



ASX & MEDIA RELEASE

**(ASX: SGM, USOTC:
SMSMY)**

20 September 2023

**SIMS LIMITED ENTERS INTO A DEFINITIVE AGREEMENT TO SELL ITS 50% INTEREST
IN LMS ENERGY**

Sims Limited ("Sims" or the "Company") today announces entry into a definitive agreement to sell its 50% shareholding of international bioenergy and methane abatement company, LMS Energy Pty Ltd ("LMS"), to Pacific 2023 Holdco A Pty Limited, an entity owned by funds advised by Pacific Equity Partners (PEP). The sale is in line with the Company's disclosure on 6 March 2023.

The transaction values Sims's 50% shareholding in LMS Energy at A\$272.1 million and includes plans from PEP to support up to \$200m in capital growth initiatives across the bioenergy and methane abatement sectors in the US, New Zealand, and Australia.

The completion of the sale is anticipated to occur during the second quarter of FY24, subject to customary closing conditions, including FIRB approval.

Alistair Field, CEO and Managing Director of Sims Limited, commented on the transaction: "I am delighted with the terms of the transaction. This strategic move allows us to streamline our business portfolio in line with the asset recycling strategy previously communicated. The funds generated from the sale will be allocated to strengthen the core metal business to create sustainable, long-term value for our shareholders.

I would like to express my heartfelt appreciation to the Falzon family for their invaluable partnership over the years. My best wishes go out to the Falzon family as they embark on the next phase of LMS Energy's growth."

LMS is a world-leading leading bioenergy and methane abatement company, with operations in the US, New Zealand, and Australia. Founded in 1996, LMS' primary focus is on reducing

emissions from hard to abate sectors, including waste, agriculture, and mining. The business owns and operates 36 biogas-to-energy facilities, 26 biogas flaring facilities and six solar projects. Annually, these projects generate approximately 600,000 MWh of renewable energy and abate over 4.5 million tonnes of carbon equivalent from entering the atmosphere, making LMS a globally significant emissions reducer.

Sims identified the opportunity to sell its interest in LMS following a strategic review process. The proposed sale is consistent with the Company's business strategy to recycle capital and grow the core metal business.

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

About Sims Limited

Founded in 1917, Sims Limited is a global leader in sustainability and an enabler of the circular economy that employs 4,400 employees who operate from more than 200 facilities across 15 countries. The Company's ordinary shares are listed on the Australian Securities Exchange (ASX: SGM), and its American Depositary Shares are quoted on the Over-the-Counter market in the United States (USOTC: SMSMY). The Company's purpose, create a world without waste to preserve our planet, is what drives them to constantly innovate and offer new solutions in the circular economy for consumers, businesses, governments and communities around the world. For more information, visit www.simsltd.com.

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