

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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported): March 10, 2023

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

Cayman Islands
(State or other jurisdiction
of incorporation)

001-40222
(Commission File Number)

N/A
(IRS. Employer
Identification No.)

445 Park Avenue, 9th Floor
New York, NY 10023
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (917) 969-9250

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Units, each consisting of one Class A ordinary share, par value \$0.0001, and one-half of one redeemable warrant	BYTSU	The Nasdaq Stock Market LLC
Class A ordinary shares, par value \$0.0001 per share	BYTS	The Nasdaq Stock Market LLC
Redeemable warrants, each warrant exercisable for one Class A ordinary share, each at an exercise price of \$11.50 per share	BYTSW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 7.01 Regulation FD Disclosure.

On March 10, 2023, BYTE Acquisition Corp. ("BYTE" or the "Company") issued a press release announcing that it has entered into a non-binding letter of intent ("LOI") for a business combination with Airship AI Holdings, Inc. ("Airship AI"). Airship AI, a robust AI-driven edge video, sensor and data management platform for government agencies and enterprises that gathers unstructured data from surveillance cameras and sensors, applies artificial intelligence ("AI") analytics, and provides visualization tools to improve decision making in mission critical environments.

Under the terms of the LOI, BYTE and Airship AI would become a combined entity, with Airship AI's existing equity holders rolling 100% of their equity into the combined public company. The proposed transaction values Airship AI at an enterprise value of \$290 million. BYTE expects to announce additional details regarding the proposed business combination when a definitive merger agreement is executed.

The press release also reminds BYTE shareholders that BYTE is seeking shareholder approval of an extension of time to complete our initial business combination, from

March 23, 2023, to September 25, 2023 (the “Extension”) and urges shareholders to vote in favor of the Extension.

On March 8, 2023, BYTE entered into non-redemption agreements with certain of its existing shareholders in connection with the Extension.

Shareholders who wish to withdraw their previously submitted redemption request may do so prior to the shareholder meeting by requesting that BYTE’s transfer agent return such shares. Shareholders may make such request by contacting BYTE’s transfer agent, Continental Stock Transfer & Trust Company, at 1 State Street, 30th Floor, New York, New York 10004, Attn: Mark Zimkind (e-mail: mzimkind@continentalstock.com).

Shareholders are encouraged to submit their vote for the Extension as soon as possible to ensure it is represented at the shareholder meeting. Please note that if shares are held at a brokerage firm or bank, brokers will not vote shareholders’ shares for them. Shareholders must instruct their bank or broker to cast the vote. For assistance with voting shares, please contact Morrow Sodali LLC, toll free at 1-800-662-5200, collect at 1-203-658-9400 or by email to BYTS.info@investor.morrowsodali.com.

Completion of a business combination with Airship AI is subject to, among other matters, the completion of due diligence, the negotiation of a definitive agreement providing for the transaction, satisfaction of the conditions negotiated therein and approval of the transaction by the board and shareholders of both BYTE and Airship AI. There can be no assurance that a definitive agreement will be entered into or that the proposed transaction will be consummated on the terms or timeframe currently contemplated, or at all.

The press release is attached as Exhibit 99.1 hereto and is incorporated herein by reference. Attached as Exhibit 99.2 hereto and incorporated by reference herein is an investor presentation, which will be used by BYTE with respect to the proposed business combination.

The information in this Current Report on Form 8-K furnished pursuant to Item 7.01, including Exhibits 99.1 and 99.2, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liability under that section, and it shall not be deemed 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 filing. By filing this Current Report on Form 8-K and furnishing this information pursuant to Item 7.01, the Company makes no admission as to the materiality of any information in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, that is required to be disclosed solely by Regulation FD.

Additional Information and Where to Find It

If a legally binding definitive agreement with respect to the proposed business combination is executed, BYTE intends to file with the U.S. Securities and Exchange Commission (the “SEC”) a registration statement on Form S-4, which will include a preliminary proxy statement/prospectus (a “Proxy Statement/Prospectus”). A definitive Proxy Statement/Prospectus will be mailed to BYTE’s shareholders as of a record date to be established for voting on the proposed business combination. BYTE may also file other relevant documents regarding the proposed business combination with the SEC. Shareholders will also be able to obtain copies of the registration statement and the preliminary and definitive Proxy Statement/Prospectus (if and when available) and all other relevant documents that are filed or that will be filed with the SEC by BYTE, without charge, at the SEC’s website at www.sec.gov or by directing a request to: BYTE Acquisition Corp., 445 Park Avenue, 9th Floor, New York, NY 10022.

This communication may be deemed to be offering or solicitation material in respect of the proposed business combination, which will be submitted to the shareholders of BYTE for their consideration. BYTE urges investors, shareholders and other interested persons to carefully read, when available, the preliminary and definitive Proxy Statement/Prospectus as well as other documents filed or that will be filed with the SEC (including any amendments or supplements to the Proxy Statement/Prospectus, as applicable), in each case, before making any investment or voting decision with respect to the proposed business combination, because these documents will contain important information about BYTE, Airship AI, and the proposed business combination.

Participants in the Solicitation

BYTE and Airship AI and certain of their respective directors, executive officers and other members of management and employees may be considered participants in the solicitation of proxies with respect to the extension of the time that BYTE has to consummate an initial business combination and/or with respect to the proposed business combination described herein under the rules of the SEC. Information about the directors and executive officers of BYTE and Airship AI and a description of their interests in BYTE, Airship AI and the proposed business combination are set forth in BYTE’s Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on April 6, 2022, and/or will be contained in the registration statement and the Proxy Statement/Prospectus when available, which documents can be obtained free of charge from the sources indicated above.

No Offer or Solicitation

This release shall not constitute an offer to sell, or a solicitation of an offer to buy, or a recommendation to purchase, any securities in any jurisdiction, or the solicitation of any vote, consent or approval in any jurisdiction in connection with respect to the extension of the time that BYTE has to consummate an initial business combination and/or in respect of the proposed business combination, nor shall there be any sale, issuance or transfer of any securities in any jurisdiction where, or to any person to whom, such offer, solicitation or sale may be unlawful under the laws of such jurisdiction. This release does not constitute either advice or a recommendation regarding any securities. No offering of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended, or an exemption therefrom.

Forward-Looking Statements

The disclosure herein includes certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “project,” “forecast,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward looking. These forward-looking statements include, but are not limited to, (1) statements regarding estimates and forecasts of other financial, performance and operational metrics and projections of market opportunity; (2) references with respect to the anticipated benefits of the proposed business combination and the projected future financial performance of Airship AI following the proposed business combination; (3) changes in the market for Airship AI’s services and technology, and expansion plans and opportunities; (4) Airship AI’s unit economics; (5) the sources and uses of cash of the proposed business combination; (6) the anticipated capitalization and enterprise value of the combined company following the consummation of the proposed business combination; (7) the projected technological developments of Airship AI, (8) current and future potential commercial and customer relationships; (9) the ability to operate efficiently at scale; (10) anticipated investments in capital resources and research and development, and the effect of these investments; (11) the amount of redemption requests made by BYTE’s public shareholders; (12) the ability of the combined company to issue equity or equity-linked securities in the future; and (13) expectations related to the terms and timing of the proposed business combination. These statements are based on various assumptions, whether or not identified in this release, and on the current expectations of BYTE’s and Airship AI’s management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Airship AI. These forward-looking statements are subject to a number of risks and uncertainties, as set forth in the section entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in BYTE’s IPO prospectus, filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 18, 2021, and in those documents that BYTE has filed, or will file, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. The risks and uncertainties above are not exhaustive, and there may

be additional risks that neither BYTE nor Airship AI presently know or that BYTE and Airship AI currently believe are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward looking statements reflect BYTE's and Airship AI's expectations, plans or forecasts of future events and views as of the date of this Presentation. BYTE and Airship AI anticipate that subsequent events and developments will cause BYTE's and Airship AI's assessments to change. However, while BYTE and Airship AI may elect to update these forward-looking statements at some point in the future, BYTE and Airship AI specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing BYTE's and Airship AI's assessments as of any date subsequent to the date of this release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

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Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description of Exhibits
99.1	Press Release.
99.2	Investor Presentation.
104	Cover Page Interactive Data File - Embedded within the inline XBRL document.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BYTE ACQUISITION CORP.

By: /s/ Sam Gloor

Name: Sam Gloor

Title: Chief Executive Officer and Chief Financial Officer

Date: March 10, 2023

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BYTE Acquisition Corp. and Airship AI Holdings, Inc.

Announce Letter of Intent for a Business Combination



March 10, 2023 9:00 AM Eastern Standard Time

REDMOND, WA.--(BUSINESS WIRE)--BYTE Acquisition Corp. (NASDAQ: BYTS), a publicly traded special purpose acquisition company (“**BYTE**”), and Airship AI Holdings, Inc. (“**Airship AI**”), a robust AI-driven edge video, sensor and data management platform for government agencies and enterprises that gathers unstructured data from surveillance cameras and sensors, applies artificial intelligence (“AI”) analytics, and provides visualization tools to improve decision making in mission critical environments, announced today the signing of a non-binding letter of intent (“**LOI**”) for a potential business combination. Simultaneously with the issuance of this press release, BYTE has filed an investor presentation outlining Airship AI’s business and the proposed business combination, including the following investment highlights:

- Large and Rapidly Growing Size of Addressable Market
 - \$7 billion edge AI software and hardware addressable market today, projected to grow to over \$40 billion in 2030
 - This growth is expected to be driven by strong demand for AI solutions in public safety, industrial, and logistics settings
- Provides Differentiated End-to-End Solution
 - Solutions capitalize on rapidly growing use of AI to create efficiency, increase speed, reduce costs, and improve decision making
- Blue-Chip Customer Base
 - Previous relationships with the Department of Homeland Security, the Department of Justice, and Other Government Agencies as well as two Fortune 500 companies, FedEx and HomeDepot
- Strong Growth with Software Margin
 - 2022E: Airship AI expects approximately ~\$14.5 million revenue, 57.9% growth margin, positive EBITDA
 - Opportunity for margin expansion with recently launched Edge products
- Visible and Robust Pipeline
 - \$162 million pipeline in addition to a largely untapped opportunity within the commercial space

Airship AI leverages Artificial Intelligence (“AI”) at the edge to help improve public safety and operational efficiency for public sector and commercial customers by providing predictive analysis of events before they occur and provide meaningful intelligence to decision makers.

“We’re excited to partner with the BYTE team which brings substantial software and business expertise”, said Airship AI Company President Paul Allen. Mr. Allen continues, “Being a public company will bolster credibility as a financially strong partner with customers by demonstrating our financial stability and transparency.”

“We believe that Airship AI is an exceptional company with which to complete a business combination,” said BYTE Chief Executive Officer and Chief Financial Officer, Sam Gloor. Mr. Gloor continued, “The company is operating in attractive government and commercial end markets utilizing AI technology to help improve safety and operational efficiency. Airship AI’s Outpost edge device, Acropolis operating system, and Command Nexus viewing client provide a differentiated end-to-end solution which we believe adds value for customers and that will propel Airship AI’s continued growth going forward. We believe a public listing will provide Airship AI with enhanced visibility, selling opportunities and financial flexibility to perform to its business plan and broaden its customer base. We look forward to working with Airship AI’s management team to consummate the proposed business combination.”

Transaction Overview

The proposed business combination values Airship AI at a \$290 million pro forma enterprise value (assuming 98% redemptions by BYTE public shareholders), excluding a 5 million share performance-based Airship AI management earnout based upon Airship AI’s achievement of the earlier of:

1. Share performance milestones: 50% 1st tranche at \$12.50, 50% 2nd tranche at \$15.00, both within five years
2. Operating performance milestones: 50% of 1st tranche on achievement of \$30 million of revenue and \$6 million of EBITDA in 2023, balance earned on achievement of \$100 million of revenue and \$25 million of EBITDA within three years

Under the terms of the proposed business combination, Airship AI shareholders would roll 100% of their equity into the combined company. BYTE has agreed to secure a \$4 million pre-transaction bridge. BYTE and Airship AI intend to jointly raise additional capital via a private investment in public equity (PIPE). BYTE and Airship AI expect to

announce additional details regarding the proposed business combination when a definitive merger agreement is executed.

As previously announced, BYTE is holding its extraordinary general meeting on March 16, 2023 to vote to amend BYTE's amended and restated memorandum and articles of association to extend the date by which BYTE has to consummate an initial business combination from March 23, 2023 to September 25, 2023.

On March 8, 2023, BYTE entered into non-redemption agreements with certain of its existing shareholders holding Class A ordinary shares in support of BYTE's extension.

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"I would also like to remind our shareholders that BYTE is seeking shareholder approval of an extension of time to complete our initial business combination, from March 23, 2023, to September 25, 2023 (the "Extension)," said Sam Gloor, Chief Executive Officer and Chief Financial Officer of BYTE. "This Extension will give us time to progress towards a business combination with the target. If you are a shareholder of record as of February 21, 2023, the record date for the shareholder meeting, I urge you to vote in favor of the Extension."

Shareholders who wish to withdraw their previously submitted redemption request may do so prior to the shareholder meeting by requesting that our transfer agent return such shares. You may make such request by contacting our transfer agent, Continental Stock Transfer & Trust Company, at 1 State Street, 30th Floor, New York, New York 10004, Attn: Mark Zimkind (e-mail:mzimkind@continentalstock.com).

You are encouraged to submit your vote for the Extension as soon as possible to ensure it is represented at the shareholder meeting. Please note that if your shares are held at a brokerage firm or bank, your broker will not vote your shares for you. You must instruct your bank or broker to cast the vote. For assistance with voting your shares please contact Morrow Sodali LLC, toll free at 1-800-662-5200, collect at 1-203-658-9400 or by email to BYTS.info@investor.morrowsodali.com.

Completion of a business combination with Airship AI is subject to, among other matters, the completion of due diligence, the negotiation of a definitive agreement providing for the transaction, satisfaction of the conditions negotiated therein and approval of the transaction by the board of directors and the shareholders of both BYTE and Airship AI. There can be no assurance that a definitive agreement will be entered into or that the proposed business combination will be consummated on the terms or timeframe currently contemplated, or at all.

Roth Capital Partners is advising Airship AI in connection with the potential business combination.

About Airship AI Holdings, Inc.

Founded in 2006, Airship AI is a 100% U.S.-based technology company headquartered in Redmond, Washington. Airship AI is an AI-driven surveillance video, sensor and data management platform that improves public safety and operational efficiency for public sector and commercial customers by providing predictive analysis of events before they occur and meaningful intelligence to decision makers. Airship AI's product suite includes its Outpost edge device, Acropolis operating system and Command Nexus viewing client among others.

For more information, visit <https://airship.ai>.

About BYTE Acquisition Corp.

BYTE is a technology-focused blank check company whose business purpose is to effect a merger, capital stock exchange, asset acquisition, stock purchase, reorganization, or similar business combination with one or more businesses or entities.

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No Offer or Solicitation

This press release shall not constitute an offer to sell, or a solicitation of an offer to buy, or a recommendation to purchase, any securities in any jurisdiction, or the solicitation of any vote, consent or approval in any jurisdiction in connection with respect to the extension of the time that BYTE has to consummate an initial business combination and/or in respect of the proposed business combination, nor shall there be any sale, issuance or transfer of any securities in any jurisdiction where, or to any person to whom, such offer, solicitation or sale may be unlawful under the laws of such jurisdiction. This press release does not constitute either advice or a recommendation regarding any securities. No offering of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended, or an exemption therefrom.

Participants in the Solicitation

BYTE and its directors and executive officers may be considered participants in the solicitation of proxies with respect to the extension of the time that BYTE has to consummate an initial business combination and/or with respect to the proposed business combination described herein under the rules of the SEC. Information about the directors and executive officers of BYTE and a description of their interests in BYTE and the proposed business combination are set forth in BYTE's Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on April 6, 2022, and which can be obtained free of charge from the sources indicated below.

Additional Information and Where to Find It

If a legally binding definitive agreement with respect to the proposed business combination is executed, BYTE intends to file with the U.S. Securities and Exchange Commission's (the "SEC") a registration statement on Form S-4, which will include a preliminary proxy statement/prospectus (a "Proxy Statement/Prospectus"). A definitive Proxy Statement/Prospectus will be mailed to BYTE's shareholders as of a record date to be established for voting on the proposed business combination. Shareholders will also be able to obtain copies of the Proxy Statement/Prospectus, without charge, at the SEC's website at www.sec.gov or by directing a request to: BYTE Acquisition Corp., 445 Park Avenue, 9th Floor, New York, NY 10022.

This communication may be deemed to be offering or solicitation material in respect of the proposed business combination, which will be submitted to the shareholders of BYTE for their consideration. BYTE urges investors, shareholders and other interested persons to carefully read, when available, the preliminary and definitive Proxy Statement/Prospectus as well as other documents filed with the SEC (including any amendments or supplements to the Proxy Statement/Prospectus, as applicable), in each case, before making any investment or voting decision with respect to the proposed business combination, because these documents will contain important information about BYTE, Airship AI, and the proposed business combination.

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Forward-Looking Statements

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Contacts

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Disclaimers

Basis of Presentation

This Presentation (this "Presentation") is provided for informational purposes only and has been prepared to assist interested parties in making their own evaluation with respect to an investment in connection with a potential business combination between Airship AI Holdings, Inc. ("Airship AI") and BYTE Acquisition Corp. ("BYTE") and related transactions (the "Potential Business Combination") and for no other purpose. By accepting, reviewing or reading this Presentation, you will be deemed to have agreed to the obligations and restrictions set out below.

This Presentation may be deemed to be an offering of BYTE or Airship AI securities, made in reliance on an exemption from the registration requirements under the Securities Act of 1933, as amended and the securities laws of any other applicable jurisdiction, which exemptions apply to offers and sales of securities that do not involve a public offering. The market for any such securities may be illiquid and you may not be able to readily sell such securities. Investing in such securities would be speculative, involving a high degree of risk, and may result in the loss of the entire amount invested. Any such securities have not been approved or recommended by any federal, state or foreign securities authorities, nor have any of these authorities passed upon the merits of such an offering or determined that this Presentation is accurate or complete. Any representation to the contrary is a criminal offense.

No Offer or Solicitation

This Presentation and any oral statements made in connection with this Presentation do not constitute an offer to sell, or a solicitation of an offer to buy, or a recommendation to purchase, any securities in any jurisdiction, or the solicitation of any vote, consent or approval in any jurisdiction in connection with the Potential Business Combination or any related transactions, nor shall there be any sale, issuance or transfer of any securities in any jurisdiction where, or to any person to whom, such offer, solicitation or sale may be unlawful under the laws of such jurisdiction. This Presentation does not constitute either advice or a recommendation regarding any securities. No offering of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended, or an exemption therefrom.

No Representations and Warranties

No representations or warranties, express, implied or statutory are given in, or in respect of, this Presentation, and no person may rely on the information contained in this Presentation. Any data on past performance or modeling contained herein is not an indication as to future performance. This data is subject to change. Recipients of this Presentation are not to construe its contents, or any prior or subsequent communications from or with BYTE, Airship AI or their respective representatives as investment, legal or tax advice. Each recipient should seek independent third party legal, regulatory, accounting and/or tax advice regarding this Presentation. In addition, this Presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of Airship AI or the Potential Business Combination. Recipients of this Presentation should each make their own evaluation of Airship AI and of the relevance and adequacy of the information and should make such other investigations as they deem necessary. BYTE and Airship AI assume no obligation to update the information in this Presentation. Each recipient also acknowledges and agrees that the information contained in this Presentation (i) is preliminary in nature and is subject to change, and any such changes may be material and (ii) should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of this Presentation. To the fullest extent permitted by law, in no circumstances will Airship AI or BYTE or any of their respective subsidiaries, stockholders, affiliates, representatives, partners, directors, officers, employees, advisers or agents be responsible or liable for any direct, indirect or consequential loss or loss of profit arising from the use of this Presentation, its contents, its omissions, reliance on the information contained within it or on opinions communicated in relation thereto or otherwise arising in connection therewith. This Presentation discusses trends and markets that Airship AI's leadership team believes will impact the development and success of Airship AI based on its current understanding of the marketplace.

Industry and Market Data

Industry and market data used in this Presentation have been obtained from third-party industry publications and sources as well as from research reports prepared for other purposes. Neither BYTE nor Airship AI has independently verified the data obtained from these sources and cannot assure you of the reasonableness of any assumptions used by these sources or the data's accuracy or completeness.



Disclaimers

Forward-Looking Statements

Certain statements included in this Presentation are not historical facts but are forward-looking statements, including for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "project," "forecast," "predict," "potential," "seem," "seek," "future," "outlook," "target," and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements include, but are not limited to, (1) statements regarding estimates and forecasts of financial, performance and operational metrics and projections of market opportunity; (2) references with respect to the anticipated benefits of the Potential Business Combination and the projected future financial performance of Airship AI following the Potential Business Combination; (3) changes in the market for Airship AI's services and technology, and expansion plans and opportunities; (4) Airship AI's unit economics; (5) the sources and uses of cash of the Potential Business Combination; (6) the anticipated capitalization and enterprise value of the combined company following the consummation of the Potential Business Combination; (7) the projected technological developments of Airship AI; (8) current and future potential commercial and customer relationships; (9) the ability to operate efficiently at scale; (10) anticipated investments in capital resources and research and development; and the effect of these investments; (11) the amount of redemption requests made by BYTE's public shareholders; (12) the ability of the combined company to issue equity or equity-linked securities in the future; and (13) expectations related to the terms and timing of the Potential Business Combination. These statements are based on various assumptions, whether or not identified in this Presentation, and on the current expectations of BYTE's and Airship AI's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Airship AI and BYTE. These forward-looking statements are subject to a number of risks and uncertainties, as set forth in the slide entitled "Summary Risk Factors" in the appendix to this Presentation and those set forth in the section entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in BYTE's IPO prospectus, filed with the U.S. Securities and Exchange Commission (the "SEC") on March 18, 2021, and in those documents that BYTE has filed, or will file, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. The risks and uncertainties above are not exhaustive, and there may be additional risks that neither BYTE nor Airship AI presently know or that BYTE and Airship AI currently believe are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward looking statements reflect BYTE's and Airship AI's expectations, plans or forecasts of future events and views as of the date of this Presentation. BYTE and Airship AI anticipate that subsequent events and developments will cause BYTE's and Airship AI's assessments to change. However, while BYTE and Airship AI may elect to update these forward-looking statements at some point in the future, BYTE and Airship AI specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing BYTE's and Airship AI's assessments as of any date subsequent to the date of this Presentation. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Trademarks

BYTE and Airship AI own or have rights to various trademarks, service marks and trade names that they use in connection with the operation of their respective businesses. This Presentation also contains trademarks, service marks, trade names and copyrights of third parties, which are the property of their respective owners. The use or display of third parties' trademarks, service marks, trade names or products in this Presentation is not intended to, and does not imply, a relationship with BYTE or Airship AI, an endorsement or sponsorship by or of BYTE or Airship AI, or a guarantee that Airship AI or BYTE will work or will continue to work with such third parties. Solely for convenience, the trademarks, service marks, trade names and copyrights referred to in this Presentation may appear without the TM, SM, ® or © symbols, but such references are not intended to indicate, in any way, that BYTE, Airship AI, or the any third-party will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor to these trademarks, service marks, trade names and copyrights.

Financial Information; Non-GAAP Financial Measures

Some of the historical financial information contained in this Presentation is unaudited and does not conform to Regulation S-X. This Presentation contains certain estimated preliminary financial results and key operating metrics for the year ended December 31, 2022. This information is preliminary and subject to change. As such, Airship AI's actual results may differ from the estimated preliminary results presented herein. Accordingly, such information and data may not be included in, may be adjusted in or may be presented differently in any proxy statement or registration statement to be filed by BYTE with the SEC. In addition, financial information and data contained in this Presentation, such as Adjusted EBITDA, Adjusted EBITDA margin, and Adjusted EBITDA less Capital Expenditures, have not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). Adjusted EBITDA is defined as net earnings (loss) before interest expense, income tax expense (benefit), depreciation and amortization, as adjusted to exclude stock based compensation. These non-GAAP financial measures, and other measures that are calculated using such non-GAAP measures, are an addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to revenue, operating income, profit before tax, net income or any other performance measures derived in accordance with GAAP. For the same reasons, Airship AI is unable to address the probable significance of the unavailable information, which could be material to future results.

BYTE and Airship AI believe these non-GAAP measures of financial results, including on a forward-looking basis, provide useful information to management and investors regarding certain financial and business trends relating to Airship AI's financial condition and results of operations. Airship AI's management uses these non-GAAP measures for trend analyses, for purposes of determining management incentive compensation, and for budgeting and planning purposes. BYTE and Airship AI believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating projected operating results and trends in and in comparing Airship AI's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. However, there are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents.

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Disclaimers

For example, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore Airship AI's non-GAAP measures may not be directly comparable to similarly titled measures of other companies. See the Appendix for definitions of these non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures.

Use of Projections

This Presentation contains projected financial information with respect to Airship AI, namely revenue, year-over-year growth, gross profit, gross profit margin, operating expenses, operating income (loss), Adjusted EBITDA, Adjusted EBITDA margin, capital expenditures, and Adjusted EBITDA less Capital Expenditures. Such projected financial information constitutes forward-looking information, and is for illustrative purposes only and should not be relied upon as necessarily being indicative of future results. The projections, estimates and targets in this Presentation are forward-looking statements that are based on assumptions that are inherently subject to significant uncertainties and contingencies, many of which are beyond BYTE's and Airship AI's control. See "Forward-Looking Statements" above. The assumptions and estimates underlying the projected, expected or target results are inherently uncertain and are subject to a wide variety of significant business, weather, economic, regulatory, competitive, technological, and other risks and uncertainties that could cause actual results to differ materially from those contained in such projections, estimates and targets. The inclusion of projections, estimates and targets in this Presentation should not be regarded as an indication that BYTE and Airship AI, or their representatives, considered or consider the financial projections, estimates and targets to be a reliable prediction of future events. Neither the independent auditors of BYTE nor the independent registered public accounting firm of Airship AI has audited, reviewed, compiled or performed any procedures with respect to the projections for the purpose of their inclusion in this Presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this Presentation.

Important Information for Investors and Stockholders

In connection with the Potential Business Combination, BYTE and Airship AI are expected to prepare a registration statement on Form S-4 (the "Registration Statement") to be filed with the SEC by BYTE, which will include preliminary and definitive proxy statements to be distributed to BYTE's shareholders in connection with BYTE's solicitation of proxies for the vote by BYTE's shareholders in connection with the Potential Business Combination and other matters as described in the Registration Statement, as well as the prospectus relating to the offer of the securities to be issued to Airship AI's shareholders in connection with the completion of the Potential Business Combination. After the Registration Statement has been filed and declared effective, BYTE will mail a definitive proxy statement/prospectus and other relevant documents to its shareholders as of the record date to be established for voting on the Potential Business Combination. BYTE's shareholders and other interested persons are advised to read, once available, the preliminary proxy statement/prospectus and any amendments thereto and, once available, the definitive proxy statement/prospectus, in connection with BYTE's solicitation of proxies for its special meeting of shareholders to be held to approve, among other things, the Potential Business Combination, because these documents will contain important information about BYTE, Airship AI and the Potential Business Combination. Shareholders may also obtain a copy of the preliminary or definitive proxy statement/prospectus, once available, as well as other documents filed with the SEC regarding the Potential Business Combination and other documents filed with the SEC by BYTE, without charge, at the SEC's website located at www.sec.gov or by directing a request to BYTE Acquisition Corp., 445 Park Avenue, 9th Floor New York, NY 10022.

BYTE and Airship AI and their respective directors and executive officers and other members of management, under SEC rules and other members of management, may be deemed to be participants in the solicitation of proxies of BYTE's shareholders in connection with the Potential Business Combination. Investors and security holders may obtain more detailed information regarding BYTE's directors and executive officers in BYTE's filings with the SEC, including BYTE's Annual Report on Form 10-K filed with the SEC on April 6, 2022. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to BYTE's shareholders in connection with the Potential Business Combination, including a description of their direct and indirect interests, which may, in some cases, be different than those of BYTE's shareholders generally, will be set forth in the Registration Statement and the definitive proxy statement/prospectus, when available. Shareholders, potential investors and other interested persons should read the Registration Statement and the definitive proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions.

This Presentation is not a substitute for the Registration Statement, the definitive proxy statement/prospectus or for any other document that BYTE may file with the SEC in connection with the Potential Business Combination. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain free copies of other documents filed with the SEC by BYTE through the website maintained by the SEC at www.sec.gov.

Changes and Additional Information in Connection with SEC Filings

The information in this Presentation has not been reviewed by the SEC and certain information, such as financial measures referenced herein, may not comply in certain respects with SEC rules. As a result, the information in the Registration Statement and the definitive proxy statement/prospectus may differ from this Presentation to comply with SEC rules. The Registration Statement and the definitive proxy statement/prospectus will include substantial additional information about Airship AI and BYTE not contained in this Presentation. Once filed, the information in the Registration Statement and the definitive proxy statement/prospectus will update and supersede the information presented in this Presentation.

INVESTMENT IN ANY SECURITIES DESCRIBED HEREIN HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY OTHER REGULATORY AUTHORITY NOR HAS ANY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THE POTENTIAL BUSINESS COMBINATION OR THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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Today's Presenters



Victor Huang

Chairman & CEO
Airship AI Holdings, Inc.



Paul Allen

President
Airship AI Holdings, Inc.



Sam Gloor

CEO & CFO
BYTE Acquisition Corp.

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Transaction Summary

Robust AI-driven surveillance video, sensor and data management platform

Transaction Overview

- Airship AI Holdings, Inc. ("Airship AI") and BYTE Acquisition Corp. (NASDAQ:BYTS) have executed a Letter of Intent to enter into a business combination
- Upon the closing of the transaction, we expect Airship AI will be publicly listed

Valuation

- Pro forma Enterprise Value of \$290 million⁽¹⁾
- Up to 5 million earnout shares to Airship AI management based on achieving the earlier of:
 - Share performance milestones: 1st tranche of 2.5 million shares at share price target of \$12.50, 2nd tranche of 2.5 million shares at share price target of \$15.00 both within 5 years
 - Operating performance milestones: 1st tranche of 1.25 million shares on achievement of \$30M of Revenue and \$6M of EBITDA in 2023, 2nd tranche of 3.75 million shares on achievement of \$100M of Revenue and \$25M of EBITDA within 3 years

Capital Structure

- Airship AI shareholders rolling 100% of their equity into BYTE
- Airship AI will receive \$4 million bridge at the signing of the Definitive Agreement

⁽¹⁾ Assumes 95% redemptions by SPAC shareholders.
⁽²⁾ See transaction overview on page 32.

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Our Mission

Leverage Artificial Intelligence (“AI”) at the edge to help improve public safety and operational efficiency for public sector and commercial customers by providing predictive analysis of events before they occur and provide meaningful intelligence to decision makers.

The Edge- a place where unstructured data, including surveillance video, sensors and radar, is generated



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Data Is Changing. Structured Edge Sensor Data Is The Future.

Airship AI's open software operating platform enables decision makers to assess data from cameras and sensors deployed across the digital data domain and act decisively in real-time using data enhanced by artificial intelligence.

End Markets



Critical Infrastructure



Public Safety



Military Operations



Transportation



K-12 / College



Emergency Services

Edge Data Sensors



Drones



Gunshot Detection



Radar



Unattended



Body Worn Cameras



CCTV

Airship AI Offering

Airship AI Computer Vision at the Edge



Airship AI Outpost



Airship AI Data Management and Modeling



Airship AI Acropolis OS



Airship AI Data Visualization



Airship AI Command

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Screenshot of Airship AI software processing pre-recorded stock video of Tokyo crosswalk



Investment Highlights



Large and Rapidly Growing SAM⁽¹⁾

Combined \$7B Edge AI Software and Hardware addressable market today, projected to reach >\$40B in 2030E⁽²⁾⁽³⁾

Driven by strong demand for AI solutions in public safety, industrial, and logistics settings

Provides Differentiated End-to-end Solution

Solutions capitalize on rapidly growing use of AI to create efficiency, increase speed, reduce costs, and improve decision making

Blue-chip Customer Base

Previous relationships with DHS, DoJ, and OGAs⁽⁴⁾ as well as two Fortune 500 companies, FedEx and HomeDepot

Strong Growth with Software Margin

2022E: \$14.5M Rev, 58% GM%, positive EBITDA

2023E: Strong revenue growth, margin improvement

Opportunity for margin expansion with recently launched Edge products

Visible and Robust Pipeline

\$162.9M Pipeline predominantly with the US Government in addition to new growth opportunities within the commercial sector

(1) SAM- Size of Addressable Market
 (2) <https://reports.valuates.com/market-reports/CYRE-Auto-4130/global-edge-ai-software>
 (3) <https://reports.valuates.com/reports/ALL+Manu-1554/edge-ai-hardware#:~:text=The%20global%20edge%20AI%20hardware,intelligence%20base%20robots%20%26%20devices>
 (4) DHS- Department of Homeland Security, DoJ- Department of Justice, OGA- Other Government Agencies



Market Overview



Rising Crime is a Major Problem

600+
Mass
shootings in
2022 with at
least 4 people
being shot²

~\$121B

Estimated economic cost of
workplace violence¹

\$100B

Estimated organized retail crime
cost for retailers in 2021³

\$557B
Estimated fiscal cost
of gun violence to the
economy⁴

(1) <https://www.nrc.org/getmedia/66086602-395-4e7e-8bd5-e31867a0ff58/workplace-violence-fact-sheet.pdf>
(2) <https://www.cnn.com/2022/11/23/usa/2022-mass-shootings-tracking-second-high/index.html>
(3) <https://www.forbes.com/sites/jaworski/2022/11/20/shopping-has-become-a-100-billion-problem-for-retailers/?sh=4be5de3e2d62>
(4) <https://time.com/6217348/gun-violence-economic-costs-us/>



Cameras Alone Are Not The Solution.

Studies show cameras alone don't necessarily correlate to safer cities or reductions in crime

Source: <https://www.comparitech.com/blog/privacy-surveillance-camera-statistics/>

	Cameras	Cameras/ Per 1000 People
New York City	31,490	3.8/1000
Chicago	32,000	11.9/1000
Los Angeles	22,327	5.6/1000
Philadelphia	28,064	17.7/1000
San Diego	6,628	4.7/1000
Houston	3,043	1.3/1000

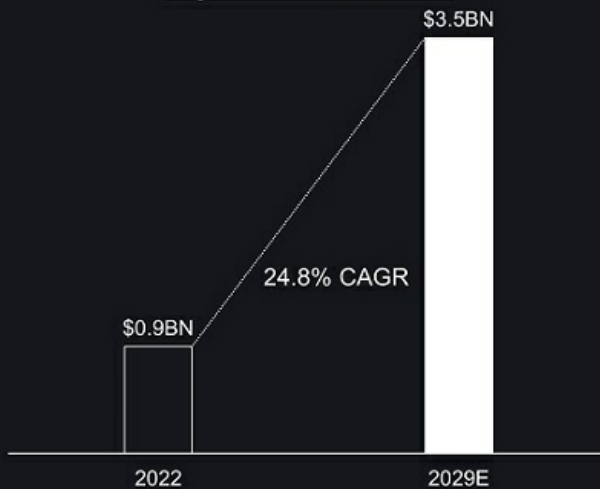
13



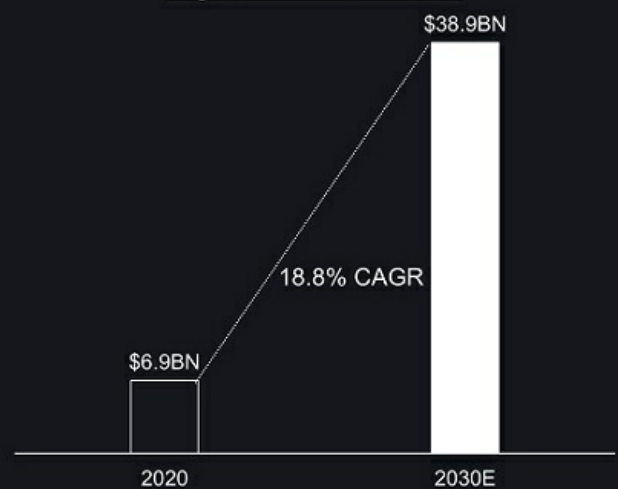
We Address Large and Rapidly Growing Markets

Edge AI Software and Hardware SAM

Edge AI Software Market⁽¹⁾



Edge AI Hardware Market⁽²⁾



(1) <https://reports.valuates.com/market-reports/CYRE-Auto-4139/global-edge-ai-software>
 (2) <https://reports.valuates.com/reports/ALL-Manu-1554/edge-ai-hardware> - text=The%20global%20edge%20ai%20hardware%20intelligence%20based%20robots%20%26%20devices.

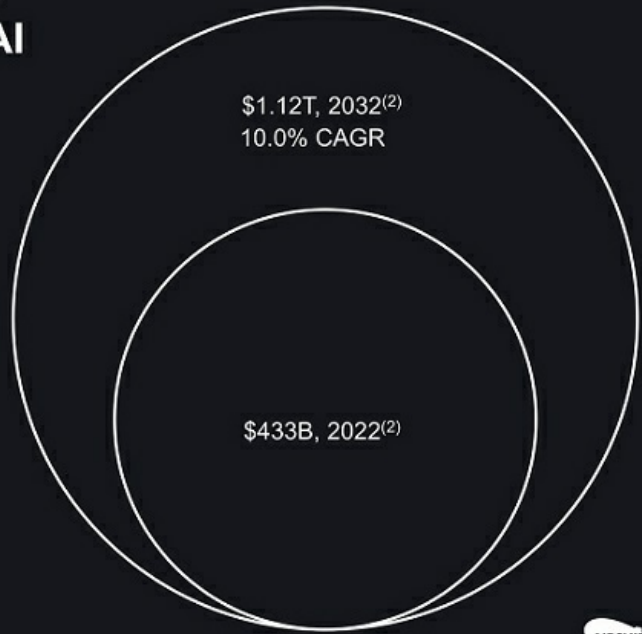
14



Large Government AI Budgets Provide Tailwinds for Airship AI

Public Safety and Security Market

➤ US government budget for FY2023 includes **\$3.2 billion** in discretionary resources for State and local grants and \$30 billion in mandatory resources to support law enforcement, crime prevention, and community violence intervention⁽¹⁾



(1) <https://www.whitehouse.gov/omb/briefing-room/2022/03/28/fact-sheet-the-presidents-budget-for-fiscal-year-2023>

(2) <https://www.emergenceresearch.com/industry-report/public-safety-and-security-market>



02

Company Overview



Airship AI At A Glance

Turns Data Into Real-time Actionable Intelligence

- Gathers unstructured data from the edge, applies AI analytics, and provides visualization tools to improve decision making in mission critical environments

100% Employee Owned And Bootstrap Funded

- 100% US owned and headquartered in Redmond, WA with ~50 employees

The Standard In the Federal Investigative Space

- Supports the collection, management, analysis, and data sharing of digital based evidence for investigative purposes

Open Architecture Can Integrate with Best of Breed Solutions

- Works with major camera platforms and related sensors as well as many third-party analytic platforms providing true single-pane-of-glass data visualization.

Historical Customers



Department of Homeland Security



US Special Operations Command



Texas Department of Public Safety



City of Miami Police Department



Home Depot



Department of Justice



US Intelligence Community



Virginia State Police



Chicago Police



FedEx

Key Highlights

\$14.5M | \$0.1M

2022E Revenue | EBITDA

58%

2022E Gross Margin

\$162.9M

Validated 2023 Pipeline

\$5.5M+

Bookings & Billings



Airship AI Offers Three Families of Solutions

Airship AI Solutions

➤ Data Generation Edge Products

Airship AI Outpost

- Airship AI Outpost (Hardware / Software)
- Airship AI Outpost Mobile (Application)



Data Generation Integration

- Third-Party Edge Cameras and Sensors



Third-Party Integrations

➤ Data Collection and Analysis

Airship AI Acropolis OS

- Enterprise Management Software
- Evidence Discover System
- Airship AI



Data Analysis Integration

- Third-Party AI Platforms



➤ Data Visualization

Airship AI Command

- Nexus Video Portal
- Nexus Mobile
- Nexus Client



Data Visualization Integration

- Third-Party Visualization Software



Airship AI Outpost



Small. Hardened. Encrypted. AI Driven. The Edge Solved.

Airship AI Outpost is a computer vision-enabled hardware and software platform that detects and recognizes patterns at the edge from a variety of sensors and detectors creating real-time actionable intelligence.

Technical Attributes

- Purpose-built recording, analyzing, encrypting, and encoding edge data
- Supports all major video protocols and formats
- Compressed and hence efficient transmission of AI-infused edge data
- Over-The-Air (OTA) installation/updates for latest AI models

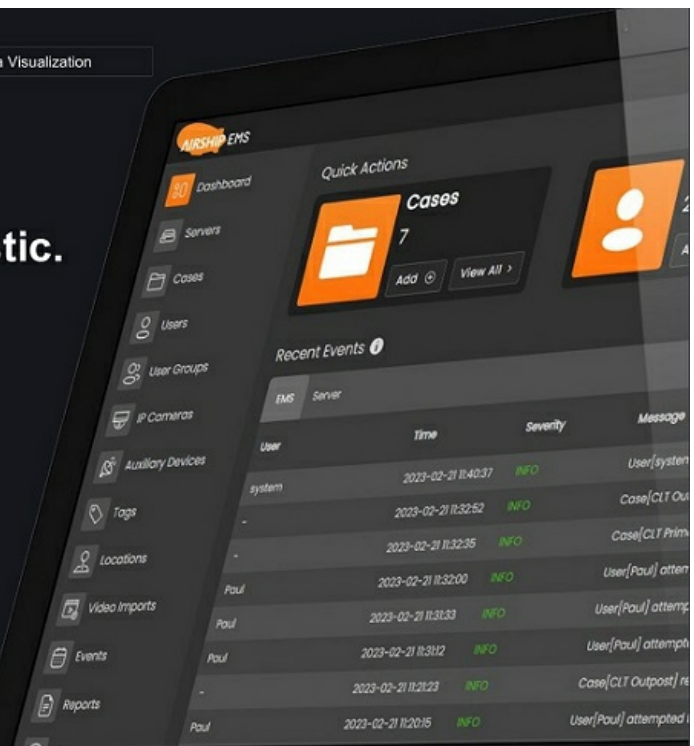
Airship AI Acropolis

Sensor Agnostic. Analytic Agnostic. Operating Environment Agnostic.

Airship AI Acropolis is a purpose-built operating system to work with third-party and legacy sensors, operating on-premise and/or in the cloud, leveraging Airship AI and third-party analytic capabilities to train, model, and analyze data in real-time.

Technical Attributes

- Single console for managing unlimited users, sensors, and analytic capabilities
- Operates on-premise, in hybrid, and/or in a cloud deployed environment
- Manages analytic alarms and events in real-time across multiple platforms
- Extensive user-based permissions and authorities for data security
- Integration console for third-party devices, sensors, and analytics





Multi-Sensor Data Fusion. Single Pane of Glass. Real-Time.

Airship AI Command Nexus Client is a powerful thick client application allowing users to visualize data in real-time with advanced data analysis toolsets and capabilities regardless of operational environment and network bandwidth.

Technical Attributes

- Manages and displays multiple types of edge-based ingest sensors and their metadata
- Includes thick client (Windows), thin client (web browser), and mobile (iOS and Android)
- Allows users to access data from Acropolis anywhere in the world



Why Customers Choose Airship AI

Differentiated End-to-end Technology Solution

- Complete end-to-end solution
- Early adopter of the NVIDIA chip for an IoT device which gives Airship AI and its customers a "bleeding edge solution"

Superior Customer Experience

- "Lens To Server" US based technical support from customer cleared Airship AI employees

Hardened And Secure Platform

- Authority To Operate (ATO) on Trusted US Government Managed Networks
- ATO in a FedRamp High (highest level) on US Government Cloud Networks

Significant Cost Savings

- Third-party edge sensor, device, analytic and detector agnostic
- Inter-operability avoids customers rip-and-replace



Federal Law Enforcement Agency Customer Highlights

Customer Mission

To investigate, disrupt, and dismantle terrorist and criminal organizations in support of the safety of the United States and its territories

Solution Objective

Scalable enterprise-level cost-effective solution meeting agency goals for evidence collection, management, processing and exploitation in support of a wide range of operational requirements utilizing a diverse collection of third-party sensors and devices

Airship AI Solution

Deployed Airship AI Acropolis as a system of systems providing an enterprise-level video acquisition, storage, exploitation, and content management system for 45+ regional field offices. Expanded footprint to include interview rooms, mobile surveillance platforms, and other platforms used to collect evidence / support operational investigations

2000*+

Concurrent Sensors
Connected

1000*+

Concurrent
Investigations Managed



Human Traffickers,
Organized Crime Groups,
Drug Cartels, and Criminals
Prosecuted

4000*+

Concurrent System
Users

* Company Estimates
Source: Information on the slide is based on management's internal historical records and may be subject to change. This information may not be indicative of future results, which may differ materially.

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Fortune 500 Customer Highlights

Customer Mission

Provide high value-added logistics, transportation, and related business services through the organization

Solution Objective

System of systems to support highly complex logistical operations to ensure the safe and efficient business operation. Growing international footprint with legacy capabilities that must be integrated into existing domestic management systems. Rapidly changing threat based operational environment

Airship AI Solution

Built open enterprise sensor management system to support existing and emerging sensor technologies enabling security and operational workflow requirements. Support operations on a 24/7/365 basis with dedicated technical support and engineering teams deployed around the globe. Work alongside customer as a partner to support future operational requirements

90K*+

Concurrent Sensors
Connected

3000*+

System
Users



Improved Logistics,
Aircraft Gate, Facility, and
Critical Operations Safety
and Efficiency

100*+ PB

Storage
Managed

* Company Estimates
Source: Information on the slide is based on management's internal historical records and may be subject to change. This information may not be indicative of future results, which may differ materially.

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Airship AI Offers an End-to-end Solution in a Fragmented Marketplace

Within the current edge data and sensor management marketplace, there are multiple vendors and point solutions.

Major Edge Data Sensor and Management Components:

- Physical Security Information Management Systems (PSIM)
- Video Management Systems (VMS)
- Cloud Video Surveillance Platforms (VSaaS)
- Edge Hardware And Software Platforms
- Edge And Core Analytic Platforms



Airship AI Leadership Team



Victor Huang
Chairman & CEO



Derek Xu
Founder & COO



Paul Allen
President



Mark Scott
CFO



Yanda Ma
CTO, Engineering



Chad Anderson
VP, Operations



Whitney Dilling
VP, Customer Experience



Peeyush Ranjan
Board Member



Financial Overview



Financial Summary and Forecast

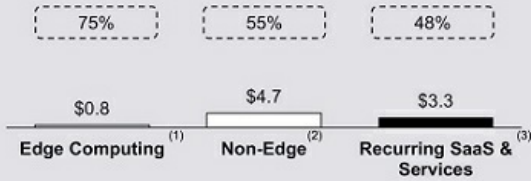
Revenue



Gross Profit and Gross Margin %



2022E Gross Profit and Gross Margin by Product Set



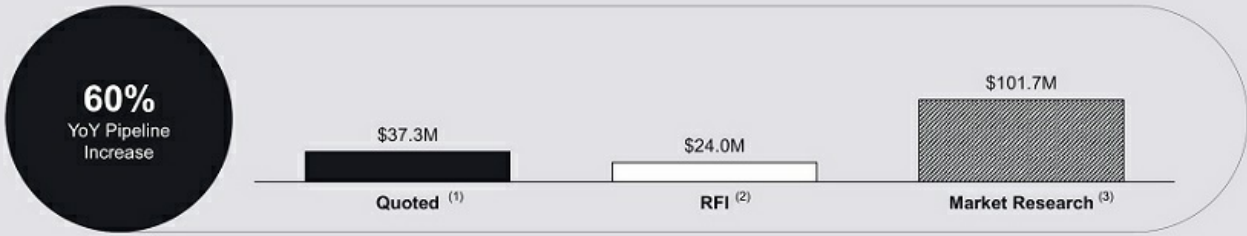
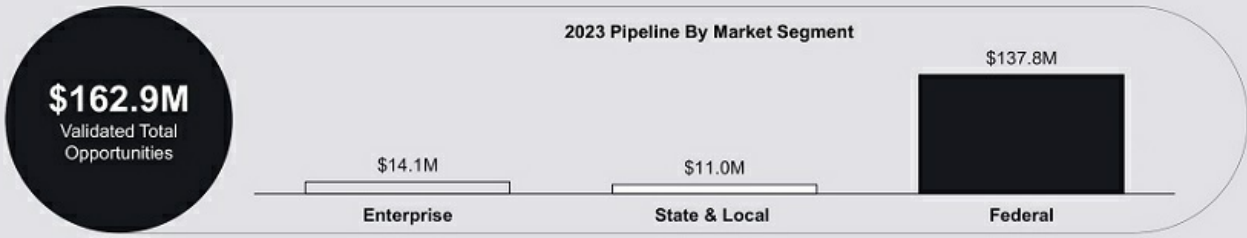
Adj. EBITDA and Adj. EBITDA Margin



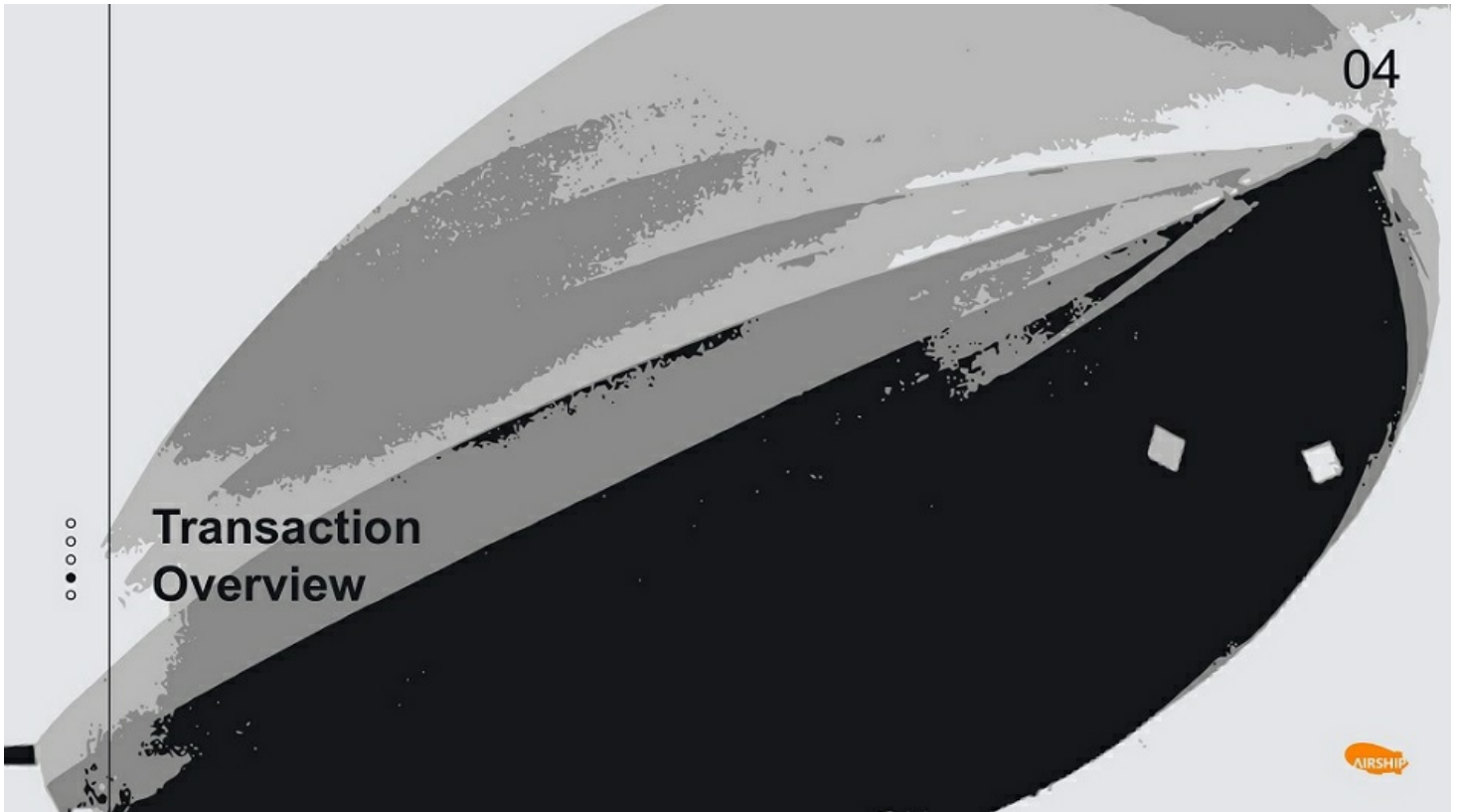
Note: Estimated preliminary financial results
 (1) Edge Computing products consist of Outpost hardware, software, and analytic software.
 (2) Non-Edge products consist of Acropolis, analytics software, and accompanying Cloud or OEM hardware solutions.
 (3) Recurring SaaS & Services consist of Software Maintenance Agreement (SMA), technical support, and engineering services.



Airship AI 2023E Pipeline



(1) Quoted-Responded To Customer With Pricing and In Contract.
(2) RFI-Responded To Customer Request For Information Without Pricing
(3) Market Research-Provided Customer Market Research Information On General Capabilities



Transaction Overview

PRO FORMA VALUATION (\$M , EXCEPT PER SHARE VALUES)

Pro Forma Valuation	
Pro Forma Shares Outstanding ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	31.9
(x) Share Price	\$10.00
Equity Value	\$319
(+) Existing Debt as of 12/31/2022	\$0.4
(-) Cash Proceeds from Transaction	\$29
Enterprise Value	\$290

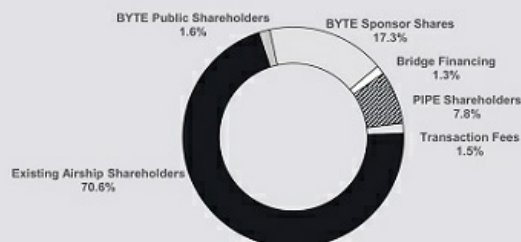
SOURCES & USES (\$M)

Sources	
SPAC Cash in Trust ⁽¹⁾	\$5
Bridge Financing	\$4
PIPE	\$25
Stock Consideration to Existing Airship AI Shareholders	\$225
Total Sources	\$259
Uses	
Stock consideration to Existing Airship AI Shareholders	\$225
Cash to Balance Sheet at Closing	\$29
Estimated Cash Transaction Costs	\$5
Total Uses	\$259

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PRO FORMA OWNERSHIP

Ownership Breakdown at Close	Shares	% Ownership
Airship AI Rollover	22.5	70.6%
Bridge Financing	0.4	1.3%
PIPE	2.5	7.8%
BYTE Public Shareholders	0.5	1.6%
BYTE Sponsor Shareholders	5.5	17.3%
Transaction Fees	0.5	1.5%
PF Shares Outstanding	31.9	100.0%



- (1) Assumes 98% redemptions.
 (2) \$225 Enterprise Value + \$0.7 existing cash - \$0.4 existing debt as of 02/27/2023 presented for illustrative purposes. Cash and debt as of the closing date will be used to calculate the stock consideration to existing Airship AI shareholders.
 (3) Ownership and share count excludes 16.7 million outstanding BYTE warrants (strike price of \$11.50 or 15% out-of-the-money) and 5.0 million warrant shares to the existing Airship AI shareholders (2.5 million at \$12.50 per share and 2.5 million at \$15.00 per share and/or achieving operational milestones stated on page 6).
 (4) Includes existing BYTE Class B shares net a 3.6 million share forfeiture.



Risk Factors

All references to the "Company," "we," "us" or "our" refer to Airship AI. The risks presented below are some of the general risks related to the business of the Company and such list is not exhaustive. The list below has been prepared solely for purposes of inclusion in this Presentation and not for any other purpose. You should carefully consider these risks and uncertainties, together with the information in the Company's consolidated financial statements and related notes. Risks relating to the business of the Company will be disclosed in future documents filed or furnished by the Company and/or BYTE with the SEC. The risks presented in such filings will be consistent with those that would be required for a public company in their SEC filings, including with respect to the business and securities of the Company and may differ significantly from, and be more extensive than, those presented below.

Risks Related to Our Business

- Marginal profitability by the Company could have a material adverse effect on our business.
- We may require substantial additional funding, which may not be available to us on acceptable terms, or at all, and, if not so available, may require us to delay, limit, reduce or cease our operations.
- We have a limited operating history. There can be no assurance that we will be successful in growing our business.
- We face intense competition within our industry and are subject to the effects of technology change.
- Our proprietary products and services and service delivery may not operate properly, which could damage our reputation, give rise to claims against us, or divert application of our resources from other purposes, any of which could harm our business and operating results.
- If critical components used in our products become scarce or unavailable, we may incur delays in delivering our products and providing services, which could damage our business. We rely on a sustainable supply chain. Any issues with this supply chain could adversely affect daily business operations and profitability.
- If our security measures are breached or fail and unauthorized access is obtained to a customer's data, our service may be perceived as insecure, the attractiveness of our services to current or potential customers may be reduced, and we may incur significant liabilities.
- The loss of one or more of our significant customers, or any other reduction in the amount of revenue we derive from any such customer, would adversely affect our business, financial condition, results of operations and growth prospects.
- We depend on key information systems and third-party service providers.
- Cyber-attacks and security vulnerabilities could lead to reduced revenue, increased costs, liability claims, or harm to our competitive position.
- Claims by others that we infringe their intellectual property could force us to incur significant costs or revise the way we conduct our business.
- Our success depends upon the continued protection of our intellectual property rights, and we may be forced to incur substantial costs to maintain, defend, protect and enforce our intellectual property rights.
- We depend on our management team and other key employees, and the loss of one or more of these employees or an inability to attract and retain highly skilled employees could adversely affect our business.
- Our business depends, in part, on sales to government organizations, and significant changes in the contracting or fiscal policies of such government organizations could have an adverse effect on our business and operating results.
- The COVID-19 pandemic and the efforts to mitigate its impact may have an adverse effect on our business, liquidity, results of operations, financial condition and price of our securities.

Risks Related to Legal, Compliance and Regulations

- Changes in current laws or regulations or the imposition of new laws or regulations, or interpretations thereof, in the intelligence gathering and analysis sector or data management, by federal or state agencies in the United States or foreign jurisdictions could impair our ability to compete, and could materially harm our business, financial condition and results of operations.
- Our management has limited experience in operating a public company. The requirements of being a public company may strain our resources and divert management's attention, and the increases in legal, accounting and compliance expenses that will result from being a public company may be greater than we anticipate.
- As a private company, we have not been required to document and test our internal controls over financial reporting nor has our management been required to certify the effectiveness of our internal controls and our auditors have not been required to opine on the effectiveness of our internal control over financial reporting. Failure to maintain adequate financial, information technology and management processes and controls could impair our ability to comply with the financial reporting and internal controls requirements for publicly traded companies, which could lead to errors in our financial reporting and adversely affect our business.
- Current or future litigation or administrative proceedings could have a material adverse effect on our business, financial condition and results of operations.

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Risk Factors

Risks Related to BYTE and the business combination

- BYTE and Airship may not be able to obtain the required shareholder approvals to consummate the business combination.
- The consummation of the business combination is subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the business combination.
- BYTE's sponsor and directors have potential conflicts of interest in recommending that its shareholders vote in favor of approval of the business combination.
- BYTE's initial shareholders, officers, and directors may agree to vote in favor of the business combination, regardless of how its public shareholders vote.
- BYTE's sponsors, directors, officers, advisors, and their affiliates may enter into certain transactions, including purchasing shares or warrants from public shareholders, which may influence a vote on the business combination and reduce the public "float" of its securities.
- Each of BYTE and the Company has incurred and will incur substantial costs in connection with the business combination, private placement, and related transactions, such as legal, accounting, consulting, and financial advisory fees, which will be paid out of the proceeds of the business combination and the private placement.
- The ability of BYTE's public shareholders to exercise redemption rights with respect to a large number of shares could deplete BYTE's trust account prior to the business combination and thereby diminish the amount of working capital of the combined company.
- Subsequent to the consummation of the business combination, the combined company may be required to take write-downs or write-offs and restructuring, impairment, or other charges that could have a significant negative effect on its financial condition, results of operations, and share price, which could cause you to lose some or all of your investment. Uncertainty about the effect of the business combination may affect the Company's ability to retain key employees and integrate management structures and may materially impact the management, strategy, and results of its operation as a combined company.
- BYTE is an emerging growth company subject to reduced disclosure requirements, and there is a risk that availing itself of such reduced disclosure requirements will make its common stock less attractive to investors.
- The consummation of the business combination is subject to a number of conditions, and, if those conditions are not satisfied or waived, the business combination agreement may be terminated in accordance with its terms and the business combination may not be completed.
- Legal proceedings in connection with the business combination, the outcomes of which are uncertain, could delay or prevent the completion of the business combination.
- Changes to the proposed structure of the business combination may be required as a result of applicable laws or regulations.
- BYTE and the Company will be subject to business uncertainties and contractual restrictions while the business combination is pending, and such uncertainty could have a material adverse effect on BYTE's and the Company's business, financial condition, and results of operations.
- If BYTE is deemed to be an investment company under the Investment Company Act, it may be required to institute burdensome compliance requirements and its activities may be restricted, which may make it difficult to complete the business combination.
- BYTE does not have a specified maximum redemption threshold. The absence of such a redemption threshold may make it possible for BYTE to complete its initial business combination with which a substantial majority of its shareholders or warrant holders do not agree.
- BYTE's sponsor and board of directors and affiliates of BYTE's management team may receive a positive return on the 8,092,313 founder shares and 1,030,000 private placement warrants even if BYTE's public shareholders experience a negative return on their investment after consummation of the business combination.
- If BYTE is unable to complete the business combination or another initial business combination by March 23, 2023, BYTE will cease all operations except for the purpose of winding up, redeeming 100% of the outstanding public shares, and, subject to the approval of its remaining shareholders and BYTE's board of directors, dissolving and liquidating. In such event, third parties may bring claims against BYTE and, as a result, the proceeds held in the trust account could be reduced and the per-share liquidation price received by shareholders could be less than \$10.00 per share.
- The combined company may not be able to realize the anticipated benefits of the business combination.

Risk Factors

Risks Related to the Combined Company's Securities Following Consummation of the business combination

- The requirements of being a public company may strain our resources, divert management's attention, and affect our ability to attract and retain executive management and qualified board members.
- If, following the business combination, securities or industry analysts do not publish or cease publishing research or reports about the combined company, its business, or its market, or if they change their recommendations regarding the combined company's securities adversely, the price and trading volume of the combined company's securities could decline.
- An active trading market for the combined company's shares of common stock may not be available on a consistent basis to provide shareholders with adequate liquidity. The stock price may be volatile, and shareholders could lose all or a significant part of their investment.
- Following the completion of the business combination, Airship or its principal shareholders may control a significant percentage of the voting power and will be able to exert significant control over the direction of the business. Such concentration of ownership may affect the market demand for the combined company's shares.
- There can be no assurance that the common stock issued in connection with the business combination will be approved for listing on Nasdaq following the closing, or that the combined company will be able to comply with the continued listing standards of Nasdaq.
- Because the Company has no current plans to pay cash dividends for the foreseeable future, you may not receive any return on investment unless you sell your shares for a price greater than that which you paid for them.
- Investors in this offering will experience immediate and substantial dilution. Additionally, future sales and issuances of the combined company's common stock or rights to purchase the combined company's common stock, including pursuant to the combined company's equity incentive plans, or other equity securities or securities convertible into the combined company's common stock (including BYTE's outstanding warrants), could result in additional dilution of the percentage ownership of the combined company's shareholders and could cause the stock price of the combined company's common stock to decline even if its business is doing well.
- Warrants will become exercisable for the combined company's common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to the combined company's shareholders and could also cause the market price of our common stock to drop significantly, even if our business is doing well.
- The combined company may issue shares of preferred stock in the future, which could make it difficult for another company to acquire it or could otherwise adversely affect holders of its common stock.
- Shareholders will experience immediate dilution as a consequence of the issuance of common stock as consideration in the business combination. Having a minority share position may reduce the influence that shareholders have on the management of the Company.
- If we fail to establish and maintain effective internal controls, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, investors' views of us, and, as a result, the value of our common stock.
- Our internal controls and procedures may not prevent or detect all errors or acts of fraud.
- Changes to, or application of different, financial accounting standards (including PCAOB standards) may result in changes to our results of operations, which changes could be material.
- Following the business combination, provisions of Cayman Islands law, could delay or prevent a change in control, which could reduce the market price the combined company's common stock and frustrate attempts by our shareholders to make changes in management.
- The combined company will incur significant expenses as a result of being a public company, which could materially adversely affect the combined company's business, results of operations, and financial condition.
- Our quarterly operating results may fluctuate significantly or may fall below the expectations of investors or securities analysts, each of which may cause our stock price to fluctuate or decline.
- After the completion of this offering, we may be at an increased risk of securities class action litigation.

Risks Related to the Private Placement

- Securities issued in the private placement will be restricted securities and will not be registered and therefore will be subject to securities laws restrictions on transferability until such time as the resale of such securities is registered or an exemption from registration is available.
- There can be no assurance that BYTE or the Company will be able to raise sufficient capital to consummate the business combination or for use by the combined company following the business combination.
- We have broad discretion in how we use the proceeds of this offering and may not use these proceeds effectively, which could affect our results of operations and cause our stock price to decline.

Appendix



Facts & Figures

Connected Devices in 2025E¹

55.7BN

Data Generated by Connected
Devices Annually in 2025E¹

~80ZB

Global 5G Services Market
CAGR from 2023E to 2030E²

59.4%

Global Edge AI Software
Market in 2029E³

\$3.5BN

Global Edge AI Hardware
Market in 2030E⁴

\$38.9BN

Global Edge Computing Capex
Spend by 2028⁵

\$146BN

(1) <https://blogs.its.com/2021/01/06/future-of-industry-ecosystems-shared-data-and-insights/>

(2) <https://www.grandviewresearch.com/industry-analysis/5g-services-market#:~:text=The%20global%205G%20services%20market,and%20business%20models%20to%20consumers.>

(3) <https://reports.valuates.com/market-reports/OTREC-Auto-413a/global-edge-ai-software>

(4) <https://reports.valuates.com/market-reports/OTREC-Auto-413a/global-edge-ai-hardware#:~:text=The%20global%20edge%20AI%20hardware,intelligence%20based%20robots%20to%26%20devices.>

(5) <https://www.statista.com/statistics/1104591/worldwide-edge-computing-capex/>



Select Public Peers

AI Analytics



Machine Vision Technologies & IOT



Security Software



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Best of Breed Partners Supporting Blue Chip Customers

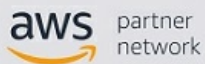
Airship AI partners with industry leading edge data and analytic companies to build on and integrate with as we have expanded our full-spectrum offerings to support customer requirements across a wide variety of emerging operational challenges



Airship AI chose NVIDIA on which to develop our edge analytic software platform, leveraging their industry leading small form factor Jetson platform and existing investments in the application framework and developer tools around Deep Stream to speed up our AI model development and deployment process.



Airship AI chose Dell around which to build and tailor our enterprise management platform, leveraging their expansive experience in providing enterprise grade hardware and storage solutions.



Airship AI chose AWS around which to build and tailor our cloud Software As A Service (SaaS) offering, leveraging their expansive cloud toolset for managing complex datasets and analytics for mission critical customer environments.

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EBITDA Reconciliation

(\$millions)

Calendar Year	2021A	2022E
Net Income	(\$5.1)	(\$0.5)
+ Interest Expense	0.0	0.0
+ Depreciation & Amortization	.05	.01
EBITDA	(\$5.0)	(\$0.4)
Stock-Based Compensation	0.8	0.5
Adj. EBITDA	\$(4.2)	\$0.1