

ALBAN Paramedicals

Introducing the Business Plan

Who are we? – Management team

1. Mr Kostas Papathanasiou, General Manager

Coordination and control of company's activities

Vision and strategic decision making in terms of the long-range planning of the company

2. Mr Alex Avramidis, Logistics & Operations Manager

Responsibility for fleet management

Coordination of outsourcing and 3PL activities

3. Ms Maria Spachidou, Marketing Manager

Industry and Competition Analysis

Responsibility for the marketing plans of the company

4. Ms Suela Ceka, Finance & Accounting Manager

Strategic alignment with the financial planning

Coordination of economic activities of the company

5. Mr Evangelos Ergen, Investors' Relations and Internal Auditing

Secure that investors remain happy with the information and feedback from the company

Scenario planning on the potential expansion of the company and other strategic issues

Advantages of the Management Team

1. Mr Kostas Papathanasiou, General Manager

15-year experience in a company as owner and general manager
Bachelor in Sports Management.

2. Mr Alex Avramidis, Logistics & Operations Manager

5-year experience in logistics and supply chain aspects, in SEE markets and in Albania.
Deep knowledge of supply chain weaknesses in a market of Bulgaria, Romania, FYROM, Kosovo and Albania. Bachelor in Logistics Management.

3. Ms Maria Spachidou, Marketing Manager

10-year experience in the biotechnology and research in health care industry.
Degrees in Biology, Medical Sciences and a PhD in Immunology

4. Ms Suela Ceka, Finance & Accounting Manager

8-year experience in financial issues as partner or accounting manager in a number of companies. Degrees in Business and Accounting to Logistics and Human Resources.

5. Mr Evangelos Ergen, Investors' Relations and Internal Auditing

22-year of experience in managerial positions in different sectors with one of them being in health care industry. Degrees in Computer Science, Management, Technology and Innovation.

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Feasibility Analysis

- Wholesale company in Albania
- Import paramedical products from China
 - Diagnostic equipment, orthopedic medical supplies etc.
- Market: domestic use, hospitals, pharmacies, doctors
- Simultaneous opening
 - Head office and the main warehouse in Tirana
 - Branch in Korce - retail shop
- Main suppliers located in China
 - Variety of suppliers
 - Low prices
 - Product quality according to ISO standards

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The Business Model

Core Strategy

- ✓ Provide our customers an augmented service.

Based on:

- ✓ Communication-sale-after sale supports-feedback-research-innovation-change

Partnership Network

- ✓ Different suppliers
- ✓ Key relationships in the local market

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Strategic Resources

- ✓ Unique set of resources
- ✓ Experience.expertise and Knowledge

Customer Interface

- ✓ Focus on low pricing
- ✓ Interaction with customers
- ✓ Support in terms of knowledge and research(Doctors)

It is expected that the customers will be motivated through the augmented service offered by the company, which will be the basis for the differentiation. This service will be difficult to be replicated by the rivals as its core advantage is the continuous change and flexibility to the emerging trends.

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Vision Statement

VISION

"ALBAN Paramedics will be a leading company in the supply of paramedical products in Albania, using technology and research, complying with the healthcare regulatory rules and promoting the health, safety and well-being of people."

Strategic Vision

Vision is about forward thinking, seeing what everybody has seen, and thinking what nobody has thought - face the unexpected future.

Establishing a new company and doing business in an emerging market, like Albania, is challenging but hides risks.

Therefore, the team intends to handle the investment, by splitting the strategic thinking in the two parts of:

- (a) dealing with uncertainty and (b) dealing with commitment.

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Mission Statement

MISSION

"To enhance the quality and availability of paramedical products to the community, through the power and application of research, knowledge and technology related to the healthcare sector."

The guiding principles

In order to implement our mission and use it as a compass, it is necessary to adopt in parallel a number of guiding principles.

- ✓ Make a difference
- ✓ Protect the patient
- ✓ Respect the human nature
- ✓ Respect the doctor as scientist
- ✓ Lead the way Achieving excellence
- ✓ Cultivate blue oceans
- ✓ Work together

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Generic Competitive Strategies

The company intends to fully exploit the first mover's advantage and secure its customers' pool. The strategic objectives will be a mix of focusing in two generic strategies.

(a) low-cost leadership

(b) broad differentiation

The cost of the products and the final costs of the augmented service will be of continuous monitoring. The competitive advantage based on low cost leadership will be based on certain tactics.

Primary activities

- ✓ Large shipments
- ✓ Economics of scale
- ✓ Mass marketing
- ✓ Centralized service facilities

Secondary activities

- ✓ Control of cost
- ✓ Support employees
- ✓ R&D
- ✓ Flexibility in supply chain

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Growth Strategies



The Ansoff Matrix-A tool to identify where the company will base its growth. The market is non attractive but is becoming attractive. This is a fact - The Team will apply all 4 growth strategies. It is considered wise to keep flexibility on using each strategy according to the market's situation.

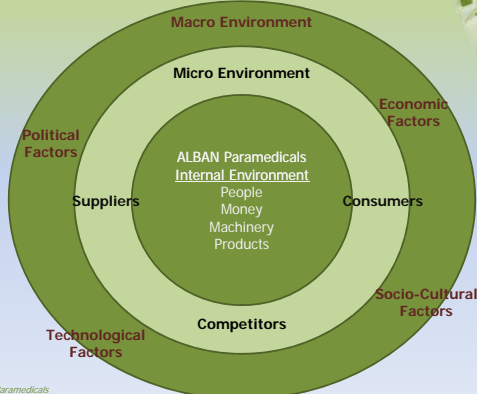


The market is expected to remain non-attractive when we enter, we will apply market development and diversification as initial growth strategies. Use the resources to apply market penetration and product development.

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Industry & Competitive analysis

PLECST analysis Environmental Analysis



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Political – Legal Forces

- Communistic government until 1992 – Transition to democracy
- Free Trade Agreement with the EU (CEFTA)
- Imports & Exports – no authorization requirements
- Imports of paramedical products 10% + 1% tax
- New trade agreements
 - Opportunity for foreign investment

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Economic & Technological Forces

- Annual GDP growth rate
 - 6% until 2008
- Low inflation rate of 3%
- High unemployment rate
 - 13% in 2010
- Monitoring of technological developments
- Follow technological evolution
 - Suppliers
 - Products
 - Distribution
 - Company's expansion

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Social – Cultural Factors

- Population: over 3.5 million
 - Working population: 2 million
- Multi-lingual population
 - Migration status
 - High import and export levels
- Underground economy
 - Corruption
 - Bribery
 - Illegal activity
- Bureaucracy – inefficient procedures (trade and justice)

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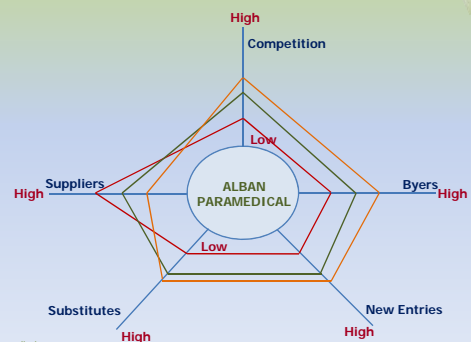
Social – Cultural Factors Health Care System

- Public Sector – diagnosis, treatment
 - Funded by the Ministry of Health, Ministry of Defense, Ministry of Justice
 - Reimbursement System
 - Health insurance plan
- Private Sector – diagnosis, pharmaceutical & dental services
 - 3 local drug manufacturers
 - 200 pharmaceutical warehouses
 - 700 pharmaceutical agencies – public services
 - 42 hospital pharmacies – public services

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Porter's Five Forces Model of Competition

- Microenvironment analysis – Five states of competition



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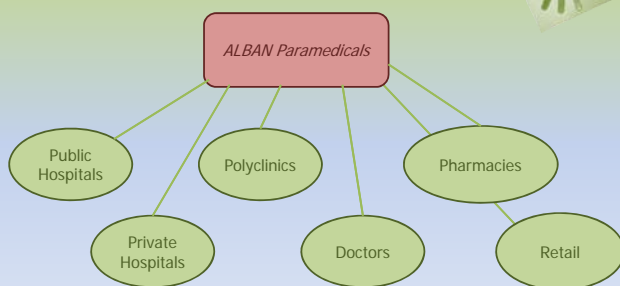
SWOT Analysis

| | Helpful | Harmful |
|--|---|--|
| Internal origin (Attributes of the organization) | <u>STRENGTHS</u> <ul style="list-style-type: none"> ✓ Well experienced personnel ✓ Low cost products ✓ High quality products ✓ Existing Project Planning ✓ Marketing Plan ✓ Immediate product availability ✓ Adequate salaries ✓ Initial Capital | <u>WEAKNESSES</u> <ul style="list-style-type: none"> ✓ New at the business ✓ No product differentiation ✓ Not proven project planning |
| External origin (Attributes of the environment) | <u>OPPORTUNITIES</u> <ul style="list-style-type: none"> ✓ Virgin environment ✓ No paramedical supplies network ✓ No significant competition ✓ Time to establish good customer relations ✓ Potential of competitive advantage ✓ Change suppliers – Economies of scale | <u>THREATS</u> <ul style="list-style-type: none"> ✓ Unpredictable market response ✓ Possible new entries ✓ Increased Competition - Year 2 ✓ Interest rates ✓ Taxes ✓ Exchange rates |

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Marketing Strategy

Target market



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Products



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Promotion

Monthly fund for:

- TV Advertisements
- Announcements in papers and special magazines
- Participation in seminars and health conferences
- Organizing of events

Keep close contact not only with each target group but with the whole community

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Service Provider

Bring service quality to the final consumer

Choose the appropriate product from the suitable manufacturer

Transport in the shortest available time to the consumer

High Precision – On time Delivery – Constant Attention

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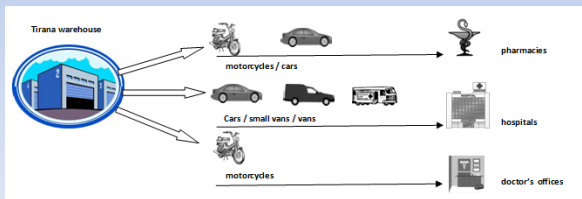
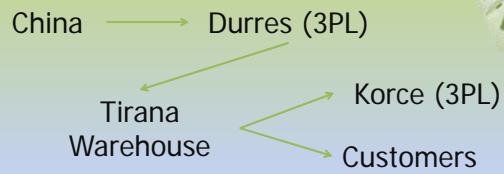
Key Success Factors



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Logistics & Operation Strategy

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Korce Premises

- 80 sq.m. Warehouse
- Minimal stock
- Supplied weekly

Equipment

- 1 Pallet jack
- 1 Cart
- Small shelves



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Tirana Premises

- 600 sq.m. Warehouse
- Optimal stock
- Rare supplies of big quantities

Equipment

- Electric forklift
- Order picking machine
- Pallet jacks
- Carts
- Big shelves



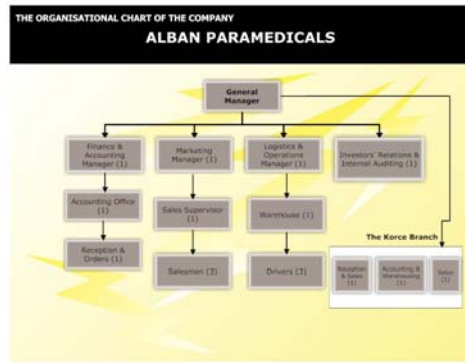
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KPIs

- Percentage of backorders
- Percentage of correct orders
- Forecast accuracy
- Number of orders fulfilled
- Percentage of warehouse use

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Organizational Chart of *ALBAN Paramedicals*



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Let's talk money

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