

USE CASE



SirionOne for Contract Analytics Mergers & Acquisitions

INTRODUCTION

While M&As are a critical component of an enterprise's growth roadmap, they are among the most complex events an organization can face. There's usually very little time to react. Entire business systems need to be integrated and hundreds of due diligence queries need to be answered. In the process, you will be absorbing new commitments, liabilities, and risk.

KEY M&A CHALLENGES

But what happens when you do not have total visibility into your contracts? Even a simple question around contract expiry dates or the location of the latest version of a contract can slow down the M&A process. As a result, companies often find themselves grappling with a labor-intensive manual review process that requires significant time to identify key risk elements in contracts. In addition, the inability to compare clauses to the newly established standards for clause language and position increases risk exposure. There could be multiple contracts for the same services with varying or even conflicting terms. The hurdles around an M&A do not stop there.

KEY BENEFITS



- Interrogate consolidated post-M&A contract portfolio: Rapidly investigate contract terms, liabilities, and risks using Al-led contract analytics.
- Achieve efficiency: Shorten contract review cycle time by digitizing, extracting, and migrating contracts into a centralized repository.
- Enable Agile Change
 Management: Quickly insert
 missing clauses, modify
 conflicting terms, and change
 stakeholder details and
 notification requirements.
- Leverage Advanced Analytics: Discover contract risk associated with divestitures, gain full transparency into spend, and use insights derived from retrospective data to renegotiate contract terms.

You will not only need to review the existing body of procurement (MSAs, SOWs, supplier WOs, and more) and non-procurement (NDAs, employment, leases, and more) contracts but also standardize the contracting process (workflow, approval loops, signatories, and more) and contract data. Manually migrating and consolidating these contracts (which are usually stored across multiple IT systems and localized repositories) into a central repository and reviewing them can take months, or even years, depending on the scale of the M&A transaction. At this stage, your risk exposure is significantly high till you have identified hidden warranties, product liabilities, most favored nations clauses, complex pricing structures, and more. There could be contracts which need to be updated to bring them in line with regulatory changes (missing GDPR/IFRS16 clauses). Moreover, you will need insights into where and why budget is allocated and how it is spent to get a clear picture of everything – from asset values to future revenue streams. You might also find yourself asking additional questions such as:

- Are there any conflicts of interest between any existing contractual relationships?
- Are stakeholders associated with various procurement relationships going to change?
- Is the M&A event going to affect my ongoing projects and their timelines?
- Will we be receiving the same level of service from all our contracts?
- Do I have visibility into the additional spend that has added because of this M&A?

At times like these, being able to manage and interrogate contracts makes all the difference.

SirionOne | Contract Analytics for M&A

At SirionLabs, we understand that administering inherited contract data is time-consuming and tedious. Our Al-led integrated contract analytics and management platform helps you simplify this process, standardize your commercial contracting practice, and gain insights into how an M&A event is going to affect every stakeholder in the value chain.

SirionOne comes with out-of-the-box integration adaptors to help you seamlessly connect it to your existing IT environment and kickstart the digitization process. Contracts and associated artefacts stored across various technology silos such as ERP, P2P, CRM are pulled into a centralized repository and extracted using AI, which is immediately made review and governance ready and flows into downstream Sirion modules for legal and performance analytics.

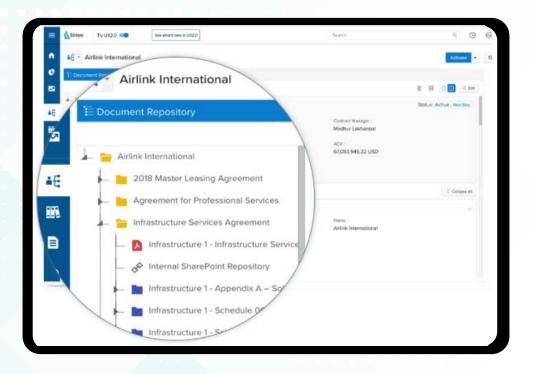
Together, these will allow you to gain better visibility into spend across suppliers, revenue recognition against customers, risk exposure associated with clause language, position deviations and obligation compliance. In addition, SirionOne's authoring and change management module will enable you to quickly amend contracts on demand and push them through configurable approval workflows for rapid closure.



FEATURE HIGHLIGHTS

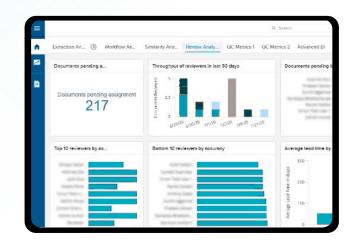
CENTRALIZED CONTRACT REPOSITORY

- » Create a centralized repository of contracts, change requests, and associated documents.
- » Extract relevant clauses, clause metadata, service levels, obligations, pricing, and volumes from contracts using SirionOne's OOTB, pre-trained AI models for M&As.
- » Streamline contract management by leveraging user access control, extensive search capabilities, and expiration and renewal tracking.
- » Rationalize your contract portfolio by perform deduplication and similarity clustering between documents.



DOCUMENT REVIEW AND QUALITY CONTROL

- » Quickly filter through and cluster documents by criteria such as type of document, name of reviewer, project, and more.
- » Perform multi-level, parallel reviews, and approvals for extracted documents.
- Accelerate quality control by enabling concurrent, multi-level review of different metadata sets, clauses and more.
- Gain insight into reviewer performance with analytics for throughput, accuracy, time taken, and more.





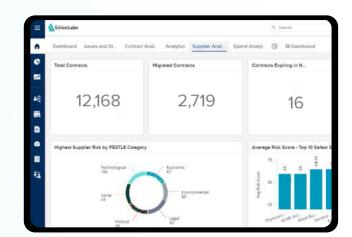
RISK ANALYSIS AND CHANGE MANAGEMENT

- » Identify risk posed by missing clauses and conflicting terms and conditions with the same counterparty across the consolidated contract portfolio.
- Find clause language deviations by comparing extracted clauses against standard enterprise clause positions.
- Repaper contracts to bring them in line with standard enterprise position and regulatory requirements.
- » Seamlessly update or replace counterparty information by leveraging SirionOne's novation capabilities.
- » Perform DOA in case stakeholders associated with tasks change.

ADVANCED ANALYTICS

- » Gain visibility into categories, tiers, spend, risk, geographic reach, and more using sales and procurement contract landscape analysis.
- » Rationalize and consolidate customer and supplier base by analyzing and identifying contract similarities.
- » Support supplier base rationalization by analyzing supplier performance using raw data pulled from third-party systems.
- » Forecast department-level demand and spend.





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