

# Innovators and Investors

February 2016

Gavin Lavelle, CEO



# Brady Vision



The Brady Vision



Transform the  
natural resource  
business with  
innovative  
software solutions

# Market Sectors

## Commodities



Financial Institutions

Brokerage

Trading Companies

Miners / Producers

Industrial Companies

Co-operatives

Retailers

## Energy



Financial Institutions

Brokerage

Trading Companies

Utility Companies

Producers / Consumers

Retailers

## Recycling



Commercial Recyclers

Brokers

Scrap Trading Companies

Scrap Processors

Shredder Companies

Scrapyard Owners

E/CTRM market size

\$1.67bn pa increasing to \$2bn pa by 2020



# Customers by Location



■ Brady has 400+ customers globally and 13,000+ users

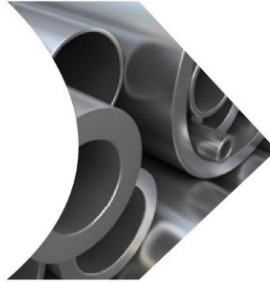
● Brady offices in Europe, Americas and APAC

# Core Strengths

## We are Number #1



European  
Headquartered  
ECTRM



In Metals  
Globally



European  
Energy  
Install Base

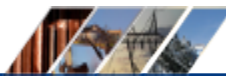


In US  
Recycling

Public Company  
and Excellent  
Investor Base

Stock  
Liquid

Cash  
and  
No Debt





# 2015 Business Highlights



➤ 20 major deals with world leaders, including:

➤ **Louis Dreyfus**

➤ Concentrate bookings of £14.5m in 2 years,

➤ **SIMS, largest recycling company**

➤ part of global deployment

➤ **EDF & GE**

➤ power station tolling

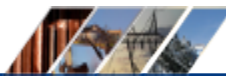
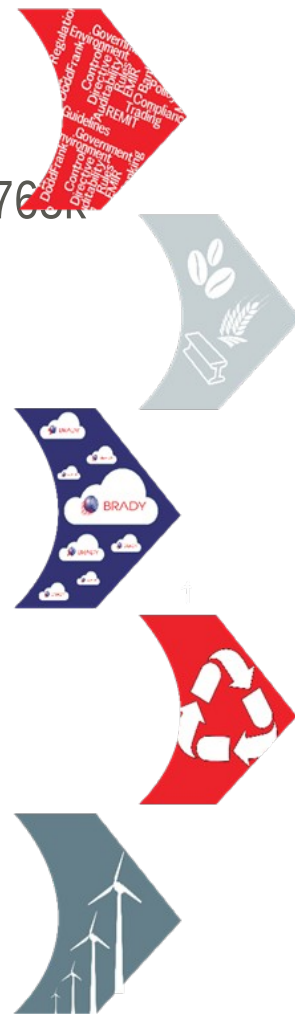
➤ 9 Cloud deals and 60% revenue growth

➤ Successful acquisitions of:

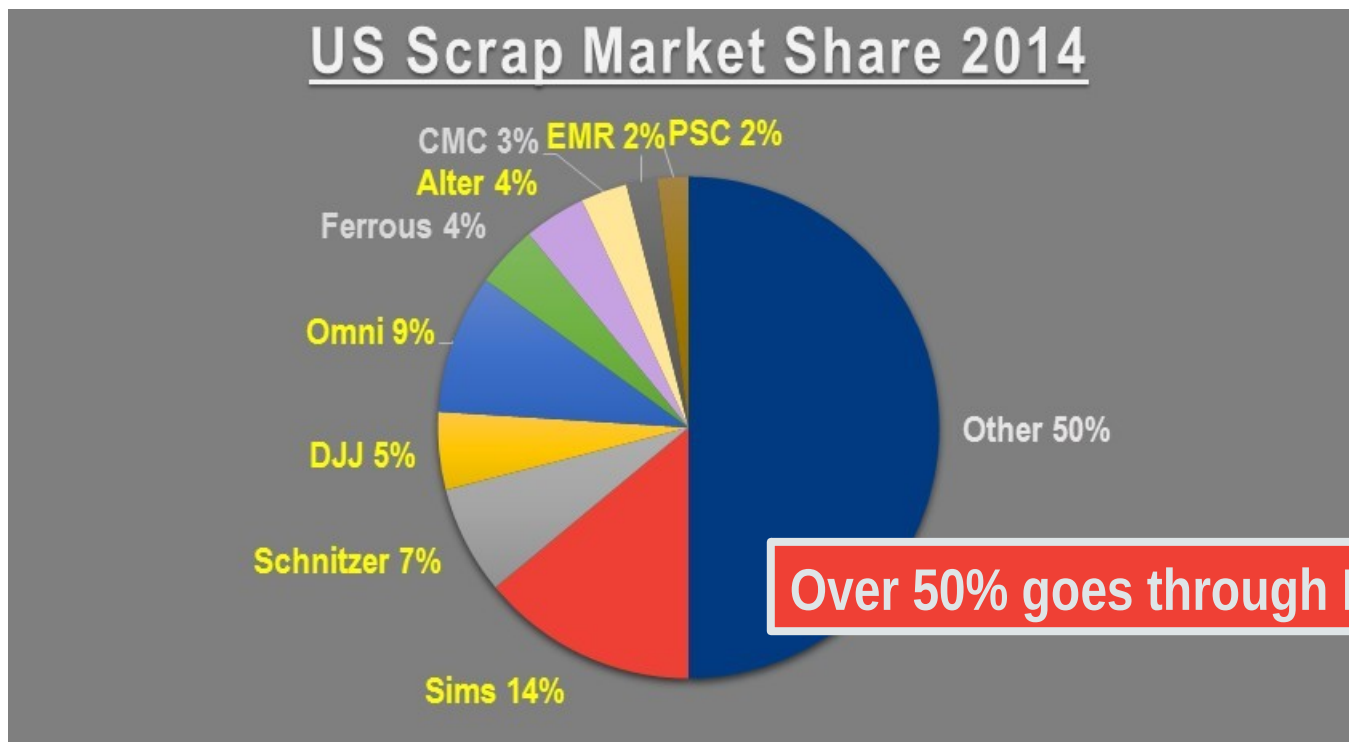
➤ ScrapRunner, energycredit

➤ Offshore development in Bangalore

invested £766K



# Recycling and the Scrap Market



Voice of the Recycling Industry™



**Over 50% goes through Brady software**

- NA scrap alone in excess of \$100bn turnover
- 7 of the top 10 recycling companies use Brady software\*
- 1600 ISRI members
- 900 BIR members

\*Recycling Today



# The Recycling Lifecycle



## Dispatch Application

Brady provides a complete system, having automated trip entry, container control, trip & driver management, mobile data and an interface to your existing accounting system in one package.

## Integrated Accounting

Brady consolidates the transactional data into a multitude of actionable analytical reports



Handheld GPS  
container tracking

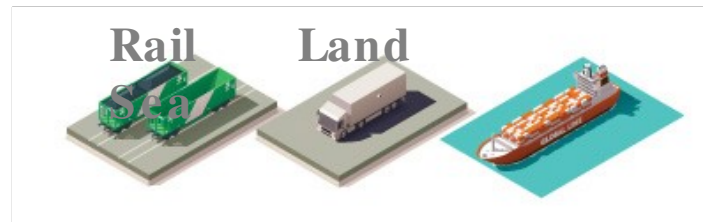
## Contract Management

Purchasing, Sales, Logistics and Accounting departments, consolidating multiple yards' positions.

## Enterprise Visibility

Browser-based analytical reporting and extensive security profiles allow each of our clients to manage

information, drill down to specific transactions and  
**We Know Commercial Recycling**





# Market Drivers: Industry Consolidation



Companies are continuing to acquire both regionally and internationally to protect supply of raw material and to maximize margin through increased production capacity

- ▶ Geopolitical and environmental initiatives driving increased use of recyclable material
- ▶ Continued advances in efficiency and capabilities of shredding units are leading to prolific increase in production capacity, outpacing supply

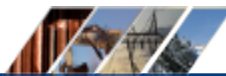
## Challenges

- ▶ Managing inventory and reporting across regional and international boundaries
- ▶ Increased challenges to manage fraud prevention across multiple jurisdictions

## Our Response

**A fully integrated solution for the global Recycling Industry**

- ▶ Integrated operational, commercial, trading and logistics
- ▶ Valuing, hedging and managing inventory positions, costs and projections for clients across multiple global sites
- ▶ Fully integrated fraud detection and prevention subsystem
- ▶ Enterprise-wide financial reporting including automated daily flash financials and period end margin projections (multi-currency)



# The Energy Lifecycle

## Physical Trading

Utilities and portfolio managers compile bids and trade in the spot, intraday and reserve markets. Advanced time series management lets our customers trade and settle with confidence.

## Scheduling & Nomination

Access to multiple power and gas markets from a single highly automated user interface.

## Crossborder Trading

Real-time balancing allows short term traders to be confident close to gate closure without fear of penalties from the grid operators.

## Power Generation

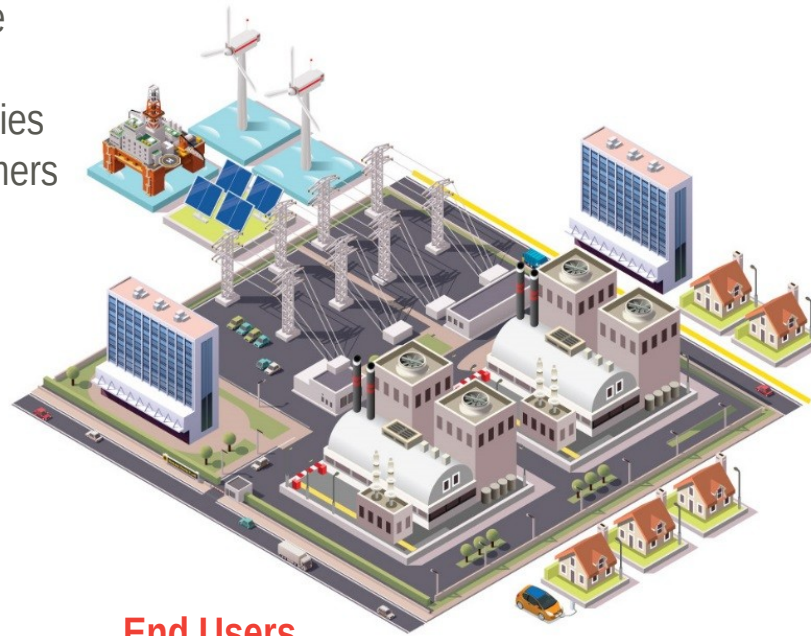
Utilities and power producers manage tolling agreements, production forecasting, metering management and actual production, settlement and auditing.

## End Users

Customers connect to their counterparties for automated forecasting and provide sales support for pricing long-term contracts.

## Financial Trading and Risk Management

Sophisticated forward curves and powerful index framework. Utilities can calculate their exposure and hedge production with precision.



► **We Know  
Energy**

# Market Drivers: EEGI Renewable Energy Target

The drive towards the increased use of renewable sources and European political tension is driving trading focus towards short-term intraday crossborder trading

- ▶ EU EEGI target of 35% energy distribution from renewable sources by 2020 and reduce greenhouse gas emissions by 20%
- ▶ Political pressure to reduce nuclear (Germany nuclear free by 2023), Russian concerns

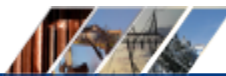
## Challenges

- ▶ Unpredictable nature of renewables (wind/solar) power generation significantly impacts forecasting electricity production in local areas
- ▶ Visibility and real-time management of crossborder position balancing and scheduling

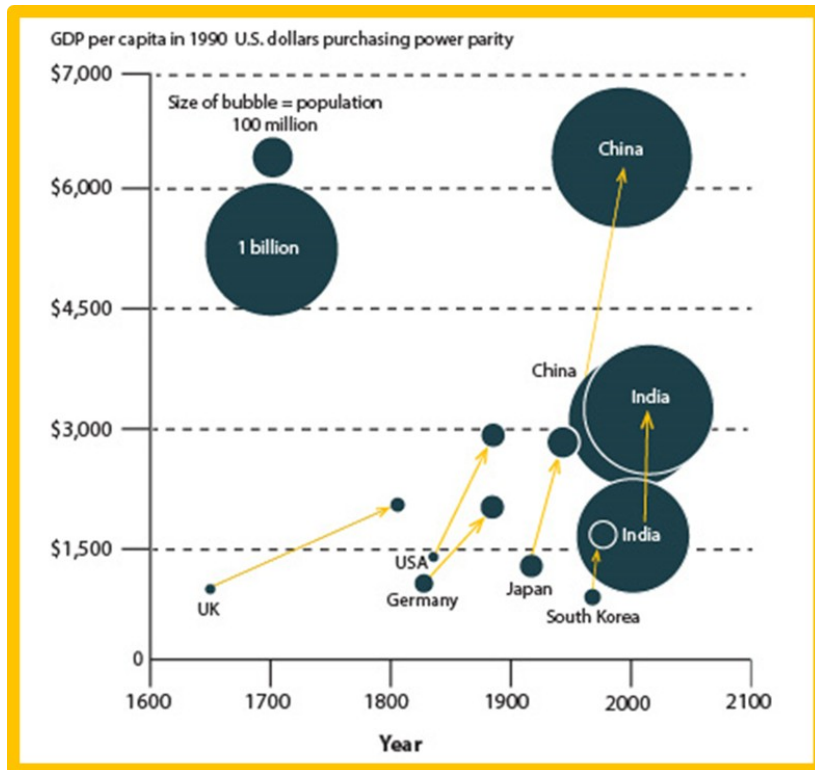
## Our Response

**'Brady's pan-European real-time balancing and scheduling for short-term intraday trading'**

- ▶ Connections to over 20 European TSOs and interconnectors
- ▶ Support for both Power and Gas and Emissions Trading
- ▶ Strong risk management and modelling
- ▶ Market evaluation and risk for EICertificates & Emissions

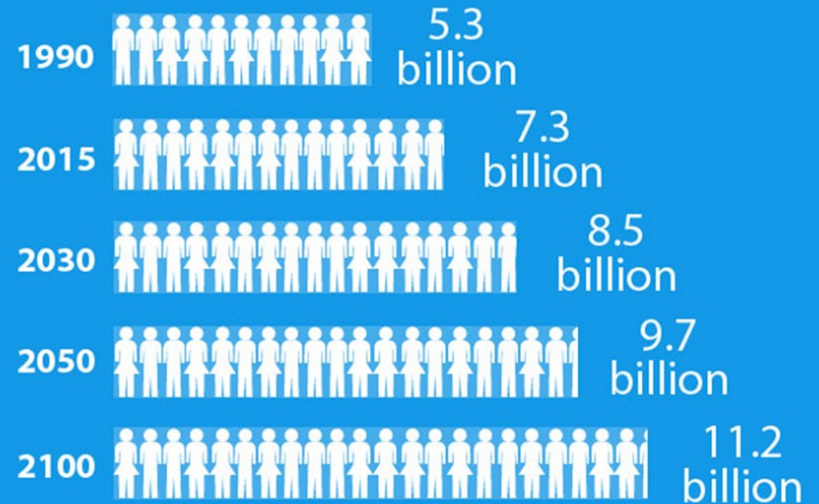


# Changing Demographics

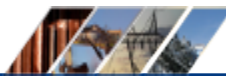


## World Population

Projected world population until 2100



Source: United Nations Department of Economic and Social Affairs, Population Division, *World Population Prospects: The 2015 Revision*  
Produced by: United Nations Department of Public Information



# Conclusion

- Economic and population growth will drive demand for natural resources
- Technical innovation required for step change or more efficient use of resources
- Brady increasingly winning market share with global leaders
- Cloud solutions driving efficiency for business
- Next step for Brady is to leverage offshore development

