Solahart®



IT'S NOT JUST SOLAR, IT'S SOLAHART

VISION

To be a market leader in solar technology and renewables whilst consolidating our dominant position in solar water heating.

MISSION

We will continue to lead the solar water heating market through innovative product, installation and distribution strategies.

We will leverage the equity in the Solahart brand to market a leading range of solar power and energy efficient products, and install these via our specialist partners.

We will seek to add value in everything we do.





THE SOLAHART STORY

A brilliant past. An even brighter future

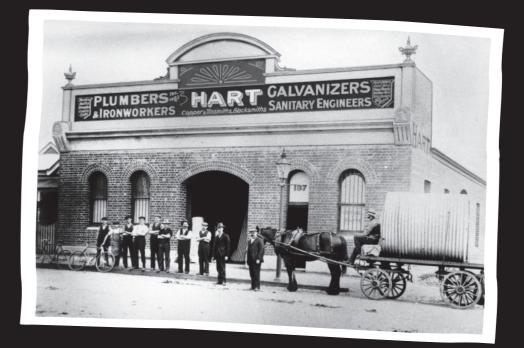
In 1953, SW Hart and Co., a pioneering plumbing company based in Perth, realised that the sun was a great source of energy source to heat water in Western Australian homes. As a result, solar hot water in Australia was born and Solahart geared up for expansion.

Since then, we've built a reputation as a world leader in solar innovation and technology and invested millions of dollars into Research and Development (R&D) and manufacturing. We've installed over one million systems in over 70 countries around the world including Everest Base Camp, Antarctica, even Nelson Mandela's South African home had a Solahart system installed on the roof!

In 2011, Solahart introduced a range of solar power systems in Australia from globally recognised leaders in inverter and polycrystalline solar panel technology. After extensive testing by Solahart's own R&D facilities, it was decided to market solar power (PV) systems under the Solahart brand, giving authorised dealers a broader range of products to sell under the registered trade mark 'Energy Free from the Sun'.

With the addition of Solar Power Systems and Battery Storage Solutions (later in early 2016) to the range of products available through Solahart, the business today has become more about providing people with 'the opportunity' to live a more sustainable lifestyle with less reliance on energy retailers by harnessing energy free from the sun to heat water or to generate power.

Today, after more than 60 years as Australia's free energy experts, we are set to turn our brilliant past into an even brighter future.







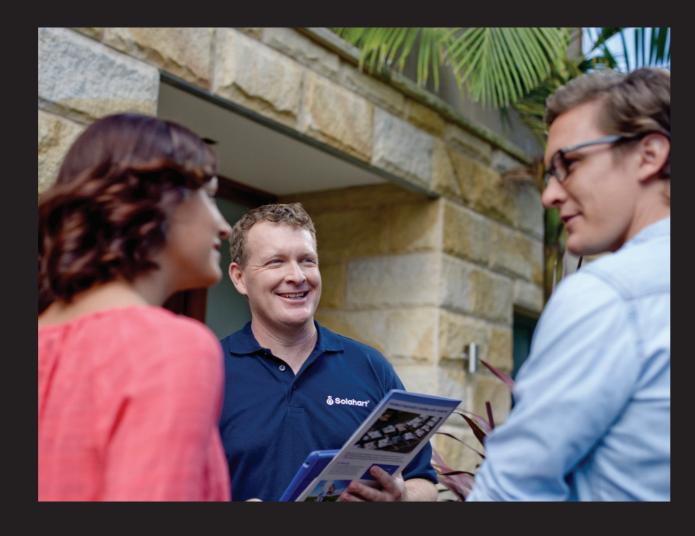


OUR PROMISE

Together with our dealers, leading the industry and setting high standards is something we continuously do.

We are committed to providing the best products using premium materials, and use the safest, most efficient equipment sourced from around the globe.

One thing is certain, as we move forward to the future of solar, each generation of the solar products we offer will be fundamentally better than the last and meet our own stringent standards of quality and performance.





MESSAGE FROM OUR GENERAL MANAGER

First of all, Congratulations! You are well on your way to becoming an authorised Solahart dealer and own your exclusive territory.

Before applying, it's a good idea to make sure you meet our requirements.

ARE YOU PASSIONATE?

Passion is very important. You must be passionate about our Brand and believe in the beneficial impacts our products have on the environment and helping our customers live a more sustainable lifestyle.

ARE YOU A HARD WORKER?

You must be willing to work hard and devote yourself to your dealership. After all, you will have an exclusive territory and will be the face of our Brand.

ARE YOU POSITIVE?

Make no mistake, running a solar business is hard work, but the more you put in the greater the rewards. It is important to stay positive and focussed at all times.

DO YOU BELIEVE IN A FUTURE POWERED BY RENEWABLES?

There is no doubt that external factors such as high energy prices, energy security and climate change are all key issues that everyday Australians are facing – the good news is every Solahart product installed helps householders save on energy costs while contributing towards a more sustainable planet.

WHY BECOME AN AUTHORISED DEALER WITH SOLAHART?

Solahart would like to invite potential dealers on this exciting solar adventure.

This is an opportunity to own and operate in your exclusive territory. We have sold over one million solar systems worldwide since 1953 and over the years have built up a proven formula for success which is available to all our authorised dealers.

At Solahart, offering the best to our dealers is something we take great pride in.

When you invest in a Solahart dealership, we provide a great range of products, technical expertise in all our products, marketing systems, management methods and all relevant information to make your business a success.

Our dealers are more than just territory-owners; they are our business

partners that share the same vision and passion.

In addition, we provide a proven business model, a Brand identity and trademark that have value in consumers' eyes. You don't have to reinvent the wheel to be successful.

You provide capital, management, talent and energy to expand the Brand. So we commit to providing you with initial and ongoing support throughout the life of the Dealership Agreement.

Our training ensures that you can implement our systems easily. The systems in place are about risk reduction and safety – you don't have to guess about the most effective way to build your business because there is already a successful system to use.

Our rebates will cut your purchasing costs compared to an independent

business. This is complemented by our robust marketing programs, which provide national support to ensure your business grows faster and has a greater chance of achieving forecast results sooner.

All of this, however, will obviously depend on your ability to follow guidelines and work within a Dealership Agreement System.







QUALITIES OF A SOLAHART DEALER

Solahart takes the dealer selection process very seriously. Our aim is to ensure every dealer in our network is successful.

Becoming a Solahart dealer can be a very exciting journey. Like with any big business decision, considering if it's the right fit for you is an important step in this journey.

At Solahart we are proud to recruit exceptional dealers who share our vision and passion for the business. Owning your own territory is a hands-on job; from recruiting staff to answering enquiries, talking to customers, attending quotes and installing product, to stock ordering, account management, marketing planning and doing wages to name a few. It's all part of running a successful business and a very rewarding

experience if pursued with the right passion and business acumen.

Owning your own business is a rewarding experience but one that requires sacrifice and a great deal of hard work and effort. Considering the impact it may have on those around you, including family and friends, is important. The support of your family is critical.

Solahart is a hands on business and we know that those dealers who play an active role in daily operations of the store are significantly more successful than those who expect a store to operate well without them.

THROUGHOUT THE
RECRUITMENT PROCESS, A
POTENTIAL DEALER WILL
BE ASSESSED ON SPECIFIC
CRITERIA.

ATTRIBUTES WILL BE
MEASURED IN A NUMBER
OF WAYS INCLUDING
OBSERVATIONS, INTERVIEWS,
PARTICIPATION LEVELS AND
PERSONALITY PROFILES.

JOINING SOLAHART

At Solahart, we know that the recipe for success within our Brand will depend on the quality of our selective recruitment processes.

Consequently, a Solahart Dealer will need to have demonstrated ability to work in a highly standardised operational/product oriented environment with a focus on Brand alignment and Brand growth. A potential Solahart Dealer is required to meet three main criteria with attributes that have been proven to produce successful business partners:

1. RECEPTIVE

Aware of and willing to fulfil obligations in the Business Partnership role as a Solahart Dealer:

- Demonstrates understanding of obligations as a Business Partner/ Dealer.
- Shows a willingness to work with Solahart.
- Portrays positive and constructive interaction.

2. FOCUSED

Knows the focus is our customers.

- Ability to listen, relate, process and respond proactively.
- Hold fundamental Language, Numeracy and Literacy skills.
- Physically and mentally well, showing a balance of positivity and stability.
- Ability to build sustainable relationships with external customers.

3. DRIVEN

Has the financial capacity and ability to maximise sales and profits.

- Demonstrated commercial acumen which includes the ability to create and implement business plans with short and long term objectives.
- Ability to fund capital expenditure and working capital.
- Belief in creating one's own success through a Business Partnership with Solahart.



DEALER MODEL

Solahart is one of Australia's leaders in the solar industry with over 60 years' experience in delivering high industry standards for both our dealers and customers.

By operating as a dealer for our brand, your dealership in effect participates in the total marketing scheme—enjoying national advertising support, receiving training, and taking advantage of incentive programs.

Your dealership will also act as a feedback mechanism for Solahart conveying insights gained by dealing directly with the customer.

Because a Dealership tends to be local and requires less start-up capital, a dealer can focus efforts on the management and success of one location.

We have more than 90 dealerships who own and operate across Australia.

An opportunity to join Solahart provides not only a robust business opportunity but a chance to own a piece of a strong brand entity within a supportive network.

With a solid pipeline of new areas, Solahart is always on the lookout for the right people to work with us as we pursue our promise.

In addition to our new dealers, we are proud to have some of the longest standing Solahart operators in the industry with many of our dealers celebrating 10, 15 and even over 25 years with our brand.

While we have many successful single dealers keen to sink their teeth into owning and managing one location, we also have a number of dealers around Australia who have developed their own cluster of

successful dealerships. From Brisbane in Queensland to Perth and Adelaide, our multi-site operators have reaped the rewards and benefits of The Solahart Dealership model.

Each dealership will require different skills and different levels of investment.

The minimum requirements to be a Solahart dealer is that you have:

AT A SALES LEVEL

Your sales people must be prepared to visit customers home following an enquiry and not sell over the phone.

Other attributes required

- Empathy the ability to identify with customers, to feel what they are feeling and make customers feel respected.
- Focus internally driven to accomplish goals and can stay attentive to one topic.
- Responsibility gets things done and when obstacles arise, accepts any errors or omissions that have occurred.
- Optimism when faced by failure, they consider themselves still in the running and able to turn the situation around. They believe that they can make things better by using a different approach, or by trying again.

AT AN INSTALLATION LEVEL

- Plumbing & electrical background and current licences.
- Capacity to comply with all Workplace Health and Safety regulations including Working at Heights.
- Ability to provide Residential and Commercial service.
- Own install capacity in-house plumber and electrician.
- Service and warranty work and changeovers.

AT BUSINESS ADMINISTRATION LEVEL

- Customer service team for great service.
- General administration programs

 link to Solahart CRM, accounts,
 orders.
- Provide feedback on all enquires to Solahart's CRM program.
- Business development activities.
- Carry out marketing activities.
- General Operations schedule of installations, order consumables.
- After sales service systems.

THE CORE OF THE SOLAHART BUSINESS HAD ALWAYS BEEN SOLAR HOT WATER.
IN 2011, SOLAR POWER WAS ADDED TO THE PORTFOLIO, AND MORE RECENTLY IN 2016
SOLAR POWER BATTERY STORAGE WAS INTRODUCED INTO THE SOLAHART RANGE.









FAQ

WHAT DOES MY DEALERSHIP AGREEMENT INCLUDE?

You will receive:

- Access to the strongest renewables brand in the market.
- An exclusive trading area.
- The Solahart Way, Sales and Marketing Manual.
- Marketing materials concept and product development.
- Ongoing Training and technical expertise.
- A fully functional website with your own personalised page that can include your local news.
- Use of Solahart Branding.
- Training and monitoring.

WHAT ARE MY CAPITAL REQUIREMENTS?

There is a requirement to provide a bank guarantee whilst you build up a trading history with us. The amount of this guarantee will depend on a number of factors and will be discussed during your application process. Once a credit account has been established, the trading terms are 30 days from month end.

ARE THERE ANY ONGOING WEEKLY ROYALTIES?

No, a dealership is not a franchise, so you will not have to pay royalties.

SET UP COST ESTIMATION

Every region is different, so it is difficult to provide an accurate estimation of set up costs. There are no fees that go directly to Solahart however you need to consider:

- Rental cost of your premises.
- Internal fit-out costs.
- Start-up marketing costs to promote your new business.
- Uniforms, marketing collateral, signage, vehicles etc.
- Installation equipment (from lifting devices to safety equipment to meet OHS requirements).
- Bank guarantee cash flow impact (full refundable when dealership is eventually sold).

DO I NEED A SHOWROOM?

Most customers use our website for finding out information on our products, the industry and our company. Our sales process is about visiting the customer's home to better understand their needs and to take them through our range of solutions to reduce their energy bills. Very few customers drop in on showrooms to find out about solar products. However showrooms are still important, and the trend has been away from main road, highly visible locations to more commercial/industrial locations where the emphasis is on more space for warehousing product. In choosing this location, it is still recommended to have a showroom area set aside to display Solahart products.

IS THERE A MARKETING CONTRIBUTION?

Yes, we have established a marketing contribution fund to help you market your dealership locally. This means that 2% of your Gross Solar Hot Water sales + 1% of your Gross PV sales will go towards a "Local Lead Generation" fund (LLG). The best thing about this is that Solahart will match your contribution monthly in arrears to help you grow the Brand in your area through Local Marketing – every

dealership is encouraged to actively engage with its local community, building relationships with local groups, including schools, sporting clubs and not-for-profit organisations.

WHAT REBATES DO I GET?

There are various product and performance based rebates that will be discussed during your application process.

HOW MUCH INCOME WILL THE DEALERSHIP GENERATE?

Due to the significant number of variables affecting the profitable performance of each individual dealer, we are unable to give an accurate indication of what turnover you could expect from your operation of a Solahart Dealership.

Once we have received your Application Form and after the initial interview, we release a Non Disclose Agreement (NDA) to you. Following the execution of the NDA, we disclose to you some historical sales turnover figures based on the performance of our actual dealerships. We recommend that you enlist the assistance of professional business, accounting and legal advisers to assess the viability of the business.

CAN I SELL MY DEALERSHIP?

Yes you can, but the new proposed owner must be approved by Solahart. Generally it is best to involve Solahart at the start of this process.

CUSTOMER DATABASE OWNERSHIP

Solahart sales and marketing strategy focuses on both local lead generation activity driven by the dealer and national generated advertising and promotional activity which requires access to the end customer's records. Solahart reserves the right to request customer records to enact our promotional strategies.



WHAT TO DO NEXT?

If you believe you possess the above attributes and see yourself thriving in a supportive Solahart Dealership agreement then contact us to discuss this opportunity further. You will need to complete an expression of Interest and NDA.

APPLICATION PROCESS*

- 1. Go to the web link below and complete an Expression of Interest:
- 2. First stage telephone interview.
- 3. Second stage interview (in person).
- 4. Complete Application Form, Business Plan and NDA.
- 5. A. Succesful application:
 - Complete formal Credit Application for Trading Account.
 - Tranining and Accreditation.
 - Commencement.

- B. Unsuccesful application:
- Follow up discussion.
- Next Steps.

^{*}This is a general guide for sequence of events during the application process.