Cambridge Assessment International Education

Cambridge International AS & A Level

CANDIDATE NAME	

CENTRE NUMBER						CANDIDATE NUMBER				

BUSINESS **9609/33**

Paper 3 Case Study **May/June 2020**

3 hours

You must answer on the question paper.

You will need: Insert (enclosed)

INSTRUCTIONS

- Section A: answer **all** questions.
- Section B: answer **one** question.
- Use a black or dark blue pen.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen or correction fluid.
- Do **not** write on any bar codes.
- You may use an HB pencil for any diagrams, graphs or rough working.

INFORMATION

- The total mark for this paper is 100.
- The number of marks for each question or part question is shown in brackets [ ].
- The insert contains the case study.

This document has **20** pages. Blank pages are indicated.

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Answer **all** questions in Section A and answer **one** question in Section B.

You are advised to spend no more than 40 minutes on Section B.

Section A

Answer **all** questions in this section.

1 Analyse the advantages and disadvantages to PAC of country X's exchange rate appreciating against other currencies (lines 12 to 17).

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2 **(a)** Refer to Appendix 1 and any other information. Calculate the:

(i) return on capital employed for PAC in 2019

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(ii) forecast gearing ratio in 2020 assuming the four pizza vans are purchased using a bank loan.

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(b) Refer to your answers to **2(a)** and any other information. Discuss whether PAC is right to finance the pizza van project using a bank loan.

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3 PAC requires a marketing strategy for its new 'healthy life' menu. Evaluate the importance of social media and other online methods of promotion to this strategy.

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4 **(a)** Refer to Appendix 2. Calculate the forecast net present value (NPV) of the proposed pizza van project over four years.

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(b) Refer to Appendix 3. Calculate the total contribution of one pizza van for 2021.

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(c) Refer to your answers to **4(a)** and **4(b)** and any other information. Discuss whether the pizza van project is likely to improve profitability for PAC.

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5 Recommend ways in which Paulo might solve the current quality problems in some PAC restaurants. Justify your recommendation.

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Section B

Answer **one** question from this section.

6 Evaluate the usefulness of the information in Appendix 4 for the directors of PAC as they make the strategic choice between Option 1 and Option 2.

7 Evaluate the importance to PAC of contingency planning as part of strategic implementation if Option 2 is chosen.

Write the question number here: .....

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