UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10- K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM [•] TO [•]

COMMISSION FILE NUMBER001-40831

DIRECT SELLING ACQUISITION CORP.
(Exact name of registrant as specified in its charter)

Delaware	**86-3676785**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
5800 Democracy Drive Plano, TX	**75024**
(Address of principal executive offices)	**(Zip Code)**

(214)380-6020
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

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Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Units, each consisting of one share of Class A common stock and one-half of one redeemable warrant	**DSAQ.U**	**The New York Stock Exchange**
Class A common stock, par value $0.0001 per share	**DSAQ**	**The New York Stock Exchange**
Redeemable warrants, each warrant exercisable for one share of Class A common stock at an exercise price of $11.50 per share	**DSAQ.W**	**OTC**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant (1) has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, anon-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule12b-2of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered accounting firm that prepared or issued its audit report. ☐

If the securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule12b-2of the Act). Yes ☒ No ☐

As of June 30, 2023, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the registrant's Class A common stock, $0.0001 par value per share, outstanding, other than shares held by persons who may be deemed affiliates of the registrant, computed by reference to the closing price for the Class A common stock, $0.0001 par value per share, on such date, as reported on the New York Stock Exchange was approximately 59,759,875.

As of April 1, 2024, the Registrant had 8,471,283 shares of its Class A common stock, $0.0001 par value per share, and 1000 shares of its Class B common stock, $0.0001 par value per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained in this report may constitute "forward-looking statements" for purposes of the federal securities laws. Our forward-looking statements include, but are not limited to, statements regarding our or our management team's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this report may include, for example, statements about:

- our ability to select an appropriate target business or businesses;
- our ability to complete our initial business combination;
- our expectations around the performance of the prospective target business or businesses;
- our success in retaining or recruiting, or changes required in, our officers, key employees or directors following our initial business combination;
- our officers and directors allocating their time to other businesses and potentially having conflicts of interest with our business or in approving our initial business combination;
- our potential ability to obtain additional financing to complete our initial business combination;
- our pool of prospective target businesses;
- the impact of any epidemics, pandemics disease outbreaks or quarantines, including the resurgence of new variants ofCOVID-19 on our ability to consummate an initial business combination;
- the ability of our officers and directors to generate a number of potential business combination opportunities;
- global economic conditions and geopolitical events including Russia's invasion of Ukraine or the Israel-Hamas War;
- our public securities' potential liquidity and trading;
- the lack of a market for our securities;
- the use of proceeds not held in the Trust Account or available to us from interest income on the Trust Account balance;
- the Trust Account not being subject to claims of third parties; or
- our financial performance following our Public Offering.

The forward-looking statements contained in this report are based on our current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under the heading "Risk Factors". Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. There may be additional risks that we consider immaterial or which are unknown. It is not possible to identify all such risks. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

SUMMARY OF RISK FACTORS

An investment in our securities involves a high degree of risk. The occurrence of one or more of the events or circumstances described in the section titled "Risk Factors," alone or in combination with other events or circumstances, may materially adversely affect our business, financial condition and operating results. In that event, the trading price of our securities could decline, and you could lose all or part of your investment. Such risks include, but are not limited to:

- We are a blank check company with no operating history and no revenues, and you have no basis on which to evaluate our ability to achieve our business objective.
- Our stockholders may not be afforded an opportunity to vote on our proposed initial business combination, and even if we hold a vote, holders of our Founder Shares will participate in such vote, which means we may complete our initial business combination even though a majority of our public stockholders do not support such a combination.
- Your only opportunity to affect the investment decision regarding a potential business combination may be limited to the exercise of your right to redeem your shares from us for cash.
- If we seek stockholder approval of our initial business combination, our initial stockholders and management team have agreed to vote in favor of such initial business combination, regardless of how our public stockholders vote.
- The ability of our public stockholders to redeem their shares for cash may make our financial condition unattractive to potential business combination targets, which may make it difficult for us to enter into a business combination with a target.
- The ability of our public stockholders to exercise redemption rights with respect to a large number of our shares may not allow us to complete the most desirable business combination or optimize our capital structure.
- The ability of our public stockholders to exercise redemption rights with respect to a large number of our shares could increase the probability that our initial business combination would be unsuccessful and that you would have to wait for liquidation in order to redeem your shares.
- The requirement that we complete our initial business combination by the Termination Date (as defined herein) may give potential target businesses leverage over us in negotiating a business combination and may limit the time we have in which to conduct due diligence on potential business combination targets, in particular as we approach our dissolution deadline, which could undermine our ability to complete our initial business combination on terms that would produce value for our stockholders.
- Certain of our officers and directors have or will have direct and indirect economic interests in us and/or our sponsor after the consummation of our initial public offering and such interests may potentially conflict with those of our public stockholders as we evaluate and decide whether to recommend a potential business combination to our public stockholders.
- Our search for a business combination, and any target business with which we ultimately consummate a business combination, may be materially adversely affected by the recent increases in inflation, epidemics, pandemics, disease outbreaks or quarantines, including the resurgence of new variants of COVID-19 outbreak and the status of debt and equity markets.
- We may not be able to complete our initial business combination by the Termination Date, in which case we would cease all operations except for the purpose of winding up and we would redeem our public shares and liquidate.
- You will not be entitled to protections normally afforded to investors of many other blank check companies.
- Because of our limited resources and the significant competition for business combination opportunities, it may be more difficult for us to complete our initial business combination. If we are unable to complete our initial business combination, our public stockholders may receive only their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless.

- Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect our business, including our ability to negotiate and complete our initial business combination, and results of operations.
- We may not hold an annual meeting of stockholders until after the consummation of our initial business combination, which could delay the opportunity for our stockholders to elect directors.
- The New York Stock Exchange (the "NYSE") may delist our securities from its exchange, which could limit investors' ability to make transactions in our securities and subject us to additional trading restrictions.
- You will not have any rights or interests in funds from the Trust Account, except under certain limited circumstances. Therefore, to liquidate your investment, you may be forced to sell your public shares or warrants, potentially at a loss.
- Holders of our Class A common stock will not be entitled to vote on any appointment of directors prior to our initial business combination.
- Past performance by our management team and their affiliates may not be indicative of future performance of an investment in us.
- We may seek business combination opportunities in industries or sectors that may be outside of our management's areas of expertise.
- We may not have sufficient funds to satisfy indemnification claims of our directors and executive officers.
- The SEC has recently issued final rules relating to certain activities of SPACs. Certain of the procedures that we, Hunch Mobility (as defined below) or others may determine to undertake in connection with such rules may increase our costs and the time needed to complete the Business Combination (as defined below).
- Our warrants are expected to be accounted for as a warrant liability and will be recorded at fair value upon issuance with changes in fair value each period reported in earnings, which may have an adverse effect on the market price of our Class A common stock or may make it more difficult for us to consummate an initial business combination.
- Our independent registered public accounting firm's report contains an explanatory paragraph that expresses substantial doubt about our ability to continue as a "going concern."
- We may be subject to the 1% excise tax included in the Inflation Reduction Act of 2022, which may decrease the value of our securities following our initial business combination and hinder our ability to consummate an initial business combination.

PART I

References in this report to "we," "us", "our", "DSAQ" or the "Company" refer to Direct Selling Acquisition Corp. References to our "management" or our "management team" refer to our officers and directors, and references to the "Sponsor" refer to DSAC Partners LLC, a Delaware limited liability company.

ITEM 1. BUSINESS

Introduction

We are a blank check company incorporated on March 9, 2021 as a Delaware corporation and formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. We have neither engaged in any operations nor generated any revenue to date. Based on our business activities, the Company is a "shell company" as defined under the Securities Exchange Act of 1934 (the "Exchange Act") because we have no operations and nominal assets consisting almost entirely of cash.

On September 28, 2021, we consummated our initial public offering ("Public Offering") of 23,000,000 units, including the issuance of 3,000,000 units as a result of the underwriters' full exercise of their over-allotment option. Each unit consists of one share of Class A common stock and one-half of one redeemable warrant. Each whole warrant entitles the holder thereof to purchase one share of Class A common stock at a price of $11.50 per share. The units were sold at an offering price of $10.00 per unit, generating gross proceeds, before expenses, of $230,000,000.

On June 7, 2021, our sponsor purchased an aggregate of 5,750,000 founder shares ("Founder Shares") for an aggregate purchase price of $25,000, or approximately $0.004 per share. The number of Founder Shares outstanding was determined based on the Company's expectation that the total size of the Public Offering would be a maximum of 23,000,000 units if the underwriters' over-allotment option was exercised in full, and therefore that such Founder Shares would represent 20% of the outstanding shares after the Public Offering. Prior to our sponsor's initial investment of $25,000, the Company had no assets, tangible or intangible.

Simultaneously with the closing of the Public Offering, pursuant to the Private Placement Warrants Purchase Agreement, the Company completed the private sale of an aggregate of 11,700,000 warrants (the "Private Placement Warrants") to the sponsor at a purchase price of $1.00 per Private Placement Warrant, generating gross proceeds to the Company of $11,700,000, a portion of which was added to the proceeds from the Public Offering held in the Trust Account (as defined below). No underwriting discounts or commissions were paid with respect to such sale. The issuance of the Private Placement Warrants was made pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act").

The Private Placement Warrants are identical to the Warrants sold in the Public Offering, except that the Private Placement Warrants, so long as they are held by our sponsor or its permitted transferees, (i) are not redeemable by the us, (ii) may not (including the shares of Class A common stock issuable upon exercise of such Private Placement Warrants), subject to certain limited exceptions, be transferred, assigned or sold by such holders until 30 days after the completion of the Company's initial business combination, (iii) may be exercised by the holders on a cashless basis and (iv) are entitled to registration rights. If the Private Placement Warrants are held by holders other than our sponsor or its permitted transferees, the Private Placement Warrants will be redeemable by us. If the Company does not consummate its initial business combination by the Termination Date, the Private Placement Warrants will expire worthless.

Upon the closing of the Public Offering and the Private Placement, $234,600,000 was placed in a trust account with Continental Stock Transfer & Trust Company ("Continental") acting as trustee (the "Trust Account").

After the payment of underwriting discounts and commissions (excluding the deferred portion of $8,050,000 in underwriting discounts and commissions payable upon consummation of our initial business combination if consummated) and approximately $490,543 in expenses relating to the Public Offering, approximately $1,537,621 of the net proceeds of the Public Offering and Private Placement was not deposited into the Trust Account and was initially available to us for working capital purposes. As of March 25, 2024, there was approximately $63,562,674 in investments and cash held in the Trust Account.

The proceeds held in the Trust Account were previously invested in United States "government securities" within the meaning of Section 2(a)(16) of the Investment Company Act of 1940, as amended (the "Investment Company Act"), having a maturity of 185 days or less or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations. However, prior to the 24-month anniversary of the consummation of our Public Offering, we instructed Continental to liquidate the U.S. government treasury obligations or money market funds held in the Trust Account and have maintained the funds in the Trust Account in cash in an interest-bearing demand deposit account at a bank until the earlier of the consummation of our initial business combination or our liquidation. Interest on the deposit account is currently 3.5-4.0% per annum, but such deposit account carries a variable rate and we cannot assure you that such rate will not decrease or increase significantly.

On March 17, 2023, we announced that we entered into anon-binding letter of intent ("LOI") for a potential business combination with a private company in the urban mobility sector. No assurances can be made that we will be successful in completing the business combination.

On March 24, 2023, we held a special meeting of stockholders (the "First Extension Meeting") to, in part, amend our amended and restated certificate of incorporation to extend the date by which we have to consummate a business combination from March 28, 2023 (the "Original Termination Date") to June 28, 2023 (the "Previous Charter Extension Date") and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to nine times by an additional one month each time after the Previous Charter Extension Date, by resolution of our board of directors (the "Board"), if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2024 or a total of up to twelve months after the Original Termination Date, unless the closing of a business combination shall have occurred prior thereto. For each monthly extension of the Previous Charter Extension Date we deposited $160,000 into the Trust Account. In connection with that vote, the holders of 17,404,506 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $10.48 per share, for an aggregate redemption amount of approximately $182,460,110. After the satisfaction of such redemptions, the balance in our trust account was approximately $58,660,352 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

On March 28, 2024, we held a stockholder meeting (the "Second Extension Meeting") to amend the Company's amended and restated certificate of incorporation (the "Certificate of Incorporation") to (i) extend the date by which the Company has to consummate a business combination from March 28, 2024 (the "Termination Date") to April 28, 2024 (the "Charter Extension Date") and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a business combination on a monthly basis up to eleven times by an additional one month each time after the Charter Extension Date, by resolution of the Board if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2025 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Termination Date, unless the closing of a business combination shall have occurred prior thereto (the "Extension Amendment Proposal"); (ii) eliminate from the Certificate of Incorporation the limitation that the Company may not redeem Class A Common Stock (as defined herein) to the extent that such redemption would result in the Company having net tangible assets of less than $5,000,0001 in order to allow the Company to redeem Class A Common Stock irrespective of whether such redemption would exceed the Redemption Limitation (the "Redemption Limitation Amendment Proposal"); and (iii) provide for the right of a holder of the Class B common stock, par value $0.0001 ("Class B Common Stock) to convert such Class B Common Stock into the Class A Common Stock on a one-for-one basis prior to the closing of a business combination at the election of the holder (the "Founder Share Amendment Proposal"). Additionally, a proposal to adjourn the Second Extension Meeting to a later date or dates would be presented to stockholders, if necessary, (a) to adjourn the Second Extension Meeting to a later date or dates, if necessary, (i) to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the Second Extension Meeting, there are insufficient shares of Class A Common Stock and Class B Common Stock in the capital of the Company represented (either in person or by proxy) to constitute a quorum necessary to conduct business at the Second Extension Meeting or at the time of the Second Extension Meeting to approve the Extension Amendment Proposal, the Redemption Limitation, or the Founder Share Amendment Proposal or (ii) where the Board has determined it is otherwise necessary (the "Adjournment Proposal").

In connection with the vote held on March 28, 2024, the holders of 2,873,211 Class A Common Stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $11.16 per share, for an aggregate redemption amount of approximately $32,066,629.79. After the satisfaction of such redemptions, the balance in our trust account was approximately $30,382,189.52 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

The Business Combination Agreement

On January 17, 2024, the Company entered into a Business Combination Agreement (the "Business Combination Agreement"), by and among Urban Air Mobility Private Limited, a private limited company incorporated under the laws of India and a direct wholly owned subsidiary of PubCo ("IndiaCo"), Hunch Technologies Limited, a private limited company incorporated in Ireland ("PubCo"), FlyBlade (India) Private Limited, a private limited company incorporated under the laws of India ("Hunch Mobility"), and HTL Merger Sub LLC, a Delaware limited liability company and a direct wholly owned subsidiary of PubCo ("Merger Sub").

The transactions contemplated by the Business Combination Agreement, including the Merger (as defined below), and the transactions contemplated by the related transaction documents contemplated by the Business Combination Agreement (collectively, the "Transactions"), will constitute a "Business Combination" as contemplated by the Certificate of Incorporation filed with the Delaware Secretary of State on August 23, 2021 (as amended on March 27, 2023). The Merger and the Transactions were unanimously approved by the Board on January 17, 2024. Capitalized terms used but not defined in this Annual Report on Form 10-K have the meanings given to them in the Business Combination Agreement.

Prior to the execution of the Business Combination Agreement, PubCo, IndiaCo and Hunch Mobility consummated a series of reorganization transactions, pursuant to which, among other things, Hunch Mobility transferred all of its assets and liabilities, other than certain exclusions, to IndiaCo on a slump sale basis as a going concern.

In connection with the Merger, prior to the closing of the Transactions (the "Closing"), PubCo will complete a reorganization (such transactions, the "Pre-Closing Reorganization"), pursuant to which, among other things, (i) after receipt of applicable governmental and regulatory consents, Hunch Mobility shall transfer all of the equity securities of Transhermes Aero IFSC Private Limited, a wholly owned subsidiary of Hunch Mobility incorporated in Gujarat International Finance Tec-City under the (Indian) International Financial Services Centres Authority Act, 2019 to IndiaCo, (ii) Hunch Mobility shall promptly undertake any and all steps necessary to complete its voluntary liquidation/winding-up process in accordance with applicable law and (iii) PubCo shall consummate a reverse share split, pursuant to which all equity securities of PubCo will, following the consummation of the Pre-Closing Reorganization and immediately prior to the Merger, be consolidated and result in the aggregate number of Class A ordinary shares in the share capital of PubCo (the "PubCo Class A Ordinary Shares") and Class B ordinary shares in the share capital of PubCo (the "PubCo Class B Ordinary Shares") issued and outstanding on a fully-diluted, as converted and as exercised basis (excluding equity securities issued or issuable pursuant to the Convertible Note (as defined below)) being equal to the Pre-Closing Reorganization Consideration (as defined in the Business Combination Agreement), which, in the aggregate, is anticipated to be equal to approximately $150 million.

Representations, Warranties and Covenants

The parties to the Business Combination Agreement have made some representations, warranties and covenants that are customary for transactions of this nature. The representations and warranties of the respective parties to the Business Combination Agreement will not survive the Closing. None of the representations, warranties, covenants, obligations or other agreements in the Business Combination Agreement will survive the Closing, and all such representations, warranties, covenants, obligations or other agreements, including all such rights, will terminate and expire upon the occurrence of the Effective Time (and there will be no liability after the closing of the Merger in respect thereof), except for (a) those covenants and agreements that by their terms expressly apply in whole or in part after the closing of the Merger and then only with respect to any breaches occurring after the Closing and (b) the miscellaneous provisions of the Business Combination Agreement. Accordingly, DSAQ stockholders will not have any indemnification obligations pursuant to the Business Combination Agreement.

The Merger

Following the Pre-Closing Reorganization and pursuant to the Business Combination Agreement, at the Closing, Merger Sub will merge with and into the Company (the "Merger"), pursuant to which the separate corporate existence of Merger Sub will cease, with the Company being the surviving corporation and becoming a wholly owned subsidiary of PubCo. In connection with the Merger, each (i) share of Class A common stock of the Company, par value $0.0001 per share (each a "DSAQ Class A Share") (ii) share of Class B common stock of the Company, par value $0.0001 per share (each a "DSAQ Class B Share") and (iii) convertible preferred share of the Company that will be issued pursuant to the Investor Subscription Agreement (as defined below) (each, a "DSAQ Preferred Share" and together with the DSAQ Class A Shares and DSAQ Class B Shares, the "DSAQ Shares"), issued and outstanding immediately prior to the effective time of the Merger (the "Effective Time"), other than those held in treasury, will be automatically cancelled and extinguished and converted into the right to receive: (A) with respect to each DSAQ Class A Share and DSAQ Class B Share, one (1) PubCo Class A Ordinary Share, one (1) CVR I, one (1) CVR II and one (1) CVR III, which are described in further detail below, and (B) with respect to each DSAQ Preferred Share, one (1) PubCo Preferred Share. All DSAQ Shares held in treasury will be canceled and extinguished without consideration.

Each unit of the Company issued in the Public Offering that is outstanding immediately prior to the Effective Time will be automatically separated and the holder thereof will be deemed to hold one (1) DSAQ Class A Share and one-half (1/2) of a public warrant of the Company, which underlying securities will be converted as described above.

At the Effective Time, unless otherwise amended by the adoption and approval of an amendment to the Warrant Agreement, dated as of September 23, 2021, by and between DSAQ and Continental (the "DSAQ Warrant Agreement"), to provide that, effective immediately prior to the Effective Time, each DSAQ Warrant will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) DSAQ Warrants are held)(the "DSAQ Warrant Amendment"), without any further action, each warrant of the Company that is outstanding immediately prior to the Effective Time shall remain outstanding but shall be assumed by PubCo and automatically adjusted to become (A) with respect to each public warrant of the Company, one (1) public warrant of PubCo and (B) with respect to each private placement warrant of the Company, one (1) private placement warrant of PubCo, each of which shall be subject to substantially the same terms and conditions applicable prior to such conversion; except that each such warrant shall be exercisable (or will become exercisable in accordance with its terms) for (i) one (1) PubCo Class A Ordinary Share, (ii) one (1) CVR I, (iii) one (1) CVR II and (iv) one (1) CVR III, in lieu of DSAQ Class A Shares (subject to the PubCo Warrant Agreement).

In connection with the foregoing, the Company, through its board of directors, shall recommend to the Company's stockholders and warrant holders the adoption and approval of the Business Combination Agreement and the transactions contemplated thereby (including the Merger), and the approval and adoption of the DSAQ Warrant Amendment, respectively. Notwithstanding the foregoing, if, at any time prior to obtaining the requisite approval of the Company's stockholders with respect to the Business Combination, the Board determines in good

faith, after consultation with its outside legal counsel, that a Blade Group Material Adverse Effect (as defined in the Business Combination Agreement) has occurred on or after the date of the Business Combination Agreement and, as a result, the failure to change its recommendation would be inconsistent with the board of directors' fiduciary duties under applicable law, the Board may effect a change of recommendation, subject to certain conditions.

Related Agreements

Investor Subscription Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Company has entered into the Investor Subscription Agreement (or "Investor Subscription Agreement") with Antara Capital Master Fund LP, an affiliate of the Sponsor (or "Investor"), pursuant to which Investor agreed to subscribe for and purchase, and the Company agreed to issue and sell to Investor, immediately prior to the Closing, an aggregate of 700,000 DSAQ Preferred Shares for a purchase price of $10.00 per share, for aggregate gross proceeds of $7,000,000.

The closing of the Investor Subscription Agreement will be conditioned on (i) the consummation of the transactions contemplated by the Hunch Subscription Agreement (as described below) and (ii) the consummation of additional investments in an aggregate investment amount of $12,000,000 ("Minimum Additional Investment"), for DSAQ Preferred Shares, DSAQ Class A Shares, PubCo Preferred Shares or PubCo Ordinary Shares, issued to additional investors (the "Additional Investor*s*"), on terms and conditions that are not materially more advantageous to any such Additional Investors than Investor under the Investor Subscription Agreement, unless such terms and conditions are consented to by Investor. For avoidance of doubt, the Minimum Additional Investment will not include any investments pursuant to the Investor Subscription Agreement, the acquisition of the Retained Shares (as defined thereto) or the Hunch Subscription Agreement.

The Investor Subscription Agreement contains customary conditions to closing, including, among other things, the consummation of the Business Combination. The Investor Subscription Agreement also provides that the Company will grant Investor certain customary registration rights.

Hunch Subscription Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, Quick Response Services Provider ("QRSP") entered into the Hunch Subscription Agreement with PubCo, pursuant to which QRSP agreed to subscribe for and purchase, and PubCo agreed to issue and sell to QRSP, immediately prior to the Closing, an aggregate of 300,000 PubCo Preferred Shares for a purchase price of $10.00 per share, for aggregate gross proceeds of $3,000,000.

The closing of the Hunch Subscription Agreement will be conditioned on the consummation of the transactions contemplated by the Investor Subscription Agreement. The Hunch Subscription Agreement also contains customary conditions to closing, including, among other things, the consummation of the Business Combination. The Hunch Subscription Agreement also provides that PubCo will grant QRSP certain customary registration rights.

Principal Shareholder Support Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Company, Blade Urban Air Mobility Inc., a Delaware corporation ("Blade US" and together with Hunch Mobility, the "Principal Shareholders and each, a "Principal Shareholder") and PubCo have entered into that Principal Shareholder Support Agreement (the "Principal Shareholder Support Agreement") pursuant to which each Principal Shareholder has agreed, among other things: (i) to support and vote or consent to the requisite transaction proposals and (ii) not to transfer any equity security of PubCo until the earlier to occur of (a) the Closing, (b) such date and time as the Business Combination Agreement is validly terminated in accordance with its terms and (c) the mutual agreement of the parties thereto, in each case subject to the terms and conditions set forth therein.

Sponsor Support Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Sponsor, the Company, PubCo and, for certain limited purposes, certain of the Company's directors, executive officers and affiliates (such individuals, the "Insiders") have entered into a Sponsor Support Agreement (the "Sponsor Support Agreement").

Pursuant to the Sponsor Support Agreement, the Sponsor has, among other things, agreed to (i) support and vote in favor of the requisite transaction proposals; (ii) waive all adjustments to the conversion ratio set forth in the Certificate of Incorporation with respect to its DSAQ Class B Shares, (iii) be bound by certain transfer restrictions with respect to their DSAQ Class B Shares and the warrants of the Company, as applicable, prior to Closing and (iv) the forfeiture, transfer or conversion into DSAQ Class A Shares, as applicable of warrants of the Company under the terms and conditions set forth therein. Specifically, the Sponsor has agreed to make available up to 9,950,000 private placement warrants of the Company (or, if the DSAQ Warrant Amendment is approved, the PubCo Class A Ordinary Shares corresponding thereto) to existing stockholders of the Company in exchange for such stockholders agreeing not to redeem their DSAQ Class A Shares in connection with the Company's stockholder meeting. If less than all such private placement warrants (or, if the DSAQ Warrant Amendment is approved, the PubCo Class A Ordinary Shares corresponding thereto) are so transferred, then the Sponsor shall (i) retain 50% of such private placement warrants not so transferred and (ii) forfeit 50% of such private placement warrants not so transferred. If the DSAQ Warrant Amendment is not approved, any such retained private placement warrants may, at the Sponsor's election, be surrendered to the Company prior to the Closing in exchange for one (1) DSAQ Class A Share for every five (5) private placement warrants so surrendered. If the DSAQ Warrant Amendment is approved, each such private placement warrant retained will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) warrants are held).

Contingent Value Rights Agreement

Concurrently with the consummation of the Business Combination Agreement, PubCo will enter into a Contingent Value Rights Agreement (the "CVR Agreement") with a rights agent ("Rights Agent") pursuant to which the holders of DSAQ Class A Shares and DSAQ Class B Shares outstanding as of immediately prior to the Effective Time will receive one (1) CVR I, one (1) CVR II and one (1) CVR III (each, a "CVR") for each one whole DSAQ Share held by such stockholder on such date. Each CVR I represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR I will be exercised automatically upon PubCo's delivery of the CVR Payment Notice (as defined in the CVR Agreement) to the Rights Agent, notifying the Rights Agent that, during the twelve (12) month period ending on the final day of the month in which the second anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $50 million. Each CVR II represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR II will be exercised automatically upon PubCo's delivery of the CVR Payment Notice to the Rights Agent, notifying the Rights Agent that, during the twelve (12) month period ending on the final day of the month in which the third anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $142 million. Each CVR III represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR III will be exercised automatically upon PubCo's delivery of the CVR Payment Notice, notifying the Rights Agent that, during the twelve (12) month period ending on the final day of the month in which the fourth anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $263 million.

The contingent payments under the CVR Agreement, if they become payable, will become payable to the Rights Agent for subsequent distribution to the holders of the CVRs. There can be no assurance that any payment of any PubCo Ordinary Shares will be made or that any holders of CVRs will receive any amounts with respect thereto.

The right to the contingent payments contemplated by the CVR Agreement is a contractual right only. The CVRs will not be evidenced by a certificate or other instrument. The CVRs will not be transferable. The CVRs will not have any voting or dividend rights and will not represent any equity or ownership interest in PubCo or any of its affiliates. No interest will accrue on any amounts payable in respect of the CVRs.

Note Purchase Agreement and Convertible Notes

Concurrently with the execution and delivery of the Business Combination Agreement, PubCo has entered into a convertible note purchase agreement (the "Note Purchase Agreement") with Investor and IndiaCo, pursuant to which PubCo will issue to Investor three (3) senior unsecured convertible notes with an aggregate principal amount of $3,000,000 (each a "Convertible Note", and together the "Convertible Notes"). On January 17, 2024 (the "Initial Closing Date"), PubCo executed and delivered a Convertible Note with an aggregate principal amount of $1,000,000 to Investor, which is automatically convertible into 100,000 PubCo Preferred Shares upon the Effective Time (the "Initial Convertible Note"). Following the Initial Closing Date, PubCo will execute and deliver, and Investor will fund, two (2) additional Convertible Notes in two (2) monthly installments at subsequent closings (each an "Installment Closing"). The two Installment Closings will be held: (i) on the day one (1) month following the Initial Closing Date and (ii) on the day two (2) months following the Initial Closing Date, at such time and place as will be approved by PubCo and Investor, with an additional aggregate principal amount of $2,000,000 on the same terms and conditions as those contained in the Initial Convertible Note. The PubCo Preferred Shares issuable upon conversion of the Convertible Notes, pursuant to their terms, will be convertible into PubCo Class A Ordinary Shares. Interest will accrue on the unpaid principal balance of each Convertible Note, together with any interest accrued but unpaid thereon (the "Outstanding Amount"), at an annual rate equal to 10% per annum, until the Outstanding Amount is paid or the closing of the Business Combination. Each Convertible Note's first interest payment date will be the first three-month anniversary of the date of each respective Convertible Note. Pursuant to the Note Purchase Agreement, the proceeds from the issuance of the Convertible Notes will be used: (i) up to $750,000 solely for working capital purposes for the operation of IndiaCo's business, (ii) the remaining aggregate proceeds of the Convertible Notes other than the proceeds used in accordance with clause (i) solely for the acquisition of aircraft and (iii) in each case in compliance with all applicable laws.

The Outstanding Amount of each Convertible Note will be automatically due and payable in full on the date that is the earlier of (a) three (3) business days following the termination of the Business Combination Agreement and (b) 363 days from the date of issuance of each respective Convertible Note (as applicable, the "Maturity Date"). If PubCo fails to pay any amount due pursuant to each Convertible Note within five (5) business days of each respective Maturity Date, interest will accrue at the rate of 17% per annum on the Outstanding Amount until the entire Outstanding Amount is paid in full.

For more information on the Business Combination, please refer to the Company's Current Report on Form8-K, filed with the SEC on January 18, 2024.

Nasdaq Listing

The Company is in the process of making an application to have its Class A Common Stock and units, each consisting of one share of Class A common stock and one-half of one redeemable warrant ("Units") quoted on the Nasdaq Stock Market LLC ("Nasdaq") and expects that in the future its Class A Common Stock will be quoted on Nasdaq under its trading symbol "DSAQ" and the Units will be quoted on Nasdaq under its trading symbol "DSAQ.U", subject to the approval of Nasdaq. The Company expects that in the future the warrants will continue to trade on the OTC market under its trading symbol "DSAQ.W".

Effecting Our Initial Business Combination

General

We are not presently engaged in, and we will not engage in, any operations for an indefinite period of time following the Public Offering. We intend to effectuate our initial business combination using cash from the proceeds of the Public Offering and the private placement of the Private Placement Warrants, the proceeds of the sale of our shares in connection with our initial business combination, shares issued to the owners of the target, debt issued to bank or other lenders or the owners of the target, or a combination of the foregoing.

Business Strategy

We intend to identify and effect a business combination with a company, or companies, within the direct selling industry that we believe can benefit from the vast experience and expertise of our management team, as well as the access to capital markets our vehicle can provide. We are positioning ourselves as a powerful partner to industry companies, ownership groups and management teams based on our ability to provide growth capital and liquidity in an environment where it can otherwise prove challenging.

Our Access to Industry Companies is Unique and Differentiating

Our target evaluation and selection process will rely on the incomparable network and relationships of our management, board of directors and sponsor teams. Through their various business endeavors and extended service to the direct selling industry, we believe our team is the most connected group in the direct selling industry worldwide. Due to the nature and extent of these relationships, our team is already intimately familiar with the business, financials and prospects of many companies within our target universe. This allows us to quickly engage with potential targets and we expect the evaluation process to move quickly in each case

The Direct Selling Industry is Traditionally Underserved by Capital Markets

The direct selling industry has been traditionally underserved by the capital markets for a variety of reasons. Most direct selling companies are self-funded by their founders, or by a close network of industry investors. The nature of the business allows these companies to grow profitably and scale out of cash flow. This ability diminishes the need for these companies to develop relationships with the financial community through much of their early existence. Consequently, there exists an information gap and a lack of understanding between many industry companies and the various financial constituencies. As a result, liquidity and growth capital opportunities are not as readily available to many direct selling companies as they would be to similarly-situated companies in other industries. We believe that our expertise, reputation, and relationships will ideally position us to bridge this gap.

Our Team will be the Industry's Preferred Partner

The members of our management team, board of directors and extended sponsor team are well-known and highly-respected across the direct selling industry. Industry ownership groups and C-suite executives know us, our reputations and abilities and know that we understand their businesses and customers. As a result, we believe that we will be seen as the preferred sponsorship group by industry companies as compared to competing groups.

We Believe We Will Experience Little Competition for Target Companies

We believe that our relationships within, and knowledge of, the direct selling industry will provide us access to proprietary and first-look deal flow not available to other potential acquirors and/or special purpose acquisition companies. As previously mentioned, we believe that a disconnect exists between direct selling companies and the capital markets. The majority of direct selling companies are family-owned, or closely held, entities that may not typically consider the public markets without the guidance of a team such as ours.

Market Inefficiencies Exist Between Private and Public Direct Selling Company Valuations

Due to the disconnect and lack of understanding between the capital markets and the direct selling industry, there is a lack of a consistent, competitive bid for many private industry participants. Private equity firms are hesitant to take minority positions in companies they do not fully understand, and, likewise, industry participants are hesitant to sell a control stake in their business to firms that do not understand how to operate them. Conversely, the publicly traded comparable companies within the industry have performed exceptionally well over the years. We believe that the lack of a competitive bid and/or similarly beneficial alternatives will allow us to effect our business combination at a desirable valuation.

The Companies Within Our Target Universe Possess Significant Growth Opportunities

While each company within our target universe possesses significant scale and is highly profitable, we believe that each has significant growth opportunities inherent to its business in one, or more, of the below categories. Due to the closely held ownership structure of many of these companies and their history of sustaining themselves on organic cashflow, often, despite their significant profitability, investments in growth opportunities are forgone to instead fund cash distributions to ownership. As such, we believe an infusion of growth capital in one or more of the following areas can have an immediate and substantial impact within the majority of our possible target companies.

- ***International Expansion:*** The United States is the largest direct selling market in the world. However, there also are significant opportunities around the world. A properly executed international expansion program can be capital-intensive, but also provides a relatively quick return on investment.
- ***Technology Utilization:*** Technology, and in particular mobile technology, continues to shift the way we work, shop, communicate and play on a daily basis. The playing field is ever-evolving and shifting providing all businesses and industries the opportunity to either grow or be left behind. Within the direct selling industry, as with many others, the COVID-19 pandemic accelerated the adaption to, and implementation of, a wide variety of technologies. As a historically face-to-face business, many direct selling companies have otherwise been slow to adapt to some of the new technologies; however, the transition has proved to be remarkably effective. We believe the direct selling industry is evolving from a "work from home" model to a "work from phone" model, allowing industry sales forces to work and run their businesses from anywhere, anytime. As such, we believe that seamless mobile applications and features such as mobile sampling platforms are critical to the future success of industry participants. Our team has extensive experience in these areas and the ability to assist and guide target companies in each of the relevant aspects, including branding, social marketing and selling, as well as mobile applications that provide a seamless distributor and customer experience.
- ***Product Line Expansion:*** The independent sales forces and customer bases of direct selling companies represent a captive, engaged audience numbering, in the case of the majority of our target universe, in the hundreds of thousands, if not millions. These companies serve as a compelling platform for the introduction of new products and new product categories to that captive audience. We believe a significant opportunity exists to introduce new products to the existing channel through the acquisition of existing direct to consumer ("DTC") brands and/or proprietary intellectual property. Our team also possesses the expertise, know-how and relationships to expand a target's current offerings through the development of additional products and/or product categories to supplement the target's current offerings.
- ***Data:*** Our team possesses knowledge, expertise and experience in certain forms of data analysis utilizing data points and indicators that are specific to the direct selling industry and that we believe to be unique. These methods of analysis will be utilized in our target evaluation process and will assist in the identification of both positive and negative trends within a target company's business. Additionally, we believe that these methods of analysis will be highly beneficial post-business combination in identifying opportunities to accelerate growth.

Sourcing and Evaluation of Business Combination Targets

Based on the extensive experience of our team, and our intimate knowledge of the direct selling space, we have developed a comprehensive list of criteria to guide us in the evaluation of potential target companies. Our team possesses the core competencies to understand and properly evaluate the key business drivers underlying direct selling businesses, as well as assess potential growth opportunities inherent to each individual business. We also possess proprietary tools and databases that, when combined with our experience and relationships, allow us to evaluate industry companies at a level and in a manner that we believe has never before been available. Below is a listing of some of the criteria our team will be focused on in the evaluation of potential targets.

1.) **Minimum five-year operating history**: We seek target companies that have established themselves as long-term growth companies. These companies possess proven staying power and distributor and customer loyalty.

2.) **Diversified, differentiated and consumable product offerings:** We seek target companies with diversified and proprietary product offerings. The majority of our target companies offer products in the health and wellness, nutrition, weight loss, skin care, personal care and beauty categories, where supplies must be replenished on a regular basis.

3.) **Product-driven and customer-focused**: We will target companies that are product-driven and customer-focused, as opposed to opportunity-driven and focused. We seek companies offering competitively priced products, with a clear value proposition and a high customer to distributor ratio.

4.) **Scale and profitability**: We are targeting companies with the scale and profitability necessary to perform at a high level in the public markets, which we define as having a minimum of $300 million in trailing twelve month ("TTM") revenue and a minimum of $50 million in TTM EBITDA.

5.) **Digital focus and/or opportunity**: We seek companies with the either proven or evident ability to grow their business virtually, effective social selling tools or strategies or the clear path to their development and virtually demonstrable products.

6.) **Clear expansion and growth opportunities**: Target companies should present a clear path to growth in one or more of three key areas, including international expansion, product line expansion or through the utilization of additional technologies.

7.) **Desirable demographics**: We seek companies with a desirable demographic profile, or the clear ability to attract desirable demographics, including those in the 25-45 age bracket with a high millennial concentration.

8.) **Complementary to the skill set and abilities of our team** We seek target companies where we believe the skills, experience and relationships of our team can provide synergistic value.

9.) **Attractive valuation**: Targets should be valued attractively relative to their existing financial metrics and potential for operational improvement and offer an attractive potential return for our stockholders.

These criteria and guidelines are not intended to be exhaustive. Any evaluation relating to the merits of a particular initial business combination may be based, to the extent relevant, on these general criteria and guidelines as well as other considerations, factors, guidelines and criteria that our leadership team may deem relevant. In the event that we decide to enter into a business combination with a target business that does not meet the above criteria and guidelines, we will disclose that the target business does not meet the above criteria and guidelines in our stockholder communications related to our initial business combination, which would be in the form of proxy solicitation or tender offer materials, as applicable, that we would file with the Securities and Exchange Commission (the "SEC"). In evaluating a prospective target business, we expect to conduct a thorough due diligence review which may encompass, among other things, meetings with incumbent management and employees, document reviews, interviews of customers and suppliers, inspections of facilities, as well as a review of financial, operational, legal and other information which will be made available to us. We will also utilize our operational and capital planning experience.

We are not prohibited from pursuing an initial business combination with a company that is affiliated with our sponsor, officers, directors or advisors. In the event we seek to complete our initial business combination with a company that is affiliated with our sponsor, officers or directors, we, or a committee of independent directors, will obtain an opinion from an independent investment banking firm that is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"), or from an independent accounting firm, that our initial business combination is fair to our company from a financial point of view.

Members of our management team and sponsor group may directly or indirectly own our common stock and/or Private Placement Warrants, and, accordingly, may have a conflict of interest in determining whether a particular target business is an appropriate business with which to effectuate our initial business combination. Further, each of our officers and directors may have a conflict of interest with respect to evaluating a particular business combination if the retention or resignation of any such officers and directors is included by a target business as a condition to any agreement with respect to our initial business combination.

A number of our officers and directors presently have, and any of them in the future may have, additional fiduciary or contractual obligations to other entities pursuant to which such officer or director is or will be required to present a business combination opportunity. Accordingly, if any of our officers or directors becomes aware of a business combination opportunity which is suitable for an entity to which he or she has then-current fiduciary or contractual obligations, he or she will honor his or her fiduciary or contractual obligations to present such business combination opportunity to such entity, subject to his or her fiduciary duties under Delaware law. We expect that if an opportunity is presented to one of our officers or directors in his or her capacity as an officer or director of one of those other entities, such opportunity would be presented to such other entity and not to us. We do not believe, however, that the fiduciary duties or contractual obligations of our officers or directors will materially affect our ability to complete our initial business combination.

We may need to obtain additional financing either to complete our initial business combination or because we become obligated to redeem a significant number of our public shares upon completion of our initial business combination. We intend to effect a business combination with a company with an enterprise value significantly above the net proceeds of the Public Offering and the sale of the Private Placement Warrants. Depending on the size of the transaction or the number of public shares we become obligated to redeem, we may potentially utilize several additional financing sources, including but not limited to the issuance of additional securities to the sellers of a target business, debt issued by banks or other lenders or the owners of the target, a private placement to raise additional funds, or a combination of the foregoing. If we are unable to complete our initial business combination because we do not have sufficient funds available to us, we will be forced to cease operations and liquidate the Trust Account. In addition, following our initial business combination, if cash on hand is insufficient to meet our obligations or our working capital needs, we may need to obtain additional financing.

Initial Business Combination

Our initial business combination must occur with one or more target businesses that together have an aggregate fair market value of at least 80% of the net assets held in the Trust Account (net of amounts disbursed to management for working capital purposes and excluding the amount of any deferred underwriting commissions held in trust) at the time of signing the agreement to enter into the initial business combination. If our board of directors is not able to independently determine the fair market value of the target business or businesses or we are considering an initial business combination with an affiliated entity, we will obtain an opinion from an independent investment banking firm that is a member of FINRA or an independent valuation or accounting firm with respect to the satisfaction of such criteria.

We anticipate structuring our initial business combination so that the post transaction company in which our public stockholders own shares will own or acquire 100% of the outstanding equity interests or assets of the target business or businesses. We may, however, structure our initial business combination such that the post transaction company owns or acquires less than 100% of such interests or assets of the target business in order to meet certain objectives of the target management team or stockholders or for other reasons, but we will only complete such business combination if the post transaction company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target business sufficient for it not to be required to register as an investment company under the Investment Company Act. Even if the post transaction company owns or acquires 50% or more of the outstanding voting securities of the target, our stockholders prior to the initial business combination may collectively own a minority interest in the post transaction company, depending on valuations ascribed to the target and us in the initial business combination. For example, we could pursue a transaction in which we issue a substantial number of new shares in exchange for all of the outstanding capital stock, shares or other equity securities of a target. In this case, we would acquire a 100% controlling interest in the target. However, as a result of the issuance of a substantial number of new shares, our stockholders immediately prior to our initial business combination could own less than a majority of our issued and outstanding shares subsequent to

our initial business combination. If less than 100% of the outstanding equity interests or assets of a target business or businesses are owned or acquired by the post transaction company, the portion of such business or businesses that is owned or acquired is what will be taken into account for purposes of the 80% of net assets test described above. If the business combination involves more than one target business, the 80% of net assets test will be based on the aggregate value of all of the target businesses.

We have filed a Registration Statement on Form 8-A with the SEC to voluntarily register our securities under Section 12 of the Exchange Act. As a result, we will be subject to the rules and regulations promulgated under the Exchange Act. We have no current intention of filing a Form 15 to suspend our reporting or other obligations under the Exchange Act prior or subsequent to the consummation of our initial business combination.

Redemption Rights for Holders of Public Shares Upon Consummation of Our Initial Business Combination

We will provide our public stockholders with the opportunity to redeem all or a portion of their public shares upon the completion of our initial business combination at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account calculated as of two business days prior to the consummation of our initial business combination, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, subject to the limitations described herein. There will be no redemption rights upon the completion of our initial business combination with respect to our warrants. Our initial stockholders, sponsor, officers and directors have entered into a letter agreement with us, pursuant to which they have agreed to waive their redemption rights with respect to any Founder Shares and any public shares that they hold in connection with the completion of our initial business combination.

If a stockholder vote is not required and we do not decide to hold a stockholder vote for business or other legal reasons, we will, pursuant to our Charter: (a) conduct the redemptions pursuant to Rule 13e-4 and Regulation 14E under the Exchange Act, which regulate issuer tender offers; and (b) file tender offer documents with the SEC prior to completing our initial business combination which contain substantially the same financial and other information about the initial business combination and the redemption rights as is required under Regulation 14A under the Exchange Act, which regulates the solicitation of proxies.

Resources and Competition

Our Charter provides that we will have only until the Termination Date to complete our initial business combination. If we are unable to complete our initial business combination by the Termination Date, we will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any) and (iii) as promptly as reasonably possible following such redemption, subject to the approval of our remaining stockholders and our board of directors, liquidate and dissolve, subject, in each case, to our obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law.

In identifying, evaluating and selecting a target business for our initial business combination, we may encounter competition from other entities having a business objective similar to ours, including other special purpose acquisition companies, private equity groups and leveraged buyout funds, public companies and operating businesses seeking strategic acquisitions. Additionally, the number of special purpose acquisition companies looking for business combination targets has increased compared to recent years and many of these special purpose acquisition companies are sponsored by entities or persons that have significant experience with completing business combinations. Many of these entities are well established and have extensive experience identifying and effecting business combinations directly or through affiliates. Moreover, many of these competitors possess greater financial, technical, human and other resources than us. Our ability to acquire larger target businesses will be limited by our available financial resources. This inherent limitation gives others an advantage in pursuing the acquisition of a target business. Furthermore, our obligation to pay cash in connection with our public stockholders who exercise their redemption rights may reduce the resources available to us for our initial business combination and our outstanding warrants, and the future dilution they potentially represent, may not be viewed favorably by certain target businesses. Either of these factors may place us at a competitive disadvantage in successfully negotiating an initial business combination.

Facilities

We currently utilize office space at 5800 Democracy Drive, Plano, Texas 75024 from our sponsor and the members of our management team. We consider our current office space adequate for our current operations.

Employees

We currently have three executive officers: Dave Wentz, Mike Lohner and Wayne Moorehead. These individuals are not obligated to devote any specific number of hours to our matters but they intend to devote as much of their time as they deem necessary to our affairs until we have completed our initial business combination. The amount of time they will devote in any time period will vary based on whether a target business has been selected for our initial business combination and the stage of the business combination process we are in. We do not intend to have any full-time employees prior to the completion of our initial business combination.

Available Information

We are required to file Annual Reports on Form10-K and Quarterly Reports on Form10-Q with the SEC on a regular basis, and are required to disclose certain material events (e.g., changes in corporate control, acquisitions or dispositions of a significant amount of assets other than in the ordinary course of business and bankruptcy) in a Current Report on Form 8-K. The SEC maintains an Internet website that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The SEC's internet website is located at http://www.sec.gov. In addition, the Company will provide copies of these documents without charge upon request from us in writing at 5800 Democracy Drive, Plano, Texas 75024 or by telephone at (214)380-6020.

We are an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). As such, we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. In addition, Section 107 of the JOBS Act also provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an "emerging growth company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of the Public Offering, (b) in which we have total annual gross revenue of at least $1.235 billion, or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates equals or exceeds $700 million as of the prior June 30th, and (2) the date on which we have issued more than $1.0 billion innon-convertible debt securities during the prior three-year period. References herein to "emerging growth company" have the meaning associated with it in the JOBS Act.

Additionally, we are a "smaller reporting company" as defined in Item 10(f)(1) of RegulationS-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of the fiscal year in which (1) the market value of our common stock held by non-affiliates is equal to or exceeds $250 million as of the prior June 30th and (2) our annual revenues were equal to or exceeded $100 million during such completed fiscal year and the market value of our common stock held by non-affiliates is equal to or exceeds $700 million as of the prior June 30th.

DSAQ's sponsor is DSAC Partners LLC (the "Sponsor"), a Delaware limited liability company. The Sponsor currently owns 5,750,000 shares of Common Stock and 11,700,000 private placement warrants of DSAQ. DSAC Manager LLC is the manager of the Sponsor. Dave Wentz is the sole member of DSAC Manager LLC and has voting and investment discretion with the Common Stock held of record by our sponsor. Mr. Wentz disclaims any beneficial ownership of the shares held by our sponsor, except to the extent of his pecuniary interest therein . In December 2022, an affiliate of Antara Capital LP ("Antara") acquired a majority economic, non-voting interest in our sponsor. Antara was founded by Himanshu Gulati in 2018 and invests across a wide variety of financial instruments, including loans, bonds, convertible bonds, stressed/distressed credit and special situation equity investments.

The Sponsor is "controlled" (as defined in 31 CFR 800.208) by a foreign person, such that the Sponsor's involvement in the Business Combination would likely give rise to a "covered transaction" (as defined in 31 CFR 800.213). In addition, it is possible that non-U.S. persons could be involved the Business Combination, which may increase the risk that the Business Combination becomes subject to regulatory review, including review by the Committee on Foreign Investment in the United States ("CFIUS"), and that restrictions, limitations or conditions will be imposed by CFIUS. If the Business Combination involves a "U.S. business" (as defined in 31 CFR 800.252), it may be subject to CFIUS jurisdiction, the scope of which was expanded by the Foreign Investment Risk Review Modernization Act of 2018 and subsequent implementing regulations (collectively, "FIRRMA"), that are now in force, to include certain nonpassive, non-controlling investments in sensitive U.S. businesses and certain acquisitions of real estate even with no underlying U.S. business. FIRRMA also subjects certain categories of investments to mandatory filings. If the potential business combination falls within CFIUS's jurisdiction, we may determine that we are required to make a mandatory filing or that we will submit a voluntary notice to CFIUS, or proceed with the Business Combination without notifying CFIUS and risk CFIUS intervention, before or after closing the Business Combination. If CFIUS approval is required or warranted for the Business Combination, the CFIUS approval process may have outsized impacts on transaction certainty, timing, feasibility and cost, among other things. CFIUS may decide to block or delay the Business Combination, impose conditions to mitigate national security concerns with respect to such Business Combination or order us to divest all or a portion of a U.S. business of the combined company, which may limit the attractiveness of or prevent us from pursuing certain business combination opportunities that we believe would otherwise be beneficial to us and our stockholders. As a result, the

pool of potential targets with which we could complete the Business Combination may be limited and we may be adversely affected in terms of competing with other special purpose acquisition companies which do not have similar foreign ownership issues. A failure to notify CFIUS of a transaction where such notification was required or otherwise warranted based on the national security considerations presented by an investment target may expose the Sponsor and/or the combined company to legal penalties, costs, and/or other adverse reputational and financial effects, thus potentially diminishing the value of the combined company. In addition, CFIUS is actively pursuing transactions that were not notified to it and may ask questions regarding, or impose restrictions or mitigation on, the Business Combination post-closing.

Moreover, the process of government review, whether by the CFIUS or otherwise, could be lengthy and we have limited time to complete the Business Combination. If we cannot complete an the Business Combination by March 28, 2024 (or up to March 28, 2025, if extended) because the transaction is still under review or because the Business Combination is ultimately prohibited by CFIUS or another U.S. government entity, we may be required to liquidate. If we liquidate, our public stockholders may only receive approximately $11.16 per share of Class A Common Stock, and our warrants will expire. This will also cause you to lose the investment opportunity in a target company and the chance of realizing future gains on their investment through any price appreciation in the combined company.

ITEM 1A. RISK FACTORS

An investment in our securities involves a high degree of risk. You should consider carefully all of the risks described below, together with the other information contained in this Annual Report on Form 10-K and the prospectus associated with our Public Offering, before making a decision to invest in our securities. If any of the following events occur, our business, financial condition and operating results may be materially adversely affected. In that event, the trading price of our securities could decline, and you could lose all or part of your investment.

Risks Relating to our Search for, and Consummation of or Inability to Consummate, a Business Combination

Our stockholders may not be afforded an opportunity to vote on our proposed initial business combination, and even if we hold a vote, holders of our Founder Shares will participate in such vote, which means we may complete our initial business combination even though a majority of our public stockholders do not support such a combination.

We may choose not to hold a stockholder vote to approve our initial business combination if the business combination would not require stockholder approval under applicable law or stock exchange listing requirements. Except as required by applicable law or stock exchange listing requirements, the decision as to whether we will seek stockholder approval of a proposed business combination or will allow stockholders to sell their shares to us in a tender offer will be made by us, solely in our discretion, and will be based on a variety of factors, such as the timing of the transaction and whether the terms of the transaction would otherwise require us to seek stockholder approval. Even if we seek stockholder approval, the holders of our Founder Shares will participate in the vote on such approval. Accordingly, we may complete our initial business combination even if a majority of our public stockholders do not approve of the business combination we complete.

Your only opportunity to affect the investment decision regarding a potential business combination may be limited to the exercise of your right to redeem your shares from us for cash.

Since our board of directors may complete a business combination without seeking stockholder approval, public stockholders may not have the right or opportunity to vote on the business combination, unless we seek such stockholder vote. Accordingly, your only opportunity to affect the investment decision regarding our initial business combination may be limited to exercising your redemption rights within the period of time (which will be at least 20 business days) set forth in our tender offer documents mailed to our public stockholders in which we describe our initial business combination.

If we seek stockholder approval of our initial business combination, our initial stockholders and management team have agreed to vote in favor of such initial business combination, regardless of how our public stockholders vote.

As of the date of this Annual Report, our initial stockholders currently own an aggregate of 5,750,000 Class B common stock, which represented approximately 20% of our outstanding common stock upon the closing of our initial public offering.

On March 28, 2024, we held the Second Extension Meeting to, in part, amend the Company's Certificate of Incorporation to extend the Termination Date to the Charter Extension Date and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to eleven times by an additional one month each time after the Charter Extension Date, by resolution of the Board if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2025 or a total of up to twelve months after the Termination Date, unless the closing of a business combination shall have occurred prior thereto. For each such monthly extension, the Sponsor (or one or more of its affiliates or permitted designees) (collectively, the "Lender") will deposit $90,000 into the Trust Account. In connection with the vote held on March 28, 2024, the holders of 2,873,211 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $11.16 per share, for an aggregate redemption amount of approximately $32,066,629.79. Accordingly, our initial stockholders and Antara currently own approximately 79.1% of our outstanding common stock.

On March 24, 2023, we held the First Extension Meeting to, in part, amend our charter to extend our Termination Date from the Original Termination Date to the Previous Charter Extension Date and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to nine times by an additional one month each time after the Previous Charter Extension Date, by resolution of our Board, if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2024 or a total of up to twelve months after the Original Termination Date, unless the closing of a business combination shall have occurred prior thereto. For each monthly extension of the Charter Extension Date deposited $160,000 into the Trust Account. In connection with that vote, the holders of 17,404,506 Class A common stock of the Company properly exercised their right to redeem their shares.

Our initial stockholders and management team also may from time to time purchase shares of Class A common stock prior to our initial business combination. Our Charter provides that, if we seek stockholder approval of an initial business combination, such initial business combination will be approved if we receive the affirmative vote of a majority of the shares voted at such meeting, including the Founder Shares. As a result, in addition to our initial stockholders' Founder Shares, we could need none (assuming only the minimum number shares of Common Stock representing a quorum are voted) of our currently outstanding public shares sold in the Public Offering to be voted in favor of an initial business combination in order to have our initial business combination approved. Accordingly, if we seek stockholder approval of our initial business combination, the agreement by our initial stockholders and management team to vote in favor of our initial business combination will increase the likelihood that we will receive the requisite stockholder approval for such initial business combination.

The ability of our public stockholders to redeem their shares for cash may make our financial condition unattractive to potential business combination targets, which may make it difficult for us to enter into a business combination with a target.

We may seek to enter into a business combination transaction agreement with a prospective target that requires as a closing condition that we have a minimum net worth or a certain amount of cash. If too many public stockholders exercise their redemption rights, we would not be able to meet such closing condition and, as a result, would not be able to proceed with the business combination. Consequently, if accepting all properly submitted redemption requests make us unable to satisfy a minimum cash condition as described above, we would not proceed with such redemption and the related business combination and may instead search for an alternate business combination. Prospective targets will be aware of these risks and, thus, may be reluctant to enter into a business combination transaction with us.

The ability of our public stockholders to exercise redemption rights with respect to a large number of our shares may not allow us to complete the most desirable business combination or optimize our capital structure.

At the time we enter into an agreement for our initial business combination, we will not know how many stockholders may exercise their redemption rights, and therefore will need to structure the transaction based on our expectations as to the number of shares that will be submitted for redemption. If our initial business combination agreement requires us to use a portion of the cash in the Trust Account to pay the purchase price, or requires us to have a minimum amount of cash at closing, we will need to reserve a portion of the cash in the Trust Account to meet such requirements, or arrange for third party financing. In addition, if a larger number of shares are submitted for redemption than we initially expected, we may need to restructure the transaction to reserve a greater portion of the cash in the Trust Account or arrange for third party financing. Raising additional third-party financing may involve dilutive equity issuances or the incurrence of indebtedness at higher than desirable levels. Furthermore, this dilution would increase to the extent that the anti-dilution provision of the Class B common stock results in the issuance of shares of Class A common stock on a greater than one-to-one basis upon conversion of the shares of Class B common stock at the time of our initial business combination. In addition, the amount of the deferred underwriting commissions payable to the underwriters will not be adjusted for any shares that are redeemed in connection with an initial business combination. The per share amount we will distribute to stockholders who properly exercise their redemption rights will not be reduced by the deferred underwriting commissions and after such redemptions, the amount held in trust will continue to reflect our obligation to pay the entire deferred underwriting commissions. The above considerations may limit our ability to complete the most desirable business combination available to us or optimize our capital structure.

The ability of our public stockholders to exercise redemption rights with respect to a large number of our shares could increase the probability that our initial business combination would be unsuccessful and that you would have to wait for liquidation in order to redeem your shares.

If our initial business combination agreement requires us to use a portion of the cash in the Trust Account to pay the purchase price, or requires us to have a minimum amount of cash at closing, the probability that our initial business combination would be unsuccessful is increased. If our initial business combination is unsuccessful, you would not receive your pro rata portion of the Trust Account until we liquidate the Trust Account. If you are in need of immediate liquidity, you could attempt to sell your shares in the open market; however, at such time our shares may trade at a discount to the pro rata amount per share in the Trust Account. In either situation, you may suffer a material loss on your investment or lose the benefit of funds expected in connection with your exercise of redemption rights until we liquidate or you are able to sell your shares in the open market.

The requirement that we complete our initial business combination by the Termination Date may give potential target businesses leverage over us in negotiating a business combination and may limit the time we have in which to conduct due diligence on potential business combination targets, in particular as we approach our dissolution deadline, which could undermine our ability to complete our initial business combination on terms that would produce value for our stockholders.

Any potential target business with which we enter into negotiations concerning a business combination will be aware that we must complete our initial business combination by the Termination Date. Consequently, such target business may obtain leverage over us in negotiating a business combination, knowing that if we do not complete our initial business combination with that particular target business, we may be unable to complete our initial business combination with any target business. This risk will increase as we get closer to the timeframe described above. In addition, we may have limited time to conduct due diligence and may enter into our initial business combination on terms that we would have rejected upon a more comprehensive investigation.

Our search for a business combination, and any target business with which we ultimately consummate a business combination, may be materially adversely affected by epidemics, pandemics, disease outbreaks or quarantines, including the resurgence of new variants of COVID-19 on our ability to consummate an initial business combination and the status of debt and equity markets.

The COVID-19 pandemic resulted in, and another infectious disease outbreak, epidemic or pandemic could result in, a widespread health crisis that adversely affects the economies and financial markets worldwide, and the business of any potential target business with which we consummate a business combination could be materially and adversely affected. If the disruptions resulting from the COVID-19 pandemic or other matters of global concern continue for an extensive period of time, our ability to consummate a business combination, or the operations of a target business with which we ultimately consummate a business combination, may be adversely affected in a material way

In addition, our ability to consummate a transaction may be dependent on our ability to raise equity and debt financing which may be impacted by an epidemic, pandemic, disease outbreak or quarantine, including a resurgence of new variants of COVID-19 and other events, including increased market volatility or decreased market liquidity in third-party financing being unavailable on terms acceptable to us or at all. Finally, a sustained or prolonged COVID-19 resurgence or other epidemic, pandemic or disease outbreak may also have the effect of heightening many of the other risks described in this "Risk Factors" section, such as those related to the market for our securities.

We may not be able to complete our initial business combination by the Termination Date, in which case we would cease all operations except for the purpose of winding up and we would redeem our public shares and liquidate.

We may not be able to find a suitable target business and complete our initial business combination by the Termination Date. Our ability to complete our initial business combination may be negatively impacted by general market conditions, volatility in the capital and debt markets and the other risks described herein. For example, the COVID-19 pandemic and rising interest rates could limit our ability to complete our initial business combination, including as a result of increased market volatility, decreased market liquidity and third-party financing being unavailable on terms acceptable to us or at all. Additionally, the outbreak of COVID-19 and rising interest rates may negatively impact businesses we may seek to acquire. If we have not completed our initial business combination within such time period or during any extended period of time that we may have to consummate an initial business combination as a result of an amendment to our Charter (an "Extension Period"), we will: (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to the approval of our remaining stockholders and our board of directors, liquidate and dissolve, subject in each case, to our obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law.

If we seek stockholder approval of our initial business combination, our sponsor, initial stockholders, directors, executive officers, advisors and their affiliates may elect to purchase shares or public warrants from public stockholders, which may influence a vote on a proposed business combination and reduce the public "float" of our Class A common stock.

If we seek stockholder approval of our initial business combination and we do not conduct redemptions in connection with our initial business combination pursuant to the tender offer rules, our sponsor, initial stockholders, directors, executive officers, advisors or their affiliates may purchase shares or public warrants in privately negotiated transactions or in the open market either prior to or following the completion of our initial business combination, although they are under no obligation to do so. There is no limit on the number of shares our initial stockholders, directors, officers, advisors or their affiliates may purchase in such transactions, subject to compliance with applicable law and NYSE rules. Additionally, at any time at or prior to our initial business combination, subject to applicable securities laws (including with respect to material non-public information), our initial stockholders, directors, officers, advisors or their affiliates may enter into transactions with investors and others to provide them with incentives to acquire public shares, vote their public shares in favor of our initial business combination or not redeem their public shares. However, other than as expressly stated herein, they have no current commitments, plans or intentions to engage in such transactions and have not formulated any terms or conditions for any such transactions. None of the funds in the Trust Account will be used to purchase shares or public warrants in such transactions. Such purchases may include a contractual acknowledgment that such stockholder, although still the record holder of our shares, is no longer the beneficial owner thereof and therefore agrees not to exercise its redemption rights.

In the event that our sponsor, initial stockholders, directors, executive officers, advisors or their affiliates purchase shares in privately negotiated transactions from public stockholders who have already elected to exercise their redemption rights, such selling stockholders would be required to revoke their prior elections to redeem their shares. The purpose of any such purchases of shares could be to (i) vote such shares in favor of the business combination and thereby increase the likelihood of obtaining stockholder approval of the business combination, (ii) satisfy a closing condition in an agreement with a target that requires us to have a minimum net worth or a certain amount of cash at the closing of our initial business combination, where it appears that such requirement would otherwise not be met or (iii) reduce the number of public warrants outstanding or to vote such warrants on any matters submitted to the warrant holders for approval in connection with our initial business combination. Any such purchases of our securities may result in the completion of our initial business combination that may not otherwise have been possible. We expect any such purchases will be reported pursuant to Section 13 and Section 16 of the Exchange Act to the extent such purchasers are subject to such reporting requirements. In addition, if such purchases are made, the public "float" of our Class A common stock or public warrants and the number of beneficial holders of our securities may be reduced, possibly making it difficult to obtain or maintain the quotation, listing or trading of our securities on a national securities exchange. Any such purchases will be reported pursuant to Section 13 and Section 16 of the Exchange Act to the extent such purchasers are subject to such reporting requirements.

If a stockholder fails to receive notice of our offer to redeem our public shares in connection with our initial business combination, or fails to comply with the procedures for tendering its shares, such shares may not be redeemed.

We will comply with the proxy rules or tender offer rules, as applicable, when conducting redemptions in connection with our initial business combination. Despite our compliance with these rules, if a stockholder fails to receive our proxy materials or tender offer documents, as applicable, such stockholder may not become aware of the opportunity to redeem its shares. In addition, proxy materials or tender offer documents, as applicable, that we will furnish to holders of our public shares in connection with our initial business combination will describe the various procedures that must be complied with in order to validly tender or submit public shares for redemption. For example, we intend to require our public stockholders seeking to exercise their redemption rights, whether they are record holders or hold their shares in "street name," to, at the holder's option, either

deliver their stock certificates to our transfer agent, or to deliver their shares to our transfer agent electronically prior to the date set forth in the proxy materials or tender offer documents, as applicable. In the case of proxy materials, this date may be up to two business days prior to the vote on the proposal to approve the initial business combination. In addition, if we conduct redemptions in connection with a stockholder vote, we intend to require a public stockholder seeking redemption of its public shares to also submit a written request for redemption to our transfer agent two business days prior to the vote in which the name of the beneficial owner of such shares is included. In the event that a stockholder fails to comply with these or any other procedures disclosed in the proxy or tender offer materials, as applicable, its shares may not be redeemed.

You will not be entitled to protections normally afforded to investors of many other blank check companies.

Since the net proceeds of the Public Offering and the sale of the Private Placement Warrants are intended to be used to complete an initial business combination with a target business that has not been selected, we may be deemed to be a "blank check" company under the United States securities laws. However, because we had net tangible assets in excess of $5,000,000 upon the completion of the Public Offering and the sale of the Private Placement Warrants and filed a Current Report on Form 8-K, including an audited balance sheet demonstrating this fact, we are exempt from rules promulgated by the SEC to protect investors in blank check companies, such as Rule 419. Accordingly, investors will not be afforded the benefits or protections of those rules. Among other things, this means our units were immediately tradable and we have a longer period of time to complete our initial business combination than do companies subject to Rule 419. Moreover, if the IPO were subject to Rule 419, the rule would prohibit the release of any interest earned on funds held in the trust account to us unless and until the funds in the trust account were released to us in connection with out completion of an initial business combination.

If we seek stockholder approval of our initial business combination and we do not conduct redemptions pursuant to the tender offer rules, and if you or a "group" of stockholders are deemed to hold in excess of 15% of our Class A common stock, you will lose the ability to redeem all such shares in excess of 15% of our Class A common stock.

If we seek stockholder approval of our initial business combination and we do not conduct redemptions in connection with our initial business combination pursuant to the tender offer rules, our Charter provides that a public stockholder, together with any affiliate of such stockholder or any other person with whom such stockholder is acting in concert or as a "group" (as defined in Section 13 of the Exchange Act), will be restricted from seeking redemption rights with respect to more than an aggregate of 15% of the shares sold in the Public Offering without our prior consent, which we refer to as the "Excess Shares." However, we would not be restricting our stockholders' ability to vote all of their shares (including Excess Shares) for or against our initial business combination. Our stockholders' inability to redeem the Excess Shares will reduce our stockholders influence over our ability to complete our initial business combination and stockholders could suffer a material loss on your investment in us if you sell Excess Shares in open-market transactions. Additionally, you will not receive redemption distributions with respect to the Excess Shares if we complete our initial business combination. And as a result, our stockholders will continue to hold that number of shares exceeding 15% and, in order to dispose of such shares, would be required to sell their shares in open-market transactions, potentially at a loss.

Because of our limited resources and the significant competition for business combination opportunities, it may be more difficult for us to complete our initial business combination. If we are unable to complete our initial business combination by the Termination Date, our public stockholders may receive only their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless.

We expect to encounter competition from other entities having a business objective similar to ours, including private investors (which may be individuals or investment partnerships), other blank check companies and other entities, domestic and international, competing for the types of businesses we intend to acquire. Many of these individuals and entities are well-established and have extensive experience in identifying and effecting, directly or indirectly, acquisitions of companies operating in or providing services to various industries. Many of these competitors possess similar or greater technical, human and other resources to ours or more local industry knowledge than we do and our financial resources will be relatively limited when contrasted with those of many of these competitors. Additionally, the number of special purposes acquisition companies looking for business

combination targets has increased compared to recent years and many of these special purposes acquisition companies are sponsored by entities or persons that have significant experience with completing business combinations. While we believe there are numerous target businesses we could potentially acquire with the net proceeds of the Public Offering and the sale of the Private Placement Warrants, our ability to compete with respect to the acquisition of certain target businesses that are sizable will be limited by our available financial resources. This inherent competitive limitation gives others an advantage in pursuing the acquisition of certain target businesses. Furthermore, we are obligated to offer holders of our public shares the right to redeem their shares for cash at the time of our initial business combination in conjunction with a stockholder vote or via a tender offer. Target companies will be aware that this may reduce the resources available to us for our initial business combination. Any of these obligations may place us at a competitive disadvantage in successfully negotiating a business combination. If we are unable to complete our initial business combination by the Termination Date, our public stockholders may receive only their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless.

If the net proceeds of the Public Offering not being held in the Trust Account are insufficient to allow us to operate until the Termination Date, it could limit the amount available to fund our search for a target business or businesses and complete our initial business combination, and we will depend on loans from our sponsor or management team to fund our search and to complete our initial business combination.

Of the net proceeds of the Public Offering, only $1,900,000 was initially available to us outside of the Trust Account to fund our working capital requirements. We believe that funds available to us outside of the Trust Account will be sufficient to allow us to operate until the Termination Date; however, we cannot assure you that our estimate is accurate. Of the funds available to us, we could use a portion of the funds available to us to pay fees to consultants to assist us with our search for a target business. We could also use a portion of the funds as a down payment or to fund a "no-shop" provision (a provision in letters of intent or merger agreements designed to keep target businesses from "shopping" around for transactions with other companies or investors on terms more favorable to such target businesses) with respect to a particular proposed business combination, although we do not have any current intention to do so. If we entered into a letter of intent or merger agreement where we paid for the right to receive exclusivity from a target business and were subsequently required to forfeit such funds (whether as a result of our breach or otherwise), we might not have sufficient funds to continue searching for, or conduct due diligence with respect to, a target business.

If we are required to seek additional capital, we would need to borrow funds from our sponsor, management team or other third parties to operate or may be forced to liquidate. Neither our sponsor, members of our management team nor any of their affiliates is under any obligation to advance funds to us in such circumstances. Any such advances would be repaid only from funds held outside the Trust Account or from funds released to us upon completion of our initial business combination. Our sponsor has loaned us $3,615,718.75 as of December 31, 2023 through our issuance of a promissory note (the "Original Note") to the sponsor in the principal amount of $2,300,000 on December 28, 2022 and our issuance of a promissory note (the "Second Note") to the sponsor in the principal amount of $480,000 on March 27, 2023. The Original Note was issued in connection with extending our Termination Date from December 28, 2022 to March 28, 2023 and the Second Note was issued in connection with extending our Termination Date from March 28, 2023 to June 28, 2023. On May 5, 2023, the Company issued an unsecured promissory note (the "Third Note") in the principal amount of $835,718.75 to the Sponsor. The Third Note does not bear interest and matures upon closing of the Company's initial business combination. In the event that the Company does not complete an initial business combination, the Third Note will be repaid only from funds held outside of the Trust Account, or will be forfeited, eliminated or otherwise forgiven. The Third Note is subject to customary events of default, the occurrence of which automatically trigger the unpaid principal balance of the Note and all other sums payable with regard to the Third Note becoming immediately due and payable.

Up to $1,500,000 of such loans may be convertible into Private Placement Warrants of the post-business combination entity at a price of $1.00 per warrant at the option of the lender. Such warrants would be identical to the Private Placement Warrants. Prior to the completion of our initial business combination, we do not expect to seek loans from parties other than our sponsor or an affiliate of our sponsor as we do not believe third parties will be willing to loan such funds and provide a waiver against any and all rights to seek access to funds in our Trust Account. If we are unable to complete our initial business combination because we do not have sufficient funds available to us, we will be forced to cease operations and liquidate the Trust Account. Consequently, our public stockholders may only receive their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless.

If third parties bring claims against us, the proceeds held in the Trust Account could be reduced and the per-share redemption amount received by stockholders may be less than approximately $11.16 per share.

The funds in the Trust Account may not protect those funds from third party claims against us. Although we will seek to have all vendors, service providers (other than our independent registered public accounting firm), prospective target businesses and other entities with which we do business execute agreements with us waiving any right, title, interest or claim of any kind in or to any monies held in the Trust Account for the benefit of our public stockholders, such parties may not execute such agreements, or even if they execute such agreements they may not be prevented from bringing claims against the Trust Account, including, but not limited to, fraudulent inducement, breach of fiduciary responsibility or other similar claims, as well as claims challenging the enforceability of the waiver, in each case in order to gain advantage with respect to a claim against our assets, including the funds held in the Trust Account. If any third party refuses to execute an agreement waiving such claims to the monies held in the Trust Account, our management will consider whether competitive alternatives are reasonably available to us and will only enter into an agreement with such third party if management believes that such third party's engagement would be in the best interests of the company under the circumstances. The underwriters of the Public Offering as well as our independent registered public accounting firm will not execute agreements with us waiving such claims to the monies held in the Trust Account.

Examples of possible instances where we may engage a third party that refuses to execute a waiver include the engagement of a third-party consultant whose particular expertise or skills are believed by management to be significantly superior to those of other consultants that would agree to execute a waiver or in cases where management is unable to find a service provider willing to execute a waiver. In addition, there is no guarantee that such entities will agree to waive any claims they may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with us and will not seek recourse against the Trust Account for any reason. Upon redemption of our public shares, if we are unable to complete our initial business combination within the prescribed timeframe, or upon the exercise of a redemption right in connection with our initial business combination, we will be required to provide for payment of claims of creditors that were not waived that may be brought against us within the 10 years following redemption. Accordingly, the per-share redemption amount received by public stockholders could be less than the $10.20 per public share initially held in the Trust Account, due to claims of such creditors. Pursuant to the letter agreement the form of which is filed as an exhibit to the registration statement relating to the Public Offering, our sponsor has agreed that it will be liable to us if and to the extent any claims by a third party for services rendered or products sold to us, or a prospective target business with which we have entered into a written letter of intent, confidentiality or other similar agreement or business combination agreement, reduce the amount of funds in the Trust Account to below the lesser of (i) $10.20 per public share and (ii) the actual amount per public share held in the Trust Account as of the date of the liquidation of the Trust Account, if less than $10.20 per public share due to reductions in the value of the trust assets, less taxes payable, provided that such liability will not apply to any claims by a third party or prospective target business who executed a waiver of any and all rights to the monies held in the Trust Account (whether or not such waiver is enforceable) nor did it apply to any claims under our indemnity of the underwriters of the Public Offering against certain liabilities, including liabilities under the Securities Act. However, we have not asked our sponsor to reserve for such indemnification obligations, nor have we independently verified whether our sponsor has sufficient funds to satisfy its indemnity obligations and we believe that our sponsor's only assets are securities of our company. Therefore, we cannot assure you that our sponsor would be able to satisfy those obligations. As a result, if any such claims were successfully made against the Trust Account, the funds available for our initial business combination and redemptions could be reduced to less than $10.20 per public share. In such event, we may not be able to complete our initial business combination, and you would receive such lesser amount per share in connection with any redemption of your public shares. None of our officers or directors will indemnify us for claims by third parties including, without limitation, claims by vendors and prospective target businesses.

Our directors may decide not to enforce the indemnification obligations of our sponsor, resulting in a reduction in the amount of funds in the Trust Account available for distribution to our public stockholders.

In the event that the proceeds in the Trust Account are reduced below the lesser of (i) $10.20 per share and (ii) the actual amount per public share held in the Trust Account as of the date of the liquidation of the Trust Account if less than $10.20 per public share due to reductions in the value of the trust assets, in each case less taxes payable, and our sponsor asserts that it is unable to satisfy its obligations or that it has no indemnification obligations related to a particular claim, our independent directors would determine whether to take legal action against our sponsor to enforce its indemnification obligations. While we currently expect that our independent directors would take legal action on our behalf against our sponsor to enforce its indemnification obligations to us, it is possible that our independent directors in exercising their business judgment and subject to their fiduciary duties may choose not to do so in any particular instance. If our independent directors choose not to enforce these indemnification obligations, the amount of funds in the Trust account available for distribution to our public stockholders may be reduced below approximately $11.16 per share.

If, after we distribute the proceeds in the Trust Account to our public stockholders, we file a bankruptcy petition or an involuntary bankruptcy petition is filed against us that is not dismissed, a bankruptcy court may seek to recover such proceeds, and the members of our board of directors may be viewed as having breached their fiduciary duties to our creditors, thereby exposing the members of our board of directors and us to claims of punitive damages.

If, after we distribute the proceeds in the Trust Account to our public stockholders, we file a bankruptcy petition or an involuntary bankruptcy petition is filed against us that is not dismissed, any distributions received by stockholders could be viewed under applicable debtor/creditor and/or bankruptcy laws as either a "preferential transfer" or a "fraudulent conveyance." As a result, a bankruptcy court could seek to recover some or all amounts received by our stockholders. In addition, our board of directors may be viewed as having breached its fiduciary duty to our creditors and/or having acted in bad faith, by paying public stockholders from the Trust Account prior to addressing the claims of creditors, thereby exposing itself and us to claims of punitive damages.

If, before distributing the proceeds in the Trust Account to our public stockholders, we file a bankruptcy petition or an involuntary bankruptcy petition is filed against us that is not dismissed, the claims of creditors in such proceeding may have priority over the claims of our stockholders and the per-share amount that would otherwise be received by our stockholders in connection with our liquidation may be reduced.

If, before distributing the proceeds in the Trust Account to our public stockholders, we file a bankruptcy petition or an involuntary bankruptcy petition is filed against us that is not dismissed, the proceeds held in the Trust Account could be subject to applicable bankruptcy law, and may be included in our bankruptcy estate and subject to the claims of third parties with priority over the claims of our stockholders. To the extent any bankruptcy claims deplete the Trust Account, the per-share amount that would otherwise be received by our stockholders in connection with our liquidation may be reduced.

Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect our business, including our ability to negotiate and complete our initial business combination, and results of operations.

We are subject to laws and regulations enacted by national, regional and local governments. In particular, we will be required to comply with certain SEC and other legal requirements. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Those laws and regulations and their interpretation and application may also change from time to time and those changes could have a material adverse effect on our business, investments and results of operations. In addition, a failure to comply with applicable laws or regulations, as interpreted and applied, could have a material adverse effect on our business, including our ability to negotiate and complete our initial business combination, and results of operations. The SEC has, in the past year, adopted certain rules and may, in the future adopt other rules, which may have a material effect on our activities and on our ability to consummate an initial business combination, including the 2024 SPAC Rules described below.

The SEC has recently issued final rules relating to certain activities of SPACs. Certain of the procedures that the Company or others may determine to undertake in connection with such rules may increase our costs and the time needed to complete the Business Combination.

On January 24, 2024, the SEC issued final rules (the "2024 SPAC Rules"), effective no sooner than 125 days following the publication of the 2024 SPAC Rules in the Federal Register, that formally adopted some of the SEC's proposed rules for SPACs that were released on March 30, 2022. The 2024 SPAC Rules, among other items, impose additional disclosure requirements in initial public offerings by SPACs and business combination transactions involving SPACs and private operating companies; amend the financial statement requirements applicable to business combination transactions involving such companies; update and expand guidance regarding the general use of projections in SEC filings, including requiring disclosure of all material bases of the projections and all material assumptions underlying the projections; increase the potential liability of certain participants in proposed business combination transactions; and could impact the extent to which SPACs could become subject to regulation under the Investment Company Act. In the event that the Business Combination has not been consummated by the time the 2024 SPAC Rules become effective, such rules may materially adversely affect our business, including our ability to complete, and the costs associated with, the Business Combination, and results of operations.

If we are deemed to be an investment company for purposes of the Investment Company Act, we would be required to institute burdensome compliance requirements and our activities would be severely restricted. As a result, in such circumstances, unless we are able to modify our activities so that we would not be deemed an investment company, we may abandon our efforts to complete the Business Combination and instead liquidate the Company.

As described further above, the 2024 SPAC Rules relate, among other matters, to the circumstances in which SPACs such as the Company could potentially be subject to the Investment Company Act and the regulations thereunder. The 2024 SPAC Rules would provide a safe harbor for such companies from the definition of "investment company" under Section 3(a)(1)(A) of the Investment Company Act, provided that a SPAC satisfies certain criteria, including a limited time period to announce and complete a de-SPAC transaction. Specifically, to comply with the safe harbor, the 2024 SPAC Rules would require a company to file a report on Form 8-K announcing that it has entered into an agreement with a target company for a business combination no later than 18 months after the effective date of its registration statement for its initial public offering (the "IPO Registration Statement"). The Company would then be required to complete its initial business combination no later than the 24-month anniversary of the closing of the Public Offering.

If we are deemed to be an investment company under the Investment Company Act, our activities would be severely restricted. For example, we may face restrictions on the nature of our investments and restrictions on the issuance of securities. In addition, we would be subject to burdensome compliance requirements. We do not believe that our principal activities will subject us to regulation as an investment company under the Investment Company Act. However, if we are deemed to be an investment company and subject to compliance with and regulation under the Investment Company Act, we would be subject to additional regulatory burdens and expenses for which we have not allotted funds. As a result, unless we are able to modify our activities so that we would not be deemed an investment company, we may abandon our efforts to complete an initial business combination and instead liquidate the Company. Were we to liquidate, our warrants would expire worthless, and our securityholders would lose the investment opportunity associated with an investment in the combined company, including any potential price appreciation of our securities.

To mitigate the risk that we might be deemed to be an investment company for purposes of the Investment Company Act, we have liquidated the investments held in the Trust Account and instead the funds are held in the Trust Account in cash items until the earlier of the consummation of our initial business combination or our liquidation. Following the liquidation of investments in the Trust Account, we have received minimal interest on the funds held in the Trust Account, which has reduced the dollar amount our Public Stockholders would receive upon any redemption or liquidation of the Company.

Initially, the funds in the Trust Account had, since our initial public offering, been held only in U.S. government treasury obligations with a maturity of 185 days or less or in money market funds investing solely in U.S. government treasury obligations and meeting certain conditions under Rule 2a-7 under the Investment Company Act. However, to mitigate the risk of us being deemed to be an unregistered investment company (including under the subjective test of Section 3(a)(1)(A) of the Investment Company Act) and thus subject to regulation under the Investment Company Act, we liquidated the U.S. government treasury obligations or money market funds held in the Trust Account and instructed Continental, the trustee with respect to the Trust Account, to

maintain the funds in the Trust Account in cash in an interest-bearing demand deposit account at a bank until the earlier of the consummation of our initial business combination or the liquidation of the Company. Interest on such deposit account is currently approximately 3.5-4.0% per annum, but such deposit account carries a variable rate and the Company cannot assure you that such rate will not decrease or increase significantly. Following such liquidation, we have received minimal interest on the funds held in the Trust Account. However, interest previously earned on the funds held in the Trust Account still may be released to us to pay our taxes, if any. As a result, the decision to hold all funds in the Trust Account in cash items has reduced the dollar amount our Public Stockholders would receive upon any redemption or liquidation of the Company.

In the adopting release for the 2024 SPAC Rules, the SEC provided guidance that a SPAC's potential status as an "investment company" depends on a variety of factors, such as a SPAC's duration, asset composition, business purpose and activities and "is a question of facts and circumstances" requiring individualized analysis. If we were deemed to be subject to compliance with and regulation under the Investment Company Act, we would be subject to additional regulatory burdens and expenses for which we have not allotted funds. Unless we are able to modify our activities so that we would not be deemed an investment company, we would either register as an investment company or wind down and abandon our efforts to complete an initial business combination and instead to liquidate the Company.

Our stockholders may be held liable for claims by third parties against us to the extent of distributions received by them upon redemption of their shares.

Under the Delaware General Corporation Law ("DGCL"), stockholders may be held liable for claims by third parties against a corporation to the extent of distributions received by them in a dissolution. The pro rata portion of our Trust Account distributed to our public stockholders upon the redemption of our public shares in the event we do not complete our initial business combination by the Termination Date may be considered a liquidating distribution under Delaware law. If a corporation complies with certain procedures set forth in Section 280 of the DGCL intended to ensure that it makes reasonable provision for all claims against it, including a 60-day notice period during which any third-party claims can be brought against the corporation, a 90-day period during which the corporation may reject any claims brought, and an additional150-day waiting period before any liquidating distributions are made to stockholders, any liability of stockholders with respect to a liquidating distribution is limited to the lesser of such stockholder's pro rata share of the claim or the amount distributed to the stockholder, and any liability of the stockholder would be barred after the third anniversary of the dissolution. However, it is our intention to redeem our public shares as soon as reasonably possible following the Termination Date in the event we do not complete our initial business combination and, therefore, we do not intend to comply with the foregoing procedures.

Because we will not comply with Section 280, Section 281(b) of the DGCL requires us to adopt a plan, based on facts known to us at such time that will provide for our payment of all existing and pending claims or claims that may be potentially brought against us within the 10 years following our dissolution. However, because we are a blank check company, rather than an operating company, and our operations are limited to searching for prospective target businesses to acquire, the only likely claims to arise would be from our vendors (such as lawyers, investment bankers, etc.) or prospective target businesses. If our plan of distribution complies with Section 281(b) of the DGCL, any liability of stockholders with respect to a liquidating distribution is limited to the lesser of such stockholder's pro rata share of the claim or the amount distributed to the stockholder, and any liability of the stockholder would likely be barred after the third anniversary of the dissolution. We cannot assure you that we will properly assess all claims that may be potentially brought against us. As such, our stockholders could potentially be liable for any claims to the extent of distributions received by them (but no more) and any liability of our stockholders may extend beyond the third anniversary of such date. Furthermore, if the pro rata portion of our Trust Account distributed to our public stockholders upon the redemption of our public shares in the event we do not complete our initial business combination by the Termination Date is not considered a liquidating distribution under Delaware law and such redemption distribution is deemed to be unlawful (potentially due to the imposition of legal proceedings that a party may bring or due to other circumstances that are currently unknown), then pursuant to Section 174 of the DGCL, the statute of limitations for claims of creditors could then be six years after the unlawful redemption distribution, instead of three years, as in the case of a liquidating distribution.

We may not hold an annual meeting of stockholders until after the consummation of our initial business combination, which could delay the opportunity for our stockholders to elect directors.

In accordance with NYSE's corporate governance requirements, we are not required to hold an annual meeting until no later than one year after our first fiscal year end following our listing on the NYSE. Under Section 211(b) of the DGCL, we are, however required to hold an annual meeting of stockholders for the purposes of electing directors in accordance with our bylaws unless such election is made by written consent in lieu of such a meeting. We may not hold an annual meeting of stockholders to elect new directors prior to the consummation of our initial business combination, and thus we may not be in compliance with Section 211(b) of the DGCL, which requires an annual meeting. Therefore, if our stockholders want us to hold an annual meeting prior to the consummation of our initial business combination, they may attempt to force us to hold one by submitting an application to the Delaware Court of Chancery in accordance with Section 211(c) of the DGCL.

Although we have identified general criteria and guidelines that we believe are important in evaluating prospective target businesses, we may enter into our initial business combination with a target that does not meet such criteria and guidelines, and as a result, the target business with which we enter into our initial business combination may not have attributes entirely consistent with our general criteria and guidelines.

Although we have identified general criteria and guidelines for evaluating prospective target businesses, it is possible that a target business with which we enter into our initial business combination will not have all of these positive attributes. If we complete our initial business combination with a target that does not meet some or all of these guidelines, such combination may not be as successful as a combination with a business that does meet all of our general criteria and guidelines. In addition, if we announce a prospective business combination with a target that does not meet our general criteria and guidelines, a greater number of stockholders may exercise their redemption rights, which may make it difficult for us to meet any closing condition with a target business that requires us to have a minimum net worth or a certain amount of cash. In addition, if stockholder approval of the transaction is required by law, or we decide to obtain stockholder approval for business or other legal reasons, it may be more difficult for us to attain stockholder approval of our initial business combination if the target business does not meet our general criteria and guidelines. If we are unable to complete our initial business combination, our public stockholders may only receive their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless.

We are not required to obtain an opinion from an independent investment banking firm or from a valuation or appraisal firm, and consequently, you may have no assurance from an independent source that the price we are paying for the business is fair to our stockholders from a financial point of view.

Unless we complete our initial business combination with an affiliated entity or our board of directors cannot independently determine the fair market value of the target business or businesses (including with the assistance of financial advisors), we are not required to obtain an opinion from an independent investment banking firm which is a member of FINRA or from a valuation or appraisal firm that the price we are paying is fair to our stockholders from a financial point of view. If no opinion is obtained, our stockholders will be relying on the judgment of our board of directors, who will determine fair market value based on standards generally accepted by the financial community. Such standards used will be disclosed in our proxy materials or tender offer documents, as applicable, related to our initial business combination.

We may issue notes or other debt securities, or otherwise incur substantial debt, to complete a business combination, which may adversely affect our leverage and financial condition and thus negatively impact the value of our stockholders' investment in us.

We may choose to issue any notes or other debt securities, or to otherwise incur substantial debt to complete our initial business combination. We and our officers have agreed that we will not incur any indebtedness unless we have obtained from the lender a waiver of any right, title, interest or claim of any kind in or to the monies held in the Trust Account. As such, no issuance of debt will affect the per share amount available for redemption from the Trust Account. Nevertheless, the incurrence of debt could have a variety of negative effects, including:

- default and foreclosure on our assets if our operating revenues after an initial business combination are insufficient to repay our debt obligations;
- acceleration of our obligations to repay the indebtedness even if we make all principal and interest payments when due if we breach certain covenants that require the maintenance of certain financial ratios or reserves without a waiver or renegotiation of that covenant;
- our immediate payment of all principal and accrued interest, if any, if the debt is payable on demand;
- our inability to obtain necessary additional financing if the debt contains covenants restricting our ability to obtain such financing while the debt is outstanding;
- our inability to pay dividends on our Class A common stock;
- using a substantial portion of our cash flow to pay principal and interest on our debt, which will reduce the funds available for dividends on our Class A common stock if declared, expenses, capital expenditures, acquisitions and other general corporate purposes;
- limitations on our flexibility in planning for and reacting to changes in our business and in the industry in which we operate;
- increased vulnerability to adverse changes in general economic, industry and competitive conditions and adverse changes in government regulation; and
- limitations on our ability to borrow additional amounts for expenses, capital expenditures, acquisitions, debt service requirements, execution of our strategy and other purposes and other disadvantages compared to our competitors who have less debt.

Our warrants are accounted for as liabilities and the changes in value of our warrants could have a material effect on our financial results and thus may have an adverse effect on the market price of our securities.

On April 12, 2021, the staff of the SEC (the "SEC Staff") issued a public statement entitled Staff Statement on Accounting and Reporting Considerations for Warrants issued by Special Purpose Acquisition Companies ("SPACs") (the "SEC Staff Statement"). In the SEC Staff Statement, the SEC Staff expressed its view that certain terms and conditions common to SPAC warrants may require the warrants to be classified as liabilities on the SPAC's balance sheet as opposed to equity.

As a result, included on our balance sheets as of December 31, 2023 and 2022 contained elsewhere in this Annual Report are derivative liabilities related to embedded features contained within our warrants. ASC 815, Derivatives and Hedging, provides for the remeasurement of the fair value of such derivatives at each balance sheet date, with a resulting non-cash gain or loss related to the change in the fair value measurement, our financial statements and results of operations may fluctuate quarterly, based on factors, which are outside of our control. Due to the recurring fair value measurement, we expect that we will recognize non-cash gains or losses on our warrants each reporting period and that the amount of such gains or losses could be material. The impact of changes in fair value or earnings may have an adverse effect on the market price of our securities.

We may only be able to complete one business combination with the proceeds of the Public Offering and the sale of the Private Placement Warrants, which will cause us to be solely dependent on a single business which may have a limited number of products or services. This lack of diversification may negatively impact our operations and profitability.

The net proceeds from the Public Offering and sale of the Private Placement Warrants provided us with $226,550,000 that we may use to complete our initial business combination (after taking into account $8,050,000 of deferred underwriting commissions being held in the Trust Account).

On March 28, 2024, we held the Second Extension Meeting to, in part, amend our charter to extend our Termination Date to the Charter Extension Date and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to eleven times by an additional one month each time after the Charter Extension Date, by resolution of the Board if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2025 or a total of up to twelve months after the Termination Date, unless the closing of a business combination shall have occurred prior thereto. For each such monthly extension, the Sponsor (or one or more of its affiliates or permitted designees) will deposit $90,000 into the Trust Account. In connection with the vote held on March 28, 2024, the holders of 2,873,211 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $11.16 per share, for an aggregate redemption amount of approximately $32,066,629.79. Accordingly, our initial stockholders currently own approximately 67.9% of our outstanding common stock.

On March 24, 2023, we held the First Extension Meeting to, in part, amend our charter to extend our Termination Date from the Original Termination Date to the Previous Charter Extension Date and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to nine times by an additional one month each time after the Previous Charter Extension Date, by resolution of our Board, if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2024 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Original Termination Date, unless the closing of a business combination shall have occurred prior thereto. For each monthly extension of the Charter Extension Date we deposited $160,000 into the Trust Account. In connection with that vote, the holders of 17,404,506 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $10.48 per share, for an aggregate redemption amount of approximately $182,460,110. After the satisfaction of such redemptions, the balance in our trust account was approximately $58,660,352 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

We may effectuate our initial business combination with a single target business or multiple target businesses simultaneously or within a short period of time. However, we may not be able to effectuate our initial business combination with more than one target business because of various factors, including the existence of complex accounting issues and the requirement that we prepare and file pro forma financial statements with the SEC that present operating results and the financial condition of several target businesses as if they had been operated on a combined basis. By completing our initial business combination with only a single entity, our lack of diversification may subject us to numerous economic, competitive and regulatory developments. Further, we would not be able to diversify our operations or benefit from the possible spreading of risks or offsetting of losses, unlike other entities which may have the resources to complete several business combinations in different industries or different areas of a single industry. Accordingly, the prospects for our success may be:

- solely dependent upon the performance of a single business, property or asset; or

- dependent upon the development or market acceptance of a single or limited number of products, processes or services.

This lack of diversification may subject us to numerous economic, competitive and regulatory risks, any or all of which may have a substantial adverse impact upon the particular industry in which we may operate subsequent to our initial business combination.

We may attempt to simultaneously complete business combinations with multiple prospective targets, which may hinder our ability to complete our initial business combination and give rise to increased costs and risks that could negatively impact our operations and profitability.

If we determine to simultaneously acquire several businesses that are owned by different sellers, we will need for each of such sellers to agree that our purchase of its business is contingent on the simultaneous closings of the other business combinations, which may make it more difficult for us, and delay our ability, to complete our initial business combination. With multiple business combinations, we could also face additional risks, including additional burdens and costs with respect to possible multiple negotiations and due diligence investigations (if there are multiple sellers) and the additional risks associated with the subsequent assimilation of the operations and services or products of the acquired companies in a single operating business. If we are unable to adequately address these risks, it could negatively impact our profitability and results of operations.

We may seek business combination opportunities in industries or sectors that may be outside of our management's areas of expertise.

We will consider a business combination outside of our management's areas of expertise if a business combination candidate is presented to us and we determine that such candidate offers an attractive business combination opportunity for our company. Although our management will endeavor to evaluate the risks inherent in any particular business combination candidate, we cannot assure you that we will adequately ascertain or assess all of the significant risk factors. We also cannot assure you that an investment in our units will not ultimately prove to be less favorable to investors in the Public Offering than a direct investment, if an opportunity were available, in a business combination candidate. In the event that we elect to pursue a business combination outside of the areas of our management's expertise, our management's expertise may not be directly applicable to its evaluation or operation, and information regarding the areas of our management's expertise would not be relevant to an understanding of the business that we elect to acquire. As a result, our management may not be able to ascertain or assess adequately all of the relevant risk factors. Accordingly, any stockholders who choose to remain stockholders following our initial business combination could suffer a reduction in the value of their shares. Such stockholders are unlikely to have a remedy for such reduction in value.

We may seek acquisition opportunities with an early stage company, a financially unstable business or an entity lacking an established record of revenue or earnings.

To the extent we complete our initial business combination with an early stage company, a financially unstable business or an entity lacking an established record of sales or earnings, we may be affected by numerous risks inherent in the operations of the business with which we combine. These risks include investing in a business without a proven business model and with limited historical financial data, volatile revenues or earnings, intense competition and difficulties in obtaining and retaining key personnel. Although our officers and directors will endeavor to evaluate the risks inherent in a particular target business, we may not be able to properly ascertain or assess all of the significant risk factors and we may not have adequate time to complete due diligence. Furthermore, some of these risks may be outside of our control and leave us with no ability to control or reduce the chances that those risks will adversely impact a target business.

We may attempt to complete our initial business combination with a private company about which little information is available, which may result in a business combination with a company that is not as profitable as we suspected, if at all.

In pursuing our business combination strategy, we may seek to effectuate our initial business combination with a privately held company. Very little public information generally exists about private companies, and we could be required to make our decision on whether to pursue a potential initial business combination on the basis of limited information, which may result in a business combination with a company that is not as profitable as we suspected, if at all.

We may seek business combination opportunities with a high degree of complexity that require significant operational improvements, which could delay or prevent us from achieving our desired results.

We may seek business combination opportunities with large, highly complex companies that we believe would benefit from operational improvements. While we intend to implement such improvements, to the extent that our efforts are delayed or we are unable to achieve the desired improvements, the business combination may not be as successful as we anticipate.

To the extent we complete our initial business combination with a large complex business or entity with a complex operating structure, we may also be affected by numerous risks inherent in the operations of the business with which we combine, which could delay or prevent us from implementing our strategy. Although our management team will endeavor to evaluate the risks inherent in a particular target business and its operations, we may not be able to properly ascertain or assess all of the significant risk factors until we complete our business combination. If we are not able to achieve our desired operational improvements, or the improvements take longer to implement than anticipated, we may not achieve the gains that we anticipate. Furthermore, some of these risks and complexities may be outside of our control and leave us with no ability to control or reduce the chances that those risks and complexities will adversely impact a target business. Such combination may not be as successful as a combination with a smaller, less complex organization.

We do not have a specified maximum redemption threshold. The absence of such a redemption threshold may make it possible for us to complete our initial business combination with which a substantial majority of our stockholders or warrant holders do not agree.

Our Charter does not provide a specified maximum redemption threshold. In addition, our proposed initial business combination may impose a minimum cash requirement for (i) cash consideration to be paid to the target or its owners, (ii) cash for working capital or other general corporate purposes or (iii) the retention of cash to satisfy other conditions. As a result, we may be able to complete our initial business combination even though a substantial majority of our public stockholders do not agree with the transaction and have redeemed their shares or, if we seek stockholder approval of our initial business combination and do not conduct redemptions in connection with our initial business combination pursuant to the tender offer rules, have entered into privately negotiated agreements to sell their shares to our sponsor, executive officers, directors, advisors or any of their affiliates. In the event the aggregate cash consideration we would be required to pay for all shares of our Class A common stock that are validly submitted for redemption plus any amount required to satisfy cash conditions pursuant to the terms of the proposed business combination exceed the aggregate amount of cash available to us, we will not complete the business combination or redeem any shares in connection with such initial business combination, all shares of Class A common stock submitted for redemption will be returned to the holders thereof, and we instead may search for an alternate business combination.

In order to effectuate an initial business combination, special purpose acquisition companies have, in the recent past, amended various provisions of their charters and other governing instruments, including their warrant agreements. We cannot assure you that we will not seek to amend our Charter or governing instruments in a manner that will make it easier for us to complete our initial business combination that our stockholders may not support.

In order to effectuate a business combination, special purpose acquisition companies have, in the recent past, amended various provisions of their charters and governing instruments, including their warrant agreements. For example, special purpose acquisition companies have amended the definition of business combination, increased redemption thresholds and extended the time to consummate an initial business combination and, with respect to their warrants, amended their warrant agreements to require the warrants to be exchanged for cash and/or other securities. Amending our Charter requires the approval of holders of 65% of our common stock, and amending our warrant agreement requires a vote of holders of at least 50% of the public warrants and, solely with respect to any amendment to the terms of the Private Placement Warrants or any provision of the warrant agreement with respect to the Private Placement Warrants, 50% of the number of the then outstanding Private Placement Warrants. In addition, our Charter requires us to provide our public stockholders with the opportunity to redeem their public shares for cash if we propose an amendment to our Charter to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete an initial business combination by the Termination Date or with respect to any other material provisions relating to stockholders' rights or pre-initial business combination activity. To the extent any of such amendments would be deemed to fundamentally change the nature of the securities offered through the registration statement relating to the Public Offering, we would register, or seek an exemption from registration for, the affected securities. We cannot assure you that we will not seek to amend our Charter or governing instruments or extend the time to consummate an initial business combination in order to effectuate our initial business combination.

The provisions of our Charter that relate to ourpre-business combination activity (and corresponding provisions of the agreement governing the release of funds from our Trust Account) may be amended with the approval of holders of 65% of our common stock, which is a lower amendment threshold than that of some other special purpose acquisition companies. It may be easier for us, therefore, to amend our Charter to facilitate the completion of an initial business combination that some of our stockholders may not support.

Our Charter provides that any of its provisions related topre-business combination activity (including the requirement to deposit proceeds of the Public Offering and the private placement of warrants into the Trust Account and not release such amounts except in specified circumstances, and to provide redemption rights to public stockholders) may be amended if approved by holders of 65% of our common stock entitled to vote thereon, and corresponding provisions of the trust agreement governing the release of funds from our Trust Account may be amended if approved by holders of 65% of our common stock entitled to vote thereon. In all other instances, our Charter may be amended by holders of a majority of our outstanding common stock entitled to vote thereon, subject to applicable provisions of the DGCL or applicable stock exchange rules. Our initial stockholders, who collectively beneficially own approximately 67.9% of our common stock, may participate in any vote to amend our Charter and/or trust agreement and will have the discretion to vote in any manner they choose. As a result, we may be able to amend the provisions of our Charter which govern our pre-business combination behavior more easily than some other special purpose acquisition companies, and this may increase our ability to complete a business combination with which you do not agree. Our stockholders may pursue remedies against us for any breach of our Charter.

Our sponsor, executive officers, directors and director nominees have agreed, pursuant to written agreements with us, that they will not propose any amendment to our Charter to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete our initial business combination by the Termination Date or with respect to any other material provisions relating to stockholders' rights or pre-initial business combination activity, unless we provide our public stockholders with the opportunity to redeem their Class A common stock upon approval of any such amendment at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares. Our stockholders are not parties to, or third-party beneficiaries of, these agreements and, as a result, will not have the ability to pursue remedies against our sponsor, executive officers, directors or director nominees for any breach of these agreements. As a result, in the event of a breach, our stockholders would need to pursue a stockholder derivative action, subject to applicable law.

Certain agreements related to the Public Offering may be amended without stockholder approval.

Each of the agreements related to the Public Offering to which we are a party, other than the warrant agreement and the investment management trust agreement, may be amended without stockholder approval. Such agreements are: the underwriting agreement; the letter agreement among us and our initial stockholders, sponsor, officers and directors; the registration rights agreement among us and our initial stockholders; the Private Placement Warrants purchase agreement between us and our sponsor; and the administrative services agreement among us, our

sponsor and an affiliate of our sponsor. These agreements contain various provisions that our public stockholders might deem to be material. For example, our letter agreement and the underwriting agreement contain certain lock-up provisions with respect to the Founder Shares, Private Placement Warrants and other securities held by our initial stockholders, sponsor, officers and directors. Amendments to such agreements would require the consent of the applicable parties thereto and would need to be approved by our board of directors, which may do so for a variety of reasons, including to facilitate our initial business combination. While we do not expect our board of directors to approve any amendment to any of these agreements prior to our initial business combination, it may be possible that our board of directors, in exercising its business judgment and subject to its fiduciary duties, chooses to approve one or more amendments to any such agreement. Any amendment entered into in connection with the consummation of our initial business combination will be disclosed in our proxy materials or tender offer documents, as applicable, related to such initial business combination, and any other material amendment to any of our material agreements will be disclosed in a filing with the SEC. Any such amendments would not require approval from our stockholders, may result in the completion of our initial business combination that may not otherwise have been possible, and may have an adverse effect on the value of an investment in our securities. For example, amendments to the lock-up provision discussed above may result in our initial stockholders selling their securities earlier than they would otherwise be permitted, which may have an adverse effect on the price of our securities.

We may be unable to obtain additional financing to complete our initial business combination or to fund the operations and growth of a target business, which could compel us to restructure or abandon a particular business combination.

We are targeting businesses with enterprise values that are greater than we could acquire with the net proceeds of the Public Offering and the sale of the Private Placement Warrants. As a result, if the cash portion of the purchase price exceeds the amount available from the Trust Account, net of amounts needed to satisfy any redemption by public stockholders, we may be required to seek additional financing to complete such proposed initial business combination. We cannot assure you that such financing will be available on acceptable terms, if at all. To the extent that additional financing proves to be unavailable when needed to complete our initial business combination, we would be compelled to either restructure the transaction or abandon that particular business combination and seek an alternative target business candidate. Further, we may be required to obtain additional financing in connection with the closing of our initial business combination for general corporate purposes, including for maintenance or expansion of operations of the post-transaction businesses, the payment of principal or interest due on indebtedness incurred in completing our initial business combination, or to fund the purchase of other companies. If we are unable to complete our initial business combination, our public stockholders may only receive their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless. In addition, even if we do not need additional financing to complete our initial business combination, we may require such financing to fund the operations or growth of the target business. The failure to secure additional financing could have a material adverse effect on the continued development or growth of the target business. None of our officers, directors or stockholders is required to provide any financing to us in connection with or after our initial business combination.

Our initial stockholders and Antara control a substantial interest in us and thus may exert a substantial influence on actions requiring a stockholder vote, potentially in a manner that you do not support.

As of the date of this Annual Report, our initial stockholders and Antara owned 6,705,100 shares of common stock, which represented approximately 79.1% of our outstanding common stock.

On March 28, 2024, we held the Second Extension Meeting to, in part, amend our charter to extend our Termination Date to the Charter Extension Date and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to eleven times by an additional one month each time after the Charter Extension Date, by resolution of the Board if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2025 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Termination Date, unless the closing of a business combination shall have occurred prior thereto. For each such monthly extension, the Sponsor (or one or more of its affiliates or permitted designees) will deposit $90,000 into the Trust Account. In connection with the vote held on March 28, 2024, the holders of 2,873,211 Class A common stock of the

Company properly exercised their right to redeem their shares for an aggregate price of approximately $11.16 per share, for an aggregate redemption amount of approximately $32,066,629.79.

Therefore, our initial stockholders and Antara may exert a substantial influence on actions requiring a stockholder vote, potentially in a manner that our stockholders do not support, including amendments to our Charter. Factors that would be considered in making such additional purchases would include consideration of the current trading price of our Class A common stock. In addition, our board of directors, whose members were elected by our sponsor, is and will be divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. We may not hold an annual meeting of stockholders to elect new directors prior to the completion of our initial business combination, in which case all of the current directors will continue in office until at least the completion of the business combination. If there is an annual meeting of stockholders, as a consequence of our "staggered" board of directors, only a minority of the board of directors will be considered for election and our initial stockholders, because of their ownership position, will have considerable influence regarding the outcome. In addition, prior to the completion of an initial business combination, holders of a majority of our Founder Shares may remove a member of the board of directors for any reason. Accordingly, our initial stockholders will continue to exert control at least until the completion of our initial business combination.

Because we must furnish our stockholders with target business financial statements, we may lose the ability to complete an otherwise advantageous initial business combination with some prospective target businesses.

The federal proxy rules require that the proxy statement with respect to the vote on an initial business combination include historical and pro forma financial statement disclosure. We will include the same financial statement disclosure in connection with our tender offer documents, whether or not they are required under the tender offer rules. These financial statements may be required to be prepared in accordance with, or be reconciled to, accounting principles generally accepted in the United States of America ("GAAP"), or international financial reporting standards as issued by the International Accounting Standards Board ("IFRS"), depending on the circumstances, and the historical financial statements may be required to be audited in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"). These financial statement requirements may limit the pool of potential target businesses we may acquire because some targets may be unable to provide such financial statements in time for us to disclose such statements in accordance with federal proxy rules and complete our initial business combination within the prescribed time frame.

Compliance obligations under the Sarbanes-Oxley Act may make it more difficult for us to effectuate our initial business combination, require substantial financial and management resources, and increase the time and costs of completing an initial business combination.

Section 404 of the Sarbanes-Oxley Act requires that we evaluate and report on our system of internal controls for our Annual Report on Form 10-K. Only in the event that we are deemed to be a large accelerated filer or an accelerated filer, and no longer qualify as an emerging growth company, will we be required to comply with the independent registered public accounting firm attestation requirement on our internal control over financial reporting. Further, for as long as we remain an emerging growth company, we will not be required to comply with the independent registered public accounting firm attestation requirement on our internal control over financial reporting. The fact that we are a blank check company makes compliance with the requirements of the Sarbanes-Oxley Act particularly burdensome on us as compared to other public companies because a target business with which we seek to complete our initial business combination may not be in compliance with the provisions of the Sarbanes-Oxley Act regarding adequacy of its internal controls. The development of the internal controls of any such entity to achieve compliance with the Sarbanes-Oxley Act may increase the time and costs necessary to complete any such business combination.

As the number of special purpose acquisition companies evaluating targets increases, attractive targets may become scarcer and there may be more competition for attractive targets. This could increase the cost of our initial business combination and could result in our inability to find a target or to consummate an initial business combination.

In recent years, the number of special purpose acquisition companies has increased substantially. A number of potential targets for special purpose acquisition companies have already been acquired, and there are still many special purpose acquisition companies pursuing an initial business combination. As a result, fewer attractive targets may be available to consummate an initial business combination. In addition, because there are more special purpose acquisition companies seeking to enter into an initial business combination with available targets, the competition for targets may increase and, as a result, the terms of business combination transactions with available targets could become less favorable to us. Attractive transactions could also become scarcer for other reasons, such as economic or industry sector downturns, geopolitical tensions, or increases in the cost of additional capital needed to close business combinations or operate targets post-business combination. This could increase the cost of, delay or otherwise complicate or frustrate our ability to find and consummate an initial business combination, and may result in our inability to consummate an initial business combination on terms favorable to us.

Our management team and our sponsor may make a profit on any initial business combination, even if any public stockholders who did not redeem their shares would experience a loss on that business combination. As a result, the economic interests of our management team and our sponsor may not fully align with the economic interests of public stockholders.

Like most special purpose acquisition companies ("SPACs"), our structure may not fully align the economic interests of our sponsor and those persons, including our officers and directors, who have interests in our sponsor with the economic interests of our public stockholders. Upon the closing of the Public Offering, our sponsor invested an aggregate of $11,725,000, comprised of the $25,000 purchase price for the Founder Shares and the $11,700,000 purchase price for the Private Placement Warrants. Assuming a trading price of $10.00 per share upon consummation of our initial business combination, the 5,750,000 Founder Shares would have an aggregate implied value of $50,750,000. Even if the trading price of our Class A common stock was as low as $2.04, and the Private Placement Warrants were worthless, the value of the Founder Shares would be equal to the sponsor's initial investment in us. As a result, so long as we complete an initial business combination, our sponsor is likely to be able to recoup its investment in us and make a substantial profit on that investment, even if our public shares lose significant value.

We may reincorporate in another jurisdiction in connection with our initial business combination and such reincorporation may result in taxes imposed on stockholder.

We may, in connection with our initial business combination and subject to requisite stockholder approval under the Companies Act, reincorporate in the jurisdiction in which the target company or business is located or in another jurisdiction. The transaction may require a stockholder or warrant holder to recognize taxable income in the jurisdiction in which the stockholder or warrant holder is a tax resident or in which its members are resident if it is a tax transparent entity. We do not intend to make any such cash distributions to stockholder or warrant holders to pay such taxes. Stockholder or warrant holders may be subject to withholding taxes or other taxes with respect to their ownership of us after the reincorporation.

We are subject to changing law and regulations regarding regulatory matters, corporate governance and public disclosure that have increased both our costs and the risk of non-compliance.

We are subject to rules and regulations by various governing bodies, including for example, the SEC, which are charged with the protection of investors and the oversight of companies whose securities are publicly traded, and to new and evolving regulatory measures under applicable law. Our efforts to comply with new and changing laws and regulations have resulted in and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from seeking a business combination target.

Moreover, because these laws, regulations and standards are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

Accordingly, our sponsor and members of our management team who own interests in our sponsor may have incentives to pursue and consummate an initial business combination quickly, with a risky or not well established target business, and/or on transaction terms favorable to the equity holders of the target business, rather than continue to seek a more favorable business combination transaction that could result in an improved outcome for our public stockholders or liquidate and return all of the cash in the trust to the public stockholders. For the foregoing reasons, you should consider our sponsor's and management team's financial incentive to complete an initial business combination when evaluating whether to purchase our public shares and/or redeem your public shares prior to or in connection with an initial business combination.

Certain of our officers and directors have or will have direct and indirect economic interests in us and/or our sponsor after the consummation of our initial public offering and such interests may potentially conflict with those of our public stockholders as we evaluate and decide whether to recommend a potential business combination to our public stockholders.

Certain of our officers and directors may own membership interests in our sponsor and indirect interests in our Class B common stock and private placement warrants which may result in interests that differ from the economic interests of the investors in our initial public offering, which includes making a determination of whether a particular target business is an appropriate business with which to effectuate our initial business combination. There may be a potential conflict of interest between our officers and directors that hold membership interests in our sponsor and our public stockholders that may not be resolved in favor of our public stockholders.

We may not be able to complete the Business Combination with certain potential target companies if a proposed transaction with the target company may be subject to review or approval by regulatory authorities pursuant to certain U.S. or foreign laws or regulations.

Certain acquisitions or business combinations may be subject to review or approval by regulatory authorities pursuant to certain U.S. or foreign laws or regulations. In the event that such regulatory approval or clearance is not obtained, or the review process is extended beyond the period of time that would permit the Business Combination to be consummated with us, we may not be able to consummate the Business Combination with such target.

Among other things, the U.S. Federal Communications Act prohibits foreign individuals, governments, and corporations from owning more a specified percentage of the capital stock of a broadcast, common carrier, or aeronautical radio station licensee. In addition, U.S. law currently restricts foreign ownership of U.S. airlines. In the United States, certain mergers that may affect competition may require certain filings and review by the Department of Justice and the Federal Trade Commission, and investments or acquisitions that may affect national security are subject to review by the Committee on Foreign Investment in the United States ("*CFIUS*"). CFIUS is an interagency committee authorized to review certain transactions involving foreign investment in U.S. businesses or assets with a nexus to U.S. interstate commerce.

Outside the United States, laws or regulations may affect our ability to consummate a business combination with potential target companies incorporated or having business operations in jurisdiction where national security considerations, involvement in regulated industries (including telecommunications), or in businesses relating to a country's culture or heritage may be implicated. In December 2022, Antara acquired a majority economic, non-voting interest in the Sponsor. Antara was founded by Himanshu Gulati in 2018 and invests across a wide variety of financial instruments, including loans, bonds, convertible bonds, stressed/distressed credit and special situation equity investments.

U.S. and foreign regulators generally have the power to deny the ability of the parties to consummate a transaction or to condition approval of a transaction on specified terms and conditions, which may not be acceptable to us or a target. In such event, we may not be able to consummate a transaction with that potential target.

As a result of these various restrictions, the pool of potential targets with which we could complete the Business Combination may be limited, and we may be adversely affected in terms of competing with other SPACs that do not have similar ownership issues. Moreover, the process of government review, could be lengthy. Because we have only a limited time to complete the Business Combination, our failure to obtain any required approvals within the requisite time period may hinder our ability to complete the Business Combination. If we are unable to

complete the Business Combination, our public stockholders may only receive their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless. This will also cause you to lose any potential investment opportunity in a target company and the chance of realizing future gains on your investment through any price appreciation in the combined company.

Risks Relating to the Post-Business Combination Company

Subsequent to our completion of our initial business combination, we may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on our financial condition, results of operations and the price of our securities, which could cause you to lose some or all of your investment.

Even if we conduct extensive due diligence on a target business with which we combine, we cannot assure you that this diligence will identify all material issues that may be present with a particular target business, that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside of the target business and outside of our control will not later arise. As a result of these factors, we may be forced to later write-down or write-off assets, restructure our operations, or incur impairment or other charges that could result in our reporting losses. Even if our due diligence successfully identifies certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with our preliminary risk analysis. Even though these charges may be non-cash items and not have an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us or our securities. In addition, charges of this nature may cause us to violate net worth or other covenants to which we may be subject as a result of assuming pre-existing debt held by a target business or by virtue of our obtaining debt financing to partially finance the initial business combination or thereafter. Accordingly, any stockholders or warrant holders who choose to remain stockholders or warrant holders following the business combination could suffer a reduction in the value of their securities. Such stockholders or warrant holders are unlikely to have a remedy for such reduction in value unless they are able to successfully claim that the reduction was due to the breach by our officers or directors of a duty of care or other fiduciary duty owed to them, or if they are able to successfully bring a private claim under securities laws that the proxy materials or tender offer documents, as applicable, relating to the business combination contained an actionable material misstatement or material omission.

Resources could be wasted in researching business combinations that are not completed, which could materially adversely affect subsequent attempts to locate and acquire or merge with another business. If we are unable to complete our initial business combination, our public stockholders may only receive their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless.

We anticipate that the investigation of each specific target business and the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments will require substantial management time and attention and substantial costs for accountants, attorneys and others. If we decide not to complete a specific initial business combination, the costs incurred up to that point for the proposed transaction likely would not be recoverable. Furthermore, if we reach an agreement relating to a specific target business, we may fail to complete our initial business combination for any number of reasons including those beyond our control. Any such event will result in a loss to us of the related costs incurred which could materially adversely affect subsequent attempts to locate and acquire or merge with another business. If we are unable to complete our initial business combination, our public stockholders may only receive their pro rata portion of the funds in the Trust Account that are available for distribution to public stockholders, and our warrants will expire worthless.

Our ability to successfully effect our initial business combination and to be successful thereafter will be dependent upon the efforts of our key personnel, some of whom may join us following our initial business combination. The loss of key personnel could negatively impact the operations and profitability of our post-combination business.

Our ability to successfully effect our initial business combination is dependent upon the efforts of our key personnel. The role of our key personnel in the target business, however, cannot presently be ascertained. Although some of our key personnel may remain with the target business in senior management or advisory positions

following our initial business combination, it is likely that some or all of the management of the target business will remain in place. While we intend to closely scrutinize any individuals we engage after our initial business combination, we cannot assure you that our assessment of these individuals will prove to be correct. These individuals may be unfamiliar with the requirements of operating a company regulated by the SEC, which could cause us to have to expend time and resources helping them become familiar with such requirements.

Our key personnel may negotiate employment or consulting agreements with a target business in connection with a particular business combination, and a particular business combination may be conditioned on the retention or resignation of such key personnel. These agreements may provide for them to receive compensation following our initial business combination and as a result, may cause them to have conflicts of interest in determining whether a particular business combination is the most advantageous.

Our key personnel may be able to remain with our company after the completion of our initial business combination only if they are able to negotiate employment or consulting agreements in connection with the business combination. Such negotiations would take place simultaneously with the negotiation of the business combination and could provide for such individuals to receive compensation in the form of cash payments and/or our securities for services they would render to us after the completion of the business combination. Such negotiations also could make such key personnel's retention or resignation a condition to any such agreement. The personal and financial interests of such individuals may influence their motivation in identifying and selecting a target business, subject to their fiduciary duties under Delaware law.

We may have a limited ability to assess the management of a prospective target business and, as a result, may effect our initial business combination with a target business whose management may not have the skills, qualifications or abilities to manage a public company.

When evaluating the desirability of effecting our initial business combination with a prospective target business, our ability to assess the target business's management may be limited due to a lack of time, resources or information. Our assessment of the capabilities of the target business's management, therefore, may prove to be incorrect and such management may lack the skills, qualifications or abilities we suspected. Should the target business's management not possess the skills, qualifications or abilities necessary to manage a public company, the operations and profitability of the post-combination business may be negatively impacted. Accordingly, any stockholders or warrant holders who choose to remain stockholders or warrant holders following the business combination could suffer a reduction in the value of their securities. Such stockholders or warrant holders are unlikely to have a remedy for such reduction in value unless they are able to successfully claim that the reduction was due to the breach by our officers or directors of a duty of care or other fiduciary duty owed to them, or if they are able to successfully bring a private claim under securities laws that the proxy solicitation or tender offer materials, as applicable, relating to the business combination contained an actionable material misstatement or material omission.

The officers and directors of an acquisition candidate may resign upon completion of our initial business combination. The loss of a business combination target's key personnel could negatively impact the operations and profitability of our post-combination business.

The role of an acquisition candidate's key personnel upon the completion of our initial business combination cannot be ascertained at this time. Although we contemplate that certain members of an acquisition candidate's management team will remain associated with the acquisition candidate following our initial business combination, it is possible that members of the management of an acquisition candidate will not wish to remain in place.

Our management may not be able to maintain control of a target business after our initial business combination. We cannot provide assurance that, upon loss of control of a target business, new management will possess the skills, qualifications or abilities necessary to profitably operate such business.

We may structure our initial business combination so that the post-transaction company in which our public stockholders own shares will own less than 100% of the equity interests or assets of a target business, but we will only complete such business combination if the post-transaction company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target sufficient for us

not to be required to register as an investment company under the Investment Company Act. We will not consider any transaction that does not meet such criteria. Even if the post-transaction company owns 50% or more of the voting securities of the target, our stockholders prior to the business combination may collectively own a minority interest in the post business combination company, depending on valuations ascribed to the target and us in the business combination. For example, we could pursue a transaction in which we issue a substantial number of new shares of Class A common stock in exchange for all of the outstanding capital stock of a target. In this case, we would acquire a 100% interest in the target. However, as a result of the issuance of a substantial number of new shares of Class A common stock, our stockholders immediately prior to such transaction could own less than a majority of our outstanding Class A common stock subsequent to such transaction. In addition, other minority stockholders may subsequently combine their holdings resulting in a single person or group obtaining a larger share of the company's shares than we initially acquired. Accordingly, this may make it more likely that our management will not be able to maintain control of the target business.

Unanticipated changes in our effective tax rate or challenges by tax authorities could harm our future results.

We are subject to income taxes in the United States and may become subject to various non-U.S. jurisdictions as well. Our effective tax rate could be adversely affected by changes in the allocation of our pre-tax earnings and losses among countries with differing statutory tax rates, in certain non-deductible expenses as a result of acquisitions, in the valuation of our deferred tax assets and liabilities, or in federal, state, local or non-U.S. tax laws and accounting principles, including increased tax rates, new tax laws or revised interpretations of existing tax laws and precedents. Increases in our effective tax rate would adversely affect our operating results. In addition, we may be subject to income tax audits by various tax jurisdictions throughout the world. The application of tax laws in such jurisdictions may be subject to diverging and sometimes conflicting interpretations by tax authorities in these jurisdictions. Although we believe our income tax liabilities are reasonably estimated and accounted for in accordance with applicable laws and principles, an adverse resolution of one or more uncertain tax positions in any period could have a material impact on the results of operations for that period.

Our initial business combination and our structure thereafter may not be tax-efficient to our stockholders and warrant holders. As a result of our business combination, our tax obligations may be more complex, burdensome and uncertain.

Although we will attempt to structure our initial business combination in a tax-efficient manner, tax structuring considerations are complex, the relevant facts and law are uncertain and may change, and we may prioritize commercial and other considerations over tax considerations. For example, in connection with our initial business combination and subject to any requisite stockholder approval, we may structure our business combination in a manner that requires stockholders and/or warrant holders to recognize gain or income for tax purposes, effect a business combination with a target company in another jurisdiction, or reincorporate in a different jurisdiction (including, but not limited to, the jurisdiction in which the target company or business is located). We do not intend to make any cash distributions to stockholders or warrant holders to pay taxes in connection with our business combination or thereafter. Accordingly, a stockholder or a warrant holder may need to satisfy any liability resulting from our initial business combination with cash from its own funds or by selling all or a portion of the shares received. In addition, stockholders and warrant holders may also be subject to additional income, withholding or other taxes with respect to their ownership of us after our initial business combination.

In addition, we may effect a business combination with a target company that has business operations outside of the United States, and possibly, business operations in multiple jurisdictions. If we effect such a business combination, we could be subject to significant income, withholding and other tax obligations in a number of jurisdictions with respect to income, operations and subsidiaries related to those jurisdictions. Due to the complexity of tax obligations and filings in other jurisdictions, we may have a heightened risk related to audits or examinations by U.S. federal, state, local and non-U.S. taxing authorities. This additional complexity and risk could have an adverse effect on our after-tax profitability and financial condition.

Risks Relating to our Management Team

We may not have sufficient funds to satisfy indemnification claims of our directors and executive officers.

We have agreed to indemnify our officers, directors and advisors to the fullest extent permitted by law. However, our officers, directors and advisors have agreed to waive any right, title, interest or claim of any kind in or to any monies in the Trust Account and to not seek recourse against the Trust Account for any reason whatsoever. Accordingly, any indemnification provided will be able to be satisfied by us only if (i) we have sufficient funds outside of the Trust Account or (ii) we consummate an initial business combination. Our obligation to indemnify our officers and directors may discourage stockholders from bringing a lawsuit against our officers or directors for breach of their fiduciary duty. These provisions also may have the effect of reducing the likelihood of derivative litigation against our officers and directors, even though such an action, if successful, might otherwise benefit us and our stockholders. Furthermore, a stockholder's investment may be adversely affected to the extent we pay the costs of settlement and damage awards against our officers and directors pursuant to these indemnification provisions.

Past performance by our management team and their affiliates may not be indicative of future performance of an investment in us.

Information regarding performance by, or businesses associated with, our management team or businesses associated with them is presented for informational purposes only. Past performance by our management team is not a guarantee either (i) of success with respect to any business combination we may consummate or (ii) that we will be able to locate a suitable candidate for our initial business combination. You should not rely on the historical record of the performance of our management team's or businesses associated with them as indicative of our future performance of an investment in us or the returns we will, or is likely to, generate going forward.

Our executive officers and directors will allocate their time to other businesses thereby causing conflicts of interest in their determination as to how much time to devote to our affairs. This conflict of interest could have a negative impact on our ability to complete our initial business combination.

Our executive officers and directors are not required to, and will not, commit their full time to our affairs, which may result in a conflict of interest in allocating their time between our operations and our search for a business combination and their other businesses. We do not intend to have any full-time employees prior to the completion of our initial business combination. Each of our executive officers is engaged in several other business endeavors for which he may be entitled to substantial compensation, and our executive officers are not obligated to contribute any specific number of hours per week to our affairs. Our independent directors also serve as officers and board members for other entities. If our executive officers' and directors' other business affairs require them to devote substantial amounts of time to such affairs in excess of their current commitment levels, it could limit their ability to devote time to our affairs which may have a negative impact on our ability to complete our initial business combination.

Our officers and directors presently have, and any of them in the future may have, additional, fiduciary or contractual obligations to other entities and, accordingly, may have conflicts of interest in determining to which entity a particular business opportunity should be presented.

Until we consummate our initial business combination, we intend to engage in the business of identifying and combining with one or more businesses. A number of our officers and directors presently have, and any of

them in the future may have, additional fiduciary or contractual obligations to other entities pursuant to which such officer or director is or will be required to present a business combination opportunity to such entity. Accordingly, they may have conflicts of interest in determining to which entity a particular business opportunity should be presented. These conflicts may not be resolved in our favor and a potential target business may be presented to another entity prior to its presentation to us. Our Charter provides that we renounce our interest in any corporate opportunity offered to any director or officer unless such opportunity is expressly offered to such person solely in his or her capacity as a director or officer of the company and such opportunity is one we are legally and contractually permitted to undertake and would otherwise be reasonable for us to pursue, and to the extent the director or officer is permitted to refer that opportunity to us without violating another legal obligation. However, we do not believe that any such potential conflicts would materially affect our ability to complete our initial business combination.

In addition, our sponsor and our officers and directors may sponsor or form other special purpose acquisition companies similar to ours or may pursue other business or investment ventures during the period in which we are seeking an initial business combination. Any such companies, businesses or investments may present additional conflicts of interest in pursuing an initial business combination. However, we do not believe that any such potential conflicts would materially affect our ability to complete our initial business combination because our management team has significant experience in identifying and executing multiple acquisition opportunities simultaneously, and as we believe there are a number of potential opportunities within the industries and geographies of our primary focus.

Our executive officers, directors, security holders and their respective affiliates may have competitive pecuniary interests that conflict with our interests.

We have not adopted a policy that expressly prohibits our directors, executive officers, security holders or affiliates from having a direct or indirect pecuniary or financial interest in any investment to be acquired or disposed of by us or in any transaction to which we are a party or have an interest. In fact, we may enter into a business combination with a target business that is affiliated with our sponsor, our directors or executive officers, although we do not intend to do so. Nor do we have a policy that expressly prohibits any such persons from engaging for their own account in business activities of the types conducted by us. Accordingly, such persons or entities may have a conflict between their interests and ours.

The personal and financial interests of our directors and officers may influence their motivation in timely identifying and selecting a target business and completing a business combination. Consequently, our directors' and officers' discretion in identifying and selecting a suitable target business may result in a conflict of interest when determining whether the terms, conditions and timing of a particular business combination are appropriate and in our stockholders' best interest. If this were the case, it would be a breach of their fiduciary duties to us as a matter of Delaware law and we or our stockholders might have a claim against such individuals for infringing on our stockholders' rights. However, we might not ultimately be successful in any claim we may make against them for such reason.

We are dependent upon our executive officers and directors and their loss could adversely affect our ability to operate.

Our operations are dependent upon a relatively small group of individuals and, in particular, our executive officers and directors. We believe that our success depends on the continued service of our officers and directors, at least until we have completed our initial business combination. In addition, our executive officers and directors are not required to commit any specified amount of time to our affairs and, accordingly, will have conflicts of interest in allocating their time among various business activities, including identifying potential business combinations and monitoring the related due diligence. We do not have an employment agreement with, or key-man insurance on the life of, any of our directors or executive officers. The unexpected loss of the services of one or more of our directors or executive officers could have a detrimental effect on us.

We may engage in a business combination with one or more target businesses that have relationships with entities that may be affiliated with our sponsor, executive officers, directors or existing holders which may raise potential conflicts of interest.

In light of the involvement of our sponsor, executive officers and directors with other entities, we may decide to acquire one or more businesses affiliated with our sponsor, executive officers, directors or existing holders. Our directors also serve as officers and board members for other entities. Such entities may compete with us for business combination opportunities. Although we will not be specifically focusing on, or targeting, any transaction with any affiliated entities, we would pursue such a transaction if we determined that such affiliated entity met our criteria for a business combination and such transaction was approved by a majority of our independent and disinterested directors. Despite our agreement to obtain an opinion from an independent investment banking firm which is a member of FINRA or a valuation or appraisal firm regarding the fairness to our company from a financial point of view of a business combination with one or more domestic or international businesses affiliated with our sponsor, executive officers, directors or existing holders, potential conflicts of interest still may exist and, as a result, the terms of the business combination may not be as advantageous to our public stockholders as they would be absent any conflicts of interest.

Since our sponsor, executive officers and directors will lose their entire investment in us if our initial business combination is not completed (other than with respect to public shares they may acquire after the Public Offering), a conflict of interest may arise in determining whether a particular business combination target is appropriate for our initial business combination.

On June 7, 2021, our sponsor paid an aggregate of $25,000 to purchase 5,750,000 Founder Shares, or approximately $0.004 per share. Prior to the initial investment in the company of $25,000 by the sponsor, the company had no assets, tangible or intangible. The purchase price of the Founder Shares was determined by dividing the amount of cash contributed to the company by the number of Founder Shares issued. The number of Founder Shares outstanding was determined based on the expectation that the total size of the Public Offering would be a maximum of 23,000,000 units if the underwriters' over-allotment option was exercised in full, and therefore that such Founder Shares would represent 20% of the outstanding shares after the Public Offering. The Founder Shares will be worthless if we do not complete an initial business combination. In addition, our sponsor purchased an aggregate of 11,700,000 Private Placement Warrants, each exercisable for one share of Class A common stock at $11.50 per share, for an aggregate purchase price of $11,700,000, or $1.00 per warrant, that will also be worthless if we do not complete our initial business combination. The personal and financial interests of our executive officers and directors may influence their motivation in identifying and selecting a target business combination, completing an initial business combination and influencing the operation of the business following the initial business combination. This risk may become more acute the Termination Date nears.

Members of our management team and board of directors have significant experience as founders, board members, officers, executives or employees of other companies. As a result, certain of those persons may have been, may be or may become involved in proceedings, investigations and litigation relating to the business affairs of the companies with which they were, are or may be in the future be affiliated. The defense of these matters could be time-consuming and could divert our management's attention, which could have an adverse effect on us and impede our ability to consummate an initial business combination.

During the course of their careers, members of our management team and board of directors have had significant experience as founders, board members, officers, executives or employees of other companies. As a result of their involvement and positions in these companies, certain of those persons may have been, may now be, or may in the future become involved in litigation, investigations or other proceedings relating to the business affairs of such companies, transactions entered into by such companies or otherwise. Any such litigation, investigations or other proceedings may divert the attention and resources of the members of both our management team and our board of directors away from identifying and selecting a target business or businesses for our initial business combination and may negatively affect our reputation, which may impede our ability to complete an initial business combination.

Risks Relating to our Securities

You will not have any rights or interests in funds from the Trust Account, except under certain limited circumstances. Therefore, to liquidate your investment, you may be forced to sell your public shares or warrants, potentially at a loss.

Our public stockholders will be entitled to receive funds from the Trust Account only upon the earliest to occur of: (i) our completion of an initial business combination, and then only in connection with those shares of Class A common stock that such stockholder properly elected to redeem, subject to the limitations described herein, (ii) the redemption of any public shares properly tendered in connection with a stockholder vote to amend our Charter to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete our initial business combination by the Termination Date, and (iii) the redemption of our public shares if we are unable to complete an initial business combination within the Termination Date, subject to applicable law and as further described herein. In addition, if our plan to redeem our public shares if we are unable to complete an initial business combination by the Termination Date is not completed for any reason, compliance with Delaware law may require that we submit a plan of dissolution to our then-existing stockholders for approval prior to the distribution of the proceeds held in our Trust Account. In that case, public stockholders may be forced to wait

beyond the Termination Date before they receive funds from our Trust Account. In no other circumstances will a public stockholder have any right or interest of any kind in the Trust Account. Holders of warrants will not have any right to the proceeds held in the Trust Account with respect to the warrants. Accordingly, to liquidate your investment, you may be forced to sell your public shares or warrants, potentially at a loss.

The NYSE may delist our securities from its exchange, which could limit investors' ability to make transactions in our securities and subject us to additional trading restrictions.

Our units and Class A common stock are listed on the NYSE. Although following the Public Offering, we meet, on a pro forma basis, the minimum initial listing standards set forth in the NYSE listing standards, we cannot assure you that units and Class A common stock will be, or will continue to be, listed on the NYSE in the future or prior to our initial business combination. In order to continue listing units and Class A common stock on the NYSE prior to our initial business combination, we must maintain certain financial, distribution and share price levels. Generally, following our Public Offering, we must maintain a minimum amount of stockholders' equity (generally $2,500,000) and a minimum number of holders of units and Class A common stock (generally 300 public holders). Additionally, in connection with our initial business combination, we will be required to demonstrate compliance with the NYSE's initial listing requirements, which are more rigorous than the NYSE's continued listing requirements, in order to continue to maintain the listing of units and Class A common stock on the NYSE. For instance, our share price would generally be required to be at least $4.00 per share and our stockholders' equity would generally be required to be at least $5.0 million. We cannot assure you that we will be able to meet those initial listing requirements at that time.

If the NYSE delists units and Class A common stock from trading on its exchange and we are not able to list units and Class A common stock on another national securities exchange, we expect units and Class A common stock could be quoted on an over-the-counter market. If this were to occur, we could face significant material adverse consequences, including:

- a limited availability of market quotations for units and Class A common stock;
- reduced liquidity for units and Class A common stock;
- a determination that our Class A common stock is a "penny stock" which will require brokers trading in our Class A common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for units and Class A common stock;
- a limited amount of news and analyst coverage; and
- decreased ability to issue additional securities or obtain additional financing in the future.

The National Securities Markets Improvement Act of 1996, which is a federal statute, prevents or preempts the states from regulating the sale of certain securities, which are referred to as "covered securities." Because our Class A common stock and units were listed on the NYSE, our units and Class A common stock qualify as covered securities under the statute. Although the states are preempted from regulating the sale of our securities, the federal statute does allow the states to investigate companies if there is a suspicion of fraud, and, if there is a finding of fraudulent activity, then the states can regulate or bar the sale of covered securities in a particular case. While we are not aware of a state having used these powers to prohibit or restrict the sale of securities issued by blank check companies, other than the State of Idaho, certain state securities regulators view blank check companies unfavorably and might use these powers, or threaten to use these powers, to hinder the sale of securities of blank check companies in their states. Further, if we were no longer listed on the NYSE, units and Class A common stock would not qualify as covered securities under the statute and we would be subject to regulation in each state in which we offer units and Class A common stock.

Holders of our Class A common stock will not be entitled to vote on any appointment of directors prior to our initial business combination.

Prior to our initial business combination, only holders of our Founder Shares will have the right to vote on the appointment of directors. Holders of our public shares will not be entitled to vote on the appointment of directors during such time. In addition, prior to the completion of an initial business combination, holders of a majority of our Founder Shares may remove a member of the board of directors for any reason. Accordingly, you may not have any say in the management of our company prior to the completion of an initial business combination.

You may only be able to exercise your public warrants on a "cashless basis" under certain circumstances, and if you do so, you will receive fewer shares of Class A common stock from such exercise than if you were to exercise such warrants for cash.

The warrant agreement provides that in the following circumstances holders of warrants who seek to exercise their warrants will not be permitted to do for cash and will, instead, be required to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act: (i) if the shares of Class A common stock issuable upon exercise of the warrants are not registered under the Securities Act in accordance with the terms of the warrant agreement; (ii) if we have so elected and the shares of Class A common stock is at the time of any exercise of a warrant not listed on a national securities exchange such that they satisfy the definition of "covered securities" under Section 18(b)(1) of the Securities Act; and (iii) if we have so elected and we call the public warrants for redemption. If you exercise your public warrants on a cashless basis, you would pay the warrant exercise price by surrendering the warrants for that number of shares of Class A common stock equal to the quotient obtained by dividing (x) the product of the number of shares of Class A common stock underlying the warrants, multiplied by the excess of the "fair market value" of our shares of Class A common stock (as defined in the next sentence) over the exercise price of the warrants by (y) the fair market value. The "fair market value" is the average reported closing price of the shares of Class A common stock for the ten trading days ending on the third trading day prior to the date on which the notice of exercise is received by the warrant agent or on which the notice of redemption is sent to the holders of warrants, as applicable. As a result, you would receive fewer shares of Class A common stock from such exercise than if you were to exercise such warrants for cash.

We have not registered the shares of Class A common stock issuable upon exercise of the warrants under the Securities Act or any state securities laws, and such registration may not be in place when an investor desires to exercise warrants, thus precluding such investor from being able to exercise its warrants except on a cashless basis and potentially causing such warrants to expire worthless.

We have not registered the shares of Class A common stock issuable upon exercise of the warrants under the Securities Act or any state securities laws. However, under the terms of the warrant agreement, we have agreed that, as soon as practicable, but in no event later than 15 business days, after the closing of our initial business combination, we will use commercially reasonable efforts to file with the SEC a registration statement covering the registration under the Securities Act of the shares of Class A common stock issuable upon exercise of the warrants and thereafter will use commercially reasonable efforts to cause the same to become effective within 60 business days following our initial business combination and to maintain a current prospectus relating to the shares of Class A common stock issuable upon exercise of the warrants until the expiration of the warrants in accordance with the provisions of the warrant agreement. We cannot assure you that we will be able to do so if, for example, any facts or events arise which represent a fundamental change in the information set forth in the registration statement or prospectus related to the Public Offering, the financial statements contained or incorporated by reference therein are not current or correct or the SEC issues a stop order.

If the shares of Class A common stock issuable upon exercise of the warrants are not registered under the Securities Act, under the terms of the warrant agreement, holders of warrants who seek to exercise their warrants will not be permitted to do so for cash and, instead, will be required to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act or another exemption from registration.

In no event will warrants be exercisable for cash or on a cashless basis, and we are not obligated to issue any shares to holders seeking to exercise their warrants, unless the issuance of the shares upon such exercise is registered or qualified under the securities laws of the state of the exercising holder, or an exemption from registration or qualification is available.

If our shares of Class A common stock are at the time of any exercise of a warrant not listed on a national securities exchange such that they satisfy the definition of "covered securities" under Section 18(b)(1) of the Securities Act, we may, at our option, not permit holders of warrants who seek to exercise their warrants to do so for cash and, instead, require them to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act. In the event we so elect, we are not be required to file or maintain in effect a registration statement or register or qualify the shares underlying the warrants under applicable state securities laws, and in the event we do not so elect, we will use commercially reasonable efforts to register or qualify the shares underlying the warrants under applicable state securities laws to the extent an exemption is not available. Exercising the warrants on a cashless basis could have the effect of reducing the potential "upside" of the holder's investment in our company because the warrant holder will hold a smaller number of shares of Class A common stock upon a cashless exercise of the warrants they hold than upon a cash exercise.

In no event will we be required to net cash settle any warrant, or issue securities (other than upon a cashless exercise as described above) or other compensation in exchange for the warrants in the event that we are unable to register or qualify the shares underlying the warrants under the Securities Act or applicable state securities laws. If the issuance of the shares upon exercise of the warrants is not so registered or qualified or exempt from registration or qualification, the holder of such warrant will not be entitled to exercise such warrant and such warrant may have no value and expire worthless. In such event, holders who acquired their warrants as part of a purchase of units will have paid the full unit purchase price solely for the shares of Class A common stock included in the units. There may be a circumstance in which an exemption from registration exists for holders of our Private Placement Warrants to exercise their warrants while a corresponding exemption does not exist for holders of the public warrants included as part of units sold in the Public Offering. In such an instance, our sponsor and its permitted transferees (which may include our directors and executive officers) would be able to exercise their warrants and sell the shares of Class A common stock underlying their warrants while holders of our public warrants would not be able to exercise their warrants and sell the underlying shares of Class A common stock. If and when the warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying shares of Class A common stock for sale under all applicable state securities laws. As a result, we may redeem the warrants as set forth above even if the holders are otherwise unable to exercise their warrants.

The grant of registration rights to our initial stockholders and holders of our Private Placement Warrants may make it more difficult to complete our initial business combination, and the future exercise of such rights may adversely affect the market price of our shares of Class A common stock.

Our initial stockholders and their permitted transferees can demand that we register the shares of Class A common stock into which Founder Shares are convertible, holders of our Private Placement Warrants and their permitted transferees can demand that we register the Private Placement Warrants and the Class A common stock issuable upon exercise of the Private Placement Warrants and holders of warrants that may be issued upon conversion of working capital loans may demand that we register such warrants or the Class A common stock issuable upon conversion of such warrants. The registration rights will be exercisable with respect to the Founder Shares and the Private Placement Warrants and the Class A common stock issuable upon exercise of such Private Placement Warrants. We will bear the cost of registering these securities. The registration and availability of such a significant number of securities for trading in the public market may have an adverse effect on the market price of our Class A common stock. In addition, the existence of the registration rights may make our initial business combination more costly or difficult to conclude. This is because the stockholders of the target business may increase the equity stake they seek in the combined entity or ask for more cash consideration to offset the negative impact on the market price of our Class A common stock that is expected when the shares of common stock owned by our initial stockholders, holders of our Private Placement Warrants or holders of our working capital loans or their respective permitted transferees are registered.

We may issue additional shares of Class A common stock or shares of preferred stock to complete our initial business combination or under an employee incentive plan after completion of our initial business combination. We may also issue shares of Class A common stock upon the conversion of the Founder Shares at a ratio greater than one-to-one at the time of our initial business combination as a result of the anti-dilution provisions contained in our Charter. Any such issuances would dilute the interest of our stockholders and likely present other risks.

Our Charter authorized the issuance of up to 380,000,000 shares of Class A common stock, par value $0.0001 per share, 20,000,000 shares of Class B common stock, par value $0.0001 per share, and 1,000,000 shares of preferred stock, par value $0.0001 per share. Immediately after the Public Offering, there were 374,404,506 and 14,250,000 authorized but unissued shares of Class A common stock and Class B common stock, respectively, available for issuance which amount takes into account shares reserved for issuance upon exercise of outstanding warrants but not the shares of Class A common stock issuable upon conversion of the Class B common stock. The Class B common stock is automatically convertible into Class A common stock concurrently with or immediately following the consummation of our initial business combination, initially at a one-for-one ratio but subject to adjustment as set forth herein and in our Charter. Immediately after the Public Offering, there were no shares of preferred stock issued and outstanding.

We may issue a substantial number of additional shares of Class A common stock or shares of preferred stock to complete our initial business combination or under an employee incentive plan after completion of our initial business combination. We may also issue shares of Class A common stock upon conversion of the Class B common stock at a ratio greater than one-to-one at the time of our initial business combination as a result of the anti-dilution provisions as set forth therein. However, our Charter provides, among other things, that prior to our initial business combination, we may not issue additional shares that would entitle the holders thereof to (i) receive funds from the Trust Account or (ii) vote as a class with our public shares (a) on any initial business combination or (b) to approve an amendment to our Charter to (x) extend the time we have to consummate a business combination beyond the Termination Date or (y) amend the foregoing provisions. These provisions of our Charter, like all provisions of our Charter, may be amended with a stockholder vote. The issuance of additional shares of common stock or shares of preferred stock:

- may significantly dilute the equity interest of investors in the Public Offering;
- may subordinate the rights of holders of Class A common stock if shares of preferred stock are issued with rights senior to those afforded our Class A common stock;
- could cause a change in control if a substantial number of shares of Class A common stock are issued, which may affect, among other things, our ability to use our net operating loss carry forwards, if any, and could result in the resignation or removal of our present officers and directors; and
- may adversely affect prevailing market prices for our units, Class A common stock and/or warrants.

Unlike some other similarly structured special purpose acquisition companies, our initial stockholders will receive additional shares of Class A common stock if we issue certain shares to consummate an initial business combination.

The Founder Shares will automatically convert into shares of Class A common stock concurrently with or immediately following the consummation of our initial business combination on a one-for-one basis, subject to adjustment for stock splits, stock dividends, reorganizations, recapitalizations and the like, and subject to further adjustment as provided herein. In the case that additional shares of Class A common stock or equity-linked securities are issued or deemed issued in connection with our initial business combination, the number of shares of Class A common stock issuable upon conversion of all Founder Shares will equal, in the aggregate, on an as-converted as is, 20% of the total number of shares of Class A common stock outstanding after such conversion (after giving effect to any redemptions of shares of Class A common stock by public stockholders), including the total number of shares of Class A common stock issued, or deemed issued or issuable upon conversion or exercise of any equity-linked securities or rights issued or deemed issued, by the Company in connection with or in relation to the consummation of the initial business combination, excluding any shares of Class A common stock or equity-linked securities or rights exercisable for or convertible into shares of Class A common stock issued, or to be issued, to any seller in the initial business combination and any Private Placement Warrants issued to our sponsor, executive officers or directors upon conversion of working capital loans, provided that such conversion of Founder Shares will never occur on a less than one-for-one basis. This is different than some other similarly structured special purpose acquisition companies in which the initial stockholders will only be issued an aggregate of 20% of the total number of shares to be outstanding prior to our initial business combination.

We may amend the terms of the warrants in a manner that may be adverse to holders of public warrants with the approval by the holders of at least 50% of the then outstanding public warrants. As a result, the exercise price of your warrants could be increased, the exercise period could be shortened and the number of shares of Class A common stock purchasable upon exercise of a warrant could be decreased, all without your approval.

Our warrants will be issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The warrant agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50% of the then outstanding public warrants to make any change that adversely affects the interests of the registered holders of public warrants. Accordingly, we may amend the terms of the public warrants in a manner adverse to a holder if holders of at least 50% of the then outstanding public warrants approve of such amendment. Although our ability to amend the terms of the public warrants with the consent of at least 50% of the then outstanding public warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the warrants, convert the warrants into cash or stock (at a ratio different than initially provided), shorten the exercise period or decrease the number of shares of Class A common stock purchasable upon exercise of a warrant.

Our warrant agreement designates the courts of the State of New York or the United States District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of our warrants, which could limit the ability of warrant holders to obtain a favorable judicial forum for disputes with our company.

Our warrant agreement provides that, subject to applicable law, (i) any action, proceeding or claim against us arising out of or relating in any way to the warrant agreement, including under the Securities Act, will be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and (ii) that we irrevocably submit to such jurisdiction, which jurisdiction shall be the exclusive forum for any such action, proceeding or claim. We will waive any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum.

Notwithstanding the foregoing, these provisions of the warrant agreement will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States of America are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in any of our warrants shall be deemed to have notice of and to have consented to the forum provisions in our warrant agreement. If any action, the subject matter of which is within the scope the forum provisions of the warrant agreement, is filed in a court other than a court of the State of New York or the United States District Court for the Southern District of New York (a "foreign action") in the name of any holder of our warrants, such holder shall be deemed to have consented to: (x) the personal jurisdiction of the state and federal courts located in the State of New York in connection with any action brought in any such court to enforce the forum provisions (an "enforcement action"), and (y) having service of process made upon such warrant holder in any such enforcement action by service upon such warrant holder's counsel in the foreign action as agent for such warrant holder.

This choice-of-forum provision may limit a warrant holder's ability to bring a claim in a judicial forum that it finds favorable for disputes with our company, which may discourage such lawsuits. Alternatively, if a court were to find this provision of our warrant agreement inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and board of directors.

We may redeem your unexpired warrants prior to their exercise at a time that is disadvantageous to you, thereby making your warrants worthless.

We have the ability to redeem the outstanding public warrants at any time after they become exercisable and prior to their expiration, at a price of $0.01 per warrant, provided that the closing price of our Class A common stock equals or exceeds $18.00 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant) for any 20 trading days within a 30 trading-day period ending on the third trading day prior to proper notice of such redemption and provided that certain other conditions are met. If and when the warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or

qualify the underlying securities for sale under all applicable state securities laws. As a result, we may redeem the warrants as set forth above even if the holders are otherwise unable to exercise the warrants. Redemption of the outstanding warrants could force you to (i) exercise your warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so, (ii) sell your warrants at the then-current market price when you might otherwise wish to hold your warrants or (iii) accept the nominal redemption price which, at the time the outstanding warrants are called for redemption, we expect would be substantially less than the market value of your warrants. None of the Private Placement Warrants will be redeemable by us so long as they are held by our sponsor or its permitted transferees.

Our warrants and Founder Shares may have an adverse effect on the market price of our shares of Class A common stock and make it more difficult to effectuate our initial business combination.

We issued warrants to purchase 11,500,000 shares of our Class A common stock, as part of the units offered in the Public Offering and, simultaneously with the closing of the Public Offering, we issued in a private placement an aggregate of 11,700,000 Private Placement Warrants, each exercisable to purchase one share of Class A common stock at $11.50 per share. Our initial stockholders currently own an aggregate of 5,750,000 Founder Shares. The Founder Shares are convertible into shares of Class A common stock on a one-for-one basis, subject to adjustment as set forth in the prospectus relating to the Public Offering. In addition, if our sponsor or an affiliate of our sponsor or certain of our officers and directors make any working capital loans, such lender may convert those loans into up to an additional 1,500,000 Private Placement Warrants, at the price of $1.00 per warrant. Our sponsor has loaned us $2,780,000 as of March 27, 2023 through our issuance of the Original Note to the sponsor in the principal amount of $2,300,000 on December 28, 2022 and our issuance of the Second Note to the sponsor in the principal amount of $480,000 on March 27, 2023. The Original Note was issued in connection with extending our Termination Date from December 28, 2022 to March 28, 2023 and the Second Note was issued in connection with extending our Termination Date from March 28, 2023 to June 28, 2023.

Up to $1,500,000 of such loans may be convertible into Private Placement Warrants of the post-business combination entity at a price of $1.00 per warrant at the option of the lender. Such warrants would be identical to the Private Placement Warrants.

To the extent we issue shares of Class A common stock for any reason, including to effectuate a business combination, the potential for the issuance of a substantial number of additional shares of Class A common stock upon exercise of these warrants and conversion rights could make us a less attractive acquisition vehicle to a target business.

Such warrants, when exercised, will increase the number of issued and outstanding shares of Class A common stock and reduce the value of the Class A common stock issued to complete the business combination. Therefore, our warrants and Founder Shares may make it more difficult to effectuate a business transaction or increase the cost of acquiring the target business.

You will not be permitted to exercise your warrants unless we register and qualify the underlying Class A common stock or certain exemptions are available.

If the issuance of the Class A common stock upon exercise of the warrants is not registered, qualified or exempt from registration or qualification under the Securities Act and applicable state securities laws, holders of warrants will not be entitled to exercise such warrants and such warrants may have no value and expire worthless. In such event, holders who acquired their warrants as part of a purchase of units will have paid the full unit purchase price solely for the Class A common stock included in the units.

We are not registering the Class A common stock issuable upon exercise of the warrants under the Securities Act or any state securities laws at this time. However, under the terms of the warrant agreement, we have agreed that, as soon as practicable, but in no event later than 15 business days, after the closing of our initial business combination, we will use our best efforts to file with the SEC a registration statement covering the registration under the Securities Act of the Class A common stock issuable upon exercise of the warrants and thereafter will use our best efforts to cause the same to become effective within 60 business days following our initial business combination and to maintain a current prospectus relating to the Class A common stock issuable upon exercise of

the warrants until the expiration of the warrants in accordance with the provisions of the warrant agreement. We cannot assure you that we will be able to do so if, for example, any facts or events arise which represent a fundamental change in the information set forth in the registration statement or prospectus related to the Public Offering, the financial statements contained or incorporated by reference therein are not current or correct or the SEC issues a stop order.

If the shares of Class A common stock issuable upon exercise of the warrants are not registered under the Securities Act, under the terms of the warrant agreement, holders of warrants who seek to exercise their warrants will not be permitted to do so for cash and, instead, will be required to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act or another exemption.

In no event will warrants be exercisable for cash or on a cashless basis, and we will not be obligated to issue any shares to holders seeking to exercise their warrants, unless the issuance of the shares upon such exercise is registered or qualified under the securities laws of the state of the exercising holder, or an exemption from registration or qualification is available.

If our shares of Class A common stock are at the time of any exercise of a warrant not listed on a national securities exchange such that they satisfy the definition of "covered securities" under Section 18(b)(1) of the Securities Act, we may, at our option, not permit holders of warrants who seek to exercise their warrants to do so for cash and, instead, require them to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act; in the event we so elect, we will not be required to file or maintain in effect a registration statement or register or qualify the shares underlying the warrants under applicable state securities laws, and in the event we do not so elect, we will use our best efforts to register or qualify the shares underlying the warrants under applicable state securities laws to the extent an exemption is not available.

In no event will we be required to net cash settle any warrant, or issue securities (other than upon a cashless exercise as described above) or other compensation in exchange for the warrants in the event that we are unable to register or qualify the shares underlying the warrants under the Securities Act or applicable state securities laws.

We may issue our shares to investors in connection with our initial business combination at a price that is less than the prevailing market price of our shares at that time.

In connection with our initial business combination, we may issue shares to investors in private placement transactions (so-called PIPE transactions) at a price of $10.00 per share or which approximates the per-share amounts in our Trust Account at such time, which is generally approximately $10.00. The purpose of such issuances will be to enable us to provide sufficient liquidity to the post-business combination entity. The price of the shares we issue may therefore be less, and potentially significantly less, than the market price for our shares at such time.

Our warrants are accounted for as a warrant liability and were recorded at fair value upon issuance with changes in fair value each period reported in earnings, which may have an adverse effect on the market price of our Class A common stock or may make it more difficult for us to consummate an initial business combination.

In connection with the Public Offering and the concurrent private placement of warrants, we issued an aggregate of 23,200,000 warrants (comprised of the 11,500,000 warrants included in the units and the 11,700,000
Private Placement Warrants). We currently account for these as a warrant liability and will record at fair value upon issuance any changes in fair value each period reported in earnings as determined by us based upon a valuation report obtained from an independent third party valuation firm. The impact of changes in fair value on earnings may have an adverse effect on the market price of our Class A common stock. In addition, potential targets may seek a SPAC that does not have warrants that are accounted for as a warrant liability, which may make it more difficult for us to consummate an initial business combination with a target business.

An investment in our public shares may result in uncertain or adverse United States federal income tax consequences.

An investment in our public shares may result in uncertain United States federal income tax consequences. For instance, it is unclear whether the redemption rights with respect to our shares of Class A common stock suspend the running of a United States holder's holding period for purposes of determining whether any gain or loss realized by such holder on the sale or exchange of shares of Class A common stock is long-term capital gain or loss and for determining whether any dividend we pay would be considered "qualified dividends" for United States federal income tax purposes. Prospective investors are urged to consult their tax advisors with respect to these and other tax consequences when purchasing, holding or disposing of our securities.

The value of the Founder Shares following completion of our initial business combination is likely to be substantially higher than the nominal price paid for them, even if the trading price of our common stock at such time is substantially less than approximately $11.16 per share.

Our sponsor invested in us an aggregate of $11,725,000, comprised of the $25,000 purchase price for the Founder Shares and the $11,700,000 purchase price for the Private Placement Warrants. Assuming a trading price of $10.00 per share upon consummation of our initial business combination, the 5,750,000 Founder Shares would have an aggregate implied value of $57,500,000. Even if the trading price of our common stock was as low as approximately $2.04 per share, and the Private Placement Warrants were worthless, the value of the Founder Shares would be equal to the sponsor's initial investment in us. As a result, our sponsor is likely to be able to recoup its investment in us and make a substantial profit on that investment, even if our public shares have lost significant value. Accordingly, our management team, which owns interests in our sponsor, may have an economic incentive that differs from that of the public stockholders to pursue and consummate an initial business combination rather than to liquidate and to return all of the cash in the trust to the public stockholders, even if that business combination were with a riskier or less-established target business. For the foregoing reasons, you should consider our management team's financial incentive to complete an initial business combination when evaluating whether to redeem your shares prior to or in connection with the initial business combination.

General Risk Factors

We are a blank check company with no operating history and no revenues, and you have no basis on which to evaluate our ability to achieve our business objective.

We are a blank check company incorporated under the laws of the State of Delaware with no operating results. Because we lack an operating history, you have no basis upon which to evaluate our ability to achieve our business objective of completing our initial business combination. We have no plans, arrangements or understandings with any prospective target business concerning a business combination and may be unable to complete our initial business combination. If we fail to complete our initial business combination, we will never generate any operating revenues.

The SEC has recently issued final rules relating to certain activities of SPACs. Certain of the procedures that the Company or others may determine to undertake in connection with such rules may increase our costs and the time needed to complete the Business Combination.

On January 24, 2024, the SEC issued final rules (the "2024 SPAC Rules"), effective no sooner than 125 days following the publication of the 2024 SPAC Rules in the Federal Register, that formally adopted some of the SEC's proposed rules for SPACs that were released on March 30, 2022. The 2024 SPAC Rules, among other items, impose additional disclosure requirements in initial public offerings by SPACs and business combination transactions involving SPACs and private operating companies; amend the financial statement requirements applicable to business combination transactions involving such companies; update and expand guidance regarding the general use of projections in SEC filings, including requiring disclosure of all material bases of the projections and all material assumptions underlying the projections; increase the potential liability of certain participants in proposed business combination transactions; and could impact the extent to which SPACs could become subject to regulation under the Investment Company Act. In the event that the Business Combination has not been consummated by the time the 2024 SPAC Rules become effective, such rules may materially adversely affect our business, including our ability to complete, and the costs associated with, the Business Combination, and results of operations.

If we are deemed to be an investment company for purposes of the Investment Company Act, we would be required to institute burdensome compliance requirements and our activities would be severely restricted. As a result, in such circumstances, unless we are able to modify our activities so that we would not be deemed an investment company, we may abandon our efforts to complete the Business Combination and instead liquidate the Company.

As described further above, the 2024 SPAC Rules relate, among other matters, to the circumstances in which SPACs such as the Company could potentially be subject to the Investment Company Act and the regulations thereunder. The 2024 SPAC Rules would provide a safe harbor for such companies from the definition of "investment company" under Section 3(a)(1)(A) of the Investment Company Act, provided that a SPAC satisfies certain criteria, including a limited time period to announce and complete a de-SPAC transaction. Specifically, to comply with the safe harbor, the 2024 SPAC Rules would require a company to file a report on Form 8-K announcing that it has entered into an agreement with a target company for a business combination no later than 18 months after the effective date of its registration statement for its initial public offering (the "IPO Registration Statement"). The Company would then be required to complete its initial business combination no later than the 24-month anniversary of the closing of the Public Offering.

If we are deemed to be an investment company under the Investment Company Act, our activities would be severely restricted. In addition, we would be subject to burdensome compliance requirements. We do not believe that our principal activities will subject us to regulation as an investment company under the Investment Company Act. However, if we are deemed to be an investment company and subject to compliance with and regulation under the Investment Company Act, we would be subject to additional regulatory burdens and expenses for which we have not allotted funds. As a result, unless we are able to modify our activities so that we would not be deemed an investment company, we may abandon our efforts to complete an initial business combination and instead liquidate the Company. Were we to liquidate, our warrants would expire worthless, and our securityholders would lose the investment opportunity associated with an investment in the combined company, including any potential price appreciation of our securities.

To mitigate the risk that we might be deemed to be an investment company for purposes of the Investment Company Act, we have liquidated the investments held in the Trust Account and instead the funds are held in the Trust Account in cash items until the earlier of the consummation of our initial business combination or our liquidation. Following the liquidation of investments in the Trust Account, we have received minimal interest on the funds held in the Trust Account, which has reduced the dollar amount our Public Stockholders would receive upon any redemption or liquidation of the Company.

Initially, the funds in the Trust Account had, since the Public Offering, been held only in U.S. government treasury obligations with a maturity of 185 days or less or in money market funds investing solely in U.S. government treasury obligations and meeting certain conditions under Rule 2a-7 under the Investment Company Act. However, to mitigate the risk of us being deemed to be an unregistered investment company (including under the subjective test of Section 3(a)(1)(A) of the Investment Company Act) and thus subject to regulation under the Investment Company Act, we liquidated the U.S. government treasury obligations or money market funds held in the Trust Account and instructed Continental to maintain the funds in the Trust Account in cash in an interest-bearing demand deposit account at a bank until the earlier of the consummation of our initial business combination or the liquidation of the Company. Interest on such deposit account is currently approximately 3.5-4.0% per annum, but such deposit account carries a variable rate and the Company cannot assure you that such rate will not decrease or increase significantly. Following such liquidation, we have received minimal interest on the funds held in the Trust Account. However, interest previously earned on the funds held in the Trust Account still may be released to us to pay our taxes, if any. As a result, the decision to hold all funds in the Trust Account in cash items has reduced the dollar amount our Public Stockholders would receive upon any redemption or liquidation of the Company.

In the adopting release for the 2024 SPAC Rules, the SEC provided guidance that a SPAC's potential status as an "investment company" depends on a variety of factors, such as a SPAC's duration, asset composition, business purpose and activities and "is a question of facts and circumstances" requiring individualized analysis. If we were deemed to be subject to compliance with and regulation under the Investment Company Act, we would be subject to additional regulatory burdens and expenses for which we have not allotted funds. Unless we are able to modify our activities so that we would not be deemed an investment company, we would either register as an investment company or wind down and abandon our efforts to complete an initial business combination and instead to liquidate the Company.

We are an emerging growth company and a smaller reporting company within the meaning of the Securities Act, and if we take advantage of certain exemptions from disclosure requirements available to emerging growth companies or smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

We are an "emerging growth company" within the meaning of the Securities Act, as modified by the JOBS Act, and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor internal controls attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, our stockholders may not have access to certain information they may deem important. We could be an emerging growth company for up to five years, although circumstances could cause us to lose that status earlier, including if the market value of our Class A common stock held by non-affiliates exceeds $700 million as of any June 30 before that time, in which case we would no longer be an emerging growth company as of the following December 31. We cannot predict whether investors will find our securities less attractive because we will rely on these exemptions. If some investors find our securities less attractive as a result of our reliance on these exemptions, the trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the trading prices of our securities may be more volatile.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. We have elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Additionally, we are a "smaller reporting company" as defined in Item 10(f)(1) of RegulationS-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of the fiscal year in which (1) the market value of our common stock held by non-affiliates exceeds $250 million as of the prior June 30th, or (2) our annual revenues exceeded $100 million during such completed fiscal year and the market value of our common stock held by non-affiliates exceeds $700 million as of the prior June 30th. To the extent we take advantage of such reduced disclosure obligations, it may also make comparison of our financial statements with other public companies difficult or impossible.

Provisions in our Charter and Delaware law may inhibit a takeover of us, which could limit the price investors might be willing to pay in the future for our shares of Class A common stock and could entrench management.

Our Charter contains provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. These provisions include a staggered board of directors and the ability of the board of directors to designate the terms of and issue new series of preferred stock, which may make the removal of management more difficult and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities. We are also subject to anti-takeover provisions under Delaware law, which could delay or prevent a change of control. Together these provisions may make the removal of management more difficult and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities.

Our Charter requires, to the fullest extent permitted by law, that (i) derivative actions brought on our behalf, (ii) actions asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (iii) actions asserting a claim against us, our directors, officers or employees arising pursuant to any provision of the DGCL or our Charter or bylaws or (iv) actions asserting a claim against us, our directors, officers or employees governed by the internal affairs doctrine may be brought only in the Court of Chancery in the State of Delaware, which may have the effect of discouraging lawsuits against our directors, officers or other employees.

Our Charter requires, unless we consent in writing to the selection of an alternative forum, that (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee to us or our stockholders, (iii) any action asserting a claim against us, our directors, officers or employees arising pursuant to any provision of the DGCL or our Charter or bylaws, or (iv) any action asserting a claim against us, our directors, officers or employees governed by the internal affairs doctrine may be brought only in the Court of Chancery in the State of Delaware, except any action (A) as to which the Court of Chancery of the State of Delaware determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), (B) which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, (C) for which the Court of Chancery does not have subject matter jurisdiction, or (D) arising under the Securities Act, as to which the Court of Chancery and the federal district court for the District of Delaware shall concurrently be the sole and exclusive forums. Notwithstanding the foregoing, the provisions of this paragraph will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States of America have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our Charter. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. Alternatively, if a court were to find the choice of forum provision contained in our Charter to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition.

Our Charter provides that the exclusive forum provision will be applicable to the fullest extent permitted by applicable law. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, and Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. As a result, the exclusive forum provision will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

Cyber incidents or attacks directed at us could result in information theft, data corruption, operational disruption and/or financial loss.

We depend on digital technologies, including information systems, infrastructure and cloud applications and services, including those of third parties with which we may deal. Sophisticated and deliberate attacks on, or security breaches in, our systems or infrastructure, or the systems or infrastructure of third parties or the cloud, could lead to corruption or misappropriation of our assets, proprietary information and sensitive or confidential data. As an early stage company without significant investments in data security protection, we may not be sufficiently protected against such occurrences. We may not have sufficient resources to adequately protect against, or to investigate and remediate any vulnerability to, cyber incidents. It is possible that any of these occurrences, or a combination of them, could have adverse consequences on our business and lead to financial loss.

We may engage one or more of our underwriters or one of their respective affiliates to provide additional services to us after the Public Offering, which may include acting as financial advisor in connection with an initial business combination or as placement agent in connection with a related financing transaction. Our underwriters are entitled to receive deferred commissions that will be released from the Trust Account only on a completion of an initial business combination. These financial incentives may cause them to have potential conflicts of interest in rendering any such additional services to us after the Public Offering, including, for example, in connection with the sourcing and consummation of an initial business combination.

We may engage one or more of our underwriters or one of their respective affiliates to provide additional services to us after the Public Offering, including, for example, identifying potential targets, providing financial advisory services, acting as a placement agent in a private offering or arranging debt financing. We may pay such underwriter or its affiliate fair and reasonable fees or other compensation that would be determined at that time in an arm's length negotiation; provided that no agreement will be entered into with any of the underwriters or their respective affiliates and no fees or other compensation for such services will be paid to any of the underwriters or their respective affiliates prior to the date that is 60 days from the date of the prospectus related to the Public Offering, unless such payment would not be deemed underwriters' compensation in connection with the Public Offering. The underwriters are also entitled to receive deferred commissions that are conditioned on the completion of an initial business combination. The underwriters' or their respective affiliates' financial interests tied to the consummation of a business combination transaction may give rise to potential conflicts of interest in providing any such additional services to us, including potential conflicts of interest in connection with the sourcing and consummation of an initial business combination.

We depend on a variety of U.S. and multi-national financial institutions to provide us with banking services. The default or failure of one or more of the financial institutions that we rely on may adversely affect our business and financial condition.

We maintain the majority of our cash and cash equivalents in accounts with major U.S. and multi-national financial institutions, and our deposits at certain of these institutions exceed insured limits. Market conditions can impact the viability of these institutions. In the event of the failure of any of the financial institutions where we maintain our cash and cash equivalents, there can be no assurance that we would be able to access uninsured funds in a timely manner or at all. Any inability to access or delay in accessing these funds could adversely affect our liquidity, business and financial condition.

We may be subject to the 1% excise tax included in the Inflation Reduction Act of 2022, which may decrease the value of our securities following our initial business combination and hinder our ability to consummate an initial business combination.

On August 16, 2022, the Inflation Reduction Act of 2022 (the "IR Act") was signed into law. The IR Act provides for, among other things, a new U.S. federal 1% excise tax on certain repurchases (including redemptions and economically similar transactions) of stock by publicly traded U.S. corporations on or after January 1, 2023. Because we are a Delaware corporation and our securities are trading on NYSE, we are a "covered corporation" within the meaning of the IR Act. The excise tax is imposed on the repurchasing corporation itself, not its stockholders from which shares are repurchased (although it may reduce the amount of cash distributable in a current or subsequent redemption). The amount of the excise tax is generally 1% of the fair market value of the shares repurchased, determined at the time of the repurchase. Corporations are permitted to net the fair market value of certain new stock issuances by such corporation against the fair market value of stock repurchases (or deemed repurchases) during the same taxable year to reduce or eliminate the amount of excise tax that would otherwise apply. In addition, certain exceptions apply to the excise tax. The U.S. Department of the Treasury (the "Treasury") has authority to provide regulations and other guidance to carry out, and prevent the abuse or avoidance of, the excise tax.

On December 27, 2022, the Treasury published Notice 2023-2 as interim guidance until the publication of forthcoming proposed regulations on the excise tax. Nevertheless, it remains uncertain whether, and/or to what extent, the excise tax could apply to redemptions of our stock, including any redemptions in connection with a business combination, or in the event we do not consummate a business combination.

Because the application of the excise tax is not entirely clear, any share redemption or other share repurchase may be subject to the excise tax. Whether and to what extent we would be subject to the excise tax will depend on a number of factors, including (i) whether the redemption is treated as a repurchase of stock for purposes of the excise tax, (ii) the fair market value of the redemptions treated as repurchases in connection with a business combination, (iii) the structure of a business combination and whether any such transaction closes, (iv) the nature and amount of any private investment in public equity ("PIPE") or other equity issuances in connection with a business combination (or otherwise issued not in connection with a business combination but issued within the same taxable year of a business combination), (v) whether we consummate a business combination, and (vi) the content of regulations and other guidance issued by the Treasury. Because the excise tax would be payable by us and not by the redeeming holder, the mechanics of any required payment of the excise tax have not been determined. The foregoing could reduce the cash available to complete a business combination and inhibit our ability to complete a business combination.

Our independent registered public accounting firm's report contains an explanatory paragraph that expresses substantial doubt about our ability to continue as a "going concern."

It is uncertain that we will be able to consummate an initial business combination within 12 months from the issuance date of these financial statements or obtain additional working capital loans from the sponsor. If an initial business combination is not consummated by the required date, there will be a mandatory liquidation and subsequent dissolution. In the event of a dissolution, we anticipate a shortfall of liquidity. Our anticipated shortfall of sufficient liquidity to meet our current and future estimated financial obligations raises substantial doubt about our ability to continue as a going concern for a period of time within one year after the date that the accompanying financial statements are issued. We plan to address this uncertainty through working capital loans and through consummation of our initial business combination. There is no assurance that working capital loans will be available to us or that our plans to consummate an initial business combination will be successful.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

As a blank check company, we have no operations and therefore do not have any operations of our own that face material cybersecurity threats. However, we do depend on the digital technologies of third parties, including information systems, infrastructure and cloud applications and services, any sophisticated and deliberate attacks on, or security breaches in, systems or infrastructure or the cloud that we utilize, including those of third parties, could lead to corruption or misappropriation of our assets, proprietary information and sensitive or confidential data. Because of our reliance on the technologies of third parties, we also depend upon the personnel and the processes of third parties to protect against cybersecurity threats, and we have no personnel or processes of our own for this purpose. In the event of a cybersecurity incident impacting us, the management team will report to the board of directors and provide updates on the management team's incident response plan for addressing and mitigating any risks associated with such an incident. As an early-stage company without significant investments in data security protection, we may not be sufficiently protected against such occurrences. We also lack sufficient resources to adequately protect against, or to investigate and remediate any vulnerability to, cyber incidents. It is possible that any of these occurrences, or a combination of them, could have material adverse consequences on our business and lead to financial loss.

ITEM 2. PROPERTIES

Our executive offices are located at 5800 Democracy Drive, Plano, Texas 75024. We consider our current office space adequate for our current operations.

ITEM 3. LEGAL PROCEEDINGS

As of December 31, 2023, to the knowledge of our management, there was no material litigation, arbitration or governmental proceeding pending against us or any members of our management team in their capacity as such, and we and the members of our management team have not been subject to any such proceeding.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our units and Class A common stock are listed on the NYSE under the symbols "DSAQ.U," and "DSAQ," respectively. Our warrants are currently being traded on OTC.

Holders

As of April 1, 2024, there was one holder of record of our units, one holder of record of our Class A common stock, one holder of record of our Class B common stock and two holders of record of our warrants. The number of holders of record does not include a substantially greater number of "street name" holders or beneficial holders whose units, Class A common stock and warrants are held of record by banks, brokers and other financial institutions.

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Offerings

Unregistered Sales

The sales of the Founder Shares and Private Placement Warrants to our sponsor and our initial stockholders were deemed to be exempt from registration under the Securities Act, in reliance on Section 4(a)(2) of the Securities Act as transactions by an issuer not involving a public offering.

Use of Proceeds

On September 23, 2021, our registration statement on FormS-l (File No. 333-258997) was declared effective by the SEC, and on September 28, 2021, we consummated our initial public offering of 23,000,000 units, including the issuance of 3,000,000 units as a result of the underwriters' full exercise of their over-allotment option, at an offering price to the public of $10.00 per unit for an aggregate offering price of $230,000,000. Each unit consisting of one share of Class A common stock and one-half of one Warrant. Each whole Warrant entitles the holder thereof to purchase one share of Class A common stock at a price of $11.50 per share.

A total of $234,600,000, comprised of $225,860,000 of the proceeds from the Public Offering (which amount includes the deferred underwriting fee of $8,050,000) and $8,740,000 of the proceeds of the sale of the Private Placement Warrants, was placed in a Trust Account maintained by Continental Stock Transfer & Trust Company, acting as trustee. In addition, the underwriters agreed to defer approximately $8,050,000 in underwriting discounts, which amount will be payable when and if a business combination is consummated. No payments were made by us to directors, officers or persons owning ten percent or more of our common stock or to their associates, or to our affiliates. There has been no material change in the planned use of proceeds from the Public Offering as described in our final prospectus dated September 23, 2021, which was filed with the SEC.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

On March 28, 2024, we held the Second Extension Meeting to amend the Certificate of Incorporation to, among other things, (i) extend our Termination Date to the Charter Extension Date and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a business combination on a monthly basis up to eleven times by an additional one month each time after the Charter Extension Date, by resolution of the Board if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2025 or a total of up to twelve months after the Termination Date, unless the closing of a business combination shall have occurred prior thereto; (ii) eliminate from the Certificate of Incorporation the limitation that the Company may not redeem Class A Common Stock (as defined herein) to the extent that such redemption would result in the Company having net tangible assets of less than $5,000,0001 in order to allow the Company to redeem Class A Common Stock irrespective of whether such redemption would exceed the Redemption Limitation; and (iii) provide for the right of a holder of the Class B common stock, par value $0.0001 ("Class B Common Stock) to convert such Class B Common Stock into the Class A Common Stock on a one-for-one basis prior to the closing of a business combination at the election of the holder.

In connection with the vote held on March 28, 2024, the holders of 2,873,211 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $11.16 per share, for an aggregate redemption amount of approximately $32,066,629.79. After the satisfaction of such redemptions, the balance in our trust account was approximately $30,382,189.52 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

On March 24, 2023, we held the First Extension Meeting to, in part, amend our charter to extend our Termination Date from the Original Termination Date to the Previous Charter Extension Date and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to nine times by an additional one month each time after the Previous Charter Extension Date, by resolution of the Board, if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2024 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Original Termination Date, unless the closing of a business combination shall have occurred prior thereto. For each monthly extension of the Previous Charter Extension Date we deposited $160,000 into the Trust Account. In connection with that vote, the holders of 17,404,506 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $10.48 per share, for an aggregate redemption amount of approximately $182,460,110. After the satisfaction of such redemptions, the balance in our trust account was approximately $58,660,352 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with our audited financial statements and the notes related thereto which are included in "Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K. Certain information contained in the discussion and analysis set forth below includes forward-looking statements. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those set forth under "Special Note Regarding Forward-Looking Statements," "Item 1A. Risk Factors" and elsewhere in this Annual Report on Form 10-K.

Overview

We are a blank check company formed under the laws of the State of Delaware on March 9, 2021, for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or other similar Business Combination with one or more businesses. We intend to effectuate our Business Combination using cash from the proceeds of the Public Offering and the sale of the Private Placement Warrants, our capital stock, debt or a combination of cash, stock and debt.

We expect to continue to incur significant costs in the pursuit of our acquisition plans. We cannot assure you that our plans to complete a Business Combination will be successful.

On March 24, 2023 our stockholders voted to amend our amended and restated certificate of incorporation (the "Charter") to extend the date (the "Termination Date") by which we have to consummate a Business Combination (the "Charter Extension") from March 28, 2023 (the "Original Termination Date") to June 28, 2023 (the "Charter Extension Date") and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to nine times by an additional one month each time after the Charter Extension Date, by resolution of our board of directors (the "Board"), if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2024 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Original Termination Date, unless the closing of a Business Combination shall have occurred prior thereto (the "Extension Amendment Proposal"). For each monthly extension of the Charter Extension Date we will deposit $160,000 into the Trust Account.

In connection with the vote of our stockholders on March 24, 2023 to extend our Termination Date, the holders of 17,404,506 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $10.48 per share, for an aggregate redemption amount of $182,460,110. After the satisfaction of such redemptions, the balance in our trust account was $58,660,352 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

On March 28, 2024 the Company's stockholders voted to amend the Company's Charter to extend the date (the "Termination Date") by which the Company has to consummate a Business Combination (the "Charter Extension") from March 28, 2024 to April 28, 2024 and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to eleven times by an additional one month each time after the Charter Extension Date, by resolution of the Company's board of directors (the "Board"), if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2025 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Original Termination Date, unless the closing of a Business Combination shall have occurred prior thereto (the "Extension Amendment Proposal"). For each monthly extension of the Charter Extension Date the Company will deposit $90,000 into the Trust Account.

In connection with the Company's stockholders' vote on March 28, 2024, the holders of 2,722,283 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $11.16 per share, for an aggregate redemption amount of $32,066,629.79. After the satisfaction of such redemptions, the balance in the Company's Trust Account was approximately $30,382,189.52 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

In the period from January 2024 to March 2024 an aggregate of $480,000 was deposited in the Trust Account, extending the Combination Period to April 28, 2024.

Proposed Business Combination

On January 17, 2024, the Company, entered into a Business Combination Agreement (the "Business Combination Agreement"), by and among Aeroflow Urban Air Mobility Private Limited, a private limited company incorporated under the laws of India and a direct wholly owned subsidiary of PubCo ("IndiaCo"), Hunch Technologies Limited, a private limited company incorporated in Ireland with registered number 607449 ("PubCo"), FlyBlade (India) Private Limited, a private limited company incorporated under the laws of India ("Hunch Mobility"), and HTL Merger Sub LLC, a Delaware limited liability company and a direct wholly owned subsidiary of PubCo ("Merger Sub").

The transactions contemplated by the Business Combination Agreement, including the Merger (as defined below), and the transactions contemplated by the related transaction documents contemplated by the Business Combination Agreement (collectively, the "Transactions"), will constitute a Business Combination as contemplated by the Company's Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on August 23, 2021 (as amended on March 27, 2023). The Merger and the Transactions were unanimously approved by the board of directors of the Company on January 17, 2024.

The Business Combination Agreement

Reorganization Transactions

Prior to the execution of the Business Combination Agreement, PubCo, IndiaCo and Hunch Mobility consummated a series of reorganization transactions pursuant to which, among other things, Hunch Mobility transferred all of its assets and liabilities (other than certain excluded assets and liabilities) to IndiaCo on a slump sale basis as a going concern.

In connection with the Merger, prior to the closing of the Transactions (the "Closing"), PubCo will complete a reorganization (such transactions, the "Pre-Closing Reorganization"), pursuant to which, among other things, (i) after receipt of applicable governmental and regulatory consents, Hunch Mobility shall transfer all of the equity securities of Transhermes Aero IFSC Private Limited, a wholly owned subsidiary of Hunch Mobility incorporated in Gujarat International Finance Tec-City under the (Indian) International Financial Services Centres Authority Act, 2019 to IndiaCo, (ii) Hunch Mobility shall promptly undertake any and all steps necessary to complete its voluntary liquidation/winding-up process in accordance with applicable law and (iii) PubCo shall consummate a reverse share split, pursuant to which all equity securities of PubCo will, following the consummation of the Pre-Closing Reorganization and immediately prior to the Merger, be consolidated and

result in the aggregate number of Class A ordinary shares in the share capital of PubCo (the "PubCo Class A Ordinary Shares") and Class B ordinary shares in the share capital of PubCo (the "PubCo Class B Ordinary Shares") issued and outstanding on a fully-diluted, as converted and as exercised basis (excluding equity securities issued or issuable pursuant to the Convertible Note (as defined below)) being equal to the Pre-Closing Reorganization Consideration, which, in the aggregate, is anticipated to be equal to approximately $150 million.

The Merger

Following the Pre-Closing Reorganization and pursuant to the Business Combination Agreement, at the Closing, Merger Sub will merge with and into the Company (the "Merger"), pursuant to which the separate corporate existence of Merger Sub will cease, with the Company being the surviving corporation and becoming a wholly owned subsidiary of PubCo.

In connection with the Merger, each (i) share of Class A common stock of the Company, par value $0.0001 per share (each, a "DSAQ Class A Share"), (ii) share of Class B common stock of the Company, par value $0.0001 per share (each, a "DSAQ Class B Share"), and (iii) convertible preferred share of the Company that will be issued pursuant to the Investor Subscription Agreement (as defined below) (each, a "DSAQ Preferred Share" and together with the DSAQ Class A Shares and DSAQ Class B Shares, the "DSAQ Shares"), issued and outstanding immediately prior to the effective time of the Merger (the "Effective Time"), other than those held in treasury, will be automatically cancelled and extinguished and converted into the right to receive: (A) with respect to each DSAQ Class A Share and DSAQ Class B Share, one (1) PubCo Class A Ordinary Share, one (1) CVR I, one (1) CVR II and one (1) CVR III, which are described in further detail below, and (B) with respect to each DSAQ Preferred Share, one (1) PubCo Preferred Share. All DSAQ Shares held in treasury will be canceled and extinguished without consideration.

Each unit of the Company issued in the IPO that is outstanding immediately prior to the Effective Time will be automatically separated and the holder thereof will be deemed to hold one (1) DSAQ Class A Share and one-half (1/2) of a public warrant of the Company, which underlying securities will be converted as described above.

At the Effective Time, unless otherwise amended by the DSAQ Warrant Amendment, without any further action, each warrant of the Company that is outstanding immediately prior to the Effective Time shall remain outstanding but shall be assumed by PubCo and automatically adjusted to become (A) with respect to each public warrant of the Company, one (1) public warrant of PubCo and (B) with respect to each private placement warrant of the Company, one (1) private placement warrant of PubCo, each of which shall be subject to substantially the same terms and conditions applicable prior to such conversion; except that each such warrant shall be exercisable (or will become exercisable in accordance with its terms) for (i) one (1) PubCo Class A Ordinary Share, (ii) one (1) CVR I, (iii) one (1) CVR II and (iv) one (1) CVR III, in lieu of DSAQ Class A Shares (subject to the PubCo warrant agreement). If the DSAQ Warrant Amendment is approved, then immediately prior to the Effective Time, each warrant of the Company will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) warrants are held).

Registration Statement/Proxy Statement

In connection with the Transactions, the Company and PubCo will prepare and file a registration statement on FormF-4 (the "Registration Statement/Proxy Statement") with the SEC, which will include a prospectus of PubCo and a proxy statement/prospectus for the Company's stockholder meeting to solicit the vote of the Company's stockholders to, among other things, adopt the Business Combination Agreement and approve the Transactions.

In addition, as promptly as practicable following the time at which the Registration Statement/Proxy Statement is declared effective under the Securities Act, the Company will solicit the vote or consent of registered holders of warrants of the Company to adopt and approve an amendment to the Company's warrant agreement to provide that, effective immediately prior to the Effective Time, each warrant of the Company will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) warrants are held).

Representations, Warranties and Covenants

The parties to the Business Combination Agreement have made representations, warranties and covenants that are customary for transactions of this nature. The representations and warranties of the respective parties to the Business Combination Agreement will not survive the Closing. The covenants of the respective parties to the Business Combination Agreement will also not survive the Closing, except for those covenants that by their terms expressly apply in whole or in part after the Closing.

In connection with the foregoing, the Company, through its board of directors, shall recommend to the Company's stockholders and warrant holders the adoption and approval of the Business Combination Agreement and the transactions contemplated thereby (including the Merger), and the approval and adoption of the DSAQ Warrant Amendment, respectively. Notwithstanding the foregoing, if, at any time prior to obtaining the requisite approval of the Company's stockholders with respect to the Business Combination, the Company's board of directors determines in good faith, after consultation with its outside legal counsel, that a Blade Group Material Adverse Effect has occurred on or after the date of the Business Combination Agreement and, as a result, the failure to change its recommendation would be inconsistent with the board of directors' fiduciary duties under applicable law, the Company's board of directors may effect a change of recommendation, subject to certain conditions.

Exclusivity

Each of the Company, PubCo, IndiaCo, Hunch Mobility and Merger Sub has agreed that from the date of the Business Combination Agreement to the earlier of the closing of the Merger and the termination of the Business Combination Agreement, no party will: (i) solicit, initiate, encourage (including by means of furnishing or disclosing information), knowingly facilitate (including by commencing due diligence), discuss or negotiate, directly or indirectly, any inquiry, proposal or offer (written or oral) with respect to an alternative transaction, (ii) furnish or disclose any non-public information to any person in connection with, or that could reasonably be expected to lead to, an alternative transaction, (iii) enter into any contract or other arrangement or understanding regarding an alternative transaction, (iv) make any filings with the SEC in connection with a public offering of any equity securities or other securities of the Blade Group (or any affiliate or successor of the Blade Group) or (v) otherwise cooperate in any way with, or assist or participate in, or knowingly facilitate or encourage any effort or attempt by any person (other than the Principal Shareholders and the Blade Group) to do or seek to do any of the foregoing or seek to circumvent such covenant or further any alternative transaction.

Conditions to Closing

Mutual Conditions

The obligations of the parties to the Business Combination Agreement to consummate the Transactions are conditioned upon the following mutual conditions:

a) the absence of any law or other legal restraint or prohibition issued by any court of competent jurisdiction or other governmental authority preventing the consummation of the Transactions;

b) the effectiveness under the Securities Act of 1933, as amended (the "Securities Act"), of the Registration Statement/Proxy Statement and that no stop order will have been issued by the SEC and remain in effect with respect to the Registration Statement/Proxy Statement;

c) obtaining, at the special meeting of Company stockholders where a quorum is present, the vote of the holders of a majority of the outstanding DSAQ Shares entitled to vote thereon to adopt and approve the Business Combination Agreement and the transactions contemplated thereby (including the Merger);

d) the PubCo Class A Ordinary Shares that constitute the consideration for the Business Combination having been approved for listing on a stock exchange, subject only to notice of issuance;

e) the entry by PubCo into a composition agreement with the Revenue Commissioners of Ireland and a special eligibility agreement for securities with the Depositary Trust Company in respect of PubCo Class A Ordinary Shares and, if the Company's warrants are assumed pursuant to the Business Combination Agreement, PubCo warrants, both of which shall be in full force and effect and enforceable in accordance with their respective terms; and

f) PubCo, Sponsor, and the Principal Shareholders (as defined below) shall have executed a registration rights agreement, containing customary demand and piggyback registration rights, in a form reasonably acceptable to PubCo, the Sponsor and the Principal Shareholders.

Conditions of PubCo, IndiaCo, Hunch Mobility and Merger Sub

The obligations of PubCo, IndiaCo, Hunch Mobility and Merger Sub to consummate the Transactions are conditioned upon, among other things:

a) the consummation of the transactions contemplated by the Investor Subscription Agreement (as defined below); and

b) An affiliate of Investor (as defined below) being the beneficial owner of at least 955,100 DSAQ Class A Shares and not electing to have such DSAQ Class A Shares redeemed by the Company in connection with the Company's special meeting.

Conditions of the Company

The obligations of the Company to consummate the Transactions are conditioned upon, among other things:

a) the absence of a Blade Group Material Adverse Effect;

b) the Pre-Closing Reorganization having been completed; and

c) the consummation of the transactions contemplated by the Hunch Subscription Agreement.

Termination

The Business Combination Agreement may be terminated at any time prior to the Closing by mutual written consent of the Company and PubCo and in certain other circumstances, including if the Closing has not occurred on or prior to March 28, 2024 (subject to automatic extension to June 28, 2024 in the event that the Company obtains an extension of the deadline by which the Company must complete a business combination in accordance with its governing documents) and the primary cause of the failure for the Closing to have occurred on or prior to such date is not due to a breach of the Business Combination Agreement by the party seeking to terminate.

Note Purchase Agreement and Convertible Notes

Concurrently with the execution and delivery of the Business Combination Agreement, PubCo entered into a convertible note purchase agreement (the "Note Purchase Agreement") with an investor with majority economic, non-voting interest in the Sponsor ("Investor" or the "Holder"), and IndiaCo, pursuant to which PubCo will issue to the Holder three senior unsecured convertible notes with an aggregate principal amount of $3,000,000 (each a "Convertible Note", and together the "Convertible Notes"). Within twenty-four (24) hours of the execution of the Business Combination Agreement, or at such other time and place upon which the parties shall agree in writing (the "Initial Closing Date"), PubCo shall execute and deliver a Convertible Note with an aggregate principal amount of $1,000,000 to the Holder, which is automatically convertible into 100,000 PubCo Preferred Shares upon the Effective Time (the "Initial Convertible Note"). Following the Initial Closing Date, PubCo shall execute and deliver, and the Holder shall fund, two additional Convertible Notes in two monthly installments at subsequent closings (each an "Installment Closing"). The two Installment Closings shall be held: (i) on the day one (1) month following the Initial Closing Date and (ii) on the day two (2) months following the Initial Closing Date, at such time and place as shall be approved by PubCo and the Holder, with an additional aggregate principal amount of $2,000,000 on the same terms and conditions as those contained in the Initial Convertible Note. The PubCo Preferred Shares issuable upon conversion of the Convertible Notes, pursuant to their terms, shall be convertible into PubCo Class A Ordinary Shares. Interest shall accrue on the unpaid principal balance of each Convertible Note, together with any interest accrued but unpaid thereon (the "Outstanding Amount"), at an annual rate equal to 10% per annum, until the Outstanding Amount is paid or the closing of the Business Combination. Each Convertible Note's first interest payment date will be the first three-month anniversary of the date of each respective Convertible Note. Pursuant to the Note Purchase Agreement, the proceeds from the issuance of the Convertible Notes will be used: (i) up to $750,000 solely for working capital purposes for the operation of IndiaCo's business, (ii) the remaining aggregate proceeds of the Convertible Notes other than the proceeds used in accordance with clause (i) solely for the acquisition of aircraft and (iii) in each case of clauses (i) and (ii) in compliance with all applicable laws.

The Outstanding Amount of each Convertible Note shall be automatically due and payable in full on the date that is the earlier of (1) three (3) business days following the termination of the Business Combination Agreement and (2) 363 days from the date of issuance of each respective Convertible Note (as applicable, the "Maturity Date"). If PubCo fails to pay any amount due pursuant to each Convertible Note within five business days of each respective Maturity Date, interest shall accrue at the rate of 17% per annum on the Outstanding Amount until the entire Outstanding Amount is paid in full.

Investor Subscription Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Company entered into a subscription agreement (the "Investor Subscription Agreement") with Investor.

Pursuant to the Investor Subscription Agreement, Investor agreed to subscribe for and purchase, and the Company agreed to issue and sell to Investor, immediately prior to the Closing, an aggregate of 700,000 DSAQ Preferred Shares for a purchase price of $10.00 per share, for aggregate gross proceeds of $7,000,000.

The closing of the Investor Subscription Agreement will be conditioned on (i) the consummation of the transactions contemplated by the Hunch Subscription Agreement and (ii) the consummation of additional investments in an aggregate investment amount of $12,000,000 ("Minimum Additional Investment"), for DSAQ Preferred Shares, DSAQ Class A Shares, PubCo Preferred Shares or PubCo Ordinary Shares, issued to investors (the "Additional Investors"), on terms and conditions that are not materially more advantageous to any such Additional Investors than Investor hereunder, unless such terms and conditions are consented to by Investor. For avoidance of doubt, the Minimum Additional Investment shall not include any investments pursuant to the Investor Subscription Agreement, the acquisition of the Retained Shares (as defined the Investor Subscription Agreement) or the Hunch Subscription Agreement.

The Investor Subscription Agreement contains customary conditions to closing, including, among other things, the consummation of the Business Combination. The Investor Subscription Agreement also provides that the Company will grant Investor certain customary registration rights.

Hunch Subscription Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, Quick Response Services Provider LLP ("QRSP") entered into a subscription agreement (the "Hunch Subscription Agreement") with PubCo.

Pursuant to the Hunch Subscription Agreement, QRSP agreed to subscribe for and purchase, and PubCo agreed to issue and sell to QRSP, immediately prior to the Closing, an aggregate of 300,000 PubCo Preferred Shares for a purchase price of $10.00 per share, for aggregate gross proceeds of $3,000,000.

The closing of the Hunch Subscription Agreement will be conditioned on the consummation of the transactions contemplated by the Investor Subscription Agreement. The Hunch Subscription Agreement also contains customary conditions to closing, including, among other things, the consummation of the Business Combination. The Hunch Subscription Agreement also provides that PubCo will grant QRSP certain customary registration rights.

Principal Shareholder Support Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Company, Quick Response Services Provider LLP, a limited liability partnership incorporated under the laws of India ("Hunch"), and Blade Urban Air Mobility Inc., a Delaware corporation (together with Hunch, the "Principal Shareholders" and each, a "Principal Shareholder"), and PubCo have entered into that Principal Shareholder Support Agreement (the "Principal Shareholder Support Agreement") pursuant to which each Principal Shareholder has agreed, among other things: (i) to support and vote or consent to the requisite transaction proposals and (ii) not to transfer any equity security of PubCo until the earlier to occur of (a) the Closing, (b) such date and time as the Business Combination Agreement is validly terminated in accordance with its terms and (c) the mutual agreement of the parties thereto, in each case subject to the terms and conditions set forth therein.

Sponsor Support Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Sponsor, the Company, PubCo and, for certain limited purposes, certain of the Company's directors, executive officers and affiliates (such individuals, the "Insiders") have entered into a Sponsor Support Agreement (the "Sponsor Support Agreement").

Pursuant to the Sponsor Support Agreement, the Sponsor has, among other things, agreed to (i) support and vote in favor of the requisite transaction proposals; (ii) waive all adjustments to the conversion ratio set forth in Company's amended and restated certificate of incorporation with respect to its DSAQ Class B Shares, (iii) be bound by certain transfer restrictions with respect to their DSAQ Class B Shares and the warrants of the Company, as applicable, prior to Closing and (iv) the forfeiture, transfer or conversion into DSAQ Class A Shares, as applicable of warrants of the Company under the terms and conditions set forth therein. Specifically, the Sponsor has agreed to make available up to 9,950,000 private placement warrants of the Company (or, if the DSAQ Warrant Amendment is approved, the PubCo Class A Ordinary Shares corresponding thereto) to existing stockholders of the Company in exchange for such stockholders agreeing not to redeem their DSAQ Class A Shares in connection with the Company's stockholder meeting. If less than all such private placement warrants (or, if the DSAQ Warrant Amendment is approved, the PubCo Class A Ordinary Shares corresponding thereto) are so transferred, then the Sponsor shall (i) retain 50% of such private placement warrants not so transferred and (ii) forfeit 50% of such private placement warrants not so transferred. If the DSAQ Warrant Amendment is not approved, any such retained private placement warrants may, at the Sponsor's election, be surrendered to the Company prior to the Closing in exchange for one (1) DSAQ Class A Share for every five (5) private placement warrants so surrendered. If the DSAQ Warrant Amendment is approved, each such private placement warrant retained will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) warrants are held).

Contingent Value Rights Agreement

Concurrently with the consummation of the Business Combination Agreement, PubCo will enter into a Contingent Value Rights Agreement (the "CVR Agreement") with a rights agent ("Rights Agent") pursuant to which the holders of DSAQ Class A Shares and DSAQ Class B Shares outstanding as of immediately prior to the Effective Time will receive one (1) CVR I, one (1) CVR II and one (1) CVR III (each, a "CVR") for each one whole DSAQ Share held by such stockholder on such date. Each CVR I represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR I shall be exercised automatically upon PubCo's delivery of the CVR Payment Notice (as defined in the CVR Agreement) to the Rights Agent, notifying the Rights Agent that, during the 12 month period ending on the final day of the month in which the second anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $50 million. Each CVR II represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR II shall be exercised automatically upon PubCo's delivery of the CVR Payment Notice to the Rights Agent, notifying the Rights Agent that, during the 12 month period ending on the final day of the month in which the third anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $142 million. Each CVR III represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR III shall be exercised automatically upon PubCo's delivery of the CVR Payment Notice, notifying the Rights Agent that, during the 12 month period ending on the final day of the month in which the fourth anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $263 million.

The contingent payments under the CVR Agreement, if they become payable, will become payable to the Rights Agent for subsequent distribution to the holders of the CVRs. There can be no assurance that any payment of any PubCo Ordinary Shares will be made or that any holders of CVRs will receive any amounts with respect thereto.

The right to the contingent payments contemplated by the CVR Agreement is a contractual right only. The CVRs will not be evidenced by a certificate or other instrument. The CVRs will not be transferable. The CVRs will not have any voting or dividend rights and will not represent any equity or ownership interest in PubCo or any of its affiliates. No interest will accrue on any amounts payable in respect of the CVRs.

Liquidity and Capital Resources

As of December 31, 2023, we had $467,309 in our operating bank account and working capital deficit of $10,679,799.

The Company has entered into promissory notes and working capital loans with the Sponsor for a total of $6,155,985. These Notes bear no interest and are due upon liquidation or consummation of an initial Business Combination. If the Company completes an initial Business Combination, the Company would repay such loaned amounts out of the proceeds of the Trust Account released to the Company. Otherwise, such loans would be repaid only out of funds held outside the Trust Account. In the event that the initial Business Combination does not close, the Company may use a portion of the working capital held outside the Trust Account to repay such loaned amounts but no proceeds from the Trust Account would be used to repay such loaned amounts. Up to $1,500,000 of such loans may be convertible into warrants, at a price of $1.00 per warrant at the option of the lender.

As of the date of this filing, the Company has until April 28, 2024, unless otherwise extended pursuant to the Charter and with a monthly additional deposit of $160,000 to the Trust Account, to consummate an initial Business Combination.

It is uncertain that we will be able to consummate an initial business combination within 12 months from the issuance date of these financial statements or obtain additional funding. If an initial Business Combination is not consummated by the required date of April 28, 2024, there will be a mandatory liquidation and subsequent dissolution. In the event of a dissolution, we anticipate a shortfall of liquidity. Our anticipated shortfall of sufficient liquidity to meet our current and future estimated financial obligations raises substantial doubt about our ability to continue as a going concern for a period of time within one year after the date that the accompanying financial statements are issued. We plan to address this uncertainty through loans and through consummation of our initial Business Combination. There is no assurance that loans will be available to us or that our plans to consummate an initial Business Combination will be successful.

Off-Balance Sheet Arrangements

As of December 31, 2023, we did not have any off-balance sheet arrangements.

Risks and Uncertainties

Various social and political circumstances in the U.S. and around the world (including wars and other forms of conflict, rising trade tensions between the United States and China, and other uncertainties regarding actual and potential shifts in the U.S. and foreign trade, economic and other policies with other countries, terrorist acts, security operations and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes and global health epidemics), may also contribute to increased market volatility and economic uncertainties or deterioration in the U.S. and worldwide. Specifically, the conflict between Russia and Ukraine and resulting market volatility could adversely affect the Company's ability to complete a Business Combination. In response to the conflict between Russia and Ukraine, the U.S. and other countries have imposed sanctions or other restrictive actions against Russia. Any of the above factors, including sanctions, export controls, tariffs, trade wars and other governmental actions, could have a material adverse effect on the Company's ability to complete a Business Combination and the value of the Company's securities.

In addition, we depend on a variety of U.S. and multi-national financial institutions to provide us with banking services. The default or failure of one or more of the financial institutions that we rely on may adversely affect our business and financial condition, including our ability to successfully consummate a Business Combination.

We maintain the majority of our cash and cash equivalents in accounts with major U.S. and multi-national financial institutions, and our deposits at certain of these institutions exceed insured limits. Market conditions can impact the viability of these institutions. In the event of the failure of any of the financial institutions where we maintain our cash and cash equivalents, there can be no assurance that we would be able to access uninsured funds in a timely manner or at all. Any inability to access or delay in accessing these funds could adversely affect our liquidity, business and financial condition.

Inflation Reduction Act of 2022

On August 16, 2022, the Inflation Reduction Act of 2022 (the "IR Act") was signed into law. The IR Act provides for, among other things, a new U.S. federal 1% excise tax on certain repurchases (including redemptions and economically similar transactions) of stock by publicly traded U.S. corporations on or after January 1, 2023. Because we are a Delaware corporation and our securities are trading on the New York Stock Exchange, we are a "covered corporation" within the meaning of the IR Act. The excise tax is imposed on the repurchasing corporation itself, not its stockholders from which shares are repurchased (although it may reduce the amount of cash distributable in a current or subsequent redemption). The amount of the excise tax is generally 1% of the fair market value of the shares repurchased, determined at the time of the repurchase. Corporations are permitted to net the fair market value of certain new stock issuances by such corporation against the fair market value of stock repurchases (or deemed repurchases) during the same taxable year to reduce or eliminate the amount of excise tax that would otherwise apply. In addition, certain exceptions apply to the excise tax. The U.S. Department of the Treasury (the "Treasury") has authority to provide regulations and other guidance to carry out, and prevent the abuse or avoidance of, the excise tax.

Whether and to what extent we would be subject to the excise tax will depend on a number of factors, including (i) whether the redemption is treated as a repurchase of stock for purposes of the excise tax, (ii) the fair market value of the redemptions treated as repurchases in connection with a Business Combination, (iii) the structure of a Business Combination and whether any such transaction closes, (iv) the nature and amount of any private investment in public equity ("PIPE") or other equity issuances in connection with a Business Combination (or otherwise issued not in connection with a Business Combination but issued within the same taxable year of a Business Combination), (v) whether we consummate a Business Combination, and (vi) the content of regulations and other guidance issued by the Treasury. It is possible that the Company will be subject to the excise tax with respect to any subsequent redemptions, including redemptions in connection with a Business Combination, that

are treated as repurchases for this purpose (other than, pursuant to recently issued guidance from the Treasury, redemptions in complete liquidation of the Company). As mentioned, the excise tax is imposed on the repurchasing corporation itself, not the stockholders from which stock is repurchased. The imposition of the excise tax (including as a result of holders of public shares electing to exercise their redemption rights in connection with a Business Combination) could, however, reduce the amount of cash available to the Company to pay redemptions (or the cash contribution to the target business in connection with a Business combination, which could hinder the Company's ability to complete a Business Combination or cause the other shareholders of the combined company to economically bear the impact of such excise tax).

For the year ended December 31, 2023 and 2022, the Company has recognized $1,829,791 and $0, respectively, in excise tax payable related to share redemptions. In accordance with ASC 340-10-S99-1, the liability does not impact the statements of operations and is offset against accumulated deficit because additional paid-in capital is not available.

Results of Operations

As of December 31, 2023, we had not commenced any operations. All activity for the period from March 9, 2021, (inception) through December 31, 2023, relates to our formation and the Public Offering, and, since the closing of the Public Offering, a search for a Business Combination and the completion of the proposed Business Combination. We have neither engaged in any operations nor generated any revenues to date. We will not generate any operating revenues until after the completion of our initial Business Combination, at the earliest. We will generate non-operating income in the form of interest income on cash and cash equivalents from the proceeds derived from the Public Offering. We expect to incur increased expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence expenses.

For the year ended December 31, 2023, we had net loss of $269,906, which consisted of operating costs amounting to $4,691,195 and provision for income tax of $936,959, partially offset by interest earned on cash and investments held in Trust Account of $4,620,033 and the Company's operating bank interest income of $42,215, and $696,000 of a change in fair value of warrant liability.

For the year ended December 31, 2022, we had net income of $11,578,910, which consisted of bank interest income amounting to $5,918, interest income earned on investments held in the Trust Account amounting to $3,378,342 and change in the fair value of warrant liability of $10,672,000 partially offset by operating costs amounting to $1,830,438.

Contractual Obligations

We do not have any long-term debt obligations, capital lease obligations, operating lease obligations, purchase obligations or long-term liabilities.

Administrative Services Agreement

We have agreed to pay our Sponsor $10,000 per month for office space, utilities and secretarial and administrative support services. Upon the earlier of the completion of the initial Business Combination or our liquidation, we will cease paying such monthly fees. For the year ended December 31, 2023 and 2022, $120,000 was incurred for the administrative service fee.

Registration Rights

The holders of the (i) founder shares, which were issued in a private placement prior to the closing of the Public Offering, (ii) Private Placement Warrants, which were issued in a private placement simultaneously with the closing of the Public Offering and the shares of Class A common stock underlying such Private Placement Warrants and (iii) Private Placement Warrants that may be issued upon conversion of Working Capital Loans will have registration rights to require the Company to register a sale of any of the Company's securities held by them pursuant to a registration rights agreement signed on the effective date of the Public Offering. The holders of these securities are entitled to make up to three demands, excluding short form demands, that the Company register such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to the Company's completion of the initial Business Combination. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

Underwriting Agreement

The underwriters are entitled to a deferred underwriting discount of 3.5% or $8,050,000 of the gross proceeds of the Public Offering held in the Trust Account upon the completion of the Company's initial Business Combination subject to the terms of the underwriting agreement.

Critical Accounting Estimates

We prepare our financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and related disclosures. On an ongoing basis, the Company's management reviews the accounting policies, assumptions, estimates and judgments to ensure that our financial statements are presented fairly and in accordance with GAAP. Judgments are based on historical experience, terms of existing contracts, industry trends and information available from outside sources, as appropriate. However, by their nature, judgments are subject to an inherent degree of uncertainty, and, therefore, actual results could differ from our estimates. Actual results could differ significantly from the estimates made by our management. We have identified the following critical accounting estimates:

Warrant Liability and Working Capital Loan Conversion Option

We classify each warrant and the Working Capital Loan Option as a liability at its fair value. These liabilities are subject tore-measurement at each balance sheet date. With each such re-measurement, the liabilities will be adjusted to fair value, with the change in fair value recognized in our statement of operations. The fair value of our Private Placement Warrants and Working Capital Loan Conversion Option requires significate estimates by management. Deviations from these estimates could result in a significate difference to our financial results.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 under the Exchange Act and are not required to provide the information otherwise required under this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

DIRECTSELLING ACQUISITION CORP.
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
Direct Selling Acquisition Corp.

Opinion on the financial statements

We have audited the accompanying balance sheets of Direct Selling Acquisition Corp. (a Delaware corporation) (the "Company") as of December 31, 2023 and 2022, the related statements of operations, changes in stockholders' deficit, and cash flows for each of the two years in the period ended December 31, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company's business plan is dependent on obtaining additional working capital loans from the sponsor and the completion of a business combination. The Company's cash and working capital as of December 31, 2023, are not sufficient to complete its planned activities for the upcoming year. These conditions, along with other matters set forth in Note 1, raise substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding these matters are also described in Note 1 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

GRANT THORNTON LLP

We have served as the Company's auditor since 2021.

Southfield, Michigan
April 1, 2024

DIRECT SELLING ACQUISITION CORP.
BALANCE SHEETS
DECEMBER 31, 2023

	December 31, 2023	December 31, 2022
Assets:		
Current assets:		
Cash	$ 467,309	$ 1,151,319
Prepaid expenses	4,958	114,915
Total current assets	**472,267**	**1,266,234**
Cash and investments held in Trust Account	62,606,718	239,365,794
Total Assets	**$ 63,078,985**	**$240,632,028**
Liabilities, Redeemable Common Stock and Stockholders' Deficit		
Liabilities:		
Franchise taxes payable	$ 125,450	$ 68,880
Federal income taxes payable	1,583,871	646,912
Due to related party	667	667
Working Capital loan	2,300,000	2,300,000
Promissory notes to related party	3,855,985	—
Excise tax payable	1,829,791	—
Accounts payable and accrued expenses	1,456,302	32,844
Total current liabilities	**11,152,066**	**3,049,303**
Other liabilities	—	400,000
Warrant liability	232,000	928,000
Deferred underwriters' discount	8,050,000	8,050,000
Total Liabilities	**19,434,066**	**12,427,303**
Commitments and Contingencies (Note 6)		
Redeemable Class A common stock subject to possible redemption,5,595,494 and 23,000,000 shares at redemption value at December 31, 2023 and 2022, respectively	61,907,870	239,285,445
Stockholders' Deficit:		
Preferred stock, $0.0001 par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Class A common stock, $0.0001 par value; 380,000,000 shares authorized; none issued or outstanding (excluding 5,595,494 and 23,000,000 shares subject to redemption at December 31, 2023 and 2022, respectively)	—	—
Class B common stock, $0.0001 par value; 20,000,000 shares authorized; 5,750,000 shares issued and outstanding	575	575
Additional paid-in capital	—	—
Accumulated deficit	(18,263,526)	(11,081,295)
Total Stockholders' Deficit	**(18,262,951)**	**(11,080,720)**
Total Liabilities, Redeemable Common Stock and Stockholders' Deficit	**$ 63,078,985**	**$240,632,028**

The accompanying notes are an integral part of the financial statements.

DIRECT SELLING ACQUISITION CORP.
STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2023	2022
Operating costs	$ 4,691,195	$ 1,830,438
Loss from operations	(4,691,195)	(1,830,438)
Other income:		
Bank interest income	42,215	5,918
Interest earned on cash and investments held in Trust Account	4,620,033	3,378,342
Change in fair value of warrant liability	696,000	10,672,000
Total other income	5,358,248	14,056,260
Income before provision for income taxes	667,053	12,225,822
Provision for income taxes	(936,959)	(646,912)
Net (loss) income	**$ (269,906)**	**$ 11,578,910**
Weighted average shares outstanding of Class A common stock	9,457,864	23,000,000
Basic and diluted net (loss) income per share, Class A common stock	**$ (0.35)**	**$ 0.24**
Weighted average shares outstanding of Class B common stock	5,750,000	5,750,000
Basic and diluted net (loss) income per share, Class B common stock	**$ (0.35)**	**$ 0.24**

The accompanying notes are an integral part of the financial statements.

DIRECT SELLING ACQUISITION CORP.
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

	Class B common stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount			
Balance as of December 31, 2021	5,750,000	$ 575	$ —	$(17,974,760)	$(17,974,185)
Accretion of carrying value to redemption value	—	—	—	(4,685,445)	(4,685,445)
Net income	—	—	—	11,578,910	11,578,910
Balance as of December 31, 2022	5,750,000	575	—	(11,081,295)	(11,080,720)
Excise tax payable attributable to redemption of common stock	—	—	—	(1,829,791)	(1,829,791)
Accretion of carrying value to redemption value	—	—	—	(5,082,534)	(5,082,534)
Net loss	—	—	—	(269,906)	(269,906)
Balance as of December 31, 2023	5,750,000	$ 575	$ —	$(18,263,526)	$(18,262,951)

The accompanying notes are an integral part of the financial statements.

DIRECT SELLING ACQUISITION CORP.
STATEMENTS OF CASH FLOWS

	For the Year Ended December 31, 2023	2022
Cash flows from operating activities:		
Net (loss) income	$ (269,906)	$ 11,578,910
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Change in fair value of warrant liability	(696,000)	(10,672,000)
Interest earned on cash and investments held in Trust Account	(4,620,033)	(3,378,342)
Changes in current assets and liabilities:		
Prepaid assets	109,957	598,225
Other liabilities	(400,000)	400,000
Taxes payable	993,529	655,518
Accrued offering costs and expenses	1,423,458	(3,506)
Net cash used in operating activities	**(3,458,995)**	**(821,195)**
Cash flows from investing activities:		
Funds withdrawn from Trust Account	182,460,109	—
Transfer of extension payment to Trust Account	(1,600,000)	(2,300,000)
Cash withdrawal from Trust Account to pay taxes	519,000	930,566
Net cash provided by (used in) investing activities	**181,379,109**	**(1,369,434)**
Cash flows from financing activities:		
Proceeds from issuance of promissory note to related party	3,855,985	—
Proceeds from issuance of Working Capital loan	—	2,300,000
Funds withdrawn for redemptions	(182,460,109)	—
Net cash (used in) provided by financing activities	**(178,604,124)**	**2,300,000**
Net change in cash and cash equivalents	(684,010)	109,371
Cash and cash equivalents, beginning of the year	1,151,319	1,041,948
Cash and cash equivalents, end of the year	**$ 467,309**	**$ 1,151,319**
Supplemental disclosure of non-cash financing activities:		
Excise tax payable attributable to redemption of common stock	$ 1,829,791	$ —
Accretion of carrying value to redemption value	$ 5,082,534	$ 4,685,445
Federal income taxes paid	$ 0	$ 0

The accompanying notes are an integral part of the financial statements.

DIRECT SELLING ACQUISITION CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Note 1 — Organization, Business Operations

Direct Selling Acquisition Corp. (the "Company") is a blank check company incorporated as a Delaware corporation onMarch 9, 2021, for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar Business Combination with one or more businesses (the "Business Combination"). The Company may pursue an initial Business Combination target in any business or industry.

As of December 31, 2023, the Company had not commenced operations. All activity for the period from March 9, 2021 (inception) through December 31, 2023 relates to the Company's formation and the initial public offering (the "Public Offering") and, subsequent to the Public Offering, identifying a target company for a Business Combination and completion of the proposed Business Combination (described below). The Company will not generate operating revenues until after the completion of its initial Business Combination, at the earliest. The Company will generate non-operating income in the form of interest income from the proceeds derived from the Public Offering.

The Company's Sponsor is DSAC Partners LLC, a Delaware limited liability company (the "Sponsor"). On September 28, 2021, the Company consummated its Public Offering of 23,000,000 units (the "Units" and with respect to the Class A common stock included in the Units sold, the "Public Shares"). Each Unit consists of one share of Class A common stock of the Company, par value $0.0001 per share (the "Class A Common Stock"), and one-half of one redeemable warrant of the Company (each whole warrant, a "Public Warrant"), with each Public Warrant entitling the holder thereof to purchase one share of Class A Common Stock for $11.50 per share, subject to adjustment. The Units were sold at a price of $10.00 per Unit, generating gross proceeds to the Company of $230,000,000.

Simultaneously with the closing of the Public Offering, pursuant to the Private Placement Warrants Purchase Agreement, the Company completed the private sale of 11,700,000 warrants (the "Private Placement Warrants") to the Sponsor at a purchase price of $1.00 per Private Placement Warrant, generating gross proceeds to the Company of $11,700,000. The Private Placement Warrants are identical to the Public Warrants included as part of the Units sold in the Public Offering, except that the Private Placement Warrants, so long as they are held by the Sponsor or its permitted transferees, (i) are not redeemable by the Company, (ii) may not (including the shares of Class A common stock issuable upon exercise of the warrants), subject to certain limited exceptions, be transferred, assigned or sold until 30 days after the completion of the Company's initial Business Combination, (iii) may be exercised on a cashless basis and (iv) are entitled to registration rights. No underwriting discounts or commissions were paid with respect to such sale. The issuance of the Private Placement Warrants was made pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933 (the "Securities Act"), as amended.

The Business Combination must occur with one or more target businesses that together have an aggregate fair market value of at least80% of the net assets held in the Trust Account (net of amounts disbursed to management for working capital purposes and excluding the amount of any deferred underwriting commissions held in trust) at the time of signing the agreement to enter into the Business Combination. However, the Company will only complete such Business Combination if the post transaction company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target business sufficient for it not to be required to register as an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"). There is no assurance that the Company will be able to successfully effect a Business Combination.

Upon the closing of the Public Offering, $10.20 per Unit sold in the Public Offering, including the proceeds of the sale of the Private Placement Warrants, is held in a Trust Account and invested only in U.S. government securities with a maturity of 180 days or less, in money market funds meeting certain conditions under Rule 2a-

7 under the Investment Company Act which invest only in direct U.S. government treasury obligations or in demand deposit accounts. Except with respect to interest earned on the funds held in the Trust Account that may be released to the Company to pay its taxes, the proceeds from the Public Offering and the sale of the Private Placement Warrants will not be released from the Trust Account until the earliest of (i) the completion of the initial Business Combination, (ii) the redemption of the public shares if the Company is unable to complete the initial Business Combination by the Termination Date, subject to applicable law, and (iii) the redemption of the public shares properly submitted in connection with a stockholder vote to amend the Company's amended and restated certificate of incorporation ("Charter") to modify the substance or timing of the Company's obligation to redeem 100% of the public shares if the Company has not consummated an initial Business Combination by the Termination Date or with respect to any other material provisions relating to stockholders' rights or pre-initial Business Combination activity. The proceeds deposited in the Trust Account could become subject to the claims of the Company's creditors, if any, which could have priority over the claims of the Company's public stockholders.

The Company will provide its public stockholders with the opportunity to redeem all or a portion of their public shares upon the completion of the initial Business Combination either (i) in connection with a stockholder meeting called to approve the Business Combination or (ii) without a stockholder vote by means of a tender offer. The decision as to whether the Company will seek stockholder approval of a proposed Business Combination or conduct a tender offer will be made by the Company, solely in the Company's discretion, and will be based on a variety of factors such as the timing of the transaction and whether the terms of the transaction would require the Company to seek stockholder approval under applicable law or stock exchange listing requirements. The Company will provide its public stockholders with the opportunity to redeem all or a portion of their public shares upon the completion of the initial Business Combination at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account calculated as of two business days prior to the consummation of the initial Business Combination, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, subject to the limitations and on the conditions described herein.

The shares of common stock subject to redemption are recorded at redemption value and classified as temporary equity, in accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 480 "Distinguishing Liabilities from Equity." In such case, the Company will proceed with a Business Combination if the Company seeks stockholder approval, a majority of the issued and outstanding shares voted are voted in favor of the Business Combination.

With the December 28, 2022 deposit into the Trust Account for a three-month extension of $2,300,000 ($0.10 per share), the Company had 18 months (or March 28, 2023) from the closing of the Public Offering, or any extended period of time that the Company may have, to consummate an initial Business Combination as a result of an amendment to the Company's Charter (the "Combination Period") to complete the initial Business Combination. If the Company is unable to complete the initial Business Combination within the Combination Period, the Company will: (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the Company's remaining stockholders and the Company's board of directors, liquidate and dissolve, subject, in each case, to the Company's obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law. There will be no redemption rights or liquidating distributions with respect to the warrants, which will expire worthless if the Company fails to complete its initial Business Combination within the Combination Period.

On March 24, 2023 the Company's stockholders voted to amend the Company's Charter to extend the date (the "Termination Date") by which the Company has to consummate a Business Combination (the "Charter Extension") from March 28, 2023 (the "Original Termination Date") to June 28, 2023 (the "Charter Extension Date") and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to nine times by an additional one month each time after the Charter Extension Date, by resolution of the Company's board of directors (the "Board"), if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2024 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Original Termination Date, unless the closing of a Business Combination shall have occurred prior thereto (the "Extension Amendment Proposal"). For each monthly extension of the Charter Extension Date the Company will deposit $160,000 into the Trust Account.

In connection with the Company's stockholders' vote on March 24, 2023, the holders of 17,404,506 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $10.48 per share, for an aggregate redemption amount of $182,460,109. After the satisfaction of such redemptions, the balance in the Company's Trust Account was approximately $58,660,352 (including interest not previously released to the Company but net of expected franchise and income taxes payable). For the year ended December 31, 2023, $1,600,000 has been deposited in the Trust Account to extend the Termination Date to January 28, 2024.

In the period from January 2024 to March 2024 an aggregate of $480,000 was deposited in the Trust Account, extending the Combination Period to April 28, 2024.

The initial stockholders, Sponsor, officers and directors have entered into a letter agreement with the Company, pursuant to which they have agreed to (i) waive their redemption rights with respect to any founder shares and Public Shares they hold in connection with the completion of the initial Business Combination, (ii) waive their redemption rights with respect to any founder shares and Public Shares they hold in connection with a stockholder vote to approve an amendment to the Company's Charter to modify the substance or timing of the Company's obligation to redeem 100% of the Public Shares if the Company has not consummated an initial Business Combination within the Combination Period or with respect to any other material provisions relating

to stockholders' rights or pre-initial Business Combination activity and (iii) waive their rights to liquidating distributions from the Trust Account with respect to any founder shares they hold if the Company fails to complete its initial Business Combination within the Combination Period or any extended period of time that the Company may have to consummate an initial Business Combination as a result of an amendment to the Company's Charter (although they will be entitled to liquidating distributions from the Trust Account with respect to any Public Shares they hold if the Company fails to complete its initial Business Combination within the prescribed time frame) and (iv) vote any founder shares held by them and any Public Shares purchased during or after the Public Offering (including in open market and privately-negotiated transactions) in favor of the initial Business Combination.

The Sponsor has agreed that it will be liable to the Company if and to the extent any claims by a third party for services rendered or products sold to the Company, or a prospective target business with which the Company has entered into a written letter of intent, confidentiality or other similar agreement or Business Combination agreement, reduce the amount of funds in the Trust Account to below the lesser of (i) $10.20 per Public Share and (ii) the actual amount per Public Share held in the Trust Account as of the date of the liquidation of the Trust Account, if less than $10.20 per Public Share due to reductions in the value of the trust assets, less taxes payable, provided that such liability will not apply to any claims by a third party or prospective target business who executed a waiver of any and all rights to the monies held in the Trust Account (whether or not such waiver is enforceable) nor did it apply to any claims under the Company's indemnity of the underwriters of the Public Offering against certain liabilities, including liabilities under the Securities Act. However, the Company has not asked the Sponsor to reserve for such indemnification obligations, nor has the Company independently verified whether the Sponsor has sufficient funds to satisfy its indemnity obligations and the Company believes that the Sponsor's only assets are securities of the Company. Therefore, the Company cannot assure you that the Sponsor would be able to satisfy those obligations.

Proposed Business Combination

On January 17, 2024, the Company, entered into a Business Combination Agreement (the "Business Combination Agreement"), by and among Aeroflow Urban Air Mobility Private Limited, a private limited company incorporated under the laws of India and a direct wholly owned subsidiary of PubCo ("IndiaCo"), Hunch Technologies Limited, a private limited company incorporated in Ireland with registered number 607449 ("PubCo"), FlyBlade (India) Private Limited, a private limited company incorporated under the laws of India ("Hunch Mobility"), and HTL Merger Sub LLC, a Delaware limited liability company and a direct wholly owned subsidiary of PubCo ("Merger Sub").

The transactions contemplated by the Business Combination Agreement, including the Merger (as defined below), and the transactions contemplated by the related transaction documents contemplated by the Business Combination Agreement (collectively, the "Transactions"), will constitute a Business Combination as contemplated by the Company's Amended and Restated Certificate of Incorporation filed with the Delaware Secretary of State on August 23, 2021 (as amended on March 27, 2023). The Merger and the Transactions were unanimously approved by the board of directors of the Company on January 17, 2024.

The Business Combination Agreement

Reorganization Transactions

Prior to the execution of the Business Combination Agreement, PubCo, IndiaCo and Hunch Mobility consummated a series of reorganization transactions pursuant to which, among other things, Hunch Mobility transferred all of its assets and liabilities (other than certain excluded assets and liabilities) to IndiaCo on a slump sale basis as a going concern.

In connection with the Merger, prior to the closing of the Transactions (the "Closing"), PubCo will complete a reorganization (such transactions, the "Pre-Closing Reorganization"), pursuant to which, among other things, (i) after receipt of applicable governmental and regulatory consents, Hunch Mobility shall transfer all of the equity securities of Transhermes Aero IFSC Private Limited, a wholly owned subsidiary of Hunch Mobility

incorporated in Gujarat International Finance Tec-City under the (Indian) International Financial Services Centres Authority Act, 2019 to IndiaCo, (ii) Hunch Mobility shall promptly undertake any and all steps necessary to complete its voluntary liquidation/winding-up process in accordance with applicable law and (iii) PubCo shall consummate a reverse share split, pursuant to which all equity securities of PubCo will, following the consummation of the Pre-Closing Reorganization and immediately prior to the Merger, be consolidated and result in the aggregate number of Class A ordinary shares in the share capital of PubCo (the "PubCo Class A Ordinary Shares") and Class B ordinary shares in the share capital of PubCo (the "PubCo Class B Ordinary Shares") issued and outstanding on a fully-diluted, as converted and as exercised basis (excluding equity securities issued or issuable pursuant to the Convertible Note (as defined below)) being equal to the Pre-Closing Reorganization Consideration, which, in the aggregate, is anticipated to be equal to approximately $150 million.

The Merger

Following the Pre-Closing Reorganization and pursuant to the Business Combination Agreement, at the Closing, Merger Sub will merge with and into the Company (the "Merger"), pursuant to which the separate corporate existence of Merger Sub will cease, with the Company being the surviving corporation and becoming a wholly owned subsidiary of PubCo.

In connection with the Merger, each (i) share of Class A common stock of the Company, par value $0.0001 per share (each, a "DSAQ Class A Share"), (ii) share of Class B common stock of the Company, par value $0.0001 per share (each, a "DSAQ Class B Share"), and (iii) convertible preferred share of the Company that will be issued pursuant to the Investor Subscription Agreement (as defined below) (each, a "DSAQ Preferred Share" and together with the DSAQ Class A Shares and DSAQ Class B Shares, the "DSAQ Shares"), issued and outstanding immediately prior to the effective time of the Merger (the "Effective Time"), other than those held in treasury, will be automatically cancelled and extinguished and converted into the right to receive: (A) with respect to each DSAQ Class A Share and DSAQ Class B Share, one (1) PubCo Class A Ordinary Share, one (1) CVR I, one (1) CVR II and one (1) CVR III, which are described in further detail below, and (B) with respect to each DSAQ Preferred Share, one (1) PubCo Preferred Share. All DSAQ Shares held in treasury will be canceled and extinguished without consideration.

Each unit of the Company issued in the IPO that is outstanding immediately prior to the Effective Time will be automatically separated and the holder thereof will be deemed to hold one (1) DSAQ Class A Share and one-half (1/2) of a public warrant of the Company, which underlying securities will be converted as described above.

At the Effective Time, unless otherwise amended by the DSAQ Warrant Amendment, without any further action, each warrant of the Company that is outstanding immediately prior to the Effective Time shall remain outstanding but shall be assumed by PubCo and automatically adjusted to become (A) with respect to each public warrant of the Company, one (1) public warrant of PubCo and (B) with respect to each private placement warrant of the Company, one (1) private placement warrant of PubCo, each of which shall be subject to substantially the same terms and conditions applicable prior to such conversion; except that each such warrant shall be exercisable (or will become exercisable in accordance with its terms) for (i) one (1) PubCo Class A Ordinary Share, (ii) one (1) CVR I, (iii) one (1) CVR II and (iv) one (1) CVR III, in lieu of DSAQ Class A Shares (subject to the PubCo warrant agreement). If the DSAQ Warrant Amendment is approved, then immediately prior to the Effective Time, each warrant of the Company will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) warrants are held).

Registration Statement/Proxy Statement

In connection with the Transactions, the Company and PubCo will prepare and file a registration statement on FormF-4 (the "Registration Statement/Proxy Statement") with the SEC, which will include a prospectus of PubCo and a proxy statement/prospectus for the Company's stockholder meeting to solicit the vote of the Company's stockholders to, among other things, adopt the Business Combination Agreement and approve the Transactions.

In addition, as promptly as practicable following the time at which the Registration Statement/Proxy Statement is declared effective under the Securities Act, the Company will solicit the vote or consent of registered holders of warrants of the Company to adopt and approve an amendment to the Company's warrant agreement to provide that, effective immediately prior to the Effective Time, each warrant of the Company will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) warrants are held).

Representations, Warranties and Covenants

The parties to the Business Combination Agreement have made representations, warranties and covenants that are customary for transactions of this nature. The representations and warranties of the respective parties to the Business Combination Agreement will not survive the Closing. The covenants of the respective parties to the Business Combination Agreement will also not survive the Closing, except for those covenants that by their terms expressly apply in whole or in part after the Closing.

In connection with the foregoing, the Company, through its board of directors, shall recommend to the Company's stockholders and warrant holders the adoption and approval of the Business Combination Agreement and the transactions contemplated thereby (including the Merger), and the approval and adoption of the DSAQ Warrant Amendment, respectively. Notwithstanding the foregoing, if, at any time prior to obtaining the requisite approval of the Company's stockholders with respect to the Business Combination, the Company's board of directors determines in good faith, after consultation with its outside legal counsel, that a Blade Group Material Adverse Effect has occurred on or after the date of the Business Combination Agreement and, as a result, the failure to change its recommendation would be inconsistent with the board of directors' fiduciary duties under applicable law, the Company's board of directors may effect a change of recommendation, subject to certain conditions.

Exclusivity

Each of the Company, PubCo, IndiaCo, Hunch Mobility and Merger Sub has agreed that from the date of the Business Combination Agreement to the earlier of the closing of the Merger and the termination of the Business Combination Agreement, no party will: (i) solicit, initiate, encourage (including by means of furnishing or disclosing information), knowingly facilitate (including by commencing due diligence), discuss or negotiate, directly or indirectly, any inquiry, proposal or offer (written or oral) with respect to an alternative transaction, (ii) furnish or disclose any non-public information to any person in connection with, or that could reasonably be expected to lead to, an alternative transaction, (iii) enter into any contract or other arrangement or understanding regarding an alternative transaction, (iv) make any filings with the SEC in connection with a public offering of any equity securities or other securities of the Blade Group (or any affiliate or successor of the Blade Group) or (v) otherwise cooperate in any way with, or assist or participate in, or knowingly facilitate or encourage any effort or attempt by any person (other than the Principal Shareholders and the Blade Group) to do or seek to do any of the foregoing or seek to circumvent such covenant or further any alternative transaction.

Conditions to Closing

Mutual Conditions

The obligations of the parties to the Business Combination Agreement to consummate the Transactions are conditioned upon the following mutual conditions:

a) the absence of any law or other legal restraint or prohibition issued by any court of competent jurisdiction or other governmental authority preventing the consummation of the Transactions;

b) the effectiveness under the Securities Act of 1933, as amended (the "Securities Act"), of the Registration Statement/Proxy Statement and that no stop order will have been issued by the SEC and remain in effect with respect to the Registration Statement/Proxy Statement;

c) obtaining, at the special meeting of Company stockholders where a quorum is present, the vote of the holders of a majority of the outstanding DSAQ Shares entitled to vote thereon to adopt and approve the Business Combination Agreement and the transactions contemplated thereby (including the Merger);

d) the PubCo Class A Ordinary Shares that constitute the consideration for the Business Combination having been approved for listing on a stock exchange, subject only to notice of issuance;

e) the entry by PubCo into a composition agreement with the Revenue Commissioners of Ireland and a special eligibility agreement for securities with the Depositary Trust Company in respect of PubCo Class A Ordinary Shares and, if the Company's warrants are assumed pursuant to the Business Combination Agreement, PubCo warrants, both of which shall be in full force and effect and enforceable in accordance with their respective terms; and

f) PubCo, Sponsor, and the Principal Shareholders (as defined below) shall have executed a registration rights agreement, containing customary demand and piggyback registration rights, in a form reasonably acceptable to PubCo, the Sponsor and the Principal Shareholders.

Conditions of PubCo, IndiaCo, Hunch Mobility and Merger Sub

The obligations of PubCo, IndiaCo, Hunch Mobility and Merger Sub to consummate the Transactions are conditioned upon, among other things:

a) the consummation of the transactions contemplated by the Investor Subscription Agreement (as defined below); and

b) An affiliate of Investor (as defined below) being the beneficial owner of at least955,100 DSAQ Class A Shares and not electing to have such DSAQ Class A Shares redeemed by the Company in connection with the Company's special meeting.

Conditions of the Company

The obligations of the Company to consummate the Transactions are conditioned upon, among other things:

b) the absence of a Blade Group Material Adverse Effect;

b) the Pre-Closing Reorganization having been completed; and

c) the consummation of the transactions contemplated by the Hunch Subscription Agreement.

Termination

The Business Combination Agreement may be terminated at any time prior to the Closing by mutual written consent of the Company and PubCo and in certain other circumstances, including if the Closing has not occurred on or prior to March 28, 2024 (subject to automatic extension to June 28, 2024 in the event that the Company obtains an extension of the deadline by which the Company must complete a business combination in accordance with its governing documents) and the primary cause of the failure for the Closing to have occurred on or prior to such date is not due to a breach of the Business Combination Agreement by the party seeking to terminate.

Note Purchase Agreement and Convertible Notes

Concurrently with the execution and delivery of the Business Combination Agreement, PubCo entered into a convertible note purchase agreement (the "Note Purchase Agreement") with an investor with majority economic, non-voting interest in the Sponsor ("Investor" or the "Holder"), and IndiaCo, pursuant to which PubCo will issue to the Holder three senior unsecured convertible notes with an aggregate principal amount of $3,000,000 (each a "Convertible Note", and together the "Convertible Notes"). Within twenty-four (24) hours of the execution of the Business Combination Agreement, or at such other time and place upon which the parties shall agree in writing (the "Initial Closing Date"), PubCo shall execute and deliver a Convertible Note with an aggregate principal amount of $1,000,000 to the Holder, which is automatically convertible into100,000 PubCo Preferred Shares upon the Effective Time (the "Initial Convertible Note"). Following the Initial Closing Date, PubCo shall execute and deliver, and the Holder shall fund, two additional Convertible Notes in two monthly installments at subsequent closings (each an "Installment Closing"). The two Installment Closings shall be held: (i) on the day one (1) month following the Initial Closing Date and (ii) on the day two (2) months following the Initial Closing Date, at such time and place as shall be approved by PubCo and the Holder, with an additional aggregate principal amount of $2,000,000 on the same terms and conditions as those contained in the Initial Convertible Note. The PubCo Preferred Shares issuable upon conversion of the Convertible Notes, pursuant to their terms, shall be convertible into PubCo Class A Ordinary Shares. Interest shall accrue on the unpaid principal balance of each Convertible Note, together with any interest accrued but unpaid thereon (the "Outstanding Amount"), at an annual rate equal to 10% per annum, until the Outstanding Amount is paid or the closing of the Business Combination. Each Convertible Note's first interest payment date will be the first three-month anniversary of the date of each respective Convertible Note. Pursuant to the Note Purchase Agreement, the proceeds from the issuance of the Convertible Notes will be used: (i) up to $750,000 solely for working capital purposes for the operation of IndiaCo's business, (ii) the remaining aggregate proceeds of the Convertible Notes other than the proceeds used in accordance with clause (i) solely for the acquisition of aircraft and (iii) in each case of clauses (i) and (ii) in compliance with all applicable laws.

The Outstanding Amount of each Convertible Note shall be automatically due and payable in full on the date that is the earlier of (1) three (3) business days following the termination of the Business Combination Agreement and (2) 363 days from the date of issuance of each respective Convertible Note (as applicable, the "Maturity Date"). If PubCo fails to pay any amount due pursuant to each Convertible Note within five business days of each respective Maturity Date, interest shall accrue at the rate of 17% per annum on the Outstanding Amount until the entire Outstanding Amount is paid in full.

Investor Subscription Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Company entered into a subscription agreement (the "Investor Subscription Agreement") with Investor.

Pursuant to the Investor Subscription Agreement, Investor agreed to subscribe for and purchase, and the Company agreed to issue and sell to Investor, immediately prior to the Closing, an aggregate of 700,000 DSAQ Preferred Shares for a purchase price of $10.00 per share, for aggregate gross proceeds of $7,000,000.

The closing of the Investor Subscription Agreement will be conditioned on (i) the consummation of the transactions contemplated by the Hunch Subscription Agreement and (ii) the consummation of additional investments in an aggregate investment amount of $12,000,000 ("Minimum Additional Investment"), for DSAQ Preferred Shares, DSAQ Class A Shares, PubCo Preferred Shares or PubCo Ordinary Shares, issued to investors (the "Additional Investors"), on terms and conditions that are not materially more advantageous to any such Additional Investors than Investor hereunder, unless such terms and conditions are consented to by Investor. For avoidance of doubt, the Minimum Additional Investment shall not include any investments pursuant to the Investor Subscription Agreement, the acquisition of the Retained Shares (as defined the Investor Subscription Agreement) or the Hunch Subscription Agreement.

The Investor Subscription Agreement contains customary conditions to closing, including, among other things, the consummation of the Business Combination. The Investor Subscription Agreement also provides that the Company will grant Investor certain customary registration rights.

Hunch Subscription Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, Quick Response Services Provider LLP ("QRSP") entered into a subscription agreement (the "Hunch Subscription Agreement") with PubCo.

Pursuant to the Hunch Subscription Agreement, QRSP agreed to subscribe for and purchase, and PubCo agreed to issue and sell to QRSP, immediately prior to the Closing, an aggregate of 300,000 PubCo Preferred Shares for a purchase price of $10.00 per share, for aggregate gross proceeds of $3,000,000.

The closing of the Hunch Subscription Agreement will be conditioned on the consummation of the transactions contemplated by the Investor Subscription Agreement. The Hunch Subscription Agreement also contains customary conditions to closing, including, among other things, the consummation of the Business Combination. The Hunch Subscription Agreement also provides that PubCo will grant QRSP certain customary registration rights.

Principal Shareholder Support Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Company, Quick Response Services Provider LLP, a limited liability partnership incorporated under the laws of India ("Hunch"), and Blade Urban Air Mobility Inc., a Delaware corporation (together with Hunch, the "Principal Shareholders" and each, a "Principal Shareholder"), and PubCo have entered into that Principal Shareholder Support Agreement (the "Principal Shareholder Support Agreement") pursuant to which each Principal Shareholder has agreed, among other things: (i) to support and vote or consent to the requisite transaction proposals and (ii) not to transfer any equity security of PubCo until the earlier to occur of (a) the Closing, (b) such date and time as the Business Combination Agreement is validly terminated in accordance with its terms and (c) the mutual agreement of the parties thereto, in each case subject to the terms and conditions set forth therein.

Sponsor Support Agreement

Concurrently with the execution and delivery of the Business Combination Agreement, the Sponsor, the Company, PubCo and, for certain limited purposes, certain of the Company's directors, executive officers and affiliates (such individuals, the "Insiders") have entered into a Sponsor Support Agreement (the "Sponsor Support Agreement").

Pursuant to the Sponsor Support Agreement, the Sponsor has, among other things, agreed to (i) support and vote in favor of the requisite transaction proposals; (ii) waive all adjustments to the conversion ratio set forth in Company's amended and restated certificate of incorporation with respect to its DSAQ Class B Shares, (iii) be bound by certain transfer restrictions with respect to their DSAQ Class B Shares and the warrants of the Company, as applicable, prior to Closing and (iv) the forfeiture, transfer or conversion into DSAQ Class A Shares, as applicable of warrants of the Company under the terms and conditions set forth therein. Specifically, the Sponsor has agreed to make available up to 9,950,000 private placement warrants of the Company (or, if the DSAQ Warrant Amendment is approved, the PubCo Class A Ordinary Shares corresponding thereto) to existing stockholders of the Company in exchange for such stockholders agreeing not to redeem their DSAQ Class A Shares in connection with the Company's stockholder meeting. If less than all such private placement warrants (or, if the DSAQ Warrant Amendment is approved, the PubCo Class A Ordinary Shares corresponding

thereto) are so transferred, then the Sponsor shall (i) retain 50% of such private placement warrants not so transferred and (ii) forfeit 50% of such private placement warrants not so transferred. If the DSAQ Warrant Amendment is not approved, any such retained private placement warrants may, at the Sponsor's election, be surrendered to the Company prior to the Closing in exchange for one (1) DSAQ Class A Share for every five (5) private placement warrants so surrendered. If the DSAQ Warrant Amendment is approved, each such private placement warrant retained will automatically convert into one-fifth (1/5) of one DSAQ Class A Share (with no fractional shares being issued if less than five (5) warrants are held).

Contingent Value Rights Agreement

Concurrently with the consummation of the Business Combination Agreement, PubCo will enter into a Contingent Value Rights Agreement (the "CVR Agreement") with a rights agent ("Rights Agent") pursuant to which the holders of DSAQ Class A Shares and DSAQ Class B Shares outstanding as of immediately prior to the Effective Time will receive one (1) CVR I, one (1) CVR II and one (1) CVR III (each, a "CVR") for each one whole DSAQ Share held by such stockholder on such date. Each CVR I represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR I shall be exercised automatically upon PubCo's delivery of the CVR Payment Notice (as defined in the CVR Agreement) to the Rights Agent, notifying the Rights Agent that, during the 12 month period ending on the final day of the month in which the second anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $50 million. Each CVR II represents the right of the holder thereof to receive its pro rata share of 2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR II shall be exercised automatically upon PubCo's delivery of the CVR Payment Notice to the Rights Agent, notifying the Rights Agent that, during the 12 month period ending on the final day of the month in which the third anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $142 million. Each CVR III represents the right of the holder thereof to receive its pro rata share of2,000,000 newly issued PubCo Class A Ordinary Shares, and each CVR III shall be exercised automatically upon PubCo's delivery of the CVR Payment Notice, notifying the Rights Agent that, during the 12 month period ending on the final day of the month in which the fourth anniversary of the Closing occurs, the consolidated revenues of PubCo and its subsidiaries was less than $263 million.

The contingent payments under the CVR Agreement, if they become payable, will become payable to the Rights Agent for subsequent distribution to the holders of the CVRs. There can be no assurance that any payment of any PubCo Ordinary Shares will be made or that any holders of CVRs will receive any amounts with respect thereto.

The right to the contingent payments contemplated by the CVR Agreement is a contractual right only. The CVRs will not be evidenced by a certificate or other instrument. The CVRs will not be transferable. The CVRs will not have any voting or dividend rights and will not represent any equity or ownership interest in PubCo or any of its affiliates. No interest will accrue on any amounts payable in respect of the CVRs.

Emerging Growth Company

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that an emerging growth company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Risks and Uncertainties

Inflation Reduction Act of 2022

On August 16, 2022, the Inflation Reduction Act of 2022 (the "IR Act") was signed into law. The IR Act provides for, among other things, a new U.S. federal 1% excise tax on certain repurchases (including redemptions and economically similar transactions) of stock by publicly traded U.S. corporations on or after January 1, 2023. Because we are a Delaware corporation and our securities are trading on the New York Stock Exchange, we are a "covered corporation" within the meaning of the IR Act. The excise tax is imposed on the repurchasing corporation itself, not its stockholders from which shares are repurchased (although it may reduce the amount of cash distributable in a current or subsequent redemption). The amount of the excise tax is generally 1% of the fair market value of the shares repurchased, determined at the time of the repurchase. Corporations are permitted to net the fair market value of certain new stock issuances by such corporation against the fair market value of stock repurchases (or deemed repurchases) during the same taxable year to reduce or eliminate the amount of excise tax that would otherwise apply. In addition, certain exceptions apply to the excise tax. The U.S. Department of the Treasury (the "Treasury") has authority to provide regulations and other guidance to carry out, and prevent the abuse or avoidance of, the excise tax.

Whether and to what extent we would be subject to the excise tax will depend on a number of factors, including (i) whether the redemption is treated as a repurchase of stock for purposes of the excise tax, (ii) the fair market value of the redemptions treated as repurchases in connection with a Business Combination, (iii) the structure of a Business Combination and whether any such transaction closes, (iv) the nature and amount of any private investment in public equity ("PIPE") or other equity issuances in connection with a Business Combination (or otherwise issued not in connection with a Business Combination but issued within the same taxable year of a Business Combination), (v) whether we consummate a Business Combination, and (vi) the content of regulations and other guidance issued by the Treasury. It is possible that the Company will be subject to the excise tax with respect to any subsequent redemptions, including redemptions in connection with a Business Combination, that are treated as repurchases for this purpose (other than, pursuant to recently issued guidance from the Treasury, redemptions in complete liquidation of the Company). As mentioned, the excise tax is imposed on the repurchasing corporation itself, not the stockholders from which stock is repurchased. The

imposition of the excise tax (including as a result of holders of public shares electing to exercise their redemption rights in connection with a Business Combination) could, however, reduce the amount of cash available to the Company to pay redemptions (or the cash contribution to the target business in connection with a Business Combination, which could hinder the Company's ability to complete a Business Combination or cause the other shareholders of the combined company to economically bear the impact of such excise tax).

For the year ended December 31, 2023 and 2022, the Company has recognized $1,829,791 and $0, respectively, in excise tax payable related to share redemptions. In accordance with ASC340-10-S99-1, the liability does not impact the statements of operations and is offset against accumulated deficit because additional paid-in capital is not available.

Liquidity and Capital Resources

As of December 31, 2023, the Company had $467,309 in its operating bank account and a working capital deficit of $10,679,799.

The Company has entered into promissory notes and working capital loans with the Sponsor for a total of $6,155,985. These Notes bear no interest and are due upon liquidation or consummation of an initial Business Combination. If the Company completes an initial Business Combination, the Company would repay such loaned amounts out of the proceeds of the Trust Account released to the Company. Otherwise, such loans would be repaid only out of funds held outside the Trust Account. In the event that the initial Business Combination does not close, the Company may use a portion of the working capital held outside the Trust Account to repay such loaned amounts but no proceeds from the Trust Account would be used to repay such loaned amounts. Up to $1,500,000 of such loans may be convertible into warrants, at a price of $1.00 per warrant at the option of the lender.

As of the date of this filing, the Company has until April 28, 2024, unless otherwise extended pursuant to the Charter and with a monthly additional deposit of $160,000 to the Trust Account, to consummate an initial Business Combination.

It is uncertain that the Company will be able to consummate an initial Business Combination within 12 months from the issuance date of these financial statements or obtain additional funding. If an initial Business Combination is not consummated by the required date, there will be a mandatory liquidation and subsequent dissolution. In the event of a dissolution, we anticipate a shortfall of liquidity. Our anticipated shortfall of sufficient liquidity to meet our current and future estimated financial obligations raises substantial doubt about our ability to continue as a going concern for a period of time within one year after the date that the accompanying financial statements are issued. We plan to address this uncertainty through working capital loans and through consummation of our initial Business Combination. There is no assurance that working capital loans will be available to us or that our plans to consummate an initial Business Combination will be successful.

Note 2 — Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States of America ("US GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC").

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statement, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. The Company had $467,309 and $1,151,319 in cash and did not have any cash equivalents as of December 31, 2023 or December 31, 2022.

Cash and Investments Held in Trust Account

At December 31, 2023, the Trust Account included a demand deposit account and at December 31, 2022 investments were substantially held in a money market fund characterized as Level 1 investments within the fair value hierarchy under ASC 820 (as defined below).

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of a cash accounts in financial institution, which, at times, may exceed the Federal Deposit Insurance Corporation coverage limit of $250,000. At December 31, 2023 and 2022, the Company has not experienced losses on this account and management believes the Company is not exposed to significant risks on such account.

Class A Common Stock Subject to Possible Redemption

As discussed in Note 3, all of the Class A common stock contain a redemption feature which allows for the redemption of such Public Shares in connection with the Company's liquidation, if there is a stockholder vote or tender offer in connection with the Business Combination and in connection with certain amendments to the Company's Charter. In accordance with ASC480-10-S99, conditionally redeemable Class A common stock (including shares of Class A common stock that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) are classified as temporary equity. Ordinary liquidation events, which involve the redemption and liquidation of all of the entity's equity instruments, are excluded from the provisions of ASC 480. Accordingly, on December 31, 2023 and 2022, 5,595,494 and 23,000,000 shares of Class A common stock subject to possible redemption at the redemption amount were presented at redemption value as temporary equity, outside of the stockholders' deficit section of the Company's balance sheets, respectively.

The Company recognizes changes in redemption value immediately as they occur and adjusts the carrying value of redeemable common stock to equal the redemption value ($11.06 and $10.40 per share at December 31, 2023 and 2022, respectively) at the end of each reporting period. Such changes are reflected in additional paid-in capital, or in the absence of additional capital, in accumulated deficit.

Net (Loss) Income Per Share of Common Stock

The Company has two classes of common stock, which are referred to as Class A common stock and Class B common stock. Earnings and losses are shared pro rata between the two classes of common stock. The 23,200,000 potential common stock for outstanding warrants to purchase the Company's shares were excluded from diluted earnings per share of common stock for the year ended December 31, 2023 and 2022, because the warrants are contingently exercisable, and the contingencies have not yet been met. As a result, diluted net (loss) income per share of common stock is the same as basic net (loss) income per share of common stock for the periods. The table below presents a reconciliation of the numerator and denominator used to compute basic and diluted net (loss) income per share of common stock for each class of common stock.

	For the Year Ended December 31,	
	2023	2022
Net (loss) income	$ (269,906)	$ 11,578,910
Accretion of temporary equity to redemption value	(5,082,534)	(4,685,445)
Net (loss) income including accretion of temporary equity to redemption value	$ (5,352,440)	$ 6,893,465

	For the Year Ended December 31,			
	2023		2022	
	Class A	Class B	Class A	Class B
Basic and diluted net (loss) income per share of common stock:				
Numerator:				
Allocation of net (loss) income including accretion of temporary equity	$(3,328,715)	$(2,023,725)	$ 5,514,772	$1,378,693
Denominator:				
Weighted-average shares outstanding	9,457,864	5,750,000	23,000,000	5,750,000
Basic and diluted net (loss) income per share of common stock	$ (0.35)	$ (0.35)	$ 0.24	$ 0.24

Fair Value of Financial Instruments

The fair value of the Company's assets and liabilities, other than the warrant liabilities, which qualify as financial instruments under the FASB ASC 820, "Fair Value Measurements and Disclosures," approximates the carrying amounts represented in the balance sheets, primarily due to their short-term nature. As of December 31, 2023 and 2022, the Company reported warrants issued at the consummation of the Public Offering at their fair value.

Fair Value Measurements

Fair value is defined as the price that would be received for sale of an asset or paid for transfer of a liability, in an orderly transaction between market participants at the measurement date. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices (unadjusted) for identical instruments in active markets;

- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

In some circumstances, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In those instances, the fair value measurement is categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

Derivative Financial Instruments

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives in accordance with ASC Topic 815, "Derivatives and Hedging". For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value on the grant date and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date. The Company has determined its public warrants, Private Placement Warrants, and Working Capital Loans Conversion Option are derivative instruments.

Warrants

The Company accounts for the 23,200,000 warrants issued in connection with the Public Offering and Private Placement Warrants in accordance with the guidance contained in FASB ASC 815 "Derivatives and Hedging" whereby under that provision the warrants do not meet the criteria for equity treatment and must be recorded as a liability. Accordingly, the Company classifies the warrant instruments as a liability at fair value and adjusts the instruments to fair value at each reporting period. This liability will be re-measured at each balance sheet date until the warrants are exercised or expire, and any change in fair value will be recognized in the Company's statements of operations. At December 31, 2023 and 2022, the Company recognized a warrant liability of $232,000 and $928,000, respectively, to present the Public Warrants and Private Placement Warrants at fair value. Derivative warrant liabilities are classified as non-current liabilities as their liquidation is not reasonably expected to require the use of current assets. Such warrant classification is also subject to re-evaluation at each reporting period.

Working Capital Loan Conversion Option

One of the Company's working capital loans was entered into on December 28, 2022, whereby the Sponsor agreed to loan the Company $2,300,000. At the option of the Sponsor, up to $1,500,000 of the Convertible Note may be converted into warrants of the Company at a price of $1.00 per warrant (1,500,000 warrants) with each Warrant exercisable for one share of Class A common stock, $0.0001 par value per share ("Convertible Note" or "Working Capital Loan"). The warrants would be identical to the Private Placement Warrants, including as to exercise price, exercisability and exercise period. As of December 31, 2023 and 2022, there was $2,300,000 outstanding under the Working Capital Loan. This amount is included on the balance sheet as Working Capital loan. The Working Capital Loan Conversion Option qualifies as an embedded derivative under ASC 815 and is required to be reported at fair value. As of December 31, 2023 and 2022, the value of the Working Capital Loan Conversion Option was $0.

Income Taxes

The Company accounts for income taxes under FASB ASC 740, "Income Taxes" ("ASC 740"). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statement and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized.

ASC 740 also clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim period, disclosure and transition.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of December 31, 2023 and 2022. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company has identified the United States as its only "major" tax jurisdiction.

The Company is subject to income tax examinations by major taxing authorities since inception. These examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with federal and state tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Recent Accounting Standards

In August 2020, the FASB issued Accounting Standards Update ("ASU")No. 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging —Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity ("ASU 2020-06"), which simplifies accounting for convertible instruments by removing major separation models required under current GAAP. The ASU also removes certain settlement conditions that are required for equity-linked contracts to qualify for the derivative scope exception, and it simplifies the diluted earnings per share calculation in certain areas. The provisions of ASU 2020-06 are applicable for fiscal years beginning after December 15, 2023, with early adoption permitted no earlier than fiscal years beginning after December 15, 2020. The Company does not believe adoption of ASU 2020-06 on January 1, 2024 will have a significant impact on its consolidated financial statements.

In December 2023, the FASB issued ASU2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures (ASU2023-09), which requires disclosure of incremental income tax information within the rate reconciliation and expanded disclosures of income taxes paid, among other disclosure requirements. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company's management does not believe the adoption of ASU 2023-09 will have a material impact on its consolidated financial statements and disclosures.

The Company's management does not believe that any other recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying financial statements.

Note 3 — Common Stock Subject to Redemption

All of the Class A common stock contain a redemption feature which allows for the redemption of such Public Shares in connection with the Company's liquidation, if there is a stockholder vote or tender offer in connection with the Business Combination and in connection with certain amendments to the Company's Charter. In accordance with SEC and its staff's guidance on redeemable equity instruments, which has been codified in ASC 480-10-S99, redemption provisions not solely within the control of the Company require common stock subject to redemption to be classified outside of permanent equity.

If it is probable that the equity instrument will become redeemable, the Company has the option to either accrete changes in the redemption value over the period from the date of issuance (or from the date that it becomes probable that the instrument will become redeemable, if later) to the earliest redemption date of the instrument or to recognize changes in the redemption value immediately as they occur and adjust the carrying amount of the instrument to equal the redemption value at the end of each reporting period. The Company recognizes changes in redemption value immediately as they occur. The change in the carrying value of redeemable common stock resulted in charges against additional paid-in capital and accumulated deficit.

As of December 31, 2023 and 2022, the Class A common stock reflected on the balance sheets are reconciled in the following table:

Class A common stock subject to possible redemption	Shares	**Amount**
January 1, 2022	23,000,000	**$ 234,600,000**
Plus:		
Accretion to redemption value from earnings		2,385,445
Accretion to redemption value from additional funding		2,300,000
December 31, 2022	23,000,000	**239,285,445**
Less:		
Redemptions	17,404,506	(182,460,109)
Plus:		
Accretion of carrying value to redemption value		3,482,534
Accretion to redemption value from additional funding		1,600,000
December 31, 2023	5,595,494	**$ 61,907,870**

Public Warrants

Each whole Public Warrant entitles the holder to purchase one share of the Company's Class A common stock at a price of $11.50 per share, subject to adjustment. In addition, if (x) the Company issues additional shares of Class A common stock or equity-linked securities for capital raising purposes in connection with the closing of the initial Business Combination at an issue price or effective issue price of less than $9.20 per share of Class A common stock (with such issue price or effective issue price to be determined in good faith by the Company's board of directors and, in the case of any such issuance to the Sponsor or its affiliates, without taking into account any founder shares held by the Sponsor or its affiliates, as applicable, prior to such issuance) (the "Newly Issued Price"), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of the initial Business Combination on the date of the consummation of the initial Business Combination (net of redemptions), and (z) the volume weighted average trading price of the Class A common stock during the 20 trading day period starting on the trading day after the day on which the Company consummates its initial Business Combination (such price, the "Market Value") is below $9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, and the $18.00 per share redemption trigger price described below under "Redemption of Public Warrants for Cash" will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price.

The Public Warrants will expire at 5:00 p.m., New York City time on the warrant expiration date, which is five years after the completion of the initial Business Combination or earlier upon redemption or liquidation. On the exercise of any Public Warrant, the warrant exercise price will be paid directly to the Company and not placed in the Trust Account.

The Company will not be obligated to deliver any Class A common stock pursuant to the exercise of a Public Warrant and will have no obligation to settle such Public Warrant exercise unless a registration statement under the Securities Act with respect to the Class A common stock underlying the warrants is then effective and a prospectus relating thereto is current, subject to the Company's satisfying the Company's obligations described below with respect to registration. No Public Warrant will be exercisable and the Company will not be obligated to issue a share of Class A common stock upon exercise of a Public Warrant unless the share of Class A common stock issuable upon such warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of such Public Warrant. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a Public Warrant, the holder of such Public Warrant will not be entitled to exercise such Public Warrant and such Public Warrant may have no value and expire worthless. In no event will the Company be required to net cash settle any Public Warrant. In the event that a registration statement is not effective for the exercised Public Warrants, the purchaser of a Unit containing such Public Warrant will have paid the full purchase price for the Unit solely for the share of Class A common stock underlying such Unit.

The Company has agreed that as soon as practicable, but in no event later than15 business days after the closing of the initial Business Combination, the Company will use its best efforts to file with the SEC and have an effective registration statement covering the shares of Class A common stock issuable upon exercise of the Public Warrants and to maintain a current prospectus relating to those shares of Class A common stock until the Public Warrants expire or are redeemed, as specified in the warrant agreement. If a registration statement covering the Class A common stock issuable upon exercise of the Public Warrants is not effective by the 60th business day after the closing of the initial Business Combination, Public Warrant holders may, until such time as there is an effective registration statement and during any period when the Company will have failed to maintain an effective registration statement, exercise Public Warrants on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act or another exemption. Notwithstanding the above, if the shares of Class A common stock are at the time of any exercise of a Public Warrant not listed on a national securities exchange such that they satisfy the definition of a "covered security" under Section 18(b)(1) of the Securities Act, the Company may, at its option, require holders of Public Warrants who exercise their Public Warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act and, in the event the Company so elect, it will not be required to file or maintain in effect a registration statement, and in the event the Company does not so elect, it will use its best efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

Redemption of Public Warrants for Cash

Once the Public Warrants become exercisable, the Company may redeem the outstanding Public Warrants:

- in whole and not in part;
- at a price of $0.01 per warrant;
- upon not less than 30 days' prior written notice of redemption to each warrant holder; and
- if, and only if, the closing price of the common stock equals or exceeds $18.00 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant for any 20 trading days within a 30-trading day period ending three trading days before the Company sends the notice of redemption to the warrant holders.

The Company will not redeem the Public Warrants as described above unless an effective registration statement under the Securities Act covering the Class A common stock issuable upon exercise of the Public Warrants is effective and a current prospectus relating to those shares of Class A common stock is available throughout the 30 day redemption period, except if the Public Warrants may be exercised on a cashless basis and such cashless exercise is exempt from registration under the Securities Act. If and when the Public Warrants become redeemable by the Company, they may exercise their redemption right even if they are unable to register or qualify the underlying securities for sale under all applicable state securities laws.

Note 4 — Related Party Transactions

Founder Shares

On June 7, 2021, the Sponsor paid $25,000 of deferred offering costs on behalf of the Company in exchange for5,750,000 shares of the Company's Class B common stock (the "Founder Shares").

The initial stockholders, officers and directors have agreed not to transfer, assign or sell any Founder Shares held by them until the earlier to occur of: (1) one year after the completion of the initial Business Combination; or (2) the date on which the Company completes a liquidation, merger, stock exchange, reorganization or other

similar transaction after the initial Business Combination that results in all of the public stockholders having the right to exchange their shares of common stock for cash, securities or other property. Any permitted transferees would be subject to the same restrictions and other agreements the Sponsor with respect to any Founder Shares (the "Lock-up"). Notwithstanding the foregoing, if the closing price of the Class A common stock equals or exceeds $12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days after the initial Business Combination, the founder shares will be released from the lock-up.

Promissory Note — Related Party

In May 2023 the Company formalized a promissory note with the Sponsor. As of December 31, 2023, the Company had borrowed $3,855,985 under the promissory note ("Note"). The Note does not bear interest and matures upon closing of the Company's Business Combination. In the event that the Company does not complete a Business Combination, the Note will be repaid only from funds held outside of the Trust Account established in connection with the Company's IPO, or will be forfeited, eliminated or otherwise forgiven. The Note is subject to customary events of default, the occurrence of which automatically trigger the unpaid principal balance of the Note and all other sums payable with regard to the Note becoming immediately due and payable.

Working Capital Loans

On December 28, 2022, the Company issued the Convertible Note in the principal amount of $2,300,000. The Convertible Note is non-interest bearing, unsecured and due at the time of an initial Business Combination. If a Business Combination is not completed, the Company may not use funds in the Trust Account to repay the Convertible Note. Additionally, upon consummation of a Business Combination, up to $1,500,000 of the Convertible Note may be converted into warrants of the Company at a price of $1.00 per warrant with each Warrant exercisable for one share of Class A common stock, $0.0001 par value per share. The warrants shall be identical to the Private Placement Warrants issued to the Sponsor at the time of the Company's IPO. As of December 31, 2023 and 2022, there is $2,300,000 outstanding under the Convertible Note and reported on the balance sheet as Working Capital loan.

Administrative Service Fee

The Company has entered into an administrative services agreement pursuant to which the Company will pay of the Sponsor a total of $10,000 per month for office space, secretarial and administrative services provided to members of the Company's management team. Upon completion of the Company's initial Business Combination or its liquidation, the Company will cease paying these monthly fees. For the year ended December 31, 2023, the Company incurred and accrued $120,000 in administrative service fees, respectively, of which were included in due to related party. For the year ended December 31, 2022, the Company incurred and accrued $120,000 and $667 administrative service fee, respectively.

Note 5 — Recurring Fair Value Measurements

Cash and Investment Held in Trust Account

At December 31, 2023, the Trust Account included a demand deposit account and at December 31, 2022 investments were substantially held in a money market fund characterized as Level 1 investments within the fair value hierarchy under ASC 820 (as defined below). The Company reports this fund at fair market value.

Warrants

Under the guidance in ASC815-40 the warrants do not meet the criteria for equity treatment. As such, the warrants must be recorded on the balance sheets at fair value. This valuation is subject to re-measurement at each balance sheet date. With each re-measurement, the warrant valuation will be adjusted to fair value, with the change in fair value recognized in the Company's statements of operations.

The Company's warrant liability for the Public Warrants is based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. The fair value of the Public Warrant liability is classified within Level 1 of the fair value hierarchy.

The terms and conditions of the Company's Private Placement Warrants are substantially the same as the Company's Public Warrants. As such, they are economically equivalent and the Company's warrant liability for the Private Placement Warrants and is based on the price of the Company's Public Warrants. The fair value of the Private Placement Warrants liability is classified within Level 2 of the fair value hierarchy at December 31, 2023 and 2022.

Working Capital Loan Conversion Option

The Company's Convertible Promissory Note contains an embedded option whereby up to $1,500,000 of the Convertible Note may be converted into the Company's warrants. The embedded Working Capital Loan Conversion Option is accounted for as a liability in accordance with ACS815-40 on the balance sheet and is measured at fair value at inception and on a recurring basis, with changes in fair value presented within change in fair value in the statement of operations. Valuation of the Working Capital Loan Conversion Option was derived from the valuation of the underlying Private Placement Warrants and is classified as a level 3 valuation.

The following tables presents fair value information as of December 31, 2023 and 2022 of the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value.

	December 31, 2023		
	Level 1	Level 2	Level 3
Assets:			
Cash held in Trust Account	$62,606,718	$ —	$ —
Liabilities:			
Working Capital Loan Conversion Option	$ —	$ —	$ —
Public Warrants	115,000	—	—
Private Placement Warrants	—	117,000	—
	$115,000	$117,000	$—

	December 31, 2022		
	Level 1	Level 2	Level 3
Assets:			
Investments held in Trust Account	$239,365,794	$ —	$ —
Liabilities:			
Working Capital Loan Conversion Option	$ —	$ —	$ —
Public Warrants	460,000	—	—
Private Placement Warrants	—	468,000	—
	$ 460,000	**$468,000**	**$ —**

Note 6 — Commitments and Contingencies

Registration Rights

The holders of the (i) Founder Shares, which were issued in a private placement prior to the closing of the Public Offering, (ii) Private Placement Warrants, which were issued in a private placement simultaneously with the closing of the Public Offering and the shares of Class A common stock underlying such Private Placement Warrants and (iii) Private Placement Warrants that may be issued upon conversion of Working Capital Loans will have registration rights to require the Company to register a sale of any of the Company's securities held by them pursuant to a registration rights agreement signed on the effective date of the Public Offering. The holders of these securities are entitled to make up to three demands, excluding short form demands, that the Company register such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to the Company's completion of the initial Business Combination. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

Underwriters Agreement

The underwriters are entitled to a deferred underwriting discount of3.5% or $8,050,000 of the gross proceeds of the Public Offering held in the Trust Account upon the completion of the Company's initial Business Combination subject to the terms of the underwriting agreement.

Note 7 — Stockholders' Deficit

Preferred Stock

The Company is authorized to issue 1,000,000 shares of preferred stock with a par value of $0.0001 per share. As of December 31, 2023 and 2022, there were no shares of preferred stock issued or outstanding.

Class A Common Stock

The Company is authorized to issue 380,000,000 shares of Class A common stock with a par value of $0.0001 per share. Holders of Class A common stock are entitled to one vote for each share. As of December 31, 2023 and 2022, there were no shares issued or outstanding excluding5,595,494 and 23,000,000 shares of Class A common stock issued or outstanding that are subject to possible redemption, respectively.

Class B Common Stock

The Company is authorized to issue 20,000,000 shares of Class B common stock with a par value of $0.0001 per share. Holders of the Class B common stock are entitled to one vote for each share. As of December 31, 2023 and 2022, there were5,750,000 shares of Class B common stock issued and outstanding.

The shares of Class B common stock will automatically convert into shares of Class A common stock concurrently with or immediately following the consummation of the initial Business Combination on a one-for-one basis, subject to adjustment for stock splits, stock dividends, reorganizations, recapitalizations and the like, and subject to further adjustment as provided herein. In the case that additional shares of Class A common stock or equity-linked securities are issued or deemed issued in connection with the initial Business Combination, the number of shares of Class A common stock issuable upon conversion of all founder shares will equal, in the aggregate, on an as-converted basis, 20% of the total number of shares of Class A common stock outstanding after such conversion (after giving effect to any redemptions of shares of Class A common stock by public stockholders), including the total number of shares of Class A common stock issued, or deemed issued or issuable upon conversion or exercise of any equity-linked securities or rights issued or deemed issued, by the Company in connection with or in relation to the consummation of the initial Business Combination, excluding any shares of Class A common stock or equity-linked securities or rights exercisable for or convertible into shares of Class A common stock issued, or to be issued, to any seller in the initial Business Combination and any Private Placement Warrants issued to the Sponsor, executive officers or directors upon conversion of Working Capital Loans, provided that such conversion of founder shares will never occur on a less than one-for-one basis.

Note 8 — Income Taxes

The Company's net deferred tax assets for the year ended December 31, 2023 and 2022, follows:

	December 31,	
	2023	2022
Deferred tax assets		
Net operating loss carryforward	$ —	$ —
Startup costs	496,505	320,609
Total deferred tax assets	496,505	320,609
Valuation allowance	(496,505)	(320,609)
Deferred tax assets, net of allowance	$ —	$ —

The income tax provision for the year ended December 31, 2023 and 2022, consists of the following:

	December 31,	
	2023	2022
Federal		
Current	$ 936,959	$ 646,912
Deferred	(175,895)	(320,609)
State		
Current	$ —	$ —
Deferred	—	—
Change in valuation allowance	175,895	320,609
Income tax provision	$ 936,959	$ 646,912

As of December 31, 2023 and 2022, the Company had no U.S. federal net operating loss carryovers available to offset future taxable income. The federal net operating loss can be carried forward indefinitely. As of December 31, 2023 and 2022, the Company did not have any state net operating loss carryovers available to offset future taxable income.

In assessing the realization of the deferred tax assets, management considers whether it is more likely than not that some portion of all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which temporary differences representing net future deductible amounts become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. After consideration of all of the information available, management believes that significant uncertainty exists with respect to future realization of the deferred tax assets and has therefore established a full valuation allowance. For the year ended December 31, 2023, the change in the valuation allowance was $175,895. For the year ended December 31, 2022, the change in the valuation allowance was $320,609.

A reconciliation of the federal income tax rate to the Company's effective tax rate for the year ended December 31, 2023 and 2022, follows:

	December 31,	
	2023	2022
Statutory federal income tax rate	21.0%	21.0%
Change in fair value of warrants	(21.9)%	(18.3)%
Business combination expenses	115.0	0.0%
Change in valuation allowance	26.4%	2.6%
Income tax provision	140.5 %	5.3 %

The Company's effective tax rates for the periods presented differ from the expected (statutory) rates due to changes in fair value in warrants and the recording of full valuation allowances on deferred tax assets.

The Company files income tax returns in the U.S. federal jurisdiction in various state and local jurisdictions and is subject to examination by the various taxing authorities.

Note 9 — Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date through the date that the financial statements were available to be issued. Based upon this review, the Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements, other than noted below.

On March 28, 2024 the Company's stockholders voted to amend the Company's Charter to extend the date (the "Termination Date") by which the Company has to consummate a Business Combination (the "Charter Extension") from March 28, 2024 to April 28, 2024 and to allow the Company, without another stockholder vote, to elect to extend the Termination Date to consummate a Business Combination on a monthly basis up to eleven times by an additional one month each time after the Charter Extension Date, by resolution of the Company's board of directors (the "Board"), if requested by the Sponsor, and upon five days' advance notice prior to the applicable Termination Date, until March 28, 2025 (each, an "Additional Charter Extension Date") or a total of up to twelve months after the Original Termination Date, unless the closing of a Business Combination shall have occurred prior thereto (the "Extension Amendment Proposal"). For each monthly extension of the Charter Extension Date the Company will deposit $90,000 into the Trust Account.

In connection with the Company's stockholders' vote on March 28, 2024, the holders of 2,722,283 Class A common stock of the Company properly exercised their right to redeem their shares for an aggregate price of approximately $11.16 per share, for an aggregate redemption amount of $32,066,629.79. After the satisfaction of such redemptions, the balance in the Company's Trust Account was approximately $10,382,189.52 (including interest not previously released to the Company but net of expected franchise and income taxes payable).

In the period from January 2024 to March 2024 an aggregate of $480,000 was deposited in the Trust Account, extending the Combination Period to April 28, 2024.

On March 29, 2024, the Sponsor converted an aggregate of 5,749,000 shares of Class B common stock into shares of Class A common stock on a one-for-one basis. The Sponsor has agreed to waive any right to receive funds from Company's trust account with respect to the Class A Common Stock received upon such conversion and will acknowledge that such shares will be subject to all of the restrictions applicable to the original Class B common stock under the terms of that certain letter agreement, dated as of September 23, 2021, by and among the Company, its directors and officers and the Sponsor.

On April 1, 2024, the Company issued an unsecured promissory note (the "Fourth Note") in the principal amount of $1,580,000 to the Sponsor. The Fourth Note does not bear interest and matures upon closing of the Company's initial business combination. In the event that the Company does not complete an initial business combination, the Fourth Note will be repaid only from funds held outside of the Trust Account, or will be forfeited, eliminated or otherwise forgiven. The Fourth Note is subject to customary events of default, the occurrence of which automatically trigger the unpaid principal balance of the Note and all other sums payable with regard to the Fourth Note becoming immediately due and payable.

As discussed in Note 1, the Company entered into a Business Combination Agreement on January 17, 2024. The transactions contemplated by the proposed BCA were unanimously approved by the board of directors of the Company on January 17, 2024.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors and Executive Officers

Our directors and executive officers are as follows:

Name	Age	Position
Dave Wentz	53	Chairman and Chief Executive Officer
Mike Lohner	61	President, Chief Financial Officer and Director
Wayne Moorehead	49	Chief Strategy Officer
Bradford Richardson	58	Director
Travis Ogden	52	Director
Heather Chastain	49	Director

Dave Wentz, Chairman and Chief Executive Officer

Dave Wentz serves as the Chairman and Chief Executive Officer of Direct Selling Acquisition Corp. He is the former Chief Executive Officer of USANA Health Sciences, Inc. (NYSE: USNA), a direct seller of science-based nutritional and personal care products.

Mr. Wentz joined USANA at its founding in 1992 and played a critical role in developing its initial branding and strategy. Over the course of USANA's early years, Mr. Wentz served in a variety of roles, including Vice President of Development, Sr. Vice President of Development and Executive Vice President, before being promoted to President in July 2002 and Chief Executive Officer in 2006. He also served as a member of USANA's board of directors from 1993 to 2004. While Mr. Wentz led USANA (2002-2016), it achieved record sales each year and increased revenue from approximately $133 million (2002) to $1 billion (2016) upon his retirement. Notably in 2010, Mr. Wentz played an integral role in the $62.7 million acquisition and implementation of BabyCare.

During his time with USANA, Mr. Wentz served on the board of directors of the Direct Selling Association for many years, serving as its Vice Chairman from 2007 to 2008 and Chairman from 2008 to 2009. He also spent many years on the board of directors of the Direct Selling Education Foundation, including as Chairman from 2006 to 2007 and again from 2016 to 2018. In 2009, Mr. Wentz was recognized by *Forbes* magazine as one of "The 21 Youngest CEOs at the Nation's Biggest Companies," and he served as the President of the Utah chapter of the Young Presidents Organization from 2018 to 2019.

Mr. Wentz is a best-selling author, having co-written the *New York Times* best seller *The Healthy Home,* and an accomplished speaker and presenter having spoken in front of millions over the course of his career. Mr. Wentz holds a Bachelor of Science in Bioengineering from the University of California, San Diego.

We believe Mr. Wentz's experience in developing the initial branding and strategy for USANA makes him well qualified to serve as a member of our board of directors.

Mike Lohner, President, Chief Financial Officer and Director

Mike Lohner serves as the President, Chief Financial Officer and a Director Nominee of Direct Selling Acquisition Corp. Mr. Lohner is a highly experienced executive, board member, founder and investor in the selling and direct-to-consumer industries, amongst others. Over the course of his career, he has played either a leading or integral role in the evaluation and underwriting of multiple transactions and investments within the direct selling industry and has played key roles in the development and management of a number of businesses that resulted in nine-figure exits. Mike currently serves as the chairman of the board of S&D Retail, a leading technology enabled social selling platform and fashion accessories business with three current brands: Stella & Dot, Keep Collective, and Ever Skincare, where he previously also served as chief executive officer.

Mr. Lohner is a co-founder of DOSH, a leading card-linked cash-back advertising platform. He served as DOSH's Chief Strategy Officer prior to its recent sale (March 2021) to Cardlytics for $275 million. While at DOSH, Mr. Lohner was responsible for formulating, directing and implementing the social selling strategies that helped it achieve its market leading position.

Mr. Lohner has spent more than 20 years as an executive, investor or advisor in and around the direct selling industry. Mr. Lohner's entry into the direct selling industry was with Home Interiors and Gifts, Inc. a private equity-owned home décor direct sales company. He was hired after the company suffered a significant decline in sales and was tasked with returning the Company to growth. Retail sales at the company not only returned to significant growth, but grew to over $600 million during his tenure. Mr. Lohner served on the Direct Selling Association's board of directors for four years.

Mr. Lohner's early career included time as a consultant at Bain & Company, one of the world's premier management consulting firms. He earned his M.B.A. from the Stanford Graduate School of Business, where he was an Arjay Miller scholar, and received a B.A. degree in economics from Brigham Young University.

We believe Mr. Lohner's experience as a founder, investor, evaluator and underwriter in multiple transactions in the direct selling industry makes him well qualified to serve as a member of our board of directors.

Wayne Moorehead, Chief Strategy Officer

Wayne Moorehead serves as the Chief Strategy Officer of Direct Selling Acquisition Corp. Mr. Moorehead, who brings a wealth of experience in marketing, branding and direct to consumer to the Company's management team, is a seasoned thought leader in marketing and brand strategy and is a sought-after advisor across multiple industries. Mr. Moorehead has spent more than 20 years in a variety of senior level roles in and around the direct selling industry and has also worked with a large number of national brands over the course of his career.

Most recently Mr. Moorehead served as the Chief Marketing Officer of Young Living, a $2 billion direct seller of essential oils and related products. Prior to this, from 2017 to 2019, Mr. Moorehead served as the chief brand officer of Purple Innovation, Inc. (NASDAQ: PRPL), the innovative mattress company, which has been recognized as one of the fastest-growing direct to consumer brands over the last several years. Purple merged with a special purpose acquisition company in 2018 in a transaction valued at $1.1 billion. Previously Mr. Moorehead served as the chief marketing officer of Nature's Sunshine Products (NASDAQ: NATR), a multi-national direct seller of nutritional and personal care products.

Outside of the direct selling industry Mr. Moorehead possesses significant agency experience working with national and international brands such as Johnson & Johnson, Fender, Whole Foods, American Eagle Outfitters and Intel, amongst others. Mr. Moorehead's agency experience includes serving as Chief Strategist for Salt Lake City-based Hint Creative, as well as chief strategy officer for the New York based Case Agency.

Mr. Moorehead holds a BS in Marketing Communications & Advertising from Brigham Young University and an MBA in Marketing from the Marriott School of Management.

We believe Mr. Moorehead's experience as a senior level executive for over 20 years in the direct selling industry makes him well qualified to serve as our Chief Strategy Officer.

Bradford Richardson, Director

Bradford Richardson is the former President of Shaklee International, a 65-year-old direct seller of natural nutrition supplements, weight-management products, beauty products, and household products.

Mr. Richardson has spent 20 years of his 30+ year career aggressively scaling direct selling companies globally. As president of Shaklee International from 2008 to 2015, Mr. Richardson grew global markets' revenue to over $800 million. From 2015 to 2018, Mr. Richardson continued to serve Shaklee as a member of the company's board of directors, as well as in a strategic consulting role.

Previously, from 1997 to 2008, Mr. Richardson served USANA in a variety of roles, culminating in his service as executive vice president—APAC. Under his leadership, USANA's APAC business grew from startup to $169.2 million per year, representing more than 40% of total revenue at the time of his departure. Since 2018, Mr. Richardson has consulted for leading companies and spent time exploring new opportunities in the sector.

Mr. Richardson holds an MBA in Finance from The Wharton School and has worked in global business roles at leading companies including Dell Computer Corporation, Lexmark International and The Far Eastern Group, one of Taiwan's leading conglomerates.

We believe Mr. Richardson's experience as a former president of a direct seller company makes him well qualified to serve as a member of our board of directors.

Travis Ogden, Director

Travis Ogden currently serves as the co-founder and chief executive officer of Oola Global, LLC, a personal development company offering a monthly subscription for personalized content distributed through the direct selling channel. From 2016 to 2020, Mr. Ogden served Isagenix International, a direct seller of dietary supplements and personal care products, as president and chief operating officer before being promoted to chief executive officer.

Previously, from 2012 to 2016, Mr. Ogden served as chief operating officer of Young Living Essential Oils, a direct seller of essential oils and related products, and helped guide the company through a period of rapid growth that saw revenue grow from $200 million to more than $1 billion.

Mr. Ogden began his career in a private accounting practice and then spent several years as an in-charge associate with KPMG where he participated in numerous audit engagements including those related to initial public offerings.

Mr. Ogden holds a Bachelor of Science in Accounting and a Master's of Business Administration from the University of Utah.

We believe Mr. Ogden's experience as co-founder and chief executive officer of a company that offers subscriptions for personalized content that is distributed through the direct selling channel makes him well qualified to serve as a member of our board of directors.

Heather Chastain, Director

Heather Chastain currently serves as the founder and CEO of Bridgehead Collective, a consultancy focused on assisting direct selling companies. With over 20 years of well-rounded experience in the direct selling industry, Mrs. Chastain brings a solid understanding of sales, marketing, manufacturing and operations as well as a strong collaborative and relational style of leadership to the table.

Prior to founding Bridgehead, Mrs. Chastain served as Chief Strategy Officer and President of the United States and Canada for Shaklee Corporation, a direct seller of nutrition and personal care products. In addition, Mrs. Chastain has served multiple c-level positions in several direct selling companies, including as Senior Vice President and Chief Sales Officer of Arbonne International, Inc., President of Celebrating Home and Vice President of Operations at BeautiControl, Inc.

Mrs. Chastain previously served on the board of directors of the Direct Selling Association and as the chairwoman of the Direct Selling Association Ethics Committee. Mrs. Chastain holds a Bachelor of Business Administration from the University of Texas.

We believe Ms. Chastain's experience as CEO of a consultancy focused on assisting direct selling companies makes her well qualified to serve as a member of our board of directors.

Number and Terms of Office of Officers and Directors

Our board of directors consists of seven members and is divided into three classes, with only one class of directors being elected in each year, and with each class (except for those directors appointed prior to our first annual meeting of stockholders) serving a three-year term. In accordance with NYSE corporate governance requirements, we are not required to hold an annual meeting until no later than one year after our first fiscal year end following our listing on the NYSE. The term of office of the first class of directors, consisting of Travis Ogden and Heather Chastain, will expire at our first annual meeting of stockholders. The term of office of the second class of directors, consisting of Bradford Richardson, will expire at our second annual meeting of stockholders. The term of office of the third class of directors, consisting of Dave Wentz and Mike Lohner will expire at our third annual meeting of stockholders.

On November 3, 2023, John Addison notified the Company of his decision to resign as a director of the Company, effective immediately. Mr. Addison's decision to resign was not the result of any dispute or disagreement with the Company or a matter related to its operations, policies or practices. On the same date, in order for the Company to maintain a majority of independent directors, as required by the NYSE, Wayne Moorhead voluntarily resigned as a director of the Company. Mr. Moorhead's decision to resign as a director of the Company was not the result of any dispute or disagreement with the Company or a matter related to its operations, policies, or practices. Mt. Moorhead continues to serve as Chief Strategy Officer of the Company. On November 3, 2023, the Company announced the appointment of Heather Chastain, an existing director of the Company, to the Audit Committee of the Board, effective immediately.

Prior to the completion of an initial business combination, any vacancy on the board of directors may be filled by a nominee chosen by holders of a majority of our founder shares. In addition, prior to the completion of an initial business combination, holders of a majority of our founder shares may remove a member of the board of directors for any reason.

Our officers are appointed by the board of directors and serve at the discretion of the board of directors, rather than for specific terms of office. Our board of directors is authorized to appoint officers as it deems appropriate pursuant to our Charter.

Director Independence

The rules of the NYSE require that a majority of our board of directors be independent within one year of our Public Offering. Our board of directors has determined that Bradford Richardson, Travis Ogden and Heather Chastain are "independent directors" as defined in NYSE rules and applicable SEC rules. Our independent directors will have regularly scheduled meetings at which only independent directors are present.

Board Committees

Our board of directors has three standing committees: an audit committee, a compensation committee and a nominating and corporate governance committee. Subject to phase-in rules and a limited exception, the rules of the NYSE and Rule 10A-3 under the Exchange Act require that the audit committee of a listed company be comprised solely of independent directors. Subject to phase-in rules and a limited exception, the rules of the NYSE require that the compensation committee of a listed company be comprised solely of independent directors.

Audit Committee

We have established an audit committee of the board of directors. Bradford Richardson, Travis Ogden and Heather Chastain serve as members of our audit committee, and Bradford Richardson chairs the audit committee. All members of our audit committee are independent of and unaffiliated with our sponsor and our underwriters.

Each member of the audit committee is financially literate and our board of directors has determined that each of Bradford Richardson and Travis Ogden qualifies as an "audit committee financial expert" as defined in applicable SEC rules and has accounting or related financial management expertise.

We have adopted an audit committee charter, which details the principal functions of the audit committee, including:

- assisting board oversight of (1) the integrity of our financial statements, (2) our compliance with legal and regulatory requirements, (3) our independent registered public accounting firm's qualifications and independence, and (4) the performance of our internal audit function and independent registered public accounting firm; the appointment, compensation, retention, replacement, and oversight of the work of the independent registered public accounting firm and any other independent registered public accounting firm engaged by us;
- pre-approving all audit and non-audit services to be provided by the independent registered public accounting firm or any other registered public accounting firm engaged by us, and establishing pre-approval policies and procedures; reviewing and discussing with the independent registered public accounting firm all relationships the registered public accounting firm has with us in order to evaluate its continued independence;
- setting clear policies for audit partner rotation in compliance with applicable laws and regulations; obtaining and reviewing a report, at least annually, from the independent registered public accounting firm describing (1) the independent registered public accounting firm's internal quality-control procedures and (2) any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years respecting one or more independent audits carried out by the firm and any steps taken to deal with such issues;
- meeting to review and discuss our annual audited financial statements and quarterly financial statements with management and the independent auditor, including reviewing our specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations"; reviewing and approving any related party transaction required to be disclosed pursuant to Item 404 of Regulation S-K promulgated by the SEC prior to us entering into such transaction; and
- reviewing with management, the independent, and our legal advisors, as appropriate, any legal, regulatory or compliance matters, including any correspondence with regulators or government agencies and any employee complaints or published reports that raise material issues regarding our financial statements or accounting policies and any significant changes in accounting standards or rules promulgated by the Financial Accounting Standards Board, the SEC or other regulatory authorities.

Compensation Committee

We have established a compensation committee of the board of directors Bradford Richardson and Travis Ogden serve as members of our compensation committee. Travis Ogden chairs the compensation committee.

We have adopted a compensation committee charter, which details the principal functions of the compensation committee, including:

- reviewing and approving on an annual basis the corporate goals and objectives relevant to our Chief Executive Officer's compensation evaluating our Chief Executive Officer's performance in light of such goals and objectives and determining and approving the remuneration (if any) of our Chief Executive Officer based on such evaluation;
- reviewing and making recommendations to our board of directors with respect to the compensation, and any incentive compensation and equity based plans that are subject to board approval of all of our other officers;
- reviewing our executive compensation policies and plans;
- implementing and administering our incentive compensation equity-based remuneration plans;
- assisting management in complying with our proxy statement and annual report disclosure requirements;
- approving all special perquisites, special cash payments and other special compensation and benefit arrangements for our officers and employees;
- producing a report on executive compensation to be included in our annual proxy statement; and
- reviewing, evaluating and recommending changes, if appropriate, to the remuneration for directors.

Notwithstanding the foregoing, as indicated above, other than the payment to our sponsor of $10,000 per month up to the Termination Date, for office space, utilities and secretarial and administrative support and reimbursement of expenses, no compensation of any kind, including finders, consulting or other similar fees, will be paid to any of our existing stockholders, officers, directors or any of their respective affiliates, prior to, or for any services they render in order to effectuate the consummation of an initial business combination. Accordingly, it is likely that prior to the consummation of an initial business combination, the compensation committee will only be responsible for the review and recommendation of any compensation arrangements to be entered into in connection with such initial business combination.

The charter also provides that the compensation committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser and will be directly responsible for the appointment, compensation and oversight of the work of any such adviser. However, before engaging or receiving advice from a compensation consultant, external legal counsel or any other adviser, the compensation committee will consider the independence of each such adviser, including the factors required by the NYSE and the SEC.

Nominating and Corporate Governance Committee

We have established a nominating and corporate governance committee of the board of directors. Travis Ogden is the only member of our nominating and corporate governance committee.

We have adopted a nominating and corporate governance committee charter, which details the purpose and responsibilities of the nominating and corporate governance committee, including:

- screening and reviewing individuals qualified to serve as directors, consistent with criteria approved by the board, and recommending to the board of directors candidates for nomination for election at the annual meeting of stockholders or to fill vacancies on the board of directors;
- developing and recommending to the board of directors and overseeing implementation of our corporate governance guidelines;

- coordinating and overseeing the annual self-evaluation of the board of directors, its committees, individual directors and management in the governance of the company; and
- reviewing on a regular basis our overall corporate governance and recommending improvements as and when necessary.

The charter also provides that the nominating and corporate governance committee may, in its sole discretion, retain or obtain the advice of, and terminate, any search firm to be used to identify director candidates, and will be directly responsible for approving the search firm's fees and other retention terms.

We have not formally established any specific, minimum qualifications that must be met or skills that are necessary for directors to possess. In general, in identifying and evaluating nominees for director, the board of directors considers educational background, diversity of professional experience, knowledge of our business, integrity, professional reputation, independence, wisdom, and the ability to represent the best interests of our stockholders. Prior to our initial business combination, holders of our public shares will not have the right to recommend director candidates for nomination to our board of directors.

Compensation Committee Interlocks and Insider Participation

None of our executive officers currently serves, and in the past year has not served, as a member of the compensation committee of any entity that has one or more executive officers serving on our board of directors.

Clawback Policy

The Board has adopted a Clawback Policy (the "Clawback Policy") designed to comply with Section 10D of the Exchange Act of 1934, the rules promulgated thereunder, and the listing standards of the national securities exchange on which the Company's securities are listed. The Clawback Policy is filed as Exhibit 97.1 to this Annual Report.

The Company believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company's pay-for-performance compensation philosophy. The Board therefore adopted the Clawback Policy, which provides for the recoupment of certain executive compensation in the event that the Company is required to prepare an accounting restatement of its financial statements due to material noncompliance with any financial reporting requirement under the federal securities laws. The Clawback Policy is administered by the Compensation Committee of the Board. Any determinations made by the Compensation Committee are final and binding on all affected individuals. The Clawback Policy applies to the Company's current and former executive officers (as determined by the Compensation Committee in accordance with Section 10D of the Exchange Act, the rules promulgated thereunder, and the listing standards of the national securities exchange on which the Company's securities are listed) and such other senior executives or employees who may from time to time be deemed subject to the Clawvback Policy by the Compensation Committee (collectively, the "Covered Executives"). While each Covered Executive shall be required to sign and return a form that acknowledges that he or she is bound by the terms of the Clawback Policy, the Clawback Policy will be enforceable against any Covered Executive, and his or her successors (as specified in the Clawback Policy) regardless of whether or not such form is signed by such Covered Executive.

The Company could be required to prepare an accounting restatement of its financial statements for several reasons, including (i) to correct a material error in a previously issued financial statement and (ii) to address an error that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period. The Compensation Committee may determine under its sole discretion the method of recouping any Overpayment (as defined in the Clawback Policy), which include, without limitation, requiring reimbursement of previously paid cash Incentive-Based Compensation (as defined in the Clawback Policy), cancelling outstanding or unvested equity awards and taking any other remedial action permitted by law.

The Company is limited to recovering any Overpayments that were received during the three (3) completed fiscal years prior to the date on which the Company is required to prepare an accounting restatement. The Clawback Policy shall only apply to an Invective-Based Compensation received on or after October 2, 2023. The Board may amend the Clawback Policy from time to time or terminate the Clawback Policy at any time.

Code of Ethics and Committee Charters

We have adopted a Code of Business Conduct and Ethics applicable to our directors, officers and employees. We have filed a copy of our form of the Code of Business Conduct and Ethics and our audit committee, compensation committee and nominating and corporate governance committee charters as exhibits to the registration statement relating to the Public Offering. You may review this document by accessing our public filings at the SEC's web site at www.sec.gov. In addition, copies of our Code of Business Conduct and Ethics, corporate governance guidelines and committee charters will be provided without charge upon request from us and are also available on our website at www.dsacquisition.com. If we make any amendments to our Code of

Business Conduct and Ethics other than technical, administrative or othernon-substantive amendments, or grant any waiver, including any implicit waiver, from a provision of the Code of Business Conduct and Ethics applicable to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions requiring disclosure under applicable SEC or NYSE rules, we will disclose the nature of such amendment or waiver on our website.

ITEM 11. EXECUTIVE COMPENSATION

None of our executive officers or directors have received any cash compensation for services rendered to us. Commencing on the date that our securities were first listed on the NYSE through the earlier of consummation of our initial business combination and our liquidation, we will pay our sponsor $10,000 per month for office space, secretarial and administrative services provided to members of our management team. In addition, our sponsor, executive officers and directors, or any of their respective affiliates will be reimbursed for any out-of-pocket expenses incurred in connection with activities on our behalf such as identifying potential target businesses and performing due diligence on suitable business combinations. Our audit committee will review on a quarterly basis all payments that were made to our sponsor, executive officers or directors, or our or their affiliates. Any such payments prior to an initial business combination will be made from funds held outside the Trust Account. Other than quarterly audit committee review of such reimbursements, we do not expect to have any additional controls in place governing our reimbursement payments to our directors and executive officers for their out-of-pocket expenses incurred in connection with our activities on our behalf in connection with identifying and consummating an initial business combination. Other than these payments and reimbursements, no compensation of any kind, including finder's and consulting fees, will be paid by the company to our sponsor, executive officers and directors, or any of their respective affiliates, prior to completion of our initial business combination.

After the completion of our initial business combination, directors or members of our management team who remain with us may be paid consulting or management fees from the combined company. All of these fees will be fully disclosed to stockholders, to the extent then known, in the proxy solicitation materials or tender offer materials furnished to our stockholders in connection with a proposed business combination. We have not established any limit on the amount of such fees that may be paid by the combined company to our directors or members of management. It is unlikely the amount of such compensation will be known at the time of the proposed business combination, because the directors of the post-combination business will be responsible for determining executive officer and director compensation. Any compensation to be paid to our executive officers will be determined, or recommended to the board of directors for determination, either by a compensation committee constituted solely by independent directors or by a majority of the independent directors on our board of directors.

We do not intend to take any action to ensure that members of our management team maintain their positions with us after the consummation of our initial business combination, although it is possible that some or all of our executive officers and directors may negotiate employment or consulting arrangements to remain with us after our initial business combination. The existence or terms of any such employment or consulting arrangements to retain their positions with us may influence our management's motivation in identifying or selecting a target business but we do not believe that the ability of our management to remain with us after the consummation of our initial business combination will be a determining factor in our decision to proceed with any potential business combination. We are not party to any agreements with our executive officers and directors that provide for benefits upon termination of employment.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table presents information regarding the beneficial ownership of our common stock available to us on December 31, 2023, with respect to our common stock held by:

- each person known by us to be the beneficial owner of more than 5% of our issued and outstanding shares of a class of common stock;
- each of our officers, directors and director nominees; and
- all our officers and directors as a group.

The following table is based on 11,345,494 shares of common stock outstanding on December 31, 2023, of which 5,595,494 were shares of Class A common stock and 5,750,000 were shares of Class B common stock. The table below does not account for redemptions of common stock that occurred in connection with the Second Extension Meeting held on March 28, 2024. Unless otherwise indicated, we believe that all persons named in the table had sole voting and investment power with respect to all of our common stock beneficially owned by them as of December 31, 2023.

	Class A Common Stock		Class B Common Stock		
Name and Address of Beneficial Owners(1)	Number of Shares Beneficially Owned	Percentage of Class	Number of Shares Beneficially Owned	Percentage of Class	Percentage of Outstanding Common Stock
DSAC Partners LLC(3)	—	—	5,750,000	100%	50.7%
Dave Wentz(3)	—	—	5,750,000	100%	50.7%
Mike Lohner	—	—	—	—	—
Wayne Moorehead	—	—	—	—	—
Bradford Richardson	—	—	—	—	—
Travis Ogden	—	—	—	—	—
Heather Chastain	—	—	—	—	—
John Addison (4)	—	—	—	—	—
Polar Asset Management Partners Inc.(5)	290,000	5.2%	—	—	2.6%
Shaolin Capital Management LLC(6)	284,879	5.1%	—	—	2.5%
Alberta Investment Management Corporation(7)	375,000	6.7%	—	—	3.3%
Periscope Capital Inc.(8)	306,051	5.5%	—	—	2.7%
Antara Capital LP(9)	955,100	17.1%	—	—	8.4%
Wolverine Asset Management, LLC(10)	329,990	5.9%	—	—	2.92%
Cowen and Company, LLC(11)	350,000	6.2%	—	—	3.1%
Mangrove Partners IM, LLC(12)	296,396	5.3%	—	—	2.6%
All officers and directors as a group (six individuals)			5,750,000	100%	50.7%

(1) Unless otherwise noted, the business address of each of the following entities or individuals is c/o Direct Selling Acquisition Corp., 5800 Democracy Drive, Plano, TX 75024.

(2) Interests shown consist solely of Founder Shares, classified as shares of Class B Common Stock. Such shares will automatically convert into shares of Class A Common Stock at the time of our initial business combination on a one-for-one basis, subject to adjustment, as described elsewhere herein.

(3) DSAC Partners LLC is the record holder of the shares reported herein. DSAC Manager LLC is the manager of the sponsor. Mr. Wentz is the sole member of DSAC Manager LLC and has voting and investment discretion with respect to the shares of Class B Common Stock held of record by the sponsor. Mr. Wentz disclaims any beneficial ownership of the shares of Class B Common Stock held by the sponsor, except to the extent of his pecuniary interest therein.

(4) Mr. Addison tendered his resignation on November 3, 2023.

(5) Based on information reported on a Schedule 13G/A filed on February 12, 2024 by Polar Asset Management Partners Inc., a company incorporated under the laws of Ontario, Canada, which serves as the investment advisor to Polar Multi-Strategy Master Fund, a Cayman Islands exempted company ("*PMSMF*") with respect to the shares of Class A Common Stock directly held by PMSMF. The address of the business office of Polar Asset Management Partners Inc. is 16 York Street, Suite 2900, Toronto, ON, Canada M5J 0E6.

(6) Based on information reported on a Schedule 13G/A filed on February 14, 2024 by Shaolin Capital Management LLC, a company incorporated under the laws of State of Delaware, which serves as the investment advisor to Shaolin Capital Partners Master Fund, Ltd., a Cayman Islands exempted company, MAP 214 Segregated Portfolio, a segregated portfolio of LMA SPC, DS Liquid DIV RVA SCM LLC and Shaolin Capital Partners SP, a segregated portfolio of PC MAP SPC being managed accounts advised by the Shaolin Capital Management LLC. The address of the business office of Shaolin Capital Management LLC is 230 NW 24th Street, Suite 603, Miami, FL 33127.

(7) Based on information reported on a Schedule 13G filed on February 12, 2024 by Alberta Investment Management Corporation ("*AIMC*"). Pursuant to the Alberta Investment Management Corporation Act, SA 2007 c A-26.5, AIMC provides investment management services for a diverse group of Alberta public sector clients, including Alberta public sector pension plans and provincial endowment funds. The address of the business office of AIMCC is 1600 - 10250 101 Street NW, Edmonton, Alberta T5J 3P4, Canada.

(8) Based on information reported on a Schedule 13G filed on February 12, 2024 by Periscope Capital Inc ("*Periscope*"). Periscope, which is the beneficial owner of 161,351 shares of Class A Common Stock, acts as investment manager of, and exercises investment discretion with respect to, certain private investment funds (each, a "*Periscope Fund*") that collectively directly own 144,700 shares of Class A Common Stock. The address of the business office of Periscope is 333 Bay Street, Suite 1240, Toronto, Ontario, Canada M5H 2R2.

(9) Antara Capital LP serves as the investment manager of both Antara Capital Total Return SPAC Master Fund LP and Antara Capital Master Fund LP. Based on information reported on Schedule 13G filed on April 4, 2023 on behalf of the following reporting persons, each of whom possess voting and dispositive power over the 955,100 shares of Class A Common Stock (i) Antara Master Fund, a Cayman Islands exempted limited partnership, (ii) Antara SPAC Fund, a Cayman Islands exempted limited partnership, (iii) Antara Capital LP, a Delaware limited partnership, (iv) Antara Capital GP LLC, a Delaware limited liability company, (v) Antara Capital Fund GP LLC, a Delaware limited liability company, (vi) Antara Capital Total Return SPAC Fund GP LLC, a Delaware limited liability company, and (vii) Himanshu Gulati. The address of the business office of Antara Capital LP is 55 Hudson Yards, 47th floor Suite C, New York, NY 10001.

(10) Based on information reported on a Schedule 13G filed on February 1, 2024 by Wolverine Asset Management, LLC. Wolverine Asset Management, LLC ("WAM") is an investment manager and has voting and dispositive power over 329,990 shares of Class A Common Stock. The sole member and manager of WAM is Wolverine Holdings, L.P. ("Wolverine Holdings"). Robert R. Bellick and Christopher L. Gust may be deemed to control Wolverine Trading Partners, Inc. ("WTP"), the general partner of Wolverine Holdings. The address of the business office of WAM is 175 West Jackson Boulevard, Suite 340, Chicago, IL 60604.

(11) Based on information reported on a Schedule 13G filed on February 1, 2024 by Cowen and Company, LLC. Represents 200,000 and 150,000 shares of Class A Common Stock owned by Cowen and Company, LLC and Cowen Financial Products LLC, respectively (or collectively "*Cowen*"). The address of the business office of Cowen is 599 Lexington Ave, New York, NY 10022.

(12) Based on information reported on a Schedule 13G filed on February 14, 2024 by Mangrove Partners IM, LLC, a Delaware limited liability company. These shares are held by the Mangrove Partners Master Fund, Ltd., a Cayman Islands limited liability company. Beneficial ownership of the shares of Class A Common Stock is claimed by (i) Mangrove Partners IM, LLC which serves as the investment manager of the Master Fund, and (ii) Nathaniel August who is the principal of Mangrove Partners IM, LLC. The address of the business office of Mangrove Partners IM, LLC is 1000 N. West Street, Suite 1501, Wilmington, DE 19801.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

In December 2022, Antara acquired a majority economic, non-voting interest in our sponsor. Antara was founded by Himanshu Gulati in 2018 and invests across a wide variety of financial instruments, including loans, bonds, convertible bonds, stressed/distressed credit and special situation equity investments.

On June 7, 2021, our sponsor paid an aggregate of $25,000 to purchase 5,750,000 founder shares. The number of founder shares issued was determined based on the expectation that the total size of the Public Offering would be a maximum of 23,000,000 units if the underwriters' over-allotment option is exercised in full, and therefore that such founder shares would represent 20% of the outstanding shares after the Public Offering.

Our sponsor purchased an aggregate of 11,700,000 Private Placement Warrants, at a price of $1.00 per warrant, or $11,700,000 in the aggregate, in a private placement that closed simultaneously with the closing of the Public Offering. Each private placement warrant entitles the holder to purchase one share of Class A common stock at $11.50 per share. The Private Placement Warrants (including the Class A common stock issuable upon exercise of the Private Placement Warrants) may not, subject to certain limited exceptions, be transferred, assigned or sold until 30 days after the completion of our initial business combination.

We currently utilize office space at 5800 Democracy Drive, Plano, Texas 75024 from our sponsor and the members of our management team. We pay our sponsor $10,000 per month for office space, secretarial and administrative services provided to members of our management team. Upon completion of our initial business combination or our liquidation, we will cease paying these monthly fees.

No compensation of any kind, including finder's and consulting fees, will be paid by the company to our sponsor, executive officers and directors, or any of their respective affiliates, for services rendered prior to or in connection with the completion of an initial business combination. However, these individuals will be reimbursed for any out-of-pocket expenses incurred in connection with activities on our behalf such as identifying potential target businesses and performing due diligence on suitable business combinations. Our audit committee will review on a quarterly basis all payments that were made to our sponsor, executive officers, directors or our or their affiliates.

In addition, in order to finance transaction costs in connection with an intended initial business combination, our sponsor or an affiliate of our sponsor or certain of our officers and directors may, but are not obligated to, loan us funds as may be required on a non-interest basis. If we complete an initial business combination, we would repay such loaned amounts. In the event that the initial business combination does not close, we may use a portion of the working capital held outside the Trust Account to repay such loaned amounts but no proceeds from our Trust Account would be used for such repayment. Up to $1,500,000 of such loans may be convertible into warrants of the post business combination entity at a price of $1.00 per warrant at the option of the lender. The warrants would be identical to the Private Placement Warrants. Except as set forth above, the terms of such loans, if any, have not been determined and no written agreements exist with respect to such loans. Prior to the completion of our initial business combination, we do not expect to seek loans from parties other than our sponsor or an affiliate of our sponsor as we do not believe third parties will be willing to loan such funds and provide a waiver against any and all rights to seek access to funds in our Trust Account.

Any of the foregoing payments to our sponsor, repayments of loans from our sponsor or repayments of working capital loans prior to our initial business combination will be made using funds held outside the Trust Account.

After our initial business combination, members of our management team who remain with us may be paid consulting, management or other fees from the combined company with any and all amounts being fully disclosed to our stockholders, to the extent then known, in the proxy solicitation or tender offer materials, as applicable, furnished to our stockholders. It is unlikely the amount of such compensation will be known at the time of distribution of such tender offer materials or at the time of a stockholder meeting held to consider our initial business combination, as applicable, as it will be up to the directors of the post-combination business to determine executive and director compensation.

Registration Rights

The holders of Founder Shares and Private Placement Warrants will be entitled to registration rights pursuant to a registration rights agreement signed on September 23, 2021. The holders of these securities are entitled to make up to three demands, excluding short form demands, that the Company register such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to our completion the Company's initial business combination. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

Administrative Services

We will reimburse our sponsor and its affiliates for office space, secretarial and administrative services provided to members of the Company's management team in an amount not to exceed $10,000 per month in the event such space and/or services are utilized and the Company does not pay a third party directly for such services, from the date of closing of the Public Offering. Upon completion of a business combination or the Company's liquidation, the Company will cease paying these monthly fees.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Grant Thornton LLP ("Grant Thornton"), acts as our independent registered public accounting firm. The following is a summary of fees paid to Grant Thornton for services rendered.

Audit Fees. Audit fees consist of fees billed for professional services rendered for the audit of ouryear-end financial statements and services that are normally provided by Grant Thornton in connection with regulatory filings. The aggregate fees billed by Grant Thornton for professional services rendered for the audit of our annual financial statements, and other required filings with the SEC for the year ended December 31, 2023 and 2022, totaled $72,188 and $51,975, respectively. The above amounts include interim procedures and audit fees, as well as attendance at audit committee meetings.

Audit-Related Fees. Audit-related services consist of fees billed for assurance and related services that are reasonably related to performance of the audit or review of our financial statements and are not reported under "Audit Fees." These services include attest services that are not required by statute or regulation and consultations concerning financial accounting and reporting standards. We did not pay Grant Thornton for consultations concerning financial accounting and reporting standards for the year ended December 31, 2023 and 2022.

Tax Fees. We did not pay Grant Thornton for tax planning and tax advice for the year ended December 31, 2023 and 2022.

All Other Fees. We paid $0 and $0 to Grant Thornton for other services for the year ended December 31, 2023 and 2022.

Pre-Approval Policy

Our audit committee was formed in connection with the effectiveness of our registration statement for our initial public offering. As a result, the audit committee did not pre-approve all of the foregoing services, although any services rendered prior to the formation of our audit committee were approved by our board of directors. Since the formation of our audit committee, and on a going-forward basis, the audit committee has and will pre-approve all auditing services and permitted non-audit services to be performed for us by our auditors, including the fees and terms thereof (subject to the de minimis exceptions for non-audit services described in the Exchange Act which are approved by the audit committee prior to the completion of the audit).

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report:

(1) Financial Statements

Reference is made to the Index to Financial Statements of the Company under Item 8 of Part II above.

(2) Financial Statement Schedule

None.

(3) Exhibits

We hereby file as part of this Annual Report the exhibits listed in the attached Exhibit Index.

Exhibit	Description
2.1†	Business Combination Agreement, dated as of January 17, 2024, by and among Urban Air Mobility Private Limited, Hunch Technologies Limited, FlyBlade (India) Private Limited, and HTL Merger Sub LLC. (6)
3.1	Amended and Restated Certificate of Incorporation. (1)
3.2	Amendment to Amended and Restated Certificate of Incorporation. (2)
3.3	Amendment to Amended and Restated Certificate of Incorporation (Extension Amendment). (13)
3.4	Amendment to Amended and Restated Certificate of Incorporation (Redemption Limitation Amendment). (14)
3.5	Amendment to Amended and Restated Certificate of Incorporation (Founder Share Amendment). (15)
3.6	Bylaws. (1)
4.1	Specimen Unit Certificate .(1)
4.2	Specimen Class A Common Stock Certificate .(1)
4.3	Specimen Warrant Certificate .(1)
4.4	Warrant Agreement between Direct Selling Acquisition Corp. and Continental Stock Transfer & Trust Company, dated as of September 23, 2021 .(3)
4.5	Description of Securities. *
10.1	Letter Agreement, dated September 23, 2021, by and among the Company, its executive officers, its directors, and DSAC Partners LLC(3)
10.2	Promissory Note, dated June 2, 2021, by and between the Company and DSAC Partners LLC. (4)
10.3	Promissory Note, dated March 24, 2023, by and between the Company and DSAC Partners LLC. (5)
10.4	Investment Management Trust Agreement, dated September 23, 2021, by and between the Company and Continental Stock Transfer & Trust Company, as trustee. (3)
10.5	Registration Rights Agreement, dated September 23, 2021, by and among the Company, the Holders named therein and DSAC Partners LLC. (3)
10.6	Private Placement Warrants Purchase Agreement, dated September 23, 2021, by and among the Company and DSAC Partners LLC. (3)
10.7	Administrative Services Agreement, dated September 23, 2021, by and between the Company and DSAC Partners LLC. (3)
10.9	Investor Subscription Agreement, dated as of January 17, 2024, by and between Direct Selling Acquisition Corp. and Antara Capital Master Fund LP. (7)
10.8	Promissory Note, dated April 1, 2024, between DSAQ and the Sponsor. (16)
10.10	Hunch Subscription Agreement, dated as of January 17, 2024, by and between Quick Response Services Provider LLP and Hunch Technologies Limited. (8)

10.11	Principal Shareholder Agreement, dated as of January 17, 2024, by and among Direct Selling Acquisition Corp., Hunch Technologies Limited, Blade Urban Air Mobility Inc. and Quick Response Services Provider LLP. (9)
10.12	Sponsor Support Agreement, dated as of January 17, 2024, by and among DSAC Partners LLC, Direct Selling Acquisition Corp., Hunch Technologies Limited and other parties. (10)
10.13	The Note Purchase Agreement, dated as of January 17, 2014, by and among Hunch Technologies Limited, Aeroflow Urban Air Mobility Private Limited and Antara Capital Master Fund LP. (11)
10.14	Promissory Note, dated May 5, 2023, issued by Direct Selling Acquisition Corp. to DSAC Partners LLC.(12)
14.1	Code of Business Conduct and Ethics. (1)
31.1	Certification of Principal Executive Officer pursuant to Rules 13a-14 and 15d-14 promulgated under the Securities Exchange Act of 1934.*
31.2	Certification of Principal Financial Officer pursuant to Rules 13a-14 and 15d-14 promulgated under the Securities Exchange Act of 1934.*
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
97.1	Direct Selling Acquisition Corp. Clawback Policy.*
101.INS	Inline XBRL Instance Document*
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF XBRL	Inline Taxonomy Extension Definition Linkbase Document*
101.LAB XBRL	Inline Taxonomy Extension Label Linkbase Document*
101.PRE XBRL	Inline Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)*

* Filed herewith
** Furnished herewith
† Certain of the exhibits and schedules to this exhibit have been omitted in accordance with Regulation S-K Item 601(b)(2). The Company agrees to furnish supplementally a copy of all omitted exhibits and schedules to the SEC upon its request.
(1) Incorporated by reference to Amendment No. 1 to the Company's Registration Statement on FormS-l (File No. 333-258997), filed with the SEC on August 25, 2021).
(2) Incorporated by reference to Exhibit 3.1 to the Current Report on Form8-K (File No. 001-40831), filed with the SEC on March 28, 2023.
(3) Incorporated by reference to the corresponding exhibit to the Company's Current Report on Form8-K (File No. 001-40831), filed with the SEC on September 29, 2021.

(4) Incorporated by reference to Exhibit 10.6 to Amendment No. 1 to the Company's Registration Statement on Form S-1 (File No. 333-258997), filed with the SEC on August 25, 2021).
(5) Incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed with the SEC on March 28, 2023.
(6) Incorporated by reference to Exhibit 2.1 of the Current Report on Form 8-K, filed with the SEC on January 18, 2024.
(7) Incorporated by reference to Exhibit 10.2 of the Current Report on Form 8-K, filed with the SEC on January 18, 2024.
(8) Incorporated by reference to Exhibit 10.3 of the Current Report on Form 8-K, filed with the SEC on January 18, 2024.
(9) Incorporated by reference to Exhibit 10.4 of the Current Report on Form 8-K, filed with the SEC on January 18, 2024.
(10) Incorporated by reference to Exhibit 10.5 of the Current Report on Form 8-K, filed with the SEC on January 18, 2024.
(11) Incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed with the SEC on January 18, 2024.
(12) Incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed with the SEC on May 9, 2023.
(13) Incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K, filed with the SEC on April 1, 2024.
(14) Incorporated by reference to Exhibit 3.2 of the Current Report on Form 8-K, filed with the SEC on April 1, 2024.
(15) Incorporated by reference to Exhibit 3.3 of the Current Report on Form 8-K, filed with the SEC on April 1, 2024.
(16) Incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed with the SEC on April 1, 2024.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

April 1, 2024

DIRECT SELLING ACQUISITION CORP.

By: /s/ Dave Wentz
Name: Dave Wentz
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ Dave Wentz	Chairman and Chief Executive Officer (Principal Executive Officer)	April 1, 2024
/s/ Mike Lohner	President, Chief Financial Officer and Director (Principal Financial Officer and Principal Accounting Officer)	April 1, 2024
/s/ Wayne Moorehead	Chief Strategy Officer	April 1, 2024
/s/ Bradford Richardson	Director	April 1, 2024
/s/ Travis Ogden	Director	April 1, 2024
/s/ Heather Chastain	Director	April 1, 2024

Exhibit 4.5

DESCRIPTION OF SECURITIES

The following description of Direct Selling Acquisition Corp.'s securities is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to the Company's amended and restated certificate of incorporation ("Charter"), which is incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this exhibit is a part. We encourage you to read our Charter and the applicable provisions of the Delaware General Corporation Law (the "DGCL") for additional information. References to the "Company" and to "we," "us," and "our" refer to Direct Selling Acquisition Corp., and references to the "sponsor" refer to DSAC Partners LLC, our sponsor, a Delaware limited liability company.

We are a Delaware corporation and our affairs are governed by our Charter and the DGCL. Pursuant to our Charter, we are authorized to issue 400,000,000 shares of common stock, $0.0001 par value each, including 380,000,000 shares of Class A common stock and 20,000,000 shares of Class B common stock, as well as 1,000,000 shares of preferred stock, $0.0001 par value each. The following description summarizes certain terms of our capital stock as set out more particularly in our Charter. Because it is only a summary, it may not contain all the information that is important to you.

Units

Each unit consists of one share of Class A common stock andone-half of one redeemable warrant. Each whole warrant entitles the holder thereof to purchase one share of Class A common stock at a price of $11.50 per share, subject to adjustment. Pursuant to the warrant agreement, a warrant holder may exercise its warrants only for a whole number of the shares of Company's Class A common stock. This means only a whole warrant may be exercised at any given time by a warrant holder.

The shares of Class A common stock and warrants comprising the units began separate trading on the New York Stock Exchange (the "NYSE") on November 12, 2021. Unit holders have the option to continue to hold units or separate their units into the component securities. Holders need to have their brokers contact our transfer agent in order to separate the units into Class A common stock and warrants. No fractional warrants will be issued upon separation of the units and only whole warrants will trade. Accordingly, unless a unit holder holds a multiple of two units, the number of warrants issuable to such unit holder upon separation of the units will be rounded down to the nearest whole number of warrants.

Common Stock

Following our Second Extension Meeting on March 28, 2024, to, in part, amend our amended and restated certificate of association to extend the date by which we have to consummate a business combination and the redemptions by certain stockholders of their shares of common stock in connection therewith, as of April 1, 2024, there were 8,472,283 shares of our common stock outstanding, including:

- 2,722,283 shares of Class A common stock (the "public shares") underlying units issued as part of our initial public offering (the "Public Offering");
- 5,749,000 shares of Class A common stock held by or initial stockholders upon the conversion of shares of Class B common stock.
- 1000 shares of Class B common stock (the "founder shares") held by our initial stockholders.

Stockholders of record are entitled to one vote for each share held on all matters to be voted on by stockholders. Prior to our initial business combination, only holders of our founder shares will have the right to vote on the appointment of directors. Holders of our public shares will not be entitled to vote on the appointment of directors during such time. In addition, prior to the completion of an initial business combination, holders of a majority of our founder shares may remove a member of the board of directors for any reason. Accordingly, you may not have any say in the management of our company prior to the completion of an initial business combination.

Holders of Class A common stock and holders of Class B common stock will vote together as a single class on all other matters submitted to a vote of our stockholders except as required by law. Unless specified in our Charter, or as required by applicable provisions of the DGCL or applicable stock exchange rules, the affirmative vote of a majority of our shares of common stock that are voted is required to approve any such matter voted on by our stockholders. Our board of directors is divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares voted for the election of directors can elect all of the directors. Our stockholders are entitled to receive ratable dividends when, as and if declared by the board of directors out of funds legally available therefor.

Because our Charter authorizes the issuance of up to 380,000,000 shares of Class A common stock, if we were to enter into a business combination, we may (depending on the terms of such a business combination) be required to increase the number of shares of Class A common stock which we are authorized to issue at the same time as our stockholders vote on the business combination to the extent we seek stockholder approval in connection with our initial business combination.

In accordance with NYSE's corporate governance requirements, we are not required to hold an annual meeting until no later than one year after our first fiscal year end following our listing on the NYSE. Under Section 211(b) of the DGCL, we are, however, required to hold an annual meeting of stockholders for the purposes of electing directors in accordance with our bylaws, unless such election is made by written consent in lieu of such a meeting. We may not hold an annual meeting of stockholders to elect new directors prior to the consummation of our initial business combination, and thus we may not be in compliance with Section 211(b) of the DGCL, which requires an annual meeting. Therefore, if our stockholders want us to hold an annual meeting prior to the consummation of our initial business combination, they may attempt to force us to hold one by submitting an application to the Delaware Court of Chancery in accordance with Section 211(c) of the DGCL. Prior to the completion of an initial business combination, any vacancy on the board of directors may be filled by a nominee chosen by holders of a majority of our founder shares. In addition, prior to the completion of an initial business combination, holders of a majority of our founder shares may remove a member of the board of directors for any reason.

Upon the closing of the Public Offering and the sale of private placement warrants occurring simultaneously therewith, a total of $234,600,000 was deposited into a trust account located in the United States with Continental Stock Transfer & Trust Company acting as trustee (the "Trust Account"). We will provide our public stockholders with the opportunity to redeem all or a portion of their public shares upon the completion of our initial business combination at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account calculated as of two business days prior to the consummation of our initial business combination, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, subject to the limitations described herein. The per share amount we will distribute to investors who properly redeem their shares will not be reduced by the deferred underwriting commissions we will pay to the underwriters. Our initial stockholders, sponsor, officers and directors have entered into a letter agreement with us, pursuant to which they have agreed to waive their redemption rights with respect to any founder shares and public shares they hold in connection with the completion of our initial business combination. Unlike many special purpose acquisition companies that hold stockholder votes and conduct proxy solicitations in conjunction with their initial business combinations and provide for related redemptions of public shares for cash upon completion of such initial business combinations even when a vote is not required by law, if a stockholder vote is not required by law and we do not decide to hold a stockholder vote for business or other legal reasons, we will, pursuant to our Charter, conduct the redemptions pursuant to the tender offer rules of the SEC, and file tender offer documents with the SEC prior to completing our initial business combination. Our Charter requires these tender offer documents to contain substantially the same financial and other information about our initial

business combination and the redemption rights as is required under the SEC's proxy rules. If, however, a stockholder approval of the transaction is required by law, or we decide to obtain stockholder approval for business or other legal reasons, we will, like many special purpose acquisition companies, offer to redeem shares in conjunction with a proxy solicitation pursuant to the proxy rules and not pursuant to the tender offer rules. However, the participation of our sponsor, executive officers, directors, advisors or their affiliates in privately-negotiated transactions, if any, could result in the approval of our initial business combination even if a majority of our public stockholders vote, or indicate their intention to vote, against such initial business combination. For purposes of seeking approval of the majority of our outstanding shares of common stock, non-votes will have no effect on the approval of our initial business combination once a quorum is obtained.

If we seek stockholder approval of our initial business combination and we do not conduct redemptions in connection with our initial business combination pursuant to the tender offer rules, our Charter provides that a public stockholder, together with any affiliate of such stockholder or any other person with whom such stockholder is acting in concert or as a "group" (as defined under Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), will be restricted from redeeming its shares with respect to more than an aggregate of 15% of the shares sold in the Public Offering (the "Excess Shares"), without our prior consent. However, we would not be restricting our stockholders' ability to vote all of their shares (including Excess Shares) for or against our initial business combination. Our stockholders' inability to redeem the Excess Shares will reduce their influence over our ability to complete our initial business combination, and such stockholders could suffer a material loss in their investment if they sell such Excess Shares on the open market. Additionally, such stockholders will not receive redemption distributions with respect to the Excess Shares if we complete our initial business combination. And, as a result, such stockholders will continue to hold that number of shares exceeding 15% and, in order to dispose such shares would be required to sell their shares in open market transactions, potentially at a loss.

If we seek stockholder approval in connection with our initial business combination, our initial stockholders, sponsor, officers and directors have agreed to vote any founder shares that they hold and any public shares purchased by them in favor of our initial business combination. As a result, in addition to our initial stockholders' founder shares, we could need none (assuming only the minimum number of shares of Common Stock representing a quorum are voted), of our currently outstanding public shares sold in the Public Offering to be voted in favor of an initial business combination in order to have our initial business combination approved (assuming that only a quorum is present at the meeting). Additionally, each public stockholder may elect to redeem their public shares irrespective of whether they vote for or against the proposed transaction.

Pursuant to our Charter, if we are unable to complete our initial business combination by the Termination Date, we will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but no more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to the approval of our remaining stockholders and our board of directors, liquidate and dissolve, subject in each case to our obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law. Our initial stockholders have entered into agreements with us, pursuant to which they have agreed to waive their rights to liquidating distributions from the Trust Account with respect to their founder shares if we fail to complete our initial business combination by the Termination Date or any extended period of time that we may have to consummate an initial business combination as a result of an amendment to our Charter (an "Extension Period"). However, if we fail to complete our initial business combination within the prescribed time period, our initial stockholders or management team will be entitled to liquidating distributions from the Trust Account with respect to any public shares held by them.

In the event of a liquidation, dissolution or winding up of the company after a business combination, our stockholders are entitled to share ratably in all assets remaining available for distribution to them after payment of liabilities and after provision is made for each class of shares, if any, having preference over the common stock. Our stockholders have no preemptive or other subscription rights. There are no sinking fund provisions applicable to the common stock, except that we will provide our public stockholders with the opportunity to redeem their public shares for cash at a per share price equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, upon the completion of our initial business combination, subject to the limitations described herein.

Founder Shares

The founder shares are designated as Class B common stock and, except as described below, are identical to the shares of Class A common stock included in the units sold in the Public Offering, and holders of founder shares have the same stockholder rights as public stockholders, except that (i) the founder shares are subject to certain transfer restrictions, as described in more detail below, (ii) our initial stockholders, sponsor, officers and directors have entered into a letter agreement with us, pursuant to which they have agreed (A) to waive their redemption rights with respect to any founder shares and public shares they hold in connection with the completion of our initial business combination, (B) to waive their redemption rights with respect to any founder shares and public shares they hold in connection with a stockholder vote to approve an amendment to our Charter to modify the substance or timing of our obligation to redeem 100% of our public shares if we have not consummated an initial business combination by the Termination Date or with respect to any other material provisions relating to stockholders' rights or pre-initial business combination activity and (C) to waive their rights to liquidating distributions from the Trust Account with respect to any founder shares they hold if we fail to complete our initial business combination by the Termination Date or during any Extension Period, although they will be entitled to liquidating distributions from the Trust Account with respect to any public shares they hold if we fail to complete our initial business combination within such time period, and (iii) the founder shares are automatically convertible into Class A common stock concurrently with or immediately following the consummation of our initial business combination on a one-for-one basis, subject to adjustment as described herein and in our Charter. If we submit our initial business combination to our public stockholders for a vote, our initial stockholders have agreed to vote their founder shares and any public shares purchased during or after the Public Offering in favor of our initial business combination.

The founder shares will automatically convert into shares of Class A common stock concurrently with or immediately following the consummation of our initial business combination on a one-for-one basis, subject to adjustment for stock splits, stock dividends, reorganizations, recapitalizations and the like, and subject to further adjustment as provided herein. In the case that additional shares of Class A common stock or equity-linked securities are issued or deemed issued in connection with our initial business combination, the number of shares of Class A common stock issuable upon conversion of all founder shares will equal, in the aggregate, on an as-converted basis, approximately 20% of the total number of shares of Class A common stock outstanding after such conversion (after giving effect to any redemptions of shares of Class A common stock by public stockholders), including the total number of shares of Class A common stock issued, or deemed issued or issuable upon conversion or exercise of any equity-linked securities or rights issued or deemed issued, by the Company in connection with or in relation to the consummation of the initial business combination, excluding any shares of Class A common stock or equity-linked securities or rights exercisable for or convertible into shares of Class A common stock issued, or to be issued, to any seller in the initial business combination and any private placement warrants issued to our sponsor, executive officers or directors upon conversion of working capital loans, provided that such conversion of founder shares will never occur on a less than one-for-one basis.

With certain limited exceptions, the founder shares are not transferable, assignable or salable (except to our officers and directors and other persons or entities affiliated with our sponsor, each of whom will be subject to the same transfer restrictions) until the earlier of (A) one year after the completion of our initial business combination or earlier if, subsequent to our initial business combination, the closing price of the Class A common stock equals or exceeds $12.00 per share (as adjusted for stock splits, stock capitalizations, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days after our initial business combination, and (B) the date following the completion of our initial business combination on which we complete a liquidation, merger, capital stock exchange or other similar transaction that results in all of our stockholders having the right to exchange their Class A common stock for cash, securities or other property.

Prior to our initial business combination, only holders of our founder shares will have the right to vote on the appointment of directors. Holders of our public shares will not be entitled to vote on the appointment of directors during such time. In addition, prior to the completion of an initial business combination, holders of a majority of our founder shares may remove a member of the board of directors for any reason. These provisions of our Charter may

only be amended by approval of a majority of our Class B common stock voting in an annual meeting. With respect to any other matter submitted to a vote of our stockholders, including any vote in connection with our initial business combination, except as required by law, holders of our founder shares and holders of our public shares will vote together as a single class, with each share entitling the holder to one vote.

Preferred Stock

Our Charter authorizes 1,000,000 shares of preferred stock and provides that shares of preferred stock may be issued from time to time in one or more series. Our board of directors is authorized to fix the voting rights, if any, designations, powers, preferences, the relative, participating, optional or other special rights and any qualifications, limitations and restrictions thereof, applicable to the shares of each series. Our board of directors is able to, without stockholder approval, issue shares of preferred stock with voting and other rights that could adversely affect the voting power and other rights of the holders of the common stock and could have anti-takeover effects. The ability of our board of directors to issue shares of preferred stock without stockholder approval could have the effect of delaying, deferring or preventing a change of control of us or the removal of existing management. We had no preferred shares outstanding as of December 31, 2021.

Warrants

Redeemable warrants

Each whole warrant entitles the registered holder to purchase one share of Class A common stock at a price of $11.50 per share, subject to adjustment as discussed below, at any time commencing on the later of 12 months from the closing of the Public Offering and 30 days after the completion of our initial business combination, provided in each case that we have an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"), covering the shares of Class A common stock issuable upon exercise of the warrants and a current prospectus relating to them is available (or we permit holders to exercise their warrants on a cashless basis under the circumstances specified in the warrant agreement) and such shares are registered, qualified or exempt from registration under the securities, or blue sky, laws of the state of residence of the holder. Pursuant to the warrant agreement, a warrant holder may exercise its warrants only for a whole number of shares of Class A common stock. This means only a whole warrant may be exercised at a given time by a warrant holder. No fractional warrants will be issued upon separation of the units and only whole warrants will trade. Accordingly, unless our unit holders hold a multiple of two units, the number of warrants issuable to such holders upon separation of the units will be rounded down to the nearest whole number of warrants. The warrants will expire five years after the completion of our initial business combination, at 5:00 p.m., New York City time, or earlier upon redemption or liquidation.

We will not be obligated to deliver any Class A common stock pursuant to the exercise of a warrant and will have no obligation to settle such warrant exercise unless a registration statement under the Securities Act with respect to the Class A common stock underlying the warrants is then effective and a prospectus relating thereto is current, subject to our satisfying our obligations described below with respect to registration. No warrant will be exercisable and we will not be obligated to issue a share of Class A common stock upon exercise of a warrant unless the share of Class A common stock issuable upon such warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the warrants. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a warrant, the holder of such warrant will not be entitled to exercise such warrant and such warrant may have no value and expire worthless. In no event will we be required to net cash settle any warrant. In the event that a registration statement is not effective for the exercised warrants, the purchaser of a unit containing such warrant will have paid the full purchase price for the unit solely for the share of Class A common stock underlying such unit.

We have agreed that as soon as practicable, but in no event later than fifteen (15) business days after the closing of our initial business combination, we will use our best efforts to file with the SEC a registration statement for the registration, under the Securities Act, of the Class A common stock issuable upon exercise of the warrants. We will use our best efforts to cause the same to become effective and to maintain the effectiveness of such registration statement, and a current prospectus relating thereto, until the expiration of the warrants in accordance with the provisions of the warrant agreement. If a registration statement covering the shares of Class A common stock issuable upon exercise of the warrants is not effective by the sixtieth (60th) business day after the closing of our initial business combination, warrant holders may, until such time as there is an effective registration statement

and during any period when we will have failed to maintain an effective registration statement, exercise warrants on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act or another exemption. Notwithstanding the above, if our Class A common stock are at the time of any exercise of a warrant not listed on a national securities exchange such that they satisfy the definition of a "covered security" under Section 18(b)(1) of the Securities Act, we may, at our option, require holders of public warrants who exercise their warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act and, in the event we so elect, we will not be required to file or maintain in effect a registration statement, and in the event we do not so elect, we will use our best efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

We account for the 23,200,000 warrants issued in connection with the Public Offering (including 11,500,000 redeemable warrants included in the units and 11,700,000 private placement warrants) in accordance with the guidance contained in ASC 815-40. Such guidance provides that because the warrants do not meet the criteria for equity treatment thereunder, each warrant must be recorded as a liability. The warrant agreement contains an alternative issuance provision that if less than 70% of the consideration receivable by the holders of the Class A common stock in our initial business combination is payable in the form of common equity in the successor entity that is listed for trading on a national securities exchange or is quoted in an established over-the-counter market, or is to be so listed for trading or quoted immediately following such event, and if the registered holders of the warrants properly exercise the warrants within thirty days following the public disclosure of the consummation of our initial business combination, the warrant exercise price will be reduced as specified in the warrant agreement based on the Black-Scholes value of the warrant. The Company believes that the adjustments to the exercise price of the warrants is based on a variable that is not an input to the fair value of a "fixed-for-fixed" option as defined under FASB ASC Topic No. 815–40, and thus the warrants are not eligible for an exception from derivative accounting.

The accounting treatment of derivative financial instruments requires that we record a derivative liability upon the closing of the Public Offering. Accordingly, we classified each warrant as a liability at its fair value and the warrants were allocated a portion of the proceeds from the issuance of the units equal to its fair value determined by the Monte Carlo simulation. This liability is subject to re-measurement at each balance sheet date. With each such remeasurement, the warrant liability will be adjusted to fair value, with the change in fair value recognized in our statement of operations. We will reassess the classification at each balance sheet date. If the classification changes as a result of events during the period, the warrants will be reclassified as of the date of the event that causes the reclassification.

Private placement warrants

Simultaneously with the closing of the Public Offering, the Company completed the private sale of an aggregate of 11,700,000 warrants to the sponsor at a purchase price of $1.00 per private placement warrant pursuant to the private placement warrants purchase agreement filed as an exhibit to the registration statement relating to the Public Offering. The private placement warrants are identical to the warrants sold in the Public Offering except that (a) the private placement warrants and their component securities will not be transferable, assignable or salable until 30 days after the consummation of our initial business combination except to permitted transferees and (b) the private placement warrants, so long as they are held by our sponsor or its permitted transferees, (i) will not be redeemable by us, (ii) may be exercised by the holders on a cashless basis and (iii) will be entitled to registration rights.

Redemption of warrants for cash

Once the warrants become exercisable, we may call the warrants for redemption for cash:

- in whole and not in part;
- at a price of $0.01 per warrant;
- upon not less than 30 days' prior written notice of redemption to each warrant holder; and
- if, and only if, the closing price of the common stock equals or exceeds $18.00 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant as described below under "*—Redemption procedures and cashless exercise*") for any 20 trading days within a 30-trading day period ending three trading days before we send the notice of redemption to the warrant holders.

We will not redeem the warrants as described above unless a registration statement under the Securities Act covering the issuance of the Class A common stock issuable upon exercise of the warrants is then effective and a current prospectus relating to those shares of Class A common stock is available throughout the 30-day redemption period. If and when the warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws.

We have established the last of the redemption criteria discussed above to prevent a redemption call unless there is at the time of the call a significant premium to the warrant exercise price. If the foregoing conditions are satisfied and we issue a notice of redemption of the warrants, each warrant holder will be entitled to exercise his, her or its warrant prior to the scheduled redemption date. However, the price of the Class A common stock may fall below the $18.00 redemption trigger price (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant as described below under "*—Redemption procedures and cashless exercise*") as well as the $11.50 (for whole shares) warrant exercise price after the redemption notice is issued.

Redemption procedures and cashless exercise

If we call the warrants for redemption as described above under "*—Redemption of warrants for cash*," our management will have the option to require any holder that wishes to exercise his, her or its warrant to do so on a "cashless basis." In determining whether to require all holders to exercise their warrants on a "cashless basis," our management will consider, among other factors, our cash position, the number of warrants that are outstanding and the dilutive effect on our stockholders of issuing the maximum number of shares of Class A common stock issuable upon the exercise of our warrants. If our management takes advantage of this option, all holders of warrants would pay the exercise price by surrendering their warrants for that number of shares of Class A common stock equal to the quotient obtained by dividing (x) the product of the number of Class A common stock underlying the warrants, multiplied by the excess of the "fair market value" of our Class A common stock (defined below) over the exercise price of the warrants by (y) the fair market value. The "fair market value" will mean the average closing price of the Class A common stock for the ten trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of warrants. If our management takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of shares of Class A common stock to be received upon exercise of the warrants, including the "fair market value" in such case. Requiring a cashless exercise in this manner will reduce the number of shares to be issued and thereby lessen the dilutive effect of a warrant redemption. We believe this feature is an attractive option to us if we do not need the cash from the exercise of the warrants after our initial business combination. If we call our warrants for redemption and our management does not take advantage of this option, the holders of the private placement warrants and their permitted transferees would still be entitled to exercise their private placement warrants for cash or on a cashless basis using the same formula described above that other warrant holders would have been required to use had all warrant holders been required to exercise their warrants on a cashless basis, as described in more detail below.

A holder of a warrant may notify us in writing in the event it elects to be subject to a requirement that such holder will not have the right to exercise such warrant, to the extent that after giving effect to such exercise, such person (together with such person's affiliates), to the warrant agent's actual knowledge, would beneficially own in excess of 4.9% or 9.8% (as specified by the holder) of the Class A common stock outstanding immediately after giving effect to such exercise.

If the number of outstanding shares of Class A common stock is increased by a share capitalization or share dividend payable in Class A common stock, or by a split-up of common stock or other similar event, then, on the effective date of such share capitalization or share dividend, split-up or similar event, the number of shares of Class A common stock issuable on exercise of each warrant will be increased in proportion to such increase in the outstanding common stock. A rights offering made to all or substantially all holders of common stock entitling holders to purchase Class A common stock at a price less than the "historical fair market value" (as defined below) will be deemed a share dividend of a number of shares of Class A common stock equal to the product of (i) the number of shares of Class A common stock actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for Class A common stock) and (ii) one minus the quotient of (x) the price per share of Class A common stock paid in such rights offering and (y) the historical fair market value. For these purposes, (i) if the rights offering is for securities convertible into or

exercisable for Class A common stock, in determining the price payable for shares of Class A common stock, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (ii) "historical fair market value" means the volume weighted average price of shares of Class A common stock as reported during the ten trading day period ending on the trading day prior to the first date on which the Class A common stock trades on the applicable exchange or in the applicable market, regular way, without the right to receive such rights.

In addition, if we, at any time while the warrants are outstanding and unexpired, pay a dividend or make a distribution in cash, securities or other assets to all or substantially all of the holders of the Class A common stock on account of such Class A common stock (or other securities into which the warrants are convertible), other than (a) as described above, (b) any cash dividends or cash distributions which, when combined on a per share basis with all other cash dividends and cash distributions paid on the Class A common stock during the 365-day period ending on the date of declaration of such dividend or distribution, does not exceed $0.50 (as adjusted to appropriately reflect any other adjustments and excluding cash dividends or cash distributions that resulted in an adjustment to the exercise price or to the number of shares of Class A common stock issuable on exercise of each warrant) but only with respect to the amount of the aggregate cash dividends or cash distributions equal to or less than $0.50 per share, (c) to satisfy the redemption rights of the holders of Class A common stock in connection with a proposed initial business combination, (d) to satisfy the redemption rights of the holders of Class A common stock in connection with a stockholder vote to amend our Charter (A) to modify the substance or timing of our obligation to provide holders of our Class A common stock the right to have their shares redeemed in connection with our initial business combination or to redeem 100% of our public shares if we do not complete our initial business combination by the Termination Date or (B) with respect to any other provision relating to the rights of holders of our Class A common stock, or (e) in connection with the redemption of our public shares upon our failure to complete our initial business combination, then the warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each share of Class A common stock in respect of such event.

If the number of shares of outstanding Class A common stock is decreased by a consolidation, combination, reverse share split or reclassification of Class A common stock or other similar event, then, on the effective date of such consolidation, combination, reverse share split, reclassification or similar event, the number of shares of Class A common stock issuable on exercise of each warrant will be decreased in proportion to such decrease in outstanding Class A common stock.

Whenever the number of shares of Class A common stock purchasable upon the exercise of the warrants is adjusted, as described above, the warrant exercise price will be adjusted by multiplying the warrant exercise price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number of shares of Class A common stock purchasable upon the exercise of the warrants immediately prior to such adjustment, and (y) the denominator of which will be the number of shares of Class A common stock so purchasable immediately thereafter.

In addition, if (x) we issue additional shares of Class A common stock or equity-linked securities for capital raising purposes in connection with the closing of our initial business combination at an issue price or effective issue price of less than $9.20 per share (with such issue price or effective issue price to be determined in good faith by our board of directors and, in the case of any such issuance to our sponsor or its affiliates, without taking into account any founder shares held by our sponsor or such affiliates, as applicable, prior to such issuance) (the "Newly Issued Price"), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of our initial business combination on the date of the consummation of our initial business combination (net of redemptions), and (z) the volume weighted average trading price of our Class A common stock during the 20 trading day period starting on the trading day after the day on which we consummate our initial business combination (such price, the "Market Value") is below $9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the higher of the Market Value and the Newly Issued Price, and the $18.00 per share redemption trigger price described under "*—Redemption of warrants for cash*" above will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price.

In case of any reclassification or reorganization of the outstanding Class A common stock (other than those described above or that solely affects the par value of such Class A common stock), or in the case of any merger or consolidation of us with or into another corporation (other than a consolidation or merger in which we are the continuing corporation and that does not result in any reclassification or reorganization of our outstanding Class A common stock), or in the case of any sale or conveyance to another corporation or entity of the assets or other property of us as an entirety or substantially as an entirety in connection with which we are dissolved, the holders of the warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the warrants and in lieu of the Class A common stock immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares of Class A common stock or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the warrants would have received if such holder had exercised their warrants immediately prior to such event. If less than 70% of the consideration receivable by the holders of Class A common stock in such a transaction is payable in the form of Class A common stock in the successor entity that is listed for trading on a national securities exchange or is quoted in an established over-the-counter market, or is to be so listed for trading or quoted immediately following such event, and if the registered holder of the warrant properly exercises the warrant within thirty days following public disclosure of such transaction, the warrant exercise price will be reduced as specified in the warrant agreement based on the Black-Scholes Warrant Value (as defined in the warrant agreement) of the warrant. The purpose of such exercise price reduction is to provide additional value to holders of the warrants when an extraordinary transaction occurs during the exercise period of the warrants pursuant to which the holders of the warrants otherwise do not receive the full potential value of the warrants.

The warrants have been issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The warrant agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, and that all other modifications or amendments will require the vote or written consent of the holders of at least 50% of the then outstanding public warrants, and, solely with respect to any amendment to the terms of the private placement warrants, a majority of the then outstanding private placement warrants. Holders should review a copy of the warrant agreement, which was filed with the SEC as exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 001-40831) on September 29, 2021, for a complete description of the terms and conditions applicable to the warrants.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price (or on a cashless basis, if applicable), by certified or official bank check payable to us, for the number of warrants being exercised. The warrant holders do not have the rights or privileges of holders of common stock and any voting rights until they exercise their warrants and receive Class A common stock. After the issuance of Class A common stock upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

No fractional shares will be issued upon exercise of the warrants. If, upon exercise of the warrants, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise, round down to the nearest whole number the number of Class A common stock to be issued to the warrant holder.

Private Placement Warrants

The private placement warrants (including the Class A common stock issuable upon exercise of the private placement warrants) are not transferable, assignable or salable until 30 days after the completion of our initial business combination (except, among other limited exceptions, to our officers and directors and other persons or entities affiliated with the initial purchasers of the private placement warrants) and they will not be redeemable by us so long as they are held by the initial stockholders or their permitted transferees. The initial purchasers, or their permitted transferees, have the option to exercise the private placement warrants on a cashless basis. Except as described in this section, the private placement warrants have terms and provisions that are identical to those of the warrants sold as part of the units in the Public Offering. If the private placement warrants are held by holders other than the initial purchasers or their permitted transferees, the private placement warrants will be redeemable by us in all redemption scenarios and exercisable by the holders on the same basis as the warrants included in the units sold in the Public Offering.

If holders of the private placement warrants elect to exercise them on a cashless basis, they would pay the exercise price by surrendering his, her or its warrants for that number of shares of Class A common stock equal to the quotient obtained by dividing (x) the product of the number of shares of Class A common stock underlying the warrants, multiplied by the excess of the "fair market value" (as defined below) over the exercise price of the warrants by (y) the fair market value. The "fair market value" will mean the average closing price of the Class A common stock for the ten trading days ending on the third trading day prior to the date on which the notice of warrant exercise is sent to the warrant agent. The reason that we agreed that these warrants will be exercisable on a cashless basis so long as they are held by the initial purchasers or their permitted transferees is because it is not known at this time whether they will be affiliated with us following a business combination. If they remain affiliated with us, their ability to sell our securities in the open market will be significantly limited. We have policies in place that prohibit insiders from selling our securities except during specific periods of time. Even during such periods of time when insiders will be permitted to sell our securities, an insider cannot trade in our securities if he or she is in possession of material non-public information. Accordingly, unlike public stockholders who could exercise their warrants and sell the shares of Class A common stock received upon such exercise freely in the open market in order to recoup the cost of such exercise, the insiders could be significantly restricted from selling such securities. As a result, we believe that allowing the holders to exercise such warrants on a cashless basis is appropriate.

In order to fund working capital deficiencies or finance transaction costs in connection with an intended initial business combination, our sponsor or an affiliate of our sponsor or certain of our officers and directors may, but are not obligated to, loan us funds as may be required. Up to $1,500,000 of such loans may be convertible into warrants of the post business combination entity at a price of $1.00 per warrant at the option of the lender. Such warrants would be identical to the private placement warrants.

Our initial stockholders have agreed not to transfer, assign or sell any of the private placement warrants (including the Class A common stock issuable upon exercise of any of these warrants) until the date that is 30 days after the date we complete our initial business combination, except that, among other limited exceptions, transfers can be made to our officers and directors and other persons or entities affiliated with the sponsor.

Dividends

The payment of cash dividends on our common stock will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of a business combination. The payment of any cash dividends subsequent to a business combination will be within the discretion of our board of directors at such time. If we incur any indebtedness, our ability to declare dividends may be limited by restrictive covenants we may agree to in connection therewith.

Our Transfer Agent and Warrant Agent

The transfer agent for our common stock and warrant agent for our warrants is Continental Stock Transfer & Trust Company. We have agreed to indemnify Continental Stock Transfer & Trust Company in its roles as transfer agent and warrant agent, its agents and each of its stockholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence or intentional misconduct of the indemnified person or entity. Continental Stock Transfer & Trust Company has agreed that it has no right of set-off or any right, title, interest or claim of any kind to, or to any monies in, the Trust Account, and has irrevocably waived any right, title, interest or claim of any kind to, or to any monies in, the Trust Account that it may have now or in the future. Accordingly, any indemnification provided will only be able to be satisfied, or a claim will only be able to be pursued, solely against us and our assets outside the Trust Account and not against the any monies in the Trust Account or interest earned thereon.

Charter

Our Charter contains certain requirements and restrictions relating to the Public Offering that will apply to us until the completion of our initial business combination. These provisions cannot be amended without the approval of the holders of 65% of our common stock. Our initial stockholders, who collectively beneficially owned 20% of our common stock upon the closing of the Public Offering and as of the date of this Annual Report, currently own approximately 50.7% of our outstanding common stock., may participate in any vote to amend our Charter and will have the discretion to vote in any manner they choose. Specifically, our Charter provides, among other things, that:

- If we are unable to complete our initial business combination by the Termination Date, we will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but no more than ten business days thereafter, redeem the public shares, at a per- share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to the approval of our remaining stockholders and our board of directors, liquidate and dissolve, subject in each case to our obligations under Delaware law to provide for claims of creditors and in all cases subject to the requirements of other applicable law;
- Prior to our initial business combination, we may not issue additional securities that would entitle the holders thereof to (i) receive funds from the Trust Account or (ii) vote as a class with our public shares (a) on our initial business combination or (b) to approve an amendment to our Charter to (x) extend the time we have to consummate a business combination beyond the Termination Date or (y) amend the foregoing provisions;
- Although we do not intend to enter into a business combination with a target business that is affiliated with our sponsor, our directors or our executive officers, we are not prohibited from doing so. In the event we enter into such a transaction, we, or a committee of independent directors, will obtain an opinion from an independent investment banking firm which is a member of FINRA or a valuation or appraisal firm that such a business combination is fair to our company from a financial point of view;
- If a stockholder vote on our initial business combination is not required by law and we do not decide to hold a stockholder vote for business or other legal reasons, we will offer to redeem our public shares pursuant to Rule 13e-4 and Regulation 14E under the Exchange Act, and will file tender offer documents with the SEC prior to completing our initial business combination which contain substantially the same financial and other information about our initial business combination and the redemption rights as is required under Regulation 14A under the Exchange Act. Whether or not we maintain our registration under the Exchange Act or our listing on the NYSE, we will provide our public stockholders with the opportunity to redeem their public shares by one of the two methods listed above;
- Our initial business combination must occur with one or more target businesses that together have an aggregate fair market value of at least 80% of the assets held in the Trust Account (net of amounts disbursed to management for working capital purposes and excluding the amount of any deferred underwriting commissions held in trust) at the time of the agreement to enter into the initial business combination;
- If our stockholders approve an amendment to our Charter to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete our initial business combination by the Termination Date, or with respect to any other material provisions relating to stockholders' rights or pre-initial business combination activity, we will provide our public stockholders with the opportunity to redeem all or a portion of their Class A common stock upon such approval at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest (which interest shall be net of taxes payable and less up to $100,000 to pay dissolution expenses), divided by the number of then outstanding public shares, subject to the limitations described herein; and
- We will not effectuate our initial business combination with another blank check company or a similar company with nominal operations.

Certain Anti-Takeover Provisions of Delaware Law and our Charter and Bylaws

We are subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. This statute prevents certain Delaware corporations, under certain circumstances, from engaging in a "business combination" with:

- a stockholder who owns 15% or more of our outstanding voting stock (otherwise known as an "interested stockholder");
- an affiliate of an interested stockholder; or
- an associate of an interested stockholder, for three years following the date that the stockholder became an interested stockholder.

A "business combination" includes a merger or sale of more than 10% of our assets. However, the above provisions of Section 203 do not apply if:

- our board of directors approves the transaction that made the stockholder an "interested stockholder";
- prior to the date of the transaction;
- after the completion of the transaction that resulted in the stockholder becoming an interested stockholder, that stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, other than statutorily excluded shares of common stock; or
- on or subsequent to the date of the transaction, the initial business combination is approved by our board of directors and authorized at a meeting of our stockholders, and not by written consent, by an affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Our Charter provides that our board of directors is classified into three classes of directors. As a result, in most circumstances, a person can gain control of our board only by successfully engaging in a proxy contest at two or more annual meetings.

Our authorized but unissued common stock and preferred stock are available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Exclusive Forum for Certain Lawsuits

Our Charter requires, unless we consent in writing to the selection of an alternative forum, that (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee to us or our stockholders, (iii) any action asserting a claim against us, our directors, officers or employees arising pursuant to any provision of the DGCL or our Charter or bylaws, or any action asserting a claim against us, our directors, officers or employees governed by the internal affairs doctrine may be brought only in the Court of Chancery in the State of Delaware, except any action (A) as to which the Court of Chancery of the State of Delaware determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), (B) which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, (C) for which the Court of Chancery does not have subject matter jurisdiction, or (D) arising under the Securities Act, as to which the Court of Chancery and the federal district court for the District of Delaware shall concurrently be the sole and exclusive forums. Notwithstanding the foregoing, the provisions of this paragraph will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States of America have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our Charter. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. Alternatively, if a court were to find the choice of forum provision contained in our Charter to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition.

Our Charter provides that the exclusive forum provision will be applicable to the fullest extent permitted by applicable law. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, and Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. As a result, the exclusive forum provision will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

Special Meeting of Stockholders

Our bylaws provide that special meetings of our stockholders may be called only by a majority vote of our board of directors, by our Chief Executive Officer or by our Chairman.

Advance Notice Requirements for Stockholder Proposals and Director Nominations

Our bylaws provide that stockholders seeking to bring business before our annual meeting of stockholders, or to nominate candidates for election as directors at our annual meeting of stockholders, must provide timely notice of their intent in writing. To be timely, a stockholder's notice will need to be received by the company secretary at our principal executive offices not later than the close of business on the 90th day nor earlier than the opening of business on the 120th day prior to the anniversary date of the immediately preceding annual meeting of stockholders. Pursuant to Rule 14a-8 of the Exchange Act, proposals seeking inclusion in our annual proxy statement must comply with the notice periods contained therein. Our bylaws also specify certain requirements as to the form and content of a stockholders' meeting. These provisions may preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders.

Action by Written Consent

Any action required or permitted to be taken by our common stockholders must be effected by a duly called annual or special meeting of such stockholders and may not be effected by written consent of the stockholders other than with respect to our Class B common stock.

Classified Board of Directors

Our board of directors are divided into three classes, Class I, Class II and Class III, with members of each class serving staggered three-year terms. Our Charter provides that the authorized number of directors may be changed only by resolution of the board of directors. Subject to the terms of any preferred stock, any or all of the directors may be removed from office at any time, but only for cause and only by the affirmative vote of holders of a majority of the voting power of all then outstanding shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class. Any vacancy on our board of directors, including a vacancy resulting from an enlargement of our board of directors, may be filled only by vote of a majority of our directors then in office. However, prior to our initial business combination, only holders of our founder shares will have the right to vote on the election of directors. Holders of our public shares will not be entitled to vote on the election of directors during such time. In addition, prior to the completion of an initial business combination, holders of a majority of our founder shares may remove a member of the board of directors for any reason.

Class B Common Stock Consent Right

For so long as any shares of Class B common stock remain outstanding, we may not, without the prior vote or written consent of the holders of a majority of the shares of Class B common stock then outstanding, voting separately as a single class, amend, alter or repeal any provision of our Charter, whether by merger, consolidation or otherwise, if such amendment, alteration or repeal would alter or change the powers, preferences or relative, participating, optional or other or special rights of the Class B common stock. Any action required or permitted to be taken at any meeting of the holders of Class B common stock may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of the outstanding Class B common stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of Class B common stock were present and voted.

Securities Eligible for Future Sale

As of April 1, 2024, we have 8,472,283 shares of common stock outstanding. Of these shares, the 1,767,183 shares of Class A common stock sold in the Public Offering are freely tradable without restriction or further registration under the Securities Act, except for any Class A common stock purchased by one of our affiliates within the meaning of Rule 144 under the Securities Act. All of the 1000 outstanding founder shares, 5,749,000 shares of Class A common stock held by or initial stockholders upon the conversion of shares of Class B common stock and all of the 11,700,000 outstanding private placement warrants are restricted securities under Rule 144, in that they were issued in private transactions not involving a public offering.

Rule 144

Pursuant to Rule 144, a person who has beneficially owned restricted shares or warrants for at least six months would be entitled to sell their securities provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the three months preceding, a sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least three months before the sale and have filed all required reports under Section 13 or 15(d) of the Exchange Act during the 12 months (or such shorter period as we were required to file reports) preceding the sale.

Persons who have beneficially owned restricted shares or warrants for at least six months but who are our affiliates at the time of, or at any time during the three months preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of:

- 1% of the total number of shares of common stock then outstanding; or
- the average weekly reported trading volume of the Class A common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales by our affiliates under Rule 144 are also limited by manner of sale provisions and notice requirements and to the availability of current public information about us.

Restrictions on the Use of Rule 144 by Shell Companies or Former Shell Companies

Rule 144 is not available for the resale of securities initially issued by shell companies (other than business combination related shell companies) or issuers that have been at any time previously a shell company. However, Rule 144 also includes an important exception to this prohibition if the following conditions are met:

- the issuer of the securities that was formerly a shell company has ceased to be a shell company;
- the issuer of the securities is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act;
- the issuer of the securities has filed all Exchange Act reports and material required to be filed, as applicable, during the preceding 12 months (or such shorter period that the issuer was required to file such reports and materials), other than Form 8-K reports; and
- at least one year has elapsed from the time that the issuer filed current Form 10 type information with the SEC reflecting its status as an entity that is not a shell company.

As a result, our initial stockholders will be able to sell their founder shares and private placement warrants, as applicable, pursuant to Rule 144 without registration one year after we have completed our initial business combination.

Registration Rights

The holders of the (i) founder shares, which were issued in a private placement prior to the closing of the Public Offering, (ii) private placement warrants, which were issued in a private placement simultaneously with the closing of the Public Offering and the shares of Class A common stock underlying such private placement warrants and (iii) private placement warrants that may be issued upon conversion of working capital loans will have registration rights to require us to register a sale of any of our securities held by them pursuant to a registration rights agreement signed in connection with the completion of the Public Offering. Pursuant to the registration rights agreement and assuming $1,500,000 of working capital loans are converted into private placement warrants, we will

be obligated to register up to 18,950,000 shares of Class A common stock and 13,200,000 warrants. The number of shares of Class A common stock includes (i) 1000 shares of Class A common stock to be issued upon conversion of the founder shares, (ii) 11,700,000 shares of Class A common stock underlying the private placement warrants, (iii) 1,500,000 shares of Class A common stock underlying the private placement warrants issued upon conversion of working capital loans and (iv) 5,749,000 shares of Class A common stock held by or initial stockholders upon the conversion of shares of Class B common stock. The holders of these securities are entitled to make up to three demands, excluding short form demands, that we register such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to our completion of our initial business combination. We will bear the expenses incurred in connection with the filing of any such registration statements.

Listing of Securities

Our units and Class A common stock are listed on the NYSE under the symbols "DSAQ.U," and "DSAQ," respectively.

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dave Wentz, certify that:

1. I have reviewed this annual report on Form 10-K of Direct Selling Acquisition Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 1, 2024

By: /s/ Dave Wentz
Name: Dave Wentz
Title: Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mike Lohner, certify that:

1. I have reviewed this annual report on Form 10-K of Direct Selling Acquisition Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 1, 2024

By: /s/ Mike Lohner
Name: Mike Lohner
Title: Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Direct Selling Acquisition Corp. (the "Company") on Form10-K for the fiscal year ended December 31, 2023 as filed with the Securities and Exchange Commission (the "Report"), I, Dave Wentz, Chief Executive Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Date: April 1, 2024

By: /s/ Dave Wentz
Name: Dave Wentz
Title: Chief Executive Officer

This certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

A signed original of this written statement required by Section 906, or other document authentications, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the U.S. Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Direct Selling Acquisition Corp. (the "Company") on Form10-K for the fiscal year ended December 31, 2023 as filed with the Securities and Exchange Commission (the "Report"), I, Mike Lohner, Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Date: April 1, 2024

By: /s/ Mike Lohner
Name: Mike Lohner
Title: Chief Financial Officer

This certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

A signed original of this written statement required by Section 906, or other document authentications, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the U.S. Securities and Exchange Commission or its staff upon request.

Exhibit 97.1

CLAWBACK POLICY

DIRECT SELLING ACQUISTION CORP.

PURPOSE

Direct Selling Acquisition Corp. (the "Company") believes that it is in the best interests of the Company and its stockholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company's pay-for-performance compensation philosophy. The Company's Board of Directors (the "Board") has therefore adopted this policy, which provides for the recoupment of certain executive compensation in the event that the Company is required to prepare an accounting restatement of its financial statements due to material noncompliance with any financial reporting requirement under the federal securities laws (this "Policy"). This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the rules promulgated thereunder, and the listing standards of the national securities exchange on which the Company's securities are listed.

ADMINISTRATION

This Policy shall be administered by the Compensation Committee of the Board (the "Compensation Committee"). Any determinations made by the Compensation Committee shall be final and binding on all affected individuals.

COVERED EXECUTIVES

This Policy applies to the Company's current and former executive officers (as determined by the Compensation Committee in accordance with Section 10D of the Exchange Act, the rules promulgated thereunder, and the listing standards of the national securities exchange on which the Company's securities are listed) and such other senior executives or employees who may from time to time be deemed subject to this Policy by the Compensation Committee (collectively, the "Covered Executives"). This Policy shall be binding and enforceable against all Covered Executives.

Each Covered Executive shall be required to sign and return to the Company the Acknowledgement and Acceptance Form attached hereto as Exhibit A pursuant to which such Covered Executive will acknowledge that he or she is bound by the terms of this Policy; provided, however, that this Policy shall apply to, and be enforceable against, any Covered Executive and his or her successors (as specified in this Policy) regardless of whether or not such Covered Executive properly signs and returns to the Company such Acknowledgement and Acceptance Form and regardless of whether or not such Covered Executive is aware of his or her status as such.

RECOUPMENT; ACCOUNTING RESTATEMENT

In the event that the Company is required to prepare an accounting restatement of its financial statements due to the Company's material noncompliance with any financial reporting requirement under the securities laws, including any required accounting restatement (i) to correct an error in previously issued financial statements that is material to the previously issued financial statements, or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (each an "Accounting Restatement"), the Compensation Committee will reasonably promptly require reimbursement or forfeiture of the Overpayment (as defined below) received by any Covered Executive (x) after beginning service as a Covered Executive, (y) who served as a Covered Executive at any time during the performance period for the applicable Incentive-Based Compensation (as defined below), and (z) during the three (3) completed fiscal years immediately preceding the date on which the Company is required to prepare an Accounting Restatement and any transition period (that results from a change in the Company's fiscal year) within or immediately following those three (3) completed fiscal years.

INCENTIVE-BASED COMPENSATION

For purposes of this Policy, "Incentive-Based Compensation" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a financial reporting measure, including, but not limited to: (i) non-equity incentive plan awards that are earned solely or in part by satisfying a financial reporting measure performance goal; (ii) bonuses paid from a bonus pool, where the size of the pool is determined solely or in part by satisfying a financial reporting measure performance goal; (iii) other cash awards based on satisfaction of a financial reporting measure performance goal; (iv) restricted stock, restricted stock units, stock options, stock appreciation rights, and performance share units that are granted or vest solely or in part based on satisfaction of a financial reporting measure performance goal; and (v) proceeds from the sale of shares of common stock acquired through an incentive plan that were granted or vested solely or in part based on satisfaction of a financial reporting measure performance goal.

Compensation that would not be considered Incentive-Based Compensation includes, but is not limited to: (i) salaries; (ii) bonuses paid solely based on satisfaction of subjective standards, such as demonstrating leadership, and/or completion of a specified employment period; (iii) non-equity incentive plan awards earned solely based on satisfaction of strategic or operational measures; (iv) wholly time-based equity awards; and (v) discretionary bonuses or other compensation that is not paid from a bonus pool that is determined by satisfying a financial reporting measure performance goal.

A financial reporting measure is: (i) any measure that is determined and presented in accordance with the accounting principles used in preparing financial statements, or any measure derived wholly or in part from such measure, such as revenues, EBITDA, or net income or (ii) stock price and total stockholder return. Financial reporting measures include, but are not limited to: revenues; net income; operating income; profitability of one or more reportable segments; financial ratios (e.g., accounts receivable turnover and inventory turnover rates); net assets or net asset value per share of common stock; earnings before interest, taxes, depreciation and

amortization; funds from operations and adjusted funds from operations; liquidity measures (e.g., working capital, operating cash flow); return measures (e.g., return on invested capital, return on assets); earnings measures (e.g., earnings per share); sales per square foot or same store sales, where sales is subject to an accounting restatement; revenue per user, or average revenue per user, where revenue is subject to an accounting restatement; cost per employee, where cost is subject to an accounting restatement; any of such financial reporting measures relative to a peer group, where the Company's financial reporting measure is subject to an accounting restatement; and tax basis income.

OVERPAYMENT: AMOUNT SUBJECT TO RECOVERY

The amount to be recovered will be the amount of Incentive-Based Compensation received that exceeds the amount of Incentive-Based Compensation that otherwise would have been received had it been determined based on the restated amounts, and must be computed without regard to any taxes paid (the "Overpayment"). Incentive-Based Compensation is deemed "received" in the Company's fiscal period during which the financial reporting measure specified in the incentive-based compensation award is attained, even if the vesting, payment or grant of the incentive-based compensation occurs after the end of that period.

For Incentive-Based Compensation based on stock price or total stockholder return, where the amount of erroneously awarded compensation is not subject to mathematical recalculation directly from the information in the Accounting Restatement, the amount must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total stockholder return upon which the Incentive-Based Compensation was received, and the Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the exchange on which the Company's securities are listed.

METHOD OF RECOUPMENT

The Compensation Committee will determine, in its sole discretion, the method or methods for recouping any Overpayment hereunder which may include, without limitation:

- requiring reimbursement of cash Incentive-Based Compensation previously paid;
- seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards granted as Incentive-Based Compensation;
- offsetting any or all of the Overpayment from any compensation otherwise owed by the Company to the Covered Executive;
- cancelling outstanding vested or unvested equity awards; and/or
- taking any other remedial or recovery action permitted by law, as determined by the Compensation Committee.

LIMITATION ON RECOVERY; NO ADDITIONAL PAYMENTS

The right to recovery will be limited to Overpayments received during the three (3) completed fiscal yearsprior to the date on which the Company is required to prepare an Accounting Restatement and any transition period (that results from a change in the Company's fiscal year) within or immediately following those three (3) completed fiscal years. In no event shall the Company be required to award Covered Executives an additional payment if the restated or accurate financial results would have resulted in a higher Incentive-Based Compensation payment.

NO INDEMNIFICATION

The Company shall not indemnify any Covered Executives against the loss of any incorrectly awarded Incentive-Based Compensation.

INTERPRETATION

The Compensation Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and the applicable rules or standards adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's securities are listed.

EFFECTIVE DATE

This Policy shall be effective as of the date it is adopted by the Board (the "Effective Date") and shall apply to Incentive-Based Compensation (including Incentive-Based Compensation granted pursuant to arrangements existing prior to the Effective Date). Notwithstanding the foregoing, this Policy shall only apply to Incentive-Based Compensation received (as determined pursuant to this Policy) on or after October 2, 2023.

AMENDMENT; TERMINATION

The Board may amend this Policy from time to time in its discretion. The Board may terminate this Policy at any time.

OTHER RECOUPMENT RIGHTS

The Board intends that this Policy will be applied to the fullest extent of the law. The Compensation Committee may require that any employment or service agreement, cash-based bonus plan or program, equity award agreement, or similar agreement entered into on or after the adoption of this Policy shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, cash-based bonus plan or program, or similar agreement and any other legal remedies available to the Company.

IMPRACTICABILITY

The Compensation Committee shall recover any Overpayment in accordance with this Policy except to the extent that the Compensation Committee determines such recovery would be impracticable because:

(A) The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered;

(B) Recovery would violate home country law of the Company where that law was adopted prior to November 28, 2022; or

(C) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

SUCCESSORS

This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.