iLamp Roadmap for Korea

This document covers information required to build a road map to commercial viability for the iLamp territorial license for Korea.

iLamp

Korea Population
51.74 Million

GDP
$1.811 Trillion

Estimated Streetlights
4,501,380

Street lighting is the single largest source of carbon emissions from local governments, typically accounting for 30-60% of their total emissions.

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iLamp doesn't just offer a state of the art streetlighting solution. It offers iLamp Korea a series of strategies designed to unlock significant opportunities that benefit the economy, foster safer streets and communities, and establish a robust technology platform to attract Korean technology innovators and developers while acting as a springboard for distributing their solutions on a global scale.

Lamp sales: iLamp's self powered streetlights relieve grid strain while the modular design enables the integration of a series of sensors, hardware modules and software solutions that contribute towards enhancing pedestrian safety, aligning with Korea's initiatives to relieve grid overload and curtail pedestrian fatalities. This modular flexibility allows for compatibility with systems such as the Seoul Ansimi app, further accentuating its role as an urban safety cornerstone.

Utilities: The Power as a Service (PaaS) model, where customers are billed for the clean power generated and used on device, paves the way for existing utilities to embrace forward looking, sustainable models, starting with iLamp, and for the birth of new utilities spotlighting local clean energy generation, pinpoint billing, and agile on device management.

Local Rights: The local manufacturing ethos of iLamp acts as a catalyst for job creation, spanning sectors from production, installation, to maintainance. Leveraging local talent and materials, it promises economic invigoration, stimulating regional growth as sub-licenses are sold for the rights acquired by iLamp Korea.

Technology Platform: Korea's position as a global tech supplier puts iLamp Korea in a position to source and funnel these hardware and software solutions to the broader iLamp distribution network spanning territories worldwide, creating lucrative additional revenue streams from technology sales and markups.

iLamp isn't merely a product but an avenue for innovation, safety, and economic progression. By addressing critical issues such as grid strain and pedestrian safety, it aligns with the nation's forward-thinking vision for a safer and more sustainable urban landscape.

> "
> *Creativity is the power to correct the seemingly unconnected.*
>
> - William Plomer

Overview

Reservation fee

$100,000

You receive post-payment:

- 1 year option to buy territory
- Roadmap + financial model
- Localised website
- Media pack, images, videos, etc
- ILOCX Listing

Funding by cede

*subject to approval

$4,600,000

License Fee

$5,000,000

Amount payable to exercise option and receive territorial license
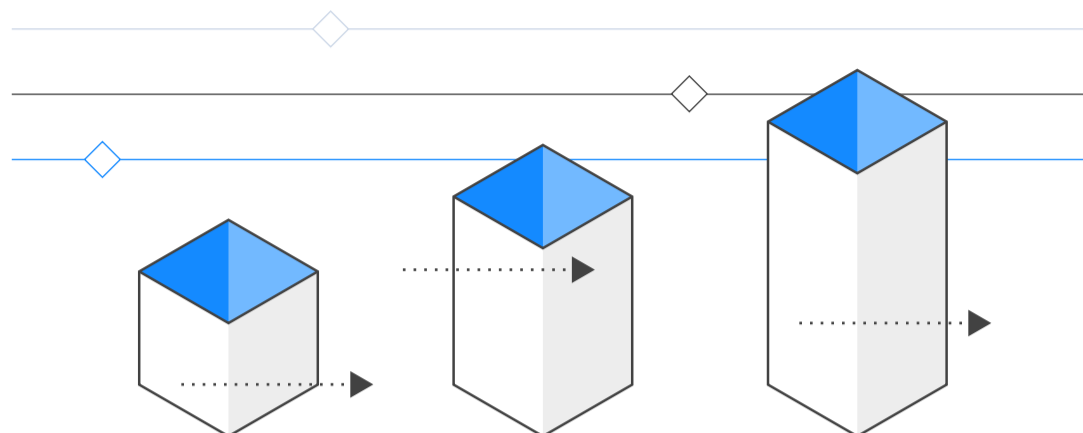
$300,000

You receive after payment:

- Territorial license
- Demo pole shipped & installed
- Sub-licensing rights*

Price Breakdown

South Korea hosts or requires an estimated 4,501,380 streetlights, as determined by the NEEP formula. This calculation is based on the country's population of 51 million people, with the formula ((Population/100) * 8.7) applied.

From this estimate of a 4,501,380 streetlight market, 1% equates to 45,014 units and we will take this as the servicable addressable market for the next 10 years. At a price of $9,000 per lamp, this translates to a revenue potential of $405,126,000. As iLamp Korea undertakes its own manufacturing the profit margin will increase in line with local manufacturing prices. It's crucial to note that this does not factor in the Power As A Service model, revenue from additional modules on the poles, licensing Korean solutions to other iLamp territorial holders, selling sub-licenses, or the expansive private market not covered by the above formula, encompassing private parking lots, campuses, and more.

Stages

1. **Reservation**

   Reserve the territory on ILOCX using the account of the potential licensee: https://app.ilocx.com/territory.

   - Once this phase is complete the potential licensee has 12 months to trigger the territorial license or lose the option.
   - If you have purchased 100,000 ILO units in iLamp in the alternative offer then all these payments are considered paid.

2. **Get Started**

   Once triggered the deposit needs to be paid, this totals $300,000 and covers all costs to install a pilot scheme in the location chosen.

   - This will include delivery and installation of an autonomous iLamp as a demonstration to land sales and mass installations.
   - This also covers:
     - The costs to list on ILOCX covering all upfront fees and first year listing fees.
     - The building and delivery of a local website.
     - All media and images, data and point of sale aids, email addresses, and a detailed report covering competition, USP's, market size, list of potential partners, HQ assistance for news and localized promotion of iLamp in the territory.

3. **The Details**

   Once the option fee has been paid a local legal entity needs to be formed to hold the license. This is formed by the licensee.

The Korean Opportunity

South Korea, renowned for its technological advancements and forward thinking urban solutions, presents a fertile ground for innovative infrastructure. With a growing emphasis on smart cities and a keenness to adopt tech forward solutions, the introduction of iLamp to the Korean market represents an exciting synergy between local technological prowess and global urban modernization. This collaboration signals a promising horizon for both iLamp and South Korea in reshaping the future of urban illumination and smart city solutions.

Harmonizing with Korea's Tech Landscape

South Korea's pedigree in technology is world-renowned. iLamp Korea, by becoming a technology aggregator, can channel Korea's technological prowess into iLamp's global distribution territories. This unique position allows Korea to not only amplify its technological influence globally but also realize lucrative returns from sales and markups.

Grid Resilience and Sustainable Transformation

South Korea's grid is at a crossroads, balancing between modern demands and occasional shortages. iLamp, with its self powered design, emerges as a beacon of relief, reinforcing the grid's resilience and adding layers of energy security. It is more than a streetlight; it's a symbol of energy autonomy.

PaaS Model: A Leap into the Future

iLamp's Platform-as-a-Service (PaaS) model offers a bridge for Korean utilities to evolve. It's an avenue to transition from age old models to futuristic, clean energy paradigms, right from local generation to precise on device billing.

New Revenue Avenues and Technological Integration

Beyond mere illumination, iLamp's modular design unfolds a plethora of technological integration possibilities, from sophisticated sensors to advanced software solutions, all potentially harvested from Korea's tech industry. This equates to consistent revenue streams, as every iLamp becomes a hub for myriad technological applications.

Public Safety, Health, and Connectivity

Tapping into existing systems like the Seoul Ansimi app, iLamp promises enhanced public safety. Its capabilities range from ensuring well lit streets, monitoring pedestrian movements, to vital environmental sensors.

Furthermore, communication modules can serve as pivotal data relay points, spearheading a digital revolution beyond mere illumination.

Economic Benefits and Beyond Urban Boundaries

The financial projections for iLamp in Korea signal robust returns. Beyond the metropolis of Seoul, the reach of iLamp stretches to semi urban, rural, and even remote areas, offering a unified, well illuminated, and tech forward landscape across the country.

iLamp in South Korea signifies more than just state of the art streetlights. It heralds a new epoch of smart urban evolution, where tech excellence, sustainability, and economic prosperity intersect. South Korea is poised to not only modernize its cityscapes but also to redefine urban illumination standards globally. The dawn of a brighter, smarter Korea is on the horizon.

Safer Streets Korea

South Korea's bustling urban centers like Seoul, Busan, and Daegu are home to intricate networks of roads teeming with pedestrians, cyclists, and vehicles. Over the years, the Korean government has emphasized creating safer streets to reduce accidents and enhance pedestrian safety. Streetlights play a pivotal role in ensuring visibility during nighttime and foggy conditions, reducing risks for all road users.

In densely populated regions like Gangnam or Jongno, intersections can be especially busy, and ensuring proper illumination is paramount. Moreover, residential areas and less busy streets should not be overlooked; they too require consistent and efficient lighting to prevent accidents and enhance safety.

The Korean Traffic Safety Authority (KTSA) continuously evaluates road safety conditions and works on optimizing street light placement, brightness, and distribution. They focus on accident-prone zones, pedestrian crossings, and school areas, striving for the highest safety standards. However, despite these efforts, certain areas remain underlit or are equipped with outdated lighting infrastructure, creating pockets of potential danger.

Introducing iLamp in South Korea:

Adaptive Lighting Capabilities: iLamp can adjust its brightness depending on the surrounding environment, ensuring intersections, alleyways, and pedes-

trian zones are adequately lit. This adjustability aligns with the KTSA's vision of creating safer roads tailored to specific conditions and requirements.

Integrated Safety Solutions: Beyond illumination, iLamp's open modular platform supports the addition of advanced safety tools. This might include motion detectors to recognize unusual movement patterns or communication tools to alert nearby drivers about potential hazards.

Monitoring and Real-Time Response: With potential integrations such as camera systems and recognition software, iLamp can provide insights into road conditions, pedestrian movement, and potential hazards in real-time. Such monitoring capabilities aid law enforcement and emergency response teams, ensuring faster reactions to any incidents.

Supporting Korean Traffic Initiatives: As the KTSA and local governments undertake initiatives to assess road safety, iLamp can seamlessly fit into their strategies. Whether it's through advanced data analytics or the deployment of newer safety technologies, iLamp serves as an evolving solution ready to adapt to South Korea's dynamic urban landscape.

Future Innovations and Adaptability: South Korea, as a hub of technology, continuously introduces innovative solutions to improve urban living. iLamp's modular nature ensures it remains compatible with these advancements, be it new forms of pedestrian detection, integration with autonomous vehicles, or other emerging technologies.

iLamp is not just a lighting solution, but a gateway to a safer, smarter, and more connected urban experience in South Korea. By addressing illumination gaps, introducing real-time monitoring, and offering adaptability for future innovations, iLamp stands at the forefront of the nation's mission to enhance road safety and foster a secure environment for its citizens.

Public security and health

Road Safety

iLamp can positively impact road safety by providing optimal lighting conditions on roads and highways. Its adaptive lighting capabilities can adjust brightness according to traffic conditions, enhancing safety during peak hours and adverse weather conditions. Additionally, modular camera and communications systems can help monitor traffic, detect potential hazards, and improve response times to accidents, further improving road safety.

Pedestrian Safety

iLamp improves pedestrian safety by providing adequate lighting in areas such as sidewalks, crosswalks, and public transportation stops. Modular cameras can be used to monitor pedestrian movement and help identify potential hazards, ensuring a safer environment for walking and other outdoor activities.

Weather Monitoring Module

Weather sensors can detect changing weather conditions, such as fog, rain, or snow, and adjust the intensity and distribution of light accordingly. This adaptability enhances visibility for drivers and pedestrians in adverse weather conditions, further improving public safety.

Air Quality Module

Air quality monitoring can help track pollution levels in real-time, allowing authorities to implement appropriate measures to limit exposure and maintain a healthy environment. By monitoring and addressing air quality concerns, iLamp contributes to improved broader public health and well-being.

Communications

Communication modules can both expand telecoms coverage and facilitate the transmission of critical information to the relevant authorities and emergency services in case of accidents or security incidents. This real-time communication can help improve response times and overall public safety.

Light Polution Reduction

The adaptive lighting capabilities of iLamp can minimize light pollution by adjusting brightness levels according to the time of day and surrounding conditions. This can contribute to a better night-time environment, reducing

the impact of artificial light on wildlife and human health.

⚙ Integration with Existing Infrastructure

iLamp technology can integrate with existing sensors and infrastructure, allowing for enhanced data collection and analysis. By connecting iLamp with sensors a modules facilitating parking, traffic management, telecommunications structural, UV and noise monitoring, fire, leak and flood detection, grid management and many more.

Communication modules can facilitate real-time data transmission between these sensors, creating a comprehensive and interconnected network enabling authorities to monitor and manage various aspects of urban living more effectively. This network of sensors can lead to improved decision-making, more efficient use of resources, and a better understanding of the urban environment.

License holder benefits

Benefits for Territorial Holders of iLamp

1. First Refusal on Conflow Power Group Innovations:

Territorial holders will be at the forefront of any technological advancements or innovations developed by the Conflow Power Group. This means that before any new feature, product, or service is rolled out to the broader market, territorial holders have the exclusive opportunity to adopt, integrate, or decline them. This not only provides an edge over potential competitors but also ensures that each territory is equipped with the latest in energy and infrastructure solutions.

2. Local Manufacturing Capabilities:

One of the standout privileges for territorial holders is the ability to establish local manufacturing units. This initiative not only contributes to local economic growth but also ensures quicker response times for installations, maintenance, and replacements. With local manufacturing, territorial holders can control the quality, reduce delivery times, and tailor-make solutions suitable for their region's specific needs.

3. Competitive Edge Against iLamp HQ:

By establishing local manufacturing, territorial holders, depending on local market conditions, may be able to produce iLamps at competitive prices, thereby posing healthy competition to iLamp HQ via the allowed sale of these lamps to other territories. This encourages market dynamics that can lead to additional revenue streams, as well as continuous improvements in the product, better pricing strategies, and an overall enhanced offering for end customers.

4. Access to Wider Network of Territorial Rights Holders:

Being a territorial rights holder means more than managing a region; it's an entry point into a global network of iLamp territories. This worldwide community unlocks avenues for collaborative projects and joint ventures but also creates a global marketplace where territories can showcase their own modules, technologies and solutions.

5. Distributing Locally Developed Technologies:

Territorial holders aren't restricted to what iLamp or Conflow offers. They can innovate, create, or license their own technologies for integration into the local iLamps. Once developed, they can distribute these innovations to other territorial holders both nationally and internationally. This not only diversifies their revenue stream but also places them in a position of influence within the iLamp community.

6. Charging Margins on Distributed Technologies:

When distributing their locally developed or licensed technologies to other territories, holders can charge a margin on those solutions. This is a direct revenue generation model that rewards innovation and the entrepreneurial spirit of the territorial holder.

7. Early Mover Advantage:

Territories that adopt iLamp's solutions early will naturally have a head start. As pioneers they gain first hand experience, establish best practices, and develop a robust infrastructure that later entrants will look to emulate. This experience positions them strongly not just as market leaders in their territories but also as potential consultants or partners for newer entrants.

8. Preferential Rates on Modules and Software Solutions:

One of the defining advantages for territorial holders is access to preferential rates on various modules and software solutions. iLamp HQ, recognizing the strategic importance of territories and their contribution to the global ecosystem, extends these rates as a token of partnership and collaboration.

When iLamp HQ or any other territory negotiates with third-party vendors or develops in-house solutions, the benefits of bulk purchasing or shared development costs are passed on to the territorial holders. This means lower acquisition costs, which can be a substantial financial benefit.

9. Collective Bargaining Power:

The collective might of all the territorial holders allows them to exert a greater influence when negotiating rates or features with software and module providers. This collaboration ensures that all territories, irrespective of their individual size or bargaining power, get to leverage the combined strength of the entire iLamp community.

10. Access to a Repository of Solutions:

Territorial holders will have access to a vast repository of modules and software solutions developed or sourced by iLamp HQ and other territories. This curated collection ensures that territories do not have to start from scratch or waste resources in reinventing the wheel. They can simply choose from tried and tested solutions, making the deployment faster and more efficient.

11. Continuous Updates and Upgrades:

Technology is ever-evolving, and in the world of smart urban solutions, staying updated is crucial. Territorial holders will continuously receive updates and upgrades on the modules and software solutions from both iLamp HQ and other territories. This ensures that the iLamp infrastructure in each territory remains modern, efficient, and in line with the latest technological advancements.

Territorial holders of iLamp are in a prime position to not just capitalize on the opportunities provided by Conflow Power Group but also to shape the future direction of energy solutions in their region. Their benefits extend beyond revenue generation to establishing a stronghold in the ever-evolving world of sustainable energy solutions.

The Market & Financials

South Korea, a beacon of technological advancement and innovative urban planning, presents a promising market for progressive infrastructure solutions. Street lighting plays an essential role not just in its bustling metropolis, Seoul, but also in its diverse rural landscapes. With Korea's history of rapidly embracing cutting-edge technology, solutions like iLamp stand to gain significant traction.

Market Segmentation

By Area	: Urban (Seoul, Busan, Incheon) vs. Rural (Jeolla, Gangwon regions).
By Need	: Replacing old infrastructure vs. New installations in urban expansion zones.
By Application	: Public streets, highways, recreational areas, private complexes and carparks.

Digital Cities	: Cities like Seoul and Busan are at the forefront of the smart city movement, presenting golden opportunities for iLamp.
Green Initiatives	: South Korea's commitment to sustainability syncs perfectly with the benefits of iLamp.
Decentralized Systems	: Amidst Korea's drive to improve grid efficiency, solutions like iLamp that reduce strain are welcome.

Total Addressable Market (TAM):
The estimated total number of public streetlights in South Korea is 4,501,380.

Serviceable Available Market (SAM):
Given South Korea's unique infrastructure dynamics and technology-forward approach, capturing 10% of the TAM results in a SAM of 450,138.

Serviceable Obtainable Market (SOM):

Factoring in variables like competitors, rate of technology adoption, and other market determinants, an achievable 10% of SAM gives a SOM of 45,014 lamps.

Sales Financial Model

For the purpose of the below model, the number of lamps is determined using the equation [(total population/100)*8.7]. provided by the Northeast Energy Efficiency Partnerships (NEEP) used to estimate the number of public streetlamps in a state using the population. The population of Korea is 51.74 million, giving an estimated 4,501,380 public streetlights.

Of this 4,501,380 public street lamps, the SAM is estimated at 10%, or 450,138 lamps and the SOM is estimated at 10% of the SAM, or 45,014 lamps.

The iLamp Korea Territory financial model spans three years, the model is centered on the sale of iLamps and software, with each lamp selling for $9,000. From this sale price, $1,000 is paid to iLamp HQ as a royalty for each lamp. The territorial license holder buys lamps from iLamp HQ at decreasing costs over time: $3,500 in the first year of sales, $3,000 in year two and onwards, excluding the $1,000 royalty. The software is priced at $200 with estimated costs of $20. The sales model assumes a linear sales growth pattern, starting with just 1% of the serviceable obtainable market for iLamp and 0.1% of the TAM of 20,000,000 lamps from currently optioned or sold territories for the software. Both grow at 25% year on year.

The remaining revenue, after accounting for the costs and royalty, is considered the territory's gross profit. This gross profit does not take into account installation, maintenance, or operational costs. However, the model also does not include the significant revenue generated by the streetlamps modules or any royalty taken on Power As A Service revenue due to the complexity and varying requirements of each sub-license. Additionally it does not include the private market for lights on privately held carparks, campuses, etc, nor does it include cost savings which may be made by manufacturing the lamps locally or revenue made selling promotional, distribution or sub-licenses.

This financial model therefore represents a conservative base which can be further fine tuned to reflect the unique dynamics of the local market.

$$\text{Market Size (lamps)} = \frac{\text{total population}}{100} \times 8.7$$

Using the population of Korea (**51.74 million**), the market size is:

$$\text{Market Size} = \frac{51,740,000}{100} \times 8.7 =$$

4,501,380(rounded to nearest whole number)

Lamps sold based on the sales growth pattern

In year one of operation, sales will capture just 1% of the servicable obtainable market: Number sold (**Year 1**) = **0.1 × 45,014 = 4,501 lamps**

iLamp Financial Model (Years 1-3)

Items	Year 1	Year 2	Year 3
Number Sold	4,501 lamps	5,626 lamps	7,033 lamps
iLamp Selling Price	$9,000	$9,000	$9,000
Cost of Sales per lamp	$3,500	$3,000	$3,000
Royalties Due per lamp	$1,000	$1,000	$1,000
Gross Profit per lamp	$4,500	$5,000	$5,000
Software Sales	2,000	2,500	3,125
Software Price	$200	$200	$200
Cost of Sales (software)	$20	$20	$20
Gross Profit per software	$180	$180	$180
Total Sales (revenue)	$44,509,000	$55,634,000	$70,547,000
Gross Profit	$23,854,500	$32,630,000	$40,790,000

Income Statement

Items	Year 1	Year 2	Year 3
Net Sales	$44,509,000	$55,634,000	$70,547,000
Cost of Sales	$20,654,500	$21,878,000	$26,099,500
Gross Profit	$23,854,500	$33,756,000	$44,447,500
Selling & Operating	$2,225,450	$2,781,700	$3,527,350
General and Administrative	$4,450,900	$5,563,400	$7,054,700
Total Operating Expenses	$6,676,350	$8,345,100	$10,582,050
Operating Income	$17,178,150	$25,410,900	$33,865,450
Income Before Taxes	$17,178,150	$25,410,900	$33,865,450
Income Tax (30%)	$4,294,538	$6,352,725	$8,466,363
Net Income	$12,883,613	$19,058,175	$25,399,088

Sublicensing Financial Model

The iLamp South Korea sublicensing financial model spans three years and is primarily focused on selling sublicenses across key provinces in South Korea. Sub-territory prices are set at $5 per lamp, an adjustment to suit the economic climate and market dynamics in Korea.

The business model revolves around the sale of iLamps, with each lamp priced at $9,000. From this selling price, a royalty of $1,000 is directed to iLamp HQ for each unit sold. The sales model hypothesizes a linear growth trajectory, starting with 1% of the Korean market. This figure is projected to grow at a rate of 25% year on year over the initial 3 years.

By leveraging the advantages of local manufacturing, the costs align with domestic production prices, with the territorial license holder accountable for only the $1,000 royalty to iLamp. The remaining revenue, once the costs and royalties are factored in, is denoted as the territory's gross profit. This gross profit doesn't incorporate expenses related to installation, maintenance, or operations. Moreover, the model excludes the considerable revenue sourced from the streetlamp modules or any royalties from Power As A Service, owing to the intricate and diverse prerequisites of each sublicense.

iLamp South Korea possesses the flexibility to levy its own royalty per lamp from its sub-license holders within the country. For this model's context, an additional $500 royalty has been proposed. Over the span of three years, iLamp South Korea plans to vend territorial licenses for major cities, prioritsing the largest ones initially.

iLamp Korea has the same access to the ILOCX platform to sell licenses as iLamp HQ does to sell territorial licenses offering a seamless and efficient transaction environment. Sub-licensees can also leverage the ILOCX platform to raise money, facilitating business expansion and enhancing their operational capability.

Through the sale of these sublicenses, iLamp South Korea can amass immediate capital which can be reinvested to boost growth or cater to operational expenses. With sublicensees possessing an inherent local advantage, the deployment speed of the iLamps is significantly augmented. This local edge ensures that the sublicensees can market and sell more lamps swiftly, tapping into local networks and understanding native demands more intimately, while being supported by iLamp Korea.

Breakdown

Territory prices for each city based on estimated number of streetlights $5.00/lamp:

Seoul:	850,012 lamps * $5.00 = $4,250,060.00
Busan:	297,888 lamps * $5.00 = $1,489,440.00
Incheon:	256,650 lamps * $5.00 = $1,283,250.00
Daegu:	214,542 lamps * $5.00 = $1,072,710.00
Daejeon:	128,325 lamps * $5.00 = $641,625.00

Total: $8,737,085

Year 1:

Territories sold:

Seoul, Busan, Incheon

Territory sale prices:

Seoul: **$4,250,060**

Busan: **$1,489,440**

Incheon: **$1,283,250**

Total territory sales revenue: **$7,022,750**

Royalties received by territorial license holder

Royalties per lamp:	**$500**
Seoul Royalty:	**8,500 lamps * $500 = $4,250,000**
Busan Royalty:	**2,979 lamps * $500 = $1,489,500**
Incheon Royalty:	**2,567 lamps * $500 = $1,283,500**
Total royalties:	**$7,023,000**

County gross profit:

Lamp selling price:	**$9,000**
Costs in Yr. 1 of sales:	**$3,500**

Gross profit per lamp:
$9,000 - $3,500 - $1,000 (iLamp HQ) - $500 (iLamp Korea) = $4,000

Seoul:	$34,000,000
Busan:	$11,916,000
Incheon:	$10,268,000

Year 2:

Territories sold:
Daegu, Daejeon

Territory sale prices:
Daegu: **$1,072,710**, Daejeon: **$641,625**

Total territory sales revenue: **$1,714,335**

Royalties received by territorial license holder

Royalties per lamp:	$500
Seoul Royalty:	10,625 lamps * $500 = $5,312,500
Busan Royalty:	3,724 lamps * $500 = $1,862,000
Incheon Royalty:	3,208 lamps * $500 = $1,604,000
Daegu Royalty:	214,542 lamps sold * $500 = $1,341,000
Daejeon Royalty:	2,682 lamps * $500 = $802,000
Total royalties:	$10,921,500

County gross profit:

Lamp selling price:	$9,000
Costs in Yr. 2 of sales:	$3,000

Gross profit per lamp:
$9,000 - $3,000 - $1,000 (iLamp HQ) - $500 (iLamp Korea) = $4,500

Seoul:	$47,812,500

Busan:	$16,758,000
Incheon:	$14,436,000
Daegu:	$12,069,000
Daejeon:	$7,218,000

Year 3:

No territories sold

Royalties received by territorial license holder

Royalties per lamp:	$500
Seoul Royalty:	13,281 lamps * $500 = $6,640,500
Busan Royalty:	4,655 lamps * $500 = $2,327,500
Incheon Royalty:	4,010 lamps * $500 = $2,005,000
Daegu Royalty:	3,352 lamps * $500 = $1,676,000
Daejeon Royalty:	2,007 lamps * $500 = $1,003,500
Total royalties:	$13,652,500

County gross profit:

Lamp selling price:	$9,000
Costs in Yr. 3 of sales:	$3,000

Gross profit per lamp:
$9,000 - $3,000 - $1,000 (iLamp HQ) - $500 (iLamp Korea) = $4,500

Seoul:	$59,764,500
Busan:	$20,947,500
Incheon:	$18,045,000
Daegu:	$15,084,000
Daejeon:	$9,031,500

iLamp Korea Sub Licensing Model

Year	Territories Sold	Territory Sale Prices	Total Territory Sales Revenue	Total Royalties	Total City-Wise Revenue
1	Seoul, Busan, Incheon	Seoul: $4,250,060 Busan $1,489,440 Incheon: $1,283,250	$7,022,750	$7,023,000	$126,414,000
2	Daegu, Daejeon	Daegu: $1,072,710 Daejeon: $641,625	$1,714,335	$10,921,500	$196,587,000
3	-	-	-	$13,652,500	$245,745,000
4	-	-	-	$17,066,000	$307,188,000
5	-	-	-	$21,332,500	$383,985,000

Income statement iLamp Korea

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Net Sales	$14,045,750	$12,635,835	$13,652,500	$17,066,000	$21,332,500
Cost of Sales	$1,755,718.75	$1,579,479.38	$1,706,562.50	$2,133,250	$2,666,562.50
Gross Profit	$12,290,031.25	$11,056,355.63	$11,945,937.50	$14,932,750	$18,665,937.50
Selling & Operating	$1,229,003.13	$1,105,635.56	$1,194,593.75	$1,493,275	$1,866,593.75
General and Administrative	$860,302.19	$774,944.89	$836,215.63	$1,045,292.50	$1,306,615.63
Total Operating Expenses	$2,089,305.31	$1,880,580.44	$2,030,809.38	$2,538,567.50	$3,173,209.38
Operating Income	$10,200,725.94	$9,175,775.19	$9,915,128.13	$12,394,182.50	$15,492,728.13
Income Before Taxes	$10,200,725.94	$9,175,775.19	$9,915,128.13	$12,394,182.50	$15,492,728.13
Income Tax	$2,550,181.48	$2,293,943.80	$2,478,782.03	$3,098,545.63	$3,873,182.03
Net Income	$7,650,544.46	$6,881,831.39	$7,436,346.09	$9,295,636.88	$11,619,546.09

Income statement iLamp Seoul

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Net Sales	$76,500,000	$95,625,000	$119,529,000	$149,409,000	$186,759,000
Cost of Sales	$38,250,060	$42,531,250	$53,788,050	$67,134,050	$83,741,550
Gross Profit	$38,249,940	$53,093,750	$65,740,950	$82,274,950	$103,017,450
Selling & Operating	$3,824,994	$5,309,375	$6,574,095	$8,227,495	$10,301,745
General and Administrative	$2,677,496	$3,716,563	$4,601,867	$5,759,247	$7,211,222
Total Operating Expenses	$6,502,490	$9,025,938	$11,175,962	$13,986,742	$17,512,967
Operating Income	$31,747,450	$44,067,812	$54,564,988	$68,288,208	$85,504,483
Income Before Taxes	$31,747,450	$44,067,812	$54,564,988	$68,288,208	$85,504,483
Income Tax	$7,936,863	$11,016,953	$13,641,247	$17,072,052	$21,376,121
Net Income	$23,810,587	$33,050,859	$40,923,741	$51,216,156	$64,128,362

iLamp Korea and the paradigm shift

iLamp has crafted a pioneering vision for South Korea that is not just about market entry, but market redefinition. Our financial models, accentuate two channels: selling sublicenses across pivotal regions and maximizing direct sales within the territory.

A critical decision lies in the balance between iLamp Korea operating territories versus sublicensing them. While direct operations promise substantial returns and high margins, identifying and partnering with skilled local operators promises a quicker market expansion for iLamp Korea, generating enhanced revenue streams and infusing upfront capital.

Further revenue streams are presented by tapping into local hardware and software innovations, creating an aggregated ecosystem of solutions. Leveraging the iLamp distribution network, these solutions can be introduced to other territories, each creating flourishing additional revenue streams.

Beyond the lamp lies a myriad of local opportunities, a few of which are explored, but many remain unexplored. From local manufacturing which can position iLamp Korea as a supplier for other territories, to the rental of lamp real estate, to the endless hardware and software combinations and valuable subscription based services they can provide to iLamp customers, to Power As A Service. The revenue streams are as vast as they are varied.

With the backing of the Conflow Power Group, iLamp Korea has an advantage in access to and first refusal of all CPG technological advancements and innovations, placing iLamp Korea in a formidable first mover position, not just within Korea but across East Asia.

The association with the ILOCX platform enables iLamp Korea to navigate sublicensing sales with the same finesse as iLamp's territorial license sales and is an invaluable asset for sublicensees, offering a seamless avenue to raise capital within their local markets, catalysing growth and market penetration.

The world is on the cusp of urban evolution, and our solutions are not just desired; they are essential. As urban landscapes transition, iLamp's innovative solutions stand as a beacon of progress. iLamp Korea is invited to be a key participant in that paradigm shift.

Next steps

01 | Buy Option

This is the first step where you decide to purchase the option to buy a specific iLamp Territory. You'll likely choose a territory based on certain parameters such as demographics, potential market size, or geographical preference.

Sample buy option screen

02 | Receive Option Agreement

After expressing your intent to purchase, you'll receive an option agreement, which is a contract that gives you the right to execute the purchase of the territory within a specified period.

Sample Option To Buy

03 | Loan Approval* *if applicable*

In some cases, financing might be necessary to purchase the territory. iLamp technology holds a AAA rating for lending, loans are therefore available for up to 90% of the transaction value.

The loan approval process focuses on the applicant.

- **Evaluating the creditworthiness of the individuals involved**

  This typically includes the directors and any other major stakeholders in the business. Cede Capital will look at these individuals' credit history, current financial position, and overall financial management.

- **Profile review**

  Cede Capital will assess the experience, capabilities, and business acumen of the people who will be managing the business.

- **Local market assessment**

  Cede Capital will evaluate the demand for the product or service, the competition, and any other local demographic data, economic trends, and industry-specific indicators.
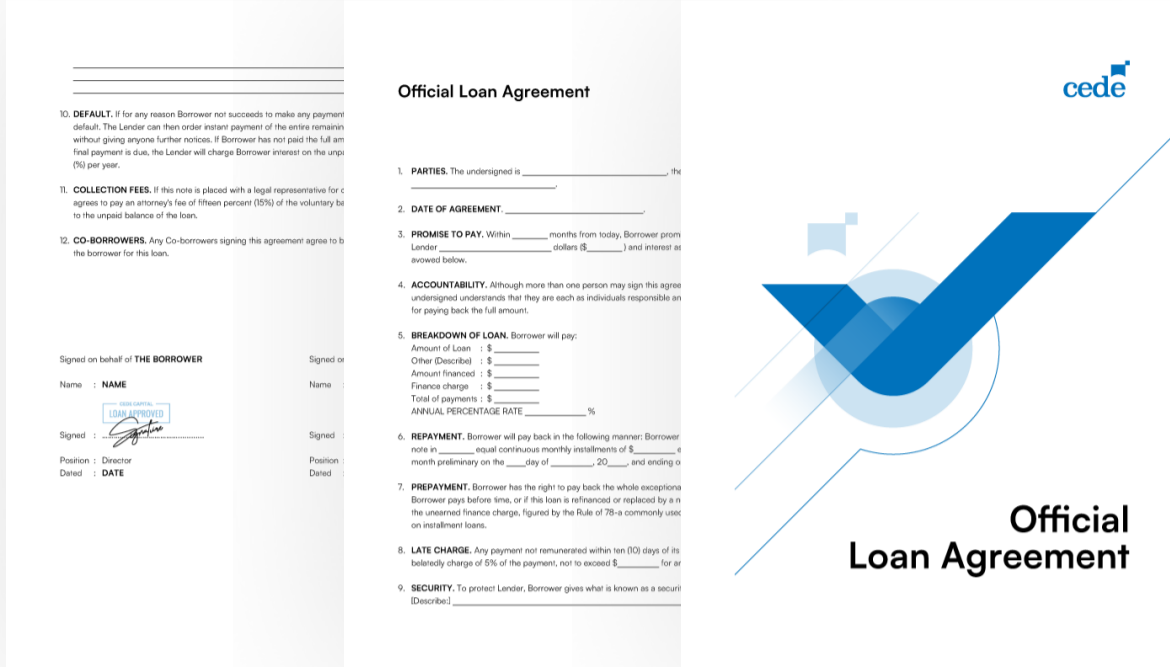
Sample Loan Agreement document

04 | Execute Option

The option must be exercised within 365 days from Purchase This means you have up to a year to finalize your decision to purchase the territory. If you decide to proceed, you'll execute the option, effectively triggering the purchase process.

05 | Sign License Agreement

This is an agreement between you and the Conflow Power Group, the company that owns the iLamp product range, granting the in the designated territory. It sets the terms and conditions of the partnership.
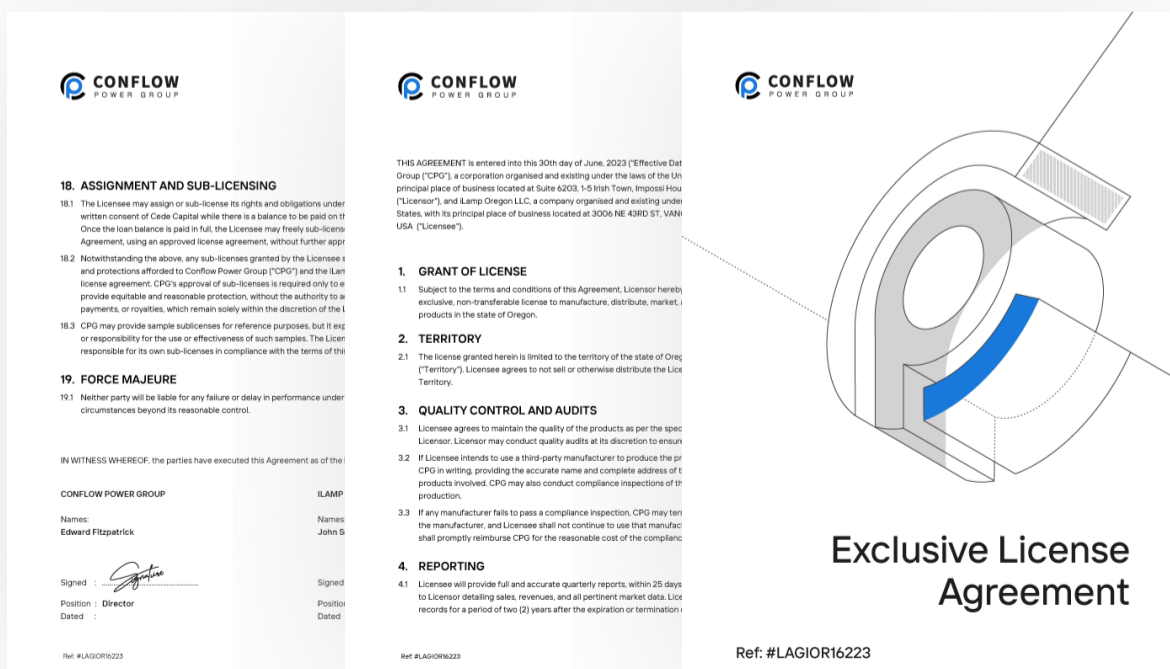
Sample License Agreement document

06 | Pay Balance

This step involves paying the remaining balance for the purchase of the territory. This could be done in a lump sum or as agreed upon in the financing terms, if applicable.

07 | Receive Territorial License Certificate

After payment is complete, you will receive a certificate acknowledging your rights to operate in the specified territory, proving your ownership.

Sample Territorial License Certificate

08 | Receive Sublicensing Pack

This pack contains information about how you can sublicense your rights to others in your territory, allowing them to operate under your license with the iLamp brand, along with guidelines on price and strategy.

Sample Sublicensing document

09 | Local iLamp Website

To assist in your local efforts to raise money and sell products, we will provide you with a localalised website and data room.
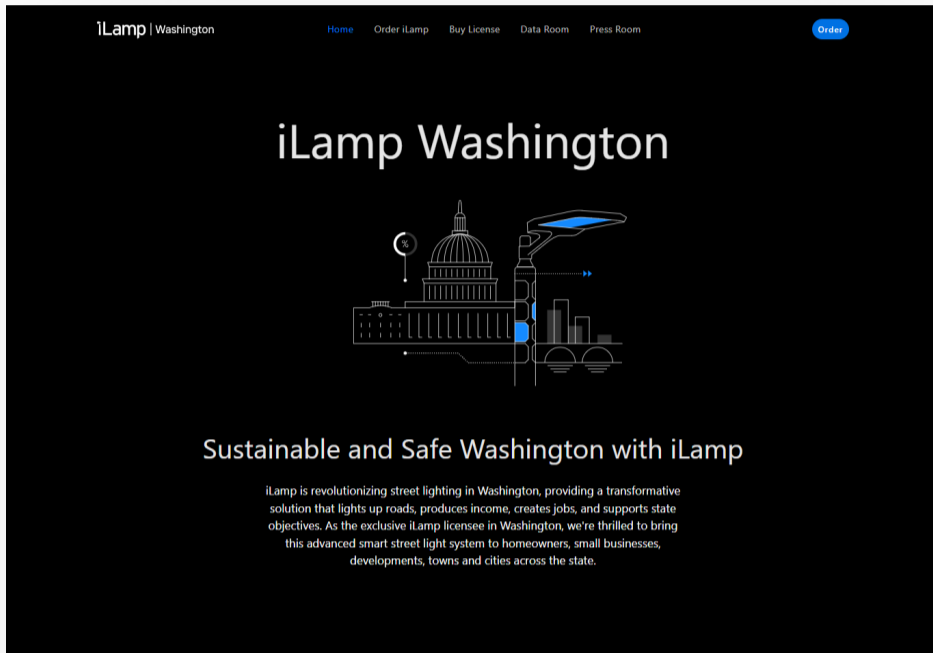
Example iLamp local website
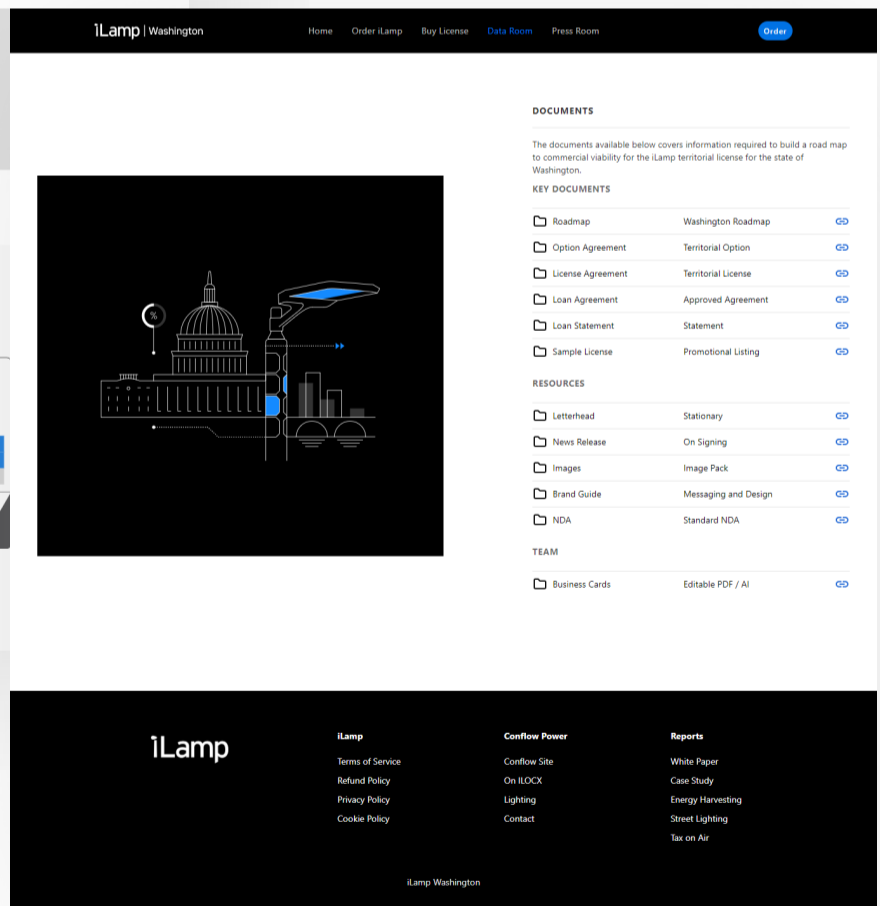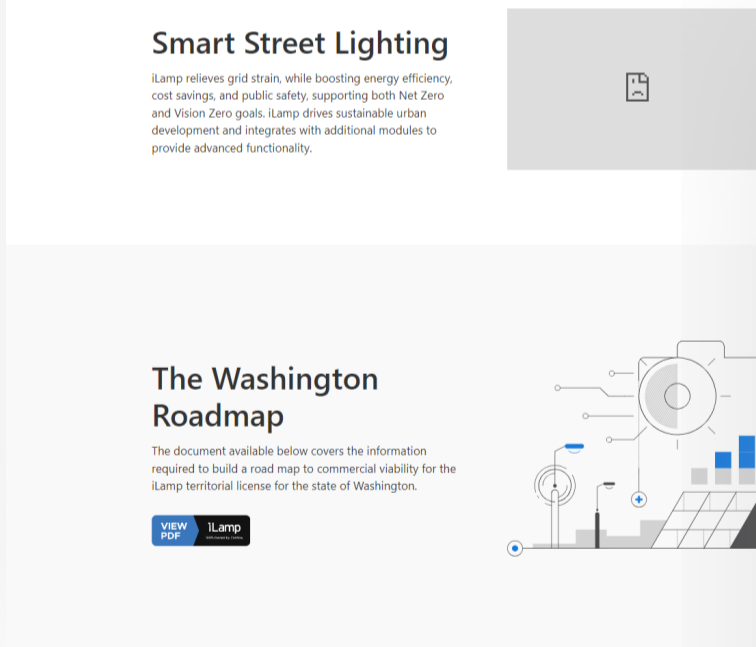
Example iLamp local data room

10 | Receive iLamp Sales Pack

This includes sales and marketing materials, such as brochures, price lists, technical specifications, and other resources that you can use to market and sell iLamp products within your territory.

11 | Local iLamp Listing

To assist in your efforts to raise money, all iLamp Territories receive a 3 year ILCOX listing with the cost covered by Conflow Power Group.
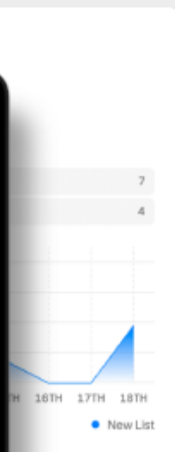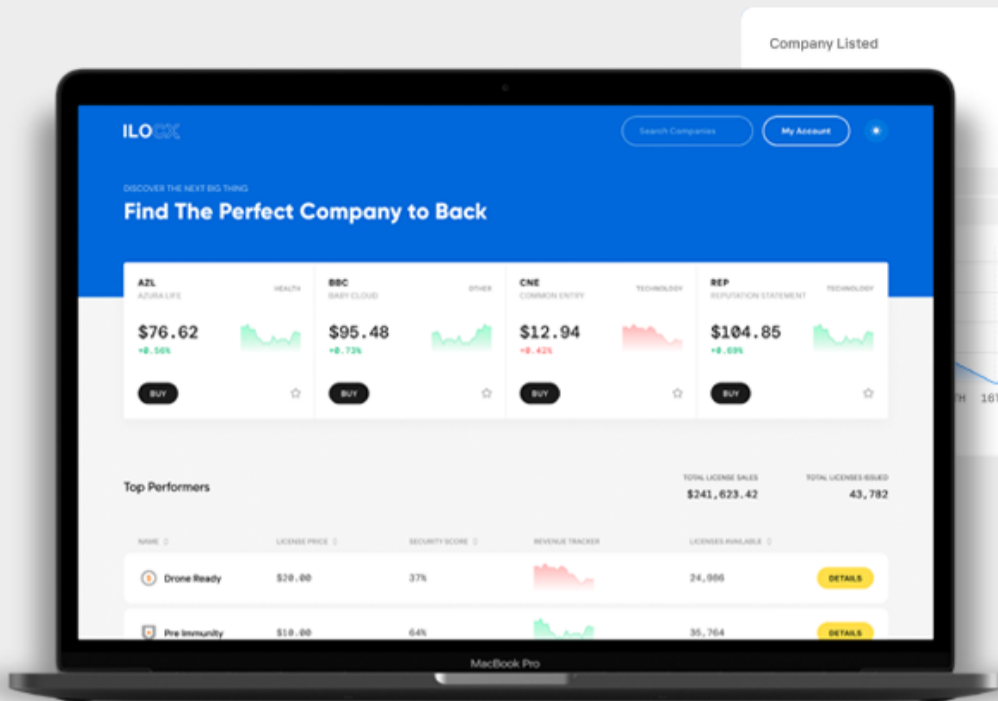

Example Local listing page

12 | Receive Demonstration Pole

Receive an iLamp which you can use for demonstrations to potential customers, partners, or sublicenses. It's a tangible representation of what you're selling in your territory.

iLamp
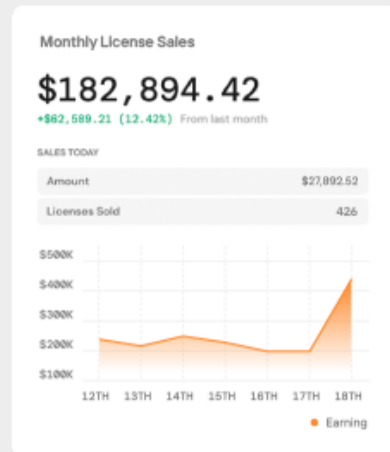
Your ILOCX listing

List using the ILO Framework to raise money to finance your exclusive iLamp license while building local support and an online sales team to drive pre-sales.

RAISE MONEY AS YOU NEED IT

Get access to the funds you need, as you need them, smoothing your fundraising process.
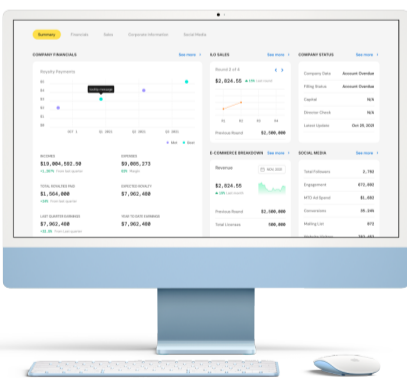
BUILD A TEAM

ILOCX framework helps companies to build effective teams that are properly rewarded.

REWARD PARTICIPATION

Incentivize buyers with ILOCX rewards, your own affiliate program, and license classes.

Listing Requirements

iLamp licensees are prequalified to list and receive an ILOCX instance and will be priority listed through our streamlined process with a dedicated listing manager.

Listing fees for iLamp licenses are waived for the first year, then only $25,000 per year.

Listings with over $1 million in sales are listed on the board at ILOCX.com.

100+	Millions	10X
Total companies listed	Total licenses issued	Returns already booked