

# NISA LIGHTING PRODUCTS INC.

## **Business Plan**

Intra-Company Transfer Documentation

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**NISA LIGHTING PRODUCTS INC.**

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## 1 Executive Summary

NISA LIGHTING PRODUCTS INC. (hereafter also referred to as the Company or Subsidiary) will be an Ontario-based business that will offer a wide range of lighting fixtures and lighting solution projects, mainly providing solutions for local residents, business owners, and interior designers for a wide range of different spaces. The Subsidiary will operate in the sector of Lighting Fixtures Manufacturing Industry in Canada (NAICS 33512CA). The Company's customers will be able to choose from a wide variety of high-quality and customizable products through The Subsidiary's wholesale and online channels. The Company's operations will be developed under the supervision of NOOR GOSTARAN HOORFAM COMPANY LTD (hereafter also referred to as the Parent Company), an Iranian-based business that operates as a manufacturer and installer of lighting fixtures, which will closely collaborate with its Canadian subsidiary.

The Subsidiary's operations will be structured in three primary phases, commencing as an export-oriented business focusing on providing raw materials and modern state-of-the-art technological solutions for production aspects of its Parent Company. The aim is to supply raw materials specifically tailored for the production of technological components that can be feasibly exported from Canada, rather than China. The Company will expand its operations in Year 2<sup>1</sup> to a consulting and designing business which will provide expert consulting and installing services concerning lighting fixture designs, and finally manufacture a wide range of lighting solutions in Year 3.

Upon the approval of his work permit application, Mr. Arman Barahimi Farahan (hereafter also referred to as the Applicant) will assume the position of the Chief Executive Officer at the Subsidiary. The Applicant currently serves as the Managing Director of NOOR GOSTARAN HOORFAM COMPANY LTD, and is also a board member and major shareholder of the Parent Company. By appointing the Applicant as its Chief Executive Officer, the Company will nurture sustainable development and choose highly-skilled employees. Moreover, the Applicant owns the largest percentage of the Company, 51%. The remaining shares are split between the Parent Company, which owns 39%, and Ms. Elmira Pashanezhad, who owns 10% of the business. Notably, The Subsidiary will receive investments from equity funds in the following amounts;

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<sup>1</sup> Year 1 starts upon the approval of the Applicant's work permit.

\$500,000 to initiate its operations, out of which \$300,000 will be invested during Year 1 and Year 2, and \$200,000 during Year 3 and Year 4.

In addition to the Applicant, the Subsidiary will hire one Marketing Specialist, one Administrative Assistant, and one Research and Development Manager in Year 1. Over the following five years, the number of the Company's in-house employees will grow to a total of 22, with payroll expenses rising from \$201,689 in Year 1 to \$1,202,190 in Year 5. In addition to its team of in-house staff, the Company will also work with specific independent contractors who will provide direct support to the Subsidiary's operations.

Over the following five years, the Subsidiary will leverage several distinct competitive advantages, including the ongoing support of the Parent Company as well as its highly customizable and specialised products, lighting design services, green materials, and modern and contemporary lighting solutions. The Company will lean on these advantages to outperform the competition and achieve superior margins compared to its direct competitors, while also generating value for its shareholders. Additionally, THE SUBSIDIARY will implement innovative marketing strategies, which will be used alongside its comprehensive sales activities to position the Company effectively and successfully within Canada. A favourable business environment and significant growth opportunities will allow the Company to achieve its short- and long-term goals within the first five years of its operations. As such, the Subsidiary's revenue is expected to grow from \$457,380 in Year 1 to \$2,607,400 in Year 5.

## **2 The Company's Significant Economic, Social, Cultural, and Other Benefits to the Canadian Economy**

### **Employment Benefits**

The Company will generate employment for a total of eight individuals, comprising Canadian citizens or permanent residents, in addition to the Applicant. Canada's overall unemployment rate amounted to an average of 9.6% in 2020. This relatively high unemployment rate, when compared to previous years, was driven by the outbreak of the COVID-19 pandemic and the subsequent severe disruptions to economic activities seen both domestically and worldwide. By

2022, the unemployment rate in Canada had fallen to 4.9%.<sup>2</sup> With this in mind, the Subsidiary will further support a decrease in the national unemployment rate by generating numerous employment opportunities over the years to come.

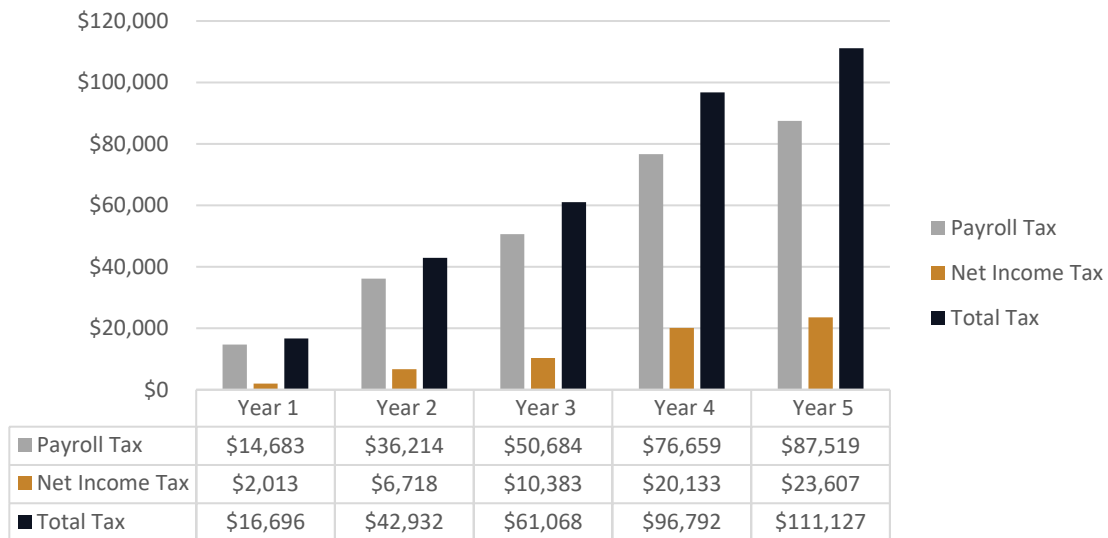
**Indirect Job Creation**

In addition to direct job creation, the Company’s business activities will result in indirect and induced jobs. As a result of the Subsidiary’s business activities and its demand for suppliers, a number of jobs will be created throughout the local community. Additionally, the increased business activity of the Company’s own suppliers and vendors will contribute to the further development of the regional economy, which will lead to the creation of even more jobs in the local area.

**Financial Benefits**

The Subsidiary will make a positive impact on the Canadian economy. The Company’s net profit and payroll expenses will increase, thus increasing total taxes paid. The chart above shows the increase in both net income and payroll taxes through the years. Payroll taxes are expected to start at \$14,683 in Year 1 and reach \$87,519 in Year 5. Net Income taxes are expected to rise from \$2,013 in Year 1, reaching \$23,607 in Year 5. The Company is expected to pay \$16,696 in taxes in Year 1, increasing to \$111,127 by the end of Year 5.

Tax Paid by Year



<sup>2</sup> Source: <https://www150.statcan.gc.ca/n1/daily-quotidien/220708/dq220708a-eng.htm>

**Market Benefits**

In addition to monetary benefits for the Canadian economy, the Subsidiary will also add to the mix of existing competition, which will lead to an improvement of the industry as a whole. Strong market competition will lead to an increase in terms of the overall quality of offered goods from industry operators. Furthermore, strong market competition forces operators to focus on clients and their needs to acquire a larger market share.

**Knowledge Transfer**

The Applicant is an experienced and highly skilled Chief Executive Officer with 15 years of applicable experience in the Lighting Industry. He will transfer valuable market-related knowledge and well-rounded skills to the Company's other in-house employees. The Applicant's dedication to transferring the necessary skills and knowledge to the Canadian workforce will serve to create additional qualified workers. His professional background will help the Company in earning a positive reputation and accomplishing both its short- and long-term goals, while simultaneously making a positive contribution to Canada's wider economy.

**Cultural Benefits**

By engaging indirect employment and supporting the growth of its clients, the Subsidiary's operations will support an increase in the overall standard of living. Namely, the Company's employees will receive salaries that will enable them to enjoy the products and services offered by other businesses in the area, support their families' education, and spend on entertainment and well-being, among other spending categories. This will increase the community's need for a wider variety of products and services, which will support the creation of new businesses, as well as local cultural and social associations and institutions.

**Social Benefits**

Additionally, the Subsidiary will make a significant contribution to the improved well-being of Canadian citizens and permanent residents, with its activities helping to alleviate the nation's current unemployment rate, which is associated with financial insecurity and poverty. According to the Social Policy Research Center,<sup>3</sup> there is strong evidence that unemployment increases the

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<sup>3</sup> Source: Social Policy Research Center, The Direct and Indirect Effects of Unemployment on Poverty and Inequality

risk of poverty and contributes to inequality, giving rise to a series of debilitating social effects on unemployed people themselves, their families, and the communities in which they live.

### **Environmental Benefits**

Canada's Energy Efficiency Regulations establish minimum performance standards for energy efficiency and help eliminate the least efficient products from the Canadian marketplace.<sup>4</sup> A study published by the Journal of Cleaner Production found that implementing sustainable manufacturing practices can reduce environmental impacts by up to 50%. Another study conducted by the Lawrence Berkeley National Laboratory found that green lighting can reduce greenhouse gas emissions by up to 50% as compared with traditional lighting.<sup>5</sup> In line with its dedication to eco-consciousness and environmental stewardship, the Subsidiary will expand its range of offerings to encompass environmentally friendly lighting options. These innovative solutions will integrate cutting-edge technology and design elements to reduce environmental harm while optimizing energy conservation and providing financial benefits to consumers.

## **3 Parent Company's Summary**

### **3.1 Company Summary**

NOOR GOSTARAN HOORFAM COMPANY LTD is an Iranian-based business operating under the brand name of NISA Lighting that designs, manufactures, and installs lighting fixtures for a wide range of customers. The Parent Company has developed a strong brand presence in Iran and established itself as a reliable and trustworthy provider that offers modern and durable lighting solutions that perfectly fit its customer's requirements. It holds a position as one of the top five modern businesses in Iran.

The Parent Company has been successfully operating since 2017, and was legally registered as NOOR GOSTARAN HOORFAM COMPANY LTD in the Companies Registration Office of Tehran Province on July 17, 2019. The Parent Company's ownership is divided between the Applicant, who holds a 99% stake in the business, and Ms. Pashanezhad, who owns the remaining 1%.

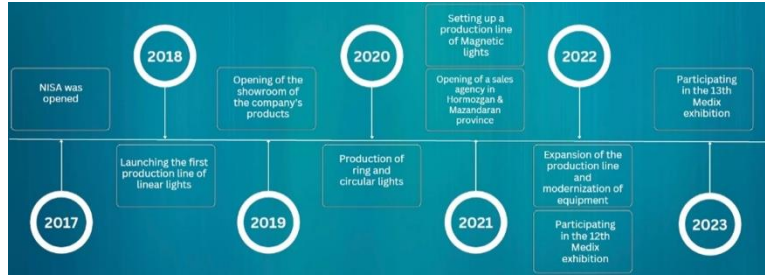
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<sup>4</sup> Source: <https://natural-resources.canada.ca/energy-efficiency/products/lighting/13730>

<sup>5</sup> Source: <https://www.aaline.ca/blog/making-a-difference-the-story-behind-canadas-first-b-corp-lighting-company>

Additionally, Ms. Pashanezhad serves as the HR and Finance Manager in the Parent Company, contributing her expertise to the organization's success.

NOOR GOSTARAN HOORFAM COMPANY LTD is an exceptional business that implements technological advances and uses architectural rules to design and develop lighting solutions for



its clients. The Parent Company manufactures a wide range of LED lighting fixtures, and its top products are linear lighting, panel lighting, and magnetic lighting,

characterised by their exceptional quality, outstanding energy efficiency, and intelligent system connectivity. NOOR GOSTARAN HOORFAM COMPANY LTD’s goal is to provide a range of attainable and sustainable lighting fixtures to all interested individuals.

NOOR GOSTARAN HOORFAM COMPANY LTD operates with the mission of assisting its customers to find the best lighting solution, and the vision of creating contemporary products, under the value of quality, originality, and creativity, while maintaining high levels of integrity, variety, and cooperation.

The strongest proof of the Parent Company’s success in the market is its attained customers, with the special notice to Iran Khodro Co., Golestan Co., Tejarat Bank, the Iran Basketball Federation, the National Olympic Committee, and NEXA GROUP, for whom NOOR GOSTARAN HOORFAM COMPANY LTD designed several projects such as:

Project	Photos	Specifications
<p><b>Cedroos Complex (2018-2019)</b></p>		<p>Construction start and end date: 2015 - 2018                      Function: Residential                      Location: Saad at Abad, Tehran                      Unit: 18                      Awards: WAF 2019 (Completed Residential)</p>



<p><b>Cedroos Complex (2018-2019)</b></p>		<p>Construction start and end date: 2016 - 2019 Function: Residential Location: Zaferanieh, Tehran Units: 5</p>
<p><b>Ribbon Complex (2018-2019)</b></p>		<p>Construction start and end date: 2016 - 2019 Function: office building Location: Vanak, Tehran Unit: 42</p>
<p><b>Sharif University Technology Tower (2020 - 2021)</b></p>		<p>Consulting and designing for project lighting. From planning to execution - the lighting system's implementation</p>
<p><b>Tavan Holding Office (2021 - 2022)</b></p>		<p>Consulting and designing for project lighting. From planning to execution - lighting system's implementation</p>
<p><b>AMOUI Tools Showroom in IIWI (2022)</b></p>		<p>Designing and producing Dashline series lights in accordance with the demands of the client to provide various lighting environments in the product display area.</p>

MSI store in a Mall in Iran  
(2022)



Implementation of a special design on the false wall based on the initial design made by the project architects. This project was made possible by the utilization of unique 140-degree Z-shaped welded aluminum parts that were created and produced by Norgostran Horfam Corporation.

GOLESTAN Products warehouse  
(2022-2023)



This project required flexibility and intelligence in its design at the same time, and turned into one of the most distinctive lighting designs created by Noor Gostran Horfam Company. In this project, it designed and produced the lighting system and installed it in the product warehouse of one of the largest food-related businesses in Iran. For the first time since the establishment of this company, in addition to using the relevant software to calculate the necessary lighting in the internal spaces such as the product warehouse, the product loading and unloading area, and the administrative department, it also provided lighting for the external spaces of this warehouse. One of these includes the light tower seen in the background image.

In addition to its commercial success, the Parent Company was also recognised as a member of several impactful associations, namely the Electric Lighting Manufacturing Association in Iran since July 18, 2020, and enjoys all the benefits of this membership. Moreover, the Parent Company also participated in the 12<sup>th</sup> international exhibition *Midex Architecture - Modern House - Decoration*, from January 11 to 14, 2022, which is the largest exhibition of architecture, decoration, and modern houses in the year of production, support, and removal of obstacles.

Furthermore, NOOR GOSTARAN HOORFAM COMPANY LTD's success in the Iranian market is additionally supported by recommendation letters from Mah Nik Shams Company and Ms. Darush Rouzbahane, a member and chairman of the board of directors of Middle East Group Leasing Company. Mah Nik Shams Company commends NOOR GOSTARAN HOORFAM COMPANY LTD for its strong teamwork, cooperation in meeting financial and professional obligations, and effective collaboration in providing resources for manufacturing, storage, and transportation. Ms. Rouzbahane's letter praises NOOR GOSTARAN HOORFAM COMPANY LTD's commitment to

skill development, management improvement, teamwork, crisis management, problem-solving abilities, and professional group management. It can thus be concluded that, through its activity and dedication to the craft, the Parent Company has built a strong market presence and has distinguished itself from its competitors by always ensuring to provide a reliable service and provide only high-quality and durable products.

NOOR GOSTARAN HOORFAM COMPANY LTD's main endeavor in Canada will be developing and establishing a strong Parent Company that will be built to utilise new and more advanced manufacturing features which will be offered to its customers. Due to this, NOOR GOSTARAN HOORFAM COMPANY LTD will provide the Canadian Company with ongoing technical and financial support, as well as supply it with expert knowledge. Moreover, the Parent Company will help create new market initiatives and provide guidance, ensuring the marketability of the Canadian Company.

### 3.1.1 Parent Company's Products

As previously stated, the Parent Company produces an extensive variety of LED lighting fixtures, with linear lighting, panel lighting, and magnetic lighting being its flagship products.

The most popular products offered by the Parent Company include Panel Lights EchOOO, FRAEM Light BoxC, TrimLine Series, and Dashed Line Series. These products feature various dimensions, wattages, and lumen outputs, catering to diverse customer needs. The lighting fixtures are made from high-quality materials such as extruded aluminum and die-cast aluminum, with acrylic and extruded polycarbonate diffusers. They are available in a range of color temperatures and body colors, including black and white.

#### 3.1.1.1 Panel Lights

The EchOOO Round Panel Lights are available in diameters of 60, 80, and 120 cm, with power outputs of 70 and 100 watts. These lights offer an optical flux of 5600 and 9000 lumens, and color temperatures of 4000 and 6000 Kelvin. The body of the lights is made from extruded aluminum, and they feature an acrylic diffuser. They come in both black and white body colors, and can be installed as recessed, surface, or pendant lights.



### 3.1.1.2 BoxC

The BOXC lights come in three sizes: 15 \* 15 cm, 30 \* 15 cm, and 45 \* 15 cm. They have power outputs of 8, 16, and 24 watts, providing an optical flux of 700, 1400, and 2100 lumens. The lights are available in color temperatures of 3000, 4000, and 6000 Kelvin. They are made from die-cast aluminum and feature an acrylic diffuser. The body color options are black and white, and the lights can be installed as recessed lighting fixtures.



### 3.1.1.3 TrimLine Series

The TrimLine Series features three models of trimless recessed linear lights: TrimLine59, TrimLine38, and TrimLine26. These sleek lighting solutions come in various sizes and power outputs, providing a range of optical flux values and color temperatures to suit different applications.

- TrimLine59: This model measures 29 \* 60 mm, with an output power of 36 and 50 watts. It produces an optical flux of 3300 and 4500 lumens, and offers light color options of 3000, 4000, and 6000 Kelvin. It is made from extruded aluminum with an extruded polycarbonate diffuser, and comes in black or white body colors.
- TrimLine38: Measuring 29 \* 40 mm, this model has an output power of 24 and 36 watts, generating an optical flux of 2400 and 3300 lumens per meter. It also provides light color options of 3000, 4000, and 6000 Kelvin. Like the TrimLine59, it features an extruded aluminum body and extruded polycarbonate diffuser, and is available in black or white body colors.
- TrimLine26: This compact model measures 26 \* 26 mm and has an output power of 15 and 24 watts. It produces an optical flux of 1200 and 2200 lumens per meter, with light color options of 3000, 4000, and 6000 Kelvin. The TrimLine26 is also made from extruded aluminum with an extruded polycarbonate diffuser, and comes in black or white body colors.

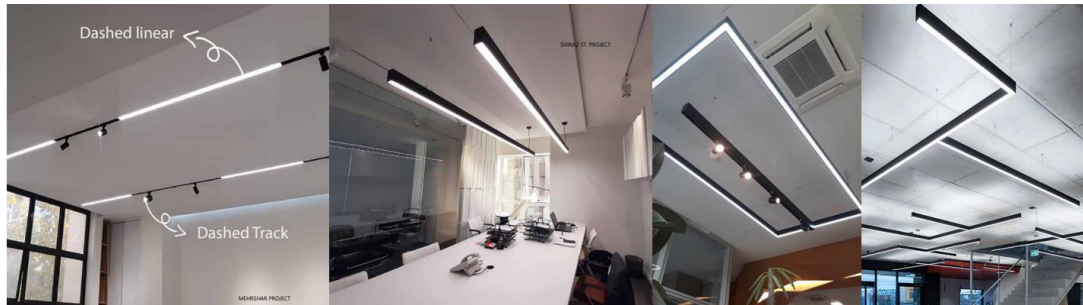
All three models in the TrimLine Series are designed for trimless recessed installation, providing a seamless and modern look in various interior settings.



#### 3.1.1.4 Dashed Light Series

The Dashed Light Series offers a range of versatile lighting solutions suitable for various applications, including linear, pendant, track, and multi-line lights. These lights come in different sizes, power outputs, and optical flux values, with color temperature options to suit diverse needs.

- **Dashed Line:** Featuring a trimless recessed installation, this light is available in two substructure profile sizes: 29 \* 57 mm and 29 \* 38 mm. Made from extruded aluminum with a black body color, this series allows for flexibility in using other lighting products on the same rail and adjusting the lights after installation.
- **Solo Line:** Measuring 60 \* 95 mm, this pendant light has an output power of 36 and 50 watts, generating an optical flux of 3300 and 4500 lumens per meter. Light color options include 3000, 4000, and 6000 Kelvin. The body is made of extruded aluminum with an extruded polycarbonate diffuser, and is available in black, white, and gray body colors. It can be installed as a pendant or surface mount.
- **Track Line:** This light measures 60 \* 80 mm and has an output power of 36 and 50 watts, producing an optical flux of 3300 and 4500 lumens per meter. Light color options are 3000, 4000, and 6000 Kelvin. The body is made of extruded aluminum with an extruded polycarbonate diffuser, and is available in black, white, and gray body colors. It can be installed as a pendant or surface mount.
- **Multi-Line Light:** Measuring 40 \* 75 mm, this light has an output power of 24 and 36 watts per meter for direct light and 15 and 24 watts per meter for indirect light. It produces an optical flux of 3300 and 4500 lumens per meter for direct light and 1200 and 3300 lumens per meter for indirect light. Light color options include 3000, 4000, and 6000 Kelvin. The body is made of extruded aluminum with an extruded polycarbonate diffuser and is available in black, white, and gray body colors. It can be installed as a pendant or surface mount.



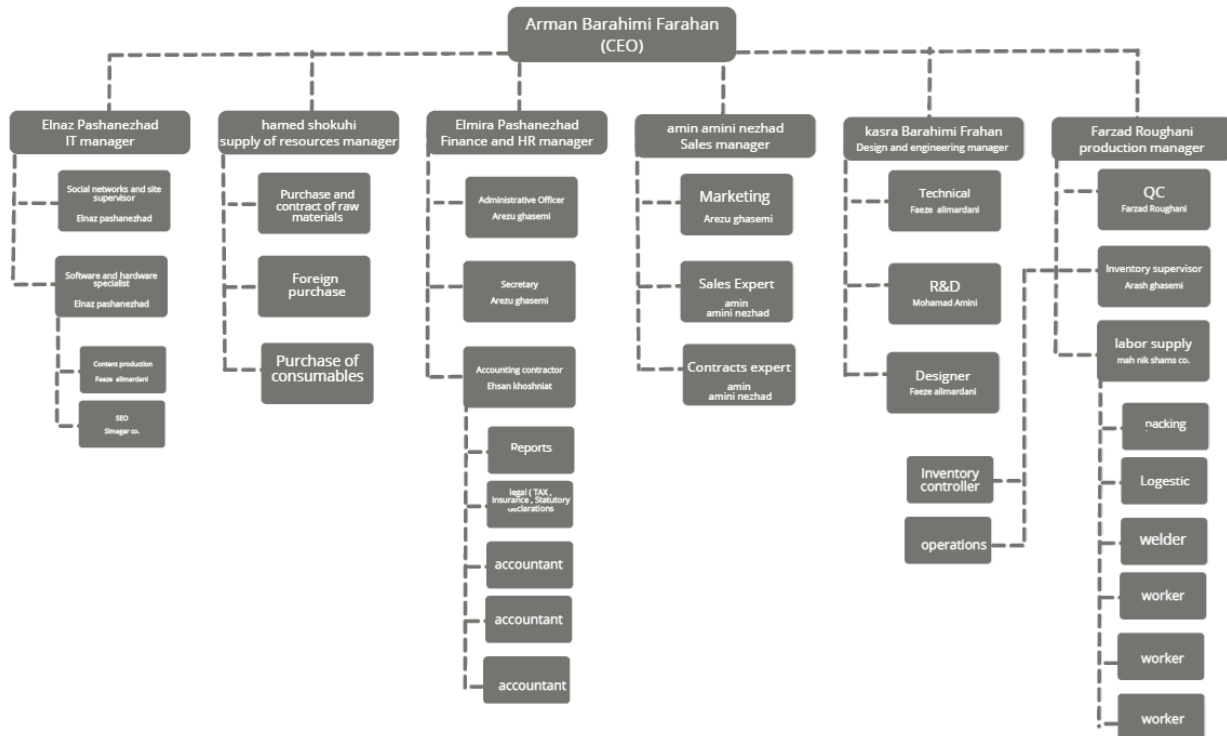
### 3.1.1.5 Magneto Series

The Magneto Series offers a range of versatile and sleek lighting solutions with different sizes and configurations, suitable for various applications. This series includes Magneto Reil-S, Magneto Reil-R, Magneto Linear, Magneto Laser Blade lights.

- **Magneto Reil-S:** This rail has a width of 4 cm and a height of 6.5 cm. Made of extruded aluminum, it features a white color.
- **Magneto Reil-R:** This rail has a width of 5.5 cm and a height of 8.5 cm. It is also made of extruded aluminum and comes in a white color.
- **Magneto Linear:** This linear light is available in lengths of 30, 60, and 120 cm. It has a power output of 10, 20, and 40 watts, with an optical flux of 900, 1800, and 3600 lumens. Made of extruded aluminum, the light comes in a black color.
- **Magneto Laser Blade:** This light is available in lengths of 30 and 50 cm, with a power output of 12 and 18 watts. It generates an optical flux of 1200 and 1800 lumens. The light color options include 3000, 4000, and 6000 Kelvin. The body is made of extruded aluminum and comes in a black color.
- **Magneto Linear Tilt:** This adjustable linear light is available in lengths of 30, 60, and 120 cm. It has a power output of 10, 20, and 40 watts, with an optical flux of 900, 1800, and 3600 lumens. The body is made of extruded aluminum and comes in a black color.
- **Magneto Laser Blade Tilt:** This tiltable laser blade light is available in lengths of 30 and 50 cm, with a power output of 12 and 18 watts. It generates an optical flux of 1200 and 1800 lumens. The light color options include 3000, 4000, and 6000 Kelvin. The body is made of extruded aluminum and comes in a black color.
- **Magneto Track:** This track light has a diameter of 6 cm and offers power outputs of 10 and 15 watts, producing an optical flux of 1000 and 1500 lumens. The light color options include 3000, 4000, and 6000 Kelvin. The body is made of extruded aluminum and die-cast aluminum, with a black color finish.



### 3.2 Parent Company's Team



### 3.3 Subsidiary Company Summary

As already stated, NOOR GOSTARAN HOORFAM COMPANY LTD has already established the Subsidiary in Canada on February 28<sup>th</sup>, 2023, with the goal of expanding its business activities in this country. The Subsidiary will operate under the NAICS code 33512CA, which corresponds to the Lighting Fixtures Manufacturing Industry in Canada. To expand its business activities, the Parent Company will both utilize the expertise of the Applicant and hire a strong team of qualified individuals who will work together to implement planned strategies, values, and goals, and establish a Company with a strong business presence at the Canadian lighting fixtures manufacturing market. Moreover, the Company will rely on the continual support of the Parent Company, which will offer its experience, expert knowledge, and additional support. This will allow the Subsidiary to develop its operations based on the Parent Company's already-tested business strategies which have already helped the Parent Company attain commercial success.

The Subsidiary's main objective will be to provide high-quality lighting solutions to customers in Canada. The team of qualified professionals will work closely with the Applicant, who will spearhead the establishment and growth of the Canadian Company. The Subsidiary Company will offer a wide range of products curated to perfectly reflect the ideas, styles, and specific requirements of its customers. The Company will target individuals who need lighting fixtures for their personal space, as well as customers providing lighting solutions for hotels, residential and office buildings, restaurants, malls, and gyms. The Subsidiary's development will be attained through three key phases, the first phase will involve establishing the Company's operations and setting up its wholesale and online channels, the second phase will focus on expanding the Subsidiary's reach in the Canadian market, and the third phase will involve consolidating the Company's position as a leader in the Lighting Manufacturing and Wholesaling Industry in Canada.

Notably, the Subsidiary Company will prioritize establishing a strong image, giving utmost attention to customers' needs and preferences, and maintaining a warm approach toward all its clients. By doing so, the Company will gain an advantage in the market and grow sustainably over the following period.



### 3.3.1 The Company's Mission and Vision

The Company envisions a future where advanced technology and architectural design converge to deliver state-of-the-art, sustainable lighting solutions that enhance the lives of the Company's customers and the environment.

The Company's mission is to offer a diverse array of aesthetically appealing and eco-friendly lamps to a wide range of clients, including architects and electricians. Driven by its dedication to excellence, the Company will continually innovate and develop LED lighting systems that provide exceptional quality, energy efficiency, and smart connectivity, revolutionizing the Lighting Industry now and for generations to come.

### 3.4 Need for the Applicant's Presence in the Canadian Company

As already stated, to solidify and expand its business activities in Canada, the Parent Company requires a high-level professional who will develop and implement business strategies and direct the Canadian-based Company's activities toward further development and success. Moreover, to secure the successful positioning of the Canadian Company as a leader in the Lighting Manufacturing and Wholesaling Industry, the Subsidiary will hire a team of qualified professionals that will support the implementation of planned strategies, values, and goals.

As a Chief Executive Officer, the Applicant has gained an in-depth understanding of the Parent Company's operating standards and strategies. Since his first day at the Parent Company, the Applicant has greatly contributed to the Parent Company's growth and development, thereby gaining expertise in managing the operations of lighting solutions providing business. He has comprehensive knowledge of planning and implementing budgets, strategic initiatives, and employee training programs. The Applicant has vast experience in human resources, and possesses excellent leadership skills that will be instrumental to the operations of the Company. He has helped maximise the Parent Company's income by building and training teams, establishing long-lasting relationships with key stakeholders, and identifying key growth opportunities for the business through various market analyses. As a presence in Canada presents a favourable opportunity for the future growth of the Parent Company, the Applicant intends to personally spearhead the establishment and growth of the Canadian Company. He will

play a vital role in transferring knowledge, procedures, and standards from the Parent Company, and the subsidiary team that the Applicant is to develop will require his presence in Canada.

As a bridge between the Parent Company and Canadian customers, the Applicant will collect data regarding market trends and consumer behaviors and report back to the Parent Company. He will bring his business development expertise to the Canadian company and leverage the industry relationships he has to generate more business opportunities. Therefore, the Applicant will be able to minimise the operational risks of the Subsidiary, leading the Company to success.

Moreover, following the completion of Year 3, the Applicant intends to go back to Iran and delegate the Company's management to the General Manager. To facilitate a smooth handover and maintain alignment with the Subsidiary's core values, the Applicant will craft a well-thought-out exit strategy.

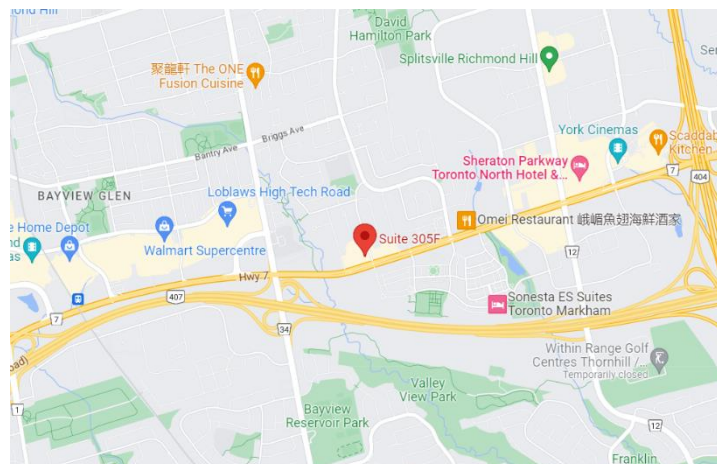
## 4 Canadian Company's Summary

### 4.1 Ownership

The majority of the Subsidiary is owned in majority by the Applicant, with 51% of the Company's shares. The remaining share is split between the Parent Company, NOOR GOSTARAN HOORFAM COMPANY LTD, which owns 39%, and Ms. Pashanezhad, who owns 10% of the business.

### 4.2 Location

The Subsidiary will be located at 330 Hwy 7, Suite 305F Richmond Hill, ON L4B 3P8, Canada.



The Subsidiary will operate from Monday through Sunday, from 9 a.m. to 5 p.m. The Company will use its premises for operational and administrative purposes and will answer all inquiries via telephone, email, and in person.

## 5 Investment

A total of \$500,000 will be invested in the Subsidiary to support its operations. \$300,000 will be invested during Year 1 and Year 2, and \$200,000 during Year 3 and Year 4.

The aforementioned investments will be provided by the Subsidiary's investors, in exchange for buying shares.

Source of funds:

Investors Funds:	
1 <sup>st</sup> Payment from the Company's Investors	\$300,000
2 <sup>nd</sup> Payment from the Company's Investors	\$200,000
<b>Total Investment</b>	<b>\$500,000</b>

## 6 Business & Product Description

### 6.1 Business Description

The Subsidiary will initiate its endeavor in Canada and offer a wide range of lighting solution products curated to perfectly reflect the ideas, styles, and specific requirements made by its customers. Due to the nature of its business, as well as the manufacturing capacity of the Company, its intended targets will consist of a variety of areas, mainly individuals who need lighting fixtures for their personal space, as well as customers providing lighting solutions for hotels, residential and office buildings, restaurants, malls, and gyms. The Subsidiary will operate in the sector of the Lighting Fixtures Manufacturing Industry in Canada (NAICS 33512CA).

It should be noted that the Company will strongly rely on the continual support of its Parent Company, which will closely collaborate with its Canadian Subsidiary and offer its experience, expert knowledge, and other additional support. The Subsidiary will develop its operations based on the Parent Company's already-tested business strategies and will be divided into three main phases, shown in detail in the text below.

***Phase One***

Phase one of the Subsidiary's operations will consist of exporting the raw materials and technologies necessary for the manufacturing process to the Parent Company in Iran. The Canadian-based business will employ adequate individuals who will be in charge of material and technological procurement in Canada, and will find adequate, affordable, and quality solutions. These materials, particularly those tailored towards technological items that are exclusively produced in Canada, will then be imported to the Parent Company, allowing its employees to take advantage of these resources and advanced technological solutions during the manufacturing processes. This phase will positively impact the production aspect, as the Subsidiary will ship raw materials and modern technological solutions which will then increase product quality.

***Phase Two***

For the second phase of its operations, the Company will work on expanding its services portfolio in Canada and implement consultation and design services concerning its lighting solutions. In addition, the Subsidiary will also develop and maintain a showroom to showcase its products to visiting customers. This phase will begin in Year 2, and the Subsidiary will employ expert individuals who will offer modern and durable lighting solutions manufactured in line with the specific requirements and market trends of the Lighting Fixtures Industry in Canada, as well as provide demonstrations at the Company's showroom location.

***Phase Three***

The final phase will be from Year 3 to Year 5 and will have a huge impact on Company development as it will implement the manufacturing aspect of the business in Canada. In the manufacturing phase, the Subsidiary will use the independent contractors' services. After the Subsidiary obtains all necessary permits and licenses, the Company will hire a team of highly skilled individuals and establish manufacturing operations. The Subsidiary's products manufactured in Canada will be made to reflect the products of the Parent Company and retain their quality, style, and consistency.



As both the Parent Company and the Canadian-based Company share the same operations, the lighting solutions will be made available through the Subsidiary's wholesale and online channels from the initial stages of the Company's operations in Canada. By expanding its reach to Canada, the Parent Company will be able to expand its service portfolio, widen its customer reach, and offer larger product quantities. By establishing a strong exporting channel, THE SUBSIDIARY will be able to receive continual support.

According to Business Wire,<sup>6</sup> the global market for Lighting Fixtures and Luminaires was estimated at \$84.1 billion in the year 2022 and is projected to reach a revised size of \$110.6 billion by 2026, growing at a CAGR of 6.1% over the analysis period. Furthermore, Canada is among the noteworthy geographic markets and is forecast to grow at a 4.7% annual rate over the analysis period. The positive industry trend and its projected future growth will complement the Subsidiary's marketability and ensure its future profitability. Moreover, due to its specific products, as well as its ever-expanding target area, the Company's sales tactics will differ. The Subsidiary will employ more traditional sales strategies primarily for customers who want to engage with the Company through personal visits, such as browsing through its product portfolio. As the majority of its customers are expected to familiarise themselves with its products through more modern means, the Subsidiary will implement other sales strategies for these individuals.

Due to undeniable demand in the market for the Company's products, the Subsidiary will be able to ensure a sizable customer base. The Company will offer premium, well-designed items through

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<sup>6</sup> Source: <https://www.businesswire.com/news/home/20220916005375/en/Global-Lighting-Fixtures-and-Luminaires-Market-Report-2022-A-110.6-Billion-Market-by-2026---Prominent-Technologies-and-Trends-with-Potential-to-Transform-Lighting-Industry---ResearchAndMarkets.com>

its channels in order to strengthen its market position. In addition, the Subsidiary will attract more clients by mainly focusing on the quality, design, and quantity of lighting goods, and will regularly update its line of products in response to market advancements. The Subsidiary will offer extensive lighting fixtures for a wide range of customers and design them to perfectly fit their needs. As the Company will also provide lighting solutions for large projects, in addition to its product line for individual customers, its expert employees will provide professional design services that will provide lighting and intelligent control design to its customers. This exhaustive interaction with the Subsidiary's customers will guarantee their satisfaction as they will receive useful information in addition to lighting solutions. To additionally expand on its customer interactions, the Company will also provide consulting and installation services whenever necessary.

The Applicant will play a significant role in leading the Company toward growth and development. The Applicant has an unparalleled skillset that will allow him to establish and expand the Company's operations. The Applicant will apply his experience of running the Parent Company in Iran, where he gained knowledge of these institutions' specific needs and requirements, to the Subsidiary's operations in Canada. Moreover, as lighting product technological development is on the rise, the Applicant will be able to bring new and exciting solutions to the market and help innovate this sector. With this in mind, the Applicant will leverage his skills to ensure efficient business processes, optimise expenditures, and secure the growth of the business under his management. The Applicant's leadership will prove critical in guiding the entity toward sustainable growth and profitability in the coming years.

A well-designed management style, an established organizational structure, a developed product portfolio, clearly defined primary strategic goals, and ownership involvement are the five key components that each company requires to ensure future growth and prosperity. By diligently trying to build a management style that properly satisfies current market trends and client needs, the Subsidiary will make sure these requirements are accomplished. To build a solid rapport with customers and a fruitful working connection with its business partners, the company will be careful to push only top-notch products. Because the Subsidiary will be directed by a seasoned professional with an extensive understanding of industry trends, the Company's future objectives and management promise to significantly impact the market, assuring the company's continued

expansion. The Applicant's hands-on attitude and involvement in the Company's operations will only enhance its success.

As the Subsidiary will work toward acquiring a longstanding reputation and taking the needs and specific requirements of its customers extremely seriously, all the while maintaining a personable approach to everyone who requests its services, the Company will become a competitive and lasting business in the market. This will ensure further prosperity and growth of the Subsidiary in the coming years.

## 6.2 Product Categories

The Subsidiary's product portfolio will consist of a wide range of modern and durable lighting fixtures, which will be designed and manufactured to fit specific requirements made by the Company's customers. To ensure an exceptional level of provided service and customer satisfaction, the Subsidiary's highly dedicated employees will develop, manufacture, and install its products, as well as provide additional support whenever necessary. The Subsidiary's products will also be made available on both a smaller and larger scale, as demonstrated below.

### 6.2.1 Lighting Fixture Products

The Subsidiary lighting fixtures will be designed and manufactured by the Company and implement the latest trends and manufacturing ideas on the market to ensure their durability, as well as easy repairing and replacing solutions. The Subsidiary's products will be available for indoor and outdoor installation, and will complement all spaces while providing optimum lighting conditions. Furthermore, one of the key aspects of the Company's operations is its dedication to manufacturing modern and



simplistic lighting fixtures easily implemented in residential, commercial, industrial, and retail settings. With this in mind, the Subsidiary's products will be made available in a wide range of sizes and colours, made from different materials, and will support several lighting panels

depending on its customer's specific requirements. Due to the wide spectrum of both customers' ideas concerning their lighting fixtures and available designs, the price of the Company's products will also differ. In average, the Company will charge \$760 per lighting fixture product.

**6.2.2 Lighting Solution Projects**

As the Subsidiary's lighting fixtures will be both designed and manufactured by its highly skilled personnel, the Company will also work on major lighting solution projects and design, develop, and install its products. The Subsidiary will conduct lighting projects for hotels, residential and

office buildings, restaurants, malls, gyms, and other larger areas, and implement its signature modern and contemporary lighting solutions. To fully understand its customer's requirements and ensure perfect alignment with their needs, the Company's personnel will also provide consulting services and



answer all related questions, as well as offer the best possible solutions. As the size of the project customer and requirements will determine the full capacity of the Company's services, the price of lighting solutions will vary. In average, the Company will charge \$540 per lighting solution project.

**6.2.2.1 Pricing Strategy**

Products	Average Pricing*
Lighting Fixture Products	\$760 <sup>7</sup>
Lighting Solution Projects	\$540 <sup>8</sup>

*\*Due to the Company's expertise, attained experience, and overall quality of its lighting fixtures, prices of the Subsidiary's lighting fixture products and lighting solution projects are based on the average prices of these products and the accompanying services on the market.*

<sup>7</sup> Source: <https://www.thumbtack.com/p/lighting-installation-cost>

<sup>8</sup> Source: <https://www.angi.com/articles/how-much-does-it-cost-install-lighting-fixture.htm>

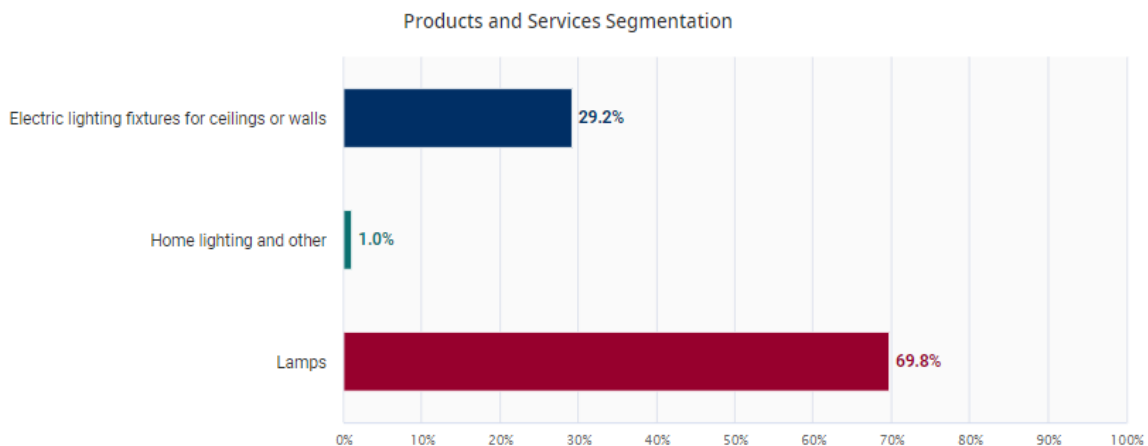


## 7 Industry and Market Analysis

### 7.1 Industry Analysis

#### 7.1.1 Lighting Fixtures Manufacturing Industry in Canada (NAICS 33512CA)

According to IBISWorld,<sup>9</sup> one of the world's leading publishers of business intelligence specializing in industry and procurement research, the Lighting Fixtures Manufacturing Industry manufactures electric lighting fixtures, nonelectric lighting equipment, lighting fixture components, and lampshades made of metal, paper, or textiles. The industry does not manufacture light bulbs and tubes, glass lighting fixtures, vehicular lighting equipment, current-carrying wiring devices, or lampshades made of plastic.



The Lighting Fixtures Manufacturing Industry in Canada has captured opportunities abroad and has expanded over the seven years to 2023. Despite sluggish growth in domestic nonresidential construction activity and rising import penetration, the industry has benefited from strong demand from the United States, which accounted for 93.1% of industry exports in 2021. Additionally, operators have increasingly promoted home lighting fixtures domestically as residential construction has thrived. Overall, industry revenue grew at an annualised 3.4% to \$1.6

<sup>9</sup> Source: IBISWorld, Lighting Fixtures Manufacturing Industry in Canada, Industry Report 2021

billion over the five years to 2021, including an increase of 5.0% in 2021 alone, as domestic economic conditions are forecast to recover following the COVID-19 pandemic.

In response to the banning of incandescent light bulbs, the adoption of LED lighting has increased, and demand for appropriate fixtures has climbed as a result. However, rising import penetration has undermined industry revenue growth. In response, the industry has increasingly tapped into rising demand from the U.S. construction sector, despite a forecast appreciation of the Canadian dollar. The growth of the residential construction sector both in the United States and Canada has been a main underlying factor of the industry's success over the past five years. Despite improving economic conditions, industry profit, measured as earnings before interest and taxes, has decreased during the period, accounting for 5.6% in 2021.

## INDUSTRY KEY FACTS



Total Revenue in **2021**  
**\$1.6** billion

Number of Businesses **2021**  
**319**

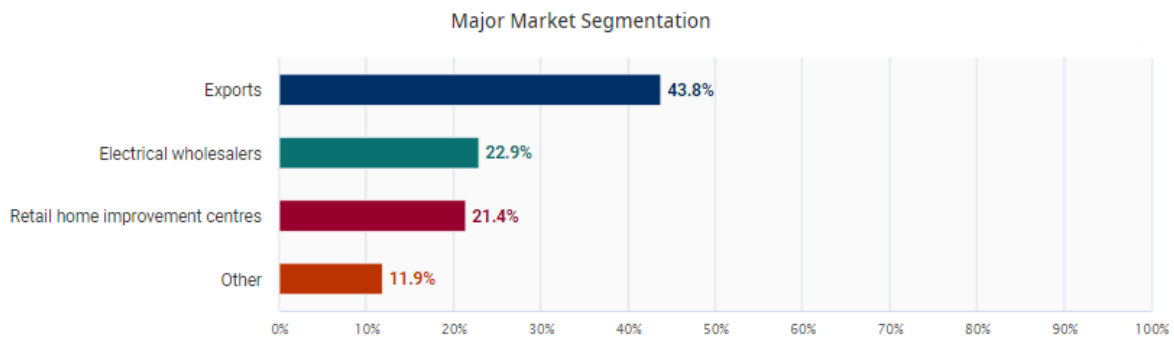
Annual Growth **2016 – 2021**  
**3.4%**

Annual Growth **2021 – 2026**  
**2.1%**

Profit Margin **2021**  
**5.6%**

However, industry revenue is projected to continue its growth over the three years to 2026, albeit at a slower rate. While demand from nonresidential construction is expected to accelerate, imports are still expected to satisfy a large percentage of domestic demand. Although imports are forecast to will likely account for 61.8% of domestic demand in 2026, increased demand from the nonresidential construction market, along with continued growth in residential construction and renovation expenditure, is expected to drive revenue growth over the next five years. Also, industry exports are projected to increase over the three years to 2026 since the Canadian dollar is forecast to marginally depreciate. In addition, product innovation and downstream demand are still expected to persist and continue driving revenue growth. Overall, industry revenue is expected to grow an annualised 2.1% to \$1.8 billion over the three years to 2026.

## 7.1.2 Major Markets



### Exports

Exports generated 43.8% of revenue in the Canadian Lighting Fixtures Manufacturing Industry in 2021. The United States is the primary destination for the vast majority of the industry's trade. According to IBISWorld estimates, the United States was expected to account for 93.1% of industry exports in 2021. This is due largely to the proximity of the United States to Canada, which makes it less expensive to export goods to this market. While the United States is unlikely to lose its position as Canada's primary export market shortly, countries in Europe and the Middle East also demand industry goods.

### Electrical Wholesalers

Electrical wholesalers accounted for 22.9% of industry revenue in 2021. Electrical wholesalers, along with lighting showrooms, account for a majority of commercial and residential lighting fixture purchases. Wholesalers play a key intermediary role between manufacturers and end customers by assisting in the storage and shipment of goods. Some operators within this market segment purchase fixtures and sell them to other manufacturers as inputs for final goods. This segment has declined as a portion of revenue over the past five years, as domestic construction operators increasingly turn to less expensive imported alternatives. Additionally, this segment has experienced increased competition from manufacturers engaged in direct sales to retail outlets and consumers.

### **Retail Home Improvement Centres**

Retail home improvement centers represented 21.4% of industry revenue in 2021. This segment suffered during and after the 2015 recession due to decreased demand from downstream construction and renovation markets. As construction activity recovered, this segment stabilised. However, due to the coronavirus pandemic, demand from this segment is expected to contract as consumers decrease their spending habits while uncertain economic conditions loom. Within this market, big-box stores are expected to gradually make up a larger share of industry revenue as they implement economies of scale and e-commerce marketing and sales tactics to outcompete smaller specialty retail outlets. Due to their size, big-box stores are also able to bypass wholesalers and purchase in bulk directly from manufacturers, enabling them to lower their prices to levels below what some specialty stores can afford.

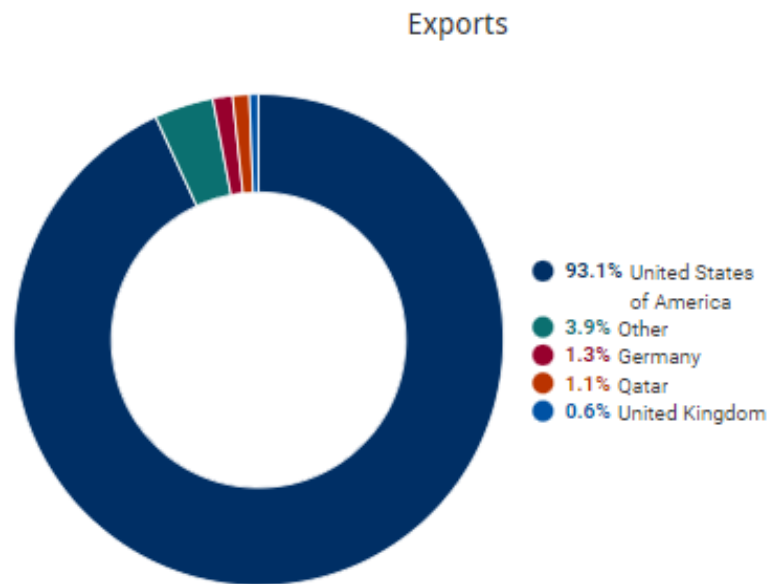
### **Other**

All other markets include energy service companies (ESCOs), utility companies, and direct sales. In 2021, this segment accounted for 11.9% of industry revenue. ESCOs are commercial or nonprofit operators that provide a range of energy-saving solutions for public and private customers. Operators in this segment provide energy conservation consulting and retrofitting services to help clients reduce energy costs. This segment purchases many new energy-saving lighting fixture technologies, such as LED and fixture control systems that enable users to better manage their energy usage. ESCOs represent a growing portion of industry revenue due to their use of increasingly popular energy-efficient products.

Most purchases of industrial lighting fixtures come from the utility segment. Since the construction of utility plants is often large in scale, many facilities purchase directly from manufacturers to obtain maximum cost savings. In bypassing wholesalers, lighting fixture manufacturers can split the middle margin and charge higher prices. Direct sales occur when manufacturers sell their wares directly to the end user, whether that is another manufacturer, a business customer, or a consumer shopping online. Selling directly to the customer enables manufacturers to bypass wholesalers, which also enables them to sell their goods at a higher price. Larger buyers are increasingly sourcing their goods directly from manufacturers to cut purchasing expenses. Outdoor and industrial lighting fixture products are the most popular

products sold through this market segment. The rise in popularity of e-commerce, which enables customers to connect to producers with greater ease, has also helped expand this segment's share of industry revenue over the past five years.

### 7.1.3 Export

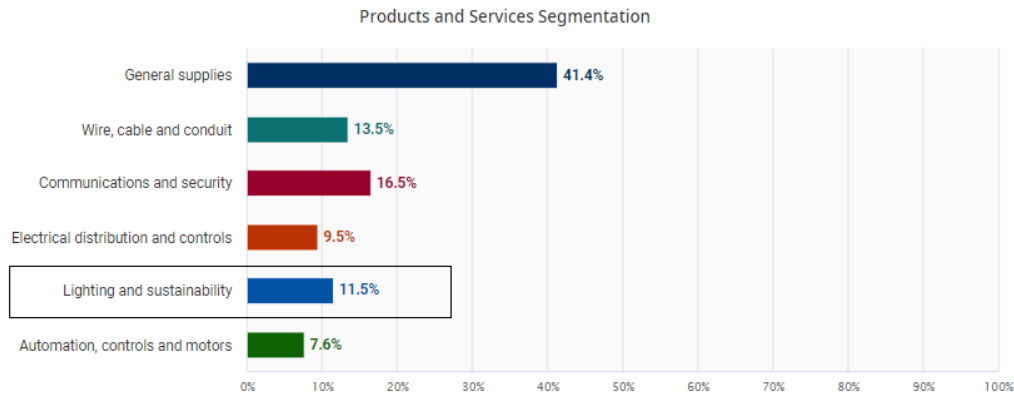


Exports generated 43.8% of the Lighting Fixtures Manufacturing Industry revenue in 2021, constraining industry growth over the past years. The decrease in exports was attributed to the coronavirus pandemic, which has not only caused many manufacturing delays but has also caused demand for the industry's products to dwindle.

### 7.1.4 Electrical Equipment Wholesaling Industry in Canada (NAICS 41611CA)

According to IBISWorld,<sup>10</sup> Electrical Equipment Wholesaling Industry in Canada distributes electrical construction materials, wiring supplies, electric light fixtures, light bulbs, security systems, and electrical power equipment for the generation, transmission, distribution, or control of electric energy (e.g., switchboards, circuit breakers, switches, and fuses). This industry does not wholesale electronic components.

<sup>10</sup> Source: IBISWorld, Electrical Equipment Wholesaling Industry in Canada, Industry Report 2022



Revenue for the Canadian Electrical Equipment Wholesaling industry is anticipated to increase, driven by modest growth in the number of businesses, the number of fixed broadband connections, and consumer spending. Operators in the industry distribute electrical materials, such as wiring supplies, electric light fixtures, light bulbs, security systems, and electrical power equipment. Since most of these items are essential components in construction and manufacturing, industry revenue tends to ebb and flow with the overall health of these two sectors. Disruptions to downstream demand due to the COVID-19 pandemic in 2020 contributed to a fall in industry revenue and profit; however, improving economic conditions in 2021 are expected to raise industry performance. Overall, industry revenue grew an annualised 3.3% to \$21.1 billion over the five years to 2021, including an increase of 6.0% in 2021 alone.

Due to relatively low barriers to entry, the industry is highly competitive and attractive for new operators to enter. Moreover, price-based competition is high due to the fragmented nature of the industry. It has also encouraged operators to differentiate themselves through innovation and consolidation. New products with the objective of energy efficiency have been the focal point of innovation and are the overall direction of industry products moving forward.

## INDUSTRY KEY FACTS



Total Revenue in **2021**  
**\$21.1** billion

Number of Businesses **2021**  
**1,502**

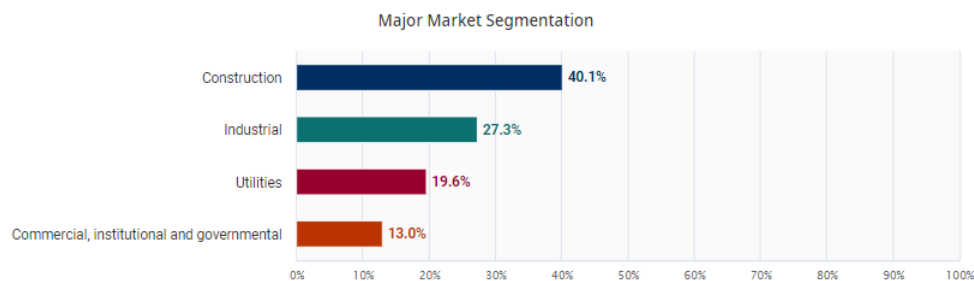
Annual Growth **2016 – 2021**  
**3.3%**

Annual Growth **2021 – 2026**  
**2.4%**

Profit Margin **2021**  
**7.2%**

Over the three years to 2026, industry revenue is forecast to continue to grow as a result of a shift toward efficiency and sustainability, which is expected to drive demand for industry products. Customers such as builders increasingly demand these efficient industry products, and an increase in demand for these goods should enable industry operators to charge higher prices, further increasing revenue. As industry operators continue to expand their energy-efficient product offerings to meet consumer demand, it is expected that revenue will continue to increase over the next three years. As manufacturers continue to automate their production processes, costs of production will likely fall and enable industry operators to sell products at a higher margin. It is expected that the industry revenue will grow at an annualised rate of 2.4% to \$23.8 billion over the three years to 2026, alongside expected profit growth.

### 7.1.5 Major Markets



#### Construction

In 2021, construction accounted for 40.1% of the Canadian Electrical Equipment Wholesaling Industry's revenue. Electrical contractors alone are a large part of this major market. Growth in this segment over the five years to 2021 has been attributable to the introduction of several environmental regulations that increase the range of electrical installation and maintenance work that a registered electrical contractor must undertake. Higher levels of building construction late during the current period have also helped expand this segment. Furthermore, home security consciousness has increased demand for alarm systems that the industry sells, which must be installed by electrical contractors.

#### Industrial

Industrial users of electrical equipment are the second-largest market this industry serves, and accounted for 27.3% of revenue in 2021. Industrial users are involved in the maintenance, repair,

and overhaul of electrical devices to ensure products perform the required functions. The use of automation in production lines has increased demand for electrical equipment from the sector over the long term. However, a rise in the level of manufacturing activity over the five years to 2021 increased the size of this segment. Levels of consumer spending also affect the share of revenue generated by this market segment, with consumers investing in new automation or related equipment. Recent disruptions caused by the COVID-19 pandemic and corresponding declines in segment-relevant activity have been partially offset by rebounding economic growth.

### **Utilities**

Private and public power utilities accounted for 19.6% of industry revenue in 2021, up from 16.6% in 2016. This market segment mainly uses transformers, transmission poles, and line hardware. Rising investment by utilities, along with efforts to improve energy efficiency and introduce green power, has increased demand for certain products in this market. This ultimately has resulted in this segment's share of revenue increasing over the past five years.

### **Commercial, Institutional, and Governmental**

Commercial, institutional, and government customers accounted for 13.0% of industry revenue in 2021. This fragmented market includes schools, hospitals, property management companies, retailers, and government agencies. Some components of this market segment are dependent on public funding and have thus exhibited decreased demand within an environment of government belt-tightening. However, continued improvements in the economy could promote growth in this market moving forward.

## **7.2 Market Analysis**

### **7.2.1 Introduction**

The global market for Lighting Fixtures and Luminaires estimated at \$84.1 billion in the year 2022, is projected to reach a revised size of \$110.6 billion by 2026, growing at a CAGR of 6.1% over the analysis period. Growth in the market is dependent on the dynamics of the construction industry, particularly in developing countries, automotive production trends, and increased acceptance of LEDs as more efficient light sources.



Fueled by growing concerns about conserving scarce energy sources, the global lighting fixtures market is expected to witness stable growth. The real estate segment and the rising popularity of sustainable technologies are propelling demand for lighting fixtures. The rising adoption of LED lighting is expected to create demand for fixtures that are designed specifically for LEDs. Increasing urbanization, changing demographics, and innovations in fixtures targeted mainly at improving functionality represent other key market growth drivers. Other factors promoting market expansion in the short term include robust demand for outdoor lighting fixtures supported by strong non-building construction such as bridges, highways, and public works.

Non-portable, one of the segments analyzed in the report, is projected to grow at a 6.4% CAGR to reach \$89.6 Billion by the end of the analysis period. After a thorough analysis of the business implications of the pandemic and its induced economic crisis, growth in the Portable segment is readjusted to a revised 4.5% CAGR for the next 7-year period. This segment currently accounts for an 11.7% share of the global Lighting Fixtures and Luminaires market. Non-portable lighting fixtures are more frequently used as surface-mounted lighting, in which the fixtures are affixed to a surface. The Automotive Industry is a key application market for non-portable lighting fixtures. Demand for portable fixtures is influenced largely by home decor trends.<sup>11</sup>

### ***Canada Exports to Iran***

Canada's Exports to Iran were \$279.89 million in 2022, according to the United Nations COMTRADE database on international trade.<sup>12</sup> In December 2022, the increase in Canada's year-by-year exports to Iran was explained primarily by an increase in product exports in Soybeans (\$5.97M or 7.52%) and Beauty Products (\$26.6k or 46.4%).<sup>13</sup> In addition to these largest exporting segments, Canada also has a long list of raw materials that it exports to Iran, which will be utilised by the Company to manufacture its lighting fixtures.

Moreover, as the Subsidiary plans to develop its manufacturing process in Canada throughout its endeavor, this will lead to a wider trade channel between the Company and Iran as its products will also be shipped and sold on this market. With this in mind, it should be noted that the

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<sup>11</sup> Source: <https://www.prnewswire.com/news-releases/global-lighting-fixtures-and-luminaires-market-report-2022-2026-demographic-and-socioeconomic-trends-influence-market-prospects-301631947.html>

<sup>12</sup> Source: <https://tradingeconomics.com/canada/exports/iran>

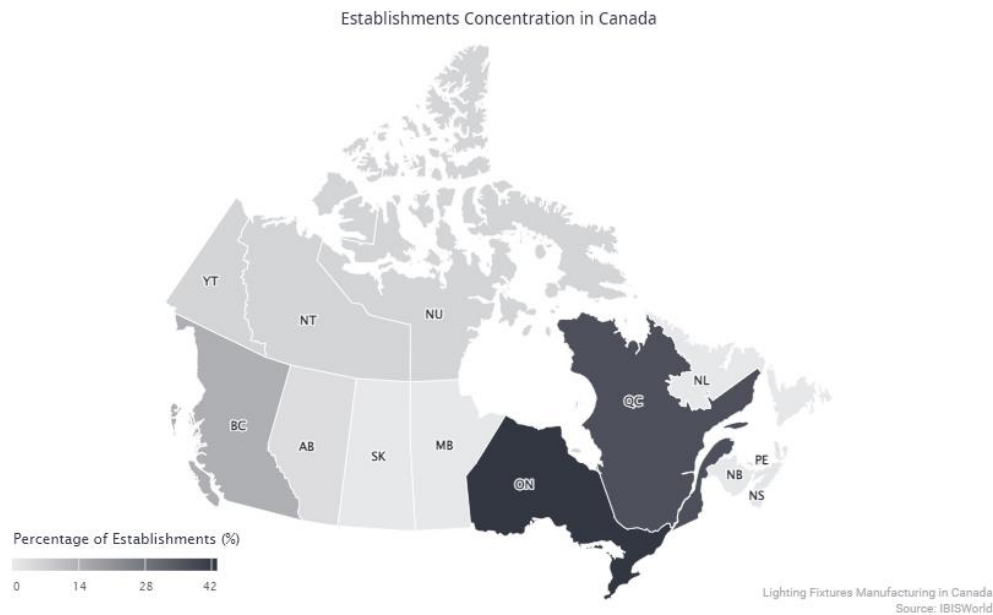
<sup>13</sup> Source: [https://oec.world/en/profile/bilateral-country/can/partner/irn#:~:text=Trade%20In%20December%202022%2C%20the,Seasonings%20\(C%2475.4k\).](https://oec.world/en/profile/bilateral-country/can/partner/irn#:~:text=Trade%20In%20December%202022%2C%20the,Seasonings%20(C%2475.4k).)

Canadian lighting export market is set to reach \$367 million by 2026, growing by an average of 2.5% year on year.<sup>14</sup>

Entertainment lighting is leading the market for specialty lighting. Entertainment lighting requires lamps that retain the audience’s attention and provide the performers with sufficient power, colour distribution, and direction. Entertainment lighting has a variety of applications, such as stage, studio, and others. Stage lighting leads the entertainment lighting segment, followed by studios and others, and this pattern is expected to stay consistent over the coming years. Due to the growing number of music events, the demand for special lighting for entertainment is likely to increase over the coming years.<sup>15</sup>

## 7.2.2 Location-based Analysis

### 7.2.2.1 Lighting Fixtures Manufacturing Industry in Canada

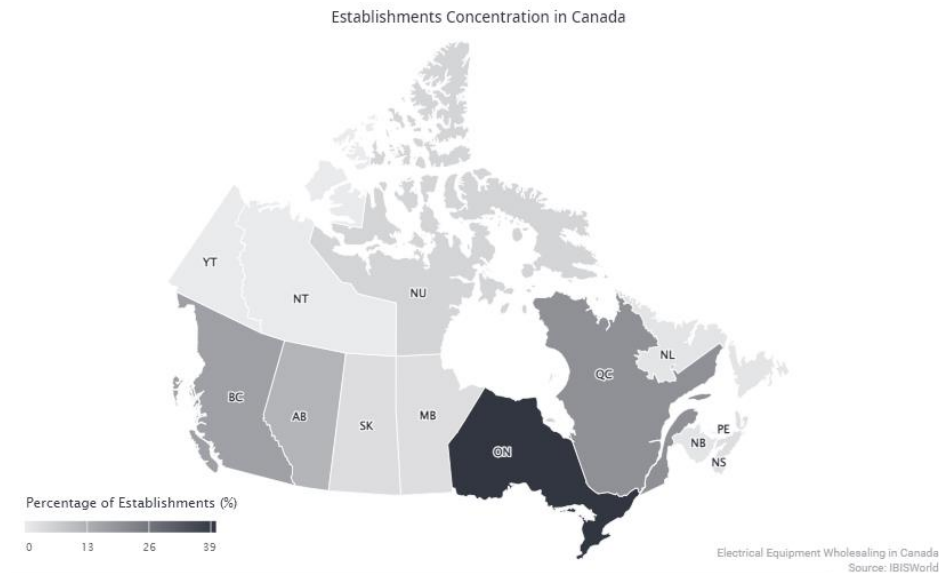


Establishments in the Lighting Fixtures Manufacturing Industry in Canada are primarily concentrated in Ontario and Quebec, the two most densely populated provinces. In 2021, 47.1% and 34.3% of industry establishments were located in Ontario and Quebec, respectively. Other areas of significant establishment concentration include British Columbia and Alberta, accounting for a projected 11.3% and 5.5% of establishments, respectively, in 2021.

<sup>14</sup> Source: <https://www.reportlinker.com/clp/country/117015/726276>

<sup>15</sup> Source: <https://finance.yahoo.com/news/global-specialty-lighting-market-light-161926110.html>

### 7.2.2.2 Electrical Equipment Wholesaling Industry in Canada



Operators in the Canadian Electrical Equipment Wholesaling Industry typically establish a physical presence near downstream markets, such as industrial users, large retail outlets, and areas with construction sites. Since these markets are typically located in urban areas, population trends are positively correlated with establishment concentration. Moreover, industry operators reduce transportation costs by being close to downstream markets, further incentivizing a concentration of warehouses in areas of strong economic activity. In the same vein, industry players also try to remain close to upstream markets to increase efficiency and reduce lag time. As a result, Ontario, which is the most populous province, accounts for the highest concentration of industry establishments, home to 43.7% in 2021.

### 7.2.3 Company's Targets

The Subsidiary will primarily target individuals who are in need of lighting fixtures for their personal space, as well as customers who are in charge of providing lighting solutions for hotels, residential and office buildings, restaurants, malls, gyms, and any other larger space area. The Company will work towards establishing a strong brand presence on the market and will target all individuals who wish to utilise its products to improve and complete their spaces in order to attain their aesthetic ideas while ensuring ideal lighting levels.

By offering a wide range of high-quality lighting products and delivering attentive customer-oriented service, the Subsidiary will attract a considerable number of local residents, business

owners, interior designers, etc. seeking to improve their living spaces or provide adequate solutions for their businesses or clients. By implementing lighting solutions provided by the Company, these target groups will be able to modernise and elevate any space.

The Subsidiary will target these clients by establishing a strong social media presence, ensuring strong marketability of the Company as well as a high level of referrals. Satisfied clients will share their positive experiences and the overall quality of attained products which will allow the Subsidiary to expand its customer base in the long term. Additionally, current positive trends in the Lighting Industry in Canada will also assist the Company in establishing itself in the market and, over time, experience exponential growth.



## 8 Competition Analysis

### 8.1 Competitive Advantages

#### 8.1.1 Support of the Parent Company

Having a Parent Company that can transfer expert advisory support is certainly one of the main competitive advantages of the Subsidiary. The Parent Company is a successful manufacturer and seller of lighting solutions that offer a wide range of products of the highest quality and modern design. The Iranian-based Parent Company will collaborate with the Canadian Company and assist with service improvement to ensure that all solutions provided by the Subsidiary will achieve the highest levels of customer satisfaction. The Subsidiary will receive strong operational and consulting support throughout its period of business growth. In addition, the Parent Company's approach to targeting, business development and efficiency, and customer satisfaction will aid the Canadian Company's operational development and help accelerate the process of business expansion. Furthermore, the Subsidiary will also benefit from the Parent Company's established reputation and already existing customer base.

#### 8.1.2 Green Product Solutions

As part of its commitment to sustainability and environmental responsibility, the Subsidiary will expand its product portfolio to include eco-friendly lighting solutions. These products will incorporate advanced technology and design that minimize the negative impact on the environment while also maximizing energy efficiency and cost savings for customers. By doing so, the Company will not only contribute to the global effort of reducing carbon footprint but also help customers save money on their energy bills. Furthermore, the Subsidiary's nature-friendly products will allow it to stand out from its competitors, who do not prioritize sustainability and environmental responsibility. This unique selling point will help the Company attract customers who prioritize eco-friendliness and contribute to building a positive brand reputation. As awareness of the environmental impact of energy usage continues to grow, the demand for eco-friendly lighting solutions is expected to increase. With this in mind, the

Subsidiary is well-positioned to take advantage of this trend and further strengthen its competitive advantage in the market by expanding its portfolio of nature-friendly products.

### 8.1.3 Highly Customizable and Specialised Products

As the Subsidiary will target a wide range of different customer areas that might require lighting solutions that not only provide adequate levels of light but also meet their aesthetic needs, the Company will make its product series highly customizable. With this in mind, the Subsidiary will

develop lighting solutions that are tailored to its customer's project needs, specific ideas, and the architectural and aesthetic needs of the space. Moreover, the Company will offer a variety of unconventional products that are not offered through traditional commercial channels in order to meet specialised customer needs. By



combining these two aspects, the Subsidiary will have a large product portfolio with innovative lighting solutions that not only meet client requirements but also perfectly fit their space. The Company's exceptional products, perfectly tailored to customer needs, will help bring attention to their installations, highlighting their magnificence and beauty.

### 8.1.4 Lighting Design Services

Due to its ability to affect mood, shape, and room size, adequate lighting design is one of the key aspects of space development. The Subsidiary's products will be made available to a variety of customers, depending on their style and space requirements. The Company will adjust its products, with the Subsidiary's in-house experts implementing innovative designs. Moreover, with the ever-growing advancements in technology and lighting control, to which the Subsidiary's personnel will have easier access, developing exceptional lighting solutions will be quicker. This will lead to the development of specialised and custom design solutions, which will ensure customer satisfaction and future referrals. The Company will also utilise its supplier channels to develop lighting designs that are high-quality but not overpriced.

### 8.1.5 Modern and Contemporary Lighting Solutions

With the Subsidiary's highly specialised and commercially targeted areas, its lighting solutions will implement all modern aspects while ensuring easy application in all spaces. The Company



will ensure all of its products strike the perfect balance between superior quality, unmatched reliability, and robust durability. With this in mind, as well as the increased demand for both well-crafted and sustainable pieces, the Subsidiary will become a well-recognised brand in the Canadian market, as its lighting solutions will meet all customer

needs. Moreover, as customer requirements become more specific and intricate, the Subsidiary will expand its product portfolio, indirectly improving the work quality of its employees. With every new lighting project, the Company's reach will widen as its products attract new interested customers and bring new design solutions.

## 9 Marketing and Competitive Features

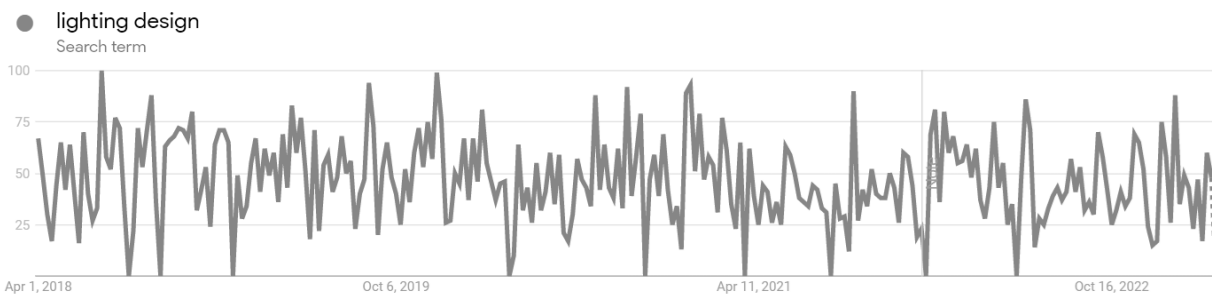
### 9.1 Website and Digital Marketing

The Subsidiary will maintain a user-friendly website and have a professional agency design and optimise it for better search engine rankings, which will ensure that proper titles, meta descriptions, and keywords, both short- and long-tailed, are present on all pages of the website.

The Company will also devote a part of its budget to digital marketing in order to drive traffic to the Subsidiary's website. Digital marketing will primarily focus on Google AdWords keyword advertising campaigns and the display network. The Company will also conduct advertising campaigns on social media, such as Facebook and Instagram, to drive visitors and potential customers to its website. In addition to directly bringing visitors to the website, the digital marketing campaigns will also build brand awareness by displaying the company's logo and ads on the Google display network and, therefore, numerous websites with visitors interested in the Subsidiary's product.

Proper search engine optimization and successful digital marketing campaigns will be among the key growth-and-development factors of the Company. Online marketing and promotional efforts will help the Subsidiary rank higher in search engine result pages, which will lead to an increased number of visitors and, consequently, customers.

The Company will promote the website by conducting keyword marketing campaigns that focus on words and phrases such as “lighting design.”



According to Google Trends<sup>16</sup>, as demonstrated in the graph above, the term “lighting design” has been showing a consistent search frequency over the previous few years, and this trend is expected to continue.

## 9.2 Social Media

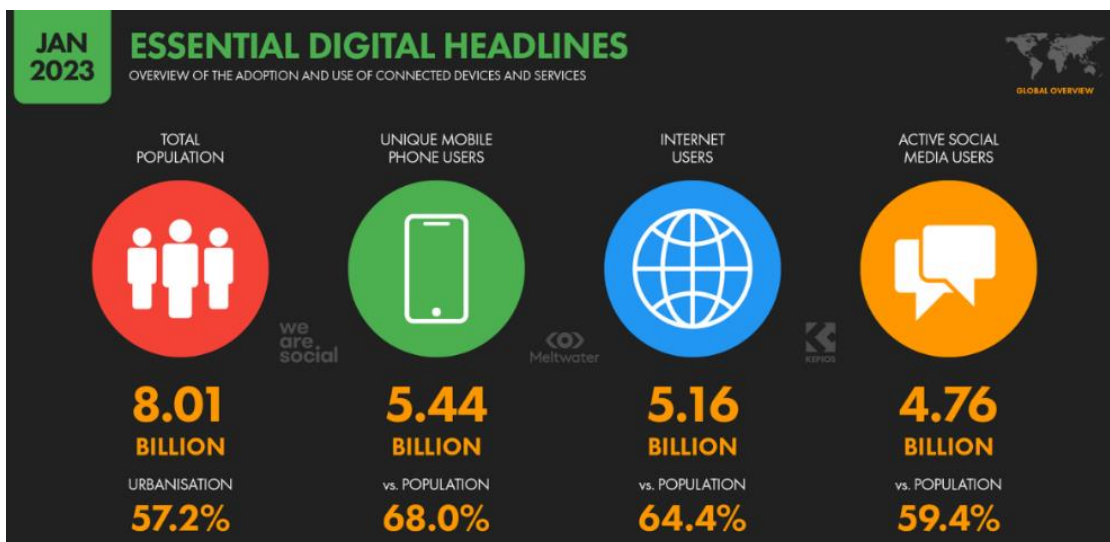
An ever-expanding social media presence is crucial in the modern business environment. This is why the Company will maintain professional pages on social media outlets. The focus on social media will help the Company build awareness and credibility, and it will allow the Company to communicate directly with its prospective clients and understand their needs.

It should be noted that a total of 5.44 billion people use mobile phones in early 2023, equating to 68% of the total global population. Unique mobile users have increased by just over 3% during the past year, with 168 million new users over the past 12 months. Moreover, there are 5.16 billion internet users in the world today, meaning that 64.4% of the world’s total population is now online. Data show that the global internet user total increased by 1.9% over the past 12 months, but delays in data reporting mean that actual growth will likely be higher than this figure suggests. There are now 4.76 billion social media users around the world, equating to just under

<sup>16</sup> Source: <https://trends.google.com/trends/explore?date=today%205-y&geo=CA&q=lighting%20design&hl=en>



60% of the total global population. Social media user growth has, however, slowed over recent months, with this year's net addition of 137 million new users equating to annual growth of just 3%.<sup>17</sup>



Many consumers are likely to interact with a new brand on social media when looking to purchase. This is why companies need to provide a range of social media engagement tactics that will help these potential customers. Engaging with pre-purchase conversations on social media can vastly improve their customer acquisition efforts.<sup>18</sup>

This is why the Subsidiary will utilise its social media platforms to help it reach potential customers and expand its market presence as social media activity will help increase the overall interest in its activities. It should be noted that the Subsidiary will conduct extensive research on the application and selection of the best social media platforms for its specific services, thus guaranteeing success.

### 9.3 Other Marketing Strategies

By participating in or visiting trade shows, the Subsidiary will have an opportunity to interact directly with customers and answer service-related questions. As with any relationship-based business, the Company will benefit from participation in several networking opportunities that have the potential to bring new business contacts as well as nourish existing ones. The Subsidiary

<sup>17</sup> Source: <https://datareportal.com/reports/digital-2023-global-overview-report>

<sup>18</sup> Source: <https://bsquared.media/customer-acquisition-on-social-media/>

will attend a variety of events that draw substantial numbers of prospective clients, including trade shows, which provide opportunities to speak to and associate with larger audiences.

### **Word-of-Mouth Marketing**

In addition to the aforementioned strategy, the Subsidiary will also rely on word-of-mouth marketing. Perhaps more effective than any other marketing tool, referrals have become an essential component in expanding brand recognition. Those who establish relationships with the Company will highlight its attractive and durable lighting products as well as the exceptional customer service to their personal and professional contacts. This will generate invaluable leads, as well as a strong base of prospective new customers. According to research conducted by Nielsen,<sup>19</sup> word-of-mouth remains among the most influential forms of advertising, with 84% of clients stating that they trust earned media, such as word-of-mouth recommendations from friends and family, above all other forms of advertising. This is why the Subsidiary believes that a recommendation from a client constitutes the strongest praise any service provider can receive.

## **10 Key Management and Personnel**

### **10.1 Chief Executive Officer: Mr. Arman Barahimi Farahan (NOC 00015)**

The Applicant is a determined and motivated individual with extensive experience in leading a business. The Applicant possesses 15 years of experience, during which he generated both managerial and leadership skills, as well as familiarised himself with current market trends and needs of the Lighting Fixture Manufacturing Industry. Due to his industry-relevant knowledge and attained experience, the Applicant oversees the expansion of the Subsidiary as its Chief Executive Officer once his work permit gets approved. The Applicant's professional expertise has equipped him with the skills necessary to successfully lead the growth and development of the Company in Canada.

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<sup>19</sup> Source: <https://www.business2community.com/marketing/numbers-dont-lie-2016-nielsen-study-revealed-referrals-01477256>

### 10.1.1 Education

- In 2008, the Applicant received a bachelor's degree in Civil Engineering at the Arak Azad University in Akar, Iran

### 10.1.2 Licenses and Certifications

Throughout his career, the Applicant focused on increasing his skillset and gaining additional knowledge that helped him serve as a leader. The certifications that the Applicant attained are listed below:

- The Applicant completed a course called *Become a Leader* and received a certificate.
- The Applicant completed a course called *Become a Manager* and received a certificate.
- The Applicant completed a course called *Enhancing Team Innovation* and received a certificate.
- The Applicant completed a course called *Boosting Your Team's Productivity* and received a certificate.
- The Applicant completed a course called *Build and Manage Effective Teams* and received a certificate.
- The Applicant completed a course called *Coaching and Developing Employees* and received a certificate.
- The Applicant completed a course called *Critical Thinking* and received a certificate.
- The Applicant completed a course called *Delegating Tasks* and received a certificate.
- The Applicant completed a course called *Developing Executive Presence* and received a certificate.
- The Applicant completed a course called *Holding Your Team Accountable* and received a certificate.
- The Applicant completed a course called *Emerging Leader Foundations* and received a certificate.
- The Applicant completed a course called *How to Have Fewer, Better Meetings* and received a certificate.
- The Applicant completed a course called *Managing Team Conflict* and received a certificate.
- The Applicant completed a course called *Leading Productive Meetings* and received a certificate.
- The Applicant completed a course called *Leading through Relationships* and received a certificate.
- The Applicant completed a course called *Leading with Emotional Intelligence* and received a certificate.
- The Applicant completed a course called *Leading with Purpose* and received a certificate.

- The Applicant completed a course called *Prioritizing Effectively as a Leader* and received a certificate.
- The Applicant completed a course called *Transitioning from Manager to Leader* and received a certificate.
- The Applicant completed a course called *Developing Your Leadership Philosophy* and received a certificate.
- The Applicant completed a course called *Landscape Lighting Designer* and received a certificate.
- The Applicant received a *Certificate of excellence* from Shoa co.
- The Applicant received a *Certificate of excellence* from Golestan co.
- The Applicant received a *Certificate of Membership*.

### 10.1.3 Software Skills

- |                            |                            |
|----------------------------|----------------------------|
| ➤ <i>Adobe Photoshop</i>   | ➤ <i>Key Shot</i>          |
| ➤ <i>Rhinoceros 3D</i>     | ➤ <i>Microsoft Project</i> |
| ➤ <i>Altium</i>            | ➤ <i>SolidWorks</i>        |
| ➤ <i>Adobe Illustrator</i> | ➤ <i>dia lux</i>           |
| ➤ <i>Microsoft Office</i>  | ➤ <i>WordPress</i>         |
| ➤ <i>AutoCAD</i>           | ➤ <i>Canva</i>             |

### 10.1.4 Professional Experience

From May 2008 to June 2019, the Applicant worked as a **Supervisor** of a construction workshop at Armeh Khak Nou company as a freelancer. In this position, the Applicant was in charge of:

- Coordinating and planning for building construction progress.
- Performing financial calculations, settlement, and payment of construction costs.
- Directing communication with investors and the board of directors.
- Researching to buy materials at more affordable prices.
- Communicating with municipal officials and other government departments.

Since July 2019, the Applicant has been operating as the Chief Executive Officer of Noor Gostaran Hoorfam. The Applicant incorporated the Parent Company, which initially provided a wide product range, and has since expanded its product portfolio under a familiar brand name in Iran. His main responsibilities are:

- Analyzing the business environment and compiling organization plans and planning goals and plans to achieve goals
- Providing the necessary resources for the implementation of strategies and organization
- Developing resources at all levels and departments of the organization.

- Determining the responsibilities and authority of employees in cooperation with the human
- Resources manager
- Checking the status of achieving its goals and plans continuously through received reports.
- Identifying risks and opportunities related to the organization's processes and trying to control them
- Signing contracts for the sale of products, purchase of goods and services, and employees.
- Supervising the preparation and adjustment of annual performance financial reports, balance sheets, profit and loss accounts, and other financial accounts.
- Attending board meetings.
- Interviewing applicants for managerial, supervisory, and bachelor jobs and announcing the final
- Giving opinions on human resources.
- Approving the training program to improve the knowledge level of employees.
- Approving the company's annual budget.
- Reviewing reports of management review meetings and making decisions to improve the system.
- Macro planning of production and raw materials and monitoring its implementation
- Performing all routine management tasks for the company's growing progress.

#### 10.1.5 Duties at the Canadian Company

As the Chief Executive Officer of the Subsidiary, the Applicant will be responsible for revenue and profit management for all business activities. He will examine the Company's rules to make sure they stay relevant and make recommendations for necessary changes. The Applicant will look for opportunities to grow the business, whether through partnerships or new initiatives, and work to take advantage of those opportunities.

As the Chief Executive Officer, the Applicant will be responsible for developing the Company's entire base of operations. He will be in charge of directing and coordinating the Subsidiary's financial and commercial activities, designing the business strategies and short- and long-term plans, as well as overseeing their implementation. The Applicant will monitor revenues and profits, evaluate the sales of the Company's products, and identify and track changing industry trends in order to adjust the Subsidiary's strategies to achieve a better competitive position. The Chief Executive Officer will expand the Company's client network and manage and establish relationships with important clients. He will oversee the implementation of the marketing strategy to increase the number of clients. The Applicant will establish and communicate clear

goals with his direct subordinates, oversee the work of his direct subordinate managers, and direct his subordinate managers to supervise professionals and contractors to ensure that the Subsidiary’s policies and procedures are being followed and that the forecasted objectives are met in each period.

In Year 1, the Applicant will be responsible for overseeing the following:

Tasks	Personnel	%Time
<b>Research and Development Department</b>		<b>100%</b>
Establish and communicate goals and objectives;	Research and Development Manager	10%
Devise a strategy for being time efficient to reduce costs;		10%
Plan a weekly meeting to coordinate the operations of the Company;		9%
Review financial forecasts and analyses to ensure they are achievable;		9%
Review financial statements and custom documents to ensure the Company is making a profit;		8%
Develop and implement marketing strategies to promote the company's products;		8%
Manage the Company's social media accounts and website to increase brand awareness and engage with customers;		8%
Monitor and analyze market trends and competition to identify opportunities and threats;		7%
Plan and coordinate events and promotions to increase customer engagement and sales;		7%
Create and manage budgets for marketing campaigns and initiatives;		7%
Develop and maintain relationships with vendors, partners, and other stakeholders;		6%
Conduct regular performance reviews and provide feedback to help the team members grow and improve;		6%
Develop and maintain policies and procedures to ensure the efficient operation of the administrative and marketing departments.		5%

In Year 3, the Applicant will be responsible for overseeing the following:

Tasks	Personnel	%Time
<b>Logistics Department</b>		<b>20%</b>
Create a strategic delivery model that covers the Company's current and projected markets effectively;	Logistics Manager	5%
Collaborate with the project team to drive system and operational improvements that will result in increased efficiencies and lower costs;		5%
Create and lead third-party partnerships to supplement internal logistics capacity in the event of a surge in production capacity, sales, or demand;		4%
The logistics department or organization must be directed, trained, and managed;		4%
Analyze complex problem cases and create actions or recommendations to ensure long-term elimination and avoidance.		2%
<b>Research and Development Department</b>		<b>20%</b>
Establish and communicate goals and objectives;	Research and Development Manager	4%
Devise a strategy for being time efficient to reduce costs;		3%
Plan a weekly meeting to coordinate the operations of the Company;		3%
Review financial forecasts and analyses to ensure they are achievable;		3%

Review financial statements and custom documents to ensure the Company is making a profit;		3%
Review reports submitted by staff members to recommend approval or to suggest changes;		2%
Supervise the implementation of time-saving and cost-reduction strategies to ensure their effectiveness;		1%
Supervise the development of financial forecasts to suggest adaptations or changes to the forecasts.		1%
<b>Operations Department</b>		<b>30%</b>
Oversee the Company's price policies to ensure the required competitive level;	Fixture Designer	5%
Oversee operational activities and consider new trends in the industry;		4%
Oversee the implementation of designing plans in a cost-effective and time-efficient manner to achieve high levels of operational efficiency;		4%
Oversee the implementation of operational development plans to ensure effectiveness;		3%
Oversee the establishment of new business relationships with partners to form productive ties;		3%
Oversee the implementation of various objectives;		2%
Ensure legality and adherence to the Company's policies;		2%
Communicate business objectives with employees with clarity and encourage their engagement, as well as evaluate performance;		2%
Direct inter-regional development and plan expansions;		1%
Oversee cross-regional management processes;		1%
Oversee recruitment processes and suggest improvements;		1%
Resolve operational issues and conflicts;		1%
Review reports submitted by employees, assess their needs, and suggest changes or improvements.		1%
<b>Sales and Marketing Department</b>		
Review and analyze sales and activity reports, potential sales, and performance data to measure productivity and goal achievement to determine areas of cost reduction and program improvement;	Sales and Marketing Manager	7%
Manage integrated project plans to ensure the successful on-time, on-budget delivery of all products and services by developing the scope of work documents for all projects to define tasks, deliverables, cost estimates, and timing;		7%
Represent the Company at major industry events to enhance brand awareness and remain up to date on the latest industry trends;		5%
Determine staff requirements, hire and oversee the training of new personnel, and monitor management personnel activities and reports from lower-level personnel (including those submitted by managers) to improve the efficiency of operations;		4%
Oversee technical support requests, customer inquiries, and the services and products offered to customers to help them devise the most effective strategy possible;		3%
Oversee the performance of personnel and oversee all inquiries and problem resolution to ensure the satisfaction of customers;		2%
Oversee technical assistance services provided to customers to make sure that each solution meets the customer's needs.		2%

### 10.1.6 Exit Strategy

As the Chief Executive Officer, the Applicant will develop an effective strategy demonstrating his leadership in directing the Subsidiary's operations in the right direction. This is important because at the end of Year 3, the Applicant will return to Iran and transfer management of the Company to the General Manager. In order to ensure a smooth transition and that his successor will work in alignment with the Subsidiary's values, the Applicant will prepare an exit strategy.

The Applicant will require the replacement employee to have the necessary educational qualifications and relevant management experience to lead the Company. Before fully transitioning, he will start transferring some of his responsibilities to the new General Manager, such as daily tasks and routines, current high-priority projects, files, information, and necessary contacts, key items regarding any in-progress engagements, and a list of all regular contacts to inform them of the staffing change.

In order to ensure a smooth transition to the new General Manager, the Applicant will conduct several meetings with the successor, as well as the staff, to build up the team's confidence. The goal of the meetings will be to assure that employees understand the Company's goals and objectives set in place for them when the Applicant leaves the Subsidiary.

Creating a well-developed and detailed exit strategy will have both short- and long-term positive effects on the Company and its future success. With this in mind, the Applicant will develop several key objectives which will later benefit the Subsidiary's operations both during the exit period and in later endeavours. In detail objectives for the Applicant's exit plan are explained below:

**Setting Exit Objectives** – The main aspect of setting objectives for an exit strategy is developing detailed and realistic plans for the business. Due to this, the Applicant will develop several strategies in cases of natural, social, and financial disasters which can have a significant impact on the Company's operations and lead to the Company shutting down, or having to make significant changes. Additionally, the Applicant will ensure the Subsidiary is in tax compliance during his exiting period, as well as in the following period. Moreover, the Applicant will ensure to maximization of cash flow post-exit by carefully and timely planning his exit.



**Determining the Company's Value** – Knowing the Company's exact worth in the exiting period will benefit the business as it will help successfully determine what the Company's value will be in the future period, as well as what yearly growth rate is realistic in the coming period. The Applicant will determine the exact worth of the Subsidiary during his exit period to help set realistic growth goals for the replacing management.

**Increasing the Company's Value** – As the Applicant will be the most valuable asset of the Company in initial stages of its operations, the Applicant will work towards increasing its value in the initial stages. With this in mind, for the following period he will develop a detailed strategy to help increase the Subsidiary's profit and ensure a linear for future business growth and number of sales.

**Developing a Continuity Plan** – This is one of the key aspects while developing an exit strategy. The Applicant's absence could be devastated to the Company and have severe long-lasting negative effects on its operations. With this in mind, the Applicant will perform an assessment of consequences and mitigate negative effects of his possible unavailability, and develop a solution to this issue before exiting the Subsidiary.

Moreover, a well-developed exit strategy can bring several positive benefits not only to the Company's success but also to the Canadian citizens and its economy. The main positive aspects of the Applicant's exit strategies are listed below:

**Knowledge Transfer** - An exit strategy will help transfer industry-relevant knowledge from the business owner to the next generation of employees. This will benefit Canadian citizens as it will help preserve valuable knowledge and expertise in the lighting solutions sector and ensure that this knowledge is not lost after the Applicant leaves Canada.

**Job Creation** – In addition to the knowledge transfer, the Applicant's exit strategy will have a positive impact on new job creation as the Subsidiary will continue its growth in the market. As passing the Company to a new General Manager will help generate new job opportunities for Canadian citizens. This is especially true as the exit strategy will be developed to ensure Company expansion and which will generate investments in new technologies and services.

**Economic Growth** - A successful exit strategy will also contribute to the overall economic growth of Canada. By transferring skills and knowledge and creating new job opportunities, the

Subsidiary will help to generate more revenue and stimulate economic activity in the local community.

Overall, an exit strategy can bring a range of benefits, both for the business owner and for the wider community. Transferring skills and knowledge and creating new job opportunities, can help to ensure the long-term success and sustainability of the business, and contribute to the economic growth and development of Canada.

## 10.2 Marketing Specialist (NOC 11202)

The Subsidiary will hire one Marketing Specialist in Year 1.

The Marketing Specialist will assess the characteristics of the Company's products and services to be promoted to determine the marketing and advertising needs of an establishment. This employee will provide advice on marketing, advertising, or sales promotion opportunities and strategies. The Marketing Specialist will also develop strategies and related content for direct and digital marketing and advertising campaigns and implement them. This employee will manage post-campaign analysis to measure and report on marketing and advertising metrics. As part of the duties, the Marketing Specialist will develop and maintain social media accounts, including managing customer reviews and testimonials. This employee will conduct public opinion and attitude surveys to identify the interests and concerns of key groups served by the Subsidiary. Finally, the Marketing Specialist will act as a spokesperson for the Company and answer written and oral inquiries.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Assess the characteristics of the Company's products and services to be promoted to determine the marketing and advertising needs of an establishment.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Provide advice on marketing, advertising, or sales promotion opportunities and strategies.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Develop strategies and related content for direct and digital marketing and advertising campaigns and implement them.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Manage post-campaign analysis to measure and report on marketing and advertising metrics.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Develop and maintain social media accounts, including managing customer reviews and testimonials.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Conduct public opinion and attitude surveys to identify the interests and concerns of key groups served by the Subsidiary.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Act as a spokesperson for the Company and answer written and oral inquiries.</li> </ul>	10%

### 10.3 Administrative Assistant (NOC 13110)

The Subsidiary will hire one Administrative Assistant in Year 1.

This employee will answer and direct phone calls and organise and schedule appointments. The Administrative Assistant will be tasked with planning meetings and writing and distributing emails, correspondence memos, letters, faxes, and forms. This employee will assist in the preparation of regularly scheduled reports and the development of a filing system. The Administrative Assistant will update and maintain office policies and procedures, while also ordering office supplies, researching new deals and suppliers, maintaining contact lists, and booking travel arrangements. The Administrative Assistant will submit and reconcile expense reports and provide general support to visitors. This employee will also act as the point of contact for internal and external clients and liaise with executive and senior administrative assistants to handle requests and queries from senior managers, as well as organise trips.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Answer and direct phone calls and organise and schedule appointments.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Plan meetings and write and distribute emails, correspondence memos, letters, faxes, and forms.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Assist in the preparation of regularly scheduled reports and the development of a filing system.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Update and maintain office policies and procedures, while also ordering office supplies, researching new deals and suppliers, maintaining contact lists, and booking travel arrangements.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Submit and reconcile expense reports and provide general support to visitors.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Act as the point of contact for internal and external clients and liaise with executive and senior administrative assistants to handle requests and queries from senior managers, as well as organise trips.</li> </ul>	10%

### 10.4 Research and Development Manager (NOC 20011)

The Subsidiary will hire one Research and Development Manager in Year 1.

The Research and Development Manager will be in charge of leading the team to design and develop new lighting products that meet customer needs and market trends. This employee will collaborate with cross-functional teams, including marketing, sales, and engineering, to ensure successful product development and launch. The Research and Development Manager will also manage the development of product prototypes, testing, and quality assurance to ensure product performance meets company standards. This employee will also work with external

partners, such as suppliers and manufacturers, to develop and source materials and components for new product development. In addition, the Research and Development Manager will also monitor and analyze competitor activities and adjust the Company's product development strategy accordingly. Finally, this employee will also identify and implement improvements as well as develop and maintain a comprehensive understanding of lighting technologies, industry standards, and regulations.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Lead the team to design and develop new lighting products that meet customer needs and market trends.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Collaborate with cross-functional teams, including marketing, sales, and engineering, to ensure successful product development and launch.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Manage the development of product prototypes, testing, and quality assurance to ensure product performance meets company standards.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Work with external partners, such as suppliers and manufacturers, to develop and source materials and components for new product development.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Monitor and analyze competitor activities and adjust the Company's product development strategy accordingly.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Identify and implement improvements as well as develop and maintain a comprehensive understanding of lighting technologies, industry standards, and regulations.</li> </ul>	10%

## 10.5 Procurement Agent (NOC 12102)

The Subsidiary will hire one Procurement Agent in Year 2.

The Procurement Agent will devise and use fruitful sourcing strategies, discover profitable suppliers, initiate business and organization partnerships, and negotiate with external vendors to secure advantageous terms. This employee will approve the ordering of necessary goods and services, finalise purchase details of orders and deliveries, examine and test existing contracts, and track and report key functional metrics to reduce expenses and improve effectiveness. The Procurement Agent will collaborate with key persons to ensure clarity of the specifications and expectations of the Company, foresee alterations in the comparative negotiating ability of suppliers and customers, expect unfavourable events through analysis of data, and prepare control strategies. This employee will also perform risk management for supply contracts and agreements, control spending, and build a culture of long-term savings on procurement costs.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Devise and use fruitful sourcing strategies, discover profitable suppliers, initiate business and organization partnerships, and negotiate with external vendors to secure advantageous terms.</li> </ul>	30%
<ul style="list-style-type: none"> <li>Approve the ordering of necessary goods and services, finalise purchase details of orders and deliveries, examine and test existing contracts, and track and report key functional metrics to reduce expenses and improve effectiveness.</li> </ul>	30%
<ul style="list-style-type: none"> <li>Collaborate with key persons to ensure clarity of the specifications and expectations of the Company, foresee alterations in the comparative negotiating ability of suppliers and customers, expect unfavourable events through analysis of data, and prepare control strategies.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Perform risk management for supply contracts and agreements, control spending, and build a culture of long-term savings on procurement costs.</li> </ul>	20%

### 10.6 Logistics Manager (NOC 90010)

The Subsidiary will hire one Logistics Manager in Year 2.

The Logistics Manager will be in charge of building the strategic delivery model that will effectively cover the Company’s current and projected markets. This employee will be in charge of collaborating with the project team to drive system and operational improvements that will improve efficiency and lower costs. The Logistics Manager will also put together and lead third-party partnerships to augment internal logistics capacity to handle surges in production capacity. As part of this employee duty, the Logistics Manager will direct, train, and manage the logistics department. Moreover, this employee will be in charge of analyzing complex problem cases as well as developing actions or recommendations to ensure sustainable elimination and avoidance.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Building the strategic delivery model that will effectively cover the Company’s current and projected markets.</li> </ul>	30%
<ul style="list-style-type: none"> <li>Collaborating with the project team to drive system and operational improvements that will improve efficiencies and result in lower costs.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Put together and lead third-party partnerships to augment internal logistics capacity to handle surges in production capacity.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Direct, train, and manage the logistics department.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Analyzing complex problem cases as well as developing actions or recommendations to assure sustainable elimination and avoidance.</li> </ul>	10%

### 10.7 Shipper (NOC 14400)

The Subsidiary will hire one Shipper in Year 2.

The Shipper will be in charge of determining the method of shipment and arranging to ship; preparing bills of lading, customs forms, invoices, and other shipping documents manually or by

computer. This employee will assemble containers and crates, record contents manually or by computer, pack goods to be shipped, and affix identifying information and shipping instructions. The Shipper will also oversee the loading of goods from trucks or other conveyances, and maintain internal, manual, or computerised record-keeping systems. Moreover, this employee's duties will also consist of inspecting and verifying the Company's shipping goods against invoices or other documents.

Task name	%time allocated
<ul style="list-style-type: none"> <li>Determine the method of shipment and arrange to ship; prepare bills of lading, customs forms, invoices, and other shipping documents manually or by computer.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Assemble containers and crates, record contents manually or by computer, pack goods to be shipped, and affix identifying information and shipping instructions.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Oversee the loading of goods from trucks or other conveyances</li> </ul>	20%
<ul style="list-style-type: none"> <li>Maintain internal, manual, or computerised record-keeping systems.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Inspecting and verifying the company's shipping goods against invoices or other documents.</li> </ul>	15%

## 10.8 Fixture Designers (NOC 22211)

The Subsidiary will hire one Fixture Designer in Year 2, and an additional one in Year 3.

The Fixture Designers will provide customers with lighting and intelligent control design services. These employees will outline client design objectives, as well as conceptualise and sketch design plans. The Fixture Designers will determine the cost of completion and project requirements in the budgeting phase. These employees will set a timeline for the completion of a lighting design project. The Fixture Designers will source materials and products included in plans and create "mood boards" to sample the customer's design vision. These employees will utilise computer applications in the design process. The Fixture Designers will inspect the design after completion to determine whether client goals have been met.

Task name	%time allocated
<ul style="list-style-type: none"> <li>Provide customers with lighting and intelligent control design services.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Outline client design objectives, as well as conceptualise and sketch design plans.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Will determine the cost of completion and project requirements in the budgeting phase.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Set a timeline for the completion of a lighting design project.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Source materials and products included in plans and create "mood boards" to sample the customer's design vision.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Utilise computer applications in the design process.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Inspect the design after completion to determine whether client goals have been met.</li> </ul>	10%

## 10.9 Sales Representatives (NOC 64101)

The Subsidiary will hire one Sales Representative in Year 2, and an additional one in Year 4.

The Sales Representatives will present, promote, and sell the Company's products using solid arguments to existing and prospective customers. The duties of these employees will also include establishing, developing, and maintaining positive business and customer relationships and reaching out to customer leads through calling. The Sales Representatives will perform cost-benefit and needs analyses of both existing and potential customers to meet their needs. These employees will achieve agreed-upon sales targets and outcomes within schedule and coordinate sales efforts with team members and other departments. These employees will supply management with reports on customer needs, problems, interests, competitive activities, and the potential for new products and services, as well as look to continuously improve through feedback.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Present, promote, and sell the Company's products using solid arguments to existing and prospective customers.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Establish, develop, and maintain positive business and customer relationships and reach out to customer leads through calling. The</li> </ul>	25%
<ul style="list-style-type: none"> <li>Will perform cost-benefit and needs analyses of both existing and potential customers to meet their needs.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Achieve agreed-upon sales targets and outcomes within schedule and coordinate sales efforts with team members and other departments.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Supply management with reports on customer needs, problems, interests, competitive activities, and the potential for new products and services, as well as look to continuously improve through feedback.</li> </ul>	10%

## 10.10 General Manager (NOC 00015)

The Subsidiary will hire a General Manager at the end of Year 2. This employee will be in charge of taking over running the Company's operations after the Applicant exits the Company.

The General Manager will be in charge of developing and executing the Company's strategic plan, including sales, marketing, operations, and financial goals. This employee will lead and manage all employees to ensure effective and efficient operations. The General Manager will also ensure that the Subsidiary's products and services meet or exceed customer expectations in terms of quality, performance, and value. Additionally, this employee will develop and manage budgets and financial reports to ensure the company's profitability and growth. The General Manager will

also build and maintain relationships with customers, suppliers, and other stakeholders to ensure the company's success in the marketplace. This employee will develop and implement policies and procedures that ensure compliance with applicable laws, regulations, and industry standards, as well as identify and pursue new business opportunities and partnerships that support the company's growth and profitability. The General Manager will be in charge of monitoring and analyzing industry trends and competitive activities to inform business decisions and strategies. Finally, this employee will ensure that the Company maintains a strong brand identity and positive reputation in the marketplace, leading and mentoring employees, including hiring, training, performance management, and career development.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Develop and execute the Company's strategic plan, including sales, marketing, operations, and financial goals.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Lead and manage all employees to ensure effective and efficient operations.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Ensure that the Subsidiary's products and services meet or exceed customer expectations in terms of quality, performance, and value.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Develop and manage budgets and financial reports to ensure the company's profitability and growth.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Build and maintain relationships with customers, suppliers, and other stakeholders to ensure the company's success in the marketplace.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Develop and implement policies and procedures that ensure compliance with applicable laws, regulations, and industry standards, as well as identify and pursue new business opportunities and partnerships that support the company's growth and profitability.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Monitor and analyze industry trends and competitive activities to inform business decisions and strategies.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Ensure that the Company maintains a strong brand identity and positive reputation in the marketplace, leading and mentoring employees, including hiring, training, performance management, and career development.</li> </ul>	10%

### 10.11 Social Media Coordinator (NOC 11202)

The Subsidiary will hire one Social Media Coordinator in Year 3.

The Social Media Coordinator will build and execute social media strategy through competitive research, platform determination, benchmarking, messaging, and audience identification. This employee will generate, edit, publish, and share daily content, such as original text, video, or HTML, that builds meaningful connections. The Social Media Coordinator will set up and optimise the Company's pages within each platform to increase the visibility of social content. This employee will moderate all user-generated content in line with the moderation policy for each community, and create editorial calendars and syndication schedules. The Social Media



Coordinator will continuously improve by capturing and analyzing the appropriate social data, metrics, insights, and best practices, and then act on the information. This employee will collaborate with Sales Representatives to manage reputation, identify key players, and coordinate actions.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Build and execute social media strategy through competitive research, platform determination, benchmarking, messaging, and audience identification.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Generate, edit, publish, and share daily content, such as original text, video, or HTML, that builds meaningful connections.</li> </ul>	30%
<ul style="list-style-type: none"> <li>Set up and optimise the Company’s pages within each platform to increase the visibility of social content.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Moderate all user-generated content in line with the moderation policy for each community, and create editorial calendars and syndication schedules.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Continuously improve by capturing and analyzing the appropriate social data, metrics, insights, and best practices, and then act on the information.</li> </ul>	10%
<ul style="list-style-type: none"> <li>Collaborate with Sales Representatives to manage reputation, identify key players, and coordinate actions.</li> </ul>	10%

### 10.12 Sales and Marketing Manager (NOC 10022)

The Subsidiary will hire one Sales and Marketing Manager in Year 3.

The Sales and Marketing Manager will develop strategies and tactics to get the word out about the Company and deploy successful marketing and sales campaigns, owning their implementation from ideation to execution. This employee will deal with a variety of organic and paid acquisition channels like content creation, content curation,



pay-per-click campaigns, event management, publicity, lead generation campaigns, copywriting, and performance analysis. Additionally, the Sales and Marketing Manager will produce valuable and engaging content for the Company’s marketing channels and sales strategies to attract and convert the target groups. Their responsibilities include preparing and monitoring the marketing and sales budget on a quarterly and annual basis. The Sales and Marketing Manager measures sales metrics and reports on the performance of marketing campaigns, gains insight and assesses against goals, analyzes customer behavior, and adjusts email and advertising campaigns accordingly.

Task name	%time allocated
<ul style="list-style-type: none"> <li>Develop strategies and tactics to get the word out about the company and deploy successful marketing and sales campaigns, owning their implementation from ideation to execution.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Deal with a variety of organic and paid acquisition channels like content creation, content curation, pay-per-click campaigns, event management, publicity, lead generation campaigns, copywriting, and performance analysis.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Produce valuable and engaging content for the company’s marketing channels and sales strategies to attract and convert the target groups.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Prepare and monitor the marketing and sales budget on a quarterly and annual basis.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Measure sales metrics and reports on the performance of marketing campaigns, gains insight and assess against goals, analyze customer behavior, and adjust email and advertising campaigns accordingly.</li> </ul>	15%

### 10.13 Manufacturing Manager (NOC 90010)

The Subsidiary will hire one Manufacturing Manager in Year 4.

The Manufacturing Manager will plan, organise, direct, control, and evaluate the operations of a manufacturing establishment or the operations or production department of a manufacturing establishment. This employee will also develop and implement plans to efficiently use materials, labour, and equipment to



meet production targets. The Company’s Manufacturing Manager will also plan and manage the establishment of the departmental budget, develop production schedules and maintain an inventory of raw materials and finished products. This employee will implement changes to machinery and equipment, production systems, and work methods. In addition, the Manufacturing Manager will also direct the quality control inspection system and develop production reporting procedures, develop equipment maintenance schedules, and recommend the replacement of machines. This employee will also hire, supervise and train or oversee training of employees in the use of new equipment or production techniques.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Plan, organise, direct, control, and evaluate the operations of a manufacturing establishment or the operations or production department of a manufacturing establishment.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Develop and implement plans to efficiently use materials, labour, and equipment to meet production targets.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Plan and manage the establishment of the departmental budget, develop production schedules, and maintain an inventory of raw materials and finished products.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Implement changes to machinery and equipment, production systems, and methods of work.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Direct the quality control inspection system and develop production reporting procedures, develop equipment maintenance schedules, and recommend the replacement of machines.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Hire, supervise, and train or oversee training of employees in the use of new equipment or production techniques.</li> </ul>	15%

### 10.14 Manufacturing Engineers (NOC 21321)

The Subsidiary will hire two Manufacturing Engineers in Year 4.

The Manufacturing Engineers will be responsible for the manufacturing, operation, and implementation, helping the Company improve its processes, maintain efficiency, reduce cost, improve sustainability, and maximise profitability. These employees will develop, configure, and optimise manufacturing processes from inception through to start-up and certification. The Manufacturing Engineers will assess processes, take measurements, interpret data, and design, run, test, and upgrade systems and processes. These employees will then develop best practices, routines, and innovative solutions to improve production rates and output quality, perform process simulations, and provide feedback to higher management. The Manufacturing Engineers will also be responsible for time and cost management, risk assessments, and providing process documentation and operating instructions.

Task name	%time allocated
<ul style="list-style-type: none"> <li>Be responsible for the manufacturing operation, and implementation, helping the company improve its processes, maintain efficiency, reduce cost, improve sustainability, and maximise profitability.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Develop, configure, and optimise manufacturing processes from inception through to start-up and certification.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Assess processes, take measurements, interpret data, and design, run, test, and upgrade systems and processes.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Develop best practices, routines, and innovative solutions to improve production rates and quality of output, perform process simulations, and provide feedback to higher management.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Be responsible for time and cost management, risk assessments, and providing process documentation and operating instructions.</li> </ul>	15%

### 10.15 Assemblers (NOC 94202)

The Subsidiary will hire two Assemblers in Year 4, and an additional two in Year 5.

The Assemblers will be in charge of assembling lighting fixture parts on an assembly line or at workbenches using screw guns and other hand and power tools. These employees will also create small transformers, small electrical motors, and transmissions used in lighting products. The Assemblers will carefully curate circuit breakers, switches, or other electrical control equipment and position and fasten components such as springs, toggles, or other parts into assembly casings. These employees will also perform minor repairs to products rejected from the production assembly line. Moreover, the Assemblers will be in charge of setting up the assembly line with materials and supplies required for production, and setting up and adjusting production tools.

Task name	%time allocated
<ul style="list-style-type: none"> <li>Assemble lighting fixture parts on an assembly line, or at workbenches using screw guns and other hand and power tools.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Create small transformers, small electrical motors, and transmissions used in lighting products.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Curate circuit breakers, switches, or other electrical control equipment and position and fasten components such as springs, toggles, or other parts into assembly casings.</li> </ul>	25%
<ul style="list-style-type: none"> <li>Perform minor repairs to products rejected from the production assembly line.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Set up the assembly line with materials and supplies required for production, and set up and adjust production tools.</li> </ul>	10%

### 10.16 Installers (NOC 73200)

The Subsidiary will hire one Installer in Year 4, and an additional one in Year 5.

The Company's Installers will be in charge of reading blueprints or work order specifications to determine layout and installation procedures. These employees will measure and mark guidelines to be used for installations. The Installers will also install, repair, and service the Subsidiary's lighting products and solutions. In addition, these employees will also organise their visits based on their customer's specific requirements. The Installers will provide additional assistance and give thorough instructions on how to use and maintain the Company's products to ensure longevity.

Task Name	%Time Allocated
<ul style="list-style-type: none"> <li>Reading blueprints or work order specifications to determine layout and installation procedures.</li> </ul>	20%
<ul style="list-style-type: none"> <li>Measure and mark guidelines to be used for installations.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Install, repair, and service the Subsidiary’s lighting products and solutions.</li> </ul>	30%
<ul style="list-style-type: none"> <li>Organise their visits based on their customer's specific requirements.</li> </ul>	15%
<ul style="list-style-type: none"> <li>Provide additional assistance and give thorough instructions on how to use and maintain the Company’s products to ensure longevity.</li> </ul>	20%

### 10.17 Personnel Tables

Number of Employees per Position	Year 1	Year 2	Year 3	Year 4	Year 5
Chief Executive Officer: Mr. Arman Barahimi Farahan	1	1	1	0	0
Marketing Specialist	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Research and Development Manager	1	1	1	1	1
Procurement Agent	0	1	1	1	1
Logistics Manager	0	1	1	1	1
Shipper	0	1	1	1	1
Fixture Designers	0	1	2	2	2
Sales Representatives	0	1	1	2	2
General Manager	0	0	1	1	1
Social Media Coordinator	0	0	1	1	1
Sales and Marketing Manager	0	0	1	1	1
Manufacturing Manager	0	0	0	1	1
Manufacturing Engineers	0	0	0	2	2
Assemblers	0	0	0	2	4
Installers	0	0	0	1	2
<b>Total Employees</b>	<b>4</b>	<b>9</b>	<b>13</b>	<b>19</b>	<b>22</b>

Designated Salary per Position	Year 1	Year 2	Year 3	Year 4	Year 5
Chief Executive Officer: Mr. Arman Barahimi Farahan	\$72,868	\$76,511	\$80,337	\$84,353	\$88,571
Marketing Specialist	\$50,404	\$52,924	\$55,570	\$58,348	\$61,266
Administrative Assistant	\$37,440	\$39,312	\$41,278	\$43,341	\$45,509
Research and Development Manager	\$89,996	\$94,496	\$99,221	\$104,182	\$109,391
Procurement Agent	\$0	\$50,996	\$53,546	\$56,224	\$59,035
Logistics Manager	\$0	\$67,080	\$70,434	\$73,956	\$77,653
Shipper	\$0	\$29,640	\$31,122	\$32,678	\$34,312
Fixture Designers	\$0	\$45,240	\$47,502	\$49,877	\$52,371
Sales Representatives	\$0	\$41,246	\$43,309	\$45,474	\$47,748
General Manager	\$0	\$0	\$76,511	\$80,337	\$84,353
Social Media Coordinator	\$0	\$0	\$47,580	\$49,959	\$52,457
Sales and Marketing Manager	\$0	\$0	\$75,005	\$78,755	\$82,693
Manufacturing Manager	\$0	\$0	\$0	\$67,080	\$70,434
Manufacturing Engineers	\$0	\$0	\$0	\$63,757	\$66,945
Assemblers	\$0	\$0	\$0	\$29,546	\$31,024
Installers	\$0	\$0	\$0	\$37,440	\$39,312

Personnel Plan	Year 1	Year 2	Year 3	Year 4	Year 5
Chief Executive Officer: Mr. Arman Barahimi Farahan	\$72,868	\$76,511	\$80,337	\$0	\$0
Marketing Specialist	\$42,003	\$52,924	\$55,570	\$58,348	\$61,266
Administrative Assistant	\$34,320	\$39,312	\$41,278	\$43,341	\$45,509
Research and Development Manager	\$52,498	\$94,496	\$99,221	\$104,182	\$109,391
Procurement Agent	\$0	\$50,996	\$53,546	\$56,224	\$59,035
Logistics Manager	\$0	\$67,080	\$70,434	\$73,956	\$77,653
Shipper	\$0	\$29,640	\$31,122	\$32,678	\$34,312
Fixture Designers	\$0	\$45,240	\$92,742	\$97,379	\$102,248
Sales Representatives	\$0	\$41,246	\$43,309	\$86,721	\$91,057
General Manager*	\$0	\$0	\$6,072	\$80,337	\$84,353
Social Media Coordinator	\$0	\$0	\$47,580	\$49,959	\$52,457
Sales and Marketing Manager	\$0	\$0	\$75,005	\$78,755	\$82,693
Manufacturing Manager	\$0	\$0	\$0	\$67,080	\$70,434
Manufacturing Engineers	\$0	\$0	\$0	\$127,514	\$133,890
Assemblers	\$0	\$0	\$0	\$59,093	\$121,140
Installers	\$0	\$0	\$0	\$37,440	\$76,752
<b>Total Employees</b>	<b>4</b>	<b>9</b>	<b>13</b>	<b>19</b>	<b>22</b>
<b>Total Payroll Expenses</b>	<b>\$201,689</b>	<b>\$497,446</b>	<b>\$696,215</b>	<b>\$1,053,007</b>	<b>\$1,202,190</b>

\*The Company's General Manager will be hired in the twelfth month of Year 3.

### 10.18 Personnel Summary

The Subsidiary will reach a total headcount of 22 employees in Year 5. The Company expects its payroll expenses to increase from \$201,689 in Year 1 to \$1,202,190 in Year 5.

Period	Hiring Plan
Year 1	<ul style="list-style-type: none"> <li>• Chief Executive Officer: Mr. Arman Barahimi Farahan</li> <li>• Marketing Specialist</li> <li>• Administrative Assistant</li> <li>• Research and Development Manager</li> </ul>
Year 2	<ul style="list-style-type: none"> <li>• Procurement Agent</li> <li>• Logistics Manager</li> <li>• Shipper</li> <li>• Fixture Designer</li> <li>• Sales Representative</li> </ul>
Year 3	<ul style="list-style-type: none"> <li>• Social Media Coordinator</li> <li>• Fixture Designer</li> <li>• Sales and Marketing Manager</li> <li>• General Manager</li> </ul>
Year 4	<ul style="list-style-type: none"> <li>• Manufacturing Manager</li> <li>• Two Manufacturing Engineers</li> <li>• Two Assemblers</li> <li>• Installer</li> <li>• Sales Representative</li> </ul>
Year 5	<ul style="list-style-type: none"> <li>• Two Assemblers</li> <li>• Installer</li> </ul>

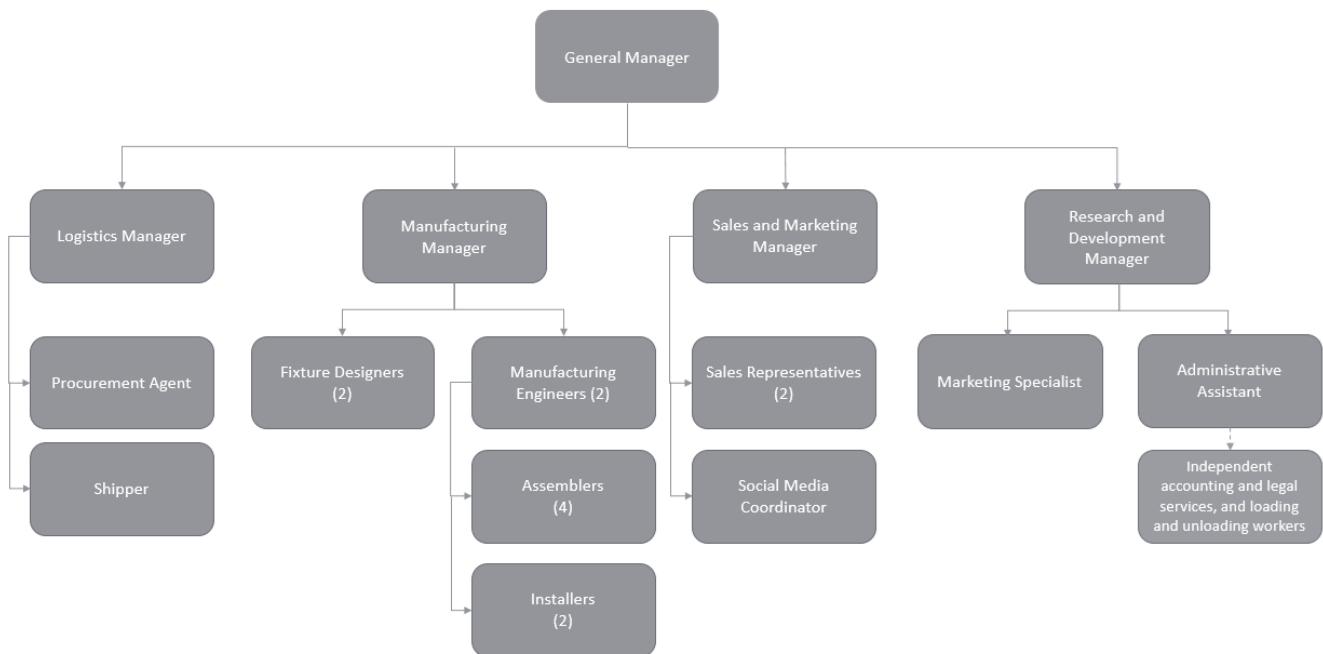
\* In addition to its in-house employees, the Subsidiary will use the services of independent contractors, such as accounting and legal services providers, as well as loading and unloading workers. Therefore, the

Company will have personnel costs in addition to the costs for payroll expenses presented above. These additional personnel costs have been presented in the Pro Forma Profit and Loss table in Section 11.3.1.

### 10.19 Canada Internal Organizational Chart (Year 1)



### 10.20 Canada Internal Organizational Chart (Year 5)



## 10.21 Timetable (Year 1)

Month	Action
M1	The Applicant will begin working as the Chief Operating Officer at the Subsidiary, as well as serving as a liaison between the Parent Company and employees of the Company. He will ensure that the Parent Company has sufficient and up-to-date information concerning all-important business operations. In the first month of operations, the Applicant will set the Company's practices, policies, and goals. The Company's strategy will be to develop a feasible plan for the first three months of business. The Applicant will conduct a market study and prepare a business plan.
M2	To acquire industry insight and market knowledge, in the second month of operations, the Company will perform thorough research on the availability, quality, and price of raw materials necessary for lighting solutions manufacturing. The Company will utilise the Applicant's experience for the purpose of improving business development and sales. The Company will carefully prepare its strategy and track exceptional raw material providers to obtain first-hand information regarding industry innovations as well as establish valuable new partnerships. The Subsidiary will solidify the contract for the first material providers in Canada and will start the procurement process. The Company will hire an Administrative Assistant.
M3	The Subsidiary will intensify its marketing activities and optimise the website for both desktop and mobile devices. Some of the benefits of having a well-maintained website are cost-effective solutions, providing customers with important leads, increased sales, accessibility, access to information, fresh content, useful links, better relationship with customers, and credibility. The Company will also initiate the construction of a reliable exporting channel to Iran with the help of the Parent Company. The Subsidiary will hire one Marketing Specialist.
M4	The Subsidiary will conduct thorough market analyses and develop sales and marketing strategies to increase revenue and market presence by better positioning the Company against its competition. The Subsidiary will conduct cost and market analyses.
M5	The Subsidiary will start devising a marketing strategy in accordance with the Company's goals. The Company will negotiate with potential business partners and the Parent Company regarding establishing relations with additional material providers. The Company will search and analyze industry-related trends in Canada. The Company will communicate with the Parent Company regarding the Company's growth.
M6	The Company will conduct a mid-year review. This will be the first real test of the Subsidiary after the six-month period. During this month, the Company will review product offerings, price policies, and discount strategies. To support its growth, The Subsidiary will also develop new exporting channels and expand its Canadian-based connections. The Company will hire a Research and Development Manager.
M7	The Subsidiary will review new marketing strategies. The Company will plan promotional events in order to attract as many clients and partners as possible. Additionally, the Subsidiary will strengthen its exporting services. The Company will also conduct additional training for its team members.
M8	The Subsidiary will start intensive social media communication with prospective clients and business partners. Social media platforms offer a number of benefits, such as increased exposure to potential customers, lowering marketing expenses, reaching target audiences, building brand loyalty, increased web traffic, boosting search engine optimization, and being mobile-ready. Continually providing valuable content to social media platforms keeps consumers loyal to a company. The Subsidiary will also rack and initiate set-ups of its miners and will conduct data center operations and management.
M9	The Applicant will develop existing business relationships and establish new ones. The core goal will be to make the necessary adjustments to the business approach to ensure that the Company's position in the local market is strengthened. The Applicant will also strengthen its existing business relationships and solidify the cooperation intention of developing additional contacts. The Company will also expand its exporting services.
M10	The Applicant will conduct performance evaluations for the Subsidiary's employees and offer thorough feedback for continued improvement. The Company will participate in industry-relevant events and solidify its business contacts.
M11	The Company will forecast demand for products in the short, medium, and long term and assess operations results. The Subsidiary will reinforce marketing campaigns to market its services in Iran.
M12	The Subsidiary will set profitability goals, expansion plans, and business strategies for the coming years. The Company will continue to establish and maintain relationships with key business partners to enhance market penetration in Canada and Iran. The Subsidiary will also expand by adding new aspects to its business operations.



## 11 Financial Forecasts

### 11.1 Break-even Analysis

#### 11.1.1 Break-even Analysis Table

Break-even Analysis	
Daily Revenue Break-even	\$1,208.98
Monthly Revenue Break-even	\$36,269.45
Annual Revenue Break Even	\$435,233.37
<b>Assumptions:</b>	
Estimated Daily Fixed Cost	\$732.64
Estimated Monthly Fixed Cost	\$21,979.29
Estimated Annual Fixed Cost	\$263,751.42

The Subsidiary will engage in a significant number of activities aimed at attracting and retaining customers. The Company is expected to reach its break-even point promptly in each period.

### 11.2 Sales Forecast

Sales Forecast	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Sales</b>					
Lighting Fixture Products	\$287,280	\$752,400	\$999,400	\$1,466,800	\$1,694,800
Lighting Solution Projects	\$170,100	\$313,200	\$491,400	\$804,600	\$912,600
<b>Total Sales</b>	<b>\$457,380</b>	<b>\$1,065,600</b>	<b>\$1,490,800</b>	<b>\$2,271,400</b>	<b>\$2,607,400</b>
<b>Direct Cost of Sales</b>					
	Year 1	Year 2	Year 3	Year 4	Year 5
Lighting Fixture Products	\$113,188	\$296,446	\$393,764	\$577,919	\$667,751
Lighting Solution Projects	\$67,019	\$123,401	\$193,612	\$317,012	\$359,564
<b>Subtotal Direct Cost of Sales</b>	<b>\$180,208</b>	<b>\$419,846</b>	<b>\$587,375</b>	<b>\$894,932</b>	<b>\$1,027,316</b>



## 11.3 Profit and Loss

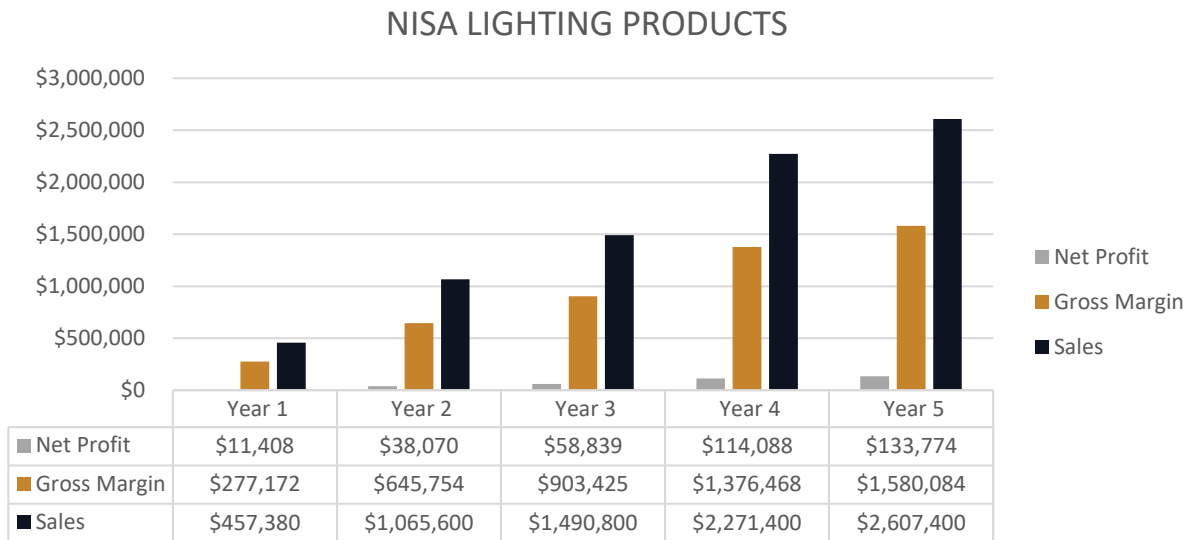
### 11.3.1 Profit and Loss Table

Pro Forma Profit and Loss	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Sales</b>	\$457,380	\$1,065,600	\$1,490,800	\$2,271,400	\$2,607,400
Direct Cost of Sales	\$180,208	\$419,846	\$587,375	\$894,932	\$1,027,316
<b>Total Cost of Sales</b>	\$180,208	\$419,846	\$587,375	\$894,932	\$1,027,316
Gross Margin	\$277,172	\$645,754	\$903,425	\$1,376,468	\$1,580,084
Gross Margin %	60.60%	60.60%	60.60%	60.60%	60.60%
<b>Operating Expenses</b>					
Payroll	\$201,689	\$497,446	\$696,215	\$1,053,007	\$1,202,190
Marketing	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
Rent*	\$13,200	\$26,400	\$39,600	\$52,800	\$66,000
Utilities	\$3,300	\$6,600	\$9,900	\$13,200	\$16,500
Insurance	\$1,980	\$3,960	\$5,940	\$7,920	\$9,900
Maintenance	\$1,200	\$1,260	\$1,323	\$4,323	\$4,539
Independent Contractors	\$13,200	\$13,860	\$14,553	\$17,553	\$18,431
Professional Fees	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
Payroll Taxes	\$14,683	\$36,214	\$50,684	\$76,659	\$87,519
Other	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
<b>Total Operating Expenses</b>	\$263,751	\$600,965	\$834,202	\$1,242,247	\$1,422,704
Profit Before Interest and Taxes	\$13,421	\$44,789	\$69,223	\$134,221	\$157,381
EBITDA	\$13,421	\$44,789	\$69,223	\$134,221	\$157,381
Taxes Incurred	\$2,013	\$6,718	\$10,383	\$20,133	\$23,607
<b>Net Profit</b>	\$11,408	\$38,070	\$58,839	\$114,088	\$133,774
<b>Net Profit/Sales</b>	2.49%	3.57%	3.95%	5.02%	5.13%

\*The rent expense is calculated based on current market trends and average rent prices in the area. The rent for an office space of 375 sq. ft. is assumed at \$1,100 per month. Since the number of employees is expected to rise in the foreseeable future the Company is expected to increase its office space by additional 375 sq. ft. per year, reaching a total of 1,875 sq. ft. by Year 5, which will increase the rent price from \$13,200 in Year 1 to \$66,000 in Year 5.



### 11.3.2 Profit and Loss Chart



## 11.4 Feasibility

### 11.4.1 Feasibility Analysis

Period	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Sales</b>	\$457,380	\$1,065,600	\$1,490,800	\$2,271,400	\$2,607,400
<b>Marketing and Sales Personnel Expenses</b>					
Marketing Specialist	\$42,003	\$52,924	\$55,570	\$58,348	\$61,266
Social Media Coordinator	\$0	\$0	\$47,580	\$49,959	\$52,457
Sales and Marketing Manager	\$0	\$0	\$75,005	\$78,755	\$82,693
<b>Other Marketing and Sales Expenses</b>					
Marketing	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
Independent Contractors	\$13,200	\$13,860	\$14,553	\$17,553	\$18,431
<b>Total Marketing and Sales Expenses</b>	\$60,703	\$72,559	\$198,772	\$210,982	\$221,532
<b>Total Marketing and Sales Expenses as % of Sales</b>	<b>13.27%</b>	<b>6.81%</b>	<b>13.33%</b>	<b>9.29%</b>	<b>8.50%</b>

The Subsidiary’s sales will be primarily achieved through the Company’s substantial investment in marketing and sales. The Company expects its total marketing and sales expenses to represent 13.27% of total revenue in Year 1. As the Subsidiary progresses into Year 5, the Company is expected to continue increasing its effectiveness and efficiency in turning dollars spent on marketing and sales into revenue dollars and expects total marketing and sales expenses to represent 8.50% of total revenue.

### 11.4.2 Cost/Benefit Analysis

Cost Benefit Analysis	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	\$457,380	\$1,065,600	\$1,490,800	\$2,271,400	\$2,607,400
Net Profit	\$11,408	\$38,070	\$58,839	\$114,088	\$133,774
<b>Expenses</b>					
Direct Cost	\$180,208	\$419,846	\$587,375	\$894,932	\$1,027,316
Direct Cost/Total Cost	40.59%	41.13%	41.32%	41.87%	41.93%
<b>Indirect Cost</b>					
Payroll	\$201,689	\$497,446	\$696,215	\$1,053,007	\$1,202,190
Marketing	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
Rent	\$13,200	\$26,400	\$39,600	\$52,800	\$66,000
Utilities	\$3,300	\$6,600	\$9,900	\$13,200	\$16,500
Insurance	\$1,980	\$3,960	\$5,940	\$7,920	\$9,900
Maintenance	\$1,200	\$1,260	\$1,323	\$4,323	\$4,539
Independent Contractors	\$13,200	\$13,860	\$14,553	\$17,553	\$18,431
Professional Fees	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
Payroll Taxes	\$14,683	\$36,214	\$50,684	\$76,659	\$87,519
Other	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
<b>Subtotal Indirect Cost</b>	<b>\$263,751</b>	<b>\$600,965</b>	<b>\$834,202</b>	<b>\$1,242,247</b>	<b>\$1,422,704</b>
Indirect Cost/Total Cost	59.41%	58.87%	58.68%	58.13%	58.07%
<b>Total Expenses</b>	<b>\$443,959</b>	<b>\$1,020,811</b>	<b>\$1,421,577</b>	<b>\$2,137,179</b>	<b>\$2,450,019</b>
<b>Net Profit/Total Expenses</b>	<b>2.57%</b>	<b>3.73%</b>	<b>4.14%</b>	<b>5.34%</b>	<b>5.46%</b>

Net profit and total expenses ratio increase over time, suggesting that the business is becoming more efficient and profitable. Hence, it can be concluded that the Company is a lucrative investment.

### 11.5 Balance Sheet

Pro Forma Balance Sheet	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Other Current Assets	\$311,408	\$349,478	\$508,318	\$622,406	\$656,179
<b>Total Current Assets</b>	<b>\$311,408</b>	<b>\$349,478</b>	<b>\$508,318</b>	<b>\$722,406</b>	<b>\$856,179</b>
<b>Total Assets</b>	<b>\$311,408</b>	<b>\$349,478</b>	<b>\$508,318</b>	<b>\$722,406</b>	<b>\$856,179</b>
<b>Capital</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Paid-in Capital	\$300,000	\$300,000	\$400,000	\$500,000	\$500,000
Retained Earnings	\$0	\$11,408	\$49,478	\$108,318	\$222,406
Earnings	\$11,408	\$38,070	\$58,839	\$114,088	\$133,774
<b>Total Capital</b>	<b>\$311,408</b>	<b>\$349,478</b>	<b>\$508,318</b>	<b>\$722,406</b>	<b>\$856,179</b>
<b>Net Worth</b>	<b>\$311,408</b>	<b>\$349,478</b>	<b>\$508,318</b>	<b>\$722,406</b>	<b>\$856,179</b>

## 12 Conclusion

The Subsidiary will be an Ontario-based business that will offer a wide range of lighting fixtures and lighting solution projects. Its services will be primarily targeted towards local residents, business owners, and interior designers, who will have access to various high-quality and customizable products through the Subsidiary's wholesale and online channels.

As a subsidiary of NOOR GOSTARAN HOORFAM COMPANY LTD, a lighting fixtures designing, manufacturing, and installation business operation in Iran, the Subsidiary will be owned 51% by the Applicant who will also serve as the Chief Executive Officer. The Parent Company will own 39% of the shares, while Ms. Pashanezhad will own the remaining 10%. To initiate its operations, the Subsidiary will receive investments of \$500,000 from equity funds.

The Industry Analysis section predicts that there will be a stable growth rate for new and modern lighting fixtures in Canada that are in line with current technological trends and market demands. The Subsidiary's wide target area will increase the number of potential clients and drive demand for the Company's services. The Subsidiary will aim to establish a trustworthy relationship with its customers and capture a significant market share.

In Year 1, the Subsidiary will hire one Marketing Specialist, one Administrative Assistant, and one Research and Development Manager, in addition to the Applicant as its Chief Executive Officer. The Applicant will create a comprehensive exit strategy as the CEO to ensure a smooth transition of leadership to the General Manager at the end of Year 3. This plan will include identifying a suitable replacement with the necessary qualifications and experience and gradually transferring responsibilities to the new manager. Over the next five years, the number of in-house employees at the Company will increase to 22, with payroll expenses rising from \$201,689 in Year 1 to \$1,202,190 in Year 5. Alongside its in-house staff, the Company will also work with specific independent contractors.

With a favourable business environment and significant growth opportunities, the Subsidiary will be able to achieve its short- and long-term objectives within its first five years of operations. Consequently, the Subsidiary's revenue is expected to increase from \$457,380 in Year 1 to \$2,607,400 in Year 5.