

Please write clearly in block capitals.

Centre number

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Candidate number

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Surname

Forename(s)

Candidate signature

I declare this is my own work.

INTERNATIONAL A-LEVEL BUSINESS

Unit 3 Business Strategy

Thursday 8 January 2026

07:00 UK Time

Time allowed: 1 hour 45 minutes

Materials

For this paper you must have:

- the Insert (enclosed)
- a calculator, which you are expected to use where appropriate.

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	



J A N 2 6 B U 0 3 0 1

Section A

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

Read **Source One: Ergo plc** in the **Insert Booklet** and then answer the questions.

0 1 . 1

Using **Table 1**, calculate the return on capital employed for Ergo plc in 2025.

[3 marks]

3

0 1 . 2

Analyse **one** benefit to Ergo plc of window dressing its accounts.

[4 marks]

4



[9 marks]

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.[illegible]

9

Ergo plc is considering implementing a strategy of process innovation. Would this improve its return on capital employed?

[12 marks]

[illegible]

Do not write
outside the
box

Extra space

Turn over ►



Ergo plc is making an investment decision. Are financial factors, such as investment appraisal, or non-financial factors, more important for Ergo plc when making this decision?

[12 marks]

[illegible]

12

Section B

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

Read **Source Two: Entraver Ltd** in the **Insert Booklet** and then answer the questions.

0 2 . 1

Using **Figure 1**, calculate the total float in the production of the new hampers for Activity C.

[3 marks]

3

0 2 . 2

Analyse **one** difficulty Entraver may face when trying to maintain a competitive advantage.

[4 marks]

4



[9 marks]

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.[illegible]

9

Directors of Entraver are concerned about the political instability in Country A. Is the political instability the **biggest** concern about Country A for Entraver?

Using **Table 3**, and any other relevant information, assess the arguments for and against and make a judgement.

[12 marks]

[illegible]

[illegible]

Turn over ►



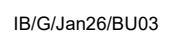
Entraver is considering altering the contents of its hampers to respond to local conditions. Will this increase sales and profits?

[12 marks]

[illegible]

[illegible]

12



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outside the
box*

**DO NOT WRITE ON THIS PAGE
ANSWER IN THE SPACES PROVIDED**



[illegible]

