



July 22, 2025

Dear Investor,

Performance Summary

	<u>Net Return</u>
Current Quarter	13.9%
YTD	18.8%
Inception-to-Date	51.7%

*Current Quarter and Year-to-Date (“YTD”) are through June 2025.
Inception-to-Date is from October 22, 2021, through June 2025.*

RLH SPAC Fund, LP (“RLH” or the “Fund”) returned 13.9% during the second quarter, navigating a complex market landscape marked by macro crosscurrents, rising geopolitical risk, and a bifurcated risk appetite across asset classes.

Our strategy continues to demonstrate low volatility and low correlation relative to traditional equities — providing investors with stable, risk-adjusted returns and embedded upside optionality.

I launched the fund at the end of 2021. Sentiment had already turned sharply negative for SPACs and as a result, the market ascribed zero value to the embedded optionality. Q2 2025 was the first time since inception that the market selectively valued optionality. As a result, we saw strong returns in our SPAC arbitrage strategy from both existing positions and new issuance.

The fund pursues three primary strategies: SPAC arbitrage, non-redemption agreements, and PIPEs/Bridge Loans. SPAC arbitrage remains the Fund’s core strategy, currently comprising approximately 85% of the portfolio. Inception-to-date, the return on the SPAC arbitrage portfolio was a function of excess yield over financing rates. However, during the quarter, certain SPACs traded up to price in the upside optionality of a successful transaction.

The bridge financing and PIPE strategy also contributed meaningfully to returns this quarter with several monetized transactions, including the IPO of Airo Group. I’ve included a case study on Airo Group, as it exemplifies the type of structured bridge loan opportunities we target. I continue to anticipate additional monetizations in the second half of the year.

During the quarter, approximately 80% of the Fund’s performance was attributable to the SPAC arbitrage strategy, with the remaining 20% driven by the PIPE and Bridge Loan strategy.

Q2 2025 Market Overview

The S&P 500 appreciated 10.9% (+6.2% YTD), the S&P 500 Equal Weight Appreciated 5.5% (+4.8% YTD), the Russell 2000 appreciated 8.5% (-1.8% YTD), and the US Aggregate Bond index appreciated 1.2% (+4.0% YTD) during the quarter.

Despite finishing the quarter at all-time highs, the start of the quarter was volatile with the S&P 500 declining as much as 11% before recovering and ending the month down a trivial 0.9%. May and June were strong months, helping core indices recover YTD losses and finish the quarter near highs.

In terms of SPAC activity, IPOs continue to lead the way. There were 44 SPAC IPOs raising \$8.4bn! This compares to 19 IPOs raising \$2.8bn in the second quarter. There were 13 SPAC transactions announced in the quarter, compared to 10 in the prior quarter.



Where are We in the SPAC Cycle?

If you asked me six months ago what it would take to revitalize interest in the SPAC market, I would have told you something along the following: there will be one or two good transactions that fly under the radar. The transactions would close, and the underlying equities would perform well. Investors would realize that it's possible for a DeSPAC to trade well and create value for shareholders. As a result, investors would pay more attention to SPAC transactions and selectively look to invest.

Contrary to my initial expectation of a bottom-up re-rating led by successful de-SPACs, the SPAC revival has instead been driven by top-down enthusiasm for selected themes such as crypto and nuclear power. Hopefully, over the coming months we will see additional themes receive positive investor reception.

Repricing of SPAC Risk: Risk-On, But Selective

We've seen a meaningful shift in how investors are pricing SPACs. Several pre-deal SPACs are now trading at premiums to trust — a sign of renewed risk appetite for differentiated sponsors and forward-thinking themes (AI, digital assets, defense tech, etc.).

However, the repricing has been selective. There is a growing bifurcation between “premium” vehicles (sponsor pedigree, thematic alignment, or PIPE visibility).

As part of our risk management framework, we typically reduce position sizes when a SPAC begins trading above net asset value (“NAV”). While we are not categorically opposed to owning SPACs above NAV — especially in situations where upside optionality is compelling — we recognize that these positions carry greater downside risk than traditional below-NAV arbitrage setups. As such, we manage them more conservatively and typically hold them on an unlevered basis. This discipline allows us to participate in upside-driven repricing while protecting capital.

Event Risk is Back: Transaction Announcement-Driven Volatility – Particularly Crypto!

Consistent with the administration's crypto-friendly stance, we've seen increasing activity in this sector. Cantor Fitzgerald's SPAC CEP announced a transaction in April in partnership with Tether and SoftBank to create Twenty One. The company's goal is to amass as much Bitcoin as possible (Similar to Strategy (Nasdaq: MSTR)). The transaction raised well in excess of \$500mm in PIPE capital. At the time of this writing, shares are trading around \$30, representing a 200% gain from the IPO price.

Additional Crypto announcements include CCCM and MBAV.

Nuclear power transactions are also being well received with GSRT and HOND trading above trust value.

Emerging Opportunities: Private Investment in Public Equity (“PIPEs”)

The PIPE market, left largely dormant since the 2021 SPAC cycle, is showing early signs of life. Recent PIPE opportunities offer compelling valuations and in some cases additional “bells and whistles” such as warrants. The Fund has selectively participated in a handful of PIPE transactions. During the quarter the Fund invested in four PIPE transactions and committed to one additional transaction. Three of the transactions were very short term in nature and have already been monetized..

For risk purposes PIPEs are included in the illiquid bridge loan category with an allocation target of 10%.



Portfolio Overview

SPAC arbitrage remains most of the portfolio. The quarter-end SPAC Arbitrage portfolio consisted of ~45 SPACs.

Total warrant and rights exposure represented ~2% of equity.

Proprietary SPAC investments represented ~5 % of equity.

The Fund has 14 founder share positions.

Founder Shares Update

Since inception, the Fund has participated in 28 non-redemption agreements. These agreements provide the Fund with shares in a SPAC transaction should the deal close.

Thus far 7 SPACs have liquidated, 5 are seeking a target, 5 have announced a transaction, and 10 have closed. Note: the Fund may participate in multiple non-redemption agreements for the same SPAC.

Proprietary Structured SPAC Investments and PIPEs

This was an active quarter for our proprietary structured SPAC and PIPE investments. RLH participated in three short-duration PIPEs, all of which funded and monetized within the quarter. In addition, a previously illiquid position became tradeable, allowing us to exit and realize proceeds. AIRO also completed its IPO, marking another liquidity event.

On the deployment side, RLH funded one SPAC PIPE during the quarter and committed to two additional transactions shortly after quarter end. Per company guidance, all three are expected to close and monetize in the fourth quarter.

Where to deploy capital during this time?

Looking ahead, I remain focused on identifying SPAC opportunities that offer meaningful upside optionality while maintaining the same strict valuation discipline that has defined the Fund since inception. We continue to underwrite to downside protection via trust value and only pursue transactions where we believe the risk-reward profile is asymmetric and clearly defined.

As certain thematic or structurally differentiated deals emerge, we are increasingly finding opportunities where investors may want exposure that exceeds what is appropriate for the Fund's core risk profile. In response to inbound interest from existing and prospective investors, RLH launched a dedicated SPV during the quarter to participate in one such transaction. We intend to continue offering co-investment opportunities via SPVs when appropriate, allowing LPs to increase their exposure to select, higher-conviction ideas where the Fund may otherwise be capacity constrained.

By leveraging our network and sourcing capabilities, we aim to maintain our conservative risk posture at the Fund level while enabling LPs to scale into the highest-upside parts of our opportunity set.

I am grateful for your trust and support. I remain committed to protecting and growing your capital. If you have any thoughts or questions on the commentary above, Fund strategy or returns, please do not hesitate to reach out.

Yours truly,

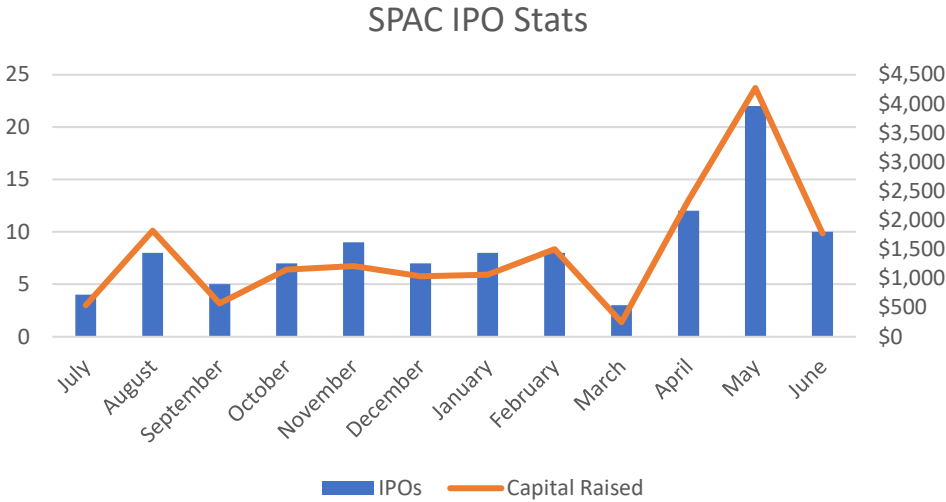
Louis Camhi



Appendix: SPAC Market Commentary

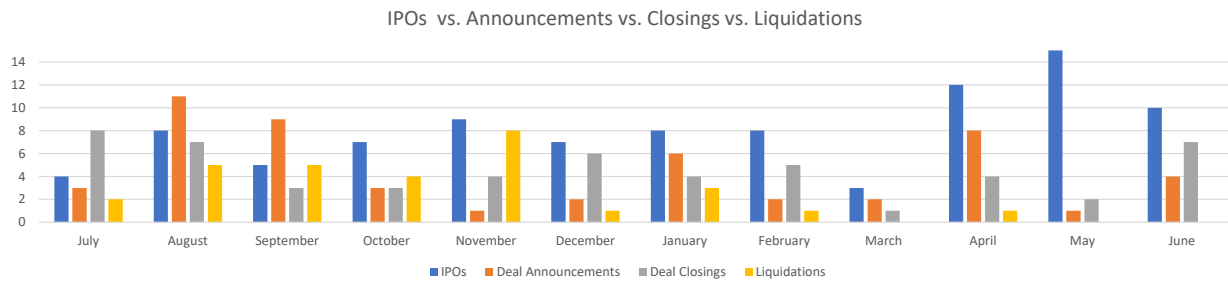
The traditional IPO market remains subdued, but it starting to show signs of life. On the other hand, the SPAC IPO market continues to see strong activity.

There were 44 SPAC IPOs raising \$8.4bn of capital during the second quarter of 2025 compared to 19 IPOs raising \$2.8bn of capital in the prior quarter.



SPAC transaction announcements remained roughly in-line with the prior quarter. SPACs announced 13 transactions, which compares to 10 transactions in the first quarter.

Transaction announcements decelerated during the quarter driven by increasing macro uncertainty. IPO issuance remains strong, and SPAC liquidations have decelerated.





Disclaimer

This material does not constitute an offer or the solicitation of an offer to purchase an interest in RLH SPAC Fund, LP (the “**Fund**”), which such offer will only be made via a confidential private placement memorandum (the “**Memorandum**”). An investment in the Fund is speculative and is subject to a risk of loss, including a risk of loss of principal. There is no secondary market for interests in the Fund and none is expected to develop. No assurance can be given that the Fund will achieve its objective or that an investor will receive a return of all or part of its investment. All statements herein are qualified in their entirety by reference to the Memorandum, and to the extent that this document contradicts the Memorandum, the Memorandum shall govern in all respects.

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The performance data discussed herein represent the performance of the Fund since inception. The results reflect the deduction of: (i) an annual asset management fee of 1.25%, charged monthly; (ii) a performance allocation of 15.0%, taken annually, subject to a “high water mark;” (iii) transaction fees and trading expenses actually incurred; and (iv) organizational and operating expenses. All results were achieved using the investment strategies described in the Memorandum.

This material contains certain forward-looking statements and projections regarding market trends, investment strategy, portfolio construction, and the return potential of different strategies, including indicative guidelines regarding the type of opportunities that may be pursued by the Fund, the types of analysis conducted, concentration limits, position sizing, geographic focus, liquidity, returns, and other indications regarding the Fund’s strategy. These projections and guidelines are included for illustrative purposes only, are inherently predictive, speculative, and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. The guidelines included herein do not reflect strict rules or limitations on the Fund’s investment program and the Fund may deviate from the guidelines described herein. There are a number of factors that could cause actual events and developments to differ materially from those expressed or implied by these forward-looking statements, projections, and guidelines, and no assurances can be given that the forward-looking statements in this document will be realized or followed, as described. These forward-looking statements will not necessarily be updated in the future.

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