



SAP Mergers and Acquisitions
Ambassadors

Premikati offers procurement consulting services and resources to help you uncomplicate the buying process and slash costs. We believe that a company should put its best talent to work on the relationships with its internal customers and suppliers, with procurement acting as a mediation group between the two. Our strategies place this relationship into the core of procurement at the intersection of legal, finance, risk management, treasury and business units.

Premikati has the experience and staff to guide your company through a complete transformation project, helping you get the most ROI from your processes and technology through change management, process improvement and technology implementation.



**SAP Global LoB
Partner Excellence Awards**
Intelligent Spend and Business Network
Sales Success – Midmarket
Winner 2022



TOP INDUSTRIES

- Life Sciences
- Health Care
- Manufacturing
- Business Services
- Wholesale Distribution
- Private Equity
- High Tech

ARIBA BUSINESS NETWORK

- Rapid Deployment Solutions for Ariba Snap
- 3 Bids and a Buy
- Contract Compliance
- Supplier Access
- Supplier Onboarding
- Financial Reporting
- Full SAP integration



PROCUREMENT OUTSOURCING

- Premikati and SAP have designed a solution for SMBs providing SAP Ariba Buying as a BPO service – reducing monthly costs and eliminating the need for implementation
- As one of only six SAP Ariba BPO Partners globally, we offer a comprehensive solution that combines world-class procurement software with the professional services needed to run and administer the technology

CONSULTING

- Supply chain assessment
- Supplier Evaluations
- Sustainable and Diversity supply chain consulting
- Spend analysis
- Marketplace access
- Contingent workforce

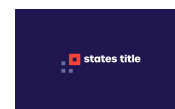


INTERLOCKING WITH ADVISORY and PRIVATE EQUITY

- Award winning procurement experts on staff
- Go-live times in as little as 4-12 weeks, scope dependent
- **Proprietary Private Equity packages including spend cubes and portco aggregated sourcing**



PE and PortCos



Managed Services

So you can focus on your business.

Managed Services with Premikati

Procurement Operational Support

Current State: You have multiple PortCos and need to leverage savings across the board to increase EBITDA

Desired Result: Leverage these savings and do it without training staff or hiring extra human capital

Solution: Premikati's Managed Services. (See ROI on the next page)



Primary Ariba Administration responsibility



QBR and Ariba functionality assessment



Reporting and Analytics



Integration Administration Support



"Help Desk" functional assistance



Supplier and Catalog Enablement Team



Quality Assurance Monitoring



Business Process and Transformation Management

Sample Business Case

Creating value through procurement

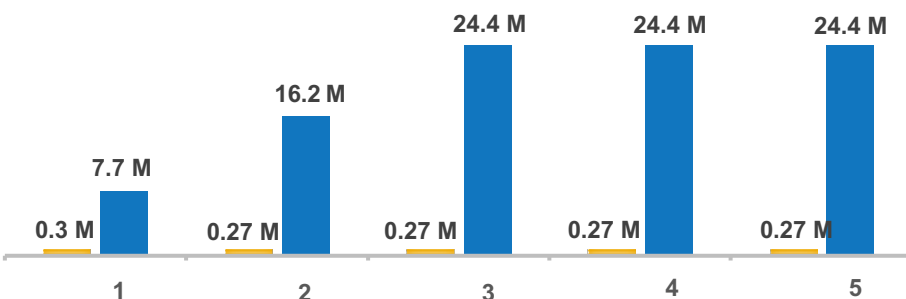
Preliminary Benefits summary – estimated steady state savings

*Based upon a spend cube of \$3B along with industry, third-party, and SAP benchmarks of other companies operating in your industry, the benefit potential is significant.

- Solution Scope: SAP Ariba Spend Analytics | SAP Ariba Sourcing
- Services: Premikati Implementation and Premikati Sourcing Managed Services
- Portfolio Revenue: \$7.6B | Total Portfolio Addressable Spend: \$3.3B

Value Lever (M)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Savings						
Price Reduction	7.75	15.85	23.83	23.83	23.83	95.10
Process Improvement	0.22	0.64	0.80	0.80	0.80	3.28
TOTAL BENEFIT	7.97	16.49	24.64	24.64	24.64	98.38
CUMULATIVE BENEFIT	7.97	24.46	49.10	73.74	98.38	
Investments						
Total Software Investment	0.16	0.16	0.16	0.16	0.16	0.79
Total Services Investment	0.03	0.00	0.00	0.00	0.00	0.03
BPO License Cost^	0.11	0.11	0.11	0.11	0.11	0.54
Total Customer Internal Investment**	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL EST. INVESTMENT	0.30	0.27	0.27	0.27	0.27	1.36
CUMULATIVE INVESTMENT	0.30	0.56	0.83	1.09	1.36	
NET BENEFIT	7.67	16.23	24.37	24.37	24.37	97.02
CUMULATIVE NET BENEFIT	7.67	23.90	48.27	72.65	97.02	

NET BENEFIT VS TOTAL INVESTMENT



Five-year project economics

Year Net present value (NPV) 74.87

Return on investment (ROI) 71.50

Break-even quarter* 1**

Creating Value through Procurement

Blackstone business case

As acquisition multiples hit all-time highs, private equity firms are constantly in search of new ways to create value in their portfolio companies. This is particularly true for Blackstone, the world's largest alternative asset manager, with more than \$340 billion under management.

Create visibility

Blackstone uses the Ariba Spend Visibility solution (now available as SAP Ariba Spend Analysis) to assemble, organize, and analyze spending data from its portfolio companies. The tool makes it possible to slice and dice around \$35 billion of spend by region, supplier, and product.

Establish relationships with key vendors

The spend visibility solution is used to find common spend. The firm then uses its scale to negotiate preferred pricing agreements with more than 75 key strategic vendors, typically single-sourced categories, for items like software, rental cars, healthcare benefits, and insurance.

Annually, about \$5 billion is spent on buying supplies and services from vendors that include FedEx, Marsh, Dell/HP, and American Express. In addition to lower costs, these and other companies provide Blackstone with highly differentiated services.

Leverage e-sourcing to get the best value

For other vendors, Blackstone uses the SAP Ariba e-sourcing platform to automate the bidding process. Prequalified vendors simply log into the software and answer standardized questions, saving everyone hours of back-and-forth e-mailing.

Next, the portfolio company, in collaboration with Blackstone, hosts a live auction with a twist: bidders compete to offer the lowest price to provide the product or service. When the auction is complete, Blackstone can decide whether to accept the lowest price or walk away.

Contract Cube

Currently working with **Premikati** to create a centralized, PE-owned contract repository segmented by their PortCos.

Blackstone

\$850M

Savings realized since launch

\$1.5B

In annual sourcing events

14%

Average e-sourcing savings

"Up until 2005, there was a lot of low-hanging fruit, companies where you could easily craft a value-creation strategy. Today, we have to be more innovative in terms of driving differentiated growth in margins and cash flows."

Gregory Beutler,
Operating Partner at
Blackstone