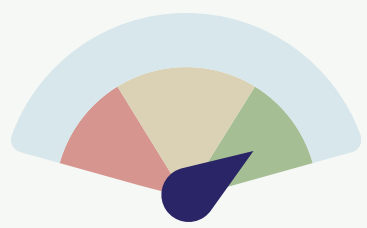


Investing in Luxury Cars

with

 Splint Invest



Risk Category
Moderate-high



Average Return
15%



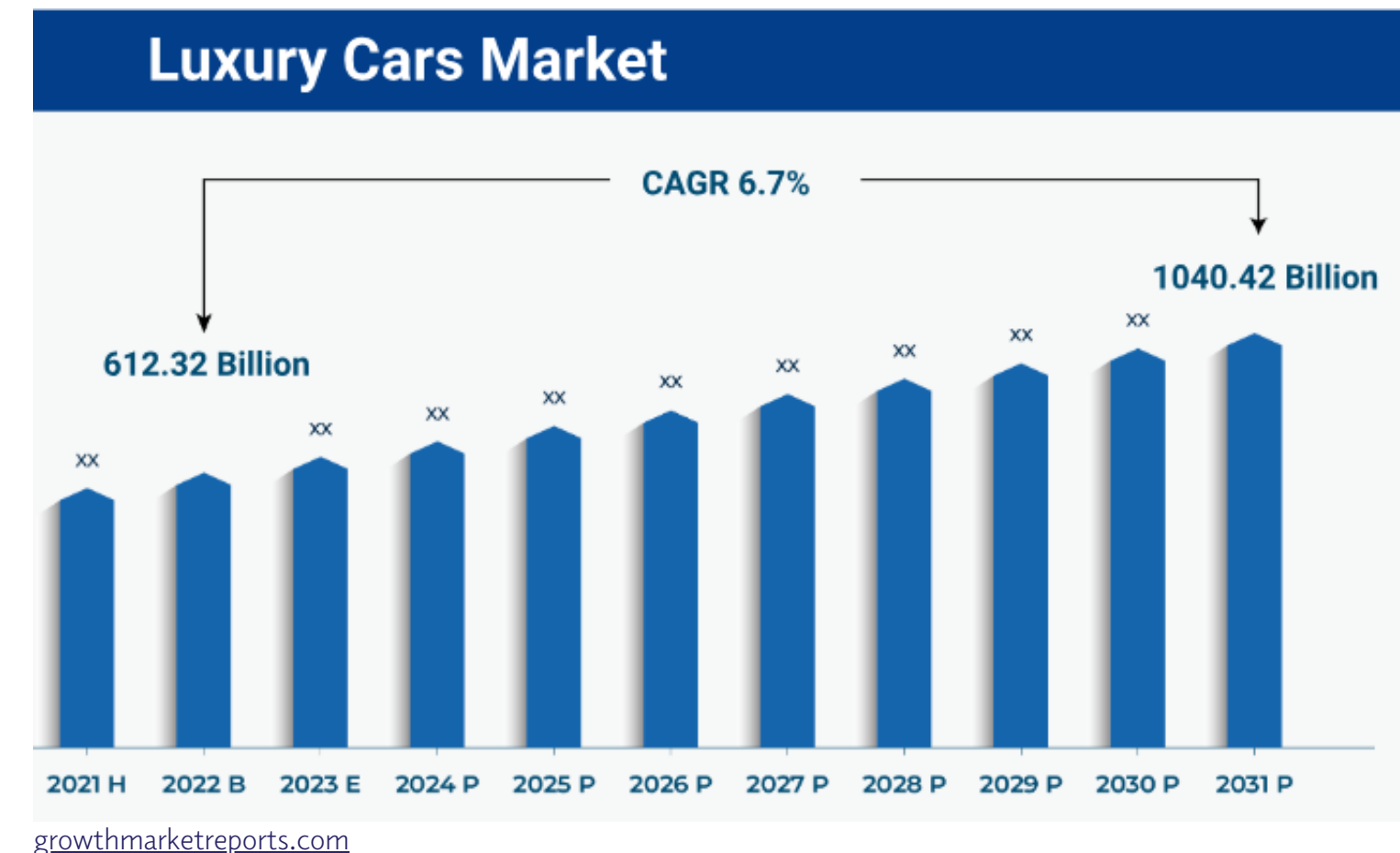
Investment Horizon
2-11 years



Classic Cars as Investment

Classic cars offer an effective means of diversifying a portfolio, evident from 38% of ultra-high-net-worth (HNWs) having at least one classic car in their holdings. The Knight Frank 2024 index reveals that classic cars have experienced a 82% increase in value over the past decade.

The Knight Frank Luxury Investment Index fell by 1% during the year, dragged down by the drop in classic car values (-6%). Despite this, classic car guru Dietrich Hatlapa remains optimistic. "The value of the HAGI Top index rose by 22% in 2022, so a 6% drop is not that bad," he says, noting that the good performance of other investment classes, such as stocks, may have dampened collectors' appetite. "It's a very small market, so it only takes a minor shift in portfolio allocations to have an effect, and there has probably also been some degree of profit-taking." But it wasn't all one-way traffic, he points out. Some brands like BMW (+9%) and Lamborghini (+18%), which attract a younger generation of collectors, bucked the trend in 2023.



Growing collector base

CAGR of 6.7% from 2022 to 2031¹



Rarity

In the past, only a small number of these highly sought-after cars were produced. For instance, just 1,400 units of the iconic 300SL Gullwing were manufactured.



Market Growth

The global luxury cars market size was USD 612.32 Bn in 2022 and is likely to reach USD 1040.42 Bn by 2031.¹

Market Overview

Market Size

The global luxury cars market size was USD 612.32 Bn in 2022 and is likely to reach USD 1040.42 Bn by 2031, the market growth is attributed to the increasing demand for high-performance cars.¹

Key Brands

Ferrari, Mercedes-Benz, Porsche, Rolls-Royce, Jaguar

Key Models

Ferrari GTO, McLaren F1, Ferrari F40 + F50, Jaguar E-Type, Mercedes 300 SL

Market Growth

The global luxury car market is estimated to grow around 6% annually over the next few years.

Key Marketplaces

The Classic Cars Market is very closed and secretive. Many sales still take place privately and behind closed doors. Other sales channels are auctions and dealers.

Key trends

Cars from the 1980s and newer are currently in high demand. The individuals who admired these cars on posters in their youth now have the financial means and are eager to spend substantial amounts due to nostalgic feelings.



Risk Considerations



Originality

For a car to hold its investment value, it must have factory-original parts. Even the paint color should match the original one it had when delivered. Verifying the authenticity of all parts can be challenging, which introduces the risk of inaccurate appraisals.

High maintenance cost

Vintage and rare automobiles require exceptional maintenance to remain in top condition. Replacement parts are costly and hard to source, and the repairs must be handled by a certified mechanic, which can be expensive.

Market conditions

After conducting thorough due diligence and market research, investment-grade assets can be identified. However, determining the appropriate price for the asset remains a challenge, presenting the risk of purchasing the asset at a premium.

Investment Case

Just like with physical assets, there are fees and taxes that need to be considered. These costs increase with the value of the asset. Therefore, to make the investment worthwhile, the expected income should surpass these expenses.

Investing with Splint Invest

Diversification

With Splint Invest, you can easily diversify your portfolio, therefore reducing your risk by investing in the 20 already available asset categories with numerous exciting assets on the platform.

Investment Case

Every potential investment case goes through an extensive due diligence process and is validated by our experienced team. Due to the limited historical data we work together with experts to validate the investment cases.

Proven Track Record

We collaborate and partner with experts from the car industry to select assets from historically well performing manufacturers.

Security

Our assets are securely stored and insured in freeports, vaults or stay with the mechanics.



Performance of our Assets



Best performing asset

Ferrari 328GTS, 1988

Annualised performance: **21%**



Asset category performance

Annualised performance: **15%**



Average value increase

On average, 1,000 € invested 8 years ago would be worth 2,992 € 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.

For further information contact us at info@splintinvest.com