

Nascent crypto exchange Bullish plans \$9B SPAC

Article

The news: The crypto exchange will merge with SPAC **Far Peak Acquisition Corporation** and list on the **NYSE** by the end of the year, [per](#) Business Wire.

The SPAC is surprising: In a very bold move, the SPAC was announced without **Bullish** actually being live.

[Bullish](#) was set up as a subsidiary of blockchain software company **Block.one** in May and is planning to run a private pilot program in the coming weeks before its public launch later this year—we assume before the listing.

It will use Block.one's **EOS blockchain** to automate crypto trading services like portfolio management tools for institutional and retail investors.

Is the valuation justifiable? Bullish will have little to go on to entice investors.

Since the exchange will likely launch just a few months before the listing, it will not have a long history of revenues and user growth to attract investors. By contrast, **Coinbase**, which launched in 2012, disclosed record growth in 2020 and Q1 of this year ahead of its direct listing.

In lieu of this, Bullish will need to rely on investors' **bullishness** (pun intended) for crypto markets and its parent company's and Far Peak's reputations to lure them. Block.one is backed by high-profile venture capitalist **Peter Thiel**, per Business Wire, and EOS is a **major** blockchain platform. Far Peak is backed by ex-NYSE president **Tom Farley**, who will take over as Bullish's CEO after the merger.

Looking ahead: More crypto exchanges are expected to go public via SPACs this year to capitalize on the crypto frenzy while it lasts.

SPACs tend to be a **faster** route to going public than IPOs, which works well for crypto exchanges like Bullish still hoping to cash in on cryptos' popularity. Other crypto firms that have already announced SPACs include **Bakkt** in January and **Circle** earlier this week.

And more are reportedly considering going down this route later this year: **Gemini**, **Kraken**, **BlockFi**, **Paxos**, and even **Ripple**—should it get over its **lawsuit** with the SEC—are potential candidates, **per** Forbes.

Platforms Used to Buy Cryptocurrencies According to Mobile Phone Users in Great Britain and US, March 2021

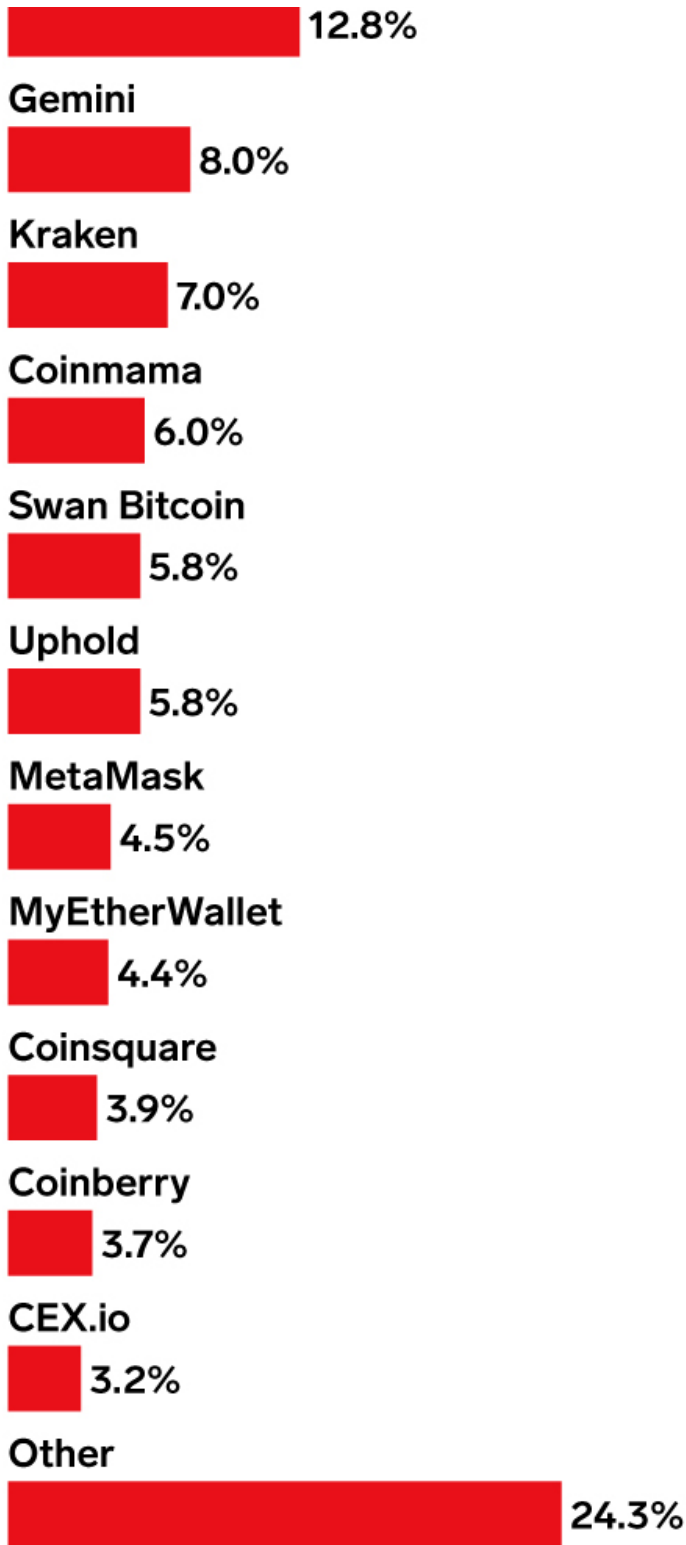
% of respondents

Coinbase



Etoro





Source: Measure Protocol, March 26, 2021

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