



surfworks®

MYRTLE BEACH

City of Myrtle Beach
COUNCIL UPDATE

SEPTEMBER 2023

WHY WE ARE ASKING FOR AN EXTENSION

THE ASK

- In March 2023, the City of Myrtle Beach granted Surfworks a 6-month extension for a \$150,000 non-refundable deposit.
- Surfworks is asking the City to grant another extension under the same terms.

THE REASONS

- We have investors (many are local) with \$3.5m invested in this project to date, and we cannot let them down. Success of the project depends on this extension.
- Surfworks has secured equity financing partners for the project (see page-4)
- The last piece is the debt. We are engaged with debt providers, but they need more time to complete their underwriting process. This extension will remove the pressure on the debt providers and allow them to complete their work.
- The project is permitted to begin site work

WHY THIS IS GREAT FOR THE CITY

The Surfworks Myrtle Beach project is now in its strongest organizational position since inception:

- Local investors have invested \$3.5m into Surfworks and the project is permitted to begin site work
- Secured partnership with institutional equity financing partners (See Page-4)
- Partnership with Wavegarden, the market leading wave technology manufacturer
- We are in deep due diligence with some of the world's largest debt providers
- Opportunity to bring one of the most accomplished action sports athletes on the planet into the project

The City of Myrtle Beach is on the threshold of pioneering one of the most forward-thinking amenities in the City's history, which will have multiple benefits:

\$71.5M

DIRECT INVESTMENT

150+

NEW JOBS

\$3.5M

ANNUAL TAX REVENUE

NEW

SPORTS TOURISM

**NEW AMPHITHEATER
TOURISM**

PROFESSIONAL
& AMATEUR
**SURF
EVENTS**

ATTRACTING A
**YOUNGER
DEMOGRAPHIC**

**NATIONAL
MEDIA COVERAGE**

WHO IS FUNDING SURFWORKS

Surfworks' financing partners each bring significant experience in their respective fields with world-class investment acumen, decades of combined experience and unique technology, operating and development capabilities.

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- 1 **PROMETHEAN INVESTMENTS** ■ Proven investors in the location-based entertainment ("LBE") sector, with ownership in some of the most well known and successful LBE companies globally



FLIGHT CLUB



Puttshack

SIXES
SOCIAL CRICKET

STATE OF PLAY
HOSPITALITY

VELOCE
ESPORTS

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- 2 **WAVE GARDEN** → ■ Market leading wave technology business focused on licensing and operations to deploy their tech in the most attractive markets in the world
■ WG has the largest number of facilities operating successfully in 4 continents

2005

Founded by
Josema Odriozola

6

Successful Surf Parks To
Date Utilizing WG
Technology⁽¹⁾

10x

More Efficient Than
Competing Wave
Technologies

 **SURF PARK CENTRAL**

2022 Winner for Progression
and Innovation

(1) Includes WG R&D Facility and Demo Center in Northern Spain

HOW FAR WE HAVE COME

If completed as planned, Surfworks will be open to the public in just 6-years after the land agreement was reached. Comparable projects worldwide have taken an average of 7-years to complete. Throughout the process, Surfworks has navigated through some very tough times, including a pandemic, soaring inflation, interest rate hikes, and economic tightening.

