



BETTER GOLF. MORE FUN. GUARANTEED.

COMPANY HISTORY & SUMMARY

Parmasters Golf Training Centers, Inc. ("Parmasters") is the world's first, year-round indoor golf training center franchisor. Founded in 2004, Parmasters is a global vendor of advanced golf training centers that literally guarantee results to users utilizing the Company's proprietary **Straight-Line Golf™** system as the basis of its training programs. The Company provides turnkey, indoor golf in-

struction centers to franchisees that include undulating putting greens, unique driving areas, real sand-traps, specialty-shot teaching bays, and the most accurate golf simulators ever.

On June 8, 2006, Stephen and Margaret Southern (S.H. Southern and Associates), purchased the five-unit Southern Ontario Area Development from **Parmasters Golf Training Centers**.

CURRENT STATUS

Parmasters Southern Ontario will open and develop five **Parmasters Golf Training Center** locations in Southern Ontario over the next eight years, specifically in Kitchener-Waterloo, London, Windsor, Chatham-Kent and Cambridge. The first site will open this winter in **Market Square**, 100 King St. E., (King and Frederick Sts.), Kitchener, Ontario. This site will be developed with guidance, systems, and support from **Parmasters Golf Training Centers Inc** and the **Regional Franchisor, Parmasters Canada**.



Utilizing **Parmasters Golf Training Center's** detailed pre-opening marketing systems and the hands-on regional support of the **Canadian Regional Franchisor** and **Parmasters Golf Training Centers Team Headquarters**, the **Kitchener-Waterloo** site will pre-sell a target 750 Charter Memberships. Fully subscribed, this revenue stream will cover virtually all the fixed costs of the operation and offer tremendous financial stability at launch. Post-opening, another 750 Memberships will be sold with a target of 1500 total Members.

Pre and post-opening, the aggressive marketing of **Straight-Line Golf™** Free Workshops will create a consistent flow of qualified leads for all **Straight-Line Golf™** Programs and drive trials and traffic to the remaining six revenue streams. These activities will drive projected gross revenues to \$1,699,068 with a net profit of \$177,997 in the first full year of operation; \$2,601,273 in gross revenues with a net profit of \$1,047,046 by year four.

PRODUCT & SERVICE DESCRIPTION

Each Parmasters center is the ultimate indoor practice and training center for golfers. The centers feature state-of-the-art golf simulators, long game areas, a pro shop, a golf fitness area, and a 4,000 sq. ft. short game area. Parmasters Golf Training Centers have been designed to have the look and feel of a high-end clubhouse including food and beverage service in the Company's "**Links Golf Café**".

The Parmasters golf training program utilizes a one-of-a-kind teaching system called **Straight-Line Golf™** that focuses on accelerated learning techniques guaranteeing a 25% reduction in handicap or twenty strokes off a new golfers score.

MANAGEMENT – Stephen (Steve) H. Southern, President, Parmasters Southern Ontario

Stephen is a committed husband and father, an accomplished entrepreneur, business leader and coach, and a sports and golf enthusiast.

Stephen began his career as an information systems development consultant to Fortune 1000 firms while working for global software provider, Software AG. Since then he has honed his skills in marketing and promotion, sales, leadership and management while serving in progressive roles at The Economical Insurance Group, Manulife Financial, Waterloo Maple and recently-acquired SlipStream Data Inc. Stephen currently advises several start-up companies in the Kitchener-Waterloo area. He also serves as a director of Spectradigital Corporation, a young Guelph-based biotechnology company.



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www.parmastersgolf.com

www.parmastersfranchise.com

www.parmasterscorporate.com

Parmasters Kitchener-Waterloo

Corporate Profile

April 2007

Stephen (Steve) H. Southern, B.Math., M.B.A.

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Blog: <http://shsouthern.blogspot.com>

Stephen's broad business knowledge, his strong customer service orientation, his leadership and team building skills, as well as his commitment to sales and marketing fundamentals, will all serve him well as Southern Ontario Area Developer for Parmasters Golf Training Centers.

Key Parmasters' Head Quarters management includes:

- **Tom Matzen, President & CEO** - 17 years marketing & systems development experience, founding, building and consulting to many early stage businesses with a track record of successful growth and profits.
- **Scott Hazledine, Chief Golf Pro** - 20 years golf instruction, Class A PGA Pro, creator of Straight-Line Golf.
- **Michael Levy, COO** - Past President & COO role included building Uniglobe Travel from zero to 1000 locations and \$2 billion in sales.

MARKET SUMMARY

The value of the North American golf market alone with an estimated 32 million golfers was \$28.3 Billion in 2005,¹ with two million golfers joining the sport each year.

COMPETITIVE ADVANTAGE

Parmasters is the pinnacle of indoor golf teaching and practice, setting a new benchmark in terms of scale, sophistication, and attention to detail. The goal of creating a highly advanced yet fun and entertaining learning and practice complex has been met with an overwhelming response from franchisees and customers alike.

- The only golf training center concept that is franchised with extensive turnkey support systems
- Offers a proven system (10+ years) that guarantees results; 25% reduction in handicap
- Extensive, targeted franchise lead generation strategies with proven results
- Forty-two targeted marketing programs to enable each Center to open with positive cash flow

MEDIA REVIEWS

"All in all Parmasters looks like it is in the process of revolutionizing not only franchising, but the way people play golf." - *Canadian Business Franchise Magazine*

"The clubhouse-like feel of the Parmasters centers will attract crowds year-round." - *INC. Magazine*

INVESTMENT OPPORTUNITY

Parmasters Kitchener-Waterloo is organizing \$2.04M in total funding for this project. These monies will fund equipment, build-out, inventory, working capital and opening marketing.

Parmasters Kitchener-Waterloo is raising the funds via the following three-part approach:

1. \$400,000 tenant improvement allowance from the landlord.
2. \$600,000 in Private investment funding maximum.
3. \$1,040,000 in Equipment Lease and Debt financing.

PARMASTERS SALES PRO FORMA	Year 1 Projected	Year 2 Projected	Year 3 Projected
Gross Revenue	\$279,890	\$1,699,068	\$2,457,693
Total Expenses	\$655,168	\$1,521,071	\$1,667,263
Net Income (Loss)	\$(375,279)	\$177,997	\$790,430

The \$600,000 in Private investment funding is divided into **twenty-four \$25,000 units offering**,

- a. **10% dividend** per annum, increasing to a **20% dividend** per annum starting 3 months after site opens;
- b. A **lifetime Full-Play membership**

For each \$25,000 invested **Parmasters Kitchener-Waterloo** is offering \$25,000 in a 5-year Cumulative Redeemable Preferred Stock with a dividend rate of **10% pre-opening, increasing to 20%** starting 3 months after the site opens. At the end of three years, at the option of the shareholder, the shares may be redeemed for a cash payment of \$25,000 plus **2.0% of the Common shares of the Company**.

¹ National Golf Foundation

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