

Cheat Sheet: Overview of Paths to Liquidity

Path to Liquidity	IPO	SPAC	M&A
Timeframe from decision to closing the transaction	18-36 months	6 months or less	6-12 months
Timing to receive proceeds	Lock-in periods of 180 days are common	Typically subject to lock-up/resale restrictions for 1 year from de-SPAC transaction	Typically 100% or substantially all of proceeds at time of closing
Underwriting/banking costs & fees	~5-7% of IPO gross proceeds	~5-6% of SPAC IPO gross proceeds	~1.5-8% depending on company value
Post-transaction control	Owners retain control	Owners lose control	Owners lose some or all control
Seller's role post-sale	No change from pre-IPO	Negotiable, but typically includes staying on for a predetermined amount of time	Negotiable, from a complete exit to staying on for a predetermined amount of time