



# Creating Value by Providing a Pathway to Decarbonisation

SA Recycling

24 March 2026



Private & Confidential

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# Stephen Mikkelsen

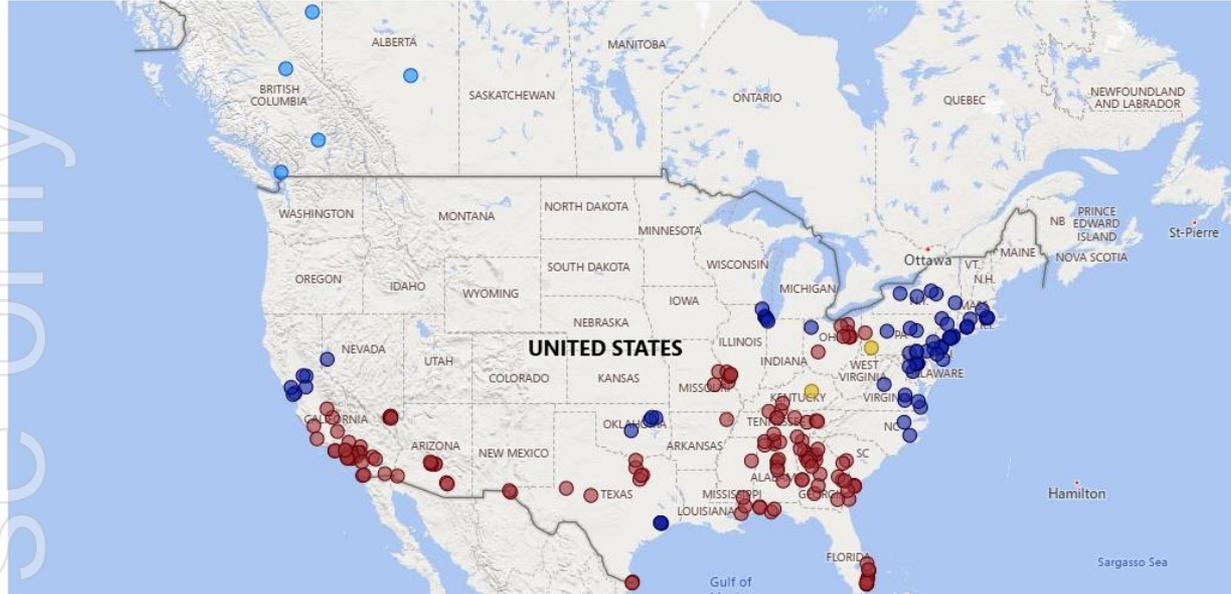
Sims Group CEO & Managing  
Director



# SAR – Strengthening Sims' NA Portfolio

*Expanding scale through a complementary US recycling network*

Company ● Alumisource ● Richmond Steel Recycling ● SA Recycling ● Sims Metal



## NAM

- Operations in 19 states.
- 76 Facilities.
- 15 Shredders.

## SA Recycling

- Operations in 15 states.
- 147 Facilities.
- 22 Shredders.



# SAR and NAM

*Operate in distinct market structures capturing value across the US*

## North America Metal

Operates large-scale shredders in highly populated, competitive markets across the eastern and central United States and Northern California.

Acts as SAR's exclusive ferrous export broker and non-ferrous agent, strengthening customer relationships and global market access.

## SA Recycling

Operates a dense network of shredders and feeder yards across regional markets predominantly in the southern and western United States, where network density is key.



- Captures value across distinct US market structures.
- Strengthens sourcing capability, customer reach and market access.
- Expands national footprint through complementary networks.
- Positions Sims to benefit from EAF growth and increasing US scrap demand.
- Leverages shared safety standards, technology and operational expertise.



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# Tyler Adams

SA Recycling – Chief Operating  
Officer



# SA Recycling Business Overview

*Rapidly growing business with extensive infrastructure, operating in the US scrap metal market for more than 50 years*

+3750 Employees



9 Copper Choppers



FY21-FY26 Sales Volume<sup>1</sup>  
+8.3% CAGR



Operations in 15 States



22 Shredders



147 Facilities

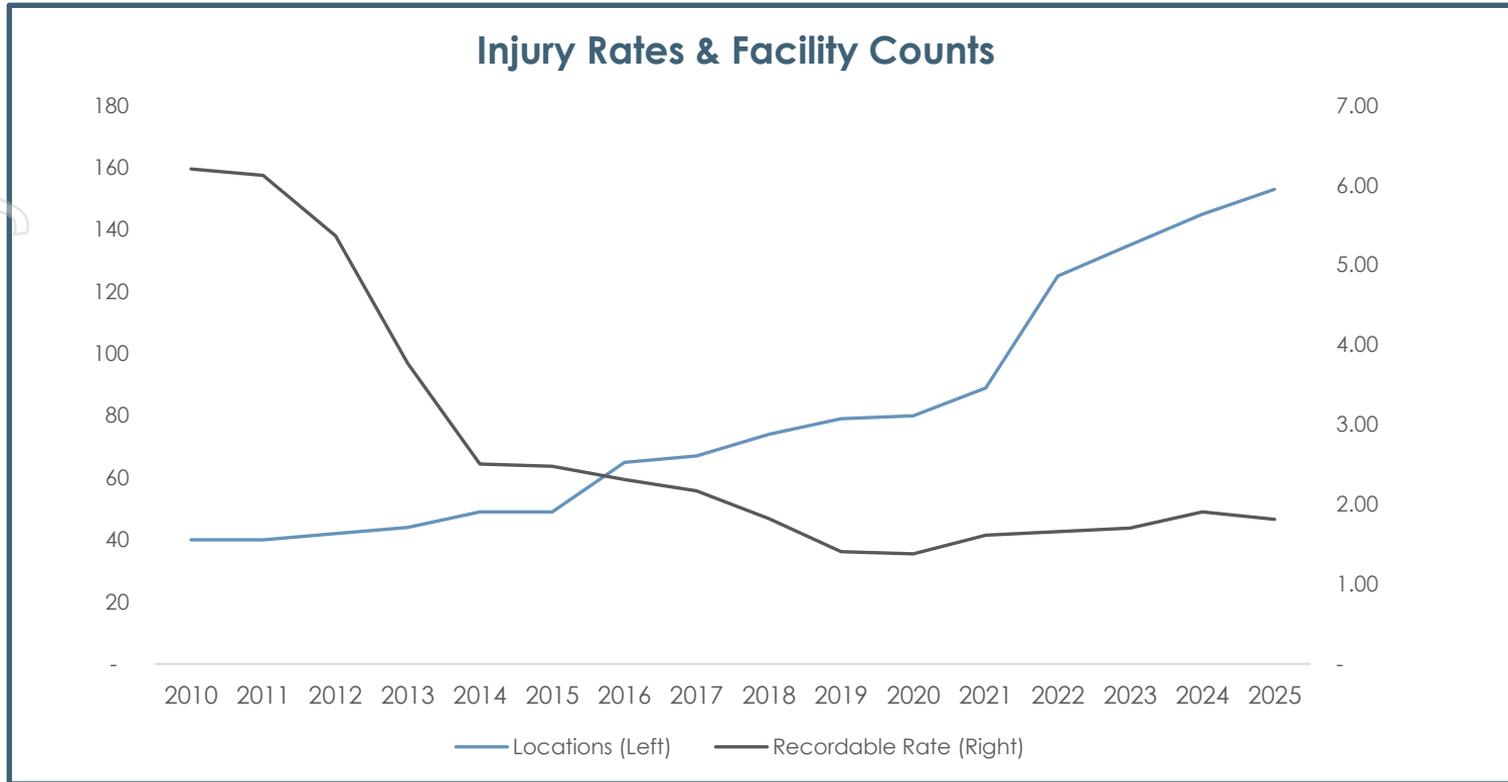


<sup>1</sup>Annualise Sales Volume for FY26



# SAFETY

*Recordable rates declining over time despite significant business scale-up*



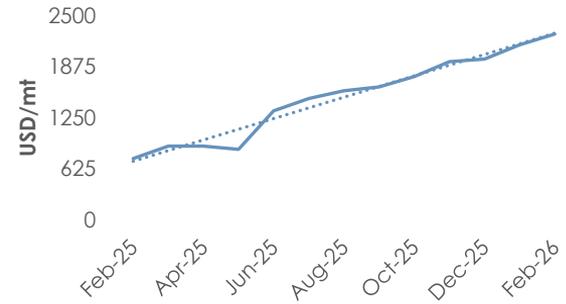
# Strong US Market Drivers

*Favourable industry dynamics supporting long-term demand for recycled metals*

- Supportive tariff and infrastructure policies across three administrations have driven industry strength and investment in efficient modern steel making.
- Strong demand for non-ferrous.



Aluminium US Midwest  
Premium to LME<sup>1</sup>



EAF Capacity Additions (Mt)<sup>2</sup>

CY	Shred tonnes added
CY25 F	3.6
CY26 F	0.2
CY27-29 F	5.8

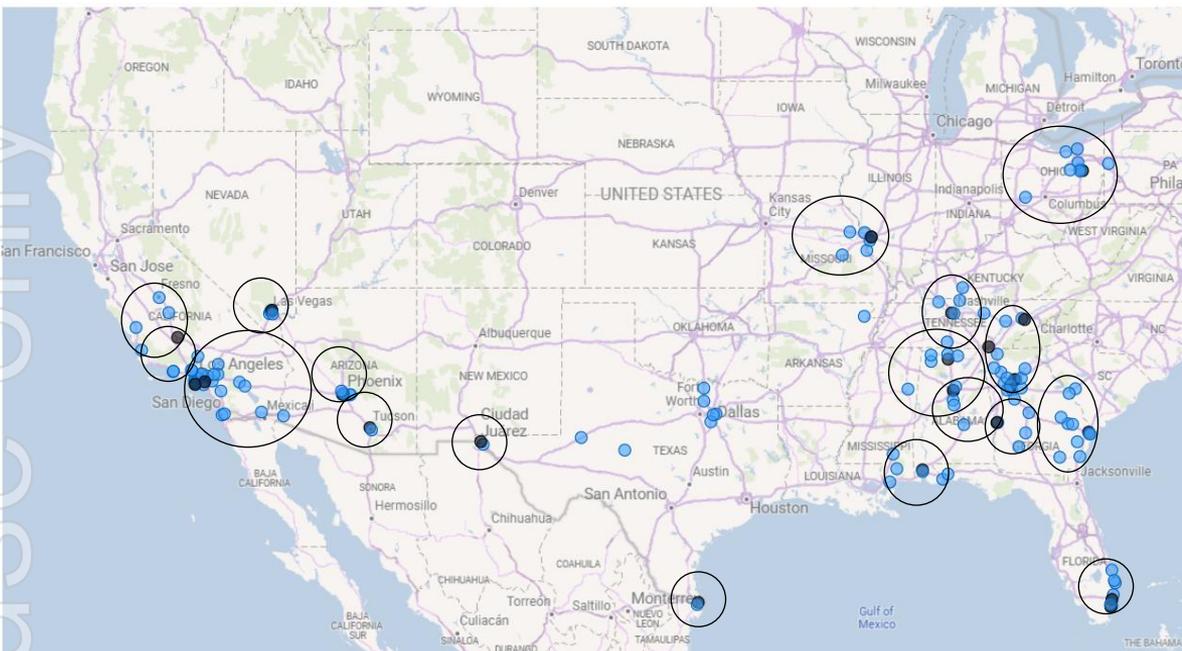
<sup>1</sup> Argus

<sup>2</sup> Based on internal estimates and public disclosed information



# Dense Regional Networks: Secure Scrap

Drive leadership in sourcing and processing, securing consistent local scrap flows.



Local sourcing relationships and logistics infrastructure.

- Yard
- Shredder



# Dense Regional Networks: Non-Ferrous Mix

Underpin structural stable margin and maximise non-ferrous value capture.

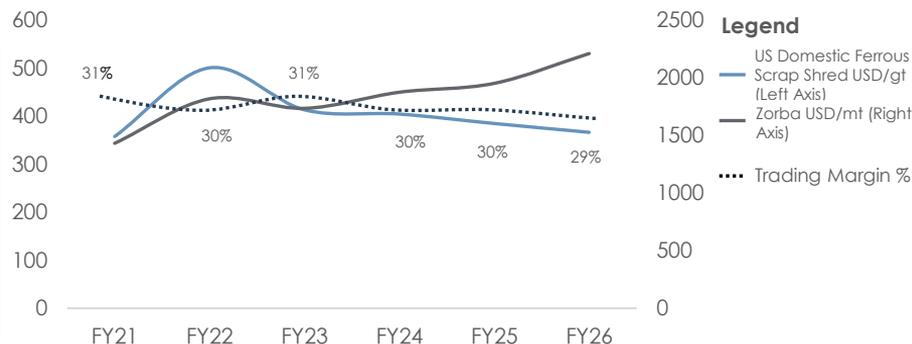
## Structural sourcing advantage

Provides consistent economical access to unprocessed scrap increasing the proportion of non-ferrous output through higher Zorba and retail non-ferrous volumes. This structurally supports more resilient margins across the cycle and reduces exposure to ferrous price volatility.

## Processing Scale

Regional shredders aggregate volumes from feeder yards, maximising throughput and recovery.

### Zorba, US Ferrous & Trading Margin<sup>1</sup>



### HY26 Sales Revenue Mix<sup>2</sup>



■ Ferrous ■ Non-Ferrous

### HY26 Intake Volume Composition<sup>3</sup>



■ Unprepared ■ Prepared

<sup>1</sup> HY26 Trading Margin vs Ferrous Price. Zorba USD/mt – Argus

<sup>2</sup> Non Ferrous comprises non ferrous retail and NFSR

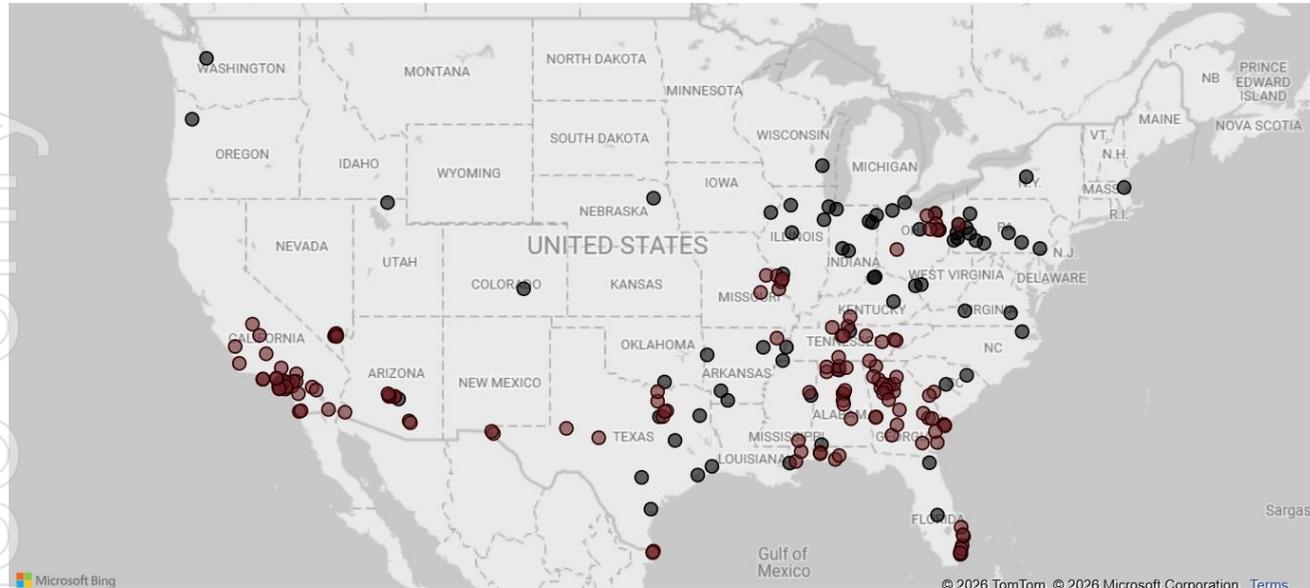
<sup>3</sup> HY26 intake volume.



# Geographical Advantage

Extensive regional footprint positions SAR near major EAF steel mills.

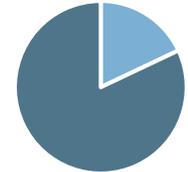
Company ● Active EAF ● SA Recycling



## Structural cost leadership

- EAF proximity delivers structural freight cost advantage and faster asset cycles.
- Improves service reliability.

## Consolidated HY26 Ferrous Sale Volume



■ Export ■ Domestic

Locations of active EAFs indicative





# Consolidation Platform

Fragmented markets combined with network density create a long runway for value-accretive bolt-on acquisitions.

## Bolt-on investment into existing hubs

- Capital is deployed into established assets, minimising integration risk and maximising returns on reinvested capital.

## Regional consolidation provides visible reinvestment runway

- Highly fragmented regional markets provide a repeatable pipeline of bolt-on acquisitions within SAR's established network.

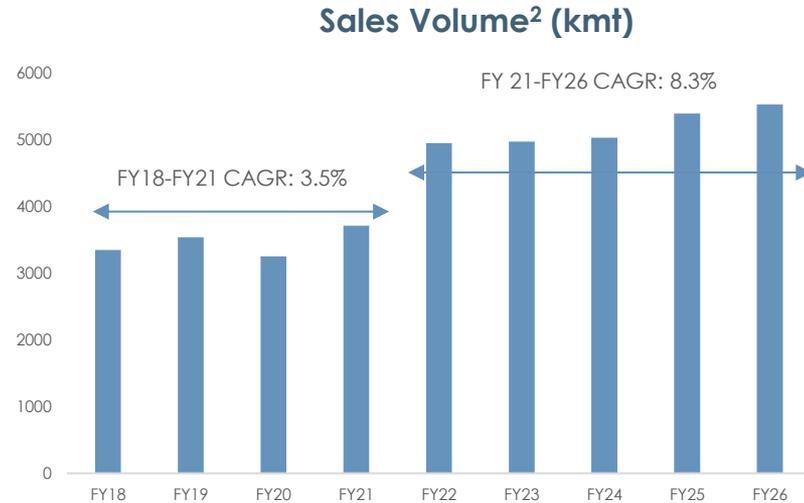
## Balanced growth strategy

- Strong cash generation supports ongoing bolt-on acquisitions, limiting balance-sheet risk.



# Acceleration of Bolt-on Acquisitions

Driving a step change in scale and providing earnings potential



## Strong operating leverage to ferrous recovery

Utilisation headroom and integrated M&A runway provide material earnings and margins upside as the cycle turns.

<sup>1</sup>Includes yards added through the JV with the Adams Steel in 2007.

<sup>2</sup>FY26 Sales volume annualised based on HY26 results.



# Utilisation Upside

Significant shredder utilisation headroom provides operating leverage.

## Shredder concentration supports volume throughput

- Drives shredder utilisation.

## Scalable hub-and-spoke model accelerates growth

- De-risks capital investment.
- Supports phased expansion and rapid scale.

Shredder Utilisation ~ 50 %



# SAR Positioned to Capture Growth

*Organic growth opportunities and consolidation in a highly fragmented market*

## ORGANIC GROWTH

### Unlocking Value in Non-Ferrous

- Investment in downstream technology and process improvements to increase Zorba recovery yields.
- Further Zorba segregation to extract high-value aluminium grades. (5XXX and 6XXX)
- Capitalising on growing US demand for segregated aluminium.

### Scaling Non-Ferrous Retail Growth

- Grow through hub and spoke model.

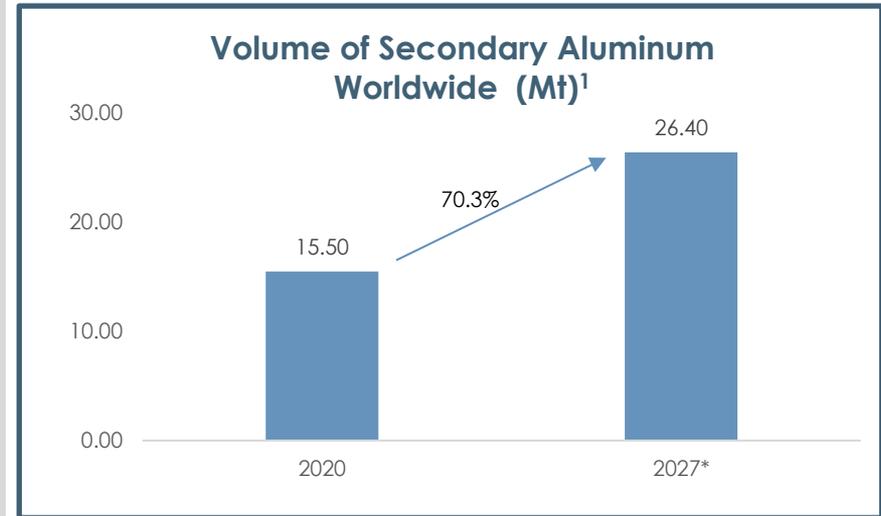
## M&A GROWTH

- Long consolidation runway.
- Bolt-on acquisitions:
  - Existing SA Recycling regions.
- Opportunistic geographic growth:
  - New growth regional markets.
  - At least 1 shredder and a network of yards.
  - Ferrous and non-ferrous retail.

FY21-FY25  
Sales Volume (SAR)

+7% CAGR Ferrous

+10% CAGR Non-Ferrous



<sup>1</sup>Precision Business Insights. Market volume of secondary aluminium worldwide in 2020, with a forecast for 2027 (in million metric tons)



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**Mark Sweetman**  
SA Recycling, Chief Financial  
Officer



# Resilient Balance Sheet

To grow, buffer cycles and seize opportunity

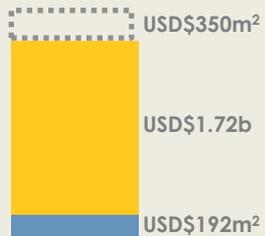
## CAPITAL STRUCTURE

48% Gearing Ratio

USD\$1.9b Total Assets

## Estimated Asset Base

USD\$2.26b

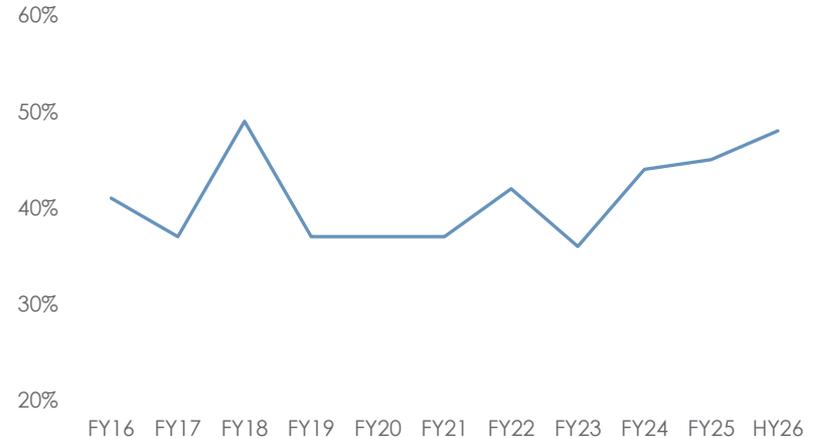


■ Tangible Assets ■ Intangible Assets ■ Off balance sheet land

<sup>1</sup> Debt divided by the sum of equity and debt

<sup>2</sup> Estimated figures

## Gearing Ratio<sup>1</sup>



# Sustainable Earnings Growth

DRIVER	ADVANTAGE	VALUE CREATION DRIVER
Dense Regional Networks	Established hub-and-spoke network securing scrap flows	Established regional infrastructure and supplier relationships built over decades
Non-Ferrous Mix	Higher value metals	Structural margin resilience
Utilisation Upside	50% Utilisation	Earnings leverage
Programmatic M&A	Fragmented market	Long consolidation runway
EAF Exposure	Steel decarbonisation	Structural scrap demand



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## Questions & Answers

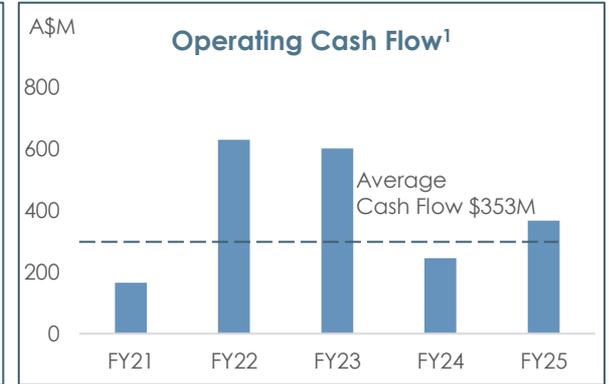
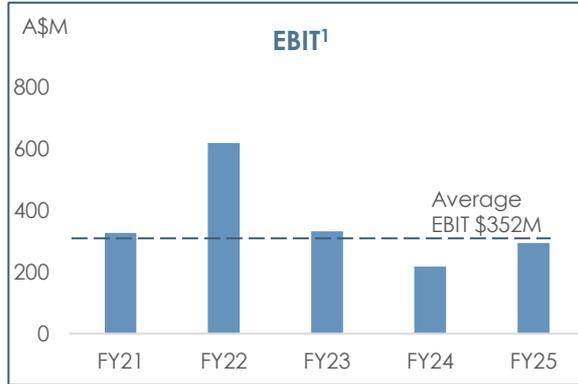
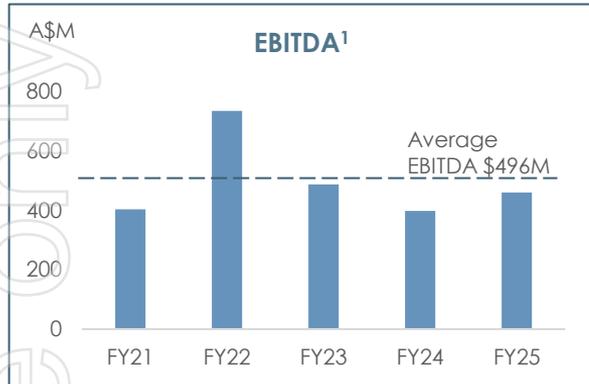




# Appendix



# Historical Financial Performance



# CAPEX Strategy

*Disciplined and flexible approach, aligned with business cycles*

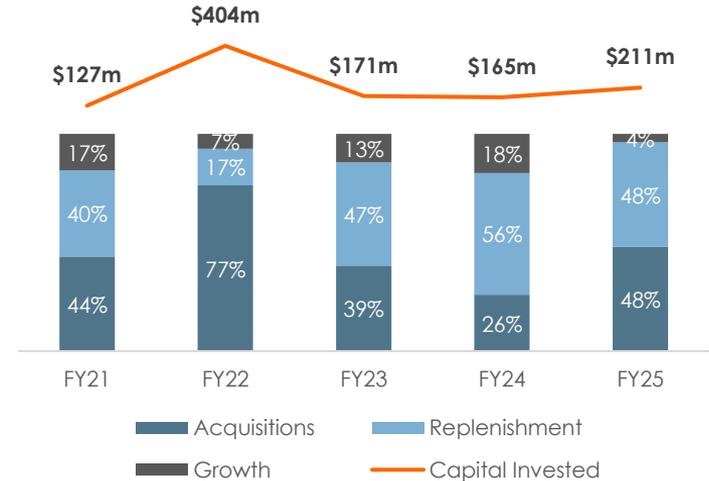
## Sustaining

- Depreciation guides replenishment capital.
- Flexibility through business cycles – adjustment based on volumes and utilisation.

## Growth

- Invest 10%-30% of depreciation into organic business growth within existing locations.
- Acquisition Capex – opportunistic, bolt-ons are primarily funded by cash flow. Larger acquisitions (e.g. PSC) complemented by debt.
- Target 15% ROI unless strategic rationale.

## CAPEX (USD)



# SAR's Leadership

*Balanced governance structure and experienced management*

## Board of Directors



**Stephen Mikkelsen**  
Chairman  
Sims



**John Glyde**  
Non-Executive  
Director  
Sims



**Gretchen Johanns**  
Non-Executive  
Director  
Sims



**Rob Thompson**  
Non-Executive  
Director  
Sims



**George Adams**  
Executive  
Director  
Adams Family



**Wendy Adams**  
Non-Executive  
Director  
Adams Family



**Terry Adams**  
Executive  
Director  
Adams Family



**Mike Adams**  
Non-Executive  
Director  
Adams Family

## Management Leadership Team



**George Adams**  
Chief Executive Officer



**Tyler Adams**  
Chief Operating Officer



**Mark Sweetman**  
Chief Financial Officer



**Terry Adams**  
Executive Vice President



**Kalvin Adams**  
Vice President, Business  
Development

