

If you cannot see this email, [please click here](#)_
Pour la version française, [veuillez cliquer ici](#)_
Die deutsche Fassung [finden Sie hier](#)_
[Clicca qui](#) per leggere la versione italiana_



Press release - Luxembourg - 16 March 2021

The SPAC is on the map – investment with a view to acquisition

Luxembourg, 16 March 2021 - Arendt & Medernach advised the sponsors of Lakestar SPAC 1 SE in its IPO on the Frankfurt Stock Exchange.

Lakestar SPAC 1 SE, the very first special purpose acquisition company (SPAC) to focus on an acquisition in the technology sector in Europe, has applied to have its public shares admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard), and to list its public warrants for trading on the open market (*Freiverkehr*) of the Frankfurt Stock Exchange (Börse Frankfurt Zertifikate AG). The prospectus was approved in Luxembourg on 19 February 2021 by the Commission de Surveillance du Secteur Financier (CSSF), in its capacity as competent authority under the EU Prospectus Regulation, for the purpose of admitting the public shares to trading. In addition, Lakestar SPAC 1 SE has issued sponsor shares and sponsor warrants.

It is expected that this transaction is paving the way for a Luxembourg-incorporated SPAC comeback in Europe.

The SPAC, an alternative way to invest and go public

A SPAC is an acquisition vehicle typically created by experts in a particular field (like technology, in the case of Lakestar SPAC 1 SE). Its primary objective is to acquire, by way of a business combination, an operating company or group which often is in an early IPO stage. Any such acquisition will be funded by raising capital through the SPAC in the course of its own IPO and the proceeds so raised will be kept on escrow with a view to quickly seize opportunities. Once a prospective target has been identified, the business combination must be approved by a majority of the votes cast at a general shareholders' meeting of the SPAC and typically be consummated within a period of two years after launch. Otherwise, the SPAC will be liquidated.

Public shareholders in the SPAC are given the option of initially investing in an acquisition vehicle, while enjoying the safeguards of a listed company, most notably regulation and transparency, and having a say in the business combination. If the business combination is approved, public shareholders, which have not been supportive of the proposed business combination can request the redemption of their shares. For the target, the business combination constitutes an attractive alternative to a traditional IPO.

Fresh potential for Luxembourg

The launch of the first Luxembourg SPAC after more than a decade points to attractive possibilities for Europe and Luxembourg alike. Thanks to its business-friendly environment, focus on investment and specialised supervisory authorities, Luxembourg is ideally positioned as key jurisdiction in which to set up SPACs.

Having the help of experts in fields specific to SPAC creation (such as capital markets regulation, corporate law, M&A and taxation, among others) is essential to the successful launch of a SPAC.

“The SPAC offers a new way of going public that aligns with today’s desire for efficiency and reduced time to market. Lakestar SPAC 1 SE is also a very good example illustrating the versatility of Luxembourg company law and corporate governance rules, which allow the key features of US-style special purpose acquisition companies to be precisely replicated in a Luxembourg company while maintaining full compliance with EU securities and stock exchange regulations.”

**François Warken, Partner, Capital Markets,
Arendt & Medernach**



“This type of acquisition is a great opportunity for Luxembourg: right at the heart of Europe, and with ready connections to all important European stock markets as well. The accessibility of the regulator and its knowledge of the product and terms, the flexibility of Luxembourg company law in implementing market terms for a SPAC, and the uniquely international environment mean projects can be realised quickly – particularly in the fields of technology and innovation, as we have seen in the case of Lakestar SPAC 1 SE.”

**Alexander Olliges, Partner in Corporate Law,
Mergers & Acquisitions, Arendt & Medernach**

your media contact

Marie-Adélaïde Leclercq-Olhagaray

Head of Marketing and Communications

T +352 40 78 78 50 65

marie-adelaide.leclercq-olhagaray@arendt.com

about Arendt & Medernach

Arendt & Medernach is the leading independent business law firm in Luxembourg. The firm’s international team of 350 legal professionals represents clients in all areas of Luxembourg business law, with representative offices in Hong Kong, London, Moscow, New York and Paris. Our service to clients is differentiated by the end to end specialist advice we offer, covering all legal, regulatory, taxation and advisory aspects of doing business in Luxembourg.

about Arendt

We are lawyers, regulatory consultants, business advisors, corporate, tax and funds services experts.

We bridge the gap between legal advice and its implementation.

We adopt an integrated approach to solving your business issues.

We are Arendt - the leading legal, tax and business services firm in Luxembourg.



Arendt & Medernach SA
Registered with the Luxembourg Bar
RCS Luxembourg B 186371

arendt.com

41A avenue JF Kennedy
L-2082 Luxembourg
T +352 40 78 78 1



I am informed that I can object to the processing of my personal data for marketing purposes at any time either by e-mail addressed to unsubscribe@arendt.com or by clicking [here](#).

[Update e-mails preferences](#) | [Forward this e-mail](#)