

Journey to Business Simplification

Asahi Beverages Australia
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Agenda

- Background
- Evolutionary Approach to S/4HANA
- Implementation Strategy & Solution Architecture
- Implementation Issues & Challenges
- Future Outlook

Background – Asahi Introduction

Asahi Beverages is a member of Asahi Group Holdings, one of Japan's leading beverage companies, and comprises of some of Australia and New Zealand's most successful beverage businesses, including

- Schweppes Australia,
- Asahi Premium Beverages,
- Independent Liquor
- The Better Drinks Co

Today, our employment footprint is across Australia and New Zealand, with manufacturing facilities in both countries.



Background - Need for change



System/Landscape Challenges







- 6 different ERP systems supporting 4 separate businesses
- 3 systems nearing End of life, presenting an operational risk
- Varying levels of maturity, functionality and controls driving inconsistent behaviours
- SAP platform underutilised and not fit for purpose



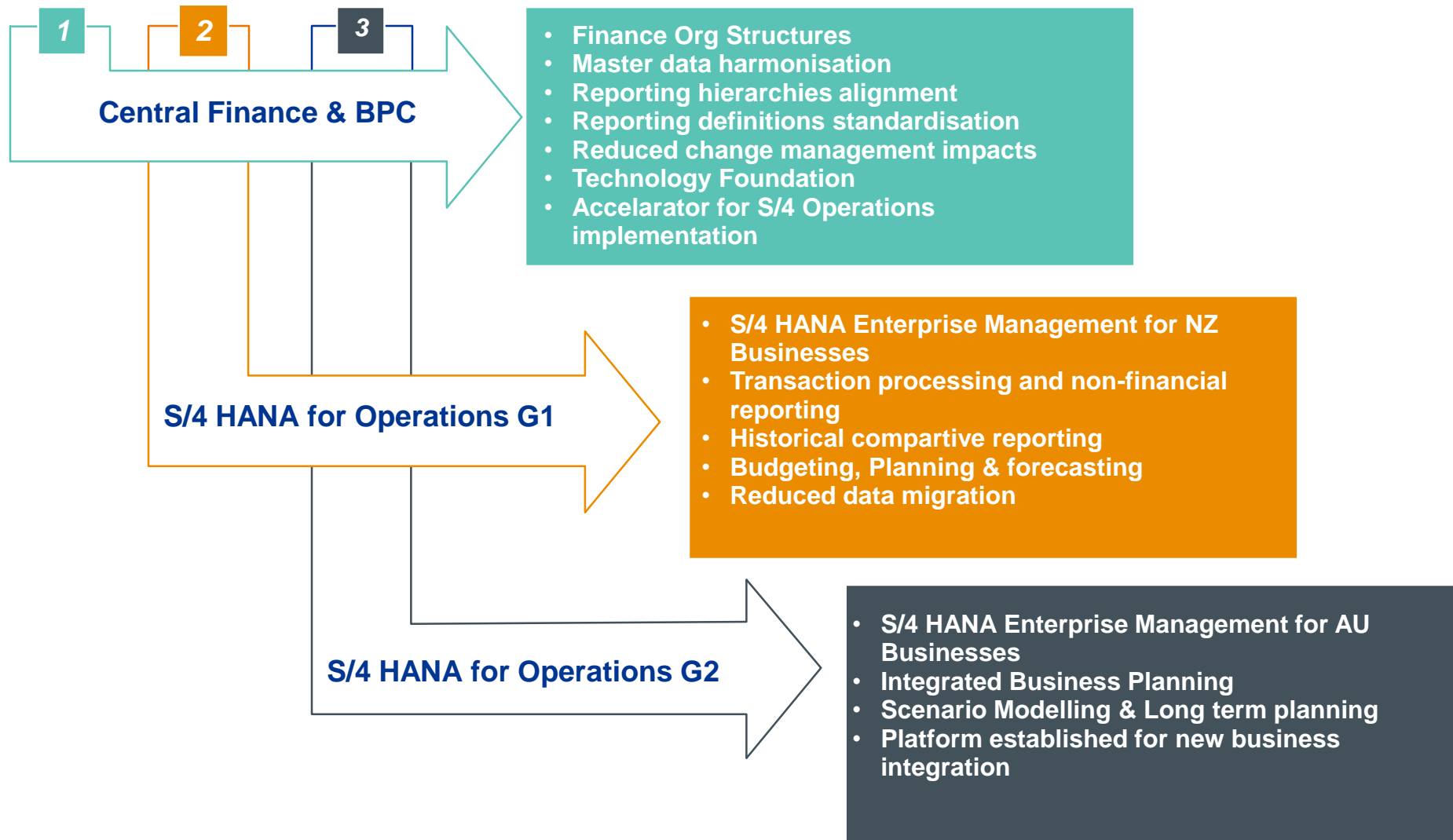
Business Challenges

- Cost structures and revenue growth not competitive compared to local and global peers.
- Changing nature of business portfolio needed a platform to support business growth and sustainability with lower cost to serve.
- Reduce complexity in business processes & increase integration of systems to improve customer experience and sustainable cost reduction

Background - Scope

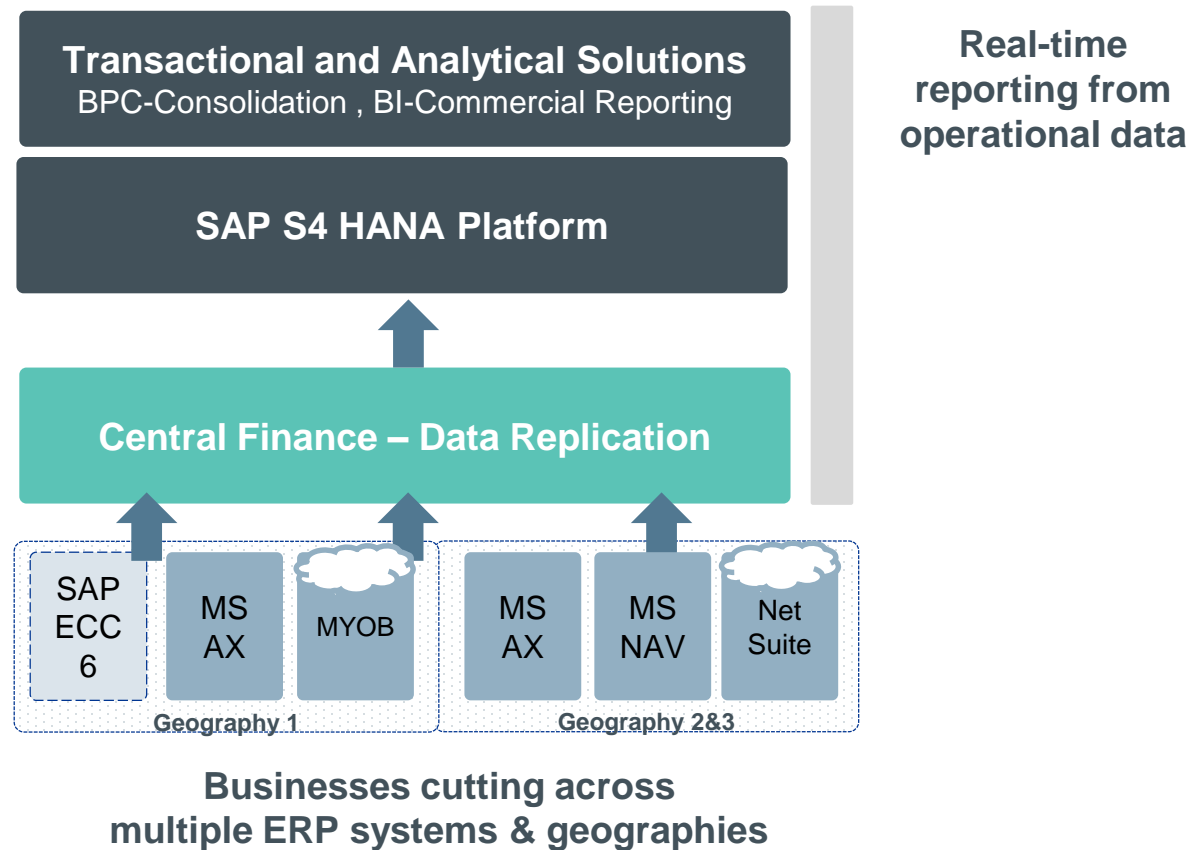
Geographic Scope	 <p>4 countries (Australia , New Zealand, US & Canada), 11 manufacturing facilities, 7 distribution centers and 13 offices</p>				
Business Functions	 Finance Ops	 Finance P&A	 Finance Commercial	 Supply Chain	 Enterprise Solutions
Process Scope	<ul style="list-style-type: none"> • General ledger accounting • Cost/Profit Centre accounting • AR / AP analysis • Cost Allocations & Assessments • Intercompany reconciliation 		<ul style="list-style-type: none"> • Financial consolidation • Planning, budgeting, forecasting • Integrated business planning • Statutory Reporting • Profitability Analysis (COPA) 		<ul style="list-style-type: none"> • BI - Reporting and analytics for <ul style="list-style-type: none"> • Management reporting • Supply Chain • Sales & Commercial • Master Data Governance
Technical Scope	<ul style="list-style-type: none"> • SAP S/4HANA 1709 • SAP Central Finance • SAP Business Planning and Consolidation 11 		<ul style="list-style-type: none"> • SAP BW/4HANA • SAP BOBJ • SAP Fiori • SAP GRC 		<ul style="list-style-type: none"> • SLT • BODS • SAP PO

Central Finance - Evolutionary Approach to S/4HANA

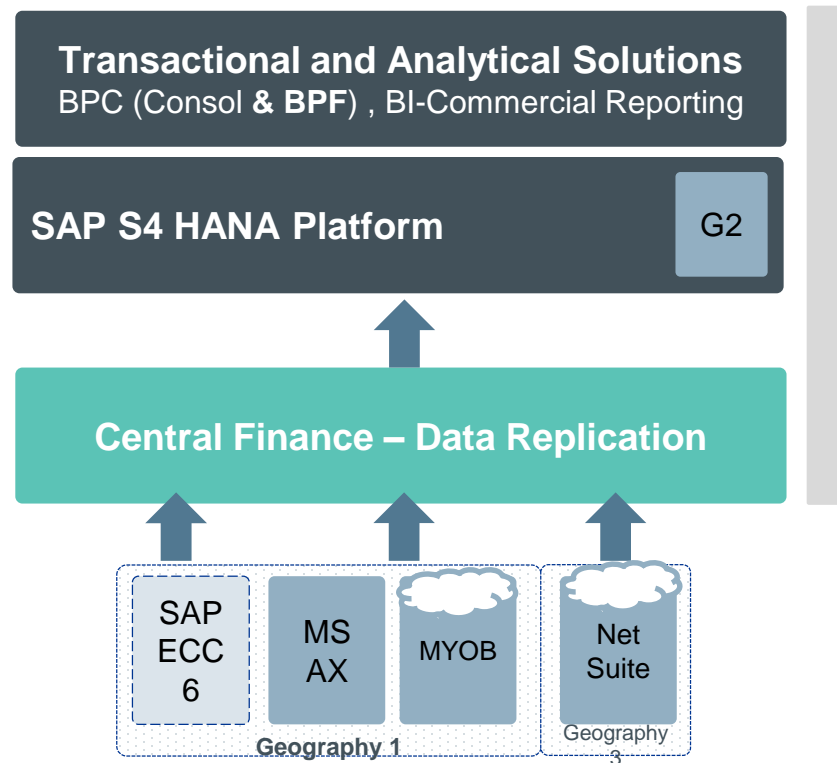


Central Finance & Financial Consolidations Release 1

Non-disruptive step towards system consolidation



S/4 HANA for Operations Geography 2 Release 2

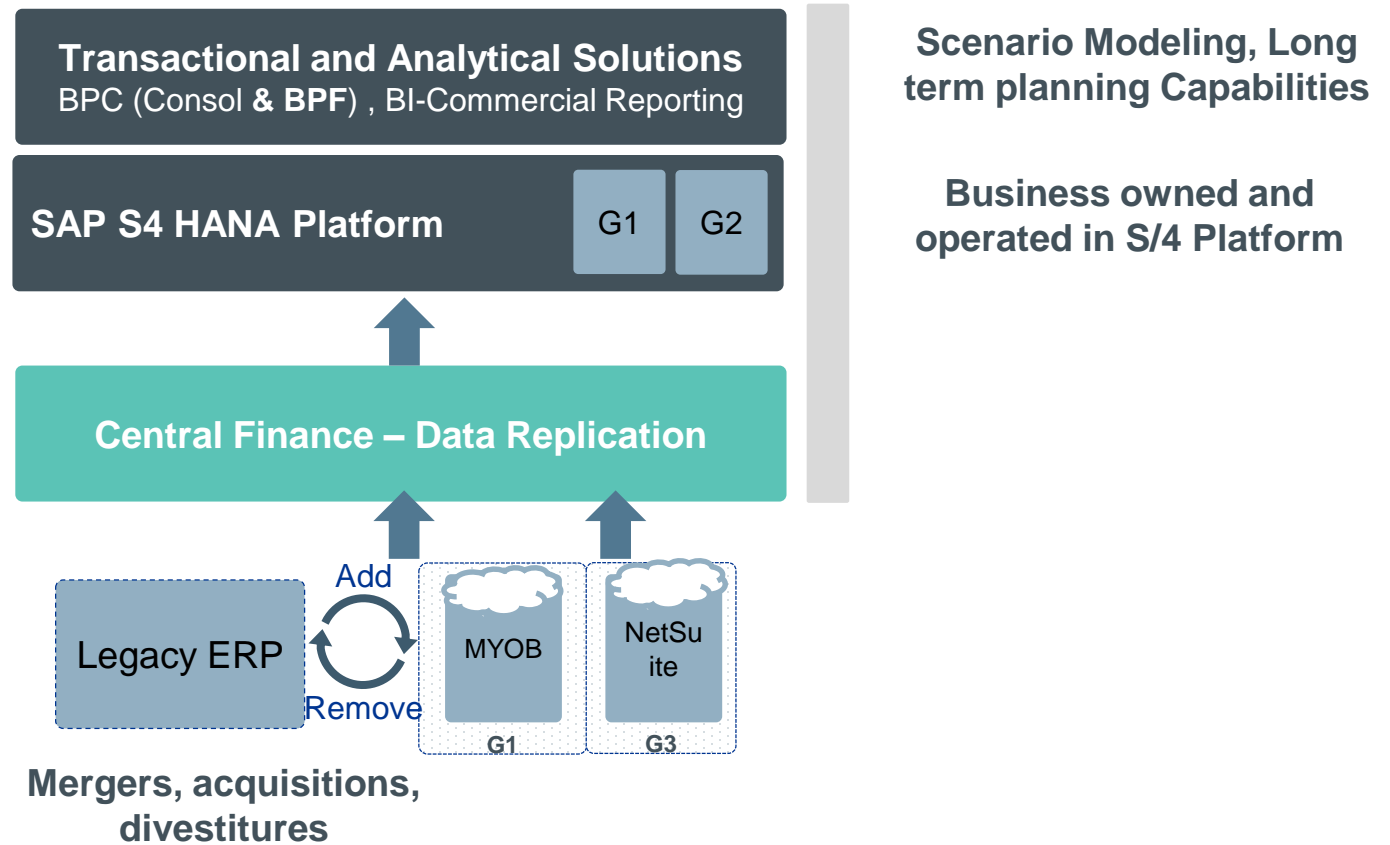


Budgeting, Planning and Forecasting Capability will be added

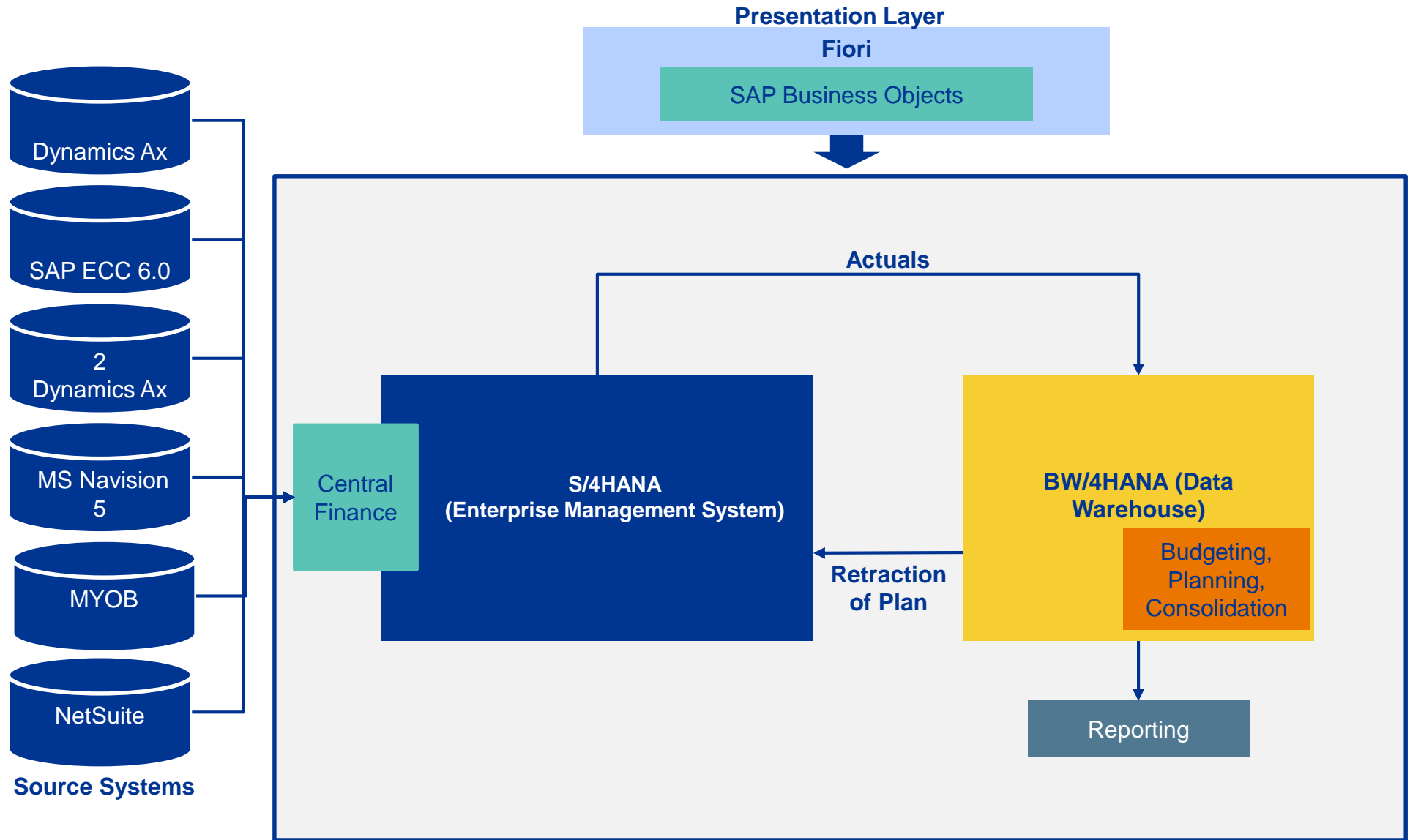
G2 Business Units will start operating in S/4

Business units continue to operate on legacy system & integrate through CFIN solution

S/4 HANA for G2 Operations Release 3



Solution Architecture (Conceptual)



Implementation Issues & Challenges

Technical:

- Costing Based COPA to Account Based COPA
- Classic to New-GL
- OSS Notes
- AIF error volumes
- Non-SAP/end of life source systems
- Complexity and inconsistent system & data structures (Non-SAP)
- Real time vs Non-Real time
- Data volumes in COPA after replication

Data

- Initial Load / historical data load scope & go live timings
- Source to target data mapping design
- Data reconciliation vs validation
- Report

Other

- Testing: Replication testing vs Initial Load
- Resourcing: Maintenance, support and sustainability

Project Results:

- 6 ERP systems integrated
- No manual/offline processing of data for reporting/consolidations
- Actual drill down to transactions/documents
- Harmonized and Standardized master data for
 - COA
 - Cost/Profit Centers
 - COPA – Characteristics
 - Customer/Vendor/Material Master
 - Customer & Product Hierarchies
- 130+ Fiori Apps
- Standardized BW/BI Reports (~26)
 - Monthly & Quarterly Management Reporting Packs
 - ELT KPI Dashboards
 - Commercial reporting

Future Outlook:

- Decommissioning of HFM
- Budgeting, Planning & Forecasting
- Integrated Business Planning
- Scenario Modeling & LTP