

US De-SPAC & SPAC

Data & statistics roundup

Overview

Welcome to the White & Case US SPACs Data Hub, which provides a quarterly review and analysis of key drivers and trends behind US De-SPAC M&A activity and SPAC IPO activity.

Quarter in brief

US De-SPAC M&A:

Q3 deal value for De-SPAC M&A activity came in at
US\$115.96 bn
from 44 De-SPAC transactions

Deal value for De-SPAC M&A activity came in at US\$115.96 billion for Q3 2021 from 44 De-SPAC transactions.

Although Q3 De-SPAC deal volume is down on the 53 deals recorded in Q2, deal value for the quarter is up on the US\$86.69 billion posted in Q2. Q3 De-SPAC deal value represents the second-highest quarterly total on record since the start of 2019.

De-SPAC deal figures show deal value of

US\$370.64 bn
for the first three quarters of 2021

De-SPAC deal figures for the first three quarters of 2021 show deal value of US\$370.64 billion from 181 transactions.

This is already significantly higher than the full-year total for 2020, when there were 93 De-SPAC transactions worth US\$139.41 billion recorded.

 **Technology**
was the most active sector for De-SPAC M&A

Technology was the most active sector for De-SPAC M&A, with 52 deals over the first nine months of 2021.

Healthcare ranked second with 41 deals, followed by industrials with 28 transactions. Technology has also been the largest De-SPAC sector by value, with US\$98.28 billion. Financials (US\$76.65 billion) and Industrials (US\$71.20 billion) were the next largest industries by value.

US SPAC IPOs:

82 US SPAC IPOs
in the third
quarter of 2021

There have been 82 US SPAC IPOs in the third quarter of 2021, raising combined proceeds of US\$14.71 billion.

This is up on the 64 SPAC IPOs that raised US\$13.39 billion in Q2 2021. Q3 SPAC IPO figures represent the fourth-highest quarterly SPAC IPO value and volume since the beginning of 2019.

Q3 activity lifted SPAC IPO issuance to
US\$121.33 bn
for the first three quarters of 2021

Q3 activity lifted SPAC IPO issuance to US\$121.33 billion for the first three quarters of 2021, with 444 SPACs listing over the period.

With three months of the year still to go, US SPAC IPO activity in 2021 has already exceeded the full-year totals posted in 2020, when 245 SPACs secured proceeds of US\$80.37 billion.

444 SPACs that listed
so far in 2021

307 chose to IPO on Nasdaq with
137 listing on the the NYSE

Of the 444 SPACs that have listed in the US so far this year, 307 chose to IPO on Nasdaq with 137 listing on the New York Stock Exchange (the NYSE).

Nasdaq has attracted a larger share of SPAC IPO activity so far this year. In 2020, Nasdaq secured 53 percent of SPAC IPOs in the US. For 2021 year-to-date, Nasdaq has accounted for 69 percent of SPAC listings.

US De-SPAC M&A Data

These statistics track the De-SPAC mergers involving a US target from January 1, 2019 to September 30, 2021.

Annual summary of De-SPAC transactions

This chart shows US De-SPACs in the US by volume and value between January 2019 to September 2021.

January 1, 2019 to September 30, 2021.

Rank date	Number of deals	Market share %	Deal value (US\$M)
2019	26	9	28,312.67
2020	93	31	139,413.49
2021	181	60	370,644.17
Total	300	100	538,370.33

Source: Refinitiv, an LSEG business

Quarterly summary of De-SPAC transactions in the US

This chart shows US De-SPACs in the US by volume and value between January 2019 to September 2021.

January 1, 2019 to September 30, 2021.

Rank date	Number of deals	Market share %	Deal value (US\$M)
Q1 2019	3	1	3,196.23
Q2 2019	4	1	1,813.66
Q3 2019	11	4	12,480.46
Q4 2019	8	3	10,822.32
Q1 2020	4	1	5,402.63
Q2 2020	9	3	5,128.87
Q3 2020	34	11	68,492.92
Q4 2020	46	15	60,389.08
Q1 2021	84	28	167,975.26
Q2 2021	53	18	86,699.61
Q3 2021	44	15	115,969.29
Total	300	100	538,370.33

Source: Refinitiv, an LSEG business

Number of De-SPAC deals in the US by target industry

This chart shows US De-SPACs in the US by volume, value and target industry between January 2019 to September 2021.

January 1, 2019 to September 30, 2021

Target macro industry	Number of deals	Market share %	Deal value (US\$M)
Technology	52	29	98,288.82
Healthcare	41	23	55,424.07
Industrials	28	15	71,203.53
Financials	17	9	76,654.54
Media and Entertainment	11	6	16,570.33
Consumer Products and Services	10	5	17,691.27
Energy and Power	7	4	9,409.25
Telecommunications	4	3	6,690.87
Consumer Staples	4	3	2,248.00
Retail	3	2	1,870.55
Real Estate	2	1	12,035.95
Materials	2	1	2,556.98
Total	181	100	370,644.17

Source: Refinitiv, an LSEG business

De-SPAC M&A: Sectors in focus

Technology

Top three largest De-SPAC deals:

- Dragoneer Growth Opportunities acquired CCC Information Services from Advent International in a US\$6.54 billion deal
- Aurora Acquisition Corp acquired Better Holdco for US\$6.26 billion
- Dragoneer Growth II acquired Cvent in a US\$5.15 billion deal

The technology sector has attracted the largest amount of capital from SPAC sponsors and delivered the largest volume of De-SPAC deals in the US so far this year.

Over the first nine months of 2021, there have been 52 De-SPAC deals involving technology targets, representing more than a quarter (28.7 percent) of De-SPAC deal volume for H1 2021. Technology deal value of US\$98.28 billion for the year-to-date represents a similar proportion of overall de-SPAC deal value (26.5 percent).

As has been the case across the wider M&A market, US SPAC sponsors have been attracted to the resilient earnings, sticky customer bases and growth prospects of targets in the technology industry.

The Dragoneer Growth Opportunities De-SPAC deal for CCC Information Services, a software platform serving the auto insurance industry, for example, was driven by the growing demand for technology to navigate a more complex auto insurance sector¹.

Aurora Acquisition Corp.'s move for digital mortgage provider Better Holdco, meanwhile, was similarly underpinned by the target's growth trajectory. The large numbers of homebuyers in cities moving to suburban properties has swelled volumes moving through the Better platform, leading to the De-SPAC deal with Aurora².

SPAC sponsors have also been drawn to technology assets that straddle other sectors, as evidenced by Churchill Capital Corp. III paying US\$10.81 billion for MultiPlan, a developer of healthcare cost management software³.

Healthcare

Top three largest De-SPAC deals:

- Ginkgo Bioworks for US\$16.58 billion acquired Soaring Eagle Acquisition Corp.
- Montes Archimedes Acquisition acquired Roivant Sciences for US\$6.3 billion
- VG Acquisition Corp. acquired 23andMe in a deal valued at US\$3.31 billion

The healthcare sector has been the second most active for De-SPAC deals for the year to the end of Q3 2021 and fourth-biggest by De-SPAC deal value.

The 41 deals in the healthcare space over the first half of the year account for just under a quarter (22.7 percent) of De-SPAC deal volumes. Deal value for the sector totaled US\$55.42 billion, accounting for 15 percent of total De-SPAC deal value for the first nine months of 2021.

As has been the case in the technology industry, overall M&A activity in the healthcare sector has been resilient through the pandemic and attracted interest from a broad range of buyers.

The strategic importance of healthcare infrastructure for the functioning of societies and economies has been emphasized through the pandemic. Healthcare has presented opportunities to invest in assets with clear earnings visibility as well as new growth verticals such as digitally enabled healthcare service provisions or healthcare data analytics.

SPACs have been at the forefront of healthcare M&A in the US. Soaring Eagle Acquisition Corp.'s US\$16.58 billion purchase of Ginkgo Bioworks, a leading AI-data-driven proteomics platform for advanced research and clinical application, has been one of the largest healthcare deals in the US in 2021⁴.

Industrials

Top three largest De-SPAC deals:

- Churchill Capital Corp. IV acquired Lucid Motors in a US\$11.75 billion transaction
- Reinvent Technology Partners Y acquired Aurora Innovation for US\$10.4 billion
- Reinvent Technology Partners acquired Joby Aero in a deal valued at US\$4.55 billion

The industrials sector was the third-largest by De-SPAC deal volume over the first nine months of 2021, with 28 deals accounting for 15.5 percent of overall de-SPAC volumes so far this year.

The sector was the fourth-largest by deal value, with transactions totaling US\$71.2 billion representing 19 percent of overall De-SPAC deal value in H1 2021.

SPAC deal activity in the sector has coalesced around high-end industrial companies in fast-growing subsectors.

Two of the largest De-SPAC deals in the industrials space this year, for example, involved electric vehicle targets.

Churchill Capital Corp. IV struck what is believed to be the largest SPAC deal involving an electric vehicle startup when it acquired Lucid Motors in a deal valuing the business at US\$11.75 billion⁵; and Property Solutions Acquisition acquired another electric vehicle group, Faraday&Future, in a US\$3.28 billion transaction.

Other sizeable electric vehicle De-SPAC transactions this year include the merger of REE Automotive, an Israeli developer of the propulsion technology used in electric cars, with the 10X Capital Venture Acquisition Corp SPAC. Following the deal REE has put plans in place to open a US headquarters in Austin, Texas⁶.

These deals follow several prior electric vehicle De-SPAC transactions, including Fisker and Nikola, as well as the US\$1.4 billion DE-SPAC deal between US commercial electric vehicle maker Electric Last Mile Solutions (ELMS) and the Forum Merger III Corp⁷. SPAC sponsors have been attracted to the strong growth in the rapidly expanding electric vehicle market⁸. The parallel self-driving vehicle sector has also delivered deals, with startup Aurora Innovation inking a US\$10.4 billion with the Reinvent Technology Partners Y SPAC⁹, as has the electric airplane space, where Reinvent Technology Partners paid US\$4.55 billion for Joby Aero¹⁰.

In another fast-growing industrials subsector, space exploration, SPACs have also played a prominent role. Vector Acquisition Corp., for example, purchased Rocket Lab, a maker of small rockets used for space launches.

As with electric vehicles, outer space has been a popular source of deals for SPACs, with Virgin Galactic, Astra and AST & Science among the other space sector businesses to go public via De-SPAC deals¹¹.

Financials

Top three largest De-SPAC deals:

- Lionheart Acquisition Corp. II acquired MSP Recovery in a deal worth US\$32.5 billion
- Bullish Inc. was sold in a US\$8.12 billion deal to Far Peak Acquisition Corp.
- Social Capital Hedosophia V acquired Social Finance in a deal valued at US\$6.56 billion

The financials sector ranked fourth for De-SPAC deal volume and second for value over the first nine months of 2021.

Financials accounted for 17 De-SPAC transactions, a 9.4 percent share of overall volume for the year to the end of September 2021. Deal value totaled US\$76.65 billion.

The largest De-SPAC deal in the sector saw Lionheart Acquisition Corp. II pay US\$32.5 billion in a megadeal for MSP Recovery, a business that helps recover money from Medicare and Medicaid secondary payments¹².

SPACs have also backed platforms providing digitalized financial services. Social Capital Hedosophia V acquired Social Finance in a transaction valuing the target at US\$6.56 billion. Social Finance is an online lending platform that has grown strongly as mainstream banks have stepped back from consumer lending following the 2008 global financial crisis¹³.

Other tech-enabled financial services companies have also favored a deal with a SPAC as a route to public markets. Hippo Enterprises, an online home insurance sales platform, for example, agreed to a US\$5.52 billion deal with Reinvent Technology Partners Z. Other insurance and insurtech platforms, such as Metromile, have also partnered with SPACs¹⁴.

A technology angle has been a key criterion for SPACs seeking out financial services targets. Northern Star Investment Corp II, for example, paid US\$5.14 billion to buy Apex Clearing Corp., a clearing firm that also provides services as a custodian for digital assets, including cryptocurrencies and fractional share trades¹⁵.

Media & entertainment

Top three largest De-SPAC deals:

- FAST Acquisition Corp. acquired Fertitta Entertainment in a US\$6.71 billion transaction
- Austerlitz Acquisition Corp. I paid US\$3 billion to acquire Wynn Interactive from Wynn Resorts
- Bowlero purchased by Isos Acquisition Corp. for US\$2.37 billion

FAST Acquisition Corp.'s acquisition of Fertitta Entertainment, the restaurant and casino conglomerate, for US\$6.71 billion has been the largest de-SPAC deal in the media & entertainment sector so far this year.

The deal helped to lift overall De-SPAC deal value in media & entertainment to US\$16.570 billion to rank the sector as the sixth-largest by deal value and fifth-largest by deal volume, with eleven deals through the first half of the year.

The sector has seen a rebound in M&A interest, with the entertainment sector in particular rallying after been forced to shut down through lockdowns. As vaccination programs have progressed and venues have been able to reopen, prospects have improved¹⁶, giving SPAC investors the confidence to pursue deals in the sector¹⁷. These fundamentals supported the acquisition of Bowlero, the largest tenpin bowling alley operator in the world, by Isos Acquisition Corp¹⁸.

Digital gaming, a popular area for SPAC deals, has continued to deliver De-SPAC deal flow with Wynn Resorts spinning off its mobile gaming and sportsbook to Austerlitz Acquisition Corp. There are multiple other SPACs believed to be seeking similar kinds of deals in the sports and gaming space¹⁹.

¹ <https://iireporter.com/ccc-and-dragoneer-complete-business-combination-in-605m-deal/>

² <https://www.reuters.com/business/legal/softbank-backed-better-go-public-77-bln-spac-deal-2021-05-11/>

³ <https://www.prnewswire.com/news-releases/multiplan-and-churchill-capital-corp-iii-reach-agreement-to-combine-301091955.html>

⁴ <https://www.cnn.com/2021/05/11/bill-gates-backed-ginkgo-bioworks-going-public-in-15-billion-spac-.html>

⁵ <https://techcrunch.com/2021/02/22/lucid-motors-strikes-spac-deal-to-go-public-with-24-billion-valuation/>

⁶ <https://en.globes.co.il/en/article-israeli-ev-platform-co-ree-completes-nasdaq-spac-merger-1001379408>

⁷ <https://www.reuters.com/article/autos-m-a-elms-idUSKBN28L1JV>

⁸ <https://www.reuters.com/article/us-faraday-future-m-a-property-solutions-idUSKBN29X15T>

⁹ <https://www.bloomberg.com/news/articles/2021-07-14/self-driving-startup-aurora-said-in-agreement-with-reinvent-spac>

¹⁰ <https://www.businesswire.com/news/home/20210224005391/en/Joby-Aviation-to-List-on-NYSE-Through-Merger-With-Reinvent-Technology-Partners>

¹¹ <https://www.cnn.com/2021/08/25/rocket-lab-begins-trading-on-nasdaq-as-rklb-after-spac-merger.html>

¹² <https://www.reuters.com/lifestyle/wealth/payments-recovery-company-msps-spac-deal-value-combined-firm-326-bln-bloomberg-2021-07-12/>

¹³ <https://www.reuters.com/business/exclusive-sofi-go-public-through-merger-with-palihapitiya-backed-spac-2021-01-07/>

¹⁴ <https://www.reuters.com/article/us-hippo-m-a-reinvent-technol-idUSKBN2AW1GJ>

¹⁵ <https://www.reuters.com/article/us-apex-clearing-m-a-northern-star-in-idUSKBN2AM18D>

¹⁶ https://www.ey.com/en_gl/ccb/media-entertainment-mergers-acquisitions

¹⁷ <https://www.ft.com/content/753d33d1-5a59-41dd-907d-25d76e373fe7>

¹⁸ <https://www.hugheshubbard.com/news/firm-leads-isos-in-2-6b-spac-merger-with-bowlero>

¹⁹ <https://www.sportico.com/business/finance/2021/bill-foley-wynn-interactive-1234629480/>

US SPAC IPOs

These statistics track the SPAC IPOs that have listed on US Stock Exchanges from January 1, 2019 to September 30, 2021.

Annual breakdown of US-listed SPAC IPOs

This chart shows the breakdown of annual SPAC IPOs listed on US Stock Exchanges by volume between January 2019 to September 2021.

January 1, 2019 to September 30, 2021

Year	Number of issues	Market share (%)
2019	59	7.9
2020	245	32.8
2021	444	59.4
Total	748	100

Source: Refinitiv, an LSEG business

2021 Year-to-date quarterly breakdown of US-listed SPAC IPOs

This chart shows the quarterly breakdown of SPAC IPOs listed on US Stock Exchanges by volume between January 2021 to September 2021.

January 1, 2021 to September 30, 2021

Year	Number of issues	Market share (%)
Q1 2021	298	67
Q2 2021	64	14
Q3 2021	82	19
Total Q1 – Q3 2021	444	100

Source: Refinitiv, an LSEG business

Nasdaq and the NYSE breakdown of US-listed SPAC IPOs

This chart shows the breakdown of annual SPAC IPOs listed on Nasdaq and the NYSE by volume between January 2019 to September 2021.

January 1, 2019 to September 30, 2021

Year	Listed on Nasdaq	Listed on the NYSE	Total
2019	43	16	59
2020	130	115	245
2021	307	137	444
Total	480	268	748

Source: Refinitiv, an LSEG business

Top 10 US SPAC IPO issuers by proceed amount

This table shows the top 10 US SPAC IPO issuers between January 2019 to September 2021.

January 1, 2019 to September 30, 2021

Issuer	Total proceeds US\$ million
Pershing Sq Tontine Hldg Ltd	4,000
Churchill Capital Corp IV	2,070
Soaring Eagle Acquisition Corp	1,725
Foley Trasimene Acq Corp II	1,467
Churchill Capital Corp VII	1,380
KKR Acquisition Holdings I	1,380
Austerlitz Acquisition Corp II	1,380
Social Capital Hedosophia VI	1,150
Jaws Mustang Acquisition Corp	1,035
Foley Trasimene Acquisition	1,035

Source: Refinitiv, an LSEG business

Issuer nation by number of US SPAC IPO listings

The following charts show US SPAC IPOs by the issuer nation (by number of issues for 2021, 2020 and 2019).

January 2021 to September 2021

Issuer nation	Number of issues	Market share (%)
United States	396	89.2
Cayman Islands	15	3.4
Hong Kong SAR	15	3.4
United Kingdom	4	0.9
Singapore	3	0.7
China	2	0.5
Israel	2	0.5
Malaysia	2	0.5
Bahamas	1	0.2
Netherlands	1	0.2
Germany	1	0.2
South Africa	1	0.2
Kazakhstan	1	0.2
Total	444	100

Source: Refinitiv, an LSEG business

Full-year 2020

Issuer nation	Number of issues	Market share (%)
United States	222	90.6
China	5	2.0
Cayman Islands	5	2.0
Hong Kong SAR	4	1.6
United Kingdom	4	1.6
Singapore	2	0.8
Israel	1	0.4
Mexico	1	0.4
Russian Federation	1	0.4
Total	245	100

Source: Refinitiv, an LSEG business

Full-year 2019

Issuer nation	Number of issues	Market share (%)
United States	52	88.1
Hong Kong SAR	2	3.4
Singapore	2	3.4
China	1	1.7
Mexico	1	1.7
Cayman Islands	1	1.7
Total	59	100

Source: Refinitiv, an LSEG business

Issuer nation by number of US SPAC IPO listings

This chart shows US SPAC IPOs by the issuer nation by number of issues between January 2019 to September 2021w.

January 1, 2019 to September 30, 2021

Issuer	Number of issues	Market share (%)
United States	670	89.6
Cayman Islands	21	2.8
Hong Kong SAR	21	2.8
China	8	1.1
United Kingdom	8	1.1
Singapore	7	0.9
Israel	3	0.4
Malaysia	2	0.3
Mexico	2	0.3
Bahamas	1	0.1
Netherlands	1	0.1
Russian Federation	1	0.1
Germany	1	0.1
South Africa	1	0.1
Kazakhstan	1	0.1
Total	748	100

Source: Refinitiv, an LSEG business

The issuer's country is based on the address for notices provided by a SPAC on its registration statement and other relevant sources and does not necessarily reflect the SPAC's jurisdiction of incorporation or formation.

Beyond the numbers

SPACs, investment companies and lawsuits

During Q3, a lawsuit filed by a shareholder in Pershing Square Tontine Holdings (PSTH), a SPAC headed by investment manager Bill Ackman, alleging that PSTH has been operating as an investment company without registering as such, sparked concern across the wider SPAC market.

Ackman has said the legal action has impaired PSTH's ability to complete a deal. Two other lawsuits were filed against other SPACs making similar allegations.

The civil suits allege that SPACs should be registered as investment companies, as their primary business is investing in securities. Such a classification would oblige SPACs to comply with the US Investment Company Act of 1940, which lays out strict reporting requirements and places limits on executive remuneration.

The legal action garnered significant media attention, as it was filed by high-profile figures Robert Jackson, a former SEC Commissioner, and Yale Law School professor John Morley, on behalf of the PSTH shareholder.

The allegations made in the lawsuits, however, have been robustly challenged by advisers, legal experts and SPAC sponsors. More than 60 corporate law firms have released a joint statement challenging the core premise of the lawsuits, arguing that the 1940 Act on which the lawsuits rely does not apply to SPACs.

The rebuttals contend that claims that SPACs should be classed as investment companies contain no new arguments or grounds to change the way SPACs have been classified by the SEC for decades.

SPACs are blank check companies with the primary purpose of engaging in a business combination with an operating company within a limited time span. This means that unlike an investment company, which is primarily engaged in investing, reinvesting or trading in securities, a SPAC is set up to pool funds to finance an M&A deal within a set timeframe where the target is usually still to be identified.

Since the immediate aftermath of the filings of the lawsuits, the market concerns have subsided, perhaps, in part, based on the joint law firm statement. While most SPAC market participants are confident that the lawsuits should fail scrutiny of SPACs in other areas continues from the SEC, members of Congress and the plaintiffs' bar. As a result, SPAC sponsors should remain on guard to address any new regulatory or legal challenges they may face.

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The data used for the US SPAC/De-SPAC Data Hub is sourced from Refinitiv, an LSEG business. The database is constantly updated and therefore data points reported are subject to change each month.

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