Whitepaper

UNITED NATIONS SCIENCE-POLICY-BUSINESS FORUM

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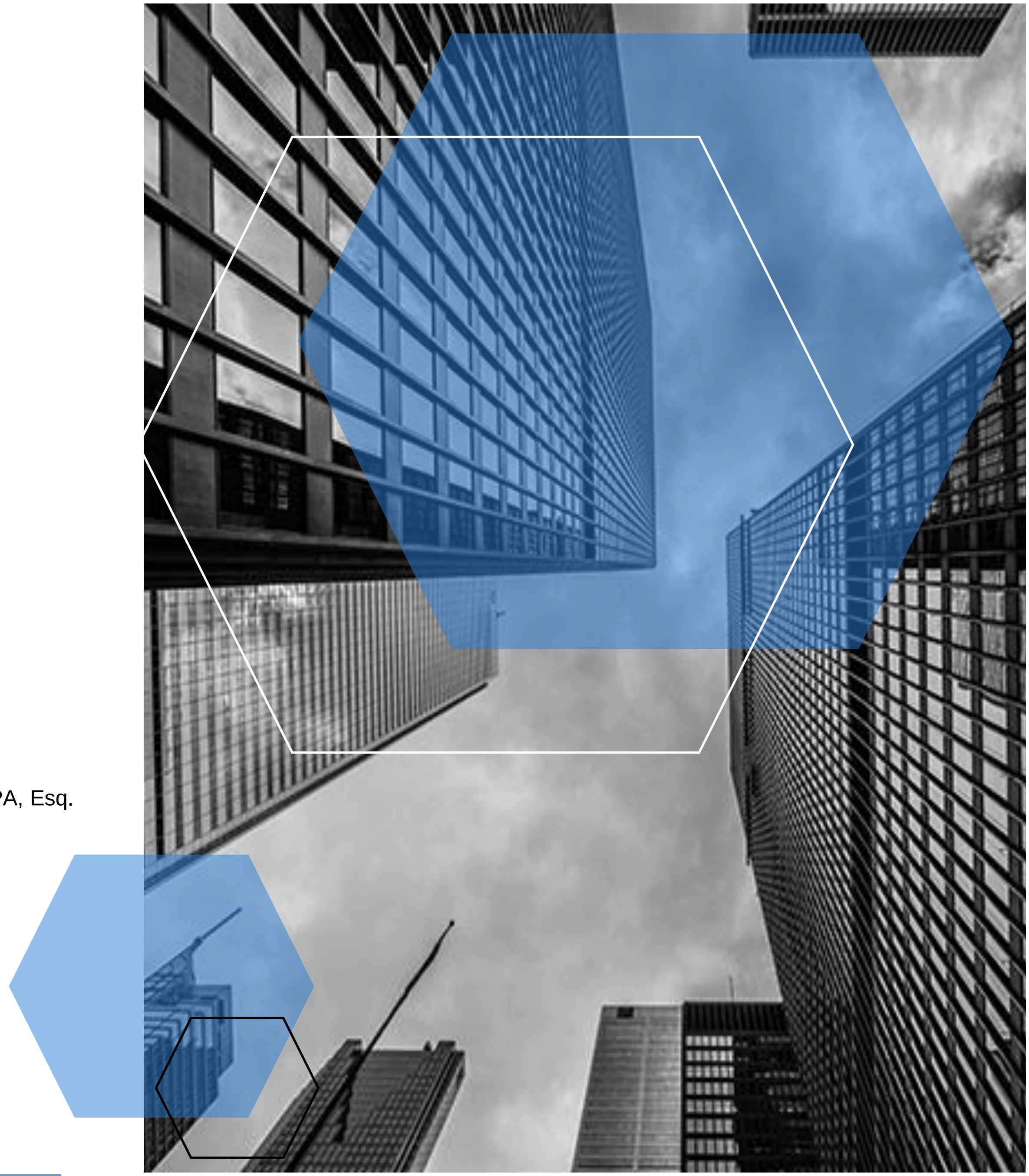

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AI + SPAC DIGITIZATION

IMPROVING LONG-TERM SPAC INVESTMENT PERFORMANCE

New advances in artificial intelligence (AI) can help special purpose acquisition company (SPAC) sponsors discover promising target company and post-merger growth opportunities by identifying patterns that are not detectable through conventional methods. Through our own research and work with Nasdaq's Investment Intelligence division, we have created an innovative SPAC investment strategy that uses a global leading AI-based investment platform, called Kognetics® (https://kognetics.com/), to aid in improving a SPAC's long-term investment performance.

SPAC PROBLEM

NEGATIVE HISTORICAL INVESTMENT PERFORMANCE FOR SPACS

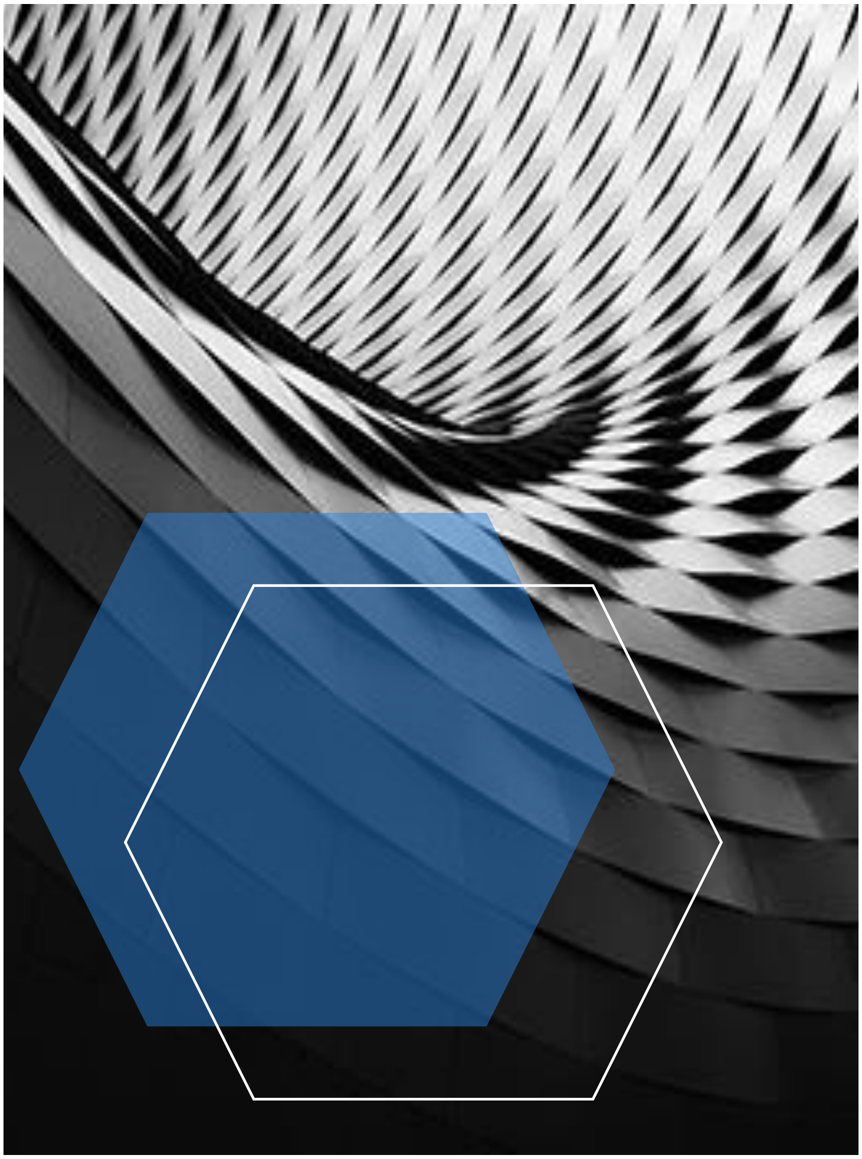
According to a 2020 report from Renaissance Capital, of the 89 SPAC mergers from the start of 2015, the common shares delivered an average loss of -18.8% and a median return of -36.1%. This is compared to the average aftermarket return of 37.2% for traditional IPOs since 2015.[1] The SPAC target company search and post-merger growth processes are leading causes of the negative investment performance of SPACs. Historically, both processes have been highly intermediated, driven by referrals and face-to-face networking, making it labor intensive and inefficient.[2] SPAC sponsors are reliant on, and limited to, the knowledge of brokers and incomplete information, resulting in suboptimal pairing of investors and investments.[2] This reduces the overall efficiency of capital markets and performance for investors and growing companies.[2] New advances in artificial intelligence can help SPAC sponsors discover promising target company and post-merger growth opportunities by identifying patterns that are not detectable through conventional methods.

SPAC SOLUTION

DIGITIZING THE SPAC PROCESS WITH AI

Through our own research and work with Nasdaq's Investment Intelligence division, we have created an innovative SPAC investment strategy that uses a global leading AI-based investment platform to aid in improving a SPAC's long-term investment performance. The technology platform is called Kognetics® (https://kognetics.com/). Kognetics® incorporates AI into M&A and corporate strategic planning. Through our proprietary AI + SPAC investment method, the Kognetics® technology platform is used in the SPAC target company search and post-merger growth strategies. This optimizes both the target company search and post-merger growth phases of the SPAC, which ultimately benefits the long-term investment performance of the newly listed company.

[1] https://www.nasdaq.com/articles/spac-returns-fall-short-of-traditional-ipo-returns-on-average-2020-07-28
[2] http://www3.weforum.org/docs/WEF_New_Physics_of_Financial_Services.pdf



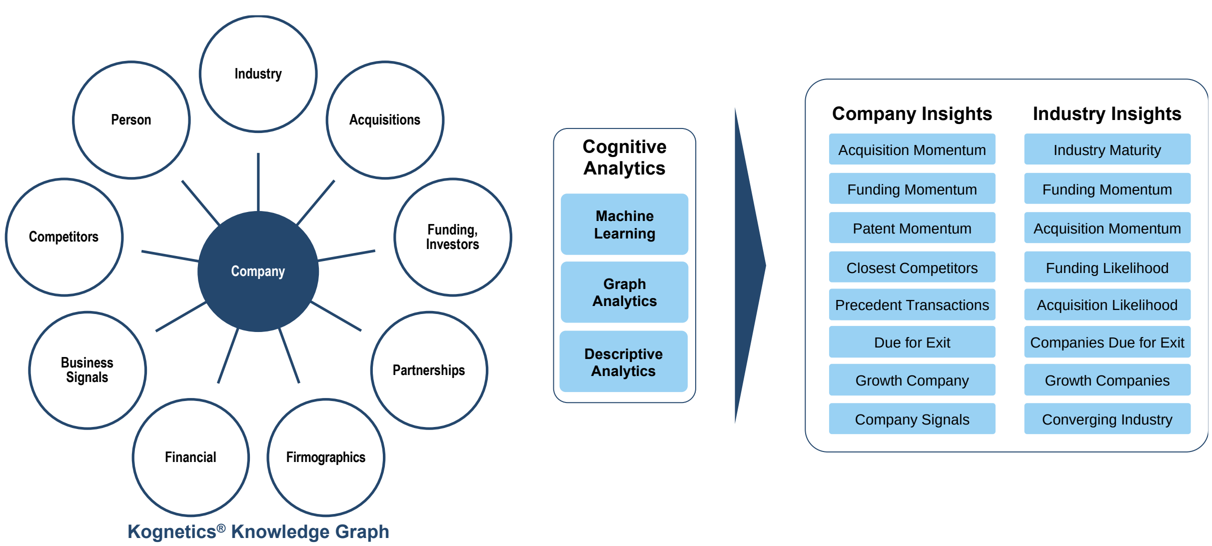
KOGNETICS®

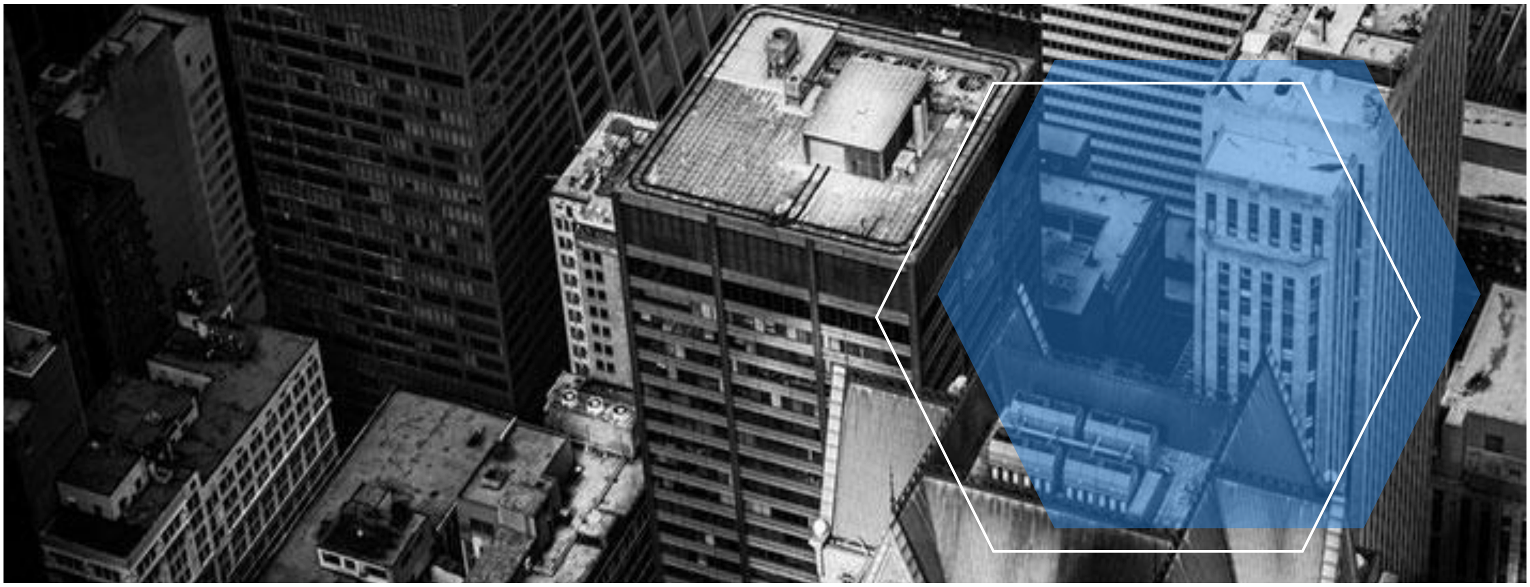
AI FOR M&A AND CORPORATE STRATEGY

Kognetics® incorporates AI into M&A and corporate strategic planning. Kognetics® has been recognized by the World Economic Forum as one of the Top 10 leading technology platforms globally that is shaping the future of the global capital markets sector. Kognetics® is an intelligence augmentation platform for enterprise decision-making which helps investment professionals bring granular and proactive information to drive strategic M&A and corporate decisions. This solution brings disruptive change to business development, idea generation, and client pursuits by leveraging real-time insights and decision analytics to strategy and execution–increasing deal sourcing accuracy. Kognetics® provides advanced insights, including:

- **Acquisition Momentum**: Identifies historical acquisition trends
- **Acquisition Likelihood**: Predicts the likely intensity of M&A activity in the near-term and which sectors will see more M&A activity
- **Strategic Gap & Value Creation Analysis**: Identifies growth opportunities and critical gaps based on market trends and competitor activity
- **Companies Due for an Exit**: Identifies companies that are likely to hit the primary buyout market and can be attractive targets
- **Growth Companies**: Identifies growth companies using signals captured from a variety of both structured and unstructured sources

KOGNETICS® AI INSIGHTS





Nasdaq

AI + SPAC SERIES LAUNCH

We are currently using Kognetics® to launch a series of SPACs via Nasdaq. Our capital partners sponsor a SPAC using our AI + SPAC investment strategy. Our SPAC target company criteria includes a company that:

- Is in the technology industry and can benefit from the extensive networks and insights we have built. In addition, we expect to evaluate targets in related industries that can use technology to drive meaningful operational improvements and efficiency gains, or enhance their strategic positions by using technology solutions to differentiate offerings
- Is ready to operate in the scrutiny of public markets, with strong management, corporate governance, and reporting policies in place
- Will likely be well received by public investors and is expected to have good access to the public capital markets
- Is at an inflection point, such as those requiring additional management expertise, innovation to develop new products or services, improvement of financial performance, or growth through a business combination
- Has significant embedded and/or underexploited expansion opportunities
- Exhibits unrecognized value or other characteristics that we believe have been misevaluated by the market based on our Kognetics® platform analysis and due diligence review. For a potential target company, this process will include, among other things, a review and analysis of the company's capital structure, quality of earnings, potential for operational improvements, corporate governance, customers, material contracts, and industry background and trends
- Has no debt or alternatively has a low debt ratio
- Will offer attractive risk-adjusted equity returns for our shareholders. Financial returns will be evaluated based on (1) the potential for organic growth in cash flows, (2) the ability to accelerate growth, including through the opportunity for follow-on acquisitions, and (3) the prospects for creating value through other value creation initiatives. Potential upside from growth in the target business' earnings and an improved capital structure will be weighed against any identified downside risks
- The shareholders/leadership are looking to leverage the public market for growth, rather than liquidity as an exit