

Krug, Rosé & Champagne Portfolio

- **Return Potential** : An investment of 500 EUR is projected to be worth approximately 960 EUR in 7 years.
- **Cost-to-Return Ratio** : With just 3% annual total costs (including exit fees), your net profit could be 9.8% per year.
- **Champagne Drought** : A price increase is anticipated due to declining harvest yields and stock levels over several years, a situation that will worsen as premium houses age Champagne for 8 to 10 years before releasing it to the market, amplifying the impact of the reduced production of the past 8 years.

 **Splint Invest**



Factsheet - General



Origin, Region	Champagne, France
Name	Krug
Type	Rosé & Champagne
Grape	Champagne Blend
Vintage	Rosé: 26ème 2014, Champagne 170: 2014, Champagne Vintage: 1998
Quantity	Rosé: 26ème 12 bottles, 170: 24 bottles, Vintage: 3 bottles
Bottle Size	Rosé: 26ème 750ml, 170: 750ml, Vintage: 3,000ml
Price per Bottle (excl. external costs and platform fees)	Rosé: 26ème 265€, 170: 165€, Vintage: 2,950€
Rating	Each 95 Robert Parker
Investment Horizon	5 to 7 years
Asset ID	74010d65-6962-4c1f-98e7-0c1aeb763a53

Cost Analysis

	Value in €
Asset Value	16,000 €
Platform Fee Splint Invest	1,200 €
External Maintenance Cost	1,400 €
Price	18,600 €
Number of Splints	372
Price per Splint	50 €

- The price of 18,600 € includes the Splint Invest platform fee and external maintenance costs of 2,600 €. 16,000 € can be allocated to the bottles.
- Splint Invest will charge an exit fee of 2 % applied to the proceeds from the sale of the asset.
- Each Splint holder bears a proportional part of the costs.

Rating



Return

The last **ten releases** from the house of **Krug** have provided investors with an average annual value increase of **17.9% over the past 2 years**.

The **Liv-Ex Champagne 50 Index** has gained **70%** in value over **the last 5 years**, highlighting the overall appreciation of champagne.



Stability

Although champagne prices have slightly **declined in 2023**, further price increases are anticipated. This is due to the fact that the **production volume will still not be able to meet the high demand in the future**.

Krug's **production volume** amounts to **600,000 bottles annually**, while Dom Pérignon produces 2 million bottles.



Track Record

Krug is a prestigious champagne house based in Reims, France. Founded in **1843** by Joseph Krug, it boasts a long and significant history in the production of high-quality premium champagnes.

Krug is renowned for its **commitment to craftsmanship**, attention to detail, and dedication to crafting exceptional champagne using traditional methods.

Investment Horizon of 5 to 7 Years

Forecast per Splint in €	5 years	6 years	7 years
Ambitious	105	129	157
Balanced	76	86	98
Defensiv	55	56	57

- Investment horizon has been set to 5 to 7 years.
- Unlike some other vintage champagnes, Krug is continuously consumed, which leads to an early scarcity. The production volume will not be able to meet the high demand in the future as well. Therefore, medium-term price increases are expected.
- If one of the following two conditions is met, the sale of the asset is considered:
 - End of the defined investment horizon has been reached.
 - Ambitious case already occurs before the end investment horizon.

Your Return Potential

	Value in € defensive	Value in € balanced	Value in € ambitious
Expected gross sales proceeds at maximum maturity	21,204 €	36,456 €	58,404 €
- Splint selling fees of 2%	-424 €	-729 €	-1,168 €
- External maintenance cost over investment horizon	-1,400 €	-1,400 €	-1,400 €
- Splint Invest platform fee	-1,200 €	-1,200 €	-1,200 €
- Asset value at acquisition	-16,000 €	-16,000 €	-16,000 €
Expected return at maximum maturity	2,180 €	17,127 €	38,636 €
Average annual rate of return	1.6%	9.8%	17.4%

Details to weighted calculation of the average annual rate of return:	Defensive Scenario	Balanced Scenario	Ambitious Scenario
Base value 1 with a 80% weighting	12 month inflation rate Switzerland (1.7 %)	Annualised return of the last 10 vintages over the last 2 years (liv-ex) (+17.9%)	Annualised return of the 1995 vintages over the last 2 years (liv-ex) (+26.1%)
Base value 2 with a 20% weighting		Annualised return of the 1990 vintage over the last 2 years (liv-ex) (-1%)	Annualised return of the 1990 vintage over the last 2 years (liv-ex) (-1%)

Why you should invest

- 95 Robert Parker points for the bottles in the portfolio.
- Annual appreciation of +17.9% over the last 2 years.
- Annual appreciation of +14.2% over the last 5 years.



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