ACG Orange County

Going Public: SPACs and IPOs

March 3, 2021

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Panelists

Gregg Amber specializes in a broad range of finance and related matters, ranging from public and private securities offerings to mergers and acquisitions. He also provides strategic counsel to clients on assorted transactional and corporate matters and private equity investments (both fund and target), SEC reporting and the like. He has participated in over 500 finance and M&A transactions, acting as lead attorney in a majority of them.

Gregg has a B.A. from Principia College and a J.D. from Stanford Law School.

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Grant Garbers is an investment banking veteran with over 30 years of experience specializing in middle market mergers and acquisition transactions. He has served both private and public companies across a diverse group of industries such as consumer products, transportation, medical, and industrial technology. Grant started his career in risk management at Fred S. James, before entering the financial services sector.

Prior to joining Harrison Co., Grant served as co-head of the Industrial Technology practice at Capstone Headwaters as well as head of Mergers and Acquisitions at Roth Capital Partners. He was a special advisor and board member of the Roadmaster Group, which was acquired by Daseke, Inc. in late 2017. Grant was recently named to the Board of Directors of Daseke, Inc. ("DSKE").

Grant has a BBA from the University of Georgia and has successfully completed the Mergers and Acquisitions Executive Education program at the Wharton School of Business.

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Panelists

John Hughes is a partner in the Los Angeles office of Marcum LLP. As a member of the Firm's Assurance and SEC Practice groups, Mr. Hughes has extensive experience working with public and private companies in the areas of accounting, auditing, advisory services, mergers and acquisitions, capital financing transactions and business restructuring. He has developed a reputation for successfully guiding clients through the intricacies of complex accounting and reporting issues, mergers, acquisitions and capital raising transactions. Mr. Hughes also is a leader in the Firm's Digital Asset and Blockchain Services group.

Mr. Hughes primarily works with mid to small-cap publicly traded companies across multiple industries, including tech, biotech, digital assets and blockchain, manufacturing and special purpose acquisition companies (SPACs). He also advises private companies considering going public on strategies, such as traditional initial public offerings, reverse mergers, and Regulation A+ offerings.

Mr. Hughes extends his expertise internally as a member of numerous internal committees and as a coach and mentor to the Firm's up and coming professionals. He has developed and taught continuing education seminars on various accounting, auditing and business strategy topics. Mr. Hughes is a Certified Public Accountant licensed in the States of California and New York and a member of the American Institute of Certified Public Accountants, California State Society of Certified Public Accountants and the New York State Society of Certified Public Accountants.

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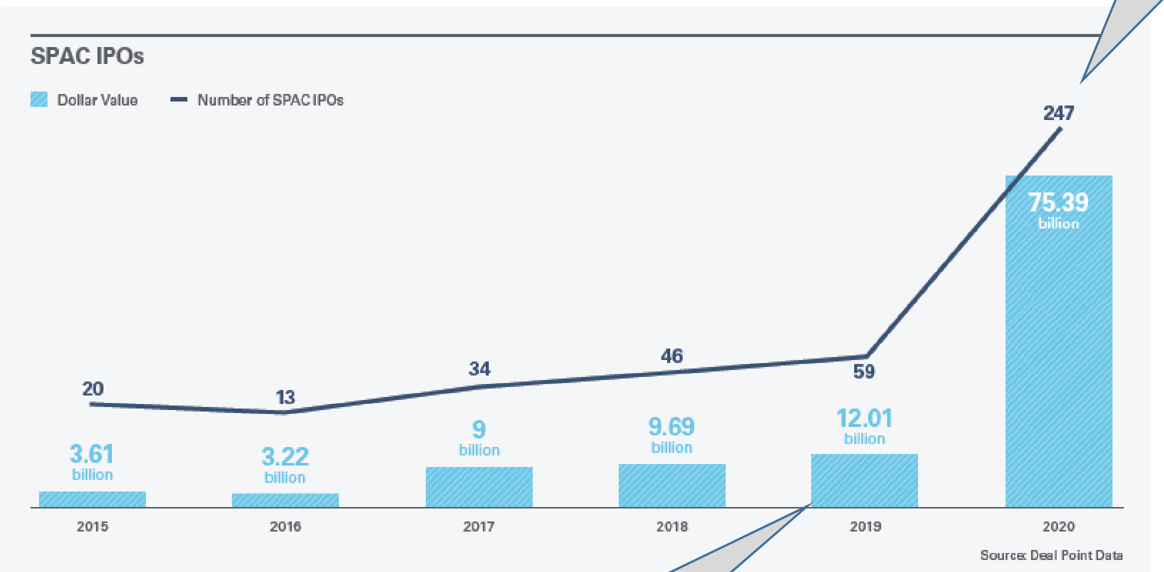
What is a SPAC?

- A publicly traded “special purpose acquisition company” (or blank check company), which is formed for the purpose of acquiring or merging with an operating business by a specific date, typically 24 months after the SPAC’s IPO.
  - Timeline can be extended via stockholder vote.
  - SPACs typically offer “units” in their IPO (share + warrant)
  - Funds held in trust account.
- Formed by an experienced and reputable sponsor team who will identity a target to acquire.
- Ideally, sponsor team has had success in identifying, acquiring, and operating companies and public company compliance.
- Additional funding typically done via a PIPE.
- SPACs made up about half of all IPOs in 2020.
  - In Jan. 2021, SPACs made up 67 out of 91 new listings on Nasdaq.
- Companies that become publicly listed via a SPAC include DraftKings, Virgin Galactic, Lucid Motors, Skillz, Fisker, Utz Brands, and Nikola, to name a few.

Growth of SPACs

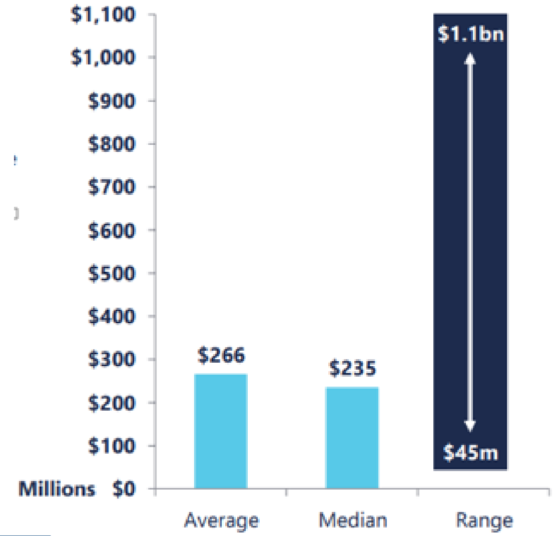
More SPAC funds raised in in 2020 than in 5 previous years combined.



2019 was previously a record year for SPACs.

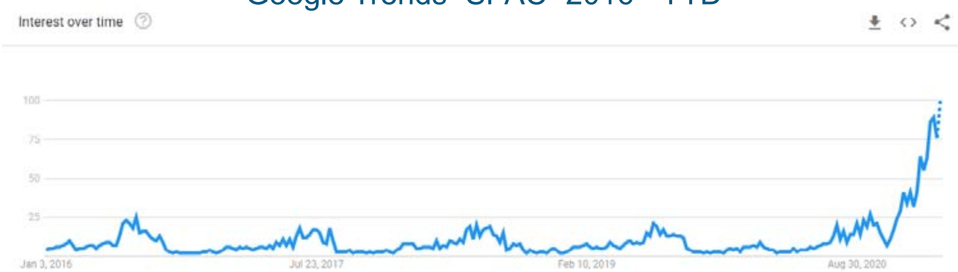
SPACinsider.com – As of 3/1/21, 204 SPAC IPOs and approx. $64.5 billion raised.

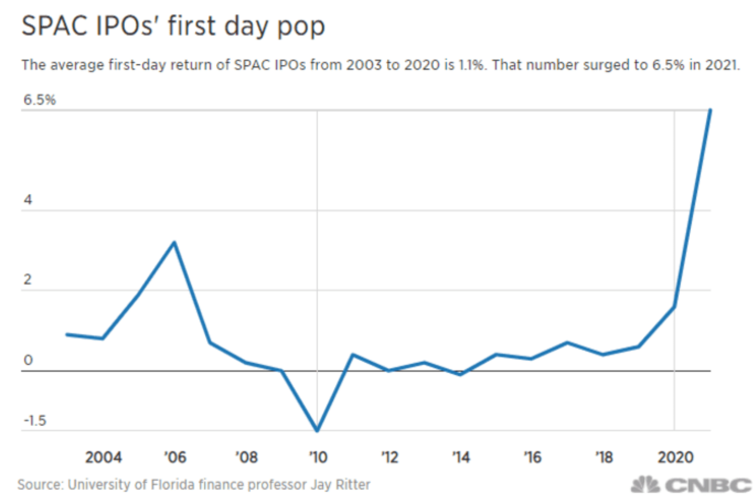
Size of SPAC Trust at Time of SPAC IPO (2020)



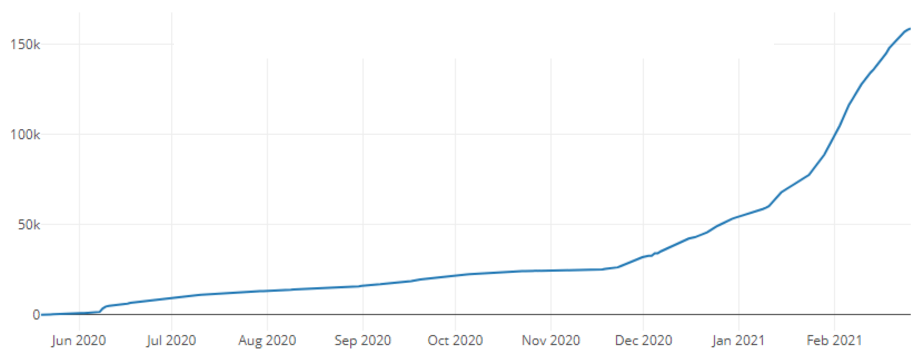
Retail Investor Interest

Google Trends “SPAC” 2016 - YTD

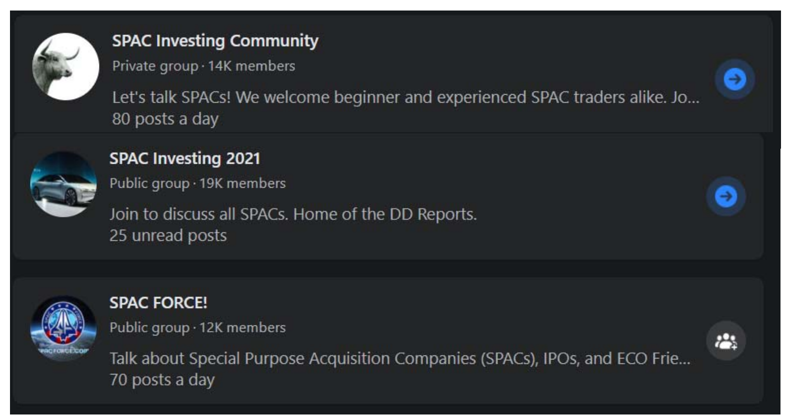




/r/SPACs cumulative subscriber count



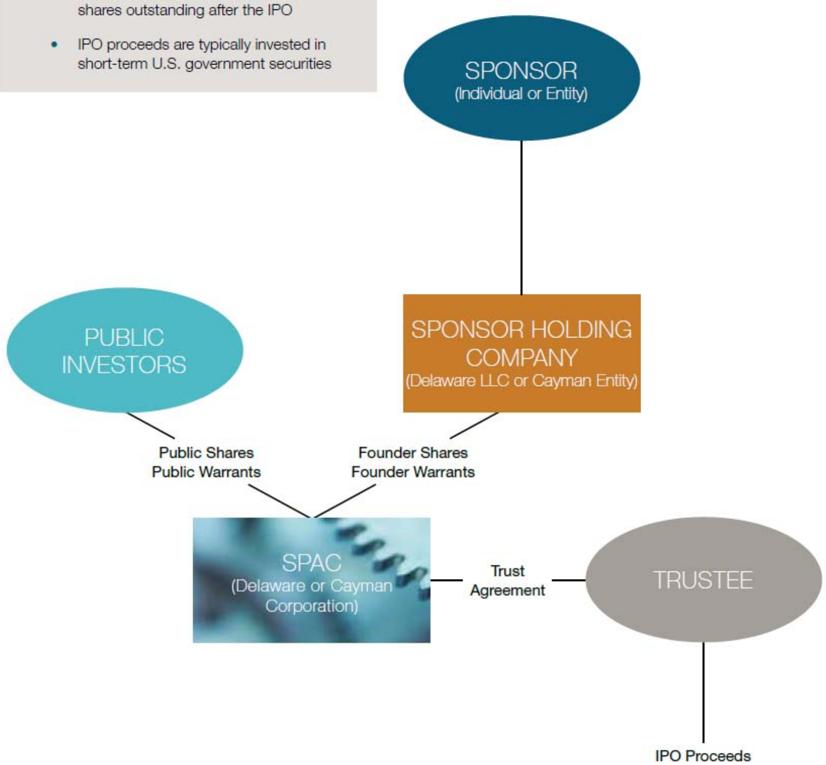
Facebook groups



Structure

ILLUSTRATIVE SPAC CAPITAL STRUCTURE

- Public shares equal 80% of the total shares outstanding after the IPO
- Founder shares equal 20% of the total shares outstanding after the IPO
- IPO proceeds are typically invested in short-term U.S. government securities



Timing

THREE PHASES IN SPAC LIFESPAN

IPO Phase: 8+ weeks

- Engage counsel and auditors
- Incorporate SPAC and sell founder shares
- Prepare S-1
- File S-1 and amendments responsive to SEC comments – 6+ weeks
- Negotiate underwriting and ancillary agreements
- Road show, pricing and closing

Target Search and Negotiation Phase: Up to ~19 months

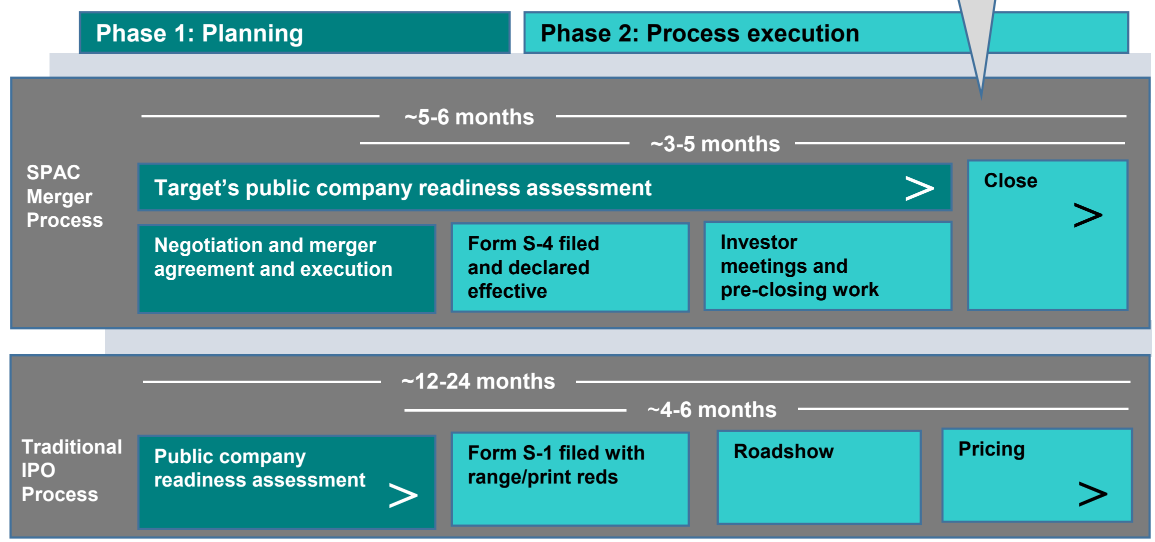
- Regular periodic SEC filings
- Identify target business
- Conduct diligence and negotiate acquisition agreement
- Potentially arrange committed PIPE and/or debt financing
- Begin preparing proxy/ tender offer document
- Sign acquisition agreement and financing commitments

Approval/Closing Phase: 3-5+ months

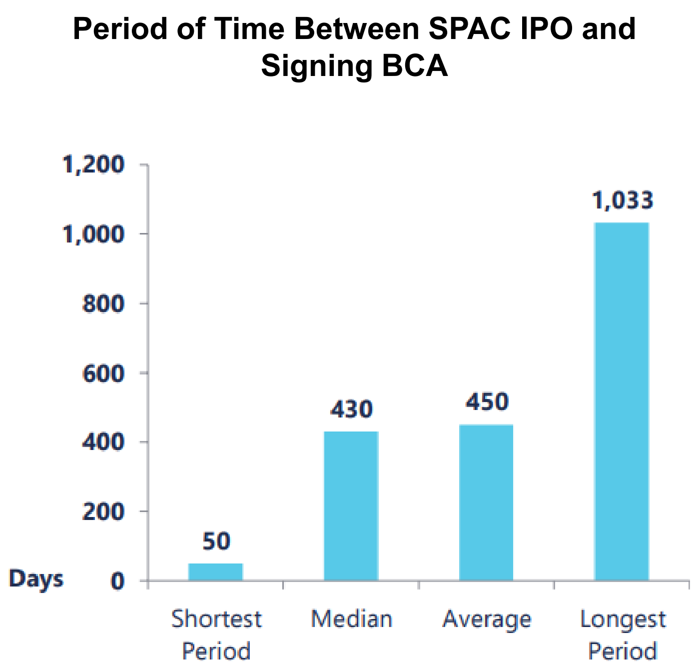
- Announce acquisition agreement
- File preliminary proxy/ tender offer document
- Meeting with SPAC investors to discuss transaction
- Obtain shareholder approval/renegotiate transaction or return to target search
- Redeem public shares of electing holders
- Close transaction
- File Super 8-K

SPAC timeline does not include IPO of SPAC itself.

SPAC merger process vs. traditional IPO process



Timing



Period of Time Between SPAC IPO and Signing BCA
1,200
1,000
800
600
400
200
0
Days
50
430
450
1,033
Shortest Period
Median
Average
Longest Period

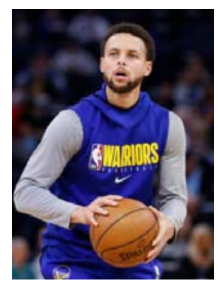
Time Between Signing BCA and Closing (2020)
18
16
14
12
10
8
6
4
2
0
Months
51 days
3.5 months
3.9 months
4.4 months
15 months (470 days)
Shortest Period
Median
Average
(Excl. the 3 longest time periods, which are 470, 450 and 380 days)
Average
Longest Period

Why SPACs?

- Target and its owners –
  - Access the public markets.
  - “Locked in” purchase price.
  - Ability to structure transaction to include cash-outs and earnouts.
  - Ability to include financial projections in proxy statement.
  - Owners may continue to participate meaningfully in future growth.
  - Speed of execution, depending largely on condition of financials.
- IPO investors –
  - Invest alongside sponsor.
  - Downside protection.
- Sponsor –
  - Potentially very large upside potential.
    - See Alec Gores and United Wholesale.

More to Come?

- As of March 1, 2021, over 204 SPACs have gone public, *almost equal to number of total SPAC IPOs in 2020*.
- As of late January 2021, close to 400 SPACs, sitting on more than $120 billion, looking for targets.



Just Another Acquisition Corp.
(Exact name of registrant as specified in its charter)

S-1 filed 2/16/21

	IPO	SPACs
Valuation Certainty	Less (TTW, roadshow)	More (Merger agreement and PIPE, but keep in mind redemptions, earnouts, and potential renegotiation)
SEC Review	Full review (30 day comment period and potential additional comments)	Full review (30 day comment period and potential additional comments)
Ineligible Issuer	--	Ineligible issuer for 3 years.
Lock-ups	Typically 180 days	Same (but Sponsor may have shorter post business combination)
Governance Documents	--	Does a SPAC trigger change of control or IPO/listing on exchange? Consider revising governance and/or stockholder documents.
Financial Statement Requirements	Accommodations available to EGCs	Target produce same fin. statements as IPO. May need pro formas.
Disclosure Requirements	Accommodations available to EGCs.	Same as IPO. No benefit of underwriter review/comments.
Confidential Review	Available	Proxy publicly filed.
Transaction costs	Legal, underwriting, accounting, and other costs.	Generally greater than IPO
Liquidity	Underwriter will make market post-IPO	No market maker necessarily
Rule 144	Available to stockholder, subject to compliance.	Not available for one year following business combination
EGC Status	Can be available for full 5 years.	If SPAC was EGC, not available for full 5 years.

Q&A with Panelists

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Thank you!

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