

OUTLOOK 2030

# Full circle boating



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BOAT CLUB





## Our view of the future

The boat business is in a time window and must change For the best of everyone. For the boaters, the industry and the environment.

A lot has happened between 2010 and 2020 but this is nothing compared to what needs to happen in the next ten years. The UN 2030 Climate goals framework is penetrating nations, businesses and investments. We are in a decade where we will see great and bold business changes. Boating is no exception.

In 2030 the sector will offer more to existing boaters and open up possibilities for new boaters never seen before. Boating in 2030 will have grown to more users in more places but also reduced its carbon footprint by 90%. Boating will change. Because all investments are taking a more sustainable direction, and simply because it has to.

## Full circle boating

Agapi is founded on deep love of boating as a lifestyle and care for environment with a commitment to deliver the latest and best of boating to likeminded people. We choose our boat suppliers carefully with special focus on performance and design to match our members' demands. We offer premium brands and marine lifestyle products in an affordable and hassle-free way, thus making it accessible to more people than ever before.

Full circle boating means access to all the boating you need in a sustainable way. Full circle boating is redefining boating towards the demands of modern consumers. To get more and pay less. Full circle boating is precisely that. It is more boating, less hassle, more premium products, more care for the environment delivered in a membership that gives you all the boating you need for less cost.

Agapi's concept is currently unique on the global boating market. We have Agapi Boat Club Centres in several exclusive harbours with a proven track record. We add satellite harbors to open up new markets, allowing franchise partners to grow organically. Our full circle boating concept introduces new revenue streams to our partners' core business and it is an agile tool for driving consumer relationship and boating market evolution.



# The world around us

## Our strategic compass

### → GLOBAL MACRO TRENDS

- 1 SUSTAINABILITY PUSHES ELECTRIFICATION**  
The changes in consumer patterns accelerated by the insights from the Covid-19 pandemic in combination with the extreme weather events during 2021, have put sustainability on top of the world's agenda. This has in turned contributed to the global acceleration of electrification of all means of transport.
- 2 STRONG EXPANSION OF SHARING ECONOMY MODELS**  
Sharing economy models, enabled by digitalisation is fueling an increased number of start-ups. Businesses span from simple sharing of garden tools to advanced private jet set-ups. These business models not only offer more value for money, but they are fundamentally more sustainable.
- 3 STAYCATION AND HYBRID WORKING SET-UPS**  
Cottage holidays and domestic tourism have provided a positive boost to the boating industry. People are exploring and rediscovering their lakes, coasts and waterways. In addition, the acceleration of remote working has reshaped our way of living where flexible working and second-homes brought along an incresead demand of services in new locations.

### → INDUSTRY TRENDS

- 1 BOAT MARKET IS GROWING**  
Industry analysts seem to agree that the forecasted CAGR of the leisure boat market will vary between 5% up to 11% in the coming five years. These percentages have been further adjusted upwards due to the impact of Covid-19 where the effect of staycation and restricted international travel have clearly given boating a boost.
- 2 ELECTRIFICATION IN BOATING IS BECOMING A BUZZ**  
Even though most of the larger players in the boat business agree that the shift from fossil fuel engines to electrical ones will take a long time, the public interest and media coverage for electrical propulsion on the water is huge and growing fast. Everyone seems to agree on the end game but the pace of the shift is the million dollar question. Regardless of this, electrical propulsion is a fact and the current development of Swedish boat brands such as Candela and XShore are creating a lot of waves internationally.
- 3 BOAT CLUBS ARE HERE TO STAY**  
Many of the boat giants have been talking about sharing economy models and boat clubs five years ago. Today, they are actively testing and implementing their own concepts or aquiring smaller boat clubs. The best example of this is Brunswick who acquired Freedom Boat Club for 70 MUSD in 2019 and is now buying local boat clubs across Europe to secure market presence. The differences between the various club concepts is quite big even though they are based on the same basic principles of sharing economy.
- 4 TECHNOLOGY SHIFTS FASTER AND AGING BOAT BUYERS**  
As seen in other industries, the technological development is progressing very fast making new products obsolete much quicker. This development is also making the products last longer but at a higher price. This dynamic drives cost up and given the relatively low production numbers for most boat manufacturers, it creates even bigger obstacles for traditional purchase. This is one of the reasons why the average age for a boat buyer in the US has gone up from 45 years to 55 between 2006-2020.





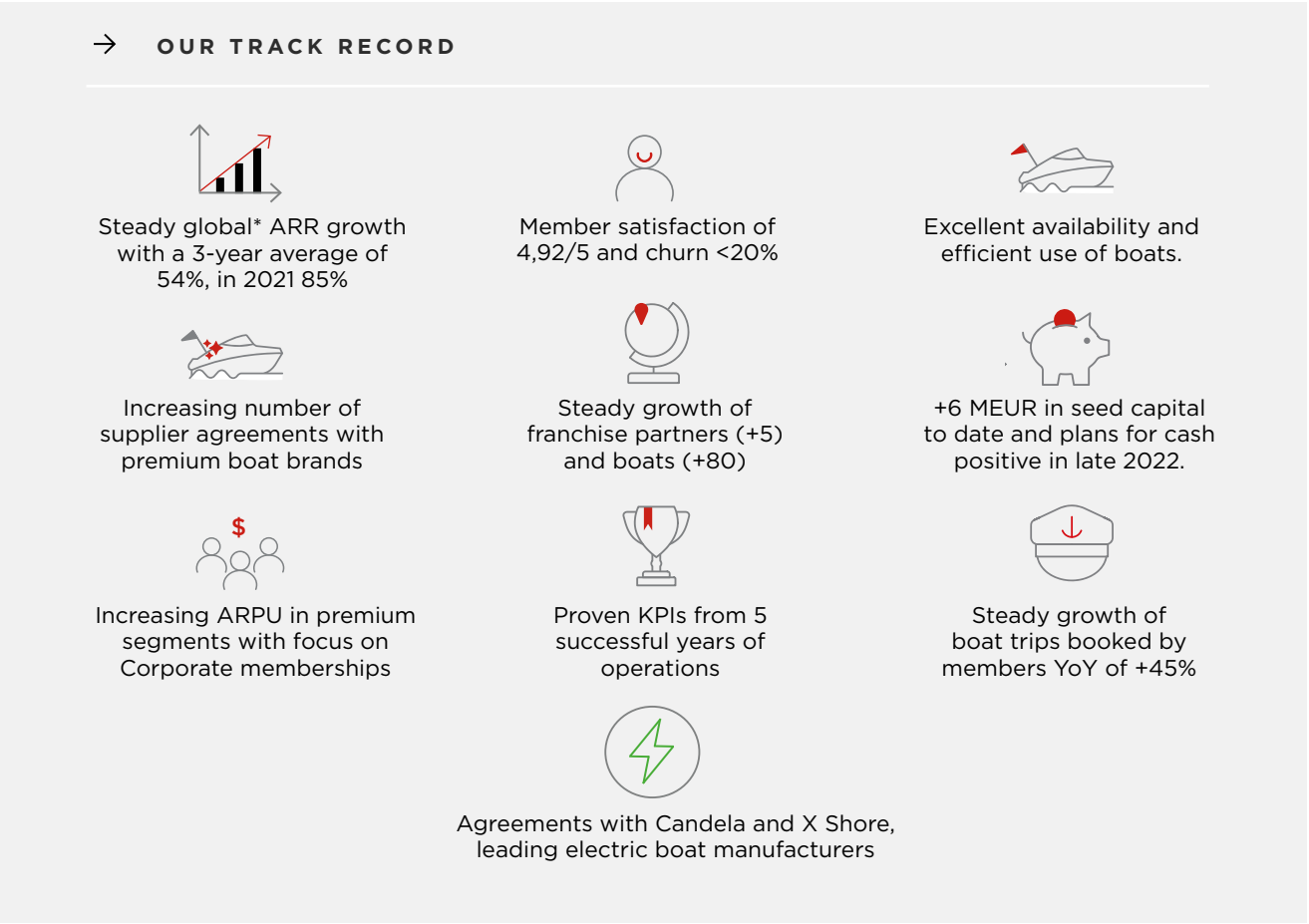
# Rebooting boating

The global economy is reaching the end of the era of “ownership” and new disruptive companies are driving the rise of “usership”. Not only does ownership of high-end assets fail to scale, but it also just doesn’t make economic sense. Membership services are a smarter way to use our planet’s finite resources.

**Subscription business models** are based on the idea of selling a service to receive a stable and growing recurring subscription revenue. There is a focus on member retention over customer acquisition and it’s a model where constant innovation and relationship building shifts the focus to experiencing and enjoying over the obligations associated with ownership.

**Agapi Boat Club** is conceived as the new way of boating, building on the same positive feeling of having your own boat, but doing it in a way that is better, smarter and kinder to the environment. It is a business model based on the sharing economy boasting one of the strongest strategies to enable long term sustainability which is more important than ever before. This is the course we have been charting since 2017.

**Membership boating** enables superior cost advantages and widens the customer base compared to traditional boating. Agapi is expanding the market by making boating easily accessible for more people and thus growing the business for the entire boating sector.



KEY PERFORMANCE INDICATORS	2019	2020	2021
ARR growth	65%	14%	58%
Member net growth	43%	54%	71%
Boat trips growth	29%	65%	18%
Churn	20%	25%	20%
Member satisfaction (out of 5)	4.923	4.924	4.921

## Our purpose

Make premium boating of the few, accessible for the many.

## Our wanted position 2030

Agapi is the leading provider of accessible, sustainable, personalised premium boating and the preferred partner for leading boat brands and harbours.





# Sustainability at heart

To transform boating into a more sustainable industry long term is one of Agapi's core missions, and we do this by looking at the entire ecosystem, starting from the modern boater, boat manufacturers, the marinas and the environment.

Consumers are increasingly attracted by companies that put sustainability high on their agendas and the new generations demand to work for environmentally and socially responsible companies.

By combining our sharing concept for premium boating with the introduction of e-power boats, Agapi is driving the disruption and accelerating a sustainable business model in the boat market.



## → MORE BOATING LESS ENVIRONMENTAL IMPACT

Our ambition is to accelerate the transition to a more sustainable boating by encouraging a change in behaviour. We do this by analysing member usage data, optimising our fleet and the type of boats in each market, establishing satellite harbours and expanding of our fleet with E-power boats. Our strategy is based on four key pillars:

- 1 Subscription boating**  
Apart from offering total freedom to customers, a business model based on subscription economy is one of the strongest strategies for long term sustainability.
- 2 Electrical boats**  
Agapi mirrors the technology development of electrification in boating. We launched our first electrical boat in 2020 and will continue to expand our fleet.
- 3 A boat for every need**  
Our versatile fleet offers our members the possibility to choose the boat that best fits their outing, and thus reducing the environmental impact of each boat trip.
- 4 Satellite harbours**  
Our members enjoy an unprecedented freedom of choice. Agapi's strategically spread harbours helps save unnecessary travel distance and fuel consumption.



# The foundation for success

## Our cornerstones

### OUR CONCEPT - PREMIUM BOATING OF THE FEW, ACCESSIBLE FOR THE MANY

The Agapi Boat Club concept is quite unique. It mirrors modern premium boating but without any of the restrictions or obligations from traditional ownership. Fueled by the energy released of a sharing platform (not only the physical assets, but also our e-learning platform and partner eco-system), the upsides are vast:

- Choose a boat for your specific need. Agapi offers a fleet consisting of multiple premium brands in various models and sizes. New boats and technology every year.
- Unlimited boating all year round, for a few hours, a day or weeks.
- Wherever you want. In your home waters, at your second home or on vacation at any of our attractive harbours worldwide.
- And on top of this, no hassle, no maintenance duties and no financial risk.
- Customised memberships that fit your needs and budget including options of investing in the fleet or choosing to own your own Club boat.
- Community and partner ecosystem benefits with access to Agapi Routes for easy navigation, Agapi Academy for accelerated learning and Agapi Events for networking.

### OUR CULTURE

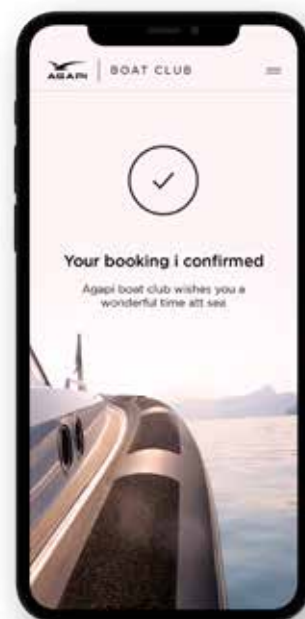
One of the key requirements to build a premium boating service with a growing fleet of exclusive boats, is to build a strong Club culture based on respect and responsibility where each member treats the boats as if they were their own. These core values must be shared by all parties including our staff, our franchise partners and all our members. The continued nurturing of a strong Club culture is one of our four corner-stones.

### IT PLATFORM

Agapi has developed an IT platform to enable the new way of boating. Every member enjoys access to our booking system and our task is to ensure and provide a smooth administration and operation of the Club. We continuously evolve our platform through input received directly from our own user data and from our members' feedback. Our platform enables us to be at the forefront of unique and an unprecedented collection of usage data and analytics in boating.

Our IT system contains a comprehensive member UX, admin UX and inter-company billing and is integrated to our Sales and Marketing platforms. Agapi's IT platform is further designed to support our franchise partners to develop their business and provides seamless integration within the Agapi Boat Club community. It allows for both an efficient management and operation of our fleet as well as our members' the complete lifecycle.

Included in our scope is also the IoT-development of integrating the boats to the booking platform as part of our digital ecosystem.



### CAREFULLY SELECTED BOATS

Back in 2006, we decided to build our own Agapi brand and series of boats as we could not find anything in the market that fit our expectations. The result were international awarded boats for their versatility, modern design and superior performance with relatively low fuel consumption. This heritage has put the ground for the current boat strategy were selected premium boat brands, acknowledged for similar qualities, are carefully selected and included in our fleet. Agapi Boat Club focuses on criteria as performance, premium and a modern and versatile design in different segments and sizes.

Today the Club uses global leading brands such as Candela, Anytec, Saxdor, Nimbus, De Antonio Yachts, and the T-series of Finnmaster, and of course our own Agapi boats. We pursue a strategy where most boats are supplied by us to our Franchise partners benefiting from our supply agreements directly with the boat brands or supplied locally through normal dealerships.

### SCALABILITY

The biggest growth of Agapi Boat Club will be through a comprehensive franchise set-up where local partners, large or small, tap into our complete and scalable ecosystem. A special on-boarding process enables new partners to quickly get started and grow their business. Either as a green field start-up or, as for many dealers and boat rentals, an attractive add-on to their existing business.





# Data driven

The data that we collect from each boat trip contains information from both the boats and member usage patterns. Our data mining covers the input from three yearly reports that Agapi produces, 1) a report on each boat model of the fleet, 2) Agapi's member satisfaction survey, and 3) a comprehensive report on our Club's overall operational statistics.

The collected information and Agapi's data analytics are therefore of high value for our boat partners and constitute the backbone of our strategy and a continued agile development of our business where quick actions between learning and implementation are a must. Here some highlights from 2021 confirming Agapi's strategic direction.

## LOW CHURN AND HIGH MEMBER SATISFACTION

A high member satisfaction rate of +4,92 (out of 5) during the past five years with over 9.000 trips, our churn, a key KPI for any subscription business model, is below 20% concluding that +80% of our members will renew their membership.

## REMARKABLE AVAILABILITY AND HIGH USAGE OF BOATS

During 2021, the statistical boat availability was close to 99%. This, combined with an average usage of up to 150 hours/season/boat, confirms our assumption that once the volume of boats increases, the average # of members/boat could exceed 8 while keeping great availability.

### → SOME OPERATIONAL DATA FROM 2021

99%

Availability

150h

Engine use

0

Engine failure  
74 boats

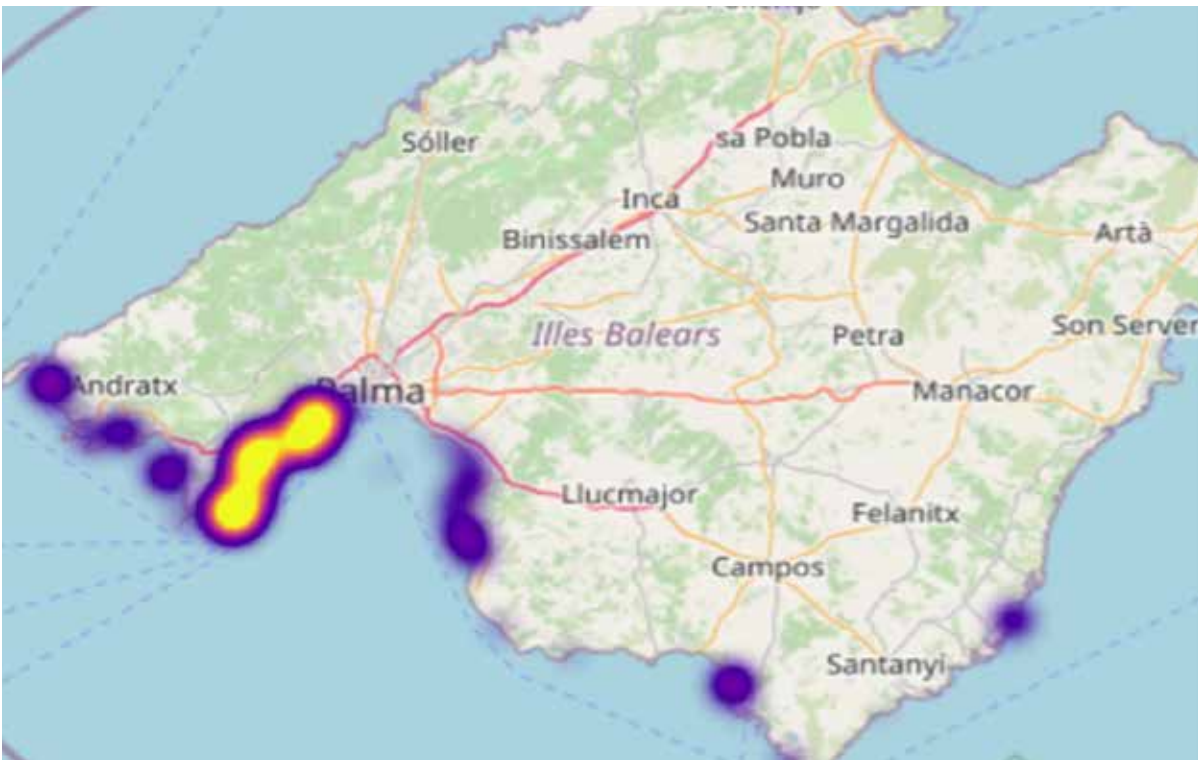
3200

Boat trips

4,78

Cleaning index  
Out of 5

Mallorca Heatmap 2021





## By 2030

We believe the world view on sustainable solutions has changed so that Boating as a Service will become the new norm.

Most of the trips will be done with electric boats.

Agapi has the track record, the expertise, and the passion to continue to lead and challenge the boating industry into a new paradigm.

## Changing the game

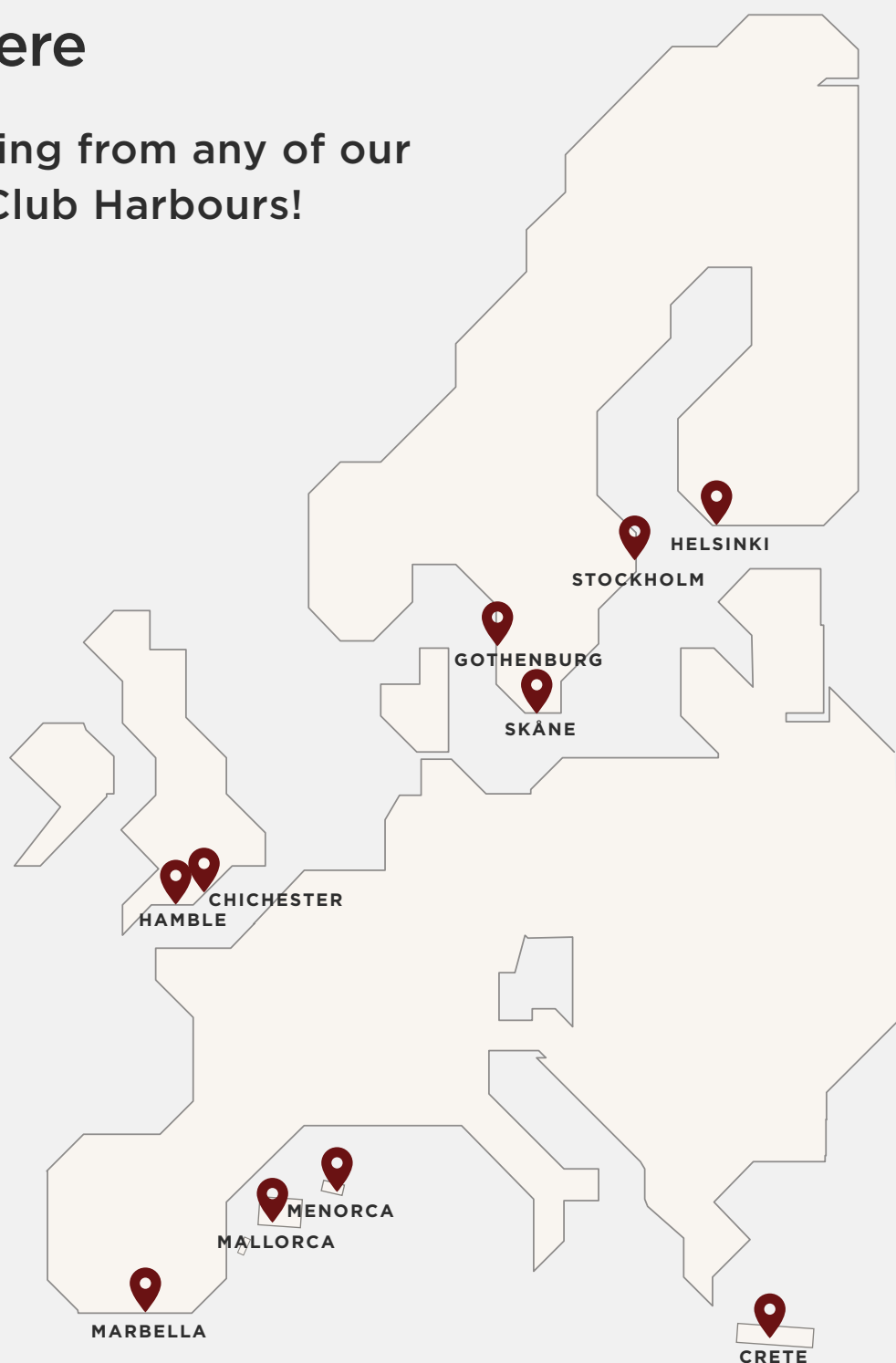
We have strong indications that Agapi is currently the most advanced and proven concept of premium membership boating. We are confident that we play an important role in the switch towards making boating a more sustainable leisure activity and we welcome you to join our quest.

To the industry, it's disruption. To our members, it's smooth sailing.



# Find us here

And go boating from any of our  
Agapi Boat Club Harbours!



[agapiboatclub.com](http://agapiboatclub.com)

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