



SEE SPEND DIFFERENTLY

LEAPFROG TRADITIONAL PURCHASING WITH SIMFONI SPEND AUTOMATION

A modern solution to address the problem of how to automate and optimize tail spend for organizations of any size.

Lost savings and pain from ineffective analog purchasing is a major problem for many organizations. However, optimizing spend is critically important with up to 80% of revenue spent with suppliers.

Spend on direct materials may be controlled, but 'tail spend' such as Office Products, MRO, IT, Facilities, Telecoms and Marketing is often unaddressed as it can be difficult to control due to localized purchasing processes and limited reporting capabilities. .

Forward thinking Global enterprise are introducing Simfoni's to address the 'final mile' of spend. Medium enterprise miss out on up to 10% EBITDA points as they lack automation and resource to manage all indirect spend through to wider direct spend.

Spend scope may vary based on persona but all organizations have 'tail spend' which represents a significant untapped opportunity to boost performance.

Until now, the cost and effort to acquire the capability and technology to address tail spend has inhibited change. Also, who wants costly software with no immediate benefits?

Consequently, organizations are stuck with sub-optimal purchasing and payment processes, with a long tail of suppliers which creates a costly transactional burden.

What to do?

Simfoni has addressed this problem with a turn-key, composable spend management solution for tail spend.

Simfoni offers access to Marketplace pre-negotiated content, BuyDesk sourcing services and Source To Pay (S2P) workflow to supercharge procurement.

Our **Pay As You Save (PAYS)** commercial model removes cost barriers which accelerates time to value.



THE PROBLEM WE ARE SOLVING

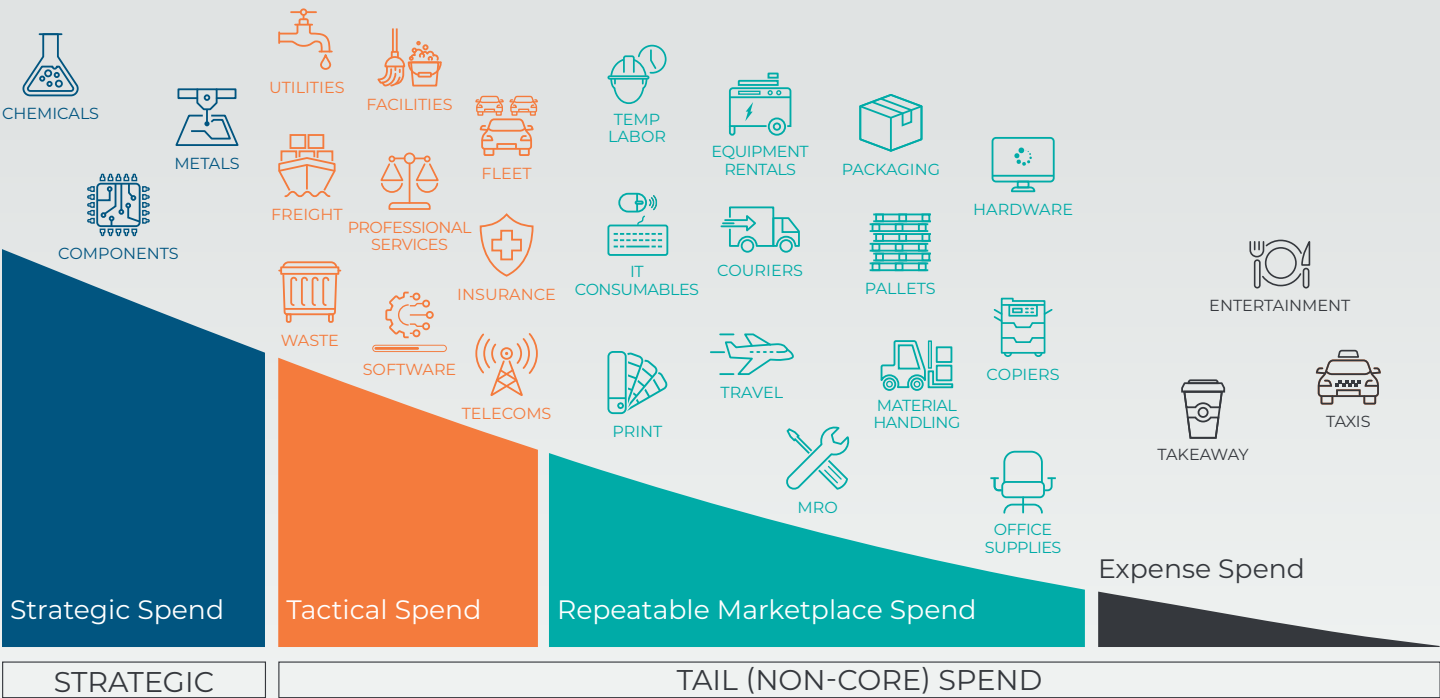
Organizations **of any size** struggle to manage tail spend which comprises tactical and repeatable spend.

For **Global Enterprise**, tail is 10% - 20% of spend by value, but can comprise 90% of vendors.

But for **Medium Enterprise**, tail spend is **all indirect spend**, plus non-core direct spend.

Typical pain points

- Lack visibility of tail spend
- Manual purchasing process
- A large vendor database
- A lack of purchase order and contract coverage



Illustrative spend segmentation

TRADITIONAL SOLUTIONS DON'T WORK

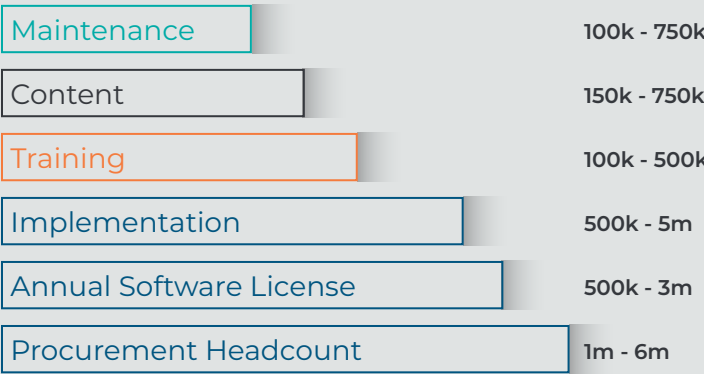
eProcurement alone doesn't work for tail.

Global Enterprise struggles to justify additional investment to source tail spend, create catalog content and manage compliance.

For Medium Enterprise, automation of indirect spend is not an option due to:

- Prohibitive technology fees
- Limited team capacity and purchase leverage

Typical eProcurement costs >\$3m.

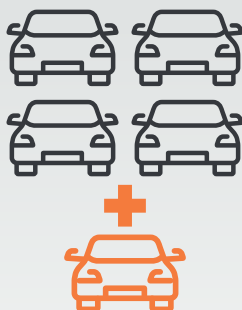


Typical operating costs for a business with revenues of \$1b - \$3b

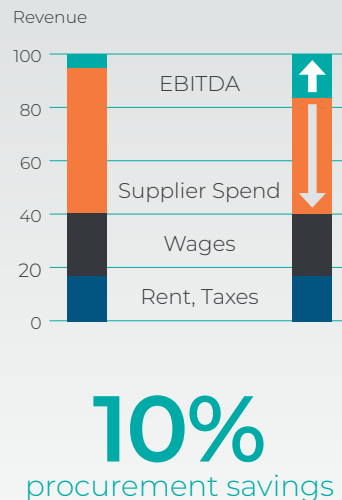
TACKLING TAIL SPEND IS THE QUICKEST WAY TO BOOST EARNINGS



5%
price increase



25%
sales growth

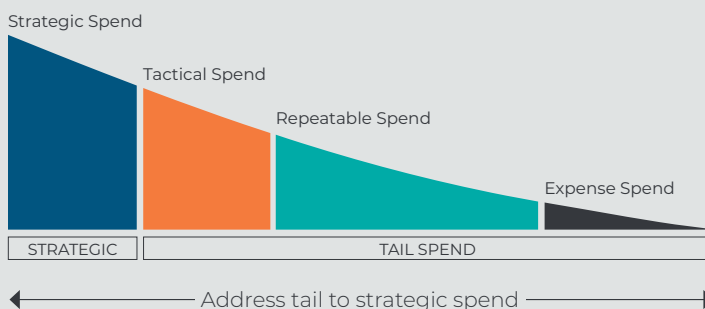


A conservative 10% reduction in indirect spend can equate to a 40 - 60% increase in EBITDA, which represents a significant opportunity to boost performance without having to grow the top line.

Also, don't ignore the customer acquisition costs to grow sales and customer attrition from price increases, which makes procurement savings a compelling proposition.

SIMFONI SOLVES TAIL SPEND

- Simfoni is operational in days
- Simfoni Marketplace delivers instant savings
- All new spend is competitively bid
- Simfoni manages vendor payments



COMPOSE YOUR SOLUTION

- Select functionality from Marketplace, S2P and Invoice and Payment automation
- Simfoni works seamlessly with existing finance and procurement solutions
- Scale up or down with a spend management platform that puts you in control of spend
- PAYS pricing removes barriers to adoption with a self-funding solution

SIMFONI FUSES SOURCE-TO-PAY TECHNOLOGY WITH MARKETPLACE + SOURCING SERVICES



COMPOSE YOUR SOLUTION

- **Marketplace**
- **S2P automation**
- **Sourcing services**
- **Vendor Payments**
- **Analytics**



SIMFONI MARKETPLACE

Pre-negotiated purchasing content with the ability to add private content



BUYDESK

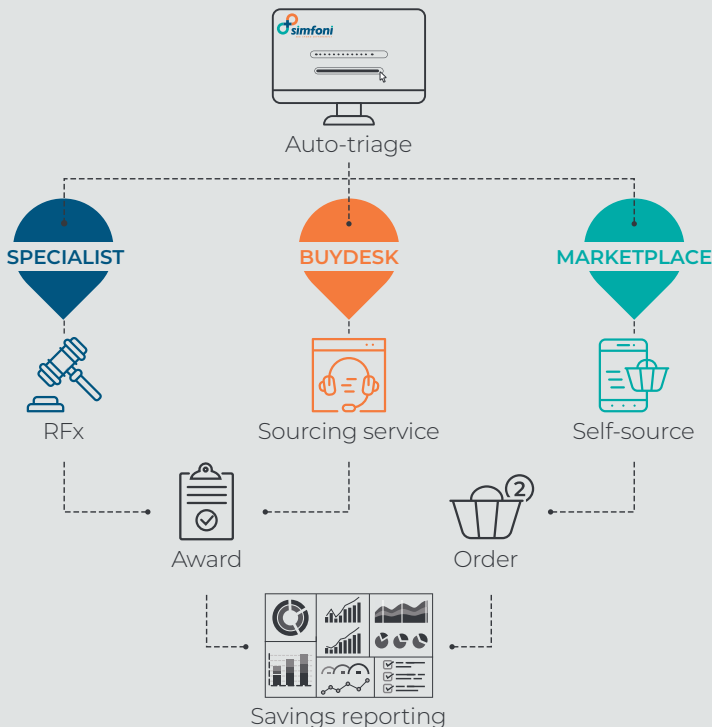
Self-service bidding through to on-demand sourcing services



S2P AUTOMATION

Requisition to Purchase Order, Source To Contract, One Vendor Payments

HOW IT WORKS



- **Users purchase from Marketplace and self-source bids from approved vendors**
- **BuyDesk competes new spend by sourcing suppliers and competitive bids**
- **Strategic requirements are routed to customer's team or a Simfoni Specialist**
- **Automated workflow routes spend for approval through to Purchase Order, Matching and Payment**

GLOBAL COVERAGE



US: San Francisco & Chicago

UK: London

MIDDLE EAST: Dubai

AUSTRALIA: Melbourne

INDIA: Chennai

SIMFONI ONE VENDOR

One Vendor removes the headache of vendor payments.

Tail vendors are managed within Simfoni. Many of these vendors will already exist in Simfoni which allows us to aggregate demand and deliver customer savings.

Simfoni replaces multiple vendors in the customer's systems with Simfoni managing vendor setup and payments, which generates significant savings in AP and vendor on-boarding efforts.



PAYS IS GAME-CHANGING

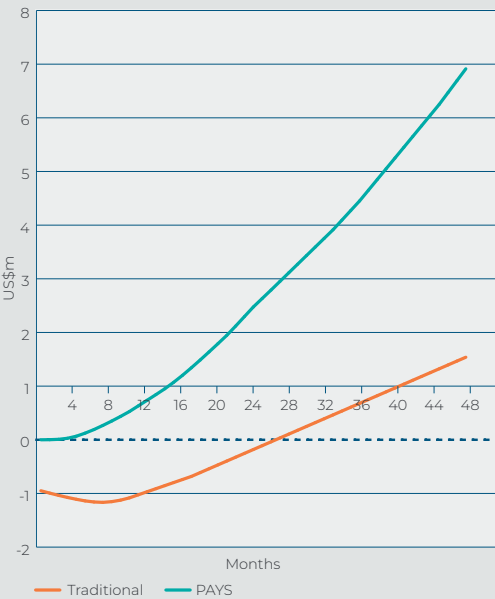
GREAT NEWS

PAYS removes barriers to adoption by eliminating license and maintenance fees.



Simfoni is self-funded with savings from tail spend delivering a rapid ROI.

PAYS COMMERCIALS		
ePROCUREMENT	Included	✓
BUYDESK SOURCING	Included	✓
MARKETPLACE	Included	✓
PRIVATE CATALOGS	Included	✓
VENDOR PAYMENTS	One Vendor Payments	✓
COMMERCIALS	Fees linked to spend and savings	✓
ROI GUARANTEE	YES	✓
BENEFITS	Flexible cost base, faster ramp-up, higher savings	



CUSTOMER PROFILE



PROFILE

Med - Large Enterprise
\$200m - \$3b revenue

- Lack digital procurement
- Capacity constraints

Global Enterprise >\$5b revenue

- Seeking a specialist tail solution

Private Equity

- Portfolio platform service

SECTOR

Use cases

- Manufacturing
- Light industrial
- Higher education
- Financial services
- Healthcare
- Pharma + bio tech
- Waste management

REASON TO BUY

Type 1

High Growth: need automation to scale and support users to get what they need, includes PE firms seeking to optimize spend across portfolios.

Type 2

Medium Growth: need to reduce purchase costs and digitize processes without increasing headcount.

WHAT THEY SAY...



Simfoni allows us to intercept and control spend across the entire business.

Users purchase approved items from the Simfoni Marketplace with all new spend competitively bid with approved vendors and Simfoni Marketplace bidders through the embedded sourcing service, which ensures that users get what they need at the best price.

Simfoni's user interface and self-service functionality enhances the user experience. We are now in control of our tail and strategic spend, with the program self-funded through savings which has exceeded our expectations.

CEO, Dulsco



SAN FRANCISCO

450 Townsend St
San Francisco
CA 94107
United States

+1 415 231 3691
info@simfoni.com

CHICAGO

444 N Wells St
Ste 502, Chicago
IL 60654
United States

+1 312 766 0240
info@simfoni.com

UNITED KINGDOM

85 Great Portland
Street, London
W1W 7LT
United Kingdom

+44 33 3880 6682
info@simfoni.com

MIDDLE EAST

24th Floor, Al Sila Tower
Abu Dhabi Global Market
Al Maryah Island, PO Box 128666
Abu Dhabi, UAE

+971 4431 0515
info@simfoni.com



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