OXFORD

INTERNATIONAL
AQA EXAMINATIONS

Please write clearly in block capitals.

Centre number | | | | | | Candidate number | | | | |

Surname _____

Forename(s) _____

Candidate signature _____

I declare this is my own work.

INTERNATIONAL A-LEVEL

BUSINESS

Unit 3: Business Strategy

Thursday 5 January 2023 GMT: 07:00 Time allowed: 1 hour 45 minutes

Materials

For this paper you must have:
- the insert (enclosed).

Instructions
- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided.
  Do not write outside the box around each page or on blank pages.
- If you need extra space for your answer(s), use the lined pages at the end of this book. Write the question number against your answer(s).
- All working must be shown.
- Do all rough work in this book. Cross through any work you do not want to be marked.
- You may **not** use an English dictionary.

Information
- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80.

Advice
- You may use a bilingual dictionary.

For Examiner's Use	
Question	Mark
1.1	
1.2	
1.3	
1.4	
1.5	
2.1	
2.2	
2.3	
2.4	
2.5	
TOTAL	

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Section A

Answer **all** questions in the spaces provided.

Read **Source One: Luotuo Solar (LS)** in the **insert booklet** and then answer the questions.

0 1 . 1 Using **Table 1**, calculate the Operating Profit Margin for LS for the year ending 31/12/2022.

[3 marks]

3

0 1 . 2 With reference to the experience curve, analyse how LS may have benefited from its experience of manufacturing solar panels.

[4 marks]

4

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0 1 . 3 Analyse **two** economies of scale that a larger manufacturer of solar panels than LS may benefit from.

[9 marks]

Extra space

9

Turn over ►

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0 1 . 4 Should LS follow the business analyst's recommendation and sell directly to solar panel installation businesses rather than wholesalers?

Assess the arguments for and against and make a judgement.

[12 marks]

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Extra space

12

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0 1 . 5 LS is considering a takeover of ZQ.

Using **Table 2** and any other information, assess the arguments for and against the takeover and make a judgement.

[12 marks]

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Extra space

12

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Section B

Answer **all** questions in the spaces provided.

Read **Source Two: Aristides Ltd (AL)** in the **insert booklet** and then answer the questions.

0 2 . 1 Using **Table 3**, state whether the Krona is appreciating or depreciating against the Euro and calculate the percentage change in its value.

[3 marks]

3

0 2 . 2 Analyse **one** advantage to AL of Sweden and Italy being members of the same trading agreement.

[4 marks]

4

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0 2 . 3 AL pays its Italian suppliers in Euros, but its customers pay in Swedish Krona.

Analyse how this may affect AL's financial performance.

[9 marks]

Extra space

9

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0 2 . 4 Should AL centralise its human resource decisions?

Assess the arguments for and against and make a judgement.

[12 marks]

Do not write outside the box

Extra space

12

Turn over ►

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0 2 . 5 Should AL accept Gresum's contract to supply ingredients?

Assess the arguments for and against and make a judgement.

[12 marks]

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Extra space

END OF QUESTIONS

12

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There are no questions printed on this page

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ANSWER IN THE SPACES PROVIDED

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Question number	**Additional page, if required.** **Write the question numbers in the left-hand margin.**

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Question number	**Additional page, if required.** **Write the question numbers in the left-hand margin.**
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