

Inside information – The first SPAC in the CEE region has found a bride – Footshop. Now, it is just waiting for a “yes” from investors.

Prague, 13 April 2023 – After a period of intense search and negotiation, WOOD SPAC One (hereinafter “WSO”), part of the WOOD & Company group, presents a suitable acquisition company. WSO has reached an agreement with the existing owners of Footshop s.r.o. (“Footshop”), a leading online retailer of premium streetwear footwear and apparel in Central and Eastern Europe, based in the Czech Republic, to acquire up to 49% of the shares. The agreement is subject to the approval of the shareholders of WSO, in accordance with the SPAC’s prospectus, dated 2 February 2022. If the transaction is approved, the SPAC and Footshop will merge, and Footshop’s shares will become publicly traded on the Prague Stock Exchange.

The WSO book building took place last year, between 10 February and 29 April. During this period, over 400 investors invested CZK 540m in the so-called shell company. After the company’s listing on the Prague Stock Exchange in May, the acquisition phase was launched, for which WSO had two years.

“I am glad that we managed to find an interesting entity in a rather short period of time and, after only one year, we can present Footshop to investors, a company that has very good development and investment potential. The proposed transaction meets all the investment criteria set out in the SPAC’s prospectus; the next step is now up to the investors,” says Oliver Polyák, Manager of Investment Banking at WOOD & Company, who is also a member of the Board of Directors of WSO.

“I believe that we have fulfilled the expectations, and the ‘bride’ we have chosen will get a YES from the investors to implement the agreed transaction,” adds WOOD & Company’s CEO Vladimír Jaroš.

“For years, we have been bringing our customers some of the finest and most coveted sneakers and items of clothing around the world. Now, we will strive to bring value to our investors, especially if the stock market allows our fans to become just that. For Footshop, this is a great opportunity to strengthen its position in the region and fulfil its vision,” says Peter Hajduček, CEO of Footshop.

Footshop is a European retailer of premium streetwear footwear and apparel, founded in Prague in 2012 by Peter Hajduček. The company sells products online primarily in Europe, but its e-shop is available globally. Revenues for 2022 exceeded CZK 1bn, with 70% of sales outside the Czech Republic. Footshop also operates three premium bricks-and-mortar stores in the European capitals of Prague, Budapest and Bucharest. Thanks to its focus on the young streetwear community, the company has become a partner of global brands, such as Adidas, Nike, Converse and Vans, for the distribution of their premium lines of footwear and clothing. It is the only company in the region selling some of their product lines. In several markets, including the Czech Republic, it is the number one player in the premium streetwear footwear and apparel segment. In 2021, Footshop acquired its main competitor in the Czech Republic, Queens, under whose brand it continues to operate an e-shop. The current shareholders of Footshop are Peter Hajduček (founder and CEO), Marcel Vargaeštók (angel investor), Kaya (leading Czech venture capital fund), and Crowdberry (Czech-Slovak crowdfunding platform for investment in growth companies).

A **SPAC** (Special Purpose Acquisition Company) is an equity product with the potential for very high returns and the opportunity to participate in the decision-making process. The company is created as an empty shell, set up for the purpose of acquisition, and is used to fast-track a company to the stock market. **WOOD SPAC One** is the first-ever SPAC within the CEE region. The book-building period ran from 10 February to 29 April 2022. The minimum investment in the subscription was CZK 250,200. In accordance with the prospectus, investors were allocated warrants, in addition to shares, the first half of which investors received concurrently with the shares. The second half will vest only upon the completion of the acquisition, provided that they still own the relevant number of shares on the relevant record date. The terms of the acquisition have now been agreed, which will be followed by a vote of all investors to approve the acquisition. The final stage is the listing of the target company on the stock exchange.

WOOD & Company is a major financial and investment group with a leading position in the Central European market. The company was founded in 1991 and has offices in seven major European cities – Prague, Bratislava, Warsaw, Milan, Bucharest, Dublin and London. It focuses on providing services in the areas of corporate finance and capital markets, securities trading and asset management. Real estate funds and the online investment platform Portu form a significant part of the group.