

TITULO: Patria-backed SPAC plans LatAm merger after IPO				
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Patria-backed SPAC plans LatAm merger after IPO

Davide Montagner
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Davis Polk & Wardwell LLP in New York and Washington, DC has helped a Patria Investimentos-sponsored special purpose acquisition company (SPAC) raise US\$230 million in an initial public offering on the Nasdaq stock exchange.

Simpson Thacher & Bartlett LLP in New York and São Paulo advised the underwriters, JP Morgan and Citigroup.

The transaction closed on 14 March.

The SPAC, called Patria Latin American Opportunity Acquisition, sold 23 million common shares for US\$10 per unit. Each unit is made of one Class A ordinary share and one-half of a redeemable warrant, which allows the holder to purchase an additional share at a price of US\$11.50.

Following the IPO, the SPAC plans to combine and invest in a Latin American company. It intends to target a business in the healthcare, food and beverage, logistics, agribusiness, education or financial services sectors, among others.

The SPAC is associated with Brazil-founded investor Patria. Like other SPACs, it is a shell company created for the sole purpose of acquiring or investing in other enterprises.

Patria is a Latin America-focused investment group with over 30 years of experience and US\$14 billion worth of assets under management. The company **raised** US\$588 million in a Nasdaq IPO last year.

In January, Patria **signed** a deal to acquire a portfolio of hydroelectric plants for 1.7 billion reais (US\$318 million) from UK energy group ContourGlobal.

Several SPACs targeting Latin American companies have been listed on US stock exchanges over the last year. One such vehicle, sponsored by Californian private equity group Colony LatAm Partners, **went** public on the Nasdaq with a US\$130 million initial public offering earlier this year. Before that, a SPAC backed by Brazilian asset manager Crescera Capital **raised** US\$201 million in an IPO.

Several companies in the region have merged with SPACs too. In December, Brazilian urban air mobility business Eve **combined** with Zanite.

Counsel to Patria Latin American Opportunity Acquisition Corp

Davis Polk & Wardwell LLP

Partner Ethan Goldman and associates Daniel Jose, Matthew Silver and Charlotte Fabiani in New York, and partner Adam Kaminsky in Washington, DC

Counsel to JP Morgan and Citigroup Global Markets

Simpson Thacher & Bartlett LLP

Partners Todd Crider and Russell Light, counsel Jennie Getsin, and associates Joshua Bernard and William Smolinski in New York, and partner Grenfel Calheiros and associate Siddharth Fresa in São Paulo