

HAPPINESS LH TECHNOLOGIES

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ABSTRACT

In China, the introduction of several healthcare information technology policies, as well as the new healthcare reform and the strengthening of the prevention and control of epidemics has also forced the rapid development of the intelligent medical industry. The three smart medical software models developed by Cola-LH Technologies have each been selected to improve and strengthen a small point in smart medical care. Currently the company's main business is the development of Happiness LH-v3.0 software, which is a smart hospital system developed specifically for people suffering from depression and other mental illnesses, currently over 300 million people worldwide suffer from depression, accounting for about 4.3% of the global population. In China, there are also 54 million people suffering from depression, over 10 million people are suicidal and over 500,000 have ended their lives by suicide. At present, 60% of the country's population is chronically depressed and the number of depressed people in society is growing. Such a large group, combined with those suffering from other mental illnesses, gives the company unlimited prospects. The company's financial and feasibility is an initial investment of RMB 4.25 million, with a five-year average annual profit of RMB 2.08 million from 2022-2026 and a return on investment of 49%.

Keywords: Happiness, Technology

Executive summary

In China, the introduction of several health information technology policies, as well as the new health care reform and the strengthening of epidemic prevention and control are also forcing the rapid development of the intelligent medical industry. Happiness LH Technologies has developed three software packages, each with its focus. Cola-LH-v1.0 software focuses on real-time management of personnel grids and in-hospital and out-of-hospital drug logistics systems in the context of epidemic prevention and control. Happiness LH-v2.0 software focuses on the construction of a regional clinical testing center in Songjiang District, Shanghai, enabling the homogenization of laboratory tests in all hospitals in Songjiang District, Shanghai, and creating a three-way win-win situation for our company, the buyer, and the third party through a new profit-making approach. Happiness LH-v3.0 software is a smart hospital system developed specifically for patients with depression and other mental illnesses. There are also 54 million people with depression in China, over 10 million people are suicidal and more than 500,000 have ended their lives by suicide, with suicidal behavior caused by depression being the leading cause of death among people aged 15-31. At present, 60% of the country's population is chronically depressed, and some of these groups are reluctant to face up to and take depression seriously for fear that they will be discriminated against by others if they see a doctor, leading to an increasing number of depressed people in society. Such a large group of people, together with those suffering from other mental illnesses, makes the Happiness-LH-v3.0 software have unlimited prospects. The financial and feasibility is an initial investment of RMB 4.25 million, with a five-year average annual profit of RMB 2.08 million from 2022-2026 and a return on investment of 49%.

Section 1: Company Description

Happiness LH Technologies was founded in early 2018 and is registered in Shanghai, China. With the outbreak of the epidemic in Wuhan, China in early 2020 and the Chinese government's favorable policy on the

development of the smart medical industry, the company took this opportunity to enter the medical industry and promote the smart medical system.

Happiness - LH Technologies - Happiness is called Maybe you're not happy, but I want you to be happy. LH is called Happy Life.

The company has developed three types of software.

Happiness LH- v1.0: a personnel grid management and pharmaceutical logistics system.

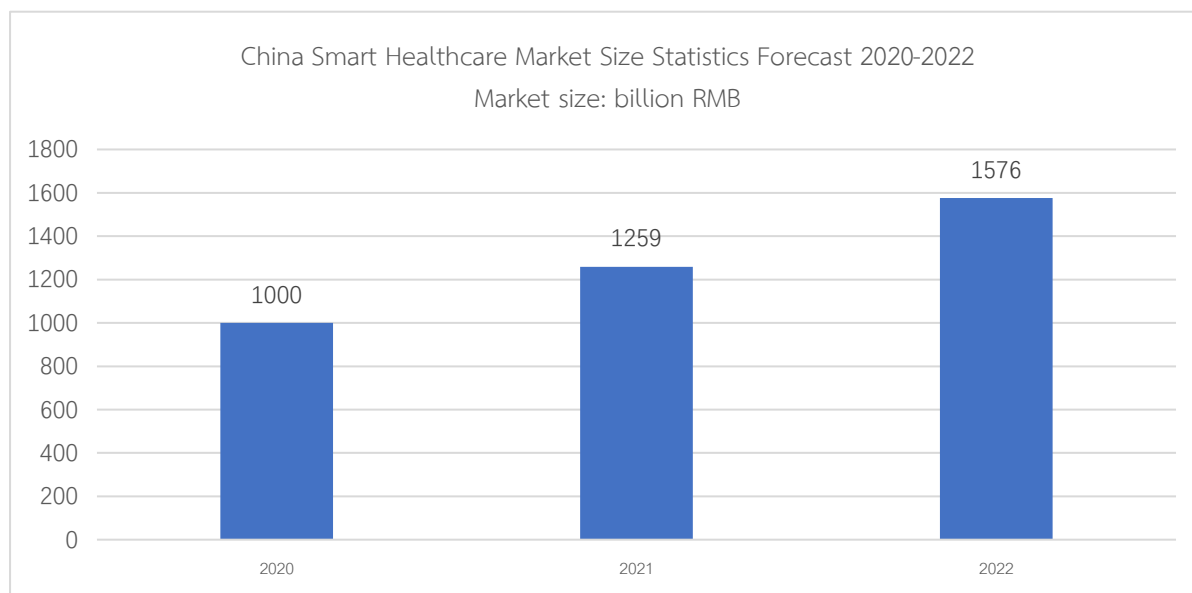
Happiness LH- v2.0: the regional clinical testing center system.

Happiness LH- v3.0: a smart hospital system for depression and other mental illnesses.

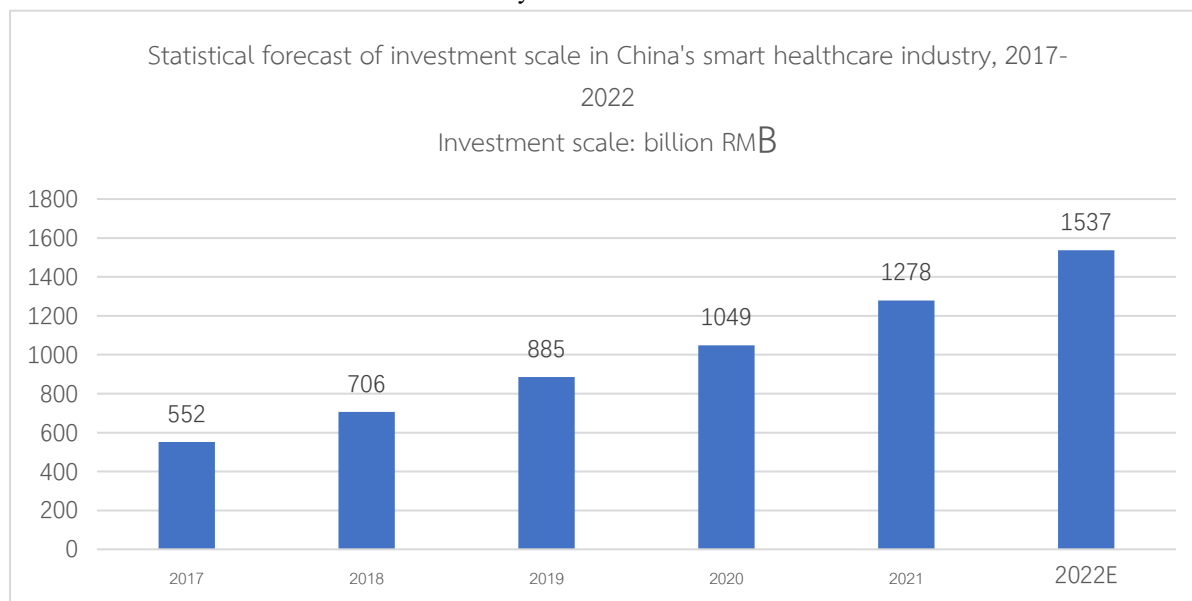
Section 2: Industry Analysis

In the current era of rapid development of digitalization and information technology, the construction of a smart hospital has become an objective need and its research is imperative. The need for smart hospital construction is highlighted by the prevention and control of the new pneumonia epidemic.

Smart Healthcare Market Size

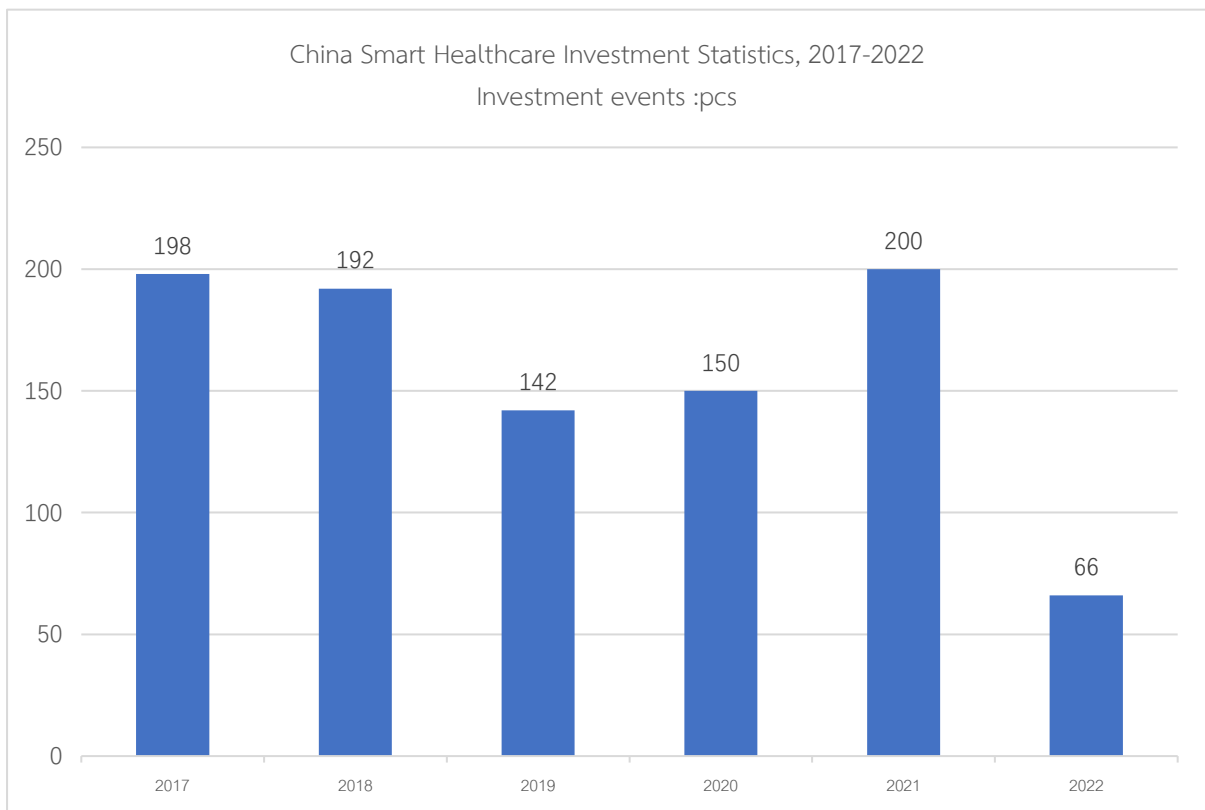


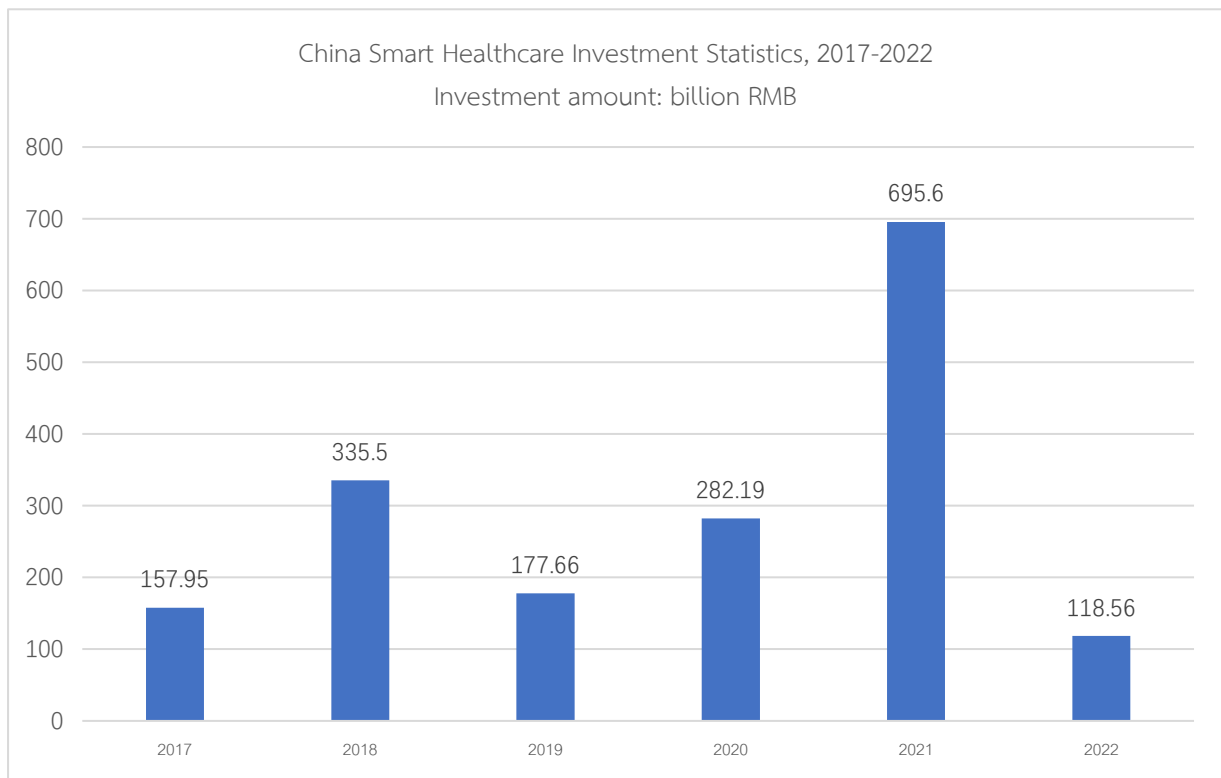
Investment scale in the smart healthcare industry



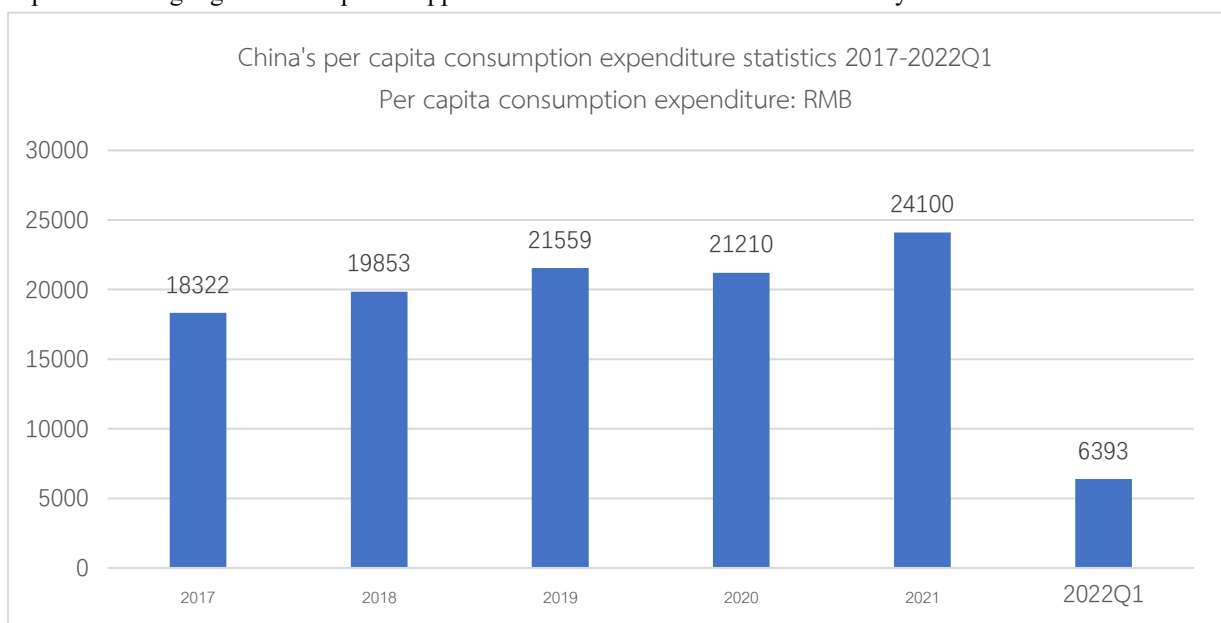


Smart Healthcare Investment and Financing





Long-Term Prospects: favorable policies, epidemic prevention and control, and rising disposable income per capita has brought good development opportunities for the smart healthcare industry.



Section 3: Market Analysis and Marketing Plan

SWOT analysis of Happiness - LH- v1.0 software and hospital HRM software

Strengths

Developed specifically for epidemic personnel management.

Real-time management of personnel through in-grid network base stations.

Construction of an in-hospital and out-of-hospital drug logistics system.

Weaknesses

As staff management software, it is a little simpler than traditional HR software.

Opportunities

China's zero tolerance for epidemic prevention and control brings opportunities for the development of software.

Threats

The epidemic will eventually pass and the software will need to be transformed once the epidemic is over, or if the situation improves.

SWOT analysis of Happiness - LH- v3.0 software and several well-known smart hospital system software in China

Strengths

A smart medical system developed specifically for patients with depression and mental illnesses.

Weaknesses

The medical experience is not as good as that of several well-known smart hospital systems in China.

Opportunities

The large number of patients suffering from depression and mental illness means that this is a market of opportunity.

Threats

If the poor healthcare experience is not improved, the software will eventually be replaced by other well-known smart hospital system software in China.

A smart hospital system is a complex system that is difficult to cover with a single software, so the company's overall marketing strategy is to pick a small point and make that small point more sophisticated and stronger.

Happiness - LH Software 5 Forces Model Analysis

Competitiveness of existing competitors in the same industry

The competitiveness of the product developed by the company lies in the fact that it is specifically developed for the management of epidemic personnel and patients with mental illnesses such as depression, and the competitiveness of existing competitors within the same industry is high.

The ability of potential competitors to enter

The ability of potential competitors to enter is low due to the uncertainty of the duration of the epidemic and the degree of harm, as well as the special nature of the treatment and management of depression and other mental illnesses.

The ability to the substitution of alternatives

The substitution ability of substitutes for Happiness LH- v1.0 software, a product developed by the company, is moderate and has its advantages and disadvantages; the substitution ability of Happiness LH- v3.0 software is weak due to the specificity of the treatment and management of psychiatric disorders such as depression and drugs.

Bargaining power of suppliers

The company's products are developed in-house and there are no suppliers, so the bargaining power of suppliers is very weak.

Bargaining power of purchasers

The purchasers are public hospitals, which are part of the government procurement program and the price is fixed, so the bargaining power of the purchasers is very weak.

Happiness LH- v1.0 software is divided into five phases of development

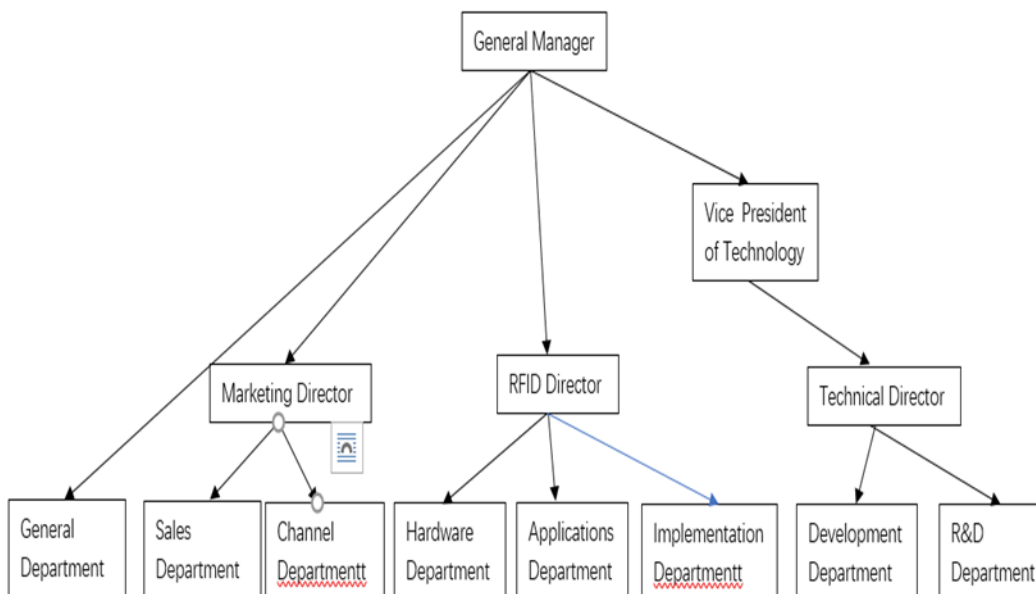
Number of issues	Issue 1	Issue2	Issue3	Issue 4	Issue5	Total price
Unit price	20000	50000	250000	1000000	200000	1520000
Packages A	68600					68600
Packages B	307200					307200
Packages C	1267200					1267200
Packages D	1444000					1444000

Happiness LH- v3.0 is divided into three phases

Number of issues	Issue 1	Issue2	Issue3	Total price
Unit price	500000	800000	2000000	3300000
Packages A	1248000			1248000
Packages B	3069000			3069000

Section 4: Management Team and Company Structure

The company is a limited liability company, without a board of directors, with an executive director (general manager)



Section 5: Operations Plan, Production Design, and Development Plan

The company's operations and development plan are divided into three parts: one is to divide the intelligent medical system into several parts and focus on the development of one part. The second is to develop one part of several smaller projects. The third is to distribute the specialist parts to third-party specialist companies to achieve a satisfactory result for all three parties.

Section 6: Financial Projections

The company's financial resources are divided into its funds and absorbed funds, the absorbed funds mainly include 1, the income from the development of software 2, third-party companies' software fees 3, advance payment

5-Year Happiness - LH Technologies Forecast Profit Statement

Profit Statement (unit: RMB 10,000)

project	2022 year	2023 year	2024 year	2025 year	2026 year
operating receipt	585	591	616	598	578
cost in business	325	336	346	333	328
operating profit	260	255	270	265	250
business income taxes	52	51	54	53	50
net margin	208	204	216	212	200

Happiness-LH Technologies' initial investment is planned to be RMB 4.25 million. Based on the projected income statement, the five-year average annual profit from 2022-2026 is RMB 2.08 million. The calculated ROI = 49%. This indicates that the company has a very good level of return on investment.

Investment profit margin ROI calculation (unit: RMB 10,000)

a particular year	2022 year	2023 year	2024 year	2025 year	2026 year
Net profit attributable to shareholders	208	204	216	212	200
Annual average profit	208				
aggregate investment	425				
earnings power of real assets	49%				

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