

**MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE  
UKRAINIAN-AMERICAN CONCORDIA UNIVERSITY**

Faculty of Management and Business  
Department of International Economic Relations, Business & Management

**Bachelor's Qualification Work  
DEVELOPMENT OF UKRAINIAN BUSINESS IN THE CONTEXT OF  
RUSSIA'S FULL-SCALE MILITARY INVASION  
(based on LLC "CORMEDICAL" case)**

Bachelor student of the 4<sup>th</sup> year of study

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Field of study 29 – International Relations

Specialty 292 – International Economic  
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Educational program –

International Economic Relations

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Ph.D. in Economics

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## **Abstract**

The work focuses on studying the consequences of the military conflict for Ukrainian enterprises, in particular for the LLC “CorMedical”. The scope of work covers studying the strategies used by enterprises to adapt to the conditions of ongoing war. The analysis's outcomes found that a number of opportunities open up for some enterprises to expand their business activities and strengthen their position in the market despite of uncertainty and risk caused by the military conflict. This includes increasing demand for certain products and services, developing innovative operating approaches, and the ability to implement effective risk management and revenue diversification strategies.

The tasks of the study have been stated and accomplished in the following way: analyze the impact of the military conflict on the activities of Ukrainian enterprises, in particular on the functioning of the LLC “CorMedical” company; study the strategies used by enterprises to adapt to the conditions of a war and ensure stability and development; evaluate the effectiveness of the applied strategies and their impact on the performance indicators of the analyzed company; develop recommendations for Ukrainian enterprises towards its further development in the conditions of the military conflict.

Analysis of LLC “CorMedical” was conducted based on open and internal resources of the company, in particular it covered external environment of the company, its organizational structure, financial and economic indicators over the past 3 years. The paper draws conclusions regarding the impact of the military conflict on the activities of Ukrainian enterprises. The work presents optimal solutions and strategies aimed to ensure the stability and development of Ukrainian business in a difficult period of the political and socio-economic crises.

**Keywords:** Business development, distribution of medical equipment, wartime conditions, business adaptation.

## **Анотація**

Робота зосереджується на вивченні наслідків військового конфлікту для українських підприємств, зокрема для ТОВ «КорМедікал». Обсяг роботи охоплює вивчення стратегій адаптації підприємств до умов війни, що триває. Результати аналізу показали, що, незважаючи на невизначеність та ризики, спричинені військовим конфліктом, для деяких підприємств відкривається низка можливостей для розширення своєї діяльності та зміцнення позицій на ринку. Це включає підвищення попиту на певні продукти та послуги, розробку інноваційних операційних підходів і здатність запроваджувати ефективне управління ризиками та стратегії диверсифікації доходів.

Завдання дослідження були поставлені та реалізовані таким чином: проаналізувати вплив військового конфлікту на діяльність українських підприємств, зокрема на функціонування компанії ТОВ «КорМедікал»; вивчити стратегії адаптації підприємств до умов війни та забезпечення стабільності та розвитку; оцінити ефективність застосованих стратегій та їх вплив на показники діяльності аналізованої компанії; розробити рекомендації для українських підприємств щодо їх подальшого розвитку в умовах військового конфлікту.

Аналіз ТОВ «КорМедікал» проводився на основі відкритих та внутрішніх ресурсів компанії, зокрема охоплював зовнішнє середовище компанії, її організаційну структуру, фінансово-економічні показники за останні 3 роки. У роботі зроблено висновки щодо впливу військового конфлікту на діяльність українських підприємств. У роботі представлені оптимальні рішення та стратегії, спрямовані на забезпечення стабільності та розвитку українського бізнесу в складний період політичної та соціально-економічної кризи.

**Ключові слова:** розвиток бізнесу, дистрибуція медичного обладнання, умови воєнного часу, адаптація бізнесу.

**PHEE-institute «Ukrainian-American Concordia University»**

**Faculty of Management and Business**

**Department of International Economic Relations, Business and Management**

Educational level: **Bachelor degree**  
Specialty **292 “International Economic Relations”**  
Educational program **“International Economic Relations”**

**APPROVED**

Head of Department \_\_\_\_\_

**Prof. Zharova L.V.**

“ ” 20 \_\_\_\_\_

**TASK**

**FOR BACHELOR’S QUALIFICATION WORK OF STUDENT**

**Illia Shabulin**

(Name, Surname)

**1. Topic of the bachelor’s qualification work**

**Development of Ukrainian business in the context of Russia’s full-scale military invasion (based on LLC "COR MEDICAL" case )**

Supervisor of the bachelor’s qualification work **Olena Zhytkevych**, Ph.D. in Economics,  
(surname, name, degree, academic rank)

Which approved by Order of University from **“25” September 2023 № 25-09/2023-4к**

**2. Deadline for bachelor’s qualification work submission “25” April 2024.**

**3. Data-out to the bachelor’s qualification work**

Materials from internship received during consultation with representatives of the company.  
Information from open resources in the Internet, official reporting of financial and economic activities of the enterprise.

**4. Contents of the explanatory note (list of issues to be developed)**

The **tasks** of the work are :

- analyze the impact of the military conflict on the activities of Ukrainian enterprises, in particular on the functioning of the CorMedical company;
- study the strategies used by enterprises to adapt to the conditions of a war and ensure stability and development;

- evaluate the effectiveness of the applied strategies and their impact on the performance indicators of the analyzed company ;
- develop recommendations for Ukrainian enterprises towards its further development in the conditions of the military conflict.

#### 5. List of graphic material (with exact indication of any mandatory drawings)

*Graphs and figures for analysis of economical and statistical information on the analyzed company*

#### 6. Date of issue of the assignment

#### Time Schedule

№	The title of the parts of the qualification paper (work)	Deadlines	Notes
1.	I part of bachelor thesis	10.12.2023	
2.	II part of bachelor thesis	27.02.2024	
3.	Introduction, conclusions, summary	25.04.2024	Late submission
4.	Pre-defense of the thesis	30.04.2024	Absent

Student

  
(signature)



Supervisor

(signature)

**Conclusions** (*general description of the work; participation in scientific conferences/ prepared scientific article; what grade does the student deserve*):

No participation in scientific conferences, in the process of writing thesis.

Illia's work structured and expected to analyze and identify the negative impact of the military conflict on the activities of Ukrainian enterprises, in particular on the functioning of the LLC "CorMedical" company. He conducted literature review, collected information needed for analysis, however not incorporated proper tools and techniques for the analysis of environmental factors of the company's position in a market. This adversely affected the practical importance of the work and suggested recommendations by author.

The work meets the established academic standards (not entirely due to some errors in designing the work and representing references in the text ), contains three sections, an introduction and conclusions and suggestions. The work can be recommended for defense with a preliminary rating "Good".

A handwritten signature in blue ink, consisting of stylized, cursive letters, positioned above the supervisor's name line.

Supervisor\_\_\_\_\_

(signature)

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## INTRODUCTION

Ukraine, being at the crossroads of political, economic and military turbulence, is going through one of the most difficult stages of its history - the Russian military invasion of its territory. This important historical episode has created numerous challenges and obstacles for Ukrainian business, requiring immediate adaptation measures and strategies to maintain competitiveness and continue its activities. In this context, the activity of enterprises has become a key factor in ensuring the economic stability and development of the country. In particular, companies operating in difficult wartime conditions are at the forefront of the national economic front.

The bachelor's qualification work on the topic "Development of Ukrainian business in the context of Russia's full-scale military invasion" is aimed at revealing important aspects and consequences of the military conflict for business in Ukraine. This topic is relevant and important not only for academic research, but also for practical application, as it stimulates analysis, the search for optimal solutions and strategies aimed at ensuring the stability and development of Ukrainian business in conditions of geopolitical and military threats.

This work offers a thorough analysis of the impact of the military conflict on various areas of business, the identification of key trends, the identification of the main risk factors and opportunities, as well as the development of recommendations for further steps to support and stimulate the development of Ukrainian entrepreneurship in the conditions of a military threat.

The bachelor thesis consists of an introduction, three chapters, conclusion, list of references and annexes. The first chapter allows you to form a comprehensive understanding of the impact of the military conflict on Ukrainian business in general as well as on enterprises associated with a specific business sector, namely, the medical equipment distribution industry. In addition, this section presents a detailed analysis of the impact of the war on the transport system of Ukraine, allowing us to understand what logistical difficulties Ukrainian enterprises had to face. The second chapter consists of an



analysis of the impact of the military conflict on the medical equipment distribution industry, within the framework of which a detailed overview of the environment, organizational structure, financial and economic indicators of the LLC “CorMedical” company over the past three years was carried out, as well as threats and opportunities for development, arising in the conditions of ongoing war, were identified. The third chapter uses all previous data in order to develop measures, the implementation of which will help Ukrainian business adapt to the crisis conditions provoked by the military conflict, as well as develop strategies necessary for the post-war restoration of medical enterprises, including the LLC “CorMedical” company.

Each chapter examines different aspects of the impact of the Russian-Ukrainian War on Ukrainian business and provides analytical data and recommendations for further research.

Previously, this topic was studied by such scientists as Murovana T. O., Redziuk E. V., Bilyovska O., Maistro R., Kazak O. O. and others.

The **relevance** of this thesis lies in the need to understand and analyze the impact of military conflicts on Ukrainian business, as well as in the study of strategies and mechanisms that allow enterprises to function effectively in the conditions of a military conflict. A relevant study can provide valuable insights for Ukrainian enterprises that find themselves in similar conditions, as well as serve as an important source of information for government structures in the formation of strategies for the support and development of the national economy.

The **aim of the bachelor’s qualification work** is to study the development of Ukrainian business in the conditions of a full-scale military invasion of the Russian Federation, in particular, using the example of the LLC “CorMedical” company.

For this purpose, the following **tasks** are set:

- conducting general overview of the impact of the military conflict on Ukrainian business.
- analyze of the impact of the war on the transport system of Ukraine.
- describe the practice base: the impact of the war on medical equipment distribution companies.

- analyze the impact of the military conflict on the activities of Ukrainian enterprises, in particular on the functioning of the LLC “CorMedical” company.
- study the strategies used by enterprises to adapt to the conditions of a war and ensure stability and development.
- evaluate the effectiveness of the applied strategies and their impact on the performance indicators of the analyzed company.
- develop recommendations for Ukrainian enterprises towards its further development in the conditions of the military conflict.

The **methodological basis** of this work is based on a comprehensive analysis of scientific literature, as well as on empirical data collected through surveys, observations and other methods of sociological research. Both quantitative and qualitative methods of analysis are used to ensure completeness and objectivity of the obtained results.

The **research object** is the development of Ukrainian business in the context of Russia`s full-scale military invasion

The **research subjects** is the analysis of the impact of the Russian-Ukrainian war on medical equipment distribution companies and the search for the ways for their development and improvement, using the example of LLC “CorMedical” company.

The bachelor thesis is calculated on 55 sheets. The final part includes conclusions that summarize the obtained results, as well as a list of references and annexes that help in deepening the understanding of the topic and research methodology.

This work studies not only the practical aspects of business operation in wartime conditions, but also the theoretical foundations of strategic management and development of enterprises in unstable conditions. We hope that the results of this research will be an important contribution to the development of Ukrainian business and will contribute to its stability and efficiency even in the most difficult periods of national history.

## CHAPTER 1. ECONOMIC DEVELOPMENT OF UKRAINIAN MEDICAL BUSINESS IN THE CONTEXT OF A FULL-SCALE MILITARY INVASION OF THE RUSSIAN FEDERATION

### 1.1 General overview of the impact of the military conflict on Ukrainian business

Ukraine faced the greatest challenge in its modern history, being subjected to a military invasion by the Russian Federation. This conflict not only led to profound changes in the political landscape of the region, but also caused significant economic and social changes in Ukraine.

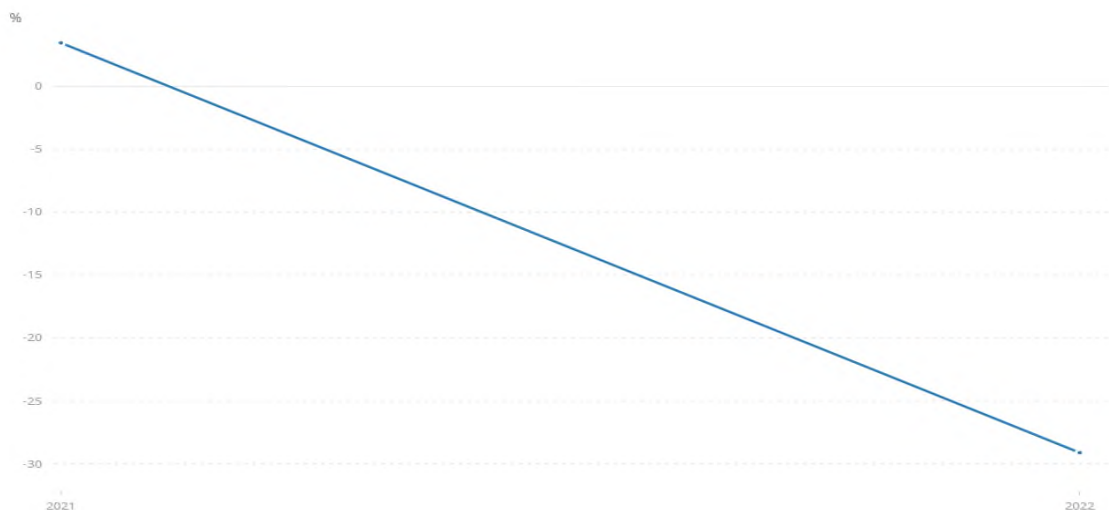


Fig. 1.1 Change in Ukraine's annual GDP from 2021 to 2022.

Source: (World Bank Open Data, 2024)

According to the Figure 1.1, we can see that the Russian-Ukrainian war led to a significant reduction in Ukraine's overall industrial production. In 2022, Ukraine's GDP was US\$160.5 billion, down 19.7% from 2021 (World Bank Open Data, 2024). The fall in the

level of real GDP amounted to 29.1% (World Bank Open Data, 2024). This is the largest annual economic decline in the history of Ukraine. The reasons for this decline are the occupation of certain territories, the destruction of infrastructure and production facilities, the blockade of Black Sea ports, the severance of logistics ties and large-scale migration. The combination of these effects led to a sharp decline in consumer demand, investment activity, exports and harvests (Національний банк України, 2024). GDP per capita also decreased by 19.2%, amounting to 3900.5 US dollars (Мінфін, 2024).

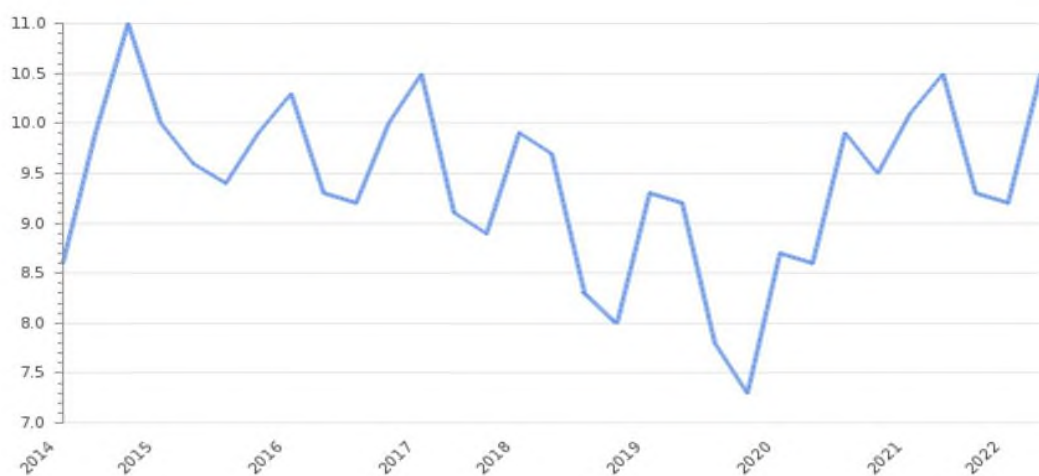


Fig 1.2 Unemployment rate in Ukraine from 2014 to 2022.

Source: (Take-Profit.org, 2024)

According to the Figure 1.2, we can see that Russia's full-scale invasion of Ukraine resulted in the destruction of many businesses and the loss of jobs. At the end of 2022, the unemployment rate in Ukraine was 24.5%, that is, 15.7% higher than the previous year (IMF, 2024). The main reason for such high unemployment is the forced migration of people from war zones to safer regions of Ukraine. Among internally displaced persons, the unemployment rate is higher than in the economy as a whole. According to NBU analysts, improving the unemployment situation directly depends on the speed of adaptation of forced migrants to new places of residence.

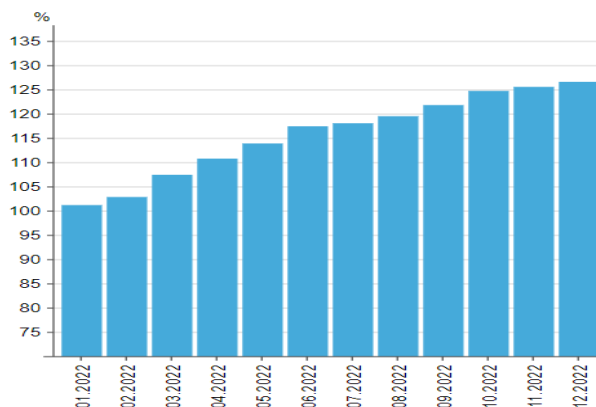


Fig. 1.3 Dynamics of the inflation index in 2022.

Source: (Мінфін, 2024)

According to the Figure 1.3, in 2022, consumer prices increased by 16.6% compared to 2021 due to the full-scale invasion of the Russian Federation. This change is caused by many factors. First of all, the rise in prices, especially for imported goods, is explained by the devaluation of the hryvnia. Reduced food production due to the occupation of territories, destruction of crops and disruption of supply chains also played a role in the increase in inflation. In addition, rising energy prices led to rising prices for transport, heating, and electricity (Інститут аналітики та адвокації, 2023).

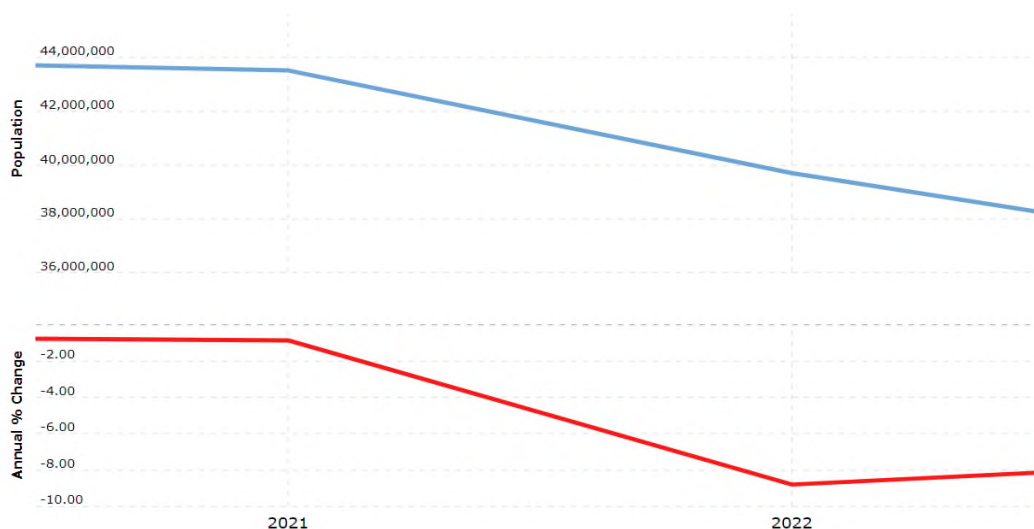


Fig. 1.4 Dynamics of changes in the population of Ukraine.

Source: (MacroTrends, 2024)

According to the Figure 1.4, in 2022, the population of Ukraine was 39,701,739, which is a 8.8% decline from 2021 (MacroTrends, 2024). At the same time, the population growth rate of Ukraine fell to a record -14.3% (World Bank Open Data, 2024). Primarily, the reason for these changes is the high mortality rate of the population caused by incessant military operations, shelling and bombing, which lead to the death of people. According to the State Statistics Service of Ukraine, in 2022 the number of deaths in Ukraine exceeded the number of births by 226,000 people. Another reason for this decline is that war has a negative impact on people's health, both physical and mental, which has led to a decrease in the birth rate. In addition, the hostilities forced millions of people to leave Ukraine in search of safety and better economic conditions. According to the UN, more than 8 million people have fled Ukraine since the start of the war.

The military events had a negative impact not only on the social and political spheres, but also became a serious shock for Ukrainian business (EU NEIGHBOURS east, 2023). An important aspect is a general overview of the impact of the military conflict on the business sector of Ukraine. It is necessary to understand how the country's economy adapts to new realities and what prospects and threats arise for the business community in the context of the current military conflict.

The impact of the military conflict on Ukrainian business is complex and has many faces which shown in Table 1.1:

Table 1.1

The impact of the military conflict on Ukrainian business

Economic damages	<p>Direct damage: hostilities can lead to physical destruction and destruction of business infrastructure, factories, warehouses, and other businesses.</p> <p>Production losses: as a result of the military conflict, enterprises may cease their work, which leads to production losses and a decrease in economic activity.</p>
------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Decrease in consumer demand	<p>Economic uncertainty: citizens may become more cautious spenders due to the uncertainty of the economic situation during the military conflict (Економічна правда, 2022).</p> <p>Decreased income: increased unemployment and limited economic opportunities can lead to lower household incomes, which affects consumer demand.</p>
Lack of investment	<p>Unfavorable investment climate: military conflict creates instability and risks, which can lead to investors' refusal to invest in businesses in the conflict area (Юридична Газета, 2022)</p>
Changes in supply chains	<p>Supply constraints: hostilities can lead to constraints in supply chains, affecting the supply of raw materials and finished products (CreditStore, 2024).</p>
Exchange Rate Changes and Inflation	<p>Foreign exchange market instability: war can cause exchange rates and higher inflation, which affects the cost of imported goods and services (Економічна правда, 2022).</p>
Social Losses	<p>Declining skilled workforce: losses in human resources due to loss of lives, migration, and other social aspects can affect the skilled workforce (KeyCRM Blog, 2022).</p>
Changes in legislation and regulatory environment	<p>Temporary measures: the government may impose temporary restrictions and measures to ensure national security, which may affect the functioning of businesses.</p>

Source: compiled by the author based on (Journal of Innovations and Sustainability, 2023)

Considering the impact of the war described in the Table 1.1, reducing the negative impact of the war on Ukrainian business and the economy is an important task that requires an integrated approach and cooperation on the part of the government, business

and citizens. Table 1.2 presents some possible solutions, the implementation of which will allow Ukrainian enterprises to overcome the challenges arising from the military conflict and ensure sustainable economic growth:

Table. 1.2

Recommendations to help businesses cope with the negative consequences of war

International support	Involvement of international organizations that can provide financial, technical and humanitarian assistance. Expanding cooperation with international partners to attract investment and markets.
Financial Stability	Implementation of effective economic reforms to maintain the stability of the financial system (Економічна правда, 2022). Encouraging international investment by improving the investment climate and reducing bureaucratic barriers.
Social policy	Introduction of social measures to support internally displaced persons and war victims. Development of training and retraining programs for those who lost their jobs due to the war.
Development of Small and Medium-Sized Enterprises (SMEs)	Ensuring SMEs' access to credit and financial support (Національний інститут стратегічних досліджень, 2023). Creating programs to support new businesses and startups.
Reconstruction of infrastructure	Restoration of damaged infrastructure to ensure the normal functioning of the economy. Attracting foreign investors to finance infrastructure development projects.
Industry Incentives	Providing support to key sectors of the economy that can become engines of development.



	Implementing incentives for innovation and research in important industries.
Reform of the tax system	Revision of tax rates and incentives to attract investment and business development. Simplification of tax regulation to reduce administrative burdens for entrepreneurs.
Local Development	Ensuring equitable development of regions by investing in local infrastructure and creating jobs. Support for local initiatives and entrepreneurship.

Source: compiled by the author based on (U-LEAD, 2023)

It is also important to note the international aid to Ukraine during the war with Russia, which played a significant role in maintaining the country's defense capabilities, as well as in providing for humanitarian needs. According to the Ministry of Reintegration of Ukraine and the Kiel Institute of World Economics, since the beginning of the full-scale invasion of Russia, the total amount of international aid is almost 170 billion euros. This assistance consists of various components. Approximately 40% of this amount is military support, which helps Ukraine to strengthen its defense capabilities. Half of the volume of financial assistance is used for the needs of the Ukrainian budget, ensuring the financial stability of the country. The rest, about 10%, is intended for humanitarian aid, which includes provision of vital needs of the population, medical aid and other humanitarian measures (Finance.ua, 2024).

Table 1.3

Top countries in terms of the amount of aid provided to Ukraine during the war (year 2020)

Country	Aid from the country, % of GDP	Total amount in billion dollars
Estonia	1,26	0,54

Latvia	1,09	0,51
Lithuania	0,95	0,76
Poland	0,68	6,21
Slovakia	0,63	1,06
Denmark	0,51	3,01
Netherlands	0,44	7,24
Finland	0,44	1,97
Bulgaria	0,31	0,48

Source: compiled by the author based on (Finance.ua, 2024)

Ukraine received support from 42 countries, as well as from European institutions, the International Monetary Fund and the World Bank. Among the largest donors, the United States of America stands out with the largest amount of aid, which amounts to 71 billion euros, of which 43 billion is directed to military aid. The countries of the European Union also provided significant aid, almost 62 billion euros, most of which went to the needs of the Ukrainian budget. Other countries such as Great Britain, Canada, Australia, New Zealand, China, Japan, Norway, South Korea, Switzerland, Taiwan, Turkey and India also provided financial support (Finance.ua, 2024). Against the background of this assistance, some countries stand out, which, despite their small geographical and economic size, invest significant resources in supporting Ukraine. For example, Baltic countries such as Estonia, Latvia and Lithuania are noted for their generous contributions as a percentage of GDP.

Table 1.4

International medical assistance allocated to Ukraine (year 2022)

<b>Donors</b>	<b>Nomenclature of medical assistance</b>
Austria	Medical devices and equipment
Belgium	Medicines, consumables
United Kingdom	Medical furniture, transport

Germany	Medicines, special protection for medical workers
USA	First aid kits, tools
Japan	Medical devices and equipment
International organizations (WHO, UNICEF)	Various medical devices
Charitable organizations (Doctors without borders, Direct Relief)	Medical devices, medicines, special protection for medical workers
International companies (Teva, Bayer, Pfizer)	Medicines, medical devices
Medical institutions from Germany, Poland, Switzerland	Medical equipment

Source: compiled by the author based on (Ukrinform, 2023)

As for international assistance for the medical field, it was extremely important for ensuring the smooth operation of medical institutions and providing assistance to soldiers and civilians affected by the fighting. Medical assistance, coming from 35 countries, international and philanthropic organizations, as well as domestic and foreign businesses, included a variety of medical supplies, equipment and medicines (Ukrinform, 2023). Among the largest donor countries were Austria, Belgium, Great Britain, Germany, USA, Japan and others. Medical assistance was also provided by international organizations such as the World Health Organization, UNICEF, as well as a number of charitable organizations, including Doctors Without Borders and Direct Relief. Equally important was assistance from companies such as Teva, Bayer, Pfizer, as well as foreign medical institutions, in particular clinics from Germany, Poland and Switzerland. According to the report of the Ministry of Health of Ukraine, the total mass of medical humanitarian aid was 12.8 thousand tons, and its estimated cost exceeded UAH 13.5 billion. This assistance contained medicines, supplies, instruments, equipment, first aid kits, medical furniture and transport, as well as special protection for medical workers.

Analyzing the impact of the military conflict on Ukrainian business, it can be argued that this process had a significant impact on the economic situation in the country and the business strategies of enterprises. Most companies were forced to experience the negative consequences of the war and show a high level of adaptability, revising their business model and starting to search for new markets (Економічна правда, 2022). Despite the difficulties accompanying the military conflict, it should be noted that some sectors of the economy have found new opportunities in the changed conditions. For example, enterprises specializing in the production or supply of goods and services related to the armed forces and defense industry could see some growth. At the same time, technology companies focused on the development of cybersecurity and other modern technologies can find support in government programs and initiatives (Економічна правда, 2022).

Thus, the impact of the military conflict on Ukrainian business and the economy is complex and varied. Reducing the negative impact of war requires active action and strategic planning not only on the part of the government and international partners, but also active participation on the part of entrepreneurs. Continued attention to these aspects will allow the Ukrainian economy to become more resilient in the face of instability and conflict, contributing to its sustainable development and prosperity.

## 1.2 Analysis of the impact of the war on the transport system of Ukraine

The Russian-Ukrainian war has a significant impact on all spheres of life in Ukraine, including the transport system (European Business Association, 2022). Against the background of the ongoing conflict, Ukraine's transport system faces a number of important challenges. The war in Ukraine has paralyzed the transport system, causing serious damage to the country's economy.

Table 1.5

Infrastructure object	Amount
Railway infrastructure	507 km of railway tracks were damaged; 5 500 buildings belonging to Ukrzaliznytsia were damaged, destroyed or lost; 126 railway stations were damaged or destroyed.
Road infrastructure	more than 25,000 km of roads were damaged; 344 bridges were damaged.
Aviation sector	19 airfields were damaged; Air communication with Ukraine is closed.

Source: compiled by the author based on (KSE Institute, 2024)

Analyzing statistical data from Table 1.5 regarding the impact of military operations on the transport system of Ukraine, the following conclusions can be drawn:

- 1) Damage or destruction of thousands of kilometers of railways and highways significantly complicates transport communications between different regions of

the country and makes the normal functioning of the transport system impossible. The ability to deliver aid to occupied and front-line areas is also limited.

- 2) A large number of damaged or destroyed bridges led to obstructions in the movement of traffic through bodies of water, ravines and other obstacles, thereby hampering the movement of people, goods and military equipment.
- 3) The hostilities led to a significant decrease in traffic volumes. The volume of railway transportation fell by 43.7%, road transport decreased by 19.7% (Crowe Mikhailenko Ukraine, 2023). Due to the closure of air connections with Ukraine, all possible air transportation was completely stopped.
- 4) Ukraine is important as a transit country for the transportation of energy resources, in particular oil and gas. The conflict has led to losses and damage to oil and gas pipelines, which affects the country's energy balance and its economy.
- 5) The war has necessitated changes and the development of new transport routes, as some routes located in the conflict zone are no longer designed for safe use. Ukrainian enterprises were forced to rethink their logistics strategy, which led to increased logistics costs and additional losses due to transportation delays.
- 6) Ukraine's tourism industry also suffered serious losses due to the war. Insecurity and instability have caused tourists to avoid certain regions, which has affected the transport sector and tourism-related infrastructure.
- 7) Ukraine is of great importance as a country with access to the sea. The war led to limited access to the ports of the Azov coast due to the loss of control over these territories, which negatively affected the export and import of goods.
- 8) According to preliminary estimates of the KSE Institute, the total amount of damages to transport infrastructure in Ukraine was \$36.8 billion. The most affected sectors include:
  - Roads - \$27 billion
  - Railway infrastructure - \$4.3 billion
  - Bridges and bridge crossings - \$2.6 billion
  - Aviation sector - \$2.04 billion
  - Port infrastructure and related businesses - \$0.85 billion

It is important to consider not only the physical condition of the infrastructure, but also adaptation to new realities. Growing challenges pose questions for the Ukrainian authorities and public on how to effectively adapt and modernize the transport system to ensure resilience and efficiency in the face of the uncertainties, dictated by the current geopolitical landscape. Restoring transport system is a complex and large-scale task that requires coordination of national and international resources.

Table. 1.6

Measures, the implementation of which is necessary for the restoration of the transport system of Ukraine

Damage assessment and restoration planning	The creation of an interdepartmental working commission responsible for conducting a detailed assessment of the extent of the destruction of transport infrastructure, as well as for planning and coordinating the restoration process, taking into account long-term prospects.
Management and monitoring system	Development of a transparent and effective management and monitoring system to track the progress of the transport system restoration.
Restoration and development of transport routes	Restoration of transport routes: restoration of damaged sections of railways and highways, taking into account the latest construction technologies.  Modernization of transport routes: integration of the Ukrainian transport system into the European transport network.
Restoration of air transport	Airport reconstruction: carrying out reconstruction of damaged airports and runways.

	Return of air traffic: ensuring the safety of Ukrainian airspace with the help of modern air defense systems.
International cooperation and assistance	Attraction of international resources: applying to international organizations and partners for financial and technical assistance.  Cooperation with international partners: ensuring cooperation with international partners for the rapid restoration of cross-border transport routes.

Source: compiled by the author based on (Економічна правда, 2023)

Overall, the impact of the Russian-Ukrainian war on the transport system of Ukraine is complex and has far-reaching consequences for the further development of the country. The resulting challenges require engagement and an integrated approach from all stakeholders, including government, business and international partners, to ensure sustainability and development in the face of uncertainty.

Despite the decline of the transport system caused by the military conflict, Ukraine faces opportunities for its modernization and improvement. Attracting foreign investment, specialists and technological base can contribute to the rapid restoration and development of Ukraine's transport infrastructure, making it one of the most advanced and competitive in the world.

The war also emphasized the need to diversify routes. Restrictions on access to certain territories require re-evaluation and optimization of logistics routes, stimulating the development of alternative transport routes and influencing the geopolitical position of Ukraine in trade relations.



### **1.3 Description of the practice base: the impact of the war on medical equipment distribution companies**

The Russia-Ukraine war not only changed the political map of the region, but also caused a number of changes in the healthcare sector, forcing Ukrainian medical institutions and enterprises to adapt to new challenges and changes in the socio-economic environment. In this context, it is important to consider the relationship between military-political events and the development of medical business in Ukraine, as well as to identify key trends and problems that arise in this context (Києво-Могилянська Бізнес Школа (KMBS), 2023).

The war in Ukraine has posed a number of serious problems for the medical business. At the start of the full-scale invasion, demand for medical services fell by approximately 70%. An outflow of qualified personnel began, because people began to leave en masse for safety. All the usual logistics links were disrupted, so that small establishments, unlike global chains, very quickly felt a shortage of medicines, consumables, etc. 70% of medical institutions experienced problems with the supply of medicines and medical products. Service maintenance of specialized equipment and equipment has also become significantly more complicated due to martial law and closed borders.

Considering the above information, the development and adaptation of the Ukrainian medical business even in the context of a full-scale military invasion is an extremely important and difficult task, since the military conflict significantly affected the infrastructure, economy and availability of medical services. However, with proper leadership and strategic planning, the medical business can play a key role in providing medical care to the population and restoring the destroyed healthcare system (KMBS, 2023).

Table. 1.7

Measures to promote the development of Ukrainian medical business under conditions of military invasion

Emergency medical care	Conditions of military conflict require increased emergency medical care. Medical enterprises need to establish close cooperation with authorities and humanitarian organizations to provide emergency medical care to the population, treatment of the wounded and psychological support.
Expansion of medical services	Medical companies need to expand the range of their services, including rehabilitation of the wounded, psychotherapy for military personnel and civilians, as well as programs for the prevention of diseases associated with military conflict.
Education and Training	The development of medical business should include initiatives to improve the qualifications of medical personnel (KMBS, 2023).
Insurance & Medical Funds	Development of insurance programs and medical funds to ensure the financial stability of medical institutions and businesses in conditions of uncertainty.
Cooperation with international organizations	Interaction with international medical organizations and foundations to obtain financial support, exchange of experience and obtain the necessary resources.
Public Involvement	Involvement of the public in supporting medical business through social campaigns, charity and volunteering (Редакція ТЧН, 2022).
Investing in the latest medical technologies	Medical enterprises need to allocate funds for the search and acquisition of modern medical technologies that can improve existing methods of diagnosis, treatment and rehabilitation.

Source: compiled by the author based on (Thepage.ua, 2023)

The Russian-Ukrainian war emphasized the importance of technological development in the field of medical care. Distributing companies providing Ukrainian medical institutions with high-tech equipment have begun to play a vital role in preserving the lives and health of Ukrainian citizens. Taking on this responsibility, LLC “CorMedical”, a company specializing in the supply of modern medical equipment and innovative technologies, faced a number of significant challenges and opportunities. In this context, it is important to examine how the current political and economic environment has impacted LLC “CorMedical's” business operations and forced it to rethink its delivery strategy, financial planning and customer relations practices.

Table. 1.8

## Impact of the war on the activities of the LLC “CorMedical” company

Changes in supply and logistics	War conditions caused problems in the field of transportation and cargo handling, and the need to supply equipment to conflict zones raised questions for the company regarding ensuring the safety of goods and employees.
Overcoming financial difficulties	Due to the decline in economic activity and increasing economic instability, companies faced problems associated with a drop in order volumes and receiving payments from customers (Mind.ua, 2023).
Changes in demand for medical equipment	Military conflict has increased the demand for certain types of medical equipment designed to treat combat-related injuries, for example, surgical and trauma equipment.
Negative impact on service provision	Providing maintenance services is hampered by limited access to conflict zones and a lack of necessary spare parts.

Risk of loss of markets	Changes in political and economic conditions led to changes in consumer demand and working conditions for the company.
Development of new marketing strategies	The conditions of war require the development of new marketing strategies aimed at adapting to changes in demand and the competitive environment.
Attracting new partners and suppliers	Securing reliable suppliers and partners has become a priority for the company in the face of uncertainty and risk.
Expansion of services and products	The company should consider expanding its range of products and services to adapt to new market needs caused by the military conflict.
Cooperation with humanitarian organizations	In wartime, it is possible to establish cooperation with humanitarian organizations to provide medical care and equipment in the conflict zone (Редакція ТЧН, 2022).
Cooperation with international partners	War conditions require increased cooperation with foreign business partners to ensure stability of supplies.
Personnel changes and staff retention	Russian military invasion has led to personnel changes and personnel losses. Staff retention and their development are essential for a company's stability.
Impact on the company's reputation	The conditions of the war can affect the company's reputation depending on its response to challenges. Cooperation with humanitarian organizations and participation in volunteer programs can have a positive impact on the image (Редакція ТЧН, 2022).

Source: compiled by the author based on (Khmurova & Volkova, 2023)

Thus, the Russian-Ukrainian war became a challenge for the medical business, forcing companies to adapt to new realities. On the one hand, the increased need for medical services due to the growing number of wounded and sick has made medical enterprises one of the key links in providing assistance to military personnel and the civilian population, which has opened up the opportunity for companies to expand their activities. This factor contributed to the development of new areas of medical care in order to improve and expand medical goods and services (KMBS, 2023).

On the other hand, the war also caused economic hardships that affected the population's ability to pay for medical services. Many medical institutions have faced financial difficulties and problems in the context of an aggravated economic situation (Mind.ua, 2023).

LLC “CorMedical” also faced the consequences of the military conflict in the form of a decrease in economic activity and purchasing power of the population, which was reflected in the volume of its orders, and the instability of transport routes and customs procedures caused delays in the supply of goods, affecting inventory and customer service. However, LLC “CorMedical's” management strategy takes into account all these factors, ensuring resilience and flexibility in a turbulent geopolitical climate and allowing the company to continue to provide state-of-the-art equipment to improve the level of medical care in the country.

## **CHAPTER 2. ASSESSING THE IMPACT OF THE WAR ON BUSINESS OPERATIONS OF THE LLC "CORMEDICAL" AND MEDICAL EQUIPMENT DISTRIBUTION INDUSTRY IN UKRAINE**

### **2.1 Analysis of the LLC “CorMedical’s” environment, organizational structure, financial and economic indicators for the last three years**

In the modern business environment, when competition in the market is becoming more and more dynamic, and the influence of external factors on the activities of companies is acquiring new proportions, analysis of internal corporate environment is becoming a necessary component of the strategic management of an enterprise. In this study, we will focus on LLC “CorMedical” and conduct an in-depth analysis of its environment, organizational structure and financial and economic performance over the past three years from 2020 to 2023 inclusive.

Analysis of the company`s environment will allow us to understand how external factors affect LCC “CorMedical's” operations. A thorough analysis of the organizational structure will help determine the effectiveness of internal management and interaction between departments. Financial and economic analysis will determine the financial condition of the enterprise, its profitability and sustainability (ДАНКО, 2024).

The results of this study will provide the necessary information to understand how LLC “CorMedical” can improve its growth strategy, optimize its internal structure and make informed management decisions in today's business environment.

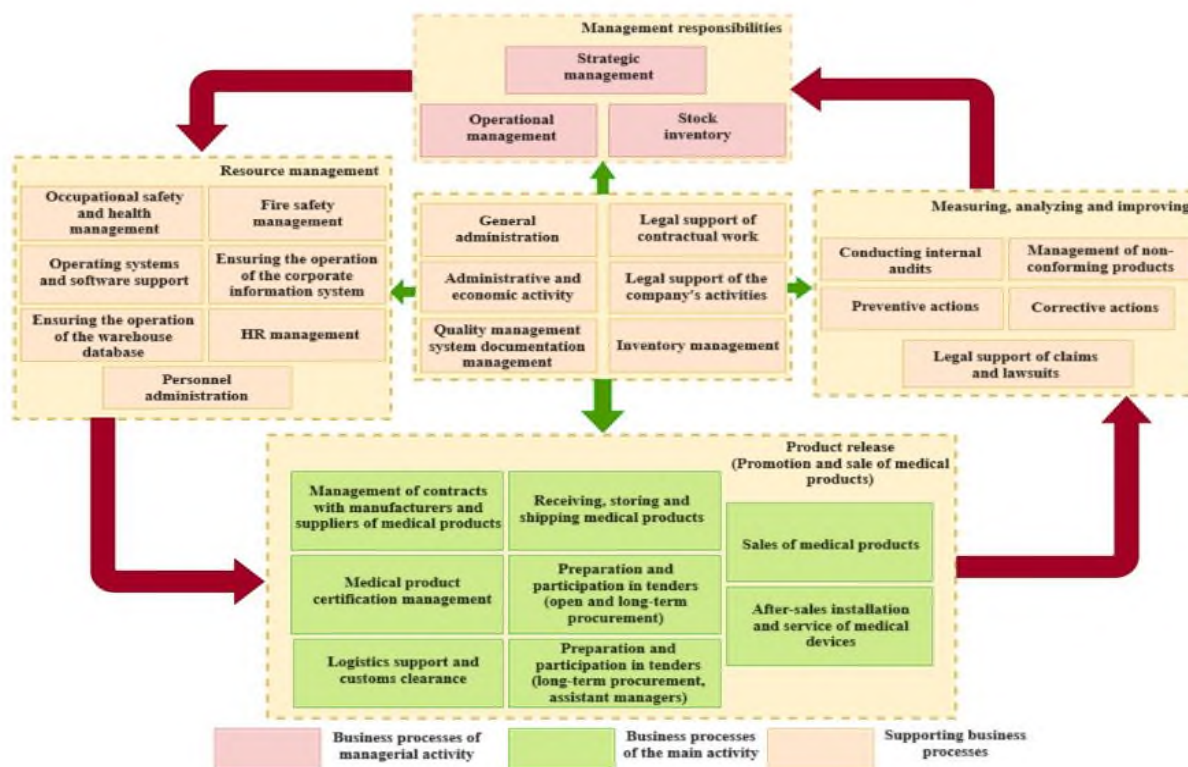


Fig. 2.1. Diagram of the management organization of the LLC "CorMedical"

(A detailed description of all business processes can be found in Annexes A, B, C, D, E)

Source: (CorMedical, 2023)

When analyzing the company's environment, it is important to take into account the key activities of the subsidiaries of the CorMedical brand, such as LLC "Iridium", LLC "Optimatrading", LLC "Comstart" and LLC "Doxservice". Each of these enterprises has its own unique characteristics and specialization in different areas of medicine, so strategies for improving performance must be developed separately for each of the enterprises' activities, taking into account the characteristics of the specific medical area, the previous achievements of the companies and current market conditions.

Regarding the environment of LLC "CorMedical", it is worth noting that over the past three years, all companies continued to actively work on optimizing their activities and improving processes in order to increase competitiveness and management efficiency. Despite economic and social challenges such as war or the COVID-19 pandemic, companies have managed to adapt and continue their sustainable development.

Over the past three years, the following changes have taken place in “CorMedical” companies that are worth paying attention to (CorMedical, 2023):

1. LLC “Iridium” and LLC “Optimatrading” (sale of medical equipment):
  - over the past three years, companies have continued to actively analyze market trends and demand for medical equipment. They focused on the formation of procurement strategies that took into account changes in market requirements and customer needs.
  - additional measures were taken to optimize the composition of goods and partnership relations in order to minimize risks and optimize stocks.
  - conducted regular marketing research to determine effective sales strategies and advertising campaigns.
2. LLC “Comstart” (warehouse operations, storage, transportation):
  - the company continued to optimize the processes of storing goods in the warehouse in order to reduce costs and ensure quick access to products.
  - new automation technologies were introduced to improve work efficiency and speed up order processing.
  - new logistics and transportation systems were developed and implemented to ensure timely deliveries.
3. LLC “Doxservice” (legal services):
  - the company continued to conduct legal analysis of the activities of all group companies and develop risk reduction strategies.
  - provided legal support in concluding contracts, licenses and other legal documents.
  - negotiations with counterparties and resolution of legal issues arising in the course of the enterprise's activities were conducted.
4. General economic planning:
  - an unified system of accounting and financial control was implemented for all companies of the group in order to improve management efficiency.
  - constant monitoring of key economic indicators was carried out to assess the effectiveness of activities and timely adjustment of development strategies.



- the company's development plans were regularly updated and strategies were adjusted in accordance with changes in the economic environment.

It is also important to notice that the departments of both companies, LLC “Iridium” and LLC “Optimatrading”, have undergone some changes during the past three years, covering a wide range of activities in the medical field (CorMedical, 2023).

LLC “Iridium”:

1. Department of Cardiac Surgery: introduction and promotion of new technologies in cardiac surgery, such as robotic systems for surgical interventions and new methods of cardiac surgery.
2. Department of Neurosurgery: introduction and promotion of equipment for innovative methods of diagnosis and treatment of neurosurgical diseases, such as the use of artificial intelligence for precise navigation systems.
3. Equipment and service department: optimization of medical equipment maintenance and installation processes using digital technologies and automation.
4. Department of Marketing and Development: implementation of new marketing strategies aimed at attracting customers and maintaining the company's image.

LLC “Optimatrading”:

1. Department of Joint replacement:
  - expanding the range of surgical instruments necessary for removing a damaged joint and installing an endoprosthesis.
  - expanding the range of joint prostheses from various materials.
  - expanding the range of X-ray machines used to examine damaged joints and monitor the postoperative healing process.
2. Department of General surgery: introduction and promotion of advanced technologies for performing surgical interventions on an outpatient basis with minimal risks for patients.

Table 2.1

## Income statement of the LLC “CorMedical” company

Indicators (in million USD)	Years		
	2020	2021	2022
Revenue	3,509	3,831	4,192
Cost of sold goods	1,846	1,992	2,085
<b>Gross profit</b>	1,663	1,839	2,107
Distribution expenses	0,122	0,140	0,224
Marketing and administration	0,856	0,928	1,102
Research and development	0,047	0,056	0,051
Depreciation	0,076	0,085	0,091
<b>Operating profit</b>	0,562	0,630	0,639
Total Taxes	0,109	0,122	0,124
<b>Net Income</b>	0,453	0,508	0,515

Source: (CorMedical, 2023)

Table 2.2

## Balance sheet of the LLC “CorMedical” company

Indicators (in million USD)	Years		
	2020	2021	2022
Cash	0,717	0,563	0,427
Accounts Receivable	0,162	0,171	0,182
Inventories	0,912	0,967	1,025
Total Current Assets	1,791	1,701	1,634
Property Plant & Equipment	1,232	1,246	1,260
<b>Total assets</b>	3,023	2,947	2,894
Accounts payable	0,121	0,128	0,136
Deferred Taxes	0,091	0,105	0,121
Total Current Liabilities	0,212	0,233	0,257

Long-Term Debt	0,858	0,647	0,461
Owner's capital	0,797	0,843	0,896
Retained Earnings	1,156	1,224	1,280
<b>Total liabilities &amp; Equity</b>	<b>3,023</b>	<b>2,947</b>	<b>2,894</b>

Source: (CorMedical, 2023)

Now we will examine the dynamics of profitability and investment activities of LLC “CorMedical” based on the provided financial indicators for the last three years (2020-2022).

1. Cash has decreased by 40,44% (from 0,717 million USD in 2020 to 0,427 million USD in 2022) due to increased operating costs and investment levels.
2. Accounts receivable has increased by 12,34% (from 0,162 million USD in 2020 to 0,182 million in 2022), which signify sales growth and business expansion.
3. Inventories have increased by 12,39% (from 0,912 million USD in 2020 to 1,025 million USD in 2022), indicating an increase in sales volumes associated with growing demand, as well as the company's desire to reduce delivery times in order to more quickly meet the needs of medical institutions in Ukraine.
4. Fixed assets such as property plant and equipment have increased by 2,27% (from 1,232 million USD in 2020 to 1,260 million USD in 2022), indicating business growth and modernization within the company.
5. Accounts payable has increased by 12,39% (from 0,121 million USD in 2020 to 0,136 million USD in 2022), indicating an increase in the volume of purchases of medical goods from suppliers.
6. Deferred taxes have increased by 32,96% (from 0,091 million USD in 2020 to 0,121 million USD in 2022), indicating that the company expects its tax liability to increase, which will require it to pay more taxes in future periods.
7. Long-term liabilities have decreased by 46,27% (from 0,858 million USD in 2020 to 0,461 million USD in 2022), which indicate that the company is reducing its financial leverage and potentially increasing its financial flexibility.

8. Owner's capital has increased by 12,42% (from 0,797 million USD in 2020 to 0,896 million USD in 2022), reflecting its growth, profitability, and the confidence of owners in the company's future prospects.
9. Retained earnings increased by 10,72% (from 1,156 million USD in 2020 to 1,280 million USD in 2022), reflecting the company's good financial condition, growth potential and profitability, which is a positive signal for investors and shareholders.
10. Debt ratio:
  - Total liabilities (2022): 0,718 million USD
  - Total assets (2022): 2,894 million USD
  - Debt ratio (2022):  $0,718 / 2,894 \approx 0.25$
11. Profitability ratio:
  - Net income (2022): 0,515 million USD
  - Revenue (2022): 4,192 million USD
  - Net profit ratio (2022):  $0,515 / 4,192 \approx 0,12$
12. Liquidity ratio:
  - Total current assets (2022): 1,634 million USD
  - Total current liabilities (2022): 0,257 million USD
  - Current ratio (2022):  $1,634 / 0,257 \approx 6,36$

A debt ratio indicates that the company is primarily self-funded, which is positive sign of financial health. Net profit ratio shows that for every earned dollar, the company is able to create approximately 0,12 USD of net income, which indicates that the company is generating strong profits relative to its revenue. Current ratio indicates that the company's current assets cover current liabilities, meaning that the company is able to pay off its short-term obligations. In general, over the past three years, LLC "CorMedical" has shown positive trends in many aspects of its activities, which is an indicator of company's success and competitiveness in the market, as well as its ability for sustainable growth.

It is important to say a few words about the organizational structure of companies conducting their business activities under the "CorMedical" brand: the "CorMedical"

brand consists of four key companies, each with a unique role within the broader corporate ecosystem. LLC “Iridium” and LLC “Optimatrading” specialize in the sale of medical equipment, providing consumers with access to modern and highly effective technologies in the field of medicine. LLC “Comstart” is responsible for warehouse operations, in particular the management of warehouse stocks, storage of goods and various transport operations related to the transportation and processing of goods, thus ensuring the stability and reliability of the entire logistics of the company. The main activity of the LLC “Doxservice” is the provision of legal services to the other three companies, providing them with legal support in matters of consulting, representation in courts, drafting contracts, etc. (Schemes of the organizational structure of all 4 companies can be found in Annexes F, G, H, I)

Analyzing the organizational structure of companies operating under the “CorMedical” brand, one can notice a clear functional distribution of business processes between the four enterprises. The distribution of functions allows each company to specialize in its own key area, which contributes to the effective management and optimization of business processes. In addition, such a coordination system allows the resources of each company to be used as efficiently as possible, which contributes to increased competitiveness, since optimized use of resources is a key factor in the modern business environment. This approach is a strategic advantage that contributes to the development and successful operation of companies in the medical sector. Effective specialization and overall coordination ensure the full functioning of the brand as a whole, increasing its status in the market. However, it is important to consider that with a clear division of functions there may be a risk of insufficient flexibility in responding to market changes, so companies must constantly improve their ability to adapt to new circumstances and change their strategy if necessary.

Thus, regarding the analysis of the external environment, it was found that the company successfully adapts to changes in the market and remains competitive. However, there is a high risk of economic instability, which requires a willingness to

constantly improve and adapt to ensure your competitiveness in a changing business environment.

Regarding the organizational structure, it is established that the enterprise has an effective management system and clearly defined levels of authority. However, a possible recommendation could be to further improve internal communications to improve coordination between departments and increase the efficiency of problem solving (АГРОКЕБЕТИ, 2024).

As for financial and economic indicators, there are positive trends in profitability growth and financial stability. However, a possible recommendation is to further explore opportunities to optimize costs and improve the efficiency of inventories management.

Considering all of the above, LLC “CorMedical” has great potential for further development. Recommendations for risk management and optimization of internal processes will help strengthen the company’s position in the market and ensure stable financial development in the future.

## 2.2 Assessing the effect of the military conflict on the LLC "CorMedical"

In today's world, where geopolitical tensions can significantly affect various spheres of life, the issue of military conflicts and their impact on the economy becomes extremely important. One of the industries that is most vulnerable during the war is the medical field. In this context, the analysis of the impact of the military conflict on the activities of LLC "CorMedical" is of particular importance. Not only the economic health of the company depends on the study of this topic, but also the ability to provide quality medical services in a crisis period.

To assess the impact of the Russian-Ukrainian war on LLC "CorMedical", consider various aspects, including financials, production, and market conditions before and after the start of the war.

Table 2.3

Statistical data regarding the impact of the war on LLC "CorMedical"

Indicator:	Before the war (2021):	During the war (2022):	Change in percentage:
Sales volume	\$3 831 823	\$4 192 197	An increase of 9,40%
Net profit	\$508 216	\$515 032	An increase of 1,34%
Investments in R&D	\$56 420	\$51 591	A decrease of 8,55 %
Number of sold units	9 408 units/year	10 267 units/year	An increase of 9,13%
Market condition	16.3%	14.5%	A decrease of 1,8%

Source: compiled by the author based on (CorMedical, 2023)

Now let's look at the SWOT analysis of LLC “CorMedical”, which will help determine the key advantages and disadvantages of the company, identify potential opportunities for development, and also assess the threats that arise due to the changed economic and political situation.

Table 2.4

## The SWOT analysis of LLC “CorMedical”

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<p>Experience in medical equipment distribution industry: LLC “CorMedical” has extensive experience in the medical equipment distribution industry, which helps it better understand market conditions and effectively meet customer needs;</p> <p>An established brand: thanks to its 16-year presence on the market, the “CorMedical” brand is associated among consumers with reliability and progressiveness, which is the company’s main competitive advantage, helping to attract new customers and increase demand for its products;</p> <p>Strong partnerships: over the long period of its business activities, LLC “CorMedical” company has earned a reputation as a reliable partner, which has allowed it to build strong and long-term partnerships with manufacturers of</p>	<p>Logistical problems: the war led to some logistical difficulties and delays in the supply of goods. Changes in transportation routes, border crossing difficulties, and other logistics challenges have complicated the process of replenishing LLC “CorMedical's” warehouses, significantly increased logistics costs, and negatively impacted the company's ability to meet customer requests in a timely manner;</p> <p>Currency Risks: exchange rate changes and war-related economic instability affect the cost of imported goods and services, resulting in higher prices for LLC “CorMedical's” products;</p> <p>Personnel problems: the military conflict provoked the loss of some employees, which forced companies to search for specialists to replace them and generally reconsider the staff.</p>



<p>medical equipment, which ensures the stability of the supply of goods even in difficult economic conditions;</p> <p>Increase in demand: war conditions have led to increased demand for certain types of medical equipment from the public sector related to the treatment of wounds and injuries characteristic of combat operations, which allowed the company to increase its sales volume by 9,40%.</p>	
OPPORTUNITIES	THREATS
<p>Cooperation with the public sector: during the war, LLC “CorMedical” had new opportunities to strengthen cooperation with government and public structures. The supply of goods to government medical institutions and military field hospitals has become the most important business line that meets the needs of the time;</p> <p>Corporate Responsibility: during the war, the company faced issues of corporate responsibility, namely public perception and attitude towards the company. The company's response to events in the country, its participation in humanitarian programs and support for those in need can help the company significantly improve its reputation (Forbes.ua, 2023).</p>	<p>Increased competition in the market: The increase in demand for medical equipment has led to the emergence of new companies in the market. the company's market share fell by 1.8% due to competitive pressures and changes in consumer demand, resulting in a decline in the company's revenue;</p> <p>Increased risk of destruction of the company's material assets: the military conflict has created a serious risk of destruction of the enterprise's infrastructure and its material reserves during missile attacks or possible military operations in the territory where they are located;</p> <p>Security of supplies and risks: war conditions have created a threat to the</p>

	security of supplies of medical equipment to regions located in close proximity to the combat zone.
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Source: compiled by the author based on (CorMedical, 2023)

Thus, the Ukrainian-Russian war had a significant impact on LLC “CorMedical's” activities. The company faced significant challenges and difficulties due to the changing geopolitical and economic context. One of the main problems for the company that arose as a result of the war is the complicated logistics and security of supplies to combat zones. However, current market conditions due to the ongoing war have led to increased demand for certain medical products, which has had a positive impact on the company's profitability.

LLC “CorMedical” is needed to remain flexible to effectively adapt to the new wartime medical business environment while maintaining high standards of quality and efficiency. Diversifying supplies, developing new marketing strategies and improving logistics can be key to a company's success in times of geopolitical turbulence.

### 2.3 Conducting the economic analysis of the impact of the war on the medical equipment distribution industry in Ukraine

In the current conditions of geopolitical instability and conflicts, economic analysis of the impact of war on various industries becomes not only relevant, but also an extremely important task. One of these strategic areas is the distribution of medical equipment, which in times of crisis and hostilities is of particular importance for saving lives and providing medical care. Conducting an economic analysis of the military impact on this segment of the Ukrainian economy will allow us to identify the key challenges, prospects and opportunities that are created in the context of the military conflict.

Table. 2.5

Statistical data on the impact of the war on the medical equipment distribution industry in Ukraine

Year	Statistical data
2021	Market size: \$253,8 million
2022	Demand growth by 41,6%
	Decrease in export volume by 15,3%
	Industry losses of \$38,7 million
	Increase in prices by 11,2%

Source: compiled by the author based on (ThePharmaMedia, 2023)

General context before the start of the war, year 2021: the medical equipment distribution industry in Ukraine operates stably, with a high rate of development. The market volume reaches \$253,8 million per year. The country is provided with modern technologies in the field of medicine.

General context after the start of the war, year 2022:

1. Increased demand for medical equipment: as a result of the war, the need for medical equipment increased by 41,6% due to increased treatment of the wounded. The volume of orders from military hospitals and field hospitals has increased

significantly. Increased demand entails the need to quickly replenish stocks (Dotsenko, 2022).

2. Changes in demand patterns: the war triggered changes in demand patterns due to specific requirements related to the treatment of war injuries and illnesses that became relevant as a result of the conflict. Some types of medical equipment have received greater priority, while others have become less relevant.
3. Supply constraints and logistical difficulties: due to restrictions in areas of military conflict and logistical difficulties, the supply of medical equipment has experienced significant obstacles (Mind.ua, 2023). The volume of exports of medical equipment decreased by 15,3% due to export restrictions. In this conditions, efficient logistics has become key to ensuring urgent access to medical equipment. Optimization of supply, warehouse and transport management, helping to ensure fast and efficient delivery of equipment to where it is most needed, have become the main conditions for competitiveness in this area.
4. Financial impact: the war resulted in losses in the industry estimated at \$38,7 million due to export losses and rising logistics and supply security costs.
5. An increase in prices: changed market conditions have impacted pricing in the medical device distribution industry. As a result of increased demand and rising costs, medical equipment prices have risen by 11,2%.
6. Security of supply and risks: war conditions have created a threat to the security of supply of medicines, so it is critical for companies to analyze and develop strategies to reduce the risks of loss and damage during transportation and storage of equipment (CreditStore, 2023).

The economic analysis of the impact of the war on the medical equipment distribution industry in Ukraine provides important conclusions about the state of this market. Military events have been found to have a significant impact on the supply chain and distribution of medical equipment. One of the key problems is limited access to territories affected by military conflicts. This leads to delays in deliveries, uncertainty, and increased

risks for businesses in the distribution industry. There has also been an increase in the cost of securing and reserving goods due to the unpredictability of circumstances.

On the other hand, certain opportunities have been identified for the development of new strategies for the supply and distribution of medical equipment in a crisis. Companies can focus on expanding the geography of their deliveries, improving security systems and reserving goods. In addition, enterprises may consider the possibility of developing alternative supply routes and cooperation with international humanitarian organizations.

In general, economic analysis indicates that the medical equipment distribution industry in Ukraine needs to be adapted to the new realities of the military conflict. Optimal supply chain and security management strategies will be key factors for enterprise success in this complex context.

## **CHAPTER 3. DEVELOPMENT OF RECOVERY STRATEGIES FOR LOCAL ENTERPRISES ADAPTED TO POST-WAR OPERATIONS**

### **3.1 Research the ways for development of Ukrainian business under the influence of the military conflict**

Ukraine has experienced difficult trials in connection with the ongoing military conflict on its territory. This conflict not only affected the security and political situation in the country, but also significantly changed the business environment. The study of ways of development of Ukrainian business under the influence of the military conflict is becoming a topical topic, as it is aimed at understanding and analyzing the impact of the conflict on the economic situation, strategies of enterprises, their competitiveness and opportunities for development. In this context, there is a need to develop effective adaptation strategies and choose optimal ways to overcome the challenges arising in connection with the military conflict.

The start of hostilities raised the question of how business can adapt to new conditions, given the threat of military conflict. One of the most important aspects is the provision of security for enterprises and their employees in the conflict zone. This may include considering the possibilities of evacuation or protection of property and resources (Mind.ua, 2023). In addition, the military conflict significantly affected the economic situation in the country. Reduced investment, worsening financial performance, and a general decline in economic activity became a realistic prospect under martial law. Ukrainian businesses should actively analyze the situation, forecast possible scenarios and develop strategies that will allow them to thrive in the conditions of economic instability. An important component of such strategies can be business diversification, attracting alternative sources of financing and expanding the geography of activity (FinStream, 2023).

Another important aspect that should be taken into account by Ukrainian companies in the context of finding ways of development during the military conflict is social responsibility and contribution to the support of the military, refugees and war

victims, so companies need to consider not only their own interests, but also the well-being of the country and its citizens (Finagina et al., 2019). Businesses can consider the possibility of providing financial support to military units, as well as participation in programs of rehabilitation and social adaptation of veterans. It is also important for enterprises to create conditions for the employment of refugees and people who have lost their jobs due to war, in order to facilitate their inclusion in the work process and social integration.

Besides, businesses whose activities are concentrated in those industries that are of strategic importance for the country in the context of a military conflict should consider the possibility of attracting investments from the government and private investors, since the development of the military industry, the production of basic necessities, security and defense technologies, etc. are currently the most priority areas of development (РБК-Україна, 2024).

The next step in the research is the analysis of specific cases of successful adaptive business management in conditions of military conflict. The experience of such companies can become a valuable source of insights and even inspire other entrepreneurs to develop their own adaptation strategies (Forbes.ua, 2023).

An important stage is the involvement of experts to analyze the impact of the war on a specific business environment and develop recommendations for the optimal development of the company in the conditions of the conflict. The introduction of innovative technologies such as virtual reality can also become an important accelerating factor in the post-war restoration of enterprises and support their competitiveness and stability (MC.today, 2022).

Lastly, you can consider the possibilities of international cooperation and partnership. Ukrainian businesses can actively look for partners and investors from other countries that support Ukraine in conditions of military conflict. This may include the development of joint projects, the sharing of technology and know-how, as well as joint marketing and advertising initiatives. International cooperation can become an effective tool for expanding sales markets and attracting new customers, as well as for obtaining additional investments and resources for business development (Ukrinform, 2024).

All these aspects will help to expand knowledge about how Ukrainian business can effectively function and develop in the conditions of a military conflict, and will also contribute to the creation of strategies that will help ensure stability and success in difficult conditions.

Thus, the study of ways of development of Ukrainian business under the influence of the military conflict reveals important challenges that arise in conditions of instability and escalation of the conflict. Favourable conditions for business, such as political stability, economic transparency and security, are severely tested during military conflicts. However, the study also shows that new opportunities and development strategies for Ukrainian businesses arise in the context of the crisis.

Business development in the conditions of a military conflict is a difficult but very important task. To solve it, companies should focus on diversifying markets, reducing dependence on external factors, improving the supply chain and implementing effective risk strategies (Visit Ukraine, 2023). In addition, government support aimed at creating a favourable business climate, including the protection of property rights, ensuring legal stability and providing financial support for development, is important. Attracting international investments and developing partnerships with other countries may also be key to the stabilization and development of the Ukrainian economy.

Ukrainian enterprises have the potential not only to survive in the conditions of a military conflict, but also to grow and prosper. However, in order to achieve this potential, it is necessary to demonstrate high flexibility and the ability to adapt to changes in conditions of unpredictability.



### **3.2 Developing strategies for the post-war recovery plan of medical enterprises in Ukraine based on LLC “CorMedical” case**

The post-war restoration of medical enterprises in any country is one of the key components of the process of restoration and development of society. Ukraine, like many other countries, faces challenges in the post-war recovery of its medical system after difficult periods of conflict and crisis. One of the key tools in the recovery and further development of the medical field is the development of a strategy and action plan.

In this context, the case of the LLC “CorMedical” company becomes a very informative research object. LLC “CorMedical”, as an established trademark for the sale of medical equipment, clearly reflects the challenges faced by the medical industry of Ukraine. Through its own experience and practical solutions tested in practice, LLC “CorMedical” can serve not only as a source of valuable information, but also as a model example of strategic recovery for other medical institutions and enterprises.

The development of a strategy for the post-war recovery of medical enterprises of Ukraine should be a comprehensive and systematic approach that takes into account the specifics of modern challenges and needs of the national medical system. The implementation of such an approach involves the analysis of the existing state, identification of problem areas, development of strategic goals and objectives, determination of necessary resources and implementation mechanisms. In addition, it is important to take into account and adapt world-class best practices, as well as acquired own skills and experience (Шніцер & Григоренко, 2022).

Considering the impact of the Ukrainian-Russian war on the activities of the distribution company LLC “CorMedical”, it is important to consider key aspects that will help ensure the effective recovery and further development of the medical equipment sales industry in Ukraine.

One of the first steps in developing a strategy is to conduct an in-depth analysis of the company's situation. Chapter 2.1 provided us with important conclusions for further study of the topic, summarizing the results obtained from assessing the company's environment, financial condition and organizational structure. An analysis of the financial

condition showed that the company is experiencing positive trends in increasing profitability and financial stability. However, the company should pay due attention to finding opportunities to optimize costs and improve inventory management efficiency. Effective inventory management is especially important in the face of logistical difficulties and delays in the supply of goods caused by war. Regarding the analysis of environment, it was found that the company successfully adapts to market changes and remains competitive. However, due to economic instability and increased competition in the medical equipment distribution industry, the company needs to constantly improve, in particular through diversifying supplies and improving logistics, which has become one of the most important conditions for competitiveness in this area. Moreover, the company should develop new marketing strategies that emphasize the positive image of the company, created by the opportunity to strengthen cooperation with government medical institutions and military hospitals, thus demonstrating its social responsibility and important role in saving the lives and health of both military and civilians, injured due to ongoing hostilities. As for the organizational structure, the enterprise has an effective management system with clearly distributed functions between four companies, which allows each company to specialize in specific business processes, thereby creating a competitive advantage. However, it is important for the company not to forget to further improve internal communication for effective coordination between subsidiaries and divisions, since with a clear division of functions there may be a risk of insufficient flexibility in responding to market changes.

Based on the results of the SWOT analysis, it is advisable to develop measures that will allow the company to improve its weaknesses, take advantage of the opportunities that have opened up to it, and also eliminate the threats identified in Chapter 2.2. This includes identifying specific actions aimed at improving the company's position in the market and increasing its competitiveness, as well as determining the timing and potential costs required for their implementation.

1. Optimization of logistics processes: after the war, problems with the supply and delivery of medical equipment will arise (BogushTime, 2023). The development of effective logistics and supply systems, such as inventory management systems

and demand forecasting systems, will help to ensure the smooth operation of enterprises. The time required to establish effective company's logistics will be directly related to the pace of restoration of the transport infrastructure of Ukraine (roads, bridges, railways and transport routes, seaports) and the post-war Ukrainian economy as a whole. If the transport infrastructure is restored to the pre-war level, it can be argued that the company's distribution costs, which with the onset of a full-scale invasion increased by as much as 60% compared to the pre-war year, will be significantly reduced due to access to more profitable routes, the use of which is currently unsafe in connection with the ongoing hostilities in those areas. In addition, it can be predicted that logistics costs will also decrease due to an increase in the capacity of seaports, which is currently limited due to the danger of shipping in the Black Sea.

2. Advertising and marketing: to effectively market a business's products, it is necessary to develop comprehensive marketing strategies, such as participating in exhibitions and conferences to increase awareness of the product among the target audience, as well as using content marketing to provide useful information about the product and its benefits (BogushTime, 2023). In general, the timing of implementation and the cost of implementing content marketing depend on many factors, such as the volume of the target audience, the number of channels through which the content will be promoted, the frequency of publication of the content, the level of complexity and quality of the content itself. Nevertheless, the implementation of content marketing will bring many benefits to the company, such as increasing brand awareness and credibility, as well as strengthening long-term relationships with customers. In addition, content marketing is a more affordable way to promote a brand than traditional advertising, which will allow the company to reduce marketing costs. As for participating in medical device conferences and exhibitions, the company must incur costs to develop presentations, information brochures, stands and other materials necessary to present products at the events. This marketing strategy will allow the company to

establish business contacts with new customers, helping to increase sales in the future.

3. Partnership and cooperation: entering into partnership agreements with other medical institutions and pharmaceutical companies will help to provide additional opportunities for business development and expansion (Міністерство охорони здоров'я України (МОЗ), 2022). To establish partnerships with medical institutions, the company will need several months to identify potential medical institutions with which it could collaborate, as well as to establish contacts, negotiate and ultimately sign a cooperation agreement. As for potential expenses, the company will need to spend money on legal support for the entire negotiation process. However, if the negotiations are successful, the company will secure a major trading partner for the long term, which will ensure a stable flow of income over a long period of time, and will also facilitate planning and inventory management by understanding the needs of regular customers and more accurately predicting future demand on their part.
4. Innovation and research: investment in the search for and market introduction of new innovative technologies in the field of medicine will allow the enterprise to remain competitive and spread advanced methods of treatment (CorMedical, 2022). The introduction and promotion of new medical technologies on the market will require significant time and financial costs. First of all, the company will need to conduct a thorough analysis of the latest offerings on the market for technologies designed to treat and diagnose various injuries and diseases. Next, the company will have to enter into lengthy negotiations with the manufacturer of this equipment to conclude distribution contracts. After the first batches are delivered, it will be necessary to develop marketing strategies to attract attention to the new technology, as well as convince Ukrainian medical institutions of its value. This entire process of introducing and popularizing a particular technology can take several years, depending on its potential in the market. However, if it is successfully implemented, the company will receive a product that has a monopoly position in the market, which will be able to provide the company with a more stable position

in the market and protect it from risks associated with competition, and will also allow it to dictate its pricing policy, which will ensure high profitability for the company.

5. Personnel support: it is important to organize training for company personnel in order to expand knowledge about modern medical equipment, such as equipment that uses artificial intelligence in diagnosis and treatment, which will be popularized in medical institutions in Ukraine, and to master methods of working with it (BogushTime, 2023). It will take several days to train employees using the company's internal resources. Since the staff already has a basic understanding of modern medical equipment, training will only be required on new technologies, so the time and cost of organizing it will be minimal. Ultimately, investing in staff training pays off because qualified employees are able to provide better customer service, increasing customer satisfaction and their loyalty to the company.
6. Financial resilience: developing financial resilience strategies, such as income diversification and risk management, is a key element of successful post-war recovery (BogushTime, 2023). The time frame for developing and implementing strategies can vary from several months to several years, depending on the complexity and scale of the chosen strategies, as well as the capabilities of the company. But we can confidently say that in the current conditions of economic instability and increased competition in the field of distribution of medical equipment, the costs of developing and implementing effective strategies will be quite significant, in particular, the company will have to incur costs due to the need to introduce new business processes required to implement strategies and continuously monitor their effectiveness. However, it is important to understand that implementing income diversification and risk management strategies will bring a number of significant benefits to the company. First and foremost, diversifying revenues through expanded product offerings will make the company less vulnerable to market fluctuations and economic downturns, as well as provide a more stable revenue stream and sales growth by reaching new customer groups. Moreover, offering a diverse product range will help strengthen the company's

competitiveness by distinguishing it in the market. In turn, risk management strategies will enable a company to avoid significant losses and protect its financial strength by identifying, assessing and effectively managing potential risks associated with financial transactions and changes in market conditions.

Each of these steps should be adapted accordingly to the needs and capabilities of a specific enterprise based on the analysis of the LLC “CorMedical” case and taking into account relevant trends in the medical field of Ukraine.

Besides, the implementation of the strategy for the recovery of medical enterprises requires close cooperation with government bodies, local communities and international partners (Дія. Бізнес, 2023). Such cooperation can provide the necessary support and resources for the successful recovery of the country's medical business sector. The key stages on this path are:

1. Political support and legislative regulation: it is important for the government to provide support by adopting the necessary legislation and regulations that would stimulate the development of the medical business sector, for example, by simplifying the registration and licensing of medical devices or providing tax incentives to companies selling medical equipment in the country (ThePharma.Media, 2023).
2. Financial support: The government and international financial institutions such as the International Monetary Fund, the World Bank, the European Bank for Reconstruction and Development, as well as individual governments, can provide financial assistance for the recovery of medical enterprises, including loans, grants and other forms of support (Ukrinform, 2024)
3. Technical assistance and consultations: international organizations and partners such as World Health Organization and the International Committee of the Red Cross, can provide technical assistance and consultations on the restoration of medical enterprises, including the development of strategies, staff training and the introduction of modern technologies (МОЗ України, 2023).

4. Involvement of the public and local communities: it is important to include the public and local communities in the recovery process, taking into account their needs and opinions on the development of the health sector.
5. International cooperation: Ukraine can exchange experience and best practices with other countries like USA, Germany, UK and Israel, which will allow faster and more efficient recovery of medical enterprises (МОЗ України, 2023).

Thus, the development of a strategy for the post-war recovery of medical enterprises in Ukraine is a critical task to ensure the stable functioning of the health care system and the provision of quality medical services to the population. The case of LLC “CorMedical” provides a valuable contribution to understanding the challenges faced by medical enterprises after a military conflict.

The first step in developing a strategy should be to analyze the current state of the medical enterprises and the population's needs for medical services. The next stage is the identification of key problems and obstacles that prevent the effective functioning of medical enterprises.

After analyzing the needs and challenges, a holistic recovery strategy must be developed, which will include such components as improving logistics, developing relevant marketing strategies, promoting new technologies in the field of medical care, strengthening partnerships, training staff and implementing effective strategies for financial sustainability and management of risks.

Attracting financial resources and partnerships is a key aspect of the successful implementation of the recovery strategy. Companies like LLC “CorMedical” can be an example of successful implementation of the recovery strategy and support of medical enterprises through investments, technical support and cooperation with governmental and international organizations.

The successful restoration of medical enterprises will ensure the availability and high quality of medical services, contributing to the improvement of the health of the

population and the creation of a sustainable medical system that is able to effectively respond to the challenges of the future.



## CONCLUSIONS

The the bachelor's qualification work on the topic "Development of Ukrainian business in the context of Russia`s full-scale military invasion" offers a detailed study of the impact of the military conflict on the business environment and transport system of Ukraine, the understanding of which is extremely important, given the difficult political and socio-economic situation in the country, as well as includes a description of measures, the implementation of which will help Ukrainian companies prosper even in the face of intensified hostilities. During the analysis, it was found that the military conflict had a significant impact both on Ukrainian business in general and on specific enterprises whose activities are related to the medical field. The main factors that had the greatest impact on Ukrainian business during the military conflict include the unstable economic and political situation, which forced enterprises to face difficulties and risks, but also opened up new prospects and opportunities for their development.

The purpose of this dissertation was to study the ways in which business, especially medical companies, developed under the influence of the Russian-Ukrainian war. The objectives of this scientific work were to analyze the impact of the military conflict on the activities of Ukrainian enterprises, in particular on the functioning of the LLC "CorMedical" company, to study the strategies used by enterprises to adapt to war conditions and ensure stability and development, to evaluate the effectiveness of the strategies used and their impact on performance activities of companies, as well as offer recommendations to Ukrainian enterprises for further development in conditions of military conflict. Upon completion of the work, it can be stated that the goal of this work has been fully achieved through the completion of all assigned tasks.

The first chapter provided a general overview of the impact of military conflict on Ukrainian business, which showed us that economic instability, security threats and other unfavorable conditions force companies to adapt and change their strategy. In this difficult situation, enterprises have great potential for development and the ability to implement strategies aimed at adapting to new conditions and supporting the national economy. It was found that the most important requirement for a business in a military

conflict is flexibility, quick response to changes and the ability to ensure continuity of operation under the influence of uncertainty. This chapter also examined the problems of the transport system and ways to solve them, which are key to overcoming the logistical difficulties created by the war for business. Another subject of study in the first chapter was the impact of the Ukrainian-Russian war on the development of the medical business. It was noted that the increase in injury volumes and medical care needs has led to the strengthening of the medical enterprise, as well as the creation of new opportunities for innovation and growth. In addition, companies specializing in the sale of medical equipment, such as LLC “CorMedical”, were affected by the war due to changes in demand, supply and logistics. The analysis provided an understanding that instability in the region requires such companies to be flexible and effectively manage risks to ensure the stability of their activities. The real message is that even in difficult conditions, businesses can find opportunities to grow and collaborate, leveraging their potential to contribute to the country's recovery and development.

The second chapter is devoted to an analysis of the environment, organizational structure and financial performance of the LLC “CorMedical” company, the impact of the war on its activities, as well as a study of the impact of the military conflict on the distribution of medical equipment. The analysis revealed that once the full-scale invasion began, the company faced significant logistical difficulties. Military events have significantly complicated the process of replenishing supplies and disrupted the usual supply chains for medical equipment. One of the key problems is limited access to areas affected by hostilities. This leads to delivery delays and increased risks for the distribution business. On the other hand, other aspects were identified that have a positive impact on the company's business activities. In particular, we are talking about the increased demand for medical products necessary to provide assistance to victims, which is typical in conditions of an ongoing war. In addition, the military conflict opened up the opportunity for the company to expand its business by establishing and strengthening cooperation with government medical institutions and military hospitals, thus helping to increase revenue and provide stable sources of income during the period of hostilities, as well as increasing the prestige and reputation of the company in the eyes of the public.

An analysis of the changes that occurred in the medical device distribution industry since the outbreak of war emphasized the importance of speed of supply, quality and availability of medical supplies, identifying them as critical factors that open up new markets and growth opportunities for companies operating in this area. In general, the section showed that medical business has opportunities for development even in the most difficult conditions, but success depends on the ability of companies to adapt to changes and effectively use open opportunities. Quick response to changes in the political and economic environment, the search for alternative markets and supplies, as well as an understanding of the needs of military and civilian customers ensure successful adaptation to new realities.

The third chapter is devoted to the development of recovery strategies for Ukrainian enterprises, adapted to post-war activities. A study of business development paths in post-war Ukraine highlights important aspects of companies' adaptation to changes in the business environment that arose as a result of post-war reconstruction, and identifies key strategies, the implementation of which is necessary for the successful operation of enterprises in these conditions. The chapter focuses on the development of a recovery strategy for medical enterprises using the example of LLC "CorMedical", offering practical steps for successful post-war reconstruction. The overall goal of the section is to develop strategies that will allow local businesses to operate effectively in the post-war period, as well as to identify the time and financial resources necessary to put these strategies into practice. The implementation of these strategies consists of several key stages: first of all, it is investing in the restoration of infrastructure damaged by military operations, including the restoration and modernization of the transport system necessary for the normal functioning of enterprise logistics. Secondly, government support is needed, in particular, through the provision of financial support through the provision of subsidies and the implementation of preferential lending and taxation programs. Third, the participation of partner countries and international organizations plays a key role in ensuring the restoration of Ukrainian enterprises. They can provide significant financial resources, technical and expert assistance in various fields, and also contribute to the development of innovative projects, ensuring the

sustainable development of the country's economy. The general conclusion of the section is that for the successful restoration and development of Ukrainian enterprises in the post-war period, an integrated approach is required, consisting in the implementation of the proposed measures in combination with productive cooperation of all interested parties. Encouraging investment, providing preferential conditions, providing financial, advisory and technical assistance from both government agencies and the international community will contribute to the speedy recovery and adaptation of Ukrainian enterprises, contributing to the stability and prosperity of the country's economy in the future.

Taking into account all of the above, we can once again conclude that the military conflict has a complex and multifaceted impact on business in Ukraine. Based on the research conducted in this work, several important conclusions can be drawn:

Firstly, the Russian-Ukrainian war had a serious impact on business in Ukraine, which is manifested in many aspects, including increased business risks, changes in demand, logistics problems and a deterioration in the investment climate. Most of the consequences of the war dealt a serious blow to Ukrainian enterprises, reducing their competitiveness and profitability.

Secondly, the study found that despite the conditions of economic recession, increased risks and a high degree of uncertainty, requiring enterprises to reconsider their business strategies and allocate additional resources, a number of opportunities are opening up for some enterprises, including those operating in the medical sector to expand its business activities and strengthen its position in the market. This includes increasing demand for certain goods and services, developing innovative operating approaches, and the ability to implement effective risk management and income diversification strategies.

Thirdly, to overcome the challenges associated with military conflict, it is necessary to develop and implement adaptive development strategies, including various measures, such as optimizing logistics processes, expanding the range of innovative products and services, developing new marketing tactics, deepening cooperation with trading partners, improving staff qualifications and developing financial sustainability strategies.

Thus, despite the difficulties that Ukrainian business has to face during the war, it is important to remember its potential for adaptation and development. The study highlights the importance for businesses in Ukraine to adopt effective strategies to cope with the challenges created by the military conflict and seize emerging opportunities for development and growth. With the right approach and effective risk management, the Ukrainian business sector is able to emerge from current difficulties with a strengthened position and new opportunities for growth. I am confident that the implementation of the recommendations outlined in this bachelor thesis will help take an important step towards economic stability and prosperity, even in the face of geopolitical challenges.

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## ANNEXES

### Annex A

#### Business processes of strategic management

The name of the business process	Description of the business process
Determination of the target structure of the companies	<p>Annually, financial analysts update the target structure of companies, which is built on the principle of the "Goal Tree", which consists in the fact that the goal of the upper level can only be achieved by implementing all the goals of the lower level. This principle ensures the purposeful development of companies through the effective use of both internal resources and favorable opportunities of the external environment of companies.</p> <ul style="list-style-type: none"> <li>• The first level is the mission of the Companies. At this level, the main purpose of companies is realized, their main goal is to meet the needs of customers [4, p. 123].</li> <li>• The second level is the vision (definition) of the business. In order to make the mission a reality, a vision is formed - the idea of the co-owners for the effective functioning and successful further development of companies. The vision allows you to create a picture of the future and the meaning of existence, goals and missions of companies in the face of dynamic changes.</li> <li>• The third level is the realization of the vision. At this level, a certain level of potential (management infrastructure, production infrastructure, resource base) and compliance with conditions and restrictions (choice of contractor, business boundaries, development principles, business leadership, etc.) are ensured. This also includes social goals - meeting the needs of the main groups interested in the long-</li> </ul>

	<p>term existence of companies: co-owners, employees, investors, creditors, suppliers, partners, society.</p> <ul style="list-style-type: none"> <li>• The fourth level is value goals. At this level, a group of goals is implemented that determine the financial and economic indicators of business efficiency - business value, profitability, liquidity.</li> <li>• The fifth level is material goals. At this level, a group of goals is implemented that determine the subject of the business - the range of goods and services, target markets and sales volumes. They are concluded for the purpose of sales: what and how much companies should sell at planned prices in selected markets.</li> </ul>
Collection and summarization of annual strategic reporting	<p>Once a year, heads of structural divisions collect and analyze actual documented information on the results of their structural division's work for the current year. They calculate the actual strategic indicators and fill in the strategic scorecards of their structural divisions, which are then provided to the financial analyst of the respective company. Financial analysts summarize the provided information and calculate the actual values of indicators of achievement of strategic goals as a whole for each company, for the year. The results are included in the companies' strategic report, which is presented to the directors.</p>
Organization and holding of the annual strategic session	<p>An annual strategic session is held once a year, during which the following issues are considered:</p> <p>a) reporting part (summary of achievement of strategic goals for the past year):</p> <ul style="list-style-type: none"> <li>• consideration of the Strategic Report for the year;</li> </ul>

	<ul style="list-style-type: none"> <li>• identifying the causes of deviations of the calculated actual indicators of the "Strategic Report for the year" from the planned ones;</li> <li>• the need to make changes to the company's strategy;</li> </ul> <p>b) planning part (plans for the next year):</p> <ul style="list-style-type: none"> <li>• threats and opportunities of the external environment of the companies;</li> <li>• threats and opportunities of the internal environment of the companies;</li> <li>• requirements of interested parties of the companies;</li> <li>• determination of key factors of business success;</li> <li>• determination of promising directions of the company's development;</li> <li>• proposals for adjusting the company's mission, vision and strategic goals.</li> </ul>
Preparation and presentation of the strategy of "Iridium" LLC and "Optimatrading" LLC for the current year at the general meeting of participants.	<p>Financial analysts summarize data based on the results of the annual strategic session and prepare a presentation on the company's strategy for the current year, which is then approved by the Company's directors. At the specified time, the directors present the company's strategy at the general meeting of the members of Iridium LLC and Optimatrading LLC.</p> <p>On the basis of the decisions made by the participants of the general meeting on the strategy of the companies, the "Strategic Plan of the Companies" is being developed for the current year, which is formed according to the following perspectives:</p> <ul style="list-style-type: none"> <li>• "Finances" - it includes financial and economic indicators that reflect the strategic goals of companies (answering the question "What financial indicators must be achieved to meet the requirements of company participants?");</li> </ul>

	<ul style="list-style-type: none"> <li>• "Market/customers" - it includes indicators that characterize the ability of companies to meet the needs of customers in order to achieve the established financial goals (they answer the question "How should we work with customers in order to achieve the necessary financial indicators?");</li> <li>• "Potential: employees, infrastructure." - contains indicators of the ability to ensure the effectiveness of key business processes with the help of the main assets of companies - the competence and culture of personnel, management and technological infrastructure (answering the question "What knowledge and technologies are necessary to ensure the effectiveness of key business processes?");</li> <li>• "Internal business processes" - it includes indicators characterizing the effectiveness of the companies' business processes to achieve the goals in the two above-mentioned perspectives (answering the question "How to optimize the Company's organizational structures and business processes to ensure optimal work with clients?").</li> </ul>
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## Annex B

## Business processes of operational management

The name of the business process	Description of the business process
Organization	<p>Organization consists in creating the necessary conditions for the realization of the set goals and solving the following tasks:</p> <ul style="list-style-type: none"> <li>• maintaining optimal organizational structures that meet the company's goals;</li> <li>• definition and application of the appropriate management method (single-owner and/or co-ownership);</li> </ul>

	<ul style="list-style-type: none"> <li>• determination of operating modes of structural subdivisions, regulation of relations between them in the created optimal organizational structures of the company;</li> <li>• providing companies with the necessary resources (human resources, material and technical resources, equipment, production, warehouse and office premises, financial resources, information resources, time resources, etc.);</li> <li>• creation and maintenance of a positive internal corporate culture.</li> </ul> <p>In order to ensure communication between structural units, companies define the rights, duties and responsibilities of both structural units and each employee, which allow them to carry out interdependent activities aimed at achieving the company's goals. Also, companies maintain documents that determine the internal order and limits of activity of each structural unit and employee of the company.</p>
Communication	<p>Communication in companies is considered as a system of relationships that occurs between consumers, employees, suppliers and managers. An effective communication system is implemented in companies for the purpose of:</p> <ul style="list-style-type: none"> <li>• support of a unified information space of companies;</li> <li>• avoiding information gaps;</li> <li>• involvement of employees in the indirect process of company management through the expression of opinions, innovative ideas, positions that would improve the management system of companies, as well as through receiving feedback from company employees;</li> <li>• encouraging the maintenance of high standards of business and personal ethics.</li> </ul>



	<p>Communication within companies is based on the following principles:</p> <ul style="list-style-type: none"> <li>• constant monitoring of professional and social behavior of employees;</li> <li>• transparency and permanence;</li> <li>• personalization of communications;</li> <li>• diversity;</li> <li>• innovativeness.</li> </ul>
Control and regulation	<p>Financial analysts, with established periodicity for each key indicator, collect, process, prepare and provide management with documented information on the results of production and economic activity of companies and their structural divisions to ensure business understanding and making informed management decisions. Financial analysts analyze and provide information on the state of operational activity using the following data:</p> <ul style="list-style-type: none"> <li>• status of fulfillment of orders, after-sales installation and service of medical devices;</li> <li>• results of control of financial discipline in company divisions;</li> <li>• results of inventory and control of the use of material and technical resources;</li> <li>• the results of monitoring the compliance of the activities of structural units with the current state licensing conditions and regulatory legal acts;</li> <li>• the results of production monitoring and quality control of the services provided.</li> </ul> <p>Based on the results of the analysis, the directors make operational management decisions to eliminate the detected deviations of the actual indicators from the planned ones. Regulatory measures are</p>

	brought to the executors by means of orders, decrees, protocol instructions, electronic messages, verbal instructions, etc.
<p>Planning the development of companies.</p> <p>Development of the annual program and project plans</p>	<p>At the end of each year, company directors draft a "Company Development Program" for the following year. The main source of information for the development of development programs and projects for the next year is the developed and approved "Strategic Plan of Companies." The development program for the next year consists of individual development projects that are developed by employees appointed by the director. To develop plans for development projects, responsible employees collect and analyze input information:</p> <ul style="list-style-type: none"> <li>• about opportunities and threats for companies generated by the external environment;</li> <li>• about the results of the analysis of the current and prospective market of sales of medical products;</li> <li>• about the results of the analysis of the companies' competitors on the medical products market;</li> <li>• about the strengths and weaknesses of the companies;</li> <li>• about the availability and current state of means for monitoring and measuring business processes.</li> </ul> <p>On the basis of the information listed above, the responsible employees consider the most useful and feasible ideas for the further development of the company. Threats and significant risks associated with project implementation are identified and assessed. Development project plans include the most promising areas of development of companies, such as:</p> <ul style="list-style-type: none"> <li>• mastering the sale of new competitive medical products;</li> <li>• application of new marketing tools and promotion and sales technologies;</li> </ul>

	<ul style="list-style-type: none"> <li>• introduction of advanced technologies of after-sales installation and service of medical products, which are offered by world market leaders and allow economical use of resources;</li> <li>• increasing the level of competence of employees of the sales and service departments of medical products;</li> <li>• implementation of the company's employees' proposals for improving business processes, saving resources, reducing the cost of production and labor costs, etc.</li> </ul>
Control of the implementation of the program and the state of implementation of the company's development projects	<p>To carry out the activities planned in the program, the responsible employees are allocated the provided resources and budget.</p> <p>Implementation and achievement of project goals within the specified time are organized by employees responsible for development projects. They also evaluate the results of the work performed, prepare interim reports on the key stages of the development projects, at which the interim results of the projects should be obtained and provide information to the directors. On the basis of the received reports, the director calculates and evaluates the state of implementation of the measures of individual development projects and the effectiveness of the implementation of the entire program as a whole and provides appropriate instructions.</p>
Analysis of the results of the annual development program of companies	<p>At the end of the year, employees responsible for development projects evaluate the results of project implementation and prepare final reports on development projects in electronic form. On the basis of the received final reports on development projects, the directors analyze and selectively check the received information, calculate the percentages of the actual implementation of individual development projects and the effectiveness of the</p>

	implementation of the entire program as a whole. In case of failure to achieve the goals of the projects established in the program, the directors develop and agree with the relevant concerned employees the appropriate corrective and/or preventive actions.
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## Annex C

## Business processes of H&amp;R management

The name of the business process	Description of the business process
Recruitment of personnel	If there are no candidates for a vacant position among company employees, the head of this unit, together with the HR partner, searches for candidates for a vacant position on the labor market. To search for candidates, the HR partner organizes the posting of advertisements on the Internet, recruits competitors' employees, conducts a search among familiar employees. Next, the head of the structural unit receives from the HR partner the resumes of external candidates for the vacant position, studies the data and selects candidates for an interview and assigns them a meeting date and time. When conducting an interview with a candidate, the head of the structural unit evaluates his professional qualities, informs about the conditions, work regime and possible prospects for career growth. In the case of consent to employment, the head of the structural division notifies the candidate, informs the director of the relevant company about his final decision on the candidate.
Adaptation of new employees	The head of the structural division to which the new employee is registered receives from the manager of administrative activities the necessary documents for familiarization of the employee, in particular information booklets, and during the first working day performs the following:

	<p>a) hands the new employee the necessary documents for familiarization and provides a brief comment on:</p> <ul style="list-style-type: none"> <li>• the history of the "CorMedical" trademark and the distribution companies that use it;</li> <li>• the field of activity, provided services and current achievements of the relevant company;</li> <li>• goals and prospects for the development of the relevant company and structural unit (field of activity);</li> </ul> <p>b) familiarizes the new employee with:</p> <ul style="list-style-type: none"> <li>• current staff schedule;</li> <li>• internal labor regulations;</li> <li>• with organizational culture: rules and norms of employee behavior, with the organization of food, appearance, regulated rest breaks, with the days and order of receiving salary, with the order of celebrating birthdays and holidays, etc.</li> <li>• c) provides assistance in the adaptation of a new employee, in establishing industrial contacts, psychological support, assistance in resolving possible conflict situations, drafting documents and statements;</li> </ul> <p>d) answers questions that arise from a new employee.</p> <p>During the first week of work, the head of the structural unit gives tasks to the new employee and helps them in their execution. Also, a conversation with a new employee is held every week in order to track the adaptation process, consults and makes corrections in case of problematic situations.</p>
Evaluation of the results of the employee's	<p>After the established trial period of work of a new employee, the head of the structural unit evaluates the results of his adaptation according to the following indicators:</p>

<p>probationary period</p>	<ul style="list-style-type: none"> <li>• effective and timely performance of production tasks;</li> <li>• knowledge and ability to use warehouse database;</li> <li>• knowledge and ability to use documentation;</li> <li>• knowledge of medical products, services, business processes, documentation, etc.;</li> <li>• quantitative work results;</li> <li>• compliance with organizational culture.</li> </ul> <p>Based on the results of the assessment, the head of the structural unit prepares and submits to the director a report on the results of the new employee's probationary period with conclusions. The director evaluates the results, makes the final decision, and informs the head of the structural division about it.</p>
<p>Staff competence and training</p>	<p>Company management ensures that personnel are competent in terms of education, training, skills and experience. The qualifications of the company's personnel include knowledge of medical devices used in the provision of services, experience in their use, as well as knowledge of risk management methods. Compliance of the actual competence of the staff with the established requirements is verified by means of periodic testing and knowledge verification. The company provides education, training, support and professional development of personnel and ensures employees' awareness of the relevance and importance of their activities and personal contribution to the achievement of quality goals. Annually, heads of structural divisions determine the need for employee training based on:</p> <ul style="list-style-type: none"> <li>• approved development strategy;</li> <li>• training plans for the next year, received from manufacturers (suppliers) of medical equipment;</li> <li>• personal career development plans of employees;</li> </ul>

	<ul style="list-style-type: none"> <li>• results of periodic assessments of key performance indicators of employees;</li> <li>• the results of determining the actual state of competence and awareness of employees;</li> <li>• needs and justified vision of the heads of structural units regarding the need to improve the professional level of employees.</li> </ul> <p>Heads of structural units draw up annual training plans according to which personnel training is organized (both external and internal). The effectiveness of personnel training is evaluated by analyzing its activities. Staff participation in the achievement of defined goals is encouraged, top performance is recognized and encouraged, and employees are interviewed verbally to analyze and meet their needs.</p>
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## Annex D

## Business processes of logistics management

The name of the business process	Description of the business process
Finding suppliers of medical products and concluding distribution agreements	Sales managers determine the need to find new suppliers of medical products, including the requirements and criteria for their evaluation and selection. Based on the identified need, they are looking for medical device manufacturers who will be able to meet the needs of the companies. When searching, they use personal knowledge of the market, reliable sources of information: the Internet, specialized publications and exhibitions, conferences, congresses, prices of manufacturers, etc. The sales manager of the relevant area prepares, agrees with the director of the relevant company and sends documented information to the representative

	<p>of the manufacturer of the medical product with proposals for conducting negotiations and determining the possibility of cooperation for the promotion and sale of the product offered by the manufacturer.</p> <p>During negotiations with the manufacturer's representatives, mutually beneficial essential conditions of cooperation for the conclusion of distribution contracts are discussed, namely:</p> <ul style="list-style-type: none"> <li>• mutual benefit and value from cooperation;</li> <li>• a defined list of medical products for distribution;</li> <li>• current regulatory requirements for medical devices;</li> <li>• limits of the territory in which the distributor can work;</li> <li>• terms of the distribution agreement;</li> <li>• minimum annual sales quotas;</li> <li>• product quality, the procedure for handling quality claims and after-sales service</li> <li>• determination of the price, formation and observance of the price policy;</li> <li>• basic and additional fixed discounts in the product price;</li> <li>• marketing support for distribution;</li> <li>• terms of commercial transactions: insurance, procurement, payment, taxation,</li> <li>• logistics conditions: packaging, shipment, customs clearance, delivery, etc.;</li> <li>• training, technical and advisory assistance in the implementation of the distribution agreement;</li> <li>• the main rights, obligations, limitations and risks of the company as a distributor and manufacturer.</li> </ul> <p>The manager of foreign economic activities and logistics receives information from the manufacturer regarding his decision</p>
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	regarding further cooperation with the relevant company based on the results of the negotiations. If a decision on cooperation is received from the manufacturer, a draft distribution agreement is prepared.
Ordering medical products from manufacturers	Managers of foreign economic activity and logistics accept applications from sales managers regarding the order of medical products from and place orders for the supply of goods. After receiving confirmation of the manufacturer's readiness to ship medical products, managers of foreign economic activity and logistics prepare and conclude a separate contract with the manufacturer for the supply of a separate batch of medical products with a mandatory reference to the general distributor (dealer) contract. They also agree on documents regarding the registration names of medical products and registration documents.
Organization of international transportation for the delivery of medical products	<p>Managers of foreign economic activity and logistics accept applications from sales managers with information about the need to order international transportation of medical products. After receiving the application, a transport company is searched, evaluated and selected, with which a transport contract is then concluded and transport services are ordered. When receiving transport services, responsible persons check and approve:</p> <ul style="list-style-type: none"> <li>• accompanying documents for medical products from the manufacturer;</li> <li>• accompanying documents for the vehicle;</li> <li>• goods and transport invoices.</li> </ul> <p>To confirm the registration of medical products for customs clearance of cargo, foreign economic activity and logistics managers prepare and submit a package of documents to the State Service of Ukraine for Medicinal Products and Drug Control. They</p>

	<p>are also responsible for submitting a set of documents to customs brokers for customs clearance of cargo. Before processing the consignment, customs brokers make sure of the condition of the medical products, i.e. the presence of the necessary labeling and the integrity of the manufacturer's packaging, the absence of visible damage, traces of spillage and other signs of possible damage. In case of receipt of goods without proper marking or in an improper condition, customs brokers are obliged to notify the employees of the logistics department and the employees of the relevant sales department, who make the decision to return such goods to the manufacturer.</p> <p>Managers of foreign economic activity and logistics receive cargo customs declarations from customs brokers and information for accounting of taxation of received cargo, order the services of a transport company for sending cargo from the customs warehouse and delivery to the warehouse of enterprises, and also provide information to the storekeepers of the warehouse about the amount of cargo that has arrived and its storage conditions.</p>
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## Annex E

## Business processes of sales of medical products

The name of the business process	Description of the business process
Analysis of the market of medical products. Search for partners for cooperation.	<p>Every quarter, the heads of sales departments analyze the state and needs of the medical products market, in particular:</p> <ul style="list-style-type: none"> <li>information on the volumes of medical procedures performed during the current quarter and the medical products used during the performance of these procedures;</li> </ul>

- information from Internet resources about the dynamics of market changes, customers and competitors;
- information about pricing policy and demand for competitors' brands of medical products, positions regarding similar or similar products of competitors, strengths and weaknesses of competitors;
- information about regular and potential customers in the local customer database for the relevant sales direction;
- information received from existing customers during the current quarter;

Information about consumer demand for medical products obtained as a result of marketing research is collected, summarized and analyzed in order to improve the quality of services, their competitiveness and market satisfaction. This data is used in planning the provision of services, as well as in order to orient the company's activities to meet the requirements and expectations of customers, interested parties and improve services.

Employees of sales divisions participate in congresses, thematic exhibitions and other marketing and PR events. Based on the results of participation in marketing and PR events, employees identify potential client-partners for cooperation and sale of medical products, study and determine their needs. Employees establish partnership relations with new clients through the organization and holding of meetings, presentations of medical products, workshops, thematic seminars (professional consulting on consumer properties and product quality) and other marketing and PR events. During these events, employees promote the company's values, which are based on a deep understanding of the client-partner's priorities, competitive positioning strategies and

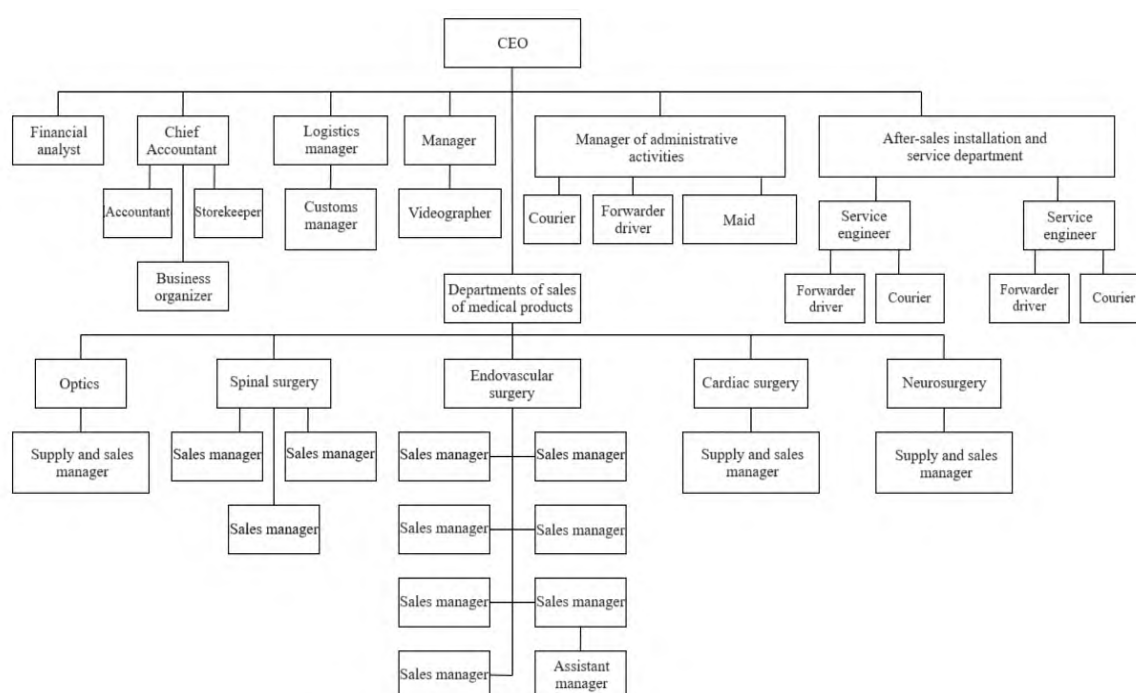
	<p>differentiation of the sold medical products. Based on the results of marketing activities, employees receive first orders and product reviews from new customers and send them to the representative of the manufacturer of medical devices. Stable sales channels are also being created with new partners for cooperation and sale of goods that are in demand on the market.</p>
<p>Analysis of the current state of the goods in the warehouse and the process of its replenishment.</p>	<p>Supply managers monthly analyze the current availability and quality status of medical products in the warehouse in the warehouse database. Based on the results of the analysis, a product report is prepared and submitted to the head of the relevant department, i.e. the number and expiration dates of the available medical products. The managers of the sales department determine the need to replenish the goods in the warehouse on the basis of:</p> <ul style="list-style-type: none"> <li>• volumes of minimum allowed product stocks for a specific sales direction;</li> <li>• orders received from partner customers, provided that such goods are not in stock;</li> <li>• of the terms of the concluded contracts for the supply of medical products under the winning tenders, provided that such goods are not in stock.</li> </ul> <p>Based on the determined need, the managers of the sales department prepare an order for medical products and send it to the manufacturer, informing the manager of foreign economic activity and logistics of the corresponding company.</p>
<p>Registration of orders from customers</p>	<p>Supply managers receive orders from sales managers or from customers, form a list of ordered medical products with an indication of their number. They process received orders, create requests for shipment of goods in the warehouse database, send information to the accountants of the corresponding company.</p>

Installation, maintenance and repair of medical devices	Companies perform installation of medical devices at customers, based on contracts concluded with them, and also perform maintenance work on medical devices installed at customers, based on contracts concluded with customers, information from acts of putting medical devices into operation, manufacturer's instructions with service maintenance of medical equipment. In addition, the companies carry out ongoing repairs of medical devices installed at customers, based on reports received from them about technical malfunctions of medical devices and the need for ongoing repairs. During the current repair, the employees of the companies use the manufacturers' regulations regarding the current repair.
Monitoring and reporting on sales results	Every month, the managers of the sales departments analyze the information in the warehouse database about the number of medical products sold during the current month for each individual client. Also, every quarter, the managers of the sales areas analyze the profit obtained during the current quarter from the sale of goods for each area. The results of these analyzes are provided to the director of the relevant company in the form of a report.
Customer feedback	<p>The companies constantly monitor information related to the level of satisfaction of the customer's requirements by the companies. Sources of information on the level of customer satisfaction include:</p> <ul style="list-style-type: none"> <li>• direct communication with users of medical devices;</li> <li>• customer requirements;</li> <li>• registered customer complaints;</li> <li>• communication with regulatory bodies on compliance issues;</li> <li>• expert evaluations in thematic magazines.</li> </ul>

	<p>Data on the results of customer satisfaction assessments are regularly analyzed by the heads of sales departments and brought to the attention of the director at production meetings. The received information is used to prepare proposals for improving business processes, adjusting policies and goals in the field of quality.</p>
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## Annex F

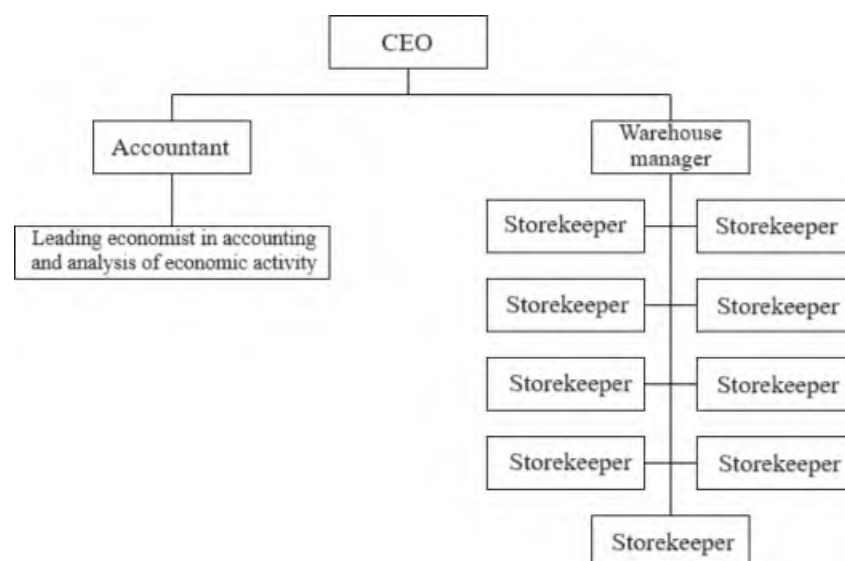
## Scheme of the organizational structure of Iridium LLC



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graph TD
    CEO[CEO] --> CA[Chief Accountant]
    CEO --> MA[Manager of administrative activities]
    CEO --> MFEA[Manager of foreign economic activity]
    CEO --> DSMP[Departments of sales of medical products]
    
    CA --> A[Accountant]
    CA --> SK[Storekeeper]
    
    MA --> C[Courier]
    
    MFEA --> LM[Logistics manager]
    
    DSMP --> HA[Hearing aids]
    DSMP --> ES[ENT surgery]
    DSMP --> GS[General surgery]
    DSMP --> BS[Blood service]
    DSMP --> EJ[Endoprosthesis of joints]
    
    HA --> SM1[Sales manager]
    ES --> SM2[Sales manager]
    
    GS --> HSD[Head of the sales department]
    HSD --> RDM1[Regional development manager]
    HSD --> RDM2[Regional development manager]
    HSD --> RDM3[Regional development manager]
    HSD --> RDM4[Regional development manager]
    HSD --> RDM5[Regional development manager]
    HSD --> RDM6[Regional development manager]
    HSD --> RDM7[Regional development manager]
    HSD --> SM3[Sales manager]
    HSD --> SM4[Sales manager]
    HSD --> AM1[Assistant manager]
    HSD --> AM2[Assistant manager]
    
    BS --> SM5[Sales manager]
    BS --> SM6[Sales manager]
    BS --> AM3[Assistant manager]
    BS --> SE[Service engineer]
    
    EJ --> SM7[Sales manager]
    EJ --> AM4[Assistant manager]
  
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### Scheme of the organizational structure of Comstart LLC



## Scheme of the organizational structure of Dokservice LLC

