Investing in Whisky Casks

with Splint Invest

Risk Category
Low-moderate

Average Return
8.5%

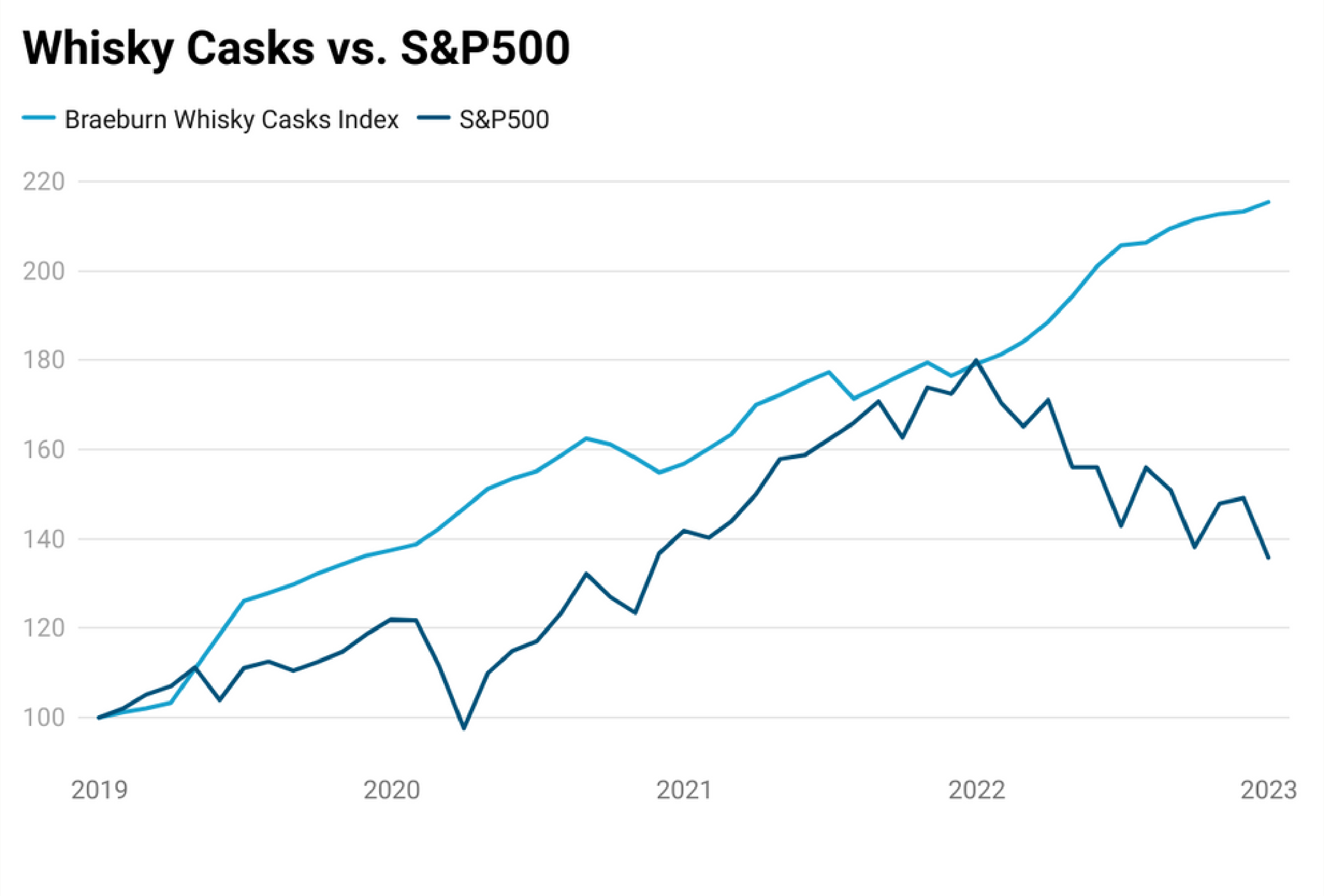
Investment Horizon
4-11 years

Whisky Casks as Investment

The whisky cask market presents a significant entry barrier owing to factors such as the minimum investment requirement, exclusivity, and a relatively insular community.

Cash holds paramount importance for businesses, including distilleries. Upon producing a whisky cask, it must undergo a minimum 3-year aging process to attain the status of Scotch, resulting in incurred expenses for ingredients, equipment, payroll, and overhead. To offset these costs, distilleries often opt to sell their casks to investors instead of holding onto them for potential future profits, prioritizing the sustainability of their operations.

Distilleries require both time and capital to facilitate the proper maturation of casks, presenting an ideal opportunity for patient investors.



The development of Whisky Cask market data compared to the performance of S&P 500

Historical performance

Over the past 4 years, whisky casks have generated an average return of over 22% per annum.[1]

Limited supply

With demand increasing, the number of casks on the market decreases each time a cask is bottled and sold to consumers.

Provenance

Every cask of Scotch whisky must be held in a government bonded warehouse and carefully tracked from the time it is distilled, leaving it impossible to forge or fake.

[1] Braeburn Whisky

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Market Overview

Market Size

The global Whisky market was estimated at USD 79.6 billion in 2022 and is expected to reach USD 108.97 billion by 2025.[1]

Key Countries

Scotland, USA, Japan with Scotland producing more than a half of the global output.[2]

Emerging Countries

Ireland, Canada

Capital Growth Rate for Casks

The market for whisky casks observed average projected growth of 14.95% in 2022, representing a 1.69% increase from 2021. [3]

Value Increase

Value of Rare Whisky bottles, which are the ultimate product of Whisky Casks, has increased by 373% in the last decade.

Key Brands

Macallan, Bowmore, Balvenie, Yamazaki, Midleton

1 Statista: Size of the whiskey market worldwide from 2012 to 2025
2 The Japanese Bar: Top whisky producing countries
3 Braeburn Whisky

Risk Considerations

Damaged cask

The handling and storage of the whisky casks are crucial in maintaining their fundamental value. However in case of unforeseen events such as human errors, a fire or natural disasters, the casks can be damaged or destroyed.

Aging

The cask should be continuously monitored throughout the ageing process . The aim is to control the alcohol evaporation (ABV levels) and the right timing to bottle the whisky. Risks associated are too low ABV (below 40% is not considered a whisky), too short or too long maturity.

Market conditions

Following a set of due diligence and market research, investment grade assets are identifiable. Nevertheless, the paying the right price for the asset is a challenge and therefore poses a risk of acquiring the asset at a price premium.

Investment case

As it is with physical assets, fees and taxes apply. The higher the value of the asset, the higher these costs are. Hence when purchasing, the potential income should exceed such costs for the invesment to be valid.

Investing with Splint Invest

Diversification

With Splint Invest, you can easily diversify your portfolio, therefore reducing your risk by investing in the 12 already available asset categories with numerous exciting assets on the platform.

Verified Investment Case

Every potential investment case goes through an extensive due diligence process and is validated by our experienced team.

Proven Track Record

The whisky casks are sourced from our trusted partners with high market expertise and a proven track record for whisky cask investments.

Security

The assets are securely stored and insured in freeports and vaults.

Performance of our Assets

Best performing asset

Staoisha and Tobermory Casks
Annualised performance: **10.9%**

Asset category performance

Annualised performance: **8.5%**

Average value increase

On average, 1,000€ invested 8 years ago would be worth 1,920€ today.

Collaborators

Mario von Bergen

Co-Founder

Head of Investments

The forecasted estimates are based on past performance data. Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, or product made reference to directly or indirectly in this factsheet, will be profitable, equal any corresponding indicated performance level, or be suitable for your portfolio. Due to various factors, including changing market conditions, the content may no longer be reflective of current opinions or positions.

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