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H1 2023 Highlights

Summer 2023



Market Highlights

Overview

The SPAC market experienced a 76% decline in IPOs in the first half of 2023 (H1 2023) compared to the first half of 2022 (H1 2022) and a record number of liquidations during the period. The average gross IPO proceeds fell from about \$172 million in H1 2022 to \$118 million in H1 2023. Additionally, 123 liquidations occurred in H1 2023, compared to only seven in H1 2022. The average redemption rate also increased during the period.

SPACs are facing many challenges, including disappointing performance by newly de-SPACed companies, SEC scrutiny, an uncertain economic outlook, and rising interest rates. As of June 30, 2023 there are about 219 SPACs searching for targets.

17

IPOs, totaling over \$2 billion in gross public proceeds

89

As of June 30, 2023, 89 de-SPAC transactions were announced but not yet completed, representing over \$19 billion in IPO proceeds

>\$33b

There are about \$33 billion of total enterprise value in 38 completed de-SPAC transactions

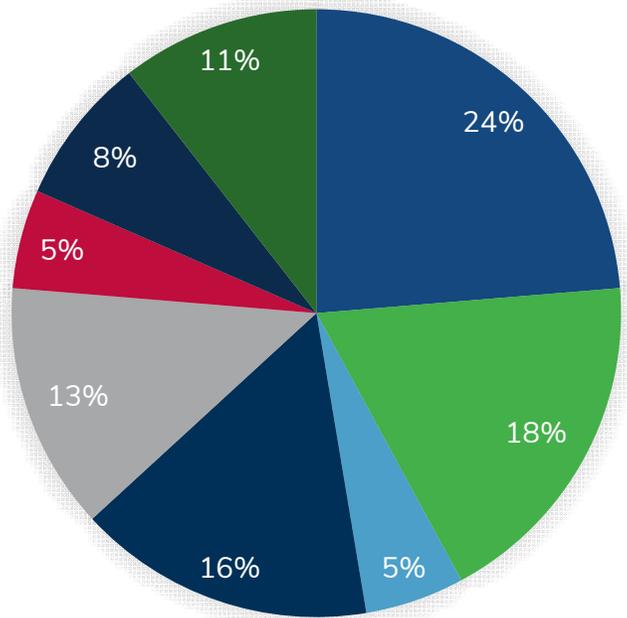
219

219 SPACs active and seeking targets as of June 30, 2023

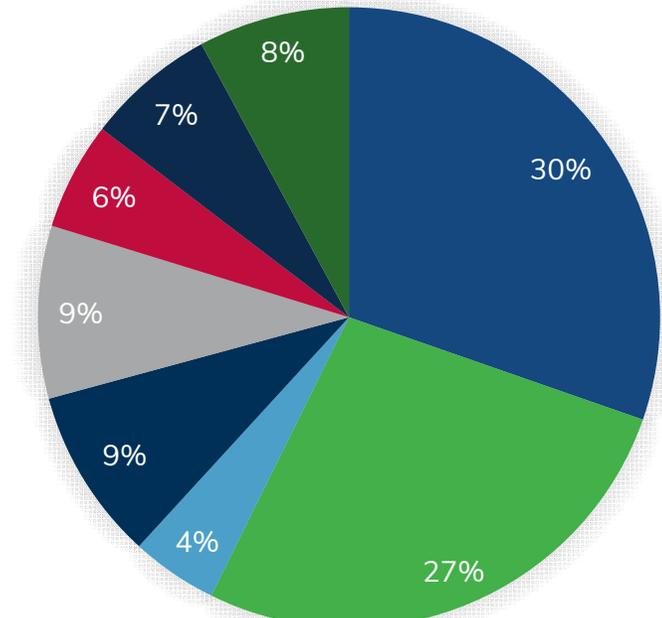
Source: SPAC insider as of 6/30/2023. Data source primarily tracks securities trading on the NYSE and NASDAQ exchange

Select H1 2023 Transaction Activity

Completed Transactions



Pending Transactions



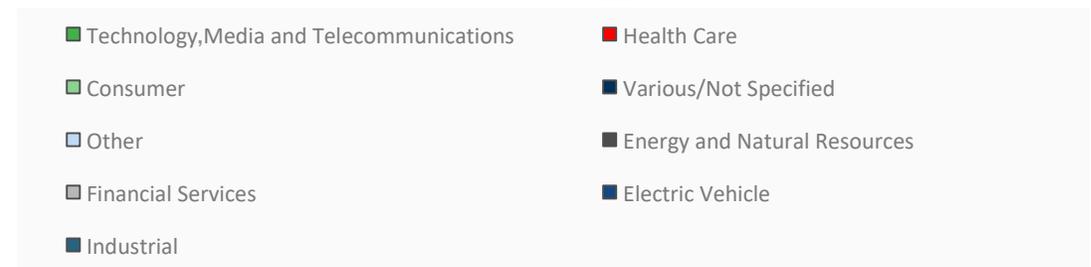
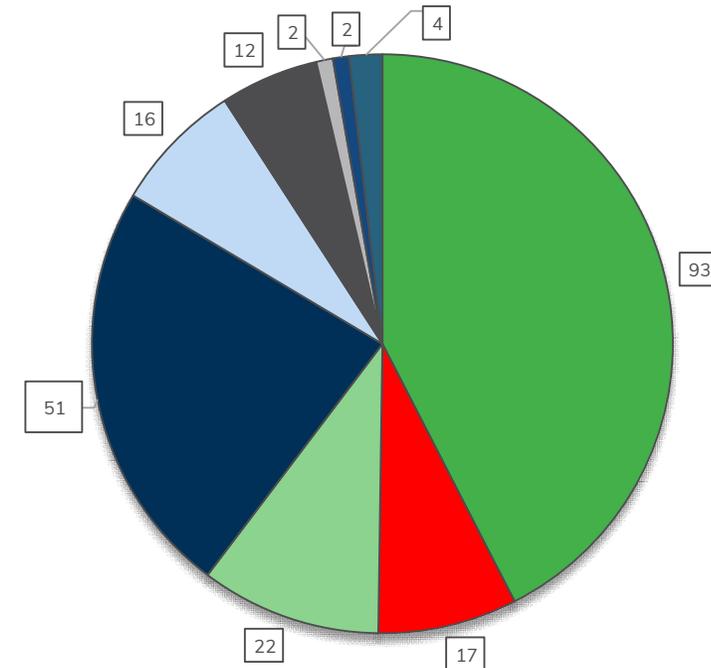
- Technology Media and Telecommunications
- Health Care
- Consumer
- Other
- Energy and Natural Resources
- Financial Services
- Electric Vehicle
- Industrial

Source: SPAC insider as of 6/30/2023. Data source primarily tracks securities trading on the NYSE and NASDAQ exchange

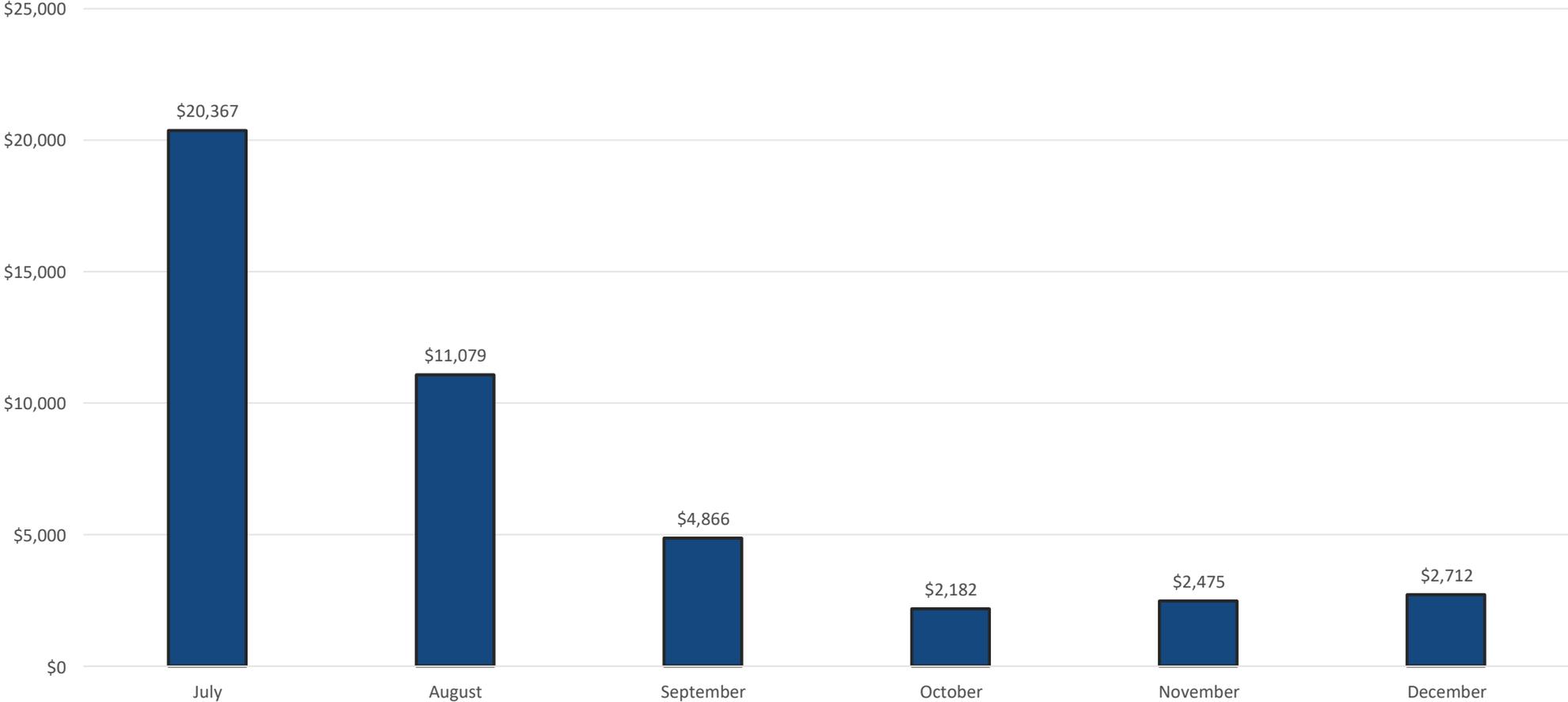
Liquidations

- As of June 30, 2023, 186 of the SPACs searching for targets are set to expire in 2023. Just in the month of July, 88 SPACs, representing approximately \$20 billion cash in trust, are obligated to complete mergers or liquidate.
- Looming expiration dates are putting pressure on blank check companies to complete business combinations. As of June 30, 2023, 123 SPACs with more than \$35 billion cash in trust have already liquidated in 2023, compared to only seven liquidations for the same period last year.
- Most of the liquidations in H1 2023 were SPACs seeking targets in the technology, media and telecommunications (TMT) industry. There are still 93 TMT-focused SPACs with more than \$20 billion cash in trust that are looking to complete a merger.

Number of SPACs Searching for Targets by Industry*



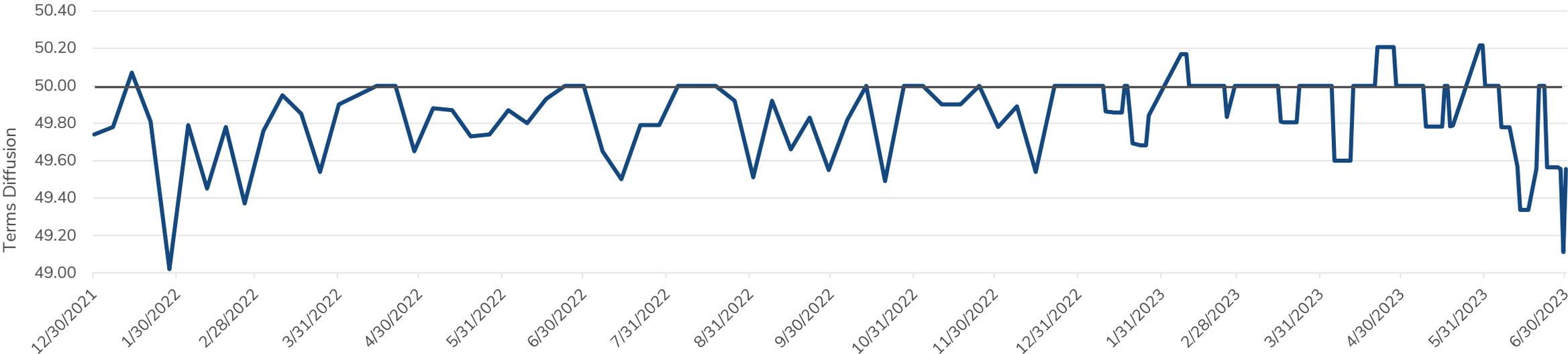
SPACs Seeking Targets: Total Cash in Trust by Upcoming Expiration 2023 (millions)



Source: SPAC insider as of 6/30/2023. Data source primarily tracks securities trading on the NYSE and NASDAQ exchange

SPAC Terms Tightening

- The tracker follows SPACs on file to IPO, from the first S-1 to the prospectus. Each SPAC's offering amount, warrants & rights in the unit, duration of the trust (in months), and the trust's funding percentage is tallied. Downsizing, more dilutive securities, additions to the trust, and shortening duration are all negative changes. The reverse logic indicates positive changes.
- The diffusion oscillates around 50.0 as it assigns a 1.0 value to all positive changes, a 0.5 value to "no changes," and a 0.0 value to negative changes. Readings above 50.0 indicate SPAC terms are loosening, while a reading below 50.0 signals tightening.



Source: SPAC insider as of 6/30/2023. Data source primarily tracks securities trading on the NYSE and NASDAQ exchange

YTD 2023 League Tables

IPO Underwriters

Name	No. of Deals	Bookrunner Volume (\$ mn)
UBS	1	\$500.0
Citigroup	1	\$500.0
Cantor Fitzgerald	2	\$365.0
EF Hutton	4	\$284.2
I-Bankers Securities	2	\$184.0
IB Capital	2	\$184.0
BTIG	1	\$143.8
Ladenburg Thalmann	2	\$138.0
Credit Suisse	1	\$138.0
Maxim Group	2	\$129.0

IPO Legal Advisors

Name	No. of Deals	Total Deal Volume (\$ mn)
Kirkland & Ellis	5	\$942.8
Ropes & Gray	1	\$500.0
Ellenoff Grossman & Schole	3	\$434.0
Shearman & Sterling	2	\$253.0
White & Case	1	\$250.0
Proskauer Rose	1	\$143.8
Paul Hastings	1	\$138.0
Loeb & Loeb	2	\$129.0
Sichenzia Ross Fercence	2	\$115.0
Nelson Mullins Riley & Scarborough	1	\$115.0

De-SPAC Financial Advisors

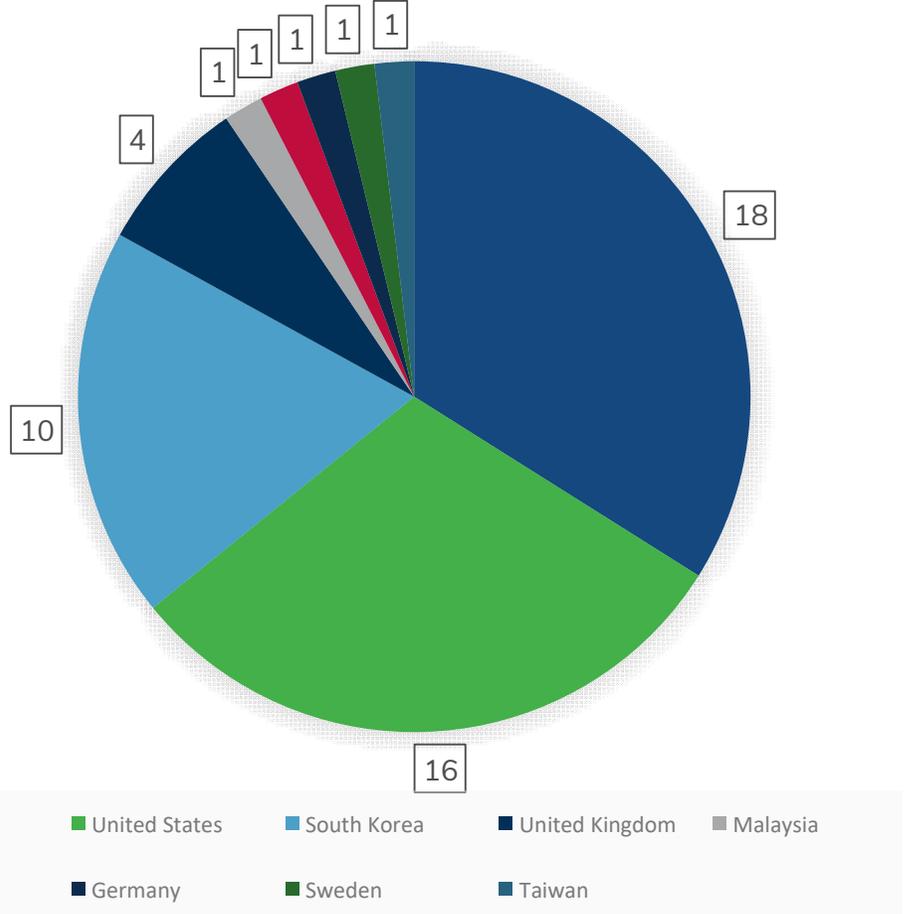
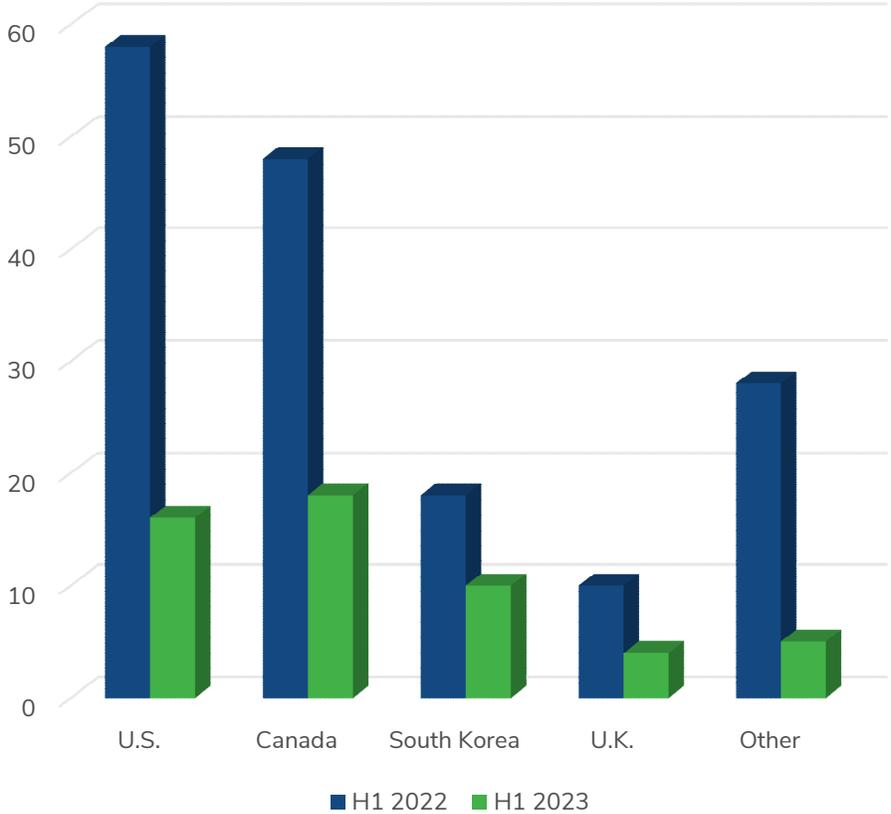
Name	No. of Deals	Total Deal Value (\$ mn)
China Renaissance Securities	1	\$4,081.4
Lazard	1	\$3,547.0
Barclays	2	\$3,274.0
Oppenheimer Holdings	3	\$2,467.0
Bank of America	3	\$1,968.0
Evercore	1	\$1,815.0
Credit Suisse	2	\$1,677.0
I-Bankers Securities	1	\$1,600.0
Guggenheim Securities	1	\$1,459.0
Raymond James	2	\$1,384.0

De-SPAC Legal Advisors

Name	No. of Deals	Total Deal Volume (\$ mn)
Cooley	4	\$6,598.4
Davis Polk & Wardwell	3	\$5,519.4
Ogier	3	\$5,375.4
Loeb & Loeb	7	\$4,494.2
White & Case	4	\$4,166.8
Travers Thorp Alberga	1	\$4,081.4
Kirkland & Ellis	5	\$3,785.0
Haynes and Boone	1	\$3,547.0
Venable	1	\$3,547.0
Latham & Watkins	4	\$3,420.0

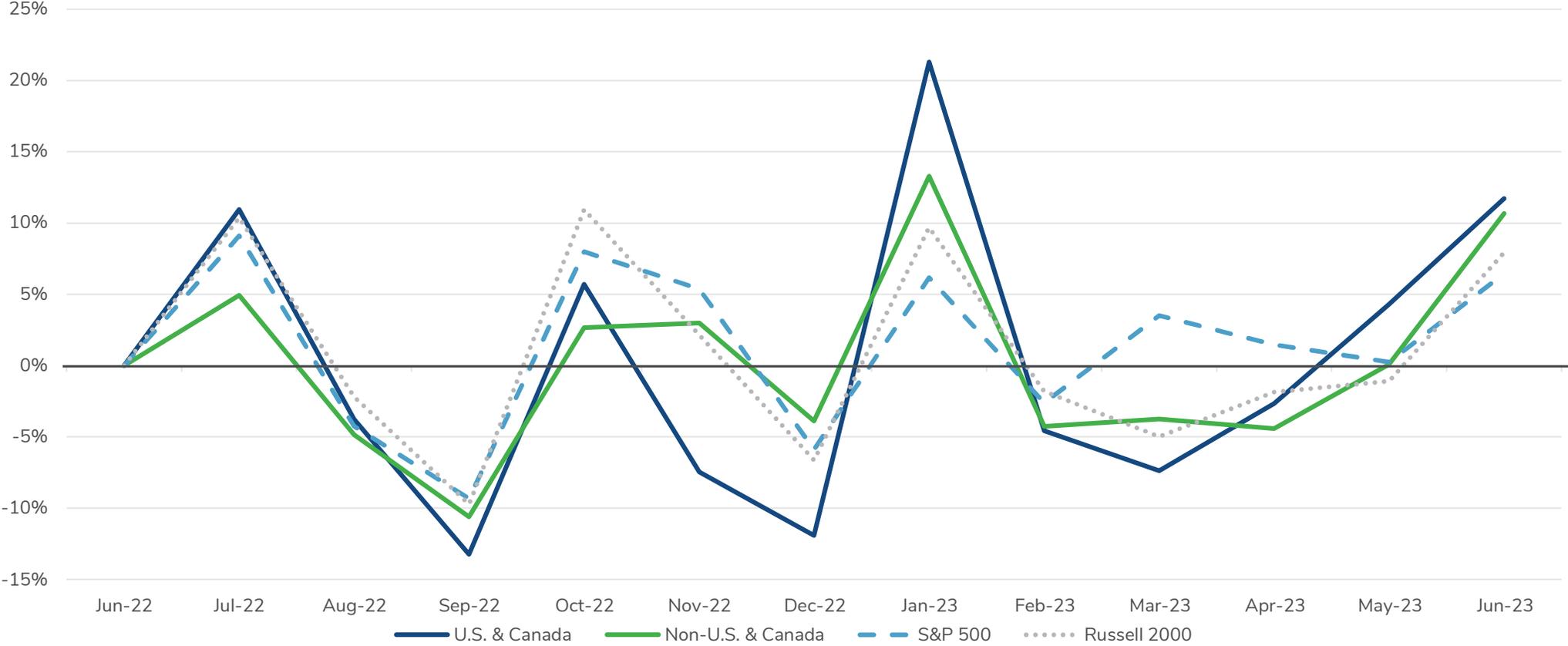
Global Activity

Global SPAC IPOs Completed H1 2023



Source: Pitchbook

De-SPAC Company Performance (June 2022- June 2023)



- The chart above represents the change in total market cap of 604 companies headquartered in the U.S. and Canada and 197 companies headquartered outside of the U.S. and Canada that have gone public via a de-SPAC on or prior to May 31, 2022 and remained public through June 30, 2023

Select Kroll De-SPAC Experience

FAIRNESS OPINION
(Pending Transaction)

 EGA Acquisition Corp.

has entered into a business combination agreement with



FAIRNESS OPINION


CHARDAN

has merged with



FAIRNESS OPINION


TIGA

has merged with



FAIRNESS OPINION



has merged with



FAIRNESS OPINION


PATHFINDER
ACQUISITION CORP

has merged with



FAIRNESS OPINION


CleanTech
ACQUISITION CORP

has merged with



FAIRNESS OPINION


FREEDOM
ACQUISITION
CORPORATION

has merged with



FAIRNESS OPINION



has merged with





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