



The IPOX[®] SPAC Index

SEPTEMBER 2021

An early access to invest in the rise of Special Purpose Acquisition Company (SPAC) IPOs.

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Empirical Background

Special Purpose Acquisition Companies (SPACs) go through the typical IPO process for the purpose of a business combination without identifying specific target, historical operations or financial results.

PRE-IPO

- Existing private equities, venture capitals and veteran investment managers etc., with industry experiences committed to sponsor a SPAC.
- Sponsors form the newly organized blank check company without identifying specific business combination target.

INITIAL PUBLIC OFFERING

- Companies raise cash from the public to finance business combination by issuing unit (typically at \$10/share), which typically consists of one share of common stock and partial of one redeemable warrant.
- Little to no initial returns are realized on first day.
- At least 90% of gross proceeds to be held in trust account.

POST-IPO

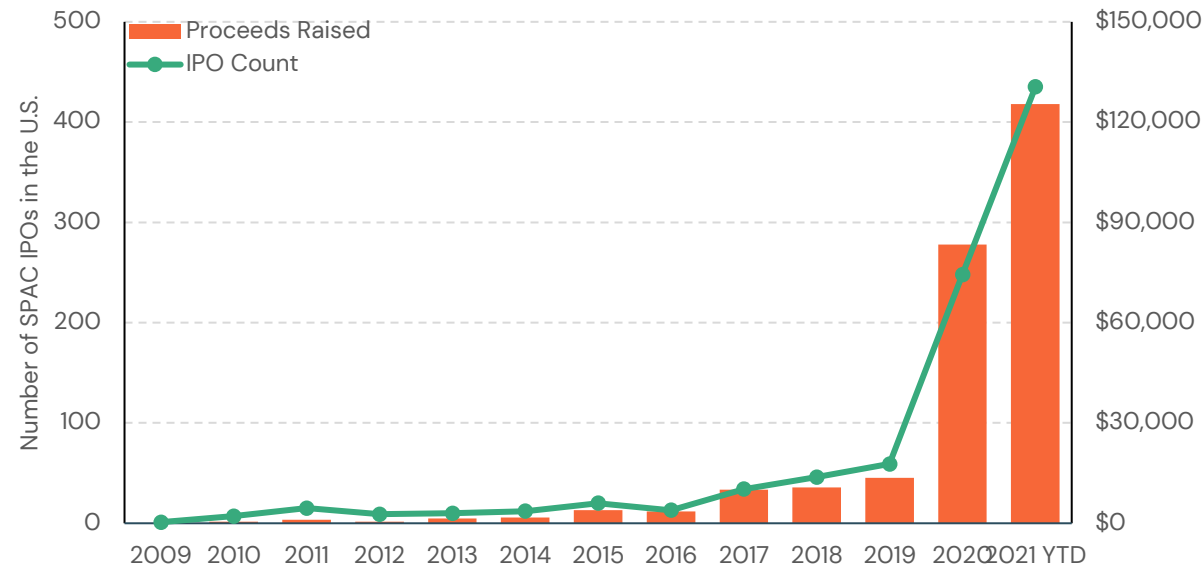
- Identify target business, conduct due diligence, announce acquisition and obtain shareholder approval.
- Complete business combination typically within 24 months from the closing of IPO or dissolve and liquidate if fail to complete a transaction.
- Successor companies may continue to list on major exchanges.

Exhibit 1: SPACs in the IPO Lifecycle. (Source: IPOX Schuster, LLC)

SPACs in the Frontline of IPOs

Increasing media coverage and investors attention in SPAC IPOs. Star fund managers and industry experts sponsored SPACs have promising reverse IPO opportunities with set investment timeframe.

The number of SPAC IPOs has increased significantly.



SPACs and the IPO Market Share

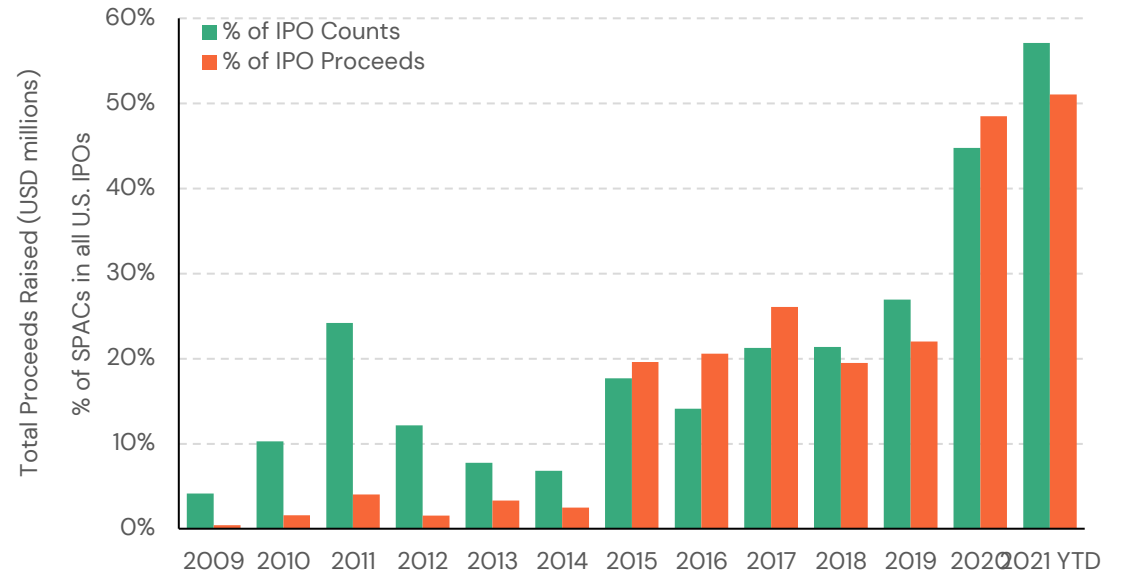


Exhibit 2: The Growth in Market Shares of SPACs in the U.S. IPO Market. Data as of 09/17/2021. (Source: IPOX Schuster, LLC, Bloomberg)

Opportunities for SPACs

Resurgence of SPACs are prompted by increasing flow of sponsors and successful mergers.

Recent High-Profiled SPAC Merger Announcements

SPAC	TARGET
890 5 TH Avenue Partners	Buzzfeed
Concord Acquisition	Circle
Far Peak Acquisition	Bullish
EJF Acquisition Corp	Pagaya
Isos Acquisition	Bowlero
Khosla Venture Acquisition II	Nextdoor
Lionheart Acquisition	MSP Recovery
NextGen Acquisition Corp II	Virgin Orbit
Reinvent Technology Partners Y	Aurora

SPAC Returns on Business Combination Completion

SPAC / TARGET	UNIT RETURNS SINCE IPO
Tortoise Acquisition / Hyllion	489.9%
VectoIQ Acquisition / Nikola	395.5%
Graf Industrial / Velodyne Lidar	220.5%
Rice Acquisition / Archaea Energy	99.5%
Diamond Eagle Acquisition / DraftKings	93.7%
Collier Creek / Utz Quality Foods	81.8%

Exhibit 3: The Rising in SPAC mergers and reverse IPOs. Data as of 09/17/2021. (Source: IPOX Schuster, LLC, Bloomberg)

Challenges of Investing in SPACs

While the unit price is less volatile before market speculation of a target business, SPAC success depends solely on the success of a business combination and its market reception.

- While there are well-known sponsors such as Apollo Global Management, TPG Capital, The Gores Group, and the more recent Bill Ackman to issue SPACs, majority of SPAC sponsors are lesser known and may not attract flow.
- The company may not have enough time to complete an initial business combination within the typical 24 months window (with extension as applicable) from the closing of the IPO offering and investors will have to wait for liquidation.
- The initial business combination may not be well-perceived by the market which can impose higher volatility on the respective stock price.

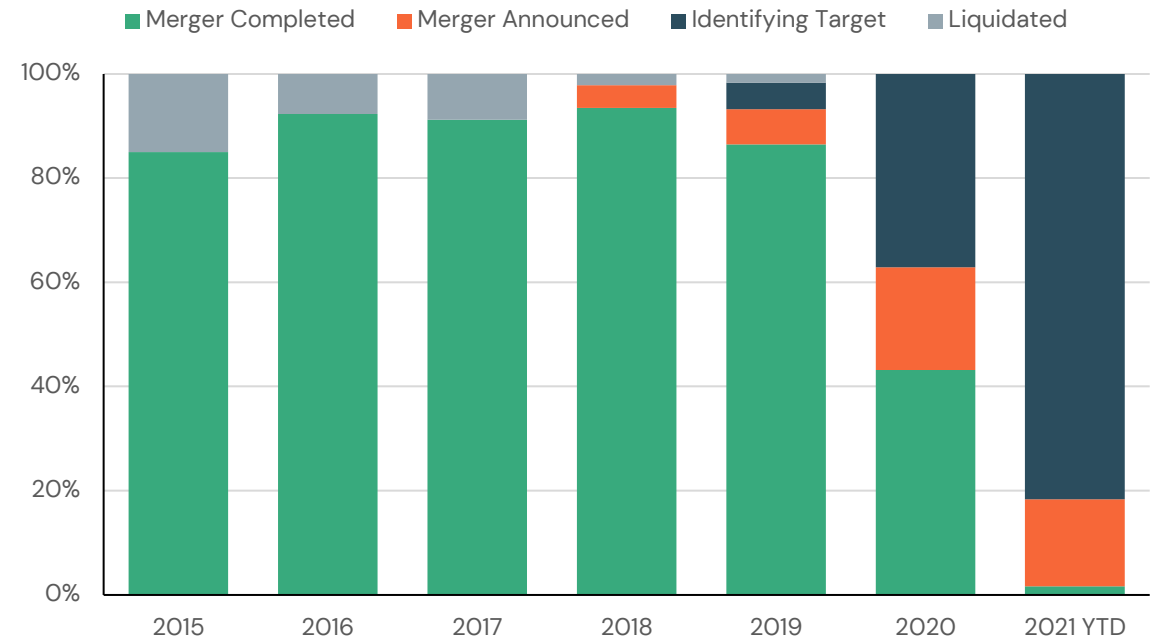


Exhibit 4: The Challenges of SPAC Investing. Data as of 09/17/2021. (Source: IPOX Schuster, LLC, Bloomberg)

Introducing The IPOX® SPAC Index



The IPOX® SPAC Index is designed to provide early access to newly traded Special Purpose Acquisition Companies' unit IPO offerings.

STEP 1

The underlying universe for the IPOX® SPAC Index is defined by the constituents of the IPOX® SPAC Composite Index that are defined as a special purpose acquisition company.

STEP 2

Screen and analyze company filings in the universe to exclude companies with little raised capital and do not pass IPOX proprietary screenings.

STEP 3

Construct a market cap-weighted portfolio with the largest and most traded SPACs which are typically sponsored by industry leaders with successful investment stories.

STEP 4

The portfolio is typically rebalanced monthly with active assessments in consideration of unit separations, completed acquisitions or dissolution and liquidation.

Exhibit 5: The IPOX® SPAC Select Index Methodology. (Source: IPOX Schuster, LLC)

Backtest Performance

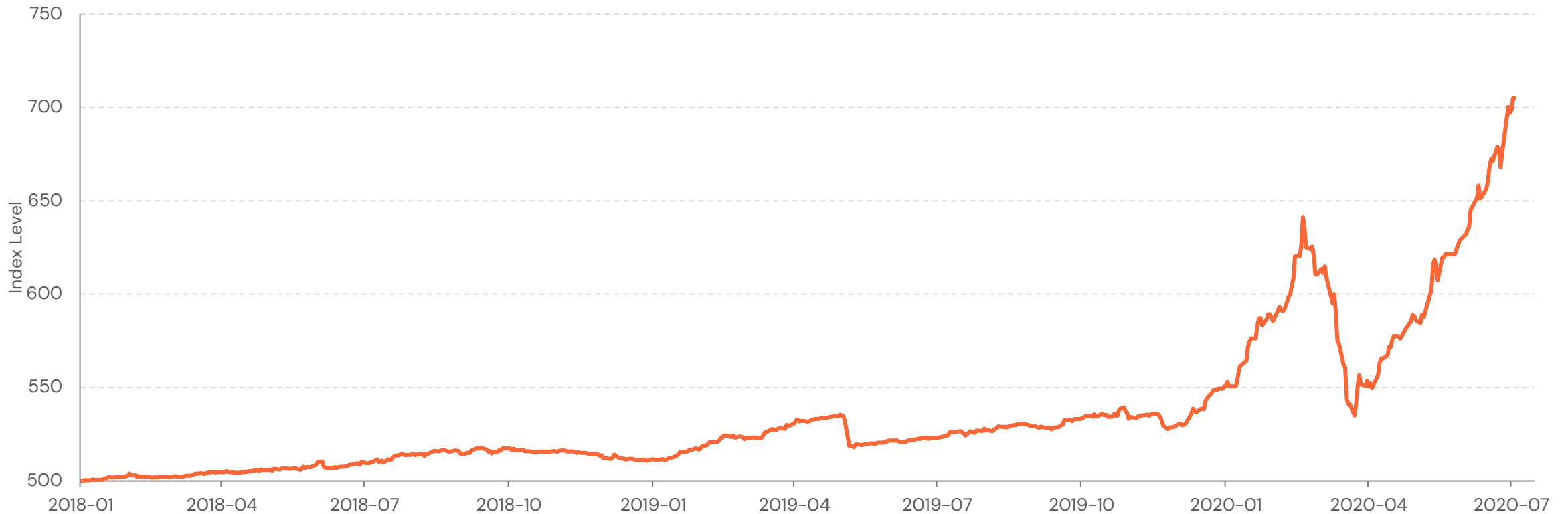


Exhibit 6: IPOX® SPAC Index Backtest. Index has a starting value at 500 from 1/1/2018. Chart provided for illustrative purposes only. (Source: IPOX Schuster LLC, Bloomberg)

Current Characteristics

Summary Statistics

INDEX TICKER	SPAC
NUMBER OF CONSTITUENTS	30
MARKET CAPITALIZATION (USD MILLIONS)	
TOTAL	30,073.07
AVERAGE	1,002.44
MEDIAN	844.09
MAX	3,940.00
MIN	290.95
ETF/RIC COMPLIANT	YES

Live Index Performance



Exhibit 7: IPOX® SPAC Index Profile. Charts are provided for illustrative purposes only. Past performance is no guarantee of future results. The IPOX® SPAC Index was launched on 07/30/2020 with a starting value at 500. Data as of 09/17/2021. (Source: IPOX Schuster LLC, Bloomberg)

Market Opportunity

- There are no investment products available that provide a sole focus to newly traded special purposed acquisition companies (SPACs).
- **The IPOX® SPAC Index is the FIRST SPAC Index that fills this niche and includes newly traded SPAC IPOs with reputable sponsors that can leverage their operating experiences in respective industries to identify, evaluate and successfully complete a business combination.**
- Cheap, early access to potential businesses with less volatility in a set investment timeframe.
- Downside risk is significantly eliminated if a SPAC dissolve and liquidate as over 90% of gross proceeds from IPO are required to be placed in escrow account.
- Clearly defined, time-tested philosophy with strong asset allocation potential underpinned by large pools of underlying liquidity that can easily executed.

Services Provided



Live SPAC IPO Calendar



Weekly SPAC News Summary



Detailed Company Analysis
Available upon request.



SPAC Database Subscription

Includes summary of IPO terms and current SPAC status (filed for IPO, seeking targets, announced target, completed merger transition).

THE IPOX® SPAC INDEX

Contact Us

Dr. Josef A. Schuster, josef@ipox.com
Kat Liu, kat@ipox.com

225 W. Washington Street, Suite 1675
Chicago, IL 60606 U.S.A.

+1 (312) 526 3634 | IPOX.COM

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