.0
Raw materials used and changes in inventories		(2,588.6)	(2,583.4)
Freight expense		(261.5)	(237.5)
Employee benefits expense		(379.6)	(371.9)
Depreciation and amortisation expense	5a	(128.7)	(128.5)
Repairs and maintenance expense		(49.9)	(46.1)
Other expenses		(367.5)	(284.2)
Impairment expense	5b	(65.6)	–
Finance costs		(28.6)	(28.8)
Share of results of joint ventures		65.5	45.6
(Loss)/profit before income tax		(6.6)	50.1
Income tax expense	6	(23.3)	(19.3)
(Loss)/profit for the half year from continuing operations		(29.9)	30.8
Discontinued operations			
Loss for the half year from discontinued operations		–	(21.4)
(Loss)/profit for the half year		(29.9)	9.4
Attributable to:			
Owners of the Company		(29.9)	9.4
		Aç	Aç
(Loss)/earnings per share			
From continuing operations			
Basic	7	(15.5)	16.0
Diluted	7	(15.5)	15.8
From discontinuing operations			
Basic	7	–	(11.1)
Diluted	7	–	(11.1)
From continuing and discontinued operations			
Basic	7	(15.5)	4.9
Diluted	7	(15.5)	4.9

The consolidated income statement should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2025

	NOTE	HALF YEAR ENDED 31 DECEMBER	
		2025 A\$M	2024 A\$M
(Loss)/profit for the half year from continuing and discontinued operations		(29.9)	9.4
Other comprehensive (loss)/income:			
<i>Items that may be reclassified to profit or loss:</i>			
Foreign exchange translation differences arising during the period, net of tax		(37.3)	146.1
Reclassified to income statement on disposal of foreign operations, net of tax		–	39.7
Share of other comprehensive income of investments accounted for using the equity method		(2.1)	–
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurements of defined benefit plans, net of tax		–	0.1
Other comprehensive (loss)/income for the half year, net of tax		(39.4)	185.9
Total comprehensive (loss)/income for the half year from continuing operations		(69.3)	177.0
Total comprehensive income for the half year from discontinued operations		–	18.3
Total comprehensive (loss)/income for the half year		(69.3)	195.3

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 31 December 2025

A\$M	NOTE	31 DECEMBER 2025	30 JUNE 2025
Current assets			
Cash and cash equivalents		106.1	181.1
Trade and other receivables		686.0	773.1
Inventories		565.3	506.3
Tax receivable		71.5	65.6
Prepayments		26.2	31.1
Other financial assets		21.5	34.5
Assets classified as held for sale	12	31.6	–
Total current assets		1,508.2	1,591.7
Non-current assets			
Investments in joint ventures	9	672.1	657.5
Other financial assets		78.4	81.3
Right of use assets		269.1	230.9
Property, plant and equipment		1,374.4	1,445.4
Retirement benefit assets		1.5	1.1
Deferred tax assets		176.9	171.6
Intangible assets		256.5	266.6
Total non-current assets		2,828.9	2,854.4
Total assets		4,337.1	4,446.1
Current liabilities			
Trade and other payables		640.3	602.7
Deferred income		73.0	77.5
Lease liabilities		78.2	75.9
Other financial liabilities		66.9	23.8
Current tax liabilities		19.7	24.9
Provisions		118.9	151.6
Total current liabilities		997.0	956.4
Non-current liabilities			
Trade and other payables		6.6	7.8
Borrowings	11	412.9	513.4
Lease liabilities		234.0	198.4
Deferred tax liabilities		164.6	154.5
Provisions		24.0	27.4
Retirement benefit obligations		0.2	1.4
Total non-current liabilities		842.3	902.9
Total liabilities		1,839.3	1,859.3
Net assets		2,497.8	2,586.8
Equity			
Contributed equity	8a	2,594.3	2,585.7
Reserves	8b	514.6	547.4
Accumulated deficit		(611.1)	(546.3)
Total equity		2,497.8	2,586.8

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the half year ended 31 December 2025

	NOTE	CONTRIBUTED EQUITY A\$m	RESERVES A\$m	ACCUMULATED DEFICIT A\$m	TOTAL EQUITY A\$m
Balance at 1 July 2024		2,593.3	448.0	(478.6)	2,562.7
Income for the half year		–	–	9.4	9.4
Other comprehensive income		–	185.8	0.1	185.9
Total comprehensive income for the half year		–	185.8	9.5	195.3
Transactions with owners in their capacity					
Movement in treasury shares held by trust		1.1	–	(9.6)	(8.5)
Dividends paid	4	–	–	(19.3)	(19.3)
Share-based payments expense, net of tax		–	8.3	–	8.3
Balance at 31 December 2024		2,594.4	642.1	(498.0)	2,738.5
Balance at 1 July 2025		2,585.7	547.4	(546.3)	2,586.8
Loss for the half year		–	–	(29.9)	(29.9)
Other comprehensive loss		–	(39.4)	–	(39.4)
Total comprehensive loss for the half year		–	(39.4)	(29.9)	(69.3)
Transactions with owners in their capacity					
Movement in treasury shares held by trust	8	8.6	–	(9.8)	(1.2)
Dividends paid	4	–	–	(25.1)	(25.1)
Share-based payments expense, net of tax		–	6.6	–	6.6
Balance at 31 December 2025		2,594.3	514.6	(611.1)	2,497.8

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

For the half year ended 31 December 2025

	NOTE	HALF YEAR ENDED 31 DECEMBER	
		2025 A\$M	2024 A\$M
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		3,816.5	3,779.8
Payments to suppliers and employees (inclusive of goods and services tax)		(3,659.0)	(3,355.1)
		157.5	424.7
Interest received		6.9	12.5
Interest paid		(27.6)	(34.9)
Dividends received from joint ventures		39.1	22.9
Grant income received		0.2	0.1
Income taxes received		–	0.6
Income taxes paid		(20.9)	(78.1)
Net cash inflows from operating activities		155.2	347.8
Cash flows from investing activities			
Payments for property, plant and equipment		(66.5)	(83.5)
Proceeds from sale of business		–	64.6
Payments for other financial assets		(1.7)	(0.8)
Proceeds from sale of other financial assets		4.1	1.6
Proceeds from sale of assets held for sale		–	49.4
Proceeds from sale of property, plant and equipment		0.7	10.4
Proceeds from repayment of loan to joint ventures		–	(0.1)
Net cash (outflows)/inflows from investing activities		(63.4)	41.6
Cash flows from financing activities			
Proceeds from borrowings		765.4	1,081.9
Repayment of borrowings		(864.7)	(1,293.7)
Repayment of leases		(40.1)	(46.0)
Payments for shares under employee share plan		–	(8.5)
Dividends paid	4	(25.1)	(19.3)
Net cash outflows from financing activities		(164.5)	(285.6)
Net (decrease)/increase in cash and cash equivalents		(72.7)	103.8
Cash and cash equivalents at the beginning of the half year		181.1	93.1
Effects of exchange rate changes on cash and cash equivalents		(2.3)	4.2
Cash and cash equivalents at the end of the half year		106.1	201.1

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Condensed Notes to the Consolidated Interim Financial Report

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sims Limited (the "Company") is a for-profit company incorporated and domiciled in Australia. The consolidated financial statements for the half year ended 31 December 2025 ("HY26") comprise the financial results of the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in joint ventures.

Basis of preparation

This interim financial report:

- Has been prepared in accordance with Australian Accounting Standards Board ("AASB") 134, Interim Financial Reporting and the Corporations Act 2001;
- Has been prepared on a going concern basis of accounting with no material uncertainties as to the Company's ability to continue to operate;
- Does not include all notes of the type normally included within the annual financial report. As a result, it should be read in conjunction with the annual financial report of the Group for the year ended 30 June 2025 ("FY25 Annual Report"), together with any announcements made by the Group during the half year ended 31 December 2025;
- Has been prepared on the basis of historical cost, except for certain derivative financial assets and liabilities which have been measured at fair value;
- Is presented in Australian Dollars;
- Presents all values as rounded to the nearest tenth of a million dollars, unless otherwise stated under ASIC Corporations (rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016;
- There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the half year beginning 1 July 2025 that have a material impact on the amounts recognised in the prior period or will affect current or future periods.

Condensed Notes to the Consolidated Interim Financial Report

NOTE 2 - SEGMENT INFORMATION

Description of segments

Operating segments have been identified based on separate financial information that is regularly reviewed by the Group CEO, the Chief Operation Decision Maker ("CODM").

The Group operated in five principal operating segments: North America Metal ("NAM"), Australia and New Zealand Metal ("ANZ"), Investment in SA Recycling ("SAR"), Sims Lifecycle Services ("SLS") and Global Trading Operations ("GTO"). The segments are based on a combination of factors including geography, products and services.

All other operating segments are included within the "Unallocated" segment.

In line with the agenda decision issued by IFRS Interpretations Committee ("IFRIC") in July 2024, Sims has presented additional information relating to specified and material items that are either regularly reviewed by the CODM or routinely provided to the CODM for the purpose of assessing segment performance. As a result, segment comparatives presentation has been revised to reflect this change.

Details of the segments are as follows:

- NAM – comprising subsidiaries and joint ventures (other than SAR) in the United States of America and Canada which perform ferrous and non-ferrous metal secondary recycling functions.
- ANZ – comprising subsidiaries in Australia, New Zealand and Papua New Guinea which perform ferrous and non-ferrous metal secondary recycling functions.
- SAR – comprising the Group's share of results from its investment in the SA Recycling joint venture, in the United States of America.
- SLS – comprising subsidiaries which provide IT asset and cloud infrastructure reuse, redeployment and recycling in the following countries: Australia, Brazil, Germany, India, Ireland, Mexico, Netherlands, Poland, Singapore, the United Kingdom and the United States of America.
- GTO – comprising the Group's ferrous and non-ferrous marketing subsidiaries, which coordinate the sale of ferrous bulk cargo shipments and non-ferrous sales primarily into China, Turkey and Southeast Asia, and brokerage sales on behalf of third and related parties.
- Unallocated – comprising unallocated central costs, interests in other joint ventures, and Global Sustainability Insurance Corporation, a captive insurance company.

Discontinued operations are not presented as a separate segment as they are not regularly reviewed by the CODM in assessing the performance of operating segments or in making decisions about the allocation of resources. As such, information relating to discontinued operations has been excluded from the segment disclosures.

Condensed Notes to the Consolidated Interim Financial Report

NOTE 2 - SEGMENT INFORMATION (continued)

The following is an analysis of the Group's revenue and results by reportable operating segment:

Half year ended 31 December 2025	NAM A\$M	ANZ A\$M	SLS A\$M	SAR A\$M	GTO A\$M	UNALLO- CATED A\$M	TOTAL CONTINUING OPERATIONS A\$M
Sales Revenue	2,271.4	843.6	327.4	–	336.2	–	3,778.6
Trading margin	498.8	175.5	168.4	–	2.5	0.5	845.7
Operating costs (excluding D&A)	(356.9)	(124.6)	(111.6)	–	(12.0)	(51.4)	(656.5)
Share of results of JV (underlying)	0.3	1.3	–	59.0	–	–	60.6
Underlying EBITDA	142.2	52.2	56.8	59.0	(9.5)	(50.9)	249.8
Depreciation and amortisation	(88.9)	(30.7)	(7.8)	–	(0.5)	(0.8)	(128.7)
Underlying EBIT	53.3	21.5	49.0	59.0	(10.0)	(51.7)	121.1
Proprietary Sales tonnes (thousands)	2,337	721	N/A	N/A	N/A	N/A	3,058
Repurposed units (million)	N/A	N/A	5.3	N/A	N/A	N/A	N/A
Trading margin (%)	22.0	20.8	N/A	N/A	N/A	N/A	N/A
Underlying EBIT margin (%)	2.3	2.5	15.0	N/A	(3.0)	N/A	3.2
Investments in joint ventures	18.1	2.5	–	651.5	–	–	672.1
Property, plant and equipment additions	36.7	15.3	5.3	–	–	0.1	57.4
Asset impairments	–	–	–	–	–	65.6	65.6
Assets	2,075.4	859.9	180.5	693.3	235.0	293.0	4,337.1
Liabilities	506.1	530.5	236.5	0.4	209.7	356.1	1,839.3
Net assets	1,569.3	329.4	(56.0)	692.9	25.3	(63.1)	2,497.8
Half year ended 31 December 2024							
Sales revenue	2,257.4	770.6	192.7	–	424.8	–	3,645.5
Trading margin	479.6	197.4	108.9	–	6.5	–	792.4
Operating costs (excluding D&A)	(344.5)	(128.9)	(88.0)	(0.1)	(13.8)	(61.3)	(636.6)
Share of results of JV (underlying)	(1.9)	–	–	47.5	–	–	45.6
Underlying EBITDA	133.2	68.5	20.9	47.4	(7.3)	(61.3)	201.4
Depreciation and amortisation	(86.5)	(30.7)	(6.8)	–	(0.5)	(4.0)	(128.5)
Underlying EBIT	46.7	37.9	14.1	47.4	(7.8)	(65.3)	73.0
Proprietary Sales tonnes (thousands)	2,464	728	N/A	N/A	N/A	N/A	3,192
Repurposed units (million)	N/A	N/A	4.5	N/A	N/A	N/A	N/A
Trading margin (%)	21.2	25.6	N/A	N/A	N/A	N/A	N/A
Underlying EBIT margin (%)	2.1	4.9	7.3	N/A	(1.8)	N/A	2.0
Investments in joint ventures	19.8	0.1	–	634.1	–	–	654.0
Property, plant and equipment additions	40.6	24.8	5.5	–	–	–	70.9
Asset impairments	–	–	–	–	–	–	–
Assets as at 30 June 2025	2,052.7	943.7	163.4	680.4	203.9	402.0	4,446.1
Liabilities as at 30 June 2025	510.4	519.4	144.8	0.3	181.2	503.2	1,859.3
Net assets	1,542.3	424.3	18.6	680.1	22.7	(101.2)	2,586.8

Condensed Notes to the Consolidated Interim Financial Report

NOTE 2 - SEGMENT INFORMATION (continued)

Reconciliation of segment EBIT to the Group's statutory (loss)/profit before income tax

	HALF YEAR ENDED 31 DECEMBER	
	2025 A\$M	2024 A\$M
Underlying EBIT	121.1	73.0
Significant items ¹	(106.0)	(6.6)
Statutory EBIT from continuing operations	15.1	66.4
Finance costs	(28.6)	(28.8)
Interest income	6.9	12.5
(Loss)/profit before income tax from continuing operations	(6.6)	50.1

¹Refer to Note 5(b) for details on significant items.

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Condensed Notes to the Consolidated Interim Financial Report

NOTE 3 - REVENUE AND OTHER INCOME

The Group reports revenues by the following product groups:

- Ferrous secondary recycling – comprises the collection, processing and trading of secondary raw material derived from iron and steel.
- Non-ferrous secondary recycling – comprises the collection, processing and trading of other metal alloys and residues, principally aluminium, lead, copper, zinc, and nickel bearing materials.
- IT Recycling & Repurposing services – comprises the provision of environmental and data security responsible services for the refurbishment, resale or commodity reclamation of IT assets recycled for commercial and post-consumer suppliers.
- Secondary processing and other services - comprises stevedoring and other sources of service-based revenue.

	HALF YEAR ENDED 31 DECEMBER	
	2025 A\$M	2024 A\$M
Ferrous secondary recycling	2,020.7	2,317.5
Non-ferrous secondary recycling	1,397.8	1,103.4
IT Recycling & repurposing services	327.4	192.7
Secondary processing and other services	32.7	31.9
Total sales revenue from continuing operations	3,778.6	3,645.5
Other revenue		
Interest income	6.9	12.5
Rental income	4.6	4.2
Dividend income	1.1	0.7
Total other revenue from continuing operations	12.6	17.4
Total revenue from continuing operations	3,791.2	3,662.9
Other income		
Net gain on commodity and/or currency derivatives	–	14.6
Net gain on disposal of property, plant and equipment	0.7	2.6
Other	6.0	4.8
Total other income from continuing operations	6.7	22.0

Condensed Notes to the Consolidated Interim Financial Report

NOTE 4 - DIVIDENDS

Details of dividends paid are as follows:

	CENTS PER SHARE	AMOUNT A\$M
HY26:		
Final FY25 (100% franked)	13	25.1
HY25:		
Final FY24 (100% franked)	10	19.3

Since the end of the reporting period, the Directors have determined the payment of an interim dividend of 14 cents per share (100% franked). The dividend will be payable on 18 March 2026 to shareholders on the Company's register at the record date of 4 March 2026. The estimated dividend to be paid, but not recognised as a liability at the end of the reporting period, is expected to be \$27.1 million.

NOTE 5 - ITEMS INCLUDED IN (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax includes the following items whose disclosures are relevant to explaining the financial performance of the Group:

	HALF YEAR ENDED 31 DECEMBER	
	2025 A\$M	2024 A\$M
(a) Specific expenses		
Depreciation and amortisation:		
Depreciation expense, excluding right of use asset depreciation	80.4	75.2
Right of use asset depreciation expense	42.0	43.2
Amortisation expense	6.3	10.1
Total depreciation and amortisation expense	128.7	128.5
Net loss on commodity and/or currency derivatives	83.7	–
Net foreign exchange loss	3.8	1.0
Equity-settled share-based payments expense	7.9	8.2
Loss on sale of assets held for sale	–	3.6

Condensed Notes to the Consolidated Interim Financial Report

NOTE 5 - ITEMS INCLUDED IN (LOSS)/PROFIT BEFORE INCOME TAX (continued)

(b) Significant items

	HALF YEAR ENDED 31 DECEMBER	
	2025 A\$M	2024 A\$M
Impairment of assets	(65.6)	–
Gain on sale of assets classified as held for sale (net of transaction costs and impact of discontinued operations)	–	1.7
Restructuring and redundancies	(4.2)	(5.6)
Gain on sale of business	4.9	–
Non-qualifying hedges	(41.1)	(2.7)
	(106.0)	(6.6)

The major significant item amounts recorded in HY26 include the following:

- Impairment of assets reflects a loss allowance of \$65.6 million, primarily relating to the prior year sale of UK Metal (refer further detail below).
- Restructuring and redundancies predominantly related to measures to simplify the organisational structure in HY26 and includes the Group's transition to a Global Shared Service function.
- Gain on sale of business relates to the Group's share of the profit made by its joint venture partner SA Recycling on the sale of certain business units.
- Non-qualifying hedges reflect the mark-to-market adjustment on commodity hedges held at balance date.

Receivable on sale of UK Metal

As at 30 June 2025, the Group had recognised an Other Receivable from Unimetals (UK) Limited relating to the Group's sale of the UK Metal business in September 2024. A loss allowance of \$36.1 million was recognised in relation to this Other Receivable (net receivable of \$73.1 million) reflecting the Group's best estimate of recoverability at that time.

Subsequent to 30 June 2025, Unimetals failed to meet its revised payment obligations and was subsequently placed into liquidation by its board on 13 October 2025. The Group has since pursued recovery actions through the potential realisation of secured fixed assets. Given ongoing negotiations with third parties and significant uncertainty regarding the realisable value of these assets, the estimated recoverable amount of the Other Receivable has been further reduced by approximately \$60 million, resulting in a net receivable carrying value of approximately \$10 million as at 31 December 2025.

Condensed Notes to the Consolidated Interim Financial Report

NOTE 6 - INCOME TAXES

The prima facie income tax on (loss)/profit before income tax differs from the income tax in the consolidated income statement and is reconciled as follows:

	HALF YEAR ENDED 31 DECEMBER	
	2025 A\$M	2024 A\$M
(Loss)/profit before income tax from continuing operations	(6.6)	50.1
Tax at the standard Australian rate of 30%	(2.0)	15.0
Effect of tax rates in other jurisdictions	(1.4)	(2.4)
Deferred tax assets not recognised	21.3	1.3
Recognition of tax effect of previously unrecognised tax losses	(0.3)	(0.3)
Non-deductible expenses	2.0	5.0
Share-based payments	1.3	0.6
Other	2.4	0.1
Income tax expense recognised in profit or loss	23.3	19.3

At 31 December 2025, the Group has not recognised deferred tax assets totalling \$78.0 million (30 June 2025: \$62.0 million) as it is not probable that they will be realised. A significant portion of the unrecognised deferred tax asset relates to unused tax losses of \$76.0 million (30 June 2025: \$59.7 million) due to either a history of tax losses or it is not considered probable that there will be sufficient future taxable profits to realise the benefit of deferred tax assets within certain subsidiary entities. Unrecognised tax losses include \$9.1 million (30 June 2025: \$7.9 million) of tax losses that will expire in 5 to 20 years. Other unused tax losses may be carried forward indefinitely.

The Company has conducted an analysis for Pillar Two and all of the companies have met one of the safe harbour provisions. Sims is working on the FY25 reporting and will perform an analysis for FY26 based upon final year results. Management does not expect any top-up tax for any jurisdiction for the year.

Condensed Notes to the Consolidated Interim Financial Report

NOTE 7 - EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit/(loss) by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing net profit by the weighted average number of ordinary shares outstanding, adjusted for the effects of all potentially dilutive ordinary shares.

The weighted average number of shares used for the purpose of calculating basic earnings per share is calculated after deduction of the shares held by the Group's trusts.

	HALF YEAR ENDED 31 DECEMBER	
	2025	2024
From continuing operations:		
Basic (loss)/earnings per share (in AÇ)	(15.5)	16.0
Diluted (loss)/earnings per share (in AÇ)	(15.5)	15.8
From discontinued operations:		
Basic (loss) per share (in AÇ)	–	(11.1)
Diluted (loss) per share (in AÇ)	–	(11.1)
From continuing and discontinued operations:		
Basic (loss)/earnings per share (in AÇ)	(15.5)	4.9
Diluted (loss)/earnings per share (in AÇ)	(15.5)	4.9
Weighted average number of shares used in the denominator ('000)		
Basic shares	192,733	192,908
Dilutive effect of share-based awards	–	2,057
Diluted shares	192,733	194,965

Condensed Notes to the Consolidated Interim Financial Report

NOTE 8 - EQUITY

(a) Contributed equity

Movements in the ordinary share balance were as follows:

	As at 31 DECEMBER 2025		As at 30 JUNE 2025	
	NUMBER OF SHARES	A\$M	NUMBER OF SHARES	A\$M
Contributed Equity				
On issue per share register at the beginning of the period	193,223,486	2,597.1	193,209,667	2,597.1
Issued under long-term incentive plans	7,981	—	13,819	—
On issue per share register at the end of the period	193,231,467	2,597.1	193,223,486	2,597.1
Treasury Shares				
Balance held at the beginning of the period	(799,752)	(11.4)	(251,100)	(3.8)
Shares purchased from the market	—	—	(1,360,832)	(17.5)
Issued under long term incentive plans.	617,833	8.6	812,180	9.9
Balance held at the end of the period	(181,919)	(2.8)	(799,752)	(11.4)
Total contributed equity	193,049,548	2,594.3	192,423,734	2,585.7

With effect from 1 January 2020, the Company has allowed participants to withhold shares to satisfy applicable tax withholding and exercise costs under the long-term incentive plans.

Excluding shares held in the employee share ownership program trusts, the number of shares held in equity as at 31 December 2025 was 181,919 with a value of \$2.8 million. The weighted average number of shares used for the purposes of calculating basic earnings per share is calculated after deduction of the shares held by the Group's trusts.

(b) Reserves

	SHARE BASED PAYMENTS A\$M	CASH FLOW HEDGING A\$M	FOREIGN CURRENCY TRANSLATION A\$M	TOTAL A\$M
Balance at 1 July 2024	319.5	—	128.5	448.0
Equity-settled share-based payment expense	8.2	—	—	8.2
Revaluation - gross	—	—	—	—
Share of joint venture's other comprehensive income	—	—	—	—
Reclassification to income statement on disposal of foreign	—	—	39.7	39.7
Foreign currency translation differences	—	—	160.3	160.3
Deferred tax	0.1	—	(14.2)	(14.1)
Balance at 31 December 2024	327.8	—	314.3	642.1
Balance at 1 July 2025	335.9	4.2	207.3	547.4
Equity-settled share-based payment expense	5.7	—	—	5.7
Share of joint venture's other comprehensive income	—	(2.1)	—	(2.1)
Foreign currency translation differences	—	—	(39.7)	(39.7)
Deferred tax	0.4	—	2.4	2.8
Other Movements	0.5	—	—	0.5
Balance at 31 December 2025	342.5	2.1	170.0	514.6

Condensed Notes to the Consolidated Interim Financial Report

NOTE 9 - INTEREST IN OTHER ENTITIES

Joint ventures

Name	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST %	
			As at 31 DECEMBER 2025	As at 30 JUNE 2025
SA Recycling, LLC ("SAR")	Recycling	USA	50	50
Richmond Steel Recycling Limited	Recycling	Canada	50	50
Rondout Iron & Metal Company LLC	Recycling	USA	50	50
KDC Global, Inc.	Recycling	USA	49	49
Kariyarra Sims Recycling Pty Ltd	Recycling	Australia	50	50
Ngardimu Pty Ltd	Recycling	Australia	50	50

Movements in carrying amounts of joint ventures

	SAR A\$M	OTHER A\$M	TOTAL A\$M
Balance at 1 July 2024	564.1	20.8	584.9
Share of results	47.5	(1.9)	45.6
Dividends Received	(22.9)	—	(22.9)
Other	—	0.3	0.3
Foreign exchange differences	45.4	0.7	46.1
Balance at 31 December 2024	634.1	19.9	654.0
Balance at 1 July 2025	638.0	19.5	657.5
Share of results	63.9	1.6	65.5
Dividends Received	(39.1)	—	(39.1)
Other	(2.1)	—	(2.1)
Foreign exchange differences	(9.2)	(0.5)	(9.7)
Balance at 31 December 2025	651.5	20.6	672.1

NOTE 10 - CONTINGENCIES

The Group has given guarantees in respect of the performance of contracts entered into in the ordinary course of business. The amounts of these guarantees provided by the Group, for which no amounts are recognised in the consolidated financial statements, as at 31 December 2025 was \$37.7 million (30 June 2025: \$40.6 million).

NOTE 11 - BORROWINGS

In October 2025, the Group extended and partially restructured its unsecured global multi-currency, multi-option loan facilities with its banking partners. As part of the process, the facility structure and borrowing limits were updated to better align with the Group's funding requirements and capital management strategy. Following the extension, the facilities now mature in December 2027.

As at 31 December 2025, the Group had a total borrowing capacity of \$1,004.6 million (30 June 2025: \$1,037.0 million), with other key terms and conditions substantially consistent. As at 31 December 2025, the Group was in compliance with all financial covenants.

No other significant changes to the Group's borrowings occurred during the period.

Condensed Notes to the Consolidated Interim Financial Report

NOTE 12 - ASSETS HELD FOR SALE

During the half-year ended 31 December 2025, the Group opted to sell two surplus real estate properties located in the United States.

The properties meet the criteria to be classified as assets held for sale under AASB 5 and have therefore been reclassified from Property, plant and equipment, and presented separately within current assets in the consolidated statement of financial position.

The assets are measured at the lower of their carrying amount and fair value less costs to sell. Based on management's assessment, no impairment loss was recognised.

As at 31 December 2025, the carrying amount of assets held for sale was \$31.6 million. There are no liabilities directly associated with these assets.

A binding sale agreement was executed for one of the properties prior to 31 December 2025.

Subsequent to the half-year end, the Group entered into another agreement to sell the other property. The sale is subject to customary conditions, including due diligence and regulatory approvals.

NOTE 13 - SUBSEQUENT EVENTS

Other than the matter described below, there has not been any other matters or circumstances, other than that referred to in the Interim financial reports or notes thereto, that has arisen since the end of the financial period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

Acquisition of Tri Coastal Trading

On 9 February 2026, the Group entered into a binding agreement to purchase TCT Trading, LLC d/b/a Tri Coastal Trading (TCT), a privately owned metal recycling business based in Houston, Texas for US\$66.5 million (approximately A\$95 million). The transaction includes the novation of TCT's Enstructure LLC's service agreement to Sims (Service Agreement), which includes access to harbour side land and a deep-sea dock facility in the Galena Park industrial area of Houston.

As the transaction occurred after the reporting period ended 31 December 2025, it has been classified as a non-adjusting subsequent event in accordance with AASB 110 *Events after the Reporting Period*. Accordingly, the 31 December 2025 Financial Report has not been adjusted for the effects of the business combination.

Primary reasons for the business combination

The business combination reflects the Group's strategic intent to strengthen its presence in Houston, Texas, optimise operational synergies and is aligned with our overall strategic objectives.

Acquisition accounting

At the date this Financial Report was authorised for issue, the initial allocation of the purchase consideration remains provisional, as the Group is finalising fair value assessments for key classes of assets and liabilities.

While the detailed fair value assessment is ongoing, management expects that a significant portion of the purchase consideration will be allocated to identifiable intangible assets associated with customer relationships and the long-term Service Agreement. On a provisional basis, the excess of the purchase consideration over the estimated fair value of identifiable net assets acquired is expected to give rise to goodwill, reflecting anticipated synergies, market expansion benefits, and the assembled workforce.

Acquisition-related costs will be expensed in the period in which they are incurred.

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 26 to 37 are in accordance with the Corporations Act 2001, including:
- i. complying with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half year ended on that date, and
- (b) there are reasonable grounds to believe that Sims Limited will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the directors.



P Bainbridge
Chairperson
Sydney
17 February 2026



S Mikkelsen
Managing Director and Group CEO
Sydney
17 February 2026

Independent Auditor's Review Report to the Members of Sims Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Sims Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration as set out on pages 21 to 38.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 *Interim Financial Reporting* ("AASB 134") and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ("ASRE 2410"). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



Samuel Vorweg
Partner
Chartered Accountants
Sydney, 17 February 2026