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

December 21, 2023
Date of Report (Date of earliest event reported)

AIRSHIP AI HOLDINGS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-40222**	**93-4974766**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

8210 154th Ave NE Redmond, WA	**98052**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(877) 462-4250**

BYTE Acquisition Corp.
445 Park Avenue, 9th Floor
New York, NY 10022
(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

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock	AISP	The Nasdaq Stock Market LLC
Warrants	AISPW	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 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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. ☐

Introductory Note

Unless otherwise stated or unless the context otherwise requires, the terms "we," "us," "our," the "Registrant," the "Combined Company," the "Company" and "Airship Pubco" refer to Airship AI Holdings, Inc., a Delaware corporation (formerly known as BYTE Acquisition Corp., a Cayman Islands exempted company), after giving effect to the Business Combination (as defined below), and where appropriate, our wholly-owned subsidiaries (including Airship AI, Inc.) following the Closing Date (as defined below). Furthermore, unless otherwise stated or unless the context otherwise requires, references to "BYTS" refer to BYTE Acquisition Corp., a Cayman Islands exempted company, prior to the Closing Date, and references to "Airship AI" refer to Airship AI, Inc. (formerly known as Airship AI Holdings, Inc.), a Washington corporation, prior to the Closing Date. All references herein to the "Board" refer to the board of directors of the Company.

Terms used in this Current Report on Form 8-K (this "Report") but not defined herein, or for which definitions are not otherwise incorporated by reference herein, shall have the meaning given to such terms in the Proxy Statement/Prospectus filed by BYTS with the Securities and Exchange Commission (the "SEC") on December 5, 2023, as supplemented by Supplement No. 1 on December 15, 2023 (the "Proxy Statement/Prospectus") and such definitions are incorporated herein by reference.

This Report incorporates by reference certain information from reports and other documents that were previously filed with the SEC, including certain information from the Proxy Statement/Prospectus. To the extent there is a conflict between the information contained in this Report and the information contained in such prior reports and documents and incorporated by reference herein, the information in this Report controls.

Closing of Business Combination

On December 21, 2023, the Company completed the business combination (the "Business Combination") contemplated by the Merger Agreement, dated as of June 27, 2023 (as amended on September 22, 2023 and as may be further amended and/or restated from time to time, the "Merger Agreement") by and among BYTS, BYTE Merger Sub, Inc., a Washington corporation and a direct, wholly-owned subsidiary of BYTS ("Merger Sub"), and Airship AI. The Merger Agreement was previously reported on the Current Report on Form 8-K filed by BYTS with the SEC on June 27, 2023.

Completion of the Domestication and the Merger

As previously reported on the Current Report on Form 8-K filed by BYTS with the SEC on December 21, 2023, BYTS held an extraordinary general meeting on December 19, 2023 (the "Extraordinary General Meeting"). At the Extraordinary General Meeting, BYTS' shareholders approved the proposals outlined in the Proxy Statement/Prospectus, including, among other things, the adoption of the Merger Agreement and approval of the transactions contemplated by the Merger Agreement, including the merger of Merger Sub with and into Airship AI, with Airship AI continuing as the surviving corporation and as a wholly-owned subsidiary of the Company (the "Merger"), and the issuance of the Company's securities as consideration thereunder, as described in the section titled "The Business Combination Proposal" beginning on page 102 of the Proxy Statement/Prospectus.

On December 20, 2023, BYTS filed a notice of deregistration with the Register of Companies in the Cayman Islands (the "Cayman Registrar"), together with the necessary accompanying documents, and filed a certificate of incorporation and a certificate of corporate domestication with the Secretary of State of the State of Delaware, under which BYTS de-registered from the Cayman Registrar by way of continuation out of the Cayman Islands and into the State of Delaware so as to migrate to and domesticate as a Delaware corporation (the "Domestication"). Immediately after the filing of the Certificate of Incorporation, the Company filed an amendment to the Certificate of Incorporation (the "Charter Amendment") to change the Company's name to "Airship AI Holdings, Inc."

Effective December 21, 2023, following the filing of Articles of Merger with the Secretary of State of the State of Washington, Merger Sub merged with and into Airship AI with Airship AI as the surviving corporation. Thus, Airship AI became a wholly-owned subsidiary of the Company. In connection with the Merger, Airship AI changed its name to "Airship AI, Inc." The Articles of Merger are attached hereto as Exhibit 2.3.

On December 21, 2023 (the "Closing Date"), the Business Combination, among other transactions contemplated by the Merger Agreement, was completed (the "Closing").

The Merger Consideration and Treatment of Securities

In connection with the Domestication, (x) immediately prior to the Domestication, Byte Holdings LP, a Cayman Islands exempted limited partnership and the sponsor of BYTS (the "Sponsor"), surrendered to BYTS for no consideration the sole issued and outstanding Class B ordinary share of BYTS, par value $0.0001 per share (the "BYTS Class B Ordinary Share") and (y) at the effective time of the Domestication, (i) each then issued and outstanding Class A ordinary share of BYTS, par value $0.0001 per share (each, a "BYTS Class A Ordinary Share" and together with the BYTS Class B Ordinary Share, the "BYTS Ordinary Shares"), converted automatically, on a one-for-one basis, into one share of common stock, par value $0.0001 per share, of Airship Pubco (the "Airship Pubco Common Stock"); (ii) each then issued and outstanding warrant to purchase one BYTS Class A Ordinary Share (each, a "BYTS Warrant") became exercisable for one share of Airship Pubco Common Stock (each, an "Airship Pubco Warrant") pursuant to the terms of the Warrant Agreement, dated as of March 18, 2021, by and between BYTS and Continental Stock Transfer & Trust Company, as warrant agent; and (iii) each then issued and outstanding unit of BYTS (each, a "BYTS Unit") separated and converted automatically into one share of Airship Pubco Common Stock and one-half of one Airship Pubco Warrant.

At the Closing, pursuant to the terms of the Merger Agreement, the total consideration paid at the Closing (the "Merger Consideration") by BYTS to Airship AI securityholders was $225.0 million in the form of shares of Airship Pubco Common Stock" (at a deemed value of $10.00 per share).

In addition, the Airship AI securityholders that hold shares of common stock of Airship AI ("Airship Common Stock"), Airship Options, Airship Earnout Warrants or Airship SARs (the "Airship Earnout Holders") have the contingent right to receive up to 5.0 million additional shares of Airship Pubco Common Stock (the "Earnout Shares"), subject to the following contingencies:

(A) 25% of the Earnout Shares if, for the period starting on the Closing Date and ending on the last day of the full calendar quarter immediately following the first anniversary of the Closing Date, (1) Company Revenue (as defined below) is at least $39 million, or (2) the aggregate value of new contract awards (including awards obtained through purchase orders) with federal law enforcement agencies (whether such awards are obtained directly or through intermediaries) has grown by at least 100% as compared to the year-over-year amount for the twelve-month period ending on the date of the Merger Agreement (the "First Operating Performance Milestone");

(B) 75% of the Earnout Shares if, for the period starting on the Closing Date and ending on the last day of the full calendar quarter immediately following the third anniversary of the Closing Date, Company Revenue is at least $100 million (the "Second Operating Performance Milestone");

(C) 50% of the Earnout Shares if, at any time during the period starting on the Closing Date and ending on the fifth anniversary of the Closing Date, over any twenty (20) trading days within any thirty (30) trading day period the volume weighted average price ("VWAP") of the Airship Pubco Common Stock is greater than or equal to $12.50 per share (the "First Share Price Performance Milestone"); and

(D) 50% of the Earnout Shares if, at any time during the period starting on the Closing Date and ending on the fifth anniversary of the Closing Date, over any twenty (20) trading days within any thirty (30) trading day period the VWAP of the Airship Pubco Common Stock is greater than or equal to $15.00 per share (the "Second Share Price Performance Milestone").

Pursuant to the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each option to purchase shares of Airship Common Stock (each, an "Airship Option") that was outstanding as of immediately prior to the Effective Time converted into (i) an option (each, a "Converted Stock Option"), on substantially the same terms and conditions as were in effect with respect to each such Airship Option immediately prior to the Effective Time, to purchase the number of shares of Airship Pubco Common Stock, determined by multiplying the number of shares of Airship Common Stock subject to such Airship Option as of immediately prior to the Effective Time by the Conversion Ratio (as defined below), at an exercise price per share of Airship Pubco Common Stock equal to (A) the exercise price per share of Airship Common Stock of such Airship Option divided by (B) the Conversion Ratio, and (ii) the right to receive a number of Earnout Shares in accordance with, and subject to, the contingencies set forth in the Merger Agreement. At the Effective Time, Airship Pubco assumed all obligations of Airship AI with respect to each Converted Stock Option.

Pursuant to the Merger Agreement, at the Effective Time, each warrant to acquire shares of Airship Common Stock (each, an "Airship Warrant") that was outstanding as of immediately prior to the Effective Time converted into (i) a warrant (a "Converted Warrant") to purchase, on substantially the same terms and conditions as were in effect with respect to each such Airship Warrant immediately prior to the Effective Time, the number of shares of Airship Pubco Common Stock, determined by multiplying the number of shares of Airship Common Stock subject to such Airship Warrant immediately prior to the Effective Time by the Conversion Ratio, at an exercise price per share of Airship Pubco Common Stock equal to (A) the exercise price per share of Airship Common Stock of such Airship Warrant divided by (B) the Conversion Ratio, and (ii) with respect to certain warrants to purchase shares of Airship Common Stock set forth in the Merger Agreement (the "Airship Earnout Warrants"), the right to receive a number of Earnout Shares in accordance with, and subject to, the contingencies set forth in the Merger Agreement. At the Effective Time, Airship Pubco will assume all obligations of Airship AI with respect to any Converted Warrants.

Pursuant to the Merger Agreement, at the Effective Time, each stock appreciation right granted under Airship AI's stock appreciation rights plan (each, an "Airship SAR") that was outstanding immediately prior to the Effective Time were assumed by Airship Pubco and converted into a stock appreciation right denominated in shares of Airship Pubco Common Stock (each, a "Converted SAR"). Each Converted SAR continued to have and be subject to substantially the same terms and conditions as were applicable to such Airship SAR immediately prior to the Effective Time, except that (i) each Converted SAR covered that number of shares of Airship Pubco Common Stock equal to (A) the product of (1) the number of shares of Airship Common Stock subject to such Airship SAR immediately prior to the Effective Time and (2) the Conversion Ratio and (B) a number of Earnout Shares in accordance with, and subject to, the contingencies set forth in the Merger Agreement, and (ii) the per share base value for each share of Airship Pubco Common Stock covered by the Converted SAR equaled the quotient obtained by dividing (A) the base value per share of Airship Common Stock of such Airship SAR immediately prior to the Effective Time by (B) the Conversion Ratio. At the Effective Time, Airship Pubco assumed all obligations of Airship AI with respect to each Converted SARs.

The "Conversion Ratio" is the quotient obtained by dividing (i) 22.5 million shares of Airship Pubco Common Stock by (ii) the number of shares constituting the aggregate number of shares of Airship Common Stock that are issued immediately prior to the Effective Time, plus the aggregate number of shares of Airship Common Stock that are issuable upon full exercise of all Airship Earnout Warrants outstanding as of immediately prior to the Effective Time, plus the aggregate number of shares of Airship Common Stock issuable upon full exercise of all Airship Options (whether vested or unvested) outstanding as of immediately prior to the Effective Time, plus the aggregate number of Airship SARs (whether vested or unvested) outstanding as of immediately prior to the Effective Time.

Airship Pubco's bylaws provide that the shares of Airship Pubco Common Stock issued to all holders of Airship Common Stock, Airship Options, Airship Earnout Warrants and Airship SARs as merger consideration will be subject to a lock-up for a period of 180 days following the Closing, and that Airship Pubco Common Stock issued to such holders upon satisfaction of the First Operating Performance Milestone (if any) will be subject to a 12-month lock-up period beginning on the date such shares are issued, unless waived, amended or repealed by the unanimous approval of the board of directors; provided, further, that the lockup obligations set forth in Airship Pubco's bylaws will not apply to the lock-up shares of any lock-up holder that have been released from the lock-up obligations set forth therein in writing by the Company prior to the Closing Date.

The foregoing descriptions of the Business Combination are qualified in their entirety by reference to the full text of the Merger Agreement and the Amendment to the Merger Agreement, as applicable, copies of which are included as Exhibit 2.1 and Exhibit 2.2 to this Report and incorporated herein by reference.

Letter Amendment to Form of Bylaws

On December 20, 2023, BYTS entered into a letter agreement (the "Letter Agreement") with Airship AI to amend the lock-up provisions of the bylaws to be adopted by the Company concurrently with the Domestication and to release certain shareholders of Airship AI from the lock-up obligations set forth in such bylaws. The foregoing description of the Letter Agreement does not purport to be complete and is qualified in its entirety by the terms and conditions of the Letter Agreement which is attached hereto as Exhibit 10.3 and is incorporated herein by reference.

Issuance Bankruptcy Plan Shares

On December 13, 2023, BYTS formed a wholly-owned subsidiary in Nevada, BYTS NV Merger Sub, Inc. ("NV Merger Sub"), for the purpose of acquiring SILLC (E) Acquisition Corp., a Nevada corporation ("SILLC"), an entity subject to a bankruptcy proceeding that has no assets, no equity owners and no liabilities, except for claims of approximately 400 holders of allowed unsecured claims and a holder of allowed administrative expenses (collectively, the "Claim Holders"). On December 15, 2023, BYTS entered into an Agreement and Plan of Merger (the "SILLC Merger Agreement") by and among BYTS, NV Merger Sub, SILLC, and the other parties thereto.

On December 21, 2023, immediately following the consummation of the Domestication and prior to the consummation of the Business Combination, and as contemplated by the SILLC Merger Agreement, NV Merger Sub merged (the "SILLC Merger") with and into SILLC, with SILLC surviving the SILLC Merger as a wholly-owned subsidiary of BYTS. SILLC became the successor and "Post Confirmation Debtor" pursuant to the bankruptcy plan. As a result of the SILLC Merger, and in accordance with the bankruptcy plan, the Company issued an aggregate of 150,000 shares of Airship Pubco Common Stock (the "Plan Shares") to the Claim Holders as full settlement and satisfaction of their respective claims, pursuant to Section 1145 of the U.S. Bankruptcy Code. The Sponsor forfeited an equal number of shares of Airship Pubco Common Stock.

The issuance of the Plan Shares by Airship Pubco was exempt from the registration requirements of the Securities Act. The Plan Shares will not be subject to any lock-up or other transfer restriction.

Parent Support Agreement

Pursuant to the terms of the Parent Support Agreement, dated as of June 27, 2023, by and among the Sponsor, BYTS and Airship AI, the Sponsor forfeited 1,000,000 shares of Airship Pubco Common Stock on the Closing Date. The Parent Support Agreement also provides that the Sponsor Shares will be subject to a lock-up for a period of 180 days following the Closing.

Item 1.01. Entry into Material Definitive Agreement.

The disclosure set forth in the "Introductory Note" above is incorporated into this Item 1.01 by reference.

Amended and Restated Registration Rights Agreement

On December 21, 2023, BYTS, the Sponsor and certain former shareholders of Airship AI (collectively, the "Holders") entered into an amended and restated registration rights agreement (the "Registration Rights Agreement"), pursuant to which the Company agreed to register for resale, pursuant to Rule 415 under the Securities Act, certain shares of Airship Pubco Common Stock and Airship Pubco Warrants that are held by the Holders from time to time. The Registration Rights Agreement amended and restated the registration rights agreement that was entered into by BYTS, the Sponsor and the other parties thereto in connection with BYTS' initial public offering. The Registration Rights Agreement will terminate on the earlier of (a) the five year anniversary of the date of the Registration Rights Agreement or (b) with respect to any Holder, on the date that such Holder no longer holds any Registrable Securities (as defined therein).

The foregoing description of the Registration Rights Agreement does not purport to be complete and is qualified in its entirety by the terms and conditions of the Registration Rights Agreement which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Earnout Escrow Agreement

On December 21, 2023, the Company and Continental Stock Transfer & Trust Company entered into an earnout escrow agreement (the "Earnout Escrow Agreement"), effective as of the Closing. The Earnout Escrow Agreement provides, among other things, that the Earnout Shares will be placed in escrow and will not be released from escrow until they are earned as a result of the occurrence of, as applicable, the First Operating Performance Milestone, the Second Operating Performance Milestone, the First Share Price Performance Milestone, and/or the Second Share Price Performance Milestone.

The foregoing description of the Earnout Escrow Agreement does not purport to be complete and is qualified in its entirety by the terms and conditions of the Earnout Escrow Agreement which is attached hereto as Exhibit 10.2 and is incorporated herein by reference.

Indemnification Agreements

The Company's certificate of incorporation and bylaws provide that the Company will indemnify its directors and officers to the fullest extent permitted by Delaware law. In addition, the Company has entered into indemnification agreements with its directors and executive officers, a form of which is attached hereto as Exhibit 10.10 and is incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

The disclosure set forth in the "Introductory Note" above is incorporated into this Item 2.01 by reference.

On December 20, 2023, in connection with the Domestication, (x) immediately prior to the Domestication, the Sponsor surrendered to BYTS for no consideration the sole issued and outstanding BYTS Class B Ordinary Share and (y) at the effective time of the Domestication, (i) each then issued and outstanding BYTS Class A Ordinary Share converted automatically, on a one-for-one basis, into one share of Airship Pubco Common Stock; (ii) each then issued and outstanding BYTS Warrant became one Airship Pubco Warrant exercisable for one share of Airship Pubco Common Stock; and (iii) each then issued and outstanding BYTS Unit separated and converted automatically into one share of Airship Pubco Common Stock and one-half of one Airship Pubco Warrant.

At the Closing, pursuant to the terms of the Merger Agreement, the Merger Consideration paid at the Closing by BYTS to Airship AI security holders was $225.0 million in the form of shares of Airship Pubco Common Stock" (at a deemed value of $10.00 per share);

In addition, Airship Earnout Holders have the contingent right to receive up to 5.0 million Earnout Shares, subject to the occurrence of, as applicable, the First Operating Performance Milestone, the Second Operating Performance Milestone, the First Share Price Performance Milestone, and/or the Second Share Price Performance Milestone

In connection with the vote at the Extraordinary General Meeting on December 19, 2023, public shareholders holding 1,068,187 BYTS Class A Ordinary Shares exercised their right to redeem such shares for a pro rata portion of the funds in the trust account established at the consummation of BYTS' initial public offering (the "Trust Account"). As a result, approximately $11,545,427 (approximately $10.81 per share) was removed from the Trust Account to pay such holders. Immediately after giving effect to the redemption of 1,068,187 BYTS Class A Ordinary Shares in connection with the Business Combination, there were 27,279,102 shares of Airship Pubco Common Stock and 19,389,528 Airship Pubco warrants outstanding.

Upon the consummation of the Business Combination, BYTS's Class A ordinary shares, warrants and units ceased trading on The Nasdaq Stock Market ("Nasdaq"), and Airship Pubco Common Stock and Airship Pubco Warrants began trading on December 22, 2023, on Nasdaq under the symbols "AISP" and "AISPW," respectively.

FORM 10 INFORMATION

Item 2.01(f) of Form 8-K states that if the predecessor registrant was a shell company, as BYTS was immediately before the Business Combination, then the registrant must disclose the information that would be required if the registrant were filing a general form for registration of securities on Form 10. Accordingly, the Company, as the successor issuer to BYTS, is providing the information below that would be included in a Form 10 if the Company were to file a Form 10. Please note that the information provided below relates to the Company as the combined company after the consummation of the Business Combination, unless otherwise specifically indicated or the context otherwise requires.

Forward-Looking Statements

Certain statements contained in this Report may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and for purposes of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. This includes, without limitation, statements regarding the financial position, business strategy and the plans and objectives of management for future operations, including as they relate to the Company. These statements constitute projections, forecasts, and forward-looking statements, and are not guarantees of performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this Report, forward-looking statements may be identified by the words "anticipate," "believe," "could," "expect," "estimate," "future," "intend," "may," "might," "strategy," "opportunity," "plan," "project," "possible," "potential," "project," "predict," "scales," "representative of," "valuation," "should," "will," "would," "will be," "will continue," "will likely result," or other similar expressions that predict or indicate future events or trends or that are not statements of historical facts. 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 Company cautions readers of this Report that these forward-looking statements are subject to risks and uncertainties, most of which are difficult to predict and many of which are beyond the Company's control, which could cause the actual results to differ materially from the expected results. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of financial and performance metrics, revenue opportunities, anticipated future financial and operating performance and results, including estimates for growth, other performance metrics, projections of market opportunity, expected management and governance of the Company. These statements are based on various assumptions, whether or not identified in this Report, and on the current expectations of the Company'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. The risk factors and cautionary language contained in this Report, and incorporated herein by reference, provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations described in such forward-looking statements, including among other things:

- changes in the competitive industries and markets in which the Company operates or plans to operate;
- changes in applicable laws or regulations affecting the Company's business;
- the Company's ability to implement business plans, forecasts, and other expectations after the completion of the Business Combination, and identify and realize additional opportunities;
- risks related to the Company's potential inability to achieve or maintain profitability and generate significant revenue;
- current and future conditions in the global economy, including as a result of economic uncertainty, and its impact on the Company, its business and the markets in which it operates;
- the Company's potential inability to manage growth effectively;

- the Company's ability to recruit, train and retain qualified personnel;
- estimates for the prospects and financial performance of the Company's business may prove to be incorrect or materially different from actual results;
- costs related to the Business Combination and the failure to realize anticipated benefits of the Business Combination;
- risks related to the Company's marketing and growth strategies;
- the effects of competition on the Company's business;
- expectations with respect to future operating and financial performance and growth, including when the Company will generate positive cash flow from operations;
- the Company's ability to raise funding on reasonable terms as necessary to develop its products in the timeframe contemplated by its business plan;
- the inability to maintain the listing of the Company's common stock and warrants on Nasdaq following the Business Combination;
- other risks and uncertainties indicated in this Report, including those under "Risk Factors" beginning on page 48 in the Proxy Statement/Prospectus and other filings that have been made or will be made with the SEC by the Company.

In addition, there may be events that the Company's management is not able to predict accurately or over which the Company has no control.

Business

The business of the Company is described in the Proxy Statement/Prospectus in the section titled "Information About Airship AI" beginning on page 217, which is incorporated herein by reference.

Risk Factors

The risks associated with the Company are described in the Proxy Statement/Prospectus beginning on page 48 and specifically including in the in the sections titled "Risk Factors – Risks Related to Airship AI's Business and Industry," beginning on page 48 and "Risks Related to Ownership of Airship Pubco Securities" beginning on page 64 of the Proxy Statement/Prospectus, which are incorporated herein by reference.

Financial Information

The statement of operations data of Airship AI for the nine-months ended September 30, 2023 and fiscal years ended December 31, 2022 and 2021, and the balance sheet data of Airship AI as of September 30, 2023, December 31, 2022 and December 31, 2021 are described in the Proxy Statement/Prospectus beginning on page F-42, and that information is incorporated herein by reference.

Information responsive to Item 2 of Form 10 is set forth in the Proxy Statement/Prospectus in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations of Airship AI" beginning on page 223, and that information is incorporated herein by reference.

Properties

On July 13, 2023, Airship AI entered into a lease in Redmond, WA for 15,567 square feet of office and warehouse space which started October 1, 2023. The monthly payment is $25,000 per month. The lease expires October 31, 2027 and the monthly payment increases 3% on July 31, 2024 and each year thereafter. There is a one three year option to extend based on the fair market rate on October 31, 2027.

The Company believes that all its properties have been adequately maintained, are generally in good condition, and are suitable and adequate for its business.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Reference is made to the disclosure contained in the Proxy Statement/Prospectus in the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations of Airship AI" beginning on page 223 and "Management's Discussion and Analysis of Financial Condition and Results of Operations of BYTS" beginning on page 211, which are incorporated herein by reference.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth information regarding the beneficial ownership of shares of Airship Pubco Common Stock, as of December 21, 2023, following the consummation of the Business Combination, by:

- each person known by the Company to be the beneficial owner of more than 5% of a class of voting securities on December 21, 2023;
- each of the Company's officers and directors; and
- all executive officers and directors of the Company as a group.

Beneficial ownership is determined in accordance with SEC rules and includes voting or investment power with respect to securities. Except as indicated by the footnotes below, the Company believes, based on the information furnished to it, that the persons and entities named in the table below have, or will have immediately after Closing, sole voting and investment power with respect to all shares of Airship Pubco Common Stock that they beneficially own, subject to applicable community property laws. Any shares of Airship Pubco Common Stock subject to options, warrants or SARs exercisable within 60 days from Closing are deemed to be outstanding and beneficially owned by the persons holding those options, warrants or SARs for the purpose of computing the number of shares beneficially owned and the percentage ownership of that person. They are not, however, deemed to be outstanding and beneficially owned for the purpose of computing the percentage ownership of any other person.

Subject to the paragraph above, percentage ownership of Airship Pubco Common Stock is based on 27,279,102 shares of our Airship Pubco Common Stock outstanding upon consummation of the Business Combination on December 21, 2023 (including 5,000,000 Earnout Shares, which shares were issued and held in escrow as of the Closing Date, but excluding the shares subject to options, warrants and SARs, which were not outstanding immediately following the Closing), after giving effect to the redemptions by BYTS public shareholders in connection with the Business Combination.

Name and Address of Beneficial Owner(1)	Number of Shares of Common Stock Beneficially Owned	% of Outstanding Common Stock
Directors and Executive Officers		
Victor Huang(2)	8,245,514	25.7%
Derek Xu(3)	9,783,856	34.2%
Paul Allen(4)	935,058	3.3%
Yanda Ma(5)	797,698	2.8%
Mark E. Scott(6)	87,904	*
Peeyush Ranjan(7)	175,809	*
Louis Lebedin	50,000	*
Amit Mital(8)	203,061	*
All executive officers and directors as a group (8 individuals)	20,228,901	56.7%
5% or More Stockholders:		
Airship Kirkland Family LP(9)	6,900,563	22.4%
Airship Redmond Family LP(10)	8,438,905	30.9%
Mulan Ventures LLC(11)	1,538,342	5.6%

* Less than 1%

(1) Unless otherwise noted, the business address of each of the directors and executive officers of is 8210 154th Ave NE, Redmond, WA 98052.

(2) Consists of (i) shares owned by Airship Kirkland Family Limited Partnership, over which Mr. Huang has voting and dispositive power and (ii) 1,344,951 shares of Airship Pubco Common Stock issuable upon the exercise of 1,344,951 Converted Warrants issued upon the conversion in connection with the Merger of 765,000 Airship Warrants. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement.

(3) Consists of (i) shares owned by Airship Redmond Family Limited Partnership, over which Mr. Xu has voting and dispositive power and (ii) 1,344,951 shares of Airship Pubco Common Stock issuable upon the exercise of 1,344,951 Converted Warrants issued upon the conversion in connection with the Merger of 765,000 Airship Warrants. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement.

(4) Reflects 935,058 shares of Airship Pubco Common Stock issuable upon the exercise of 935,058 Converted Stock Options issued upon the conversion in connection with the Merger of 531,856 Airship Options. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement.

(5) Reflects 797,698 shares of Airship Pubco Common Stock issuable upon the exercise of 797,698 Converted Stock Options issued upon the conversion in connection with the Merger of 453,726 Airship Options. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement.

(6) Reflects 87,904 shares of Airship Pubco Common Stock issuable upon the exercise of 87,904 Converted Stock Options issued upon the conversion in connection with the Merger of 50,000 Airship Options. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement.

(7) Reflects 175,809 shares of Airship Pubco Common Stock issuable upon the exercise of 175,809 Converted Stock Options issued upon the conversion in connection with the Merger of 100,000 Airship Options. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement.

(8) Reflects 203,061 shares of Airship Pubco Common Stock issuable upon the exercise of 203,061 Converted Stock Options issued upon the conversion in connection with the Merger of 115,500 Airship Options. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement.

(9) Reflects (i) 3,384,353 shares of Airship Pubco Common Stock issued upon the exchange in connection with the Merger of 1,925,000 shares of Airship Common Stock, (ii) 1,762,006 shares of Airship Pubco Common Stock issuable upon the exercise of 1,758,105 Converted Stock Options issued upon the conversion in connection with the Merger of 1,000,000 Airship Options, and (iii) 1,758,105 shares of Airship Pubco Common Stock covering 1,758,105 Converted SARs issued upon the conversion in connection with the Merger of 1,000,000 Airship SARs. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement. Victor Huang has voting and dispositive power over the shares owned by Airship Kirkland Family Limited Partnership.

(10) Reflects 8,438,905 shares of Airship Pubco Common Stock issued upon the exchange in connection with the Merger of 4,800,000 shares of Airship Common Stock. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement. Derek Xu has voting and dispositive power over the shares owned by Airship Redmond Family Limited Partnership.

(11) Reflects 1,538,342 shares of Airship Pubco Common Stock issued upon the exchange in connection with connection with the Merger of 875,000 shares of Airship Common Stock. Excludes the right to receive a number of Earnout Shares, in accordance with and subject to the contingencies set forth in the Merger Agreement. Jane Cui has voting and dispositive power over the shares owned by Mulan Ventures LLC.

Directors and Executive Officers

The Company's directors and executive officers after the Closing are described in the Proxy Statement/Prospectus in the section titled "Management of Airship Pubco Following the Business Combination," beginning on page 234 which is incorporated herein by reference.

The following persons constitute the executive officers and directors of the Company:

Name	Age	Title
Victor Huang	54	Chief Executive Officer and Chairman of the Board and Director
Derek Xu	66	Chief Operating Officer, Secretary, Treasurer and Director
Paul Allen	54	President
Yanda Ma	45	Chief Technology Officer
Mark E. Scott	70	Chief Financial Officer
Peeyush Ranjan	49	Director
Louis Lebedin	65	Director
Amit Mital	54	Director

Director and Executive Compensation

Information regarding the compensation of the named executive officers and directors of the Company before and after the Business Combination is set forth in the Proxy Statement/Prospectus in the section titled "Executive Compensation of Airship AI," beginning on page 238 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Committees of the Board

The Combined Company's Board has three standing committees: an audit committee, a compensation committee and a nominating and corporate governance committee, each of which has the composition and responsibilities described below. Members serve on these committees until their resignation or until otherwise determined by our Board. Each committee operates under a charter that was approved by the Board. The Board may from time to time establish other committees.

Audit Committee

The Combined Company's audit committee consists of Amit Mital, Peeyush Ranjan and Louis Lebedin, each of whom is an independent director under applicable Nasdaq listing standards. Amit Mital has been appointed chair of the audit committee. The Board has determined that Louis Lebedin qualifies as an "audit committee financial expert," as defined under rules and regulations of the SEC. The audit committee's duties, which are specified in the Audit Committee Charter, include, but are not limited to: the appointment, compensation, retention, replacement, and oversight of the work of our independent registered public accounting firm, pre-approving all audit and permitted non-audit services to be provided by our independent registered public accounting firm, 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 registered public accounting firm, and our legal advisors, as appropriate, any legal, regulatory, or compliance matters, including any correspondence with regulators or government agencies and any employee complaints.

Compensation Committee

The Combined Company's compensation committee consists of Peeyush Ranjan and Amit Mital, each of whom is an independent director under applicable Nasdaq listing standards. Peeyush Ranjan has been appointed chair of the compensation committee. The compensation committee's duties, include, but are not limited to: determining or recommending to the Board for determination, the compensation of our executive officers, including our chief executive officer, administering our equity compensation plans, overseeing our overall compensation policies and practices, compensation plans, and benefits programs and preparing the compensation committee report that the SEC will require in our annual proxy statement.

Nominating and Corporate Governance Committee

The Combined Company's nominating and corporate governance committee consists of Peeyush Ranjan and Amit Mital, each of whom is an independent director under applicable Nasdaq listing standards. Peeyush Ranjan has been appointed chair of the nominating and corporate governance committee. The nominating and corporate governance committee, among other things, will determine the qualifications, qualities, skills, and other expertise required to be a director and to develop, and recommend to the Board for its approval, criteria to be considered in selecting nominees for director, identifying and screening individuals qualified to become members of the Board and making recommendations to the Board regarding the selection and approval of the nominees for director to be submitted to a stockholder vote at the annual meeting of stockholders.

Certain Relationships and Related Transactions, and Director Independence

Certain relationships and related person transactions of BYTS and Airship AI are described in the Proxy Statement/Prospectus in the section titled "Certain Relationships and Related Party Transactions" beginning on page 248 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Nasdaq listing rules require that a majority of the board of directors of a company listed on Nasdaq be composed of "independent directors," which is defined generally as a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship, which, in the opinion of the company's board of directors, would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. The Combined Company's board of directors has determined that each of Amit Mital, Peeyush Ranjan and Louis Lebedin is an independent director under the Nasdaq listing rules and Rule 10A-3 of the Exchange Act.

Reference is made to the disclosure regarding director independence in the section of the Proxy Statement/Prospectus titled "Management of Airship Pubco Following the Business Combination," beginning on page 234 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

The information set forth under "Item 1.01 Entry into a Material Definitive Agreement" and "Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers" of this Report is incorporated into this Item 2.01 by reference.

Legal Proceedings

Reference is made to the disclosure regarding legal proceedings in the section of the Proxy Statement/Prospectus titled "Information About Airship AI – Legal Proceedings" beginning on page 222 which is incorporated herein by reference.

Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters

On December 22, 2023, the Airship Pubco Common Stock and the Airship Pubco Warrants began trading on Nasdaq under the symbol "AISP" and "AISPW," respectively. The Company has not paid any cash dividends on its common stock to date.

The Board, in its sole discretion, will make any determination from time to time with respect to the use of any excess cash accumulated, which may include, among other uses, the payment of dividends on the Airship Pubco Common Stock. It is not contemplated that the Company will pay cash dividends for the foreseeable future.

Recent Sales of Unregistered Securities

Information about unregistered sales of the Company's equity securities is set forth under Item 3.02 of this Report, which is incorporated herein by reference.

Description of Registrant's Securities to be Registered

The description of the Company's securities is contained in the Proxy Statement/Prospectus in the section titled "Description of Airship Pubco Securities," beginning on page 254 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

The Company has authorized 200,000,000 shares of common stock, par value $0.0001 per share, and 5,000,000 shares of preferred stock, par value $0.0001 per share. The outstanding shares of Airship Pubco Common Stock are fully paid and non-assessable. As of the Closing Date, there were outstanding 27,279,102 shares of Airship Pubco Common Stock, after giving effect to the redemptions by BYTS public shareholders in connection with the Business Combination, no shares of the Company's preferred stock, public warrants to purchase 16,184,626 shares of Airship Pubco Common Stock, private warrants to purchase 515,000 shares of Airship Pubco Common Stock, and common share warrants to purchase 2,689,902 shares of Airship Pubco Common Stock. Company stockholders who hold their shares in electronic format in U.S. brokerage accounts are not deemed to be separate stockholders, as such shares are held of record by CEDE and Co., which is counted by the Company's transfer agent as a single stockholder of record. Such holder numbers do not include Depository Trust Company participants or beneficial owners holding shares through nominee names.

Indemnification of Directors and Officers

The description of the indemnification arrangements with the Company's directors and officers is contained in Item 1.01 of this Report, which is incorporated herein by reference.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Information about changes in accountants on accounting and financial disclosure is set forth under Item 4.01 of this Report, which is incorporated herein by reference.

Financial Statements, Supplementary Data and Exhibits

Reference is made to the disclosure set forth under Item 9.01 of this Report concerning the Company's financial statements and supplementary information, which is incorporated herein by reference.

Quantitative and Qualitative Disclosures about Market Risk

The description of the Company's quantitative and qualitative disclosures about market risk is contained in the Proxy Statement/Prospectus in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations of Airship AI," beginning on page 223 of the Proxy Statement, which is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth in the "Introductory Note" above is hereby incorporated by reference. The description of the Company's securities is contained in the Proxy Statement/Prospectus in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations of BYTS" beginning on page 211, and "Certain Relationships and Related Party Transactions" beginning on page 248 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Item 3.03. Material Modification to Rights of Security Holders.

At the Extraordinary General Meeting, BYTS shareholders approved the Company's certificate of incorporation (the "Charter") to, among other things, change the corporate name from "BYTE Acquisition Corp." to "Airship AI Holdings, Inc.", change the total number of shares of the Company's capital stock from (a) 200,000,000 BYTS Class A Ordinary Shares, 20,000,000 BYTS Class A Ordinary Shares and 1,000,000 preference shares, par value $0.0001 per share, of BYTS to (b) 200,000,000 shares of Airship Pubco Common Stock and 5,000,000 shares of preferred stock, par value $0.0001 per share, of Airship Pubco and authorize all other changes in connection with the replacement of BYTS's Cayman constitutional documents with the Charter and the Company's bylaws (the "Bylaws") in connection with the consummation of the Business Combination. The terms of the Charter are described in greater detail in the section titled "The Organizational Documents Proposal" beginning on page 150 of the Proxy Statement/Prospectus and is incorporated herein by reference. The Charter, which became effective upon filing with the Secretary of State of the State of Delaware on the Closing Date, includes the amendments proposed by the Organizational Documents Proposal.

The description of the Charter and the general effect of the Charter and the Bylaws upon the rights of holders of the Company's capital stock are included in the Proxy Statement/Prospectus under the sections titled (i) "The Advisory Organizational Documents Proposal" beginning on page 152 of the Proxy Statement/Prospectus, (ii) "Comparison of Corporate Governance and Shareholder Rights" beginning on page 251 of the Proxy Statement/Prospectus, and (iii) "Description of Airship Pubco Securities" beginning on page 254 of the Proxy Statement/Prospectus, which are incorporated herein by reference.

On December 20, 2023, in connection with the Domestication, the Company filed the Charter with the Secretary of State of the State of Delaware and adopted the Bylaws, in the form approved by BYTS shareholders at the Extraordinary General Meeting. Immediately after the filing of the Charter, the Company filed the Charter Amendment to change the Company's name to "Airship AI Holdings, Inc."

Copies of the Charter, the Charter Amendment, and the Bylaws are attached as Exhibit 3.1, Exhibit 3.2, and Exhibit 3.3, respectively, to this Report and are incorporated herein by reference.

Item 4.01 Changes in Registrant's Certifying Accountant.

(a) Dismissal of independent registered public accounting firm.

On December 21, 2023, the audit committee of the Board dismissed Marcum LLP ("Marcum"), BYTS' independent registered public accounting firm prior to the Business Combination following the completion of the Company's review of the fiscal year ended September 30, 2023, which consists only of the accounts of BYTS prior to the Business Combination. We notified Marcum of their dismissal on December 27, 2023.

The report of Marcum on the financial statements of BYTS as of December 31, 2022 and 2021 and for the year ended December 31, 2022 and for the period from January 8, 2021 (inception) through December 31, 2021 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainties, audit scope or accounting principles, except for an explanatory paragraph as to BYTS' ability to continue as a going concern.

During the fiscal year ended December 31, 2022 and the period from January 8, 2021 (inception) through December 31, 2021 and the subsequent interim period through September 30, 2023, there were no disagreements between BYTS and Marcum on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Marcum, would have caused it to make reference to the subject matter of the disagreements in its report.

During the fiscal year ended December 31, 2022 and the period from January 8, 2021 (inception) through December 31, 2021 and the subsequent interim period through September 30, 2023, there were no "reportable events" (as that term is defined in Item 304(a)(1)(v) of Regulation S-K), other than the material weaknesses in internal controls identified by management related to complex financial instruments and accruals.

The Company has provided Marcum with a copy of the foregoing disclosures and has requested that Marcum furnish the Company with a letter addressed to the SEC stating whether it agrees with the statements made by the Company set forth above. A copy of Marcum's letter, dated December 28, 2023, is filed as Exhibit 16.1 to this Report.

(b) Disclosures regarding the new independent auditor.

On December 21, 2023, the Audit Committee of the Board appointed BPM LLP ("BPM") as the Company's independent registered public accounting firm to audit the Company's consolidated financial statements as of and for the year ending December 31, 2023. BPM served as the independent registered public accounting firm of Airship AI prior to the Business Combination.

During the years ended December 31, 2022 and 2021 and any subsequent interim period through December 28, 2023, neither the Company nor any party on behalf of the Company consulted with BPM with respect to either (i) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and no written report or oral advice was provided to the Company by BPM that was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue, or (ii) any matter that was either the subject of a disagreement (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) or a reportable event (as described in Item 304(a)(1)(v) of Regulation S-K).

Item 5.01. Changes in Control of Registrant.

The information set forth above under "Introductory Note" and Item 2.01 of this Report is incorporated herein by reference. Reference is also made to the disclosure in the Proxy Statement/Prospectus in the section titled "The Business Combination Proposal" beginning on page 102, which is incorporated herein by reference. Further reference is made to the information contained in Item 2.01 to this Report, which is incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Directors and Executive Officers

Effective December 21, 2023, each of the following BYTS' board members resigned in connection with the Business Combination: Kobi Rozengarten, Samuel Gloor, Vadim Komissarov, and Oded Melamed. Effective December 21, 2023, Victor Huang, Derek Xu, Amit Mital, Peeyush Ranjan and Louis Lebedin were appointed to the Company's Board of Directors.

Further, in connection with the Business Combination and effective December 21, 2023, Samuel Gloor resigned from his position as Chief Executive Officer and Chief Financial Officer. Victor Huang was appointed as Chief Executive Officer. Derek Xu was appointed as Chief Operating Officer, Secretary, and Treasurer. Mark E. Scott was appointed as Chief Financial Officer. Paul Allen was appointed President. Yanda Ma was appointed Chief Technology Officer.

The information set forth above in the sections titled "Directors and Executive Officers," "Director and Executive Compensation," "Committees of the Board," "Director Independence," "Certain Relationships and Related Transactions, and Director Independence" and "Indemnification of Directors and Officers" in Item 2.01 of this Report are incorporated herein by reference.

Airship AI Holdings, Inc. 2023 Equity Incentive Plan

In connection with the Business Combination, the Company adopted the Airship AI Holdings, Inc. 2023 Equity Incentive Plan (the "2023 Plan") described in the Proxy Statement/Prospectus in the section entitled "The Airship Pubco Equity Incentive Plan Proposal" beginning on page 160 and incorporated herein by reference. That summary of the 2023 Plan does not purport to be complete and is qualified in its entirety by reference to the text of the 2023 Plan, which is filed as Annex C to the Proxy Statement/Prospectus and is incorporated herein by reference. The plan allows the Company to make equity and equity-based incentive awards, as well as cash awards, to employees, directors and consultants.

Decisions with respect to the compensation of the Company's directors and executive officers will be made by the compensation committee of the Board

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The information set forth in Item 3.03 of this Report is incorporated by reference into this Item 5.03.

Item 5.05. Amendments to Registrants Code of Ethics, or Waiver of a Provision of the Code of Ethics.

In connection with the Business Combination, on December 21, 2023, the Board approved and adopted a new Code of Ethics applicable to all employees, officers and directors of the Company, including the Company's principal executive officer, principal financial officer and principal accounting officer or controller (or persons performing similar functions to the aforementioned officers). A copy of the Code of Ethics and Business Conduct is attached to this Report as Exhibit 14.1.

Item 5.06. Change in Shell Company Status.

As a result of the Business Combination, BYTS ceased being a shell company. Reference is made to the disclosure in the Proxy Statement/Prospectus in the section titled "The Business Combination Proposal," beginning on page 102 of the Proxy Statement/Prospectus, and such disclosure is incorporated herein by reference. Further, the information contained in Item 2.01 of this Report is incorporated by reference into this Item 5.06.

Item 8.01. Other Events.

As a result of the Business Combination, Airship Pubco became the successor issuer to BYTS. Pursuant to Rule 12g-3(a) under the Exchange Act, Airship Pubco's common stock and warrants are deemed registered under Section 12(b) of the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

Information responsive to Item 9.01(a) of Form 8-K is set forth in the financial statements included in the Proxy Statement/Prospectus on pages F-42 through F-87, which are incorporated herein by reference.

(b) Pro Forma Financial Information.

Certain unaudited pro forma condensed combined financial information is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

(c) Exhibits.

The following exhibits are filed as part of, or incorporated by reference into, this Report.

No.	Description of Exhibit
2.1	Merger Agreement, dated June 27, 2023, by and among BYTE Acquisition Corp., BYTE Merger Sub, Inc. and Airship AI Holdings, Inc. (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on June 27, 2023).
2.2	First Amendment to Merger Agreement, dated September 22, 2023, by and among BYTE Acquisition Corp., BYTE Merger Sub, Inc. and Airship AI Holdings, Inc. (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on September 26, 2023).
2.3	Plan of Domestication, dated December 20, 2023 (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on December 27, 2023).
2.4*	Articles of Merger, dated December 20, 2023.
3.1	Certificate of Incorporation of BYTE Acquisition Corp. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on December 27, 2023).
3.2	Certificate of Amendment to Certificate of Incorporation of BYTE Acquisition Corp. (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on December 27, 2023).
3.3	Bylaws of Airship AI Holdings, Inc. (incorporated by reference to Exhibit 3.3 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on December 27, 2023).
4.1	Warrant Agreement, dated March 18, 2021, by and between BYTE Acquisition Corp. and Continental Stock Transfer & Trust Company, as warrant agent (incorporated by reference to Exhibit 4.1 to BYTE Acquisition Corp.'s Current Report on Form 8-K (File No. 001-40222), filed with the SEC on March 23, 2021).
10.1	Letter Agreement, dated March 18, 2021, by and among BYTE Acquisition Corp., its officers, its directors and Byte Holdings LP (incorporated by reference to Exhibit 10.1 of BYTE Acquisition Corp.'s Current Report on Form 8-K (File No. 001-40222), filed with the SEC on March 23, 2021).
10.2	Parent Support Agreement, dated as of June 27, 2023, by and among BYTE Holdings LP, BYTE Acquisition Corp., and Airship AI Holdings, Inc. (incorporated by reference to Exhibit 10.1 to BYTE Acquisition Corp.'s Current Report on Form 8-K (File No. 001-40222), filed with the SEC on June 27, 2023).
10.3	Letter Amendment to Form of Bylaws, dated December 20, 2023, by and between BYTE Acquisition Corp. and Airship AI Holdings, Inc. (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on December 27, 2023)
10.4	Lease, dated as of December 22, 2020, by and between JDL Digital Systems Inc. DBA Airship Industries, Inc. and Langtree Development Company, LLC (incorporated by reference to Exhibit 10.15 of BYTE Acquisition Corp.'s Amendment No. 1 to Registration Statement on Form S-4 (Reg No. 333-274464), filed with the SEC on October 18, 2023).
10.5	Sublease Agreement, effective July 13, 2023, by and between Helion Energy, Inc. and JDL Systems, Inc. (incorporated by reference to Exhibit 10.16 of BYTE Acquisition Corp.'s Amendment No. 1 to Registration Statement on Form S-4 (Reg No. 333-274464), filed with the SEC on October 18, 2023).
10.6	Senior Secured Convertible Promissory Note issued June 22, 2023 by Airship AI Holdings, Inc. to Platinum Capital Partners Inc. (incorporated by reference to Exhibit 10.17 of BYTE Acquisition Corp.'s Amendment No. 1 to Registration Statement on Form S-4 (Reg No. 333-274464), filed with the SEC on October 18, 2023).
10.8*	Amended and Restated Registration Rights Agreement, dated December 21, 2023 by and among certain stockholders and Airship AI Holdings, Inc.
10.9*	Earnout Escrow Agreement, dated December 21, 2023 by and between Airship AI Holdings, Inc. and Continental Stock Transfer & Trust Company.
10.10*	Form of Indemnification Agreement.
10.11	2023 Airship AI Holdings, Inc. Equity Incentive Plan (incorporated by reference to Annex C to BYTE Acquisition Corp.'s proxy statement/prospectus filed with the SEC on dated December 5, 2023.
14.1*	Code of Ethics
16.1*	Letter from Marcum LLP, dated December 28, 2023
21.1*	List of Subsidiaries of Airship AI Holdings, Inc.
99.1*	Unaudited pro forma condensed combined financial information of Airship AI Holdings, Inc.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

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.

Dated: December 28, 2023

AIRSHIP AI HOLDINGS, INC.

By: */s/ Victor Huang*
Name: Victor Huang
Title: Chief Executive Officer

EXHIBIT 2.4

ARTICLES OF MERGER

OF

BYTE MERGER SUB, INC.
a Washington corporation

WITH AND INTO

AIRSHIP AI HOLDINGS, INC.,
a Washington corporation

Pursuant to Chapter 23B.11 of the Washington Business Corporation Act, the following Articles of Merger are submitted for the purpose of merging BYTE Merger Sub, Inc., a Washington corporation (the "**Merger Sub**"), with and into Airship AI Holdings, Inc., a Washington corporation (the "**Surviving Corporation**").

1. The Plan of Merger (the "**Plan of Merger**") governing the merger of the Merger Sub with and into the Surviving Corporation (the "**Merger**") will be held in the books and records of the Surviving Corporation, and a copy of the Plan of Merger can be furnished upon request.

2. The shareholders of each of Merger Sub and the Surviving Corporation have duly approved the Merger and the Plan of Merger pursuant to RCW 23B.11.030.

3. These Articles of Merger shall be effective on December 21, 2023 (the "**Effective Time**").

4. At the Effective Time, the Articles of Incorporation of the Surviving Corporation shall solely be amended to read as set forth on Exhibit A attached hereto, and, as so amended, shall be the Amendment to the Articles of Incorporation of the Surviving Corporation until thereafter amended in accordance with the terms thereof or as provided by applicable law.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the undersigned has executed these Articles of Merger in an official and authorized capacity under penalty of perjury this 20th day of December, 2023.

SURVIVING CORPORATION:

Airship AI Holdings, Inc.,
a Washington corporation

By: /s/ Victor Huang
Name: Victor Huang
Title: Chief Executive Officer

[*Signature Page to Articles of Merger*]

Exhibit A

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION OF
AIRSHIP AI HOLDINGS, INC.

Pursuant to RCW 23B.10.060, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is AIRSHIP AI HOLDINGS, INC.

SECOND: The Articles of Incorporation are hereby amended as follows: Article I of the Articles of Incorporation is hereby changed in its entirety to read:

ARTICLE I. NAME

The name of this corporation is AIRSHIP AI, INC. (the "Corporation").

THIRD: The amendment does not provide for an exchange, reclassification, or cancellation of issued shares.

FOURTH: The foregoing amendment was adopted by the Board of Directors on December 9, 2023. Pursuant to RCW 23B.10.030 and RCW 23B.07.040, the shareholders approved the above amendment to the Articles of Incorporation on December 13, 2023.

Dated: December 20th, 2023.

AIRSHIP AI HOLDINGS, INC.

/s/ Victor Huang
By: Victor Huang
Its: Chief Executive Officer

EXHIBIT 10.8

AMENDED AND RESTATED
REGISTRATION RIGHTS AGREEMENT

THIS AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this " ***Agreement***"), dated as of December 21, 2023, is made and entered into by and among Airship AI Holdings, Inc., a Delaware corporation (the " ***Company***") (formerly known as BYTE Acquisition Corp., a Cayman Island exempted company limited by shares, prior to its domestication as a Delaware corporation), Byte Holdings LP, a Cayman Islands exempted limited partnership (the "***Sponsor***"), certain former stockholders of Airship AI Holdings, Inc., a Washington corporation (" ***Target***"), set forth on Schedule 1 hereto (such stockholders, the "***Target Holders***") and other persons and entities (collectively with the Sponsor, the Target Holders and any person or entity who hereafter becomes a party to this Agreement pursuant to Section 5.2 or Section 5.10 of this Agreement, the "***Holders***" and each, a "***Holder***").

RECITALS

WHEREAS, the Company and the Sponsor are party to that certain Registration Rights Agreement, dated as of March 18, 2021 (the "***Original RRA***");

WHEREAS, the Company has entered into that certain Merger Agreement, dated as of June 27, 2023 (as it may be amended, supplemented or otherwise modified from time to time, the "***Merger Agreement***"), by and among the Company, BYTE Merger Sub Inc., a Washington corporation and a direct, wholly owned subsidiary of the Company ("***Merger Sub***"), and Target, pursuant to which the Company deregistered from the Register of Companies in the Cayman Islands by way of continuation out of the Cayman Islands and into the State of Delaware so as to migrate to and domesticate as a Delaware corporation (the "***Domestication***") and, following the Domestication, Merger Sub merged with and into the Target (the "***Merger***"), with the Target surviving the Merger as a wholly owned subsidiary of the Company;

WHEREAS, on the date of the Domestication, pursuant to the Merger Agreement, (i) each outstanding ordinary share of the Company (other than ordinary shares redeemed pursuant to the Company's amended and restated memorandum and articles of association) was converted automatically into one share of the Company's common stock, par value $0.0001 per share (the "***Common Stock***"), (ii) each issued and outstanding warrant of the Company became exercisable for one share of Common Stock ("***Warrant***"), pursuant to the terms of the Warrant Agreement, dated as of March 18, 2021, between the Company and Continental Stock Transfer & Trust Company; and (iii) each outstanding unit of the Company separated and converted automatically into one share of Common Stock and one-half of one Warrant;

WHEREAS, on the date hereof, pursuant to the Merger Agreement, certain Target Holders received shares of Common Stock;

WHEREAS, on the date hereof, pursuant to the Merger Agreement, certain Target Holders received Converted Stock Options, as defined in the Merger Agreement ("***Equity Awards***");

WHEREAS, on the date hereof, pursuant to the Merger Agreement, certain Target Holders have the right to receive Earnout Shares, as defined in the Merger Agreement (the "***Earnout Shares***"), in accordance with the terms and conditions set forth in the Merger Agreement;

WHEREAS, pursuant to Section 5.5 of the Original RRA, the provisions, covenants and conditions set forth therein may be amended or modified upon the written consent of the Company and the Holders (as defined in the Original RRA) of at least a majority-in-interest of the Registrable Securities (as defined in the Original RRA) at the time in question; and

WHEREAS, the Company and the Sponsor desire to amend and restate the Original RRA in its entirety and enter into this Agreement, pursuant to which the Company shall grant the Holders certain registration rights with respect to certain securities of the Company, as set forth in this Agreement.

NOW, **THEREFORE**, in consideration of the representations, covenants and agreements contained herein, and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions. The terms defined in this Article I shall, for all purposes of this Agreement, have the respective meanings set forth below:

"***Additional Holder***" shall have the meaning given in Section 5.10.

"***Additional Holder Common Stock***" shall have the meaning given in Section 5.10.

"***Adverse Disclosure***" shall mean any public disclosure of material non-public information, which disclosure, in the good faith judgment of the Chief Executive Officer or the Chief Financial Officer of the Company, after consultation with counsel to the Company, (a) would be required to be made in any Registration Statement or Prospectus in order for the applicable Registration Statement or Prospectus not to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein (in the case of any prospectus and any preliminary prospectus, in the light of the circumstances under which they were made) not misleading, (b) would not be required to be made at such time if the Registration Statement were not being filed, declared effective or used, as the case may be, and (c) the Company has a bona fide business purpose for not making such information public.

"***Agreement***" shall have the meaning given in the Preamble hereto.

"***Block Trade***" shall have the meaning given in Section 2.4.1.

"***Board***" shall mean the Board of Directors of the Company.

"***Closing***" shall have the meaning given in the Merger Agreement.

"***Closing Date***" shall have the meaning given in the Merger Agreement.

"***Commission***" shall mean the U.S. Securities and Exchange Commission.

"***Common Stock***" shall have the meaning given in the Recitals hereto.

"***Company***" shall have the meaning given in the Preamble hereto and includes the Company's successors by recapitalization, merger, consolidation, spin-off, reorganization or similar transaction.

"***Demanding Holder***" shall have the meaning given in Section 2.1.4.

"***Earnout Shares***" shall have the meaning given in the Recitals hereto.

"***Equity Awards***" shall have the meaning given in the Recitals hereto.

"***Exchange Act***" shall mean the Securities Exchange Act of 1934, as it may be amended from time to time.

"***Form S-1 Shelf***" shall have the meaning given in Section 2.1.1.

"***Form S-3 Shelf***" shall have the meaning given in Section 2.1.1.

"***Holder Information***" shall have the meaning given in Section 4.1.2.

"***Holders***" shall have the meaning given in the Preamble hereto, for so long as such person or entity holds any Registrable Securities.

"***Insider Letter***" shall mean that certain letter agreement, dated March 18, 2021, by and among the Company, the Sponsor and each of the other parties thereto.

"***Joinder***" shall have the meaning given in Section 5.10.

"***Lock-up Period***" shall have the meaning ascribed to such term in (i) the Parent Support Agreement, dated as of June 27, 2023, by and among the Company, Target and the Sponsor, with respect to the Sponsor Shares (as defined in the Merger Agreement) and (ii) the Company's Bylaws, with respect to the Lock-up Shares held by the Lock-up Holders (as such terms are defined in the Company's Bylaws).

"***Maximum Number of Securities***" shall have the meaning given in Section 2.1.5.

"***Merger***" shall have the meaning given in the Recitals hereto.

"***Merger Agreement***" shall have the meaning given in the Recitals hereto.

"***Merger Sub***" shall have the meaning given in the Recitals hereto.

"***Minimum Takedown Threshold***" shall have the meaning given in Section 2.1.4.

"***Misstatement***" shall mean an untrue statement of a material fact or an omission to state a material fact required to be stated in a Registration Statement or Prospectus or necessary to make the statements in a Registration Statement or Prospectus (in the case of a Prospectus, in the light of the circumstances under which they were made) not misleading.

"***Original RRA***" shall have the meaning given in the Recitals hereto.

"***Other Coordinated Offering***" shall have the meaning given in Section 2.4.1.

"***Permitted Transferees***" shall mean (a) with respect to the Sponsor and its respective Permitted Transferees, any person or entity to whom such Holder is permitted to transfer such Registrable Securities, subject to and in accordance with any applicable agreement between such Holder and/or their respective Permitted Transferees and the Company and any transferee thereafter; (b) with respect to the Target Holders and their respective Permitted Transferees, any person or entity to whom such Holder is permitted to transfer such Registrable Securities, subject to and in accordance with any applicable agreement between such Holder and/or their respective Permitted Transferees and the Company and any transferee thereafter; and (c) with respect to all other Holders and their respective Permitted Transferees, any person or entity to whom such Holder of Registrable Securities is permitted to transfer such Registrable Securities, subject to and in accordance with any applicable agreement between such Holder and/or their respective Permitted Transferees and the Company and any transferee thereafter.

"***Piggyback Registration***" shall have the meaning given in Section 2.2.1.

"***Private Placement Warrants***" shall mean the Warrants held by certain Holders, included in the private placement units purchased by such Holders in the private placement that occurred concurrently with the closing of the Company's initial public offering, including any shares of Common Stock issued or issuable upon exercise of such Warrants.

"***Prospectus***" shall mean the prospectus included in any Registration Statement, as supplemented by any and all prospectus supplements and as amended by any and all post- effective amendments and including all material incorporated by reference in such prospectus.

"***Registrable Security***" shall mean (a) any outstanding shares of Common Stock, Private Placement Warrants and any other Warrants to purchase shares of Common Stock, and shares of Common Stock issued or issuable upon the exercise of any other equity security and any shares of Common Stock issued or issuable upon the exercise of any Equity Awards of the Company held by a Holder immediately following the Closing (including any securities distributable pursuant to the Merger Agreement); (b) any outstanding shares of Common Stock, Warrants to purchase shares of Common Stock, Equity Awards, Earnout Shares, and shares of Common Stock issued or issuable upon the exercise of any other equity security of the Company acquired by a Holder following the date hereof to the extent that such securities are "restricted securities" (as defined in Rule 144) or are otherwise held by an "affiliate" (as defined in Rule 144) of the Company; (c) any Additional Holder Common Stock; and (d) any other equity security of the Company or any of its subsidiaries issued or issuable with respect to any securities referenced in clause (a), (b) or (c) above by way of a stock dividend or stock split or in connection with a recapitalization, merger, consolidation, spin-off, reorganization or similar transaction; provided, however, that, as to any particular Registrable Security, such securities shall cease to be Registrable Securities upon the earliest to occur of: (A) a Registration Statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been sold, transferred, disposed of or exchanged in accordance with such Registration Statement by the applicable Holder; (B)(i) such securities shall have been otherwise transferred, (ii) new certificates for such securities not bearing (or book entry positions not subject to) a legend restricting further transfer shall have been delivered by the Company and (iii) subsequent public distribution of such securities shall not require registration under the Securities Act; (C) such securities shall have ceased to be outstanding; (D) such securities may be sold without registration pursuant to Rule 144 or any successor rule promulgated under the Securities Act (but with no volume or other restrictions or limitations including as to manner or timing of sale); and (E) such securities have been sold to, or through, a broker, dealer or underwriter in a public distribution or other public securities transaction.

"***Registration***" shall mean a registration, including any related Shelf Takedown, effected by preparing and filing a registration statement, Prospectus or similar document in compliance with the requirements of the Securities Act, and the applicable rules and regulations promulgated thereunder, and such registration statement becoming effective.

"***Registration Expenses***" shall mean the documented, out-of-pocket expenses of a Registration, including, without limitation, the following:

(A) all registration, listing and filing fees, including fees with respect to filings required to be made with the Financial Industry Regulatory Authority, Inc. and any national securities exchange on which the Common Stock is then listed;

(B) fees and expenses of compliance with securities or blue sky laws (including reasonable and documented fees and disbursements of outside counsel for the Underwriters in connection with blue sky qualifications of Registrable Securities);

(C) printing, messenger, telephone and delivery expenses;

(D) reasonable fees and disbursements of counsel for the Company;

(E) reasonable fees and disbursements of all independent registered public accountants of the Company incurred specifically in connection with such Registration; and

(F) in an Underwritten Offering or Other Coordinated Offering, reasonable fees and expenses of one (1) legal counsel selected by the majority-in-interest of the Demanding Holders, up to $50,000 in the aggregate.

"***Registration Statement***" shall mean any registration statement that covers Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus included in such registration statement, amendments (including post-effective amendments) and supplements to such registration statement, and all exhibits to and all material incorporated by reference in such registration statement.

"***Requesting Holders***" shall have the meaning given in Section 2.1.5.

"***Securities Act***" shall mean the Securities Act of 1933, as amended from time to time.

"***Shelf***" shall mean the Form S-1 Shelf, the Form S-3 Shelf or any Subsequent Shelf Registration Statement, as the case may be.

"***Shelf Registration***" shall mean a registration of securities pursuant to a registration statement filed with the Commission in accordance with and pursuant to Rule 415 promulgated under the Securities Act (or any successor rule then in effect).

"***Shelf Takedown***" shall mean any proposed transfer or sale using a Registration Statement, including a Piggyback Registration.

"***Sponsor***" shall have the meaning given in the Preamble hereto.

"***Subsequent Shelf Registration Statement***" shall have the meaning given in Section 2.1.2

"***Target***" shall have the meaning given in the Preamble hereto.

"***Target Holders***" shall have the meaning given in the Preamble hereto.

"***Transfer***" shall mean the (a) sale or assignment of, offer to sell, contract or agreement to sell, hypothecate, pledge, grant of any option to purchase or otherwise dispose of or agreement to dispose of, directly or indirectly, or establishment or increase of a put equivalent position or liquidation with respect to or decrease of a call equivalent position within the meaning of Section 16 of the Exchange Act, and the rules and regulations of the Commission promulgated thereunder, with respect to, any security, (b) entry into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any security, whether any such transaction is to be settled by delivery of such securities, in cash or otherwise, or (c) public announcement of any intention to effect any transaction specified in clause (a) or (b).

"***Underwriter***" shall mean a securities dealer who purchases any Registrable Securities as principal in an Underwritten Offering and not as part of such dealer's market-making activities.

"***Underwritten Offering***" shall mean a Registration in which securities of the Company are sold to an Underwriter in a firm commitment underwriting for distribution to the public.

"***Withdrawal Notice***" shall have the meaning given in Section 2.1.6.

ARTICLE II
REGISTRATIONS AND OFFERINGS

2.1 Shelf Registration.

2.1.1 Filing. Within thirty (30) calendar days following the Closing Date (the "***Filing Date***"), the Company shall submit to or file with the Commission a Registration Statement for a Shelf Registration on Form S-1 (the "***Form S-1 Shelf***") or a Registration Statement for a Shelf Registration on Form S-3 (the "***Form S-3 Shelf***"), if the Company is then eligible to use a Form S-3 Shelf, in each case, covering the resale of all the Registrable Securities (determined as of two (2) business days prior to such submission or filing) on a delayed or continuous basis as permitted by Rule 415 under the Securities Act (or any successor or similar provision adopted by the Commission then in effect) and shall use its reasonable best efforts to have such Shelf declared effective as soon as practicable after the filing thereof, but no later than the seventy-fifth (75th) calendar day following the Filing Date; provided that the Company shall have the Shelf declared effective within ten (10) business days after the date the Company is notified (orally or in writing, whichever is earlier) by the staff of the Commission that the Shelf will not be reviewed or will not be subject to further review by the Commission; provided further that if such date falls on a Saturday, Sunday or other day that the Commission is closed for business, such date shall be extended to the next business day on which the Commission is closed for business and if the Commission is closed for operations due to a government shutdown then such date shall be extended by the same number of business days that the Commission remains closed. Such Shelf shall provide for the resale of the Registrable Securities included therein pursuant to any method or combination of methods legally available to, and requested by, any Holder named therein. The Company shall maintain a Shelf in accordance with the terms hereof, and shall prepare and file with the Commission such amendments, including post-effective amendments, and supplements as may be necessary to keep a Shelf continuously effective, available for use to permit the Holders named therein to sell their Registrable Securities included therein and in compliance with the provisions of the Securities Act until such time as there are no longer any Registrable Securities. In the event the Company files a Form S-1 Shelf, the Company shall use its commercially reasonable efforts to convert the Form S-1 Shelf (and any Subsequent Shelf Registration Statement) to a Form S-3 Shelf as soon as practicable after the Company is eligible to use Form S-3. The Company's obligation under this Section 2.1.1, shall, for the avoidance of doubt, be subject to Section 3.4.

2.1.2 Subsequent Shelf Registration. If any Shelf ceases to be effective under the Securities Act for any reason at any time while Registrable Securities are still outstanding, the Company shall, subject to Section 3.4, use its commercially reasonable efforts to as promptly as is reasonably practicable cause such Shelf to again become effective under the Securities Act (including using its commercially reasonable efforts to obtain the prompt withdrawal of any order suspending the effectiveness of such Shelf), and shall use its commercially reasonable efforts to as promptly as is reasonably practicable amend such Shelf in a manner reasonably expected to result in the withdrawal of any order suspending the effectiveness of such Shelf or file an additional registration statement as a Shelf Registration (a "***Subsequent Shelf Registration Statement***") registering the resale of all Registrable Securities (determined as of two (2) business days prior to such filing), and pursuant to any method or combination of methods legally available to, and requested by, any Holder named therein. If a Subsequent Shelf Registration Statement is filed, the Company shall use its commercially reasonable efforts to (i) cause such Subsequent Shelf Registration Statement to become effective under the Securities Act as promptly as is reasonably practicable after the filing thereof (it being agreed that the Subsequent Shelf Registration Statement shall be an automatic shelf registration statement (as defined in Rule 405 promulgated under the Securities Act) if the Company is a well-known seasoned issuer (as defined in Rule 405 promulgated under the Securities Act) at the most recent applicable eligibility determination date) and (ii) keep such Subsequent Shelf Registration Statement continuously effective, available for use to permit the Holders named therein to sell their Registrable Securities included therein and in compliance with the provisions of the Securities Act until such time as there are no longer any Registrable Securities. Any such Subsequent Shelf Registration Statement shall be on Form S-3 to the extent that the Company is eligible to use such form. Otherwise, such Subsequent Shelf Registration Statement shall be on another appropriate form. The Company's obligation under this Section 2.1.2, shall, for the avoidance of doubt, be subject to Section 3.4.

2.1.3 Additional Registration Statement(s). Subject to Section 3.4, in the event that any Holder holds Registrable Securities that are not registered for resale on a delayed or continuous basis, the Company, upon written request of such Holder, shall promptly use its commercially reasonable efforts to cause the resale of such Registrable Securities to be covered by filing a Subsequent Shelf Registration Statement and cause the same to become effective as soon as practicable after such filing and such Subsequent Shelf Registration Statement shall be subject to the terms hereof; provided, however, that the Company shall only be required to cause such Registrable Securities to be so covered twice per calendar year for each of the Sponsor and the Target Holders.

2.1.4 Requests for Underwritten Offerings. Subject to Section 3.4, at any time and from time to time following the expiration of the Lock-up Period, the Sponsor or a Target Holder (any of the Sponsor or a Target Holder being in such case, a "***Demanding Holder***") may request to sell all or any portion of its Registrable Securities in an Underwritten Offering; provided that the Company shall only be obligated to effect an Underwritten Offering if such offering shall include Registrable Securities proposed to be sold by the Demanding Holder, either individually or together with other Demanding Holders, with a total offering price reasonably expected to exceed, in the aggregate, $25 million (the "***Minimum Takedown Threshold***"). All requests for Underwritten Offerings shall be made by giving written notice to the Company, which shall specify the approximate number of Registrable Securities proposed to be sold in the Underwritten Offering. Subject to Section 2.4.4, the initial Demanding Holder shall have the right to select the Underwriters for such offering (which shall consist of one or more reputable nationally recognized investment banks), subject to the Company's prior approval (which shall not be unreasonably withheld, conditioned or delayed). The Sponsor and the Target Holders may each demand not more than one (1) Underwritten Offering pursuant to this Section 2.1.4 in any twelve (12) month period, for an aggregate of not more than two (2) Underwritten Offerings pursuant to this Section 2.1.4 in any twelve (12) month period. Notwithstanding anything to the contrary in this Agreement, the Company may effect any Underwritten Offering pursuant to any then effective Registration Statement, including a Form S-3, that is then available for such offering.

2.1.5 Reduction of Underwritten Offering. If the managing Underwriter or Underwriters in an Underwritten Offering, in good faith, advises the Company, the Demanding Holders and the Holders requesting piggy back rights pursuant to this Agreement with respect to such Underwritten Offering (the "***Requesting Holders***") (if any) in writing that the dollar amount or number of Registrable Securities that the Demanding Holders and the Requesting Holders (if any) desire to sell, taken together with all other shares of Common Stock or other equity securities that the Company desires to sell and all other shares of Common Stock or other equity securities, if any, that have been requested to be sold in such Underwritten Offering pursuant to separate written contractual piggy-back registration rights held by any other stockholders, exceeds the maximum dollar amount or maximum number of equity securities that can be sold in the Underwritten Offering without adversely affecting the proposed offering price, the timing, the distribution method, or the probability of success of such offering (such maximum dollar amount or maximum number of such securities, as applicable, the "***Maximum Number of Securities***"), then the Company shall include in such Underwritten Offering, before including any shares of Common Stock or other equity securities proposed to be sold by Company or by other holders of Common Stock or other equity securities, (i) first, the Registrable Securities of the Demanding Holders that can be sold without exceeding the Maximum Number of Securities (pro rata based on the respective number of Registrable Securities that each Demanding Holder has requested be included in such Underwritten Offering and the aggregate number of Registrable Securities that all of the Demanding Holders have requested be included in such Underwritten Offering), (ii) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (i), the Registrable Securities of the Requesting Holders (if any) (pro rata based on the respective number of Registrable Securities that each Requesting Holder (if any) has requested be included in such Underwritten Offering and the aggregate number of Registrable Securities that all of the Requesting Holders have requested be included in such Underwritten Offering) that can be sold without exceeding the Maximum Number of Securities, (iii) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (i) and (ii), the shares of Common Stock or other equity securities that the Company desires to sell, which can be sold without exceeding the Maximum Number of Securities, and (iv) fourth, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (i), (ii) and (iii), the shares of Common Stock or other equity securities of persons other than Holders of Registrable Securities that the Company is obligated to register in a Registration pursuant to separate written contractual arrangements with such persons that can be sold without exceeding the Maximum Number of Securities.

2.1.6 Withdrawal. Prior to the filing of the applicable "red herring" prospectus or prospectus supplement used for marketing such Underwritten Offering, a majority-in-interest of the Demanding Holders initiating an Underwritten Offering shall have the right to withdraw from such Underwritten Offering for any or no reason whatsoever upon written notification (a "***Withdrawal Notice***") to the Company and the Underwriter or Underwriters (if any) of their intention to withdraw from such Underwritten Offering; provided that the Sponsor or a Target Holder may elect to have the Company continue an Underwritten Offering if the Minimum Takedown Threshold would still be satisfied by the Registrable Securities proposed to be sold in the Underwritten Offering by the Sponsor, the Target Holders or any of their respective Permitted Transferees, as applicable. If withdrawn, a demand for an Underwritten Offering shall constitute a demand for an Underwritten Offering by the withdrawing Demanding Holder for purposes of Section 2.1.4, unless such Demanding Holder reimburses the Company for all Registration Expenses with respect to such Underwritten Offering (or, if there is more than one Demanding Holder, a pro rata portion of such Registration Expenses based on the respective number of Registrable Securities that each Demanding Holder has requested be included in such Underwritten Offering); provided that, if the Sponsor or a Target Holder elects to continue an Underwritten Offering pursuant to the proviso in the immediately preceding sentence, such Underwritten Offering shall instead count as an Underwritten Offering demanded by the Sponsor or such Target Holder, as applicable, for purposes of Section 2.1.4. Following the receipt of any Withdrawal Notice, the Company shall promptly forward such Withdrawal Notice to any other Holders that had elected to participate in such Underwritten Offering. Notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the Registration Expenses incurred in connection with an Underwritten Offering prior to its withdrawal under this Section 2.1.6, other than if a Demanding Holder elects to pay such Registration Expenses pursuant to the second sentence of this Section 2.1.6.

2.2 Piggyback Registration.

2.2.1 Piggyback Rights. Subject to Section 2.4.3, if the Company or any Holder proposes to conduct a registered offering of, or if the Company proposes to file a Registration Statement under the Securities Act with respect to the Registration of, equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into equity securities, for its own account or for the account of stockholders of the Company (or by the Company and by the stockholders of the Company including, without limitation, an Underwritten Offering pursuant to Section 2.1), other than a Registration Statement (or any registered offering with respect thereto) (i) filed in connection with any employee stock option or other benefit plan, (ii) pursuant to a Registration Statement on Form S-4 (or similar form that relates to a transaction subject to Rule 145 under the Securities Act or any successor rule thereto), (iii) for an offering of debt that is convertible into equity securities of the Company, (iv) for a dividend reinvestment plan, (v) for an exchange offer or offering of securities solely to the Company's existing securityholders, (vi) for a rights offering, (vii) for an equity line of credit or an at-the-market offering of securities, (viii) a Block Trade or (ix) an Other Coordinated Offering, then the Company shall give written notice of such proposed offering to all of the Holders of Registrable Securities as soon as practicable but not less than ten (10) days before the anticipated filing date of such Registration Statement or, in the case of an Underwritten Offering pursuant to a Shelf Registration, the applicable "red herring" prospectus or prospectus supplement used for marketing such offering, which notice shall (A) describe the amount and type of securities to be included in such offering, the intended method(s) of distribution, and the name of the proposed managing Underwriter or Underwriters, if any, in such offering, and (B) offer to all of the Holders of Registrable Securities the opportunity to include in such registered offering such number of Registrable Securities as such Holders may request in writing within five (5) days after receipt of such written notice (such registered offering, a "***Piggyback Registration***"); provided, in the case of an "overnight" or "bought" offering, such requests must be made by the Holders within two (2) business days after delivery of any such notice by the Company; provided further that if the Company has been advised in writing by the managing Underwriter(s) that the inclusion of Registrable Securities for sale for the benefit of the Holders will have an adverse effect on the price, timing, or distribution of the Common Stock in an Underwritten Offering, then (1) if no Registrable Securities can be included in the Underwritten Offering in the opinion of the managing Underwriter(s), the Company shall not be required to offer such opportunity to such Holders or (2) if any Registrable Securities can be included in the Underwritten Offering in the opinion of the managing Underwriter(s), then the amount of Registrable Securities to be offered for the accounts of Holders shall be determined based on the provisions of Section 2.2.2. Subject to the foregoing proviso and to Section 2.2.2, the Company shall, in good faith, cause such Registrable Securities to be included in such Piggyback Registration and, if applicable, shall use its commercially reasonable efforts to cause the managing Underwriter or Underwriters of such Piggyback Registration to permit the Registrable Securities requested by the Holders pursuant to this Section 2.2.1 to be included therein on the same terms and conditions as any similar securities of the Company included in such registered offering and to permit the sale or other disposition of such Registrable Securities in accordance with the intended method(s) of distribution thereof. The inclusion of any Holder's Registrable Securities in a Piggyback Registration shall be subject to such Holder agreement to enter into an underwriting agreement in customary form with the Underwriter(s) selected for such Underwritten Offering.

2.2.2 Reduction of Piggyback Registration. If the managing Underwriter or Underwriters in an Underwritten Offering that is to be a Piggyback Registration, in good faith, advises the Company and the Holders of Registrable Securities participating in the Piggyback Registration in writing that the dollar amount or number of shares of Common Stock or other equity securities that the Company desires to sell, taken together with (i) the shares of Common Stock or other equity securities, if any, as to which Registration or a registered offering has been demanded pursuant to separate written contractual arrangements with persons or entities other than the Holders of Registrable Securities hereunder, (ii) the Registrable Securities as to which registration has been requested pursuant to Section 2.2 hereof, and (iii) the shares of Common Stock or other equity securities, if any, as to which Registration or a registered offering has been requested pursuant to separate written contractual piggy-back registration rights of persons or entities other than the Holders of Registrable Securities hereunder, exceeds the Maximum Number of Securities, then:

(a) if the Registration or registered offering is undertaken for the Company's account, the Company shall include in any such Registration or registered offering (A) first, the shares of Common Stock or other equity securities that the Company desires to sell, which can be sold without exceeding the Maximum Number of Securities; (B) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (A), the Registrable Securities of Holders exercising their rights to register their Registrable Securities pursuant to Section 2.2.1, pro rata, based on the respective number of Registrable Securities that each Holder has requested be included in such Underwritten Offering and the aggregate number of Registrable Securities that the Holders have requested to be included in such Underwritten Offering, which can be sold without exceeding the Maximum Number of Securities; and (C) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (A) and (B), the shares of Common Stock or other equity securities, if any, as to which Registration or a registered offering has been requested pursuant to separate written contractual piggy-back registration rights of persons or entities other than the Holders of Registrable Securities hereunder, which can be sold without exceeding the Maximum Number of Securities;

(b) if the Registration or registered offering is pursuant to a demand by persons or entities other than the Holders of Registrable Securities, then the Company shall include in any such Registration or registered offering (A) first, the shares of Common Stock or other equity securities, if any, of such requesting persons or entities, other than the Holders of Registrable Securities, which can be sold without exceeding the Maximum Number of Securities; (B) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (A), the Registrable Securities of Holders exercising their rights to register their Registrable Securities pursuant to Section 2.2.1, pro rata, based on the respective number of Registrable Securities that each Holder has requested be included in such Underwritten Offering and the aggregate number of Registrable Securities that the Holders have requested to be included in such Underwritten Offering, which can be sold without exceeding the Maximum Number of Securities; (C) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (A) and (B), the shares of Common Stock or other equity securities that the Company desires to sell, which can be sold without exceeding the Maximum Number of Securities; and (D) fourth, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (A), (B) and (C), the shares of Common Stock or other equity securities, if any, as to which Registration or a registered offering has been requested pursuant to separate written contractual piggy-back registration rights of persons or entities other than the Holders of Registrable Securities hereunder, which can be sold without exceeding the Maximum Number of Securities; and

(c) if the Registration or registered offering and Underwritten Offering is pursuant to a request by Holder(s) of Registrable Securities pursuant to Section 2.1 hereof, then the Company shall include in any such Registration or registered offering securities in the priority set forth in Section 2.1.5.

2.2.3 Piggyback Registration Withdrawal. Any Holder of Registrable Securities (other than a Demanding Holder, whose right to withdraw from an Underwritten Offering, and related obligations, shall be governed by Section 2.1.6) shall have the right to withdraw from a Piggyback Registration for any or no reason whatsoever upon written notification to the Company and the Underwriter or Underwriters (if any) of his, her or its intention to withdraw from such Piggyback Registration prior to the effectiveness of the Registration Statement filed with the Commission with respect to such Piggyback Registration or, in the case of a Piggyback Registration pursuant to a Shelf Registration, the filing of the applicable "red herring" prospectus or prospectus supplement with respect to such Piggyback Registration used for marketing such transaction. The Company (whether on its own good faith determination or as the result of a request for withdrawal by persons or entities pursuant to separate written contractual obligations) may withdraw a Registration Statement filed with the Commission in connection with a Piggyback Registration (which, in no circumstance, shall include a Shelf) at any time prior to the effectiveness of such Registration Statement. Notwithstanding anything to the contrary in this Agreement (other than Section 2.1.6), the Company shall be responsible for the Registration Expenses incurred in connection with the Piggyback Registration prior to its withdrawal under this Section 2.2.3.

2.2.4 Unlimited Piggyback Registration Rights. For purposes of clarity, subject to Section 2.1.6, any Piggyback Registration effected pursuant to Section 2.2 hereof shall not be counted as a demand for an Underwritten Offering under Section 2.1.4 hereof.

2.3 Market Stand-off. In connection with any Underwritten Offering of equity securities of the Company (other than a Block Trade or Other Coordinated Offering), if requested by the managing Underwriters, each Holder that is (a) an executive officer, (b) a director or (c) Holder in excess of five percent (5%) of the outstanding Common Stock (and for which it is customary for such a Holder to agree to a lock-up) agrees that it shall not Transfer any shares of Common Stock or other equity securities of the Company (other than those included in such offering pursuant to this Agreement), without the prior written consent of the Company, during the ninety (90)-day period (or such shorter time agreed to by the managing Underwriters) beginning on the date of pricing of such offering, except as expressly permitted by such lockup agreement or in the event the managing Underwriters otherwise agree by written consent. Each such Holder agrees to execute a customary lock-up agreement in favor of the Underwriters to such effect (in each case on substantially the same terms and conditions as all such Holders).

2.4 Block Trades; Other Coordinated Offerings.

2.4.1 Notwithstanding any other provision of this Article II, but subject to Section 3.4, at any time and from time to time when an effective Shelf is on file with the Commission, at any time and from time to time following the expiration of the Lock-up Period, if a Demanding Holder wishes to engage in (a) an underwritten registered offering not involving a "roadshow," an offer commonly known as a "block trade" (a "***Block Trade***"), or (b) an "at the market" or similar registered offering through a broker, sales agent or distribution agent, whether as agent or principal (an "***Other Coordinated Offering***"), in each case, (x) with a total offering price reasonably expected to exceed $25 million in the aggregate or (y) with respect to all remaining Registrable Securities held by the Demanding Holder, then such Demanding Holder shall notify the Company of the Block Trade or Other Coordinated Offering at least five (5) business days prior to the day such offering is to commence and the Company shall use its commercially reasonable efforts to facilitate such Block Trade or Other Coordinated Offering; provided that the Demanding Holders representing a majority of the Registrable Securities wishing to engage in the Block Trade or Other Coordinated Offering shall use commercially reasonable efforts to work with the Company and any Underwriters, brokers, sales agents or placement agents prior to making such request in order to facilitate preparation of the registration statement, prospectus and other offering documentation related to the Block Trade or Other Coordinated Offering.

2.4.2 Prior to the filing of the applicable "red herring" prospectus or prospectus supplement used in connection with a Block Trade or Other Coordinated Offering, a majority-in- interest of the Demanding Holders initiating such Block Trade or Other Coordinated Offering shall have the right to submit a Withdrawal Notice to the Company, the Underwriter or Underwriters (if any) and any brokers, sales agents or placement agents (if any) of their intention to withdraw from such Block Trade or Other Coordinated Offering. Notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the Registration Expenses incurred in connection with a Block Trade or Other Coordinated Offering prior to its withdrawal under this Section 2.4.2.

2.4.3 Notwithstanding anything to the contrary in this Agreement, Section 2.2 shall not apply to a Block Trade or Other Coordinated Offering initiated by a Demanding Holder pursuant to this Agreement.

2.4.4 The Demanding Holder in a Block Trade or Other Coordinated Offering shall have the right to select the Underwriters and any brokers, sales agents or placement agents (if any) for such Block Trade or Other Coordinated Offering (in each case, which shall consist of one or more reputable nationally recognized investment banks).

2.4.5 A Demanding Holder in the aggregate may demand no more than two (2) Block Trades or Other Coordinated Offerings pursuant to this Section 2.4 in any twelve (12) month period. For the avoidance of doubt, any Block Trade or Other Coordinated Offering effected pursuant to this Section 2.4 shall not be counted as a demand for an Underwritten Offering pursuant to Section 2.1.4 hereof.

ARTICLE III
COMPANY PROCEDURES

3.1 General Procedures. If at any time the Company is required to effect the Registration of Registrable Securities hereunder, the Company shall use its commercially reasonable efforts to effect such Registration to permit the sale of such Registrable Securities in accordance with the intended plan of distribution thereof, and pursuant thereto the Company shall:

3.1.1 prepare and file with the Commission as soon as practicable a Registration Statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective until all Registrable Securities covered by such Registration Statement are sold in accordance with the intended plan of distribution set forth in such Registration Statement or have ceased to be Registrable Securities;

3.1.2 prepare and file with the Commission such amendments and post-effective amendments to the Registration Statement, and such supplements to the Prospectus, as may be reasonably requested by any Holder that holds at least five percent (5%) of the Registrable Securities registered on such Registration Statement or any Underwriter of Registrable Securities or as may be required by the rules, regulations or instructions applicable to the registration form used by the Company or by the Securities Act or rules and regulations thereunder to keep the Registration Statement effective until all Registrable Securities covered by such Registration Statement are sold in accordance with the intended plan of distribution set forth in such Registration Statement or supplement to the Prospectus or have ceased to be Registrable Securities;

3.1.3 prior to filing a Registration Statement or Prospectus, or any amendment or supplement thereto, furnish without charge to the Underwriters, if any, and the Holders of Registrable Securities included in such Registration, and such Holders' legal counsel, copies of such Registration Statement as proposed to be filed, each amendment and supplement to such Registration Statement (in each case including all exhibits thereto and documents incorporated by reference therein), the Prospectus included in such Registration Statement (including each preliminary Prospectus), and such other documents as the Underwriters and the Holders of Registrable Securities included in such Registration or the legal counsel for any such Holders may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Holders; provided that the Company shall have no obligation to furnish any documents publicly filed or furnished with the Commission pursuant to the Electronic Data Gathering, Analysis and Retrieval System ("***EDGAR***");

3.1.4 prior to any public offering of Registrable Securities, use its commercially reasonable efforts to (i) register or qualify the Registrable Securities covered by the Registration Statement under such securities or "blue sky" laws of such jurisdictions in the United States as the Holders of Registrable Securities included in such Registration Statement (in light of their intended plan of distribution) may request (or provide evidence satisfactory to such Holders that the Registrable Securities are exempt from such registration or qualification) and (ii) take such action necessary to cause such Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental authorities as may be necessary by virtue of the business and operations of the Company and do any and all other acts and things that may be necessary or advisable to enable the Holders of Registrable Securities included in such Registration Statement to consummate the disposition of such Registrable Securities in such jurisdictions; provided, however, that the Company shall not be required to qualify generally to do business or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify or take any action to which it would be subject to general service of process or taxation in any such jurisdiction where it is not then otherwise so subject;

3.1.5 cause all such Registrable Securities to be listed on each national securities exchange on which similar securities issued by the Company are then listed;

3.1.6 provide a transfer agent or warrant agent, as applicable, and registrar for all such Registrable Securities no later than the effective date of such Registration Statement;

3.1.7 advise each seller of such Registrable Securities, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of such Registration Statement or the initiation or threatening of any proceeding for such purpose and promptly use its commercially reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued;

3.1.8 at least five (5) days prior to the filing of any Registration Statement or Prospectus or any amendment or supplement to such Registration Statement or Prospectus (or such shorter period of time as may be (a) necessary in order to comply with the Securities Act, the Exchange Act, and the rules and regulations promulgated under the Securities Act or Exchange Act, as applicable or (b) advisable in order to reduce the number of days that sales are suspended pursuant to Section 3.4), furnish a copy thereof to each seller of such Registrable Securities or its counsel (excluding any exhibits thereto and any filing made under the Exchange Act that is to be incorporated by reference therein);

3.1.9 notify the Holders at any time when a Prospectus relating to such Registration Statement is required to be delivered under the Securities Act, of the happening of any event as a result of which the Prospectus included in such Registration Statement, as then in effect, includes a Misstatement, and then to correct such Misstatement as set forth in Section 3.4;

3.1.10 in the event of an Underwritten Offering, a Block Trade, an Other Coordinated Offering, or sale by a broker, placement agent or sales agent pursuant to such Registration, in each of the following cases to the extent customary for a transaction of its type, permit a representative of the Holders, the Underwriters or other financial institutions facilitating such Underwritten Offering, Block Trade, Other Coordinated Offering or other sale pursuant to such Registration, if any, and any attorney, consultant or accountant retained by such Holders or Underwriter to participate, at each such person's or entity's own expense, in the preparation of the Registration Statement, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such representative, Underwriter, financial institution, attorney, consultant or accountant in connection with the Registration; provided, however, that such representatives, Underwriters or financial institutions agree to confidentiality arrangements in form and substance reasonably satisfactory to the Company, prior to the release or disclosure of any such information;

3.1.11 obtain a "cold comfort" letter from the Company's independent registered public accountants in the event of an Underwritten Offering, a Block Trade, an Other Coordinated Offering or sale by a broker, placement agent or sales agent pursuant to such Registration (subject to such broker, placement agent or sales agent providing such certification or representation reasonably requested by the Company's independent registered public accountants and the Company's counsel) in customary form and covering such matters of the type customarily covered by "cold comfort" letters for a transaction of its type as the managing Underwriter may reasonably request, and reasonably satisfactory to a majority-in-interest of the participating Holders;

3.1.12 in the event of an Underwritten Offering, a Block Trade, an Other Coordinated Offering or sale by a broker, placement agent or sales agent pursuant to such Registration, on the date the Registrable Securities are delivered for sale pursuant to such Registration, to the extent customary for a transaction of its type, obtain an opinion, dated such date, of counsel representing the Company for the purposes of such Registration, addressed to the participating Holders, the broker, placement agents or sales agent, if any, and the Underwriters, if any, covering such legal matters with respect to the Registration in respect of which such opinion is being given as the participating Holders, broker, placement agent, sales agent or Underwriter may reasonably request and as are customarily included in such opinions and negative assurance letters;

3.1.13 in the event of any Underwritten Offering, a Block Trade, an Other Coordinated Offering or sale by a broker, placement agent or sales agent pursuant to such Registration, enter into and perform its obligations under an underwriting or other purchase or sales agreement, in usual and customary form, with the managing Underwriter or the broker, placement agent or sales agent of such offering or sale;

3.1.14 make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months beginning with the first day of the Company's first full calendar quarter after the effective date of the Registration Statement which satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any successor rule then in effect), which requirement will be deemed satisfied if the Company timely files Forms 10-K, 10-Q, and 8K as may be required to be filed under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

3.1.15 with respect to an Underwritten Offering pursuant to Section 2.1.4, use its commercially reasonable efforts to make available senior executives of the Company to participate in customary "road show" presentations that may be reasonably requested by the Underwriter in such Underwritten Offering; and

3.1.16 otherwise, in good faith, cooperate reasonably with, and take such customary actions as may reasonably be requested by the participating Holders, consistent with the terms of this Agreement, in connection with such Registration.

Notwithstanding the foregoing, the Company shall not be required to provide any documents or information to an Underwriter, broker, sales agent or placement agent if such Underwriter, broker, sales agent or placement agent has not then been named with respect to the applicable Underwritten Offering or other offering involving a registration as an Underwriter, broker, sales agent or placement agent, as applicable.

3.2 Registration Expenses. The Registration Expenses of all Registrations shall be borne by the Company. It is acknowledged by the Holders that the Holders shall bear all incremental selling expenses relating to the sale of Registrable Securities, such as Underwriters' commissions and discounts, brokerage fees and, other than as set forth in the definition of "Registration Expenses," all fees and expenses of any legal counsel representing the Holders.

3.3 Requirements for Participation in Registration Statement and Underwritten Offerings. Notwithstanding anything in this Agreement to the contrary, if any Holder does not provide the Company with its requested Holder Information, the Company may exclude such Holder's Registrable Securities from the applicable Registration Statement or Prospectus if the Company determines, based on the advice of counsel, that it is necessary or advisable to include such information in the applicable Registration Statement or Prospectus and such Holder continues thereafter to withhold such information. In addition, no person or entity may participate in any Underwritten Offering or other offering for equity securities of the Company pursuant to a Registration initiated by the Company hereunder unless such person or entity (i) agrees to sell such person's or entity's securities on the basis provided in any underwriting, sales, distribution or placement arrangements approved by the Company and (ii) completes and executes all customary questionnaires, powers of attorney, indemnities, lock-up agreements, underwriting or other agreements and other customary documents as may be reasonably required under the terms of such underwriting, sales, distribution or placement arrangements. For the avoidance of doubt, the exclusion of a Holder's Registrable Securities as a result of this Section 3.3 shall not affect the registration of the other Registrable Securities to be included in such Registration.

3.4 Suspension of Sales; Adverse Disclosure; Restrictions on Registration Rights.

3.4.1 Upon receipt of written notice from the Company that a Registration Statement or Prospectus contains a Misstatement, each of the Holders shall forthwith discontinue disposition of Registrable Securities until it has received copies of a supplemented or amended Prospectus correcting the Misstatement (it being understood that the Company hereby covenants to prepare and file such supplement or amendment as soon as reasonably practicable after the time of such notice), or until it is advised in writing by the Company that the use of the Prospectus may be resumed.

3.4.2 Subject to Section 3.4.4, if the filing, initial effectiveness or continued use of a Registration Statement in respect of any Registration at any time would (a) require the Company to make an Adverse Disclosure, (b) require the inclusion in such Registration Statement of financial statements that are unavailable to the Company for reasons beyond the Company's control, or (c) in the good faith judgment of the majority of the Board such Registration, be seriously detrimental to the Company and the majority of the Board concludes as a result that it is essential to defer such filing, initial effectiveness or continued use at such time, the Company may, upon giving prompt written notice of such action to the Holders (which notice shall not specify the nature of the event giving rise to such delay or suspension), delay the filing or initial effectiveness of, or suspend use of, such Registration Statement for the shortest period of time determined in good faith by the Company to be necessary for such purpose. In the event the Company exercises its rights under this Section 3.4.2, the Holders agree to suspend, immediately upon their receipt of the notice referred to above, their use of the Prospectus relating to any Registration in connection with any sale or offer to sell Registrable Securities until such Holder receives written notice from the Company that such sales or offers of Registrable Securities may be resumed, and in each case maintain the confidentiality of such notice and its contents.

3.4.3 Subject to Section 3.4.4, (a) during the period starting with the date thirty (30) days prior to the Company's good faith estimate of the date of the filing of, and ending on a date ninety (90) days after the effective date of, a Company-initiated Registration and provided that the Company continues to actively employ, in good faith, all commercially reasonable efforts to maintain the effectiveness of the applicable Shelf Registration Statement, or (b) if, pursuant to Section 2.1.4, Holders have requested an Underwritten Offering and the Company and Holders are unable to obtain the commitment of underwriters to firmly underwrite such offering, the Company may, upon giving prompt written notice of such action to the Holders, delay any other registered offering pursuant to Section 2.1.4 or 2.4.

3.4.4 The right to delay or suspend any filing, initial effectiveness or continued use of a Registration Statement pursuant toSection 3.4.2 or a registered offering pursuant to Section 3.4.3 shall be exercised by the Company, in the aggregate, on not more than three (3) occasions for not more than sixty (60) consecutive calendar days on each occasion or not more than one hundred and twenty (120) total calendar days, in each case, during any twelve (12)- month period.

3.5 Reporting Obligations. As long as any Holder shall own Registrable Securities, the Company, at all times while it shall be a reporting company under the Exchange Act, covenants to file timely (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to Sections 13(a) or 15(d) of the Exchange Act and to promptly furnish the Holders with true and complete copies of all such filings; provided that any documents publicly filed or furnished with the Commission pursuant to EDGAR shall be deemed to have been furnished or delivered to the Holders pursuant to this Section 3.5. The Company further covenants that it shall take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell shares of Common Stock held by such Holder without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 promulgated under the Securities Act (or any successor rule then in effect). Upon the request of any Holder, the Company shall deliver to such Holder a written certification of a duly authorized officer as to whether it has complied with such requirements.

3.6 Restrictive Legend Removal. Subject to receipt from the Holder by the Company and the Company's transfer agent (the "Transfer Agent") of such customary representations and other documentation reasonably acceptable to the Company and the Transfer Agent in connection therewith, the Holder may request that the Company remove any legend from the book entry position evidencing its Registrable Securities and the Company will, if required by the Transfer Agent, use its commercially reasonable efforts to cause an opinion of the Company's counsel to be provided, in a form reasonably acceptable to the Transfer Agent to the effect that the removal of such restrictive legends in such circumstances may be effected under the Securities Act, following the earliest of such time as such Registrable Securities (i) have been sold or transferred pursuant to an effective Registration, (ii) have been sold pursuant to Rule 144, or (iii) are eligible for resale under Rule 144(b)(1) or any successor provision without the requirement for the Company to be in compliance with the current public information requirement under Rule 144 and without volume or manner-of-sale restrictions applicable to the sale or transfer of such Registrable Securities. If restrictive legends are no longer required for such Registrable Securities pursuant to the foregoing, the Company shall, in accordance with the provisions of this Section 3.6 and within three (3) trading days of any request therefor from the Holder accompanied by such customary and reasonably acceptable representations and other documentation referred to above establishing that restrictive legends are no longer required, deliver to the Transfer Agent irrevocable instructions that the Transfer Agent shall make a new, unlegended entry for such book entry Registrable Securities. The Company shall be responsible for the fees of its Transfer Agent and all DTC fees associated with such issuance.

ARTICLE IV
INDEMNIFICATION AND CONTRIBUTION

4.1 Indemnification.

4.1.1 The Company agrees to indemnify, to the extent permitted by law, each Holder of Registrable Securities, its officers, directors and agents and each person or entity who controls such Holder (within the meaning of the Securities Act), against all losses, claims, damages, liabilities and out-of-pocket expenses (including, without limitation, reasonable and documented outside attorneys' fees) resulting from any untrue or alleged untrue statement of material fact contained in or incorporated by reference in any Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of a Prospectus, in light of the circumstances in which they were made), except insofar as the same are caused by or contained in any information or affidavit so furnished in writing to the Company by such Holder expressly for use therein.

4.1.2 In connection with any Registration Statement in which a Holder of Registrable Securities is participating, such Holder shall furnish (or cause to be furnished) to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such Registration Statement or Prospectus (the "***Holder Information***") and, to the extent permitted by law, shall indemnify the Company, its directors, officers and agents and each person or entity who controls the Company (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and reasonable and documented out-of-pocket expenses (including, without limitation, reasonable and documented outside attorneys' fees) resulting from any untrue or alleged untrue statement of material fact contained or incorporated by reference in any Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of a Prospectus, in light of the circumstances in which they were made), but only to the extent that such untrue statement is contained in (or not contained in, in the case of an omission) any information or affidavit so furnished in writing by or on behalf of such Holder expressly for use therein; provided, however, that the obligation to indemnify shall be several, not joint and several, among such Holders of Registrable Securities, and the liability of each such Holder of Registrable Securities shall be in proportion to and limited to the net proceeds received by such Holder from the sale of Registrable Securities pursuant to such Registration Statement. The Holders of Registrable Securities shall indemnify the Underwriters, their officers, directors and each person or entity who controls such Underwriters (within the meaning of the Securities Act) to the same extent as provided in the foregoing with respect to indemnification of the Company.

4.1.3 Any person or entity entitled to indemnification herein shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any person's or entity's right to indemnification hereunder to the extent such failure has not materially prejudiced the indemnifying party) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel (plus one local counsel if necessary in the reasonable judgment of the indemnified party) for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. No indemnifying party shall, without the consent of the indemnified party, consent to the entry of any judgment or enter into any settlement which cannot be settled in all respects by the payment of money (and such money is so paid by the indemnifying party pursuant to the terms of such settlement) or which settlement includes a statement or admission of fault and culpability on the part of such indemnified party or which settlement does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

4.1.4 The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling person or entity of such indemnified party and shall survive the transfer of securities. The Company and each Holder of Registrable Securities participating in an offering also agrees to make such provisions as are reasonably requested by any indemnified party for contribution to such party in the event the Company's or such Holder's indemnification is unavailable for any reason.

4.1.5 If the indemnification provided under Section 4.1 from the indemnifying party is unavailable or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities and documented out-of-pocket expenses referred to herein, then the indemnifying party, in lieu of indemnifying the indemnified party, shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities and documented out-of-pocket expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, was made by (or not made by, in the case of an omission), or relates to information supplied by (or not supplied by in the case of an omission), such indemnifying party or indemnified party, and the indemnifying party's and indemnified party's relative intent, knowledge, access to information and opportunity to correct or prevent such action; provided, however, that the liability of any Holder under this Section 4.1.5 shall be limited to the amount of the net proceeds received by such Holder in such offering giving rise to such liability. The amount paid or payable by a party as a result of the losses or other liabilities referred to above shall be deemed to include, subject to the limitations set forth in Sections 4.1.1, 4.1.2 and 4.1.3 above, any legal or other fees, charges or out-of-pocket expenses reasonably incurred by such party in connection with any investigation or proceeding. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 4.1.5 were determined by pro rata allocation or by any other method of allocation, which does not take account of the equitable considerations referred to in this Section 4.1.5. No person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution pursuant to this Section 4.1.5 from any person or entity who was not guilty of such fraudulent misrepresentation.

ARTICLE V
MISCELLANEOUS

5.1 Notices. Any notice or communication under this Agreement must be in writing and given by (i) deposit in the United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, (ii) delivery in person or by courier service providing evidence of delivery, or (iii) transmission by hand delivery, electronic mail or facsimile. Each notice or communication that is mailed, delivered, or transmitted in the manner described above shall be deemed sufficiently given, served, sent, and received, in the case of mailed notices, on the third business day following the date on which it is mailed and, in the case of notices delivered by courier service, hand delivery, electronic mail or facsimile, at such time as it is delivered to the addressee (with the delivery receipt or the affidavit of messenger) or at such time as delivery is refused by the addressee upon presentation. Any notice or communication under this Agreement must be addressed, if to the Company, to: Airship AI Holdings, Inc., 12226 134th Court NE, Redmond, WA 98052, Attention: Victor Huang, Chief Executive Officer, or by email: victor@airship.ai, and, if to any Holder, at such Holder's address, electronic mail address or facsimile number as set forth in the Company's books and records. Any party may change its address for notice at any time and from time to time by written notice to the other parties hereto, and such change of address shall become effective thirty (30) days after delivery of such notice as provided in this Section 5.1.

5.2 Assignment; No Third Party Beneficiaries.

5.2.1 This Agreement and the rights, duties and obligations of the Company hereunder may not be assigned or delegated by the Company in whole or in part.

5.3 Subject to Section 5.2.4 and Section 5.2.5, this Agreement and the rights, duties and obligations of a Holder hereunder may be assigned in whole or in part to such Holder's Permitted Transferees to which it transfers Registrable Securities; provided that with respect to the Target Holders and the Sponsor, the rights hereunder that are personal to such Holders may not be assigned or delegated in whole or in part, except that (i) each of the Target Holders shall be permitted to transfer its rights hereunder as the Target Holders to one or more affiliates or any direct or indirect partners, members or equity holders of such Target Holder (it being understood that no such transfer shall reduce or multiply any rights of such Target Holder or such transferees) and (ii) the Sponsor shall be permitted to transfer its rights hereunder as the Sponsor to one or more affiliates or any direct or indirect partners, members or equity holders of the Sponsor (including the general and limited partners of the Sponsor), which, for the avoidance of doubt, shall include a transfer of its rights in connection with a distribution of any Registrable Securities held by Sponsor to its members (it being understood that no such transfer shall reduce or multiply any rights of the Sponsor or such transferees).

5.3.1 This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties and its successors and the permitted assigns of the Holders, which shall include Permitted Transferees.

5.3.2 This Agreement shall not confer any rights or benefits on any persons or entities that are not parties hereto, other than as expressly set forth in this Agreement and Section 5.

5.3.3 No assignment by any party hereto of such party's rights, duties and obligations hereunder shall be binding upon or obligate the Company unless and until the Company shall have received (i) written notice of such assignment as provided in Section 5.1 hereof and (ii) the written agreement of the assignee, in a form reasonably satisfactory to the Company, to be bound by the terms and provisions of this Agreement (which may be accomplished by an addendum or certificate of joinder to this Agreement, including the joinder in the form of Exhibit A attached hereto). Any transfer or assignment made other than as provided in thisSection 5.2 shall be null and void.

5.4 Counterparts. This Agreement may be executed in multiple counterparts (including facsimile or PDF counterparts), each of which shall be deemed an original, and all of which together shall constitute the same instrument, but only one of which need be produced.

5.5 Governing Law; Venue. NOTWITHSTANDING THE PLACE WHERE THIS AGREEMENT MAY BE EXECUTED BY ANY OF THE PARTIES HERETO, THE PARTIES EXPRESSLY AGREE THAT (1) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO PRINCIPLES OR RULES OF CONFLICT OF LAWS TO THE EXTENT SUCH PRINCIPLES OR RULES WOULD REQUIRE OR PERMIT THE APPLICATION OF LAWS OF ANOTHER JURISDICTION AND (2) THE VENUE FOR ANY ACTION TAKEN WITH RESPECT TO THIS AGREEMENT SHALL BE ANY STATE OR FEDERAL COURT IN THE STATE OF DELAWARE.

5.6 **TRIAL BY JURY. EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND, THEREFORE, EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.**

5.7 Amendments and Modifications. Upon the written consent of (a) the Company and (b) the Holders of a majority of the total Registrable Securities, compliance with any of the provisions, covenants and conditions set forth in this Agreement may be waived, or any of such provisions, covenants or conditions may be amended or modified; provided, however, that notwithstanding the foregoing, any amendment hereto or waiver hereof shall also require the written consent of the Sponsor so long as the Sponsor and its affiliates hold, in the aggregate, at least five percent (5%) of the outstanding shares of Common Stock of the Company; provided, further, that notwithstanding the foregoing, any amendment hereto or waiver hereof shall also require the written consent of each Target Holder so long as such Target Holder and its respective affiliates hold, in the aggregate, at least five percent (5%) of the outstanding shares of Common Stock of the Company; and provided, further, that any amendment hereto or waiver hereof that adversely affects one Holder, solely in its capacity as a holder of the shares of capital stock of the Company, in a manner that is materially different from the other Holders (in such capacity) shall require the consent of the Holder so affected. No course of dealing between any Holder or the Company and any other party hereto or any failure or delay on the part of a Holder or the Company in exercising any rights or remedies under this Agreement shall operate as a waiver of any rights or remedies of any Holder or the Company. No single or partial exercise of any rights or remedies under this Agreement by a party shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder or thereunder by such party.

5.8 Other Registration Rights. Other than as provided in the (i) Warrant Agreement, dated as of March 18, 2021, between the Company and Continental Stock Transfer & Trust Company, (ii) Private Placement Units Purchase Agreement, dated as of March 18, 2021, between the Company and Continental Stock Transfer & Trust Company, and (iii) any subscription agreement entered into by the Company and the investors party thereto in connection with a PIPE Financing (as defined in the Merger Agreement), the Company represents and warrants that no person or entity, other than a Holder of Registrable Securities, has any right to require the Company to register any securities of the Company for sale or to include such securities of the Company in any Registration Statement filed by the Company for the sale of securities for its own account or for the account of any other person or entity. The Company hereby agrees and covenants that it will not grant rights to register any Common Stock (or securities convertible into or exchangeable for Common Stock) pursuant to the Securities Act that are more favorable, pari passu or senior to those granted to the Holders hereunder without (a) the prior written consent of (i) the Sponsor, for so long as the Sponsor and its affiliates hold, in the aggregate, at least five percent (5%) of the outstanding shares of Common Stock of the Company, and (ii) a Target Holder, for so long as such Target Holder and its affiliates hold, in the aggregate, at least five percent (5%) of the outstanding shares of Common Stock of the Company; or (b) granting economically and legally equivalent rights to the Holders hereunder such that the Holders shall receive the benefit of such more favorable or senior terms and/or conditions. Further, the Company represents and warrants that this Agreement supersedes any other registration rights agreement or agreement with similar terms and conditions and in the event of a conflict between any such agreement or agreements and this Agreement, the terms of this Agreement shall prevail.

5.9 Term. This Agreement shall terminate on the earlier of (a) the fifth (5th) anniversary of the date of this Agreement and (b) with respect to any Holder, on the date that such Holder no longer holds any Registrable Securities. The provisions of Section 3.5 and Article IV shall survive any termination.

5.10 Holder Information. Each Holder agrees, if requested in writing, to represent to the Company the total number of Registrable Securities held by such Holder in order for the Company to make determinations hereunder.

5.11 Additional Holders; Joinder. In addition to persons or entities who may become Holders pursuant toSection 5.2 hereof, subject to the prior written consent of each of the Sponsor (so long as the Sponsor and its affiliates hold, in the aggregate, at least five percent (5%) of the outstanding shares of Common Stock of the Company) and each Target Holder (so long as such Target Holder and its respective affiliates hold, in the aggregate, at least five percent (5%) of the outstanding shares of Common Stock of the Company), the Company may make any person or entity who acquires Common Stock or rights to acquire Common Stock after the date hereof a party to this Agreement (each such person or entity, an "***Additional Holder***") by obtaining an executed joinder to this Agreement from such Additional Holder in the form of Exhibit A attached hereto (a "***Joinder***"). Such Joinder shall specify the rights and obligations of the applicable Additional Holder under this Agreement. Upon the execution and delivery and subject to the terms of a Joinder by such Additional Holder, the Common Stock then owned, or underlying any rights then owned, by such Additional Holder (the "***Additional Holder Common Stock***") shall be Registrable Securities to the extent provided herein and therein and such Additional Holder shall be a Holder under this Agreement with respect to such Additional Holder Common Stock.

5.12 Severability. It is the desire and intent of the parties that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

5.13 Entire Agreement; Restatement. This Agreement constitutes the full and entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter. Upon the Closing, the Original RRA shall no longer be of any force or effect.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first written above.

COMPANY:

AIRSHIP AI HOLDINGS, INC.
a Delaware corporation

By: /s/ Victor Huang
Name: Victor Huang
Title: Chief Executive Officer

HOLDERS:

BYTE HOLDINGS LP
a Cayman Islands exempted limited partnership

By: /s/ Vadim Komissarov
Name: Vadim Komissarov
Title: Director

[*Signature Page to Amended and Restated Registration Rights Agreement*]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first written above.

HOLDERS:

AIRSHIP KIRKLAND FAMILY LP

By: /s/ Victor Huang
By: Airship Kirkland Management LP,
General Partner
By Victor Huang, Its Manager

[Signature Page to Amended and Restated Registration Rights Agreement]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first written above.

HOLDERS:

AIRSHIP REDMOND FAMILY LP

By: /s/ Derek Xu
By: Airship Redmond Management LLC,
General Partner
By Derek Xu, Its Manager

[Signature Page to Amended and Restated Registration Rights Agreement]

Schedule 1

Target Holders

1. Airship Kirkland Family LP

2. Airship Redmond Family LP

Exhibit A

REGISTRATION RIGHTS AGREEMENT JOINDER

The undersigned is executing and delivering this joinder (this "***Joinder***") pursuant to the Amended and Restated Registration Rights Agreement, dated as of December 21, 2023 (as the same may hereafter be amended, the "***Registration Rights Agreement***"), among Airship AI Holdings, Inc., a Delaware corporation (the "***Company***"), and the other persons or entities named as parties therein. Capitalized terms used but not otherwise defined herein shall have the meanings provided in the Registration Rights Agreement.

By executing and delivering this Joinder to the Company, and upon acceptance hereof by the Company upon the execution of a counterpart hereof, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the Registration Rights Agreement as a Holder of Registrable Securities in the same manner as if the undersigned were an original signatory to the Registration Rights Agreement, and the undersigned's shares of Common Stock shall be included as Registrable Securities under the Registration Rights Agreement to the extent provided therein.

Accordingly, the undersigned has executed and delivered this Joinder as of the _____ day of , _____ 20__.

_____
Signature of Stockholder

_____
Print Name of Stockholder
Its:
Address: _____

Agreed and Accepted as of
_____, 20__

AIRSHIP AI HOLDINGS, INC.

By: _____
Name:
Its:

EXHIBIT 10.9

EARNOUT ESCROW AGREEMENT

THIS EARNOUT ESCROW AGREEMENT (this "**Agreement**") is made and entered into as of December 21, 2023, by and among Airship AI Holdings, Inc., a Delaware corporation (formerly known as BYTE Acquisition Corp., a Cayman Islands exempted company limited by shares, prior to its domestication as a Delaware corporation) ("**Parent**"), and Continental Stock Transfer & Trust Company, a New York corporation ("**Escrow Agent**").

WHEREAS, pursuant to Section 3.7(c) of the Merger Agreement, dated as of June 27, 2023, as amended on September 22, 2023 (the "**Merger Agreement**"), by and among Parent, Airship AI Holdings, Inc., a Washington corporation, and BYTE Merger Sub, Inc., a Washington corporation, the Earnout Shares (as defined below) shall (i) be issued to the Company Earnout Holders at the Closing pursuant to the Merger Agreement, provided that any such Earnout Shares issued in respect of Company Options or Company SARs shall be retained by Parent and not issued to the holders of such Company Options or Company SARs, (ii) be placed in escrow pursuant to this Agreement, and (iii) not be released from escrow until they are earned as a result of the occurrence of the applicable earnout milestone as specifically set forth in Exhibit C of this Agreement and Section 3.7 of the Merger Agreement; and

WHEREAS, Parent wishes to engage the Escrow Agent as escrow agent to establish the account (the "**Escrow Account**") into which the Earnout Shares will be deposited, and the Escrow Agent wishes to act as escrow agent and establish the Escrow Account, all on the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Appointment

(a) The parties hereby appoint the Escrow Agent as escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

(b) Capitalized terms used and not defined in this Agreement shall have the meanings given to them in the Merger Agreement. The Escrow Agent shall act only in accordance with the terms and conditions contained in this Agreement and shall have no duties or obligations with respect to the Merger Agreement.

2. Earnout Shares

(a) Parent shall deposit with the Escrow Agent 5,000,000 shares of common stock, par value $0.0001 per share, of Parent (the "**Earnout Shares**") on the date hereof. The Escrow Agent shall hold the Earnout Shares as book-entry positions registered in the name of "Continental Stock Transfer & Trust Company as Escrow Agent for Airship AI Holdings, Inc." and such positions shall be held for the benefit of the Company Earnout Holders set forth on Exhibit B attached to this Agreement.

(b) While the Earnout Shares are held in the Escrow Account, the Company Earnout Holders (other than with respect to Earnout Shares issued with respect to Company Options or Company SARs) shall have voting rights with respect to the Earnout Shares held for their benefit hereunder. The Earnout Shares shall constitute shares issued and outstanding and entitled to vote on all matters for which Parent Common Shares are generally are entitled to vote.

(c) Any cash dividends paid with respect to the Earnout Shares (other than with respect to Earnout Shares issued with respect to Company Options or Company SARs) during the Term (as defined below) shall be retained by Parent and shall be paid by Parent to the applicable Company Earnout Holder when the Earnout Shares such cash dividend was paid in relation to are released to such Company Earnout Holder.

(d) In the event of any stock split, reverse stock split, stock dividend, recapitalization, reorganization, merger, consolidation, combination, exchange of shares, liquidation, spin-off or other similar change in capitalization or event, or any distribution to holders of the common stock of Parent, other than a regular cash dividend, the Earnout Shares shall be appropriately adjusted on a pro rata basis and consistent with the terms of this Agreement.

(d) The interests of the Company Earnout Holders in the Earnout Shares (and any cash dividends or other distributions in respect thereof) shall not be assignable or transferrable while such Earnout Shares are held in the Escrow Account.

3. Term and Termination. The Escrow Agent shall hold the Earnout Shares from the date hereof until 11:59 p.m. Eastern Time on the fifth-year anniversary of the date hereof (such period, the "**Term**"), unless earlier released pursuant to Section 4. This Agreement shall terminate with respect to each Earnout Share held in the Escrow Account upon the release of such Earnout Shares pursuant to Section 4(a) or Section 4(b), as applicable, and shall terminate in its entirety once all Earnout Shares are released, provided that the rights of the Escrow Agent and the obligations of Parent under Section 7 and Section 8 shall survive the termination hereof.

4. Disposition.

(a) Upon the occurrence of the applicable earnout milestone set forth in Exhibit C and, in the case of the Company Options and the Company SARs, the vesting conditions applicable to such securities, Parent shall send joint written instructions to the Escrow Agent substantially in the form attached hereto as Exhibit D (the "**Delivery Instructions**"), directing the Escrow Agent to deliver the number of Earnout Shares (and any and all dividends or other property with respect to such Earnout Shares) required to be released to the applicable Company Earnout Holders. The Delivery Instructions shall be signed by an authorized signatory of Parent set forth on Schedule 1 (an "**Authorized Signatory**").

(b) If any Company Earnout Holder's Earnout Shares remain in the Escrow Account at 11:59 p.m. Eastern Time on the fifth-year anniversary of the date hereof, Parent shall send written instructions to the Escrow Agent substantially in the form attached hereto as Exhibit E (the "**Termination Instructions**" and together with the Delivery Instructions, "**Instructions**"), directing the Escrow Agent to deliver any unearned Earnout Shares (any and all dividends or other property with respect to such Earnout Shares) to Parent to be forfeited and cancelled. The Termination Instructions shall be signed by an Authorized Signatory of Parent set forth on Schedule 1.

(c) The Escrow Agent shall administer the Earnout Shares in accordance with Instructions provided to the Escrow Agent by Parent and executed as set forth in this Section 4. The Escrow Agent shall make distributions of the Earnout Shares only in accordance with the Instructions. The Escrow Agent shall not release the Earnout Shares unless pursuant to Instructions.

5. Escrow Agent.

(a) The Escrow Agent shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties shall be implied. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between Parent, on the one hand, and the Company Earnout Holders, on the other hand, or any other person or entity, in connection herewith, if any, including without limitation the Merger Agreement, nor shall the Escrow Agent be required to determine if any person or entity has complied with any such agreements, nor shall any additional obligation of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Agreement.

(b) In the event of any conflict between the terms and provisions of this Agreement, those of the Merger Agreement, any schedule or exhibit attached to this Agreement, or any other agreement between Parent, on the one hand, and any Company Earnout Holder, on the other hand, or any other person or entity, the terms and conditions of this Agreement shall control.

(c) The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the Authorized Signatories set forth in Schedule 1 without inquiry and without requiring substantiating evidence of any kind. The Escrow Agent shall not be liable to any Company Earnout Holder or other person for refraining from acting upon any instruction setting forth, claiming, containing, objecting to, or related to the transfer or distribution of the Earnout Shares, or any portion thereof, unless such instruction shall have been delivered to the Escrow Agent in accordance with Section 10 and the Escrow Agent has been able to satisfy any applicable security procedures as may be required hereunder and as set forth in Section 11. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall have no duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder.

(d) The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that a final adjudication of a court of competent jurisdiction determines that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to Parent or the Company Earnout Holders. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents.

(e) The Escrow Agent may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with, or in reliance upon, the advice or opinion of any such counsel, accountants or other skilled persons except to the extent that a final adjudication of a court of competent jurisdiction determines that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to Parent or the Company Earnout Holders. In the event that the Escrow Agent shall be uncertain or believe there is some ambiguity as to its duties or rights hereunder or shall receive instructions, claims or demands from Authorized Signatories which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all the property held in escrow until it shall be given a direction in writing which eliminates such ambiguity or uncertainty to the satisfaction of the Escrow Agent or by a final and non-appealable order or judgement of a court of competent jurisdiction agrees to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same.

6. Succession.

(a) The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving thirty (30) days' advance notice in writing of such resignation to Parent specifying a date when such resignation shall take effect, provided that such resignation shall not take effect until a successor Escrow Agent has been appointed in accordance with this Section 6. If Parent has failed to appoint a successor Escrow Agent prior to the expiration of thirty (30) days following receipt of the notice of resignation, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto. The Escrow Agent's sole responsibility after such thirty (30) day notice period expires shall be to hold the Earnout Shares and any cash dividends held in the Escrow Account and to deliver the same to a designated substitute Escrow Agent, if any, or in accordance with the directions of a final order or judgement of a court of competent jurisdiction, at which time of delivery the Escrow Agent's obligations hereunder shall ease and terminate, subject to the provisions of Section 7 below.

(b) Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act.

7. Compensation and Reimbursement. The Escrow Agent shall be entitled to compensation by Parent for its services under this Agreement as Escrow Agent and for reimbursement by Parent for its reasonable out-of-pocket costs and expenses, in the amounts and payable as set forth in Exhibit A. The Escrow Agent shall also be entitled to payments by Parent of any amounts to which the Escrow Agent is entitled under the indemnification provisions contained herein as set forth in Section 8. The obligations of Parent set forth in this Section 7 shall survive the resignation, replacement or removal of the Escrow Agent or the termination of this Agreement.

8. Indemnity.

(a) Parent agrees to indemnify the Escrow Agent and its officers, directors, employees, agents and shareholders (collectively referred to as the "**Indemnitees**") against, and hold them harmless of and from, any and all loss, liability, cost, damage and expense, including without limitation, reasonable counsel fees (collectively, the "**Escrow Agent Losses**"), which the Indemnitees may suffer or incur by reason of any action, claim or proceeding brought against the Indemnitees arising out of or relating in any way to this Agreement or any transaction to which this Agreement relates, unless such action, claim or proceeding is the result of the willful misconduct or gross negligence of the Indemnitees. Notwithstanding the foregoing, the indemnification contained in this Section 8(a) shall not apply to amounts paid by the Indemnitee in settlement of any Escrow Agent Losses if such settlement is effected without the consent of Parent. The Escrow Agent shall notify Parent in writing promptly after receipt by an Indemnitee of notice of any demand or claim or the commencement or threat of any action, suit or proceeding against the Indemnitee which the Indemnitee believes may result in Escrow Agent Losses. No Indemnitee shall, without the prior written consent of Parent, consent to the entry of any judgment or enter into any settlement that is not both fully resolved or settled (i) in all respects by the payment of money damages alone and no other form of relief, provided that the amount of such money damages has been consented to by Parent in writing and (ii) with an unconditional release by the claimant or plaintiff of Parent, the Company Earnout Holders and each of their affiliates from all liability in respect to such claim or litigation.

(b) If the indemnification provided for in Section 8(a) is applicable, but for any reason is held to be unavailable, Parent shall contribute such amounts as are just and equitable to pay, or to reimburse the Indemnitees for, the aggregate of any and all losses, liabilities, costs, damages and expenses, including counsel fees, actually incurred by the Indemnitees as a result of or in connection with, and any amount paid in settlement of, any action, claim or proceeding arising out of or relating in any way to any actions or omissions of Parent.

(c) This Section 8 shall survive termination of this Agreement or the resignation, replacement or removal of the Escrow Agent for any reason.

9. Patriot Act Disclosure. Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("**USA PATRIOT Act** ") requires the Escrow Agent to implement reasonable procedures to verify the identity of any person that opens a new account with it. Accordingly, the parties each acknowledge that Section 326 of the USA PATRIOT Act and the Escrow Agent's identity verification procedures require the Escrow Agent to obtain information which may be used to confirm Parent and the Company Earnout Holders' identity including without limitation name, address and organizational documents ("**identifying information**"). Parent agrees to provide the Escrow Agent with and consent to the Escrow Agent obtaining from third parties any such identifying information required as a condition of opening accounts with or using any service provided by the Escrow Agent.

10. Notices. All communications hereunder shall be in writing and, except for Instructions or other communications setting forth, claiming, containing, objecting to, or in any way related to the full or partial transfer or distribution of the Earnout Shares and any cash dividends held in the Escrow Account, including but not limited to transfer instructions, all of which shall be specifically governed by Section 11 below, all notices and communications hereunder shall be deemed to have been duly given and made if in writing and if (i) served by personal delivery upon the party for whom it is intended, (ii) delivered by registered or certified mail, return receipt requested, or by Federal Express or similar overnight courier, or (iii) sent by e-mail to the party at the address set forth below, or such other address as may be designated in writing hereafter, in the same manner, by such party:

If to the Escrow Agent:

Continental Stock Transfer and Trust Company
One State Street — 30th Floor
New York, New York 10004
Attention: Stacy Aqui
Email: saqui@continentalstock.com

If to Parent:

Airship AI Holdings, Inc.
8210 154th Ave NE
Redmond, WA 98052
Attention: Victor Huang, Chief Executive Officer
Email: victor@airship.ai

with a copy to (which shall not constitute notice):

Loeb & Loeb LLP
345 Park Avenue
New York, NY 10154
Attention: Mitchell S. Nussbaum
E-mail: mnussbaum@loeb.com

Notwithstanding the above, in the case of communications delivered to the Escrow Agent, such communications shall be deemed to have been given on the date received by an officer of the Escrow Agent or any employee of the Escrow Agent who reports directly to any such officer at the above-referenced office. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other means of communication as the Escrow Agent deems appropriate. For purposes of this Agreement, "**Business Day**" shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth above is authorized or required by law or executive order to remain closed.

11. Security Procedures.

(a) Notwithstanding anything to the contrary as set forth inSection 10, any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of the Earnout Shares or any cash dividends held in the Escrow Account, including but not limited to any transfer instructions that may otherwise be set forth in Instructions permitted pursuant to Section 4 of this Agreement, may be given to the Escrow Agent only by e-mail and no instruction for or related to the transfer or distribution of the Earnout Shares and any cash dividends held in the Escrow Account, or any portion thereof, shall be deemed delivered and effective unless the Escrow Agent actually shall have received such instruction by e-mail at the e-mail address provided to Parent by the Escrow Agent in accordance with Section 10 and as further evidenced by a confirmed transmittal to that e-mail address.

(b) In the event Instructions are so received by the Escrow Agent by e-mail, the Escrow Agent is authorized to seek confirmation of such Instructions by telephone call-back to the person or persons designated on Schedule 1 hereto, and the Escrow Agent may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by the Escrow Agent. If the Escrow Agent is unable to contact any of the Authorized Signatories identified in Schedule 1, the Escrow Agent is hereby authorized both to receive the Instructions from and seek confirmation of such Instructions by the Chief Executive Officer, General Counsel, Chief Financial Officer, President or Executive Vice President of Parent (collectively, the " **Senior Officers**") as the Escrow Agent may select. Such Senior Officer shall deliver to the Escrow Agent a fully executed incumbency certificate, and the Escrow Agent may rely upon the confirmation of anyone purporting to be any such Senior Officer.

(c) Parent acknowledges that, upon receipt of a Delivery Instruction, the Escrow Agent is authorized to deliver the Earnout Shares and any cash dividends held in the Escrow Account to be released to an Company Earnout Holder to the custodian account of recipient designated by such Company Earnout Holder in writing.

12. Compliance with Court Officers. In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgement of decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or whether with or without jurisdiction, and in the event that the Escrow Agent reasonably obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, entity, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree by subsequently reversed, modified, annulled, set aside or vacated.

13. Taxes. The parties hereto agree to comply with information reporting and withholding requirements with respect to taxes under applicable law, and Parent and each Company Earnout Holder, as applicable, will provide, or cause the applicable payee to provide, to the Escrow Agent appropriate Internal Revenue Service Forms W-9 or W-8. In the event Parent, a Company Earnout Holder, or other payee, as applicable, does not provide duly completed Internal Revenue Service Forms W-9 or W-8, as appropriate, or any successor forms thereto, the Escrow Agent shall withhold any taxes required to be withheld by applicable law with respect to the applicable payee and shall remit such withheld amounts to the appropriate taxing authorities.

14. Miscellaneous.

(a) This Agreement, including the schedules and exhibits hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings (written or oral) of the parties in connection therewith.

(b) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Agreement may be transmitted by e-mail, and such e-mail will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces and will be binding upon such party.

(c) If any provision of this Agreement or the application thereof to any person or circumstance shall be determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

(d) A person who is not a party to this Agreement shall have no right to enforce any term of this Agreement. Except as expressly provided in Section 6 above, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent, Parent and the Company Earnout Holders any legal or equitable right, remedy, interest or claim under or in respect of this Agreement or the Earnout Shares and any cash dividends held in the Escrow Account escrowed hereunder.

(e) The provisions of this Agreement may be waived, altered, amended or supplemented, in whole or in part, by a writing signed by the Escrow Agent and Parent.

(f) Neither this Agreement nor any right or interest hereunder may be assigned in whole or in part by the Escrow Agent or Parent except as provided inSection 6, without the prior consent of the Escrow Agent and Parent.

(g) This Agreement shall be governed by and construed under the laws of the State of New York, without regard to the conflicts of laws principles thereof. Each of Parent and the Escrow Agent irrevocably waives any objection on the grounds of venue, forum non-convenience or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of any court of the State of New York or United States federal court, in each case, sitting in New York County, New York. To the extent that in any jurisdiction any party may now or hereafter be entitled to claim for itself or its assets, immunity from suit, execution attachment (before or after judgement), or other legal process, such party shall not claim, and it hereby irrevocably waives, such immunity. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION BASED UPON, ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[*Remainder Of This Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

PARENT:

AIRSHIP AI HOLDINGS, INC.

By: /s. Victor Huang
Name: Victor Huang
Title: Chief Executive Officer

[*Signature Page to Earnout Escrow Agreement*]

ESCROW AGENT:

CONTINENTAL STOCK TRANSFER AND TRUST COMPANY

By: /s Stacy Aqui
Name: Stacy Aqui
Title: Vice President

[*Signature Page to Earnout Escrow Agreement*]

EXHIBIT 10.10

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT (this "***Agreement***") dated as of December 21, 2023, is made by and between Airship AI Holdings, Inc.,a Delaware corporation (the "***Company***"), and _____ ("***Indemnitee***").

RECITALS

A. The Company desires to attract and retain the services of highly qualified individuals as directors, officers, employees and agents.

B. The Company's Bylaws (the "***Bylaws***") require that the Company indemnify its directors and officers, and empowers the Company to indemnify its employees and other agents, as authorized by the Delaware General Corporation Law, as amended (the "***Code***"), under which the Company is organized and such Bylaws expressly provide that the indemnification provided therein is not exclusive and contemplates that the Company may enter into separate agreements with its directors, officers and other persons to set forth specific indemnification provisions.

C. Indemnitee does not regard the protection currently provided by applicable law, the Bylaws, the Company's other governing documents, and available insurance as adequate under the present circumstances, and the Company has determined that Indemnitee and other directors, officers, employees and agents of the Company may not be willing to serve or continue to serve in such capacities without additional protection.

D. The Company desires and has requested Indemnitee to serve or continue to serve as a director, officer, employee or agent of the Company, as the case may be, and has proffered this Agreement to Indemnitee as an additional inducement to serve in such capacity.

E. Indemnitee is willing to serve, or to continue to serve, as a director, officer, employee or agent of the Company, as the case may be, if Indemnitee is furnished the indemnity provided for herein by the Company.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Definitions.

(a) Agent. For purposes of this Agreement, the term "***Agent***" of the Company means any person who: (i) is or was a director, officer, employee, agent, or other fiduciary of the Company or a subsidiary of the Company; or (ii) is or was serving at the express written request of the Company or a subsidiary of the Company, as a director, officer, employee, agent, or other fiduciary of any other corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise.

(b) Change in Control. For purposes of this Agreement, a "***Change in Control***" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 20% or more of the total voting power represented by the Company's then outstanding Voting Securities (as defined below), (ii) individuals who on the date of this Agreement are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board (*provided, however,* that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall be considered as a member of the Incumbent Board), or (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 80% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of transactions) all or substantially all of the Company's assets.

(c) Expenses. For purposes of this Agreement, the term "***Expenses***" shall include all direct and indirect costs of any type or nature whatsoever, including, without limitation, all reasonable attorneys', witness, or other professional fees and related disbursements, and other out-of-pocket costs of whatever nature, actually and reasonably incurred by Indemnitee in connection with the investigation, defense or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement, the Code or otherwise. The term "***Expenses***" shall also include reasonable compensation for time spent by Indemnitee for which he or she is not compensated by the Company or any subsidiary or third party if the rate of compensation and estimated time involved is approved by the directors of the Company who are not parties to any action with respect to which Expenses are incurred. The term "***Expenses***," however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(d) Independent Counsel. For purposes of this Agreement, the term "***Independent Counsel***" means a law firm, or a partner (or, if applicable, member) of such a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party, or (ii) any other party to the proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "***Independent Counsel***" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company will pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages (excluding any legal malpractice or professional misconduct claims) arising out of or relating to this Agreement or its engagement pursuant hereto.

(e) Liabilities. For purposes of this Agreement, the term "***Liabilities***" shall include judgments, damages, deficiencies, liabilities, losses, penalties, excise taxes, fines, assessments and amounts paid in settlement, including any interest and any federal, state, local or foreign taxes imposed as a result of the actual or deemed receipt of any payment under this Agreement.

(f) Proceedings. For purposes of this Agreement, the term "***proceeding***" shall include any threatened, pending, or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative or investigative nature, and whether formal or informal in any case, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness, or otherwise by reason of: (i) the fact that Indemnitee is or was a director or officer of the Company; (ii) the fact that any action taken by Indemnitee (or a failure to take action by Indemnitee) or of any action (or failure to act) on Indemnitee's part while acting as an Agent of the Company; or (iii) the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent or other fiduciary of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, and in any such case described above, whether or not serving in any such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement, or advancement of Expenses may be provided under this Agreement. If Independent Counsel selected by Indemnitee reasonably concludes (in writing) that a given situation may lead to or culminate in the institution of a proceeding, this shall be considered a proceeding under this paragraph.

(g) Subsidiary. For purposes of this Agreement, the term "***subsidiary***" means any corporation, limited liability company, or other entity, of which more than 50% of the outstanding voting securities or equity interests are owned, directly or indirectly, by the Company and one or more of its subsidiaries, and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as an Agent.

(h) Voting Securities. For purposes of this Agreement, "***Voting Securities***" shall mean any securities of the Company that vote generally in the election of directors.

2. Agreement to Serve. Indemnitee will serve, or continue to serve, as the case may be, as an Agent, faithfully and to the best of his or her ability, at the will of such entity designated by the Company and at the request of the Company (or under separate agreement, if such agreement exists), in the capacity Indemnitee currently serves such entity, so long as Indemnitee is duly appointed or elected and qualified in accordance with the applicable provisions of the governance documents of such entity, or until such time as Indemnitee tenders his or her resignation in writing or is removed from his or her position; provided, however, that nothing contained in this Agreement is intended as an employment agreement between Indemnitee and the Company or any of its subsidiaries or to create any right to continued employment of Indemnitee with the Company or any of its subsidiaries in any capacity.

The Company acknowledges that it has entered into this Agreement and assumes the obligations imposed on it hereby, in addition to and separate from its obligations to Indemnitee under the Bylaws, to induce Indemnitee to serve, or continue to serve, as an Agent, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an Agent.

3. Indemnification.

(a) Indemnification in Third Party Proceedings. Subject to the exceptions in Section 10, the Company shall indemnify Indemnitee to the fullest extent permitted by the Code, as the same may be amended from time to time (but, to the fullest extent of the law, only to the extent that such amendment permits Indemnitee to broader indemnification rights than the Code permitted prior to adoption of such amendment), if Indemnitee is a party to or threatened to be made a party to or otherwise involved in any proceeding, other than a proceeding by or in the right of the Company to procure a judgment in its favor, for any and all Expenses and Liabilities (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses and Liabilities) incurred by Indemnitee in connection with the investigation, defense, settlement or appeal of such proceeding, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding had no reasonable cause to believe that Indemnitee's conduct was unlawful. The parties hereto intend that this Agreement shall provide to the fullest extent permitted by law for indemnification in excess of that expressly permitted by statute, including, without limitation, any indemnification provided by the Certificate of Incorporation of the Company, the Bylaws, vote of its stockholders or disinterested directors, or applicable law.

(b) Indemnification in Derivative Actions and Direct Actions by the Company. Subject to Section 10 below, the Company shall indemnify Indemnitee to the fullest extent permitted by the Code, as the same may be amended from time to time (but, fullest extent permitted by applicable law, only to the extent that such amendment permits Indemnitee to broader indemnification rights than the Code permitted prior to adoption of such amendment), if Indemnitee is a party to or threatened to be made a party to or otherwise involved in any proceeding by or in the right of the Company to procure a judgment in its favor, against any and all Expenses actually and reasonably incurred by Indemnitee in connection with the investigation, defense, settlement, or appeal of such proceedings, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 3(b) in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court competent jurisdiction to be liable to the Company, unless and only to the extent that the Chancery Court of the State of Delaware or any court in which the proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

4. Indemnification of Expenses of Successful Party. Notwithstanding any other provision of this Agreement, in circumstances where indemnification is not available under Section 3(a) or 3(b), as the case may be, to the fullest extent permitted by law and to the extent that Indemnitee is a party to (or a participant in) any proceeding and has been successful on the merits or otherwise in defense of any proceeding or in defense of any claim, issue or matter therein, in whole or part, including the dismissal of any action without prejudice, the Company shall indemnify Indemnitee against all Expenses and Liabilities in connection with the investigation, defense or appeal of such proceeding. If Indemnitee is not wholly successful in such proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such proceeding, the Company shall indemnify Indemnitee against all Expenses and Liabilities incurred by Indemnitee or on Indemnitee's behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law.

5. Partial Indemnification; Witness Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any Expenses and Liabilities incurred by Indemnitee in the investigation, defense, settlement or appeal of a proceeding, but is precluded by applicable law or the specific terms of this Agreement to indemnification for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee's acting as an Agent, a witness or otherwise asked to participate in any proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses incurred by Indemnitee or on Indemnitee's behalf in connection therewith. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

6. Advancement of Expenses. To the extent not prohibited by law, the Company shall advance the Expenses incurred by Indemnitee in connection with any proceeding, and such advancement shall be made within twenty (20) days after the receipt by the Company of a statement or statements requesting such advances (which shall include invoices received by Indemnitee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law shall not be included with the invoice) and upon request of the Company, an undertaking to repay the advancement of Expenses if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. Advances shall be unsecured, interest free and without regard to Indemnitee's ability to repay the Expenses. Advances shall include any and all Expenses incurred by Indemnitee pursuing an action to enforce Indemnitee's right to indemnification under this Agreement or otherwise and this right of advancement, including expenses incurred preparing and forwarding statements to the Company to support the advances claimed. Indemnitee acknowledges that the execution and delivery of this Agreement shall constitute an undertaking providing that Indemnitee shall, to the fullest extent required by law, repay the advance (without interest) if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. The right to advances under this Section shall continue until final disposition of any proceeding, including any appeal therein. This Section 6 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 10(b).

7. Notice and Other Indemnification Procedures.

(a) Notification of Proceeding. Indemnitee will notify the Company in writing promptly upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The written notification to the Company shall include a description of the nature of the proceeding and the facts underlying the proceeding. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement.

(b) Request for Indemnification Payments. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification under the terms of this Agreement, and shall request payment thereof by the Company.

(c) Determination of Right to Indemnification Payments. Upon written request by Indemnitee for indemnification pursuant to the Section 7(b) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board of Directors: (1) by a majority vote of the disinterested directors, even though less than a quorum, (2) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum, (3) if there are no disinterested directors or if the disinterested directors so direct, by Independent Counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the Indemnitee, or (4) if so directed by the Board of Directors, by the stockholders of the Company; *provided, however*, that if there has been a Change in Control, then such determination shall be made by Independent Counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld). For purposes hereof, disinterested directors are those members of the board of directors of the Company who are not parties to the action, suit or proceeding in respect of which indemnification is sought by Indemnitee. Indemnification payments requested by Indemnitee under Section 3 hereof shall be made by the Company no later than forty five (45) days after receipt of the written request of Indemnitee. Claims for advancement of Expenses shall be made under the provisions of Section 6 herein.

(d) Application for Enforcement. In the event the Company fails to make timely payments as set forth in Sections 6 or 7(b) above, Indemnitee shall have the right to apply to any court of competent jurisdiction for the purpose of enforcing Indemnitee's right to indemnification or advancement of Expenses pursuant to this Agreement. In such an enforcement hearing or proceeding, the burden of proof shall be on the Company to prove that indemnification or advancement of Expenses to Indemnitee is not required under this Agreement or permitted by applicable law. Any determination by the Company (including its Board of Directors, a committee thereof, Independent Counsel) or stockholders of the Company, that Indemnitee is not entitled to indemnification hereunder, shall not be a defense by the Company to the action nor create any presumption that Indemnitee is not entitled to indemnification or advancement of Expenses hereunder.

(e) Indemnification of Certain Expenses. The Company shall indemnify Indemnitee against all Expenses incurred in connection with any hearing or proceeding under this Section 7 unless the Company prevails in such hearing or proceeding on the merits in all material respects.

8. Assumption of Defense. In the event the Company shall be requested by Indemnitee to pay the Expenses of any proceeding, the Company, if appropriate, shall be entitled to assume the defense of such proceeding, or to participate to the extent permissible in such proceeding, with counsel reasonably acceptable to Indemnitee. Upon assumption of the defense by the Company and the retention of such counsel by the Company, the Company shall not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same proceeding, provided that Indemnitee shall have the right to employ separate counsel in such proceeding at Indemnitee's sole cost and expense. Notwithstanding the foregoing, if Indemnitee's counsel delivers a written notice to the Company stating that such counsel has reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense or the Company shall not, in fact, have employed counsel or otherwise actively pursued the defense of such proceeding within a reasonable time, then in any such event the fees and Expenses of Indemnitee's counsel to defend such proceeding shall be subject to the indemnification and advancement of Expenses provisions of this Agreement.

9. Insurance. To the extent that the Company maintains an insurance policy or policies providing liability insurance for Agents ("***D&O Insurance***"), Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such Agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has D&O Insurance in effect or otherwise potentially available, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

10. Exceptions.

(a) Certain Matters. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee on account of any proceeding with respect to: (i) remuneration paid to Indemnitee if it is determined by final judgment or other final adjudication that such remuneration was in violation of law (and, in this respect, both the Company and Indemnitee have been advised that the Securities and Exchange Commission believes that indemnification for liabilities arising under the federal securities laws is against public policy and is, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication, as indicated in Section 10(d) below); (ii) a final judgment rendered against Indemnitee for an accounting, disgorgement or repayment of profits made from the purchase or sale by Indemnitee of securities of the Company against Indemnitee or in connection with a settlement by or on behalf of Indemnitee to the extent it is acknowledged by Indemnitee and the Company that such amount paid in settlement resulted from Indemnitee's conduct from which Indemnitee received monetary personal profit, pursuant to the provisions of Section 16(b) of the Exchange Act or other provisions of any federal, state or local statute or rules and regulations thereunder; (iii) a final judgment or other final adjudication that Indemnitee's conduct was in bad faith, knowingly fraudulent or deliberately dishonest or constituted willful misconduct (but only to the extent of such specific determination); or (iv) on account of conduct that is established by a final judgment as constituting a breach of Indemnitee's duty of loyalty to the Company or resulting in any personal profit or advantage to which Indemnitee is not legally entitled. For purposes of the foregoing sentence, a final judgment or other adjudication may be reached in either the underlying proceeding or action in connection with which indemnification is sought or a separate proceeding or action to establish rights and liabilities under this Agreement.

(b) Claims Initiated by Indemnitee. Any provision herein to the contrary notwithstanding, the Company shall not be obligated to indemnify or advance Expenses to Indemnitee with respect to proceedings or claims initiated or brought by Indemnitee against the Company or its Agents and not by way of defense, except (i) with respect to proceedings brought to establish or enforce a right to indemnification or advancement under this Agreement or under any other agreement, provision in the Bylaws or the Certificate of Incorporation or applicable law, or (ii) with respect to any other proceeding initiated by Indemnitee that is either approved by the Board of Directors or Indemnitee's participation is required by applicable law. However, indemnification or advancement of Expenses may be provided by the Company in specific cases if the Board of Directors determines it to be appropriate.

(c) Unauthorized Settlements. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee under this Agreement for any amounts paid in settlement of a proceeding effected without the Company's written consent. Neither the Company nor Indemnitee shall unreasonably withhold consent to any proposed settlement; provided, however, that the Company may in any event decline to consent to (or to otherwise admit or agree to any liability for indemnification hereunder in respect of) any proposed settlement if the Company is also a party in such proceeding and determines in good faith that such settlement is not in the best interests of the Company and its stockholders.

(d) Securities Act Liabilities. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee or otherwise act in violation of any undertaking appearing in and required by the rules and regulations promulgated under the Securities Act of 1933, as amended (the "***Securities Act***"), or in any registration statement filed with the SEC under the Securities Act. Indemnitee acknowledges that paragraph (h) of Item 512 of Regulation S-K currently generally requires the Company to undertake in connection with any registration statement filed under the Securities Act to submit the issue of the enforceability of Indemnitee's rights under this Agreement in connection with any liability under the Securities Act on public policy grounds to a court of appropriate jurisdiction and to be governed by any final adjudication of such issue. Indemnitee specifically agrees that any such undertaking shall supersede the provisions of this Agreement and to be bound by any such undertaking.

(e) Prior Payments Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify or advance Expenses to Indemnitee under this Agreement for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or indemnity policy.

11. Nonexclusivity and Survival of Rights. The provisions for indemnification and advancement of Expenses set forth in this Agreement shall not be deemed exclusive of any other rights which Indemnitee may at any time be entitled under any provision of applicable law, the Company's Certificate of Incorporation, the Bylaws or other agreements, both as to action in Indemnitee's official capacity and Indemnitee's action as an Agent, in any court in which a proceeding is brought, and Indemnitee's rights hereunder shall continue after Indemnitee has ceased acting as an Agent and shall inure to the benefit of the heirs, executors, administrators and assigns of Indemnitee. The obligations and duties of the Company to Indemnitee under this Agreement shall be binding on the Company and its successors and assigns until terminated in accordance with its terms. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her corporate status prior to such amendment, alteration or repeal. To the extent that a change in the Code, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Company's Certificate of Incorporation, the Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, by Indemnitee shall not prevent the concurrent assertion or employment of any other right or remedy by Indemnitee.

12. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee serves as a director or officer of the Company (or is or was serving at the request of the Company as a director, officer, employee, agent, or other fiduciary of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise) and shall continue thereafter so long as Indemnitee shall be subject to any possible proceeding (including any rights of appeal thereto) by reason of Indemnitee's corporate status, whether or not Indemnitee is acting in any such capacity at the time any liability or expense is incurred for which indemnification or advancement can be provided under this Agreement.

13. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who, at the request and expense of the Company, shall execute all papers required and shall do everything that may be reasonably necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

14. Interpretation of Agreement. It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification and advancement of Expenses to Indemnitee to the fullest extent now or hereafter permitted by law.

15. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever, (a) the validity, legality and enforceability of the remaining provisions of the Agreement (including without limitation, all portions of any paragraphs of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, all portions of any paragraph of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable and to give effect to Section 14 hereof.

16. Amendment and Waiver. No supplement, modification, amendment, or cancellation of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

18. Notice. Except as otherwise provided herein, any notice or demand which, by the provisions hereof, is required or which may be given to or served upon the parties hereto shall be in writing and, if by electronic transmission, shall be deemed to have been validly served, given or delivered when sent, if by overnight delivery, courier or personal delivery, shall be deemed to have been validly served, given or delivered upon actual delivery and, if mailed, shall be deemed to have been validly served, given or delivered three (3) business days after deposit in the United States mail, as registered or certified mail, with proper postage prepaid and addressed to the party or parties to be notified at the addresses set forth on the signature page of this Agreement (or such other address(es) as a party may designate for itself by like notice). If to the Company, notices and demands shall be delivered to the attention of the Secretary of the Company.

19. Governing Law. This Agreement shall be governed exclusively by and construed according to the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware.

20. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute but one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought need be produced to evidence the existence of this Agreement.

21. Headings. The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction hereof.

22. Entire Agreement. Subject to Section 11 hereof, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings and negotiations, written and oral, between the parties with respect to the subject matter of this Agreement; provided, however, that this Agreement is a supplement to and in furtherance of the Company's Certificate of Incorporation, the Bylaws, the Code and any other applicable law, and shall not be deemed a substitute therefor, and does not diminish or abrogate any rights of Indemnitee thereunder.

23. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such proceeding; and/or (ii) the relative fault of the Company and Indemnitee in connection with such event(s) and/or transaction(s).

24. Consent to Jurisdiction. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "***Delaware Court***"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) agree to appoint, to the extent such party is not otherwise subject to service of process in the State of Delaware, an agent in the State of Delaware as such party's agent for acceptance of legal process in connection with any such action or proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum or is subject (in whole or in part) to a jury trial.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the date first above written.

AIRSHIP AI HOLDINGS, INC.

By: _____
Name: _____
Title: _____

INDEMNITEE

_____

Signature of Indemnitee

_____

Print or Type Name of Indemnitee

[Signature Page to Indemnification Agreement]

EXHIBIT 14.1

AIRSHIP AI HOLDINGS, INC.

CODE OF ETHICS

1. Introduction

The Board of Directors (the "Board") of Airship AI Holdings, Inc. (the "Company") has adopted this code of ethics (this "Code") on December 21, 2023, which is applicable to all directors, officers, and employees (to the extent that employees are hired in the future) (each a "person," as used herein) of the Company, with the intent to:

- promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- promote the full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the "SEC"), as well as in other public communications made by or on behalf of the Company;
- promote compliance with applicable governmental laws, rules, and regulations;
- deter wrongdoing; and
- require prompt internal reporting of breaches of, and accountability for adherence to, this Code.

This Code may be amended only by resolution of the Board. In this Code, references to the "Company" mean Airship AI Holdings, Inc.., and include, in appropriate context, the Company's subsidiaries.

2. Honest, Ethical and Fair Conduct

Each person owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest, fair, and candid. Deceit, dishonesty, and subordination of the Company's interests to personal interests are inconsistent with integrity. Service to the Company should never be subordinated to personal gain or advantage.

Each person must:

- Act with integrity, including being honest and candid while still maintaining the confidentiality of the Company's information where required or in the Company's interests.
- Observe all applicable governmental laws, rules, and regulations.
- Comply with the requirements of applicable accounting and auditing standards, as well as Company policies, in order to maintain a high standard of accuracy and completeness in the Company's financial records and other business-related information and data.
- Adhere to a high standard of business ethics and not seek competitive advantage through unlawful or unethical business practices.
- Deal fairly with the Company's customers, suppliers, competitors, and employees.
- Refrain from taking advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.
- Protect the assets of the Company and ensure their proper use.
- Refrain from (i) taking for themselves corporate or business opportunities that are discovered through the use of corporate assets, (ii) using corporate assets, information, or position for personal gain, and (iii) competing with the Company.

- Avoid conflicts of interest, wherever possible, except as may be allowed under guidelines or resolutions approved by the Board (or the appropriate committee of the Board). Anything that would be a conflict for a person subject to this Code also will be a conflict if it is related to a member of his or her family or a close relative. Examples of conflict of interest situations include, but are not limited to, the following:
    - any significant ownership interest in any supplier or customer;
    - any consulting or employment relationship with any customer, supplier, or competitor;
    - any outside business activity that detracts from a person's ability to devote appropriate time and attention to his or her responsibilities with the Company;
    - the receipt of any money, non-nominal gifts, or excessive entertainment from any entity with which the Company has current or prospective business dealings;
    - being in the position of supervising, reviewing, or having any influence on the job evaluation, pay, or benefit of any close relative;
    - selling anything to the Company or buying anything from the Company, except on the same terms and conditions as comparable officers or directors are permitted to so purchase or sell;
    - any other financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) involving the Company; and
    - any other circumstance, event, relationship, or situation in which the personal interest of a person subject to this Code interferes – or even appears to interfere – with the interests of the Company as a whole.

3. Disclosure

The Company strives to ensure that the contents of and the disclosures in the reports and documents that the Company files with the SEC and other public communications shall be full, fair, accurate, timely, and understandable in accordance with applicable disclosure standards, including standards of materiality, where appropriate. Each person must:

- not knowingly misrepresent, or cause others to misrepresent, facts about the Company to others, whether within or outside the Company, including to the Company's independent auditors, governmental regulators, self-regulating organizations, and other governmental officials, as appropriate; and
- in relation to his or her area of responsibility, properly review and critically analyze proposed disclosure for accuracy and completeness.

In addition to the foregoing, the Chief Executive Officer and Chief Financial Officer of the Company and each subsidiary of the Company (or persons performing similar functions), and each other person that typically is involved in the financial reporting of the Company must familiarize himself or herself with the disclosure requirements applicable to the Company as well as the business and financial operations of the Company.

Each person should promptly bring to the attention of the Chairman of the audit committee of the Board (the "Audit Committee") (or the Chairman of the Board if no Audit Committee exists) any information he or she may have concerning (a) significant deficiencies in the design or operation of internal and/or disclosure controls which could adversely affect the Company's ability to record, process, summarize, and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures, or internal controls.

4. Compliance

It is the Company's obligation and policy to comply with all applicable governmental laws, rules, and regulations. It is the personal responsibility of each person to, and each person must, adhere to the standards and restrictions imposed by those laws, rules, and regulations, including those relating to accounting and auditing matters.

5. Reporting and Accountability

The Board or Audit Committee, if one exists, is responsible for applying this Code to specific situations in which questions are presented to it and has the authority to interpret this Code in any particular situation. Any person who becomes aware of any existing or potential breach of this Code should notify the Chairman of the Board or Audit Committee promptly. Failure to do so is itself a breach of this Code.

Specifically, each person should:

- Notify the Chairman promptly of any existing or potential violation of this Code.
- Not retaliate against any other person for reports of potential violations that are made in good faith. The Company will follow the following procedures in investigating and enforcing this Code and in reporting on this Code:
- The Board or Audit Committee, if one exists, will take all appropriate action to investigate any breaches reported to it.
- If the Audit Committee, if one exists, determines by majority decision that a breach has occurred, it will inform the Board.
- Upon being notified that a breach has occurred, the Board by majority decision will take or authorize such disciplinary or preventive action as it deems appropriate, after consultation with the Audit Committee, if one exists, and/or the Company's counsel, up to and including dismissal or, in the event of criminal or other serious violations of law, notification of the SEC or other appropriate law enforcement authorities.

No person following the above procedure shall, as a result of following such procedure, be subject by the Company or any officer or employee thereof to discharge, demotion, suspension, threat, harassment, or, in any manner, discrimination against such person in terms and conditions of employment.

6. Waivers and Amendments

Any waiver (defined below) or an implicit waiver (defined below) from a provision of this Code for the principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions or any amendment (as defined below) to this Code is required to be disclosed in accordance with applicable laws, SEC regulations, and Nasdaq requirements.

A "waiver" means the approval by the Board of a material departure from a provision of this Code. An 'implicit waiver" means the Company's failure to take action within a reasonable period of time regarding a material departure from a provision of this Code that has been made known to an executive officer of the Company. An "amendment" means any amendment to this Code other than minor technical, administrative, or other non-substantive amendments hereto.

All persons should note that it is not the Company's intention to grant or to permit waivers from the requirements of this Code. The Company expects full compliance with this Code.

7. Protection and Use of Company's Assets

All persons should protect the Company's assets and ensure their efficient use for legitimate business purposes only. Theft, carelessness and waste have a direct impact on the Company's profitability. Any use of the funds or assets of the Company, whether for personal gain or not, for any unlawful or improper purpose is strictly prohibited

8. Insider Trading And Dissemination Of Inside Information

Each person shall comply with the Company's Policy Regarding Insider Trading and Dissemination of Inside Information.

9. Financial Statements and Other Records

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must both conform to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, please consult the Board or the Company's internal or external legal counsel.

10. Improper Influence on Conduct of Audits

No director, officer or employee, or any other person acting under the direction thereof, shall directly or indirectly take any action to coerce, manipulate, mislead or fraudulently influence any public or certified public accountant engaged in the performance of an audit or review of the financial statements of the Company or take any action that such person knows or should know that if successful could result in rendering the Company's financial statements materially misleading. Any person who believes such improper influence is being exerted should report such action to such person's supervisor, or if that is impractical under the circumstances, to any of our directors.

Types of conduct that could constitute improper influence include, but are not limited to, directly or indirectly:

- Offering or paying bribes or other financial incentives, including future employment or contracts for non-audit services;
- Providing an auditor with an inaccurate or misleading legal analysis;
- Threatening to cancel or canceling existing non-audit or audit engagements if the auditor objects to the Company's accounting;
- Seeking to have a partner removed from the audit engagement because the partner objects to the Company's accounting;
- Blackmailing; and
- Making physical threats.

11. Anti-Corruption Laws

The Company complies with the anti-corruption laws of the countries in which it does business, including the U.S. Foreign Corrupt Practices Act. To the extent prohibited by applicable law, directors, officers and employees will not directly or indirectly give anything of value to government officials, including employees of state-owned enterprises or foreign political candidates. These requirements apply both to Company employees and agents, such as third party sales representatives, no matter where they are doing business. If you are authorized to engage agents, you are responsible for ensuring they are reputable and for obtaining a written agreement to uphold the Company's standards in this area.

12. Violations

Violation of this Code is grounds for disciplinary action up to and including termination of employment. Such action is in addition to any civil or criminal liability which might be imposed by any court or regulatory agency.

13. Other Policies and Procedures

Any other policy or procedure set out by the Company in writing or made generally known to employees, officers, or directors of the Company prior to the date hereof or hereafter are separate requirements and remain in full force and effect.

14. Inquiries

All inquiries and questions in relation to this Code or its applicability to particular people or situations should be addressed to the Company's Secretary.

EXHIBIT 16.1

December 28, 2023

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:

We have read the statements made by Airship AI Holdings, Inc. (formerly BYTE Acquisition Corp.) under Item 4.01(a) of its Form 8-K dated December 28, 2023. We agree with the statements concerning our Firm in such Form 8-K; we are not in a position to agree or disagree with other statements of Airship AI Holdings, Inc. (formerly BYTE Acquisition Corp.) contained therein.

Very truly yours,

/s/ Marcum llp

Marcum llp

EXHIBIT 99.1

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Defined terms included below shall have the same meaning as terms defined and included elsewhere in this Current Report on Form 8-K (the "Form 8-K") filed with the Securities and Exchange Commission (the "SEC".)

The following unaudited pro forma condensed combined financial information presents the combination of financial information of BYTS and Airship AI, adjusted to give effect to the Business Combination and related transactions. The following unaudited pro forma condensed combined financial information presents the combination of the financial information of BYTS and Airship AI adjusted to give effect to the Business Combination and other transactions. The following unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X as amended by the final rule, Release No. 33-10786 "Amendments to Financial Disclosures about Acquired and Disposed Businesses."

On June 27, 2023, BYTS entered into the Merger Agreement, by and among BYTS, Merger Sub, and Airship AI. The Merger Agreement was amended on September 22, 2023.

The unaudited pro forma condensed combined balance sheet as of September 30, 2023, combines the unaudited historical condensed balance sheet of BYTS as of September 30, 2023, with the unaudited historical condensed consolidated balance sheet of Airship AI as of September 30, 2023, giving effect to the Business Combination, as if it had been consummated as of that date.

The unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2023 combines the unaudited historical condensed statement of operations of BYTS for the nine months ended September 30, 2023 with the unaudited historical condensed consolidated statement of operations of Airship AI for the nine months ended September 30, 2023, giving effect to the Business Combination, as if it had been consummated as of January 1, 2022, the earliest period presented.

The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2022 combines the audited historical statement of operations of BYTS for the year ended December 31, 2022 with the audited historical statement of operations of Airship AI for the year ended December 31, 2022, giving effect to the Business Combination, as if it had been consummated as of January 1, 2022, the earliest period presented.

The historical financial information has been adjusted to give pro forma effect to events that relate to material financing transactions consummated after September 30, 2023, and pro forma adjustments that are directly attributable to the Business Combination. The adjustments presented on the unaudited pro forma condensed combined financial statements have been identified and presented to provide relevant information necessary for an accurate understanding of the combined company upon consummation of the Business Combination.

The unaudited pro forma condensed combined financial information is for illustrative purposes only. The financial results may have been different had the companies always been combined. You should not rely on the unaudited pro forma condensed combined financial information as being indicative of the historical results that would have been achieved had the companies always been combined or the future results that the combined company will experience. BYTS and Airship AI have not had any historical relationship prior to the Business Combination. Accordingly, no pro forma adjustments were required to eliminate activities between the companies. This information should be read together with the following:

- the historical unaudited condensed financial statements of BYTS as of and for the three and nine months ended September 30, 2023 and 2022;
- the historical unaudited condensed consolidated financial statements of Airship AI as of and for the nine months ended September 30, 2023 and 2022;
- the historical audited financial statements of BYTS as of December 31, 2022 and 2021, for the year ended December 31, 2022 and the period from January 8, 2021 (inception) through December 31, 2021;
- the historical audited consolidated financial statements of Airship AI as of and for the years ended December 31, 2022 and 2021;
- the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations of BYTS*," and "*Management's Discussion and Analysis of Financial Condition and Results of Operations of Airship AI*" and other financial information included in the prospectus filed on December 5, 2023 and supplemented on December 15, 2023; and
- other information relating to BYTS and Airship AI included in this proxy statement/prospectus filed on December 5, 2023 and supplemented on December 15, 2023, including the Merger Agreement and the description of certain terms thereof set forth under the section entitled "*The Business Combination.*"

Description of the Business Combination

The Merger

Effective as of December 21, 2023, subject to the conditions of the Merger Agreement, following the Domestication, Merger Sub merged with and into Airship AI, after which Airship AI became the Surviving Corporation and a wholly-owned subsidiary of BYTS. In connection with the Business Combination, BYTS was renamed "Airship AI Holdings, Inc."

The Domestication

On December 20, 2023, subject to the conditions of the Merger Agreement, BYTS de-registered from the Register of Companies in the Cayman Islands by way of continuation out of the Cayman Islands and into the State of Delaware so as to migrate to and domesticate as a Delaware corporation in accordance with Section 388 of the Delaware General Corporation Law, as amended, and Part XII of the Companies Act (Revised) of the Cayman Islands.

In connection with the Domestication, (x) prior to the Domestication, Sponsor surrendered to BYTS for no consideration the sole issued and outstanding BYTS Class B Ordinary Share and (y) at the effective time of the Domestication, (i) each then issued and outstanding BYTS Class A Ordinary Share, converted automatically, on a one-for-one basis, into one share of Airship Pubco Common Stock, (ii) each then issued and outstanding BYTS Warrant became one Airship Pubco Warrant exercisable for one share of Airship Pubco Common Stock pursuant to the Warrant Agreement, dated as of March 18, 2021, by and between BYTS and Continental Stock Transfer & Trust Company, as warrant agent, and (iii) each then issued and outstanding BYTS Unit separated and converted automatically into one share of Airship Pubco Common Stock and one-half of one Airship Pubco Warrant.

On December 13, 2023, BYTS formed a wholly-owned subsidiary in Nevada, BYTS NV Merger Sub, Inc. ("NV Merger Sub"), for the purpose of acquiring SILLC (E) Acquisition Corp., a Nevada corporation ("SILLC"), an entity subject to a bankruptcy proceeding that has no assets, no equity owners and no liabilities, except for claims of approximately 400 holders of allowed unsecured claims and a holder of allowed administrative expenses (collectively, the "Claim Holders"). On December 15, 2023, BYTS entered into an Agreement and Plan of Merger (the "SILLC Merger Agreement") by and among BYTS, NV Merger Sub, SILLC, and the other parties thereto, pursuant to which, immediately following the consummation of the Domestication and prior to the consummation of the Business Combination, NV Merger Sub merged with and into SILLC (the "SILLC Merger"), with SILLC surviving the SILLC Merger as a wholly-owned subsidiary of BYTS. SILLC became the successor and "Post Confirmation Debtor" pursuant to the bankruptcy plan. As a result of the SILLC Merger, and in accordance with the bankruptcy plan, Airship Pubco issued an aggregate of 150,000 shares of Airship Pubco Common Stock (the "Plan Shares") to the Claim Holders as full settlement and satisfaction of their respective claims, pursuant to Section 1145 of the U.S. Bankruptcy Code. The Sponsor forfeited an equal number of Sponsor Shares.

Consideration and Structure

Under the Merger Agreement, the Airship AI equityholders that held shares of Airship Common Stock, Airship Options, Airship Earnout Warrants or Airship SARs received an aggregate of 22.5 million shares of Airship Pubco Common Stock in exchange for all of Airship AI's outstanding equity interests.

The Merger Agreement also provides, among other things, that the Airship Earnout Holders have the contingent right to receive up to 5.0 million Earnout Shares, subject to the following contingencies:

(A) 25% of the Earnout Shares if, for the period starting on the Closing Date and ending on the last day of the full calendar quarter immediately following the first anniversary of the Closing Date, (1) Company Revenue is at least $39 million, or (2) the aggregate value of new contract awards (including awards obtained through purchase orders) with federal law enforcement agencies (whether such awards are obtained directly or through intermediaries) has grown by at least 100% as compared to the year-over-year amount for the twelve-month period ending on the date of the Merger Agreement;

(B) 75% of the Earnout Shares if, for the period starting on the Closing Date and ending on the last day of the full calendar quarter immediately following the third anniversary of the Closing Date, Company Revenue is at least $100 million;

(C) 50% of the Earnout Shares if, at any time during the period starting on the Closing Date and ending on the fifth anniversary of the Closing Date, over any twenty (20) trading days within any thirty (30) trading day period the VWAP of the Airship Pubco Common Stock is greater than or equal to $12.50 per share; and

(D) 50% of the Earnout Shares if, at any time during the period starting on the Closing Date and ending on the fifth anniversary of the Closing Date, over any twenty (20) trading days within any thirty (30) trading day period the VWAP of the Airship Pubco Common Stock is greater than or equal to $15.00 per share.

Pursuant to the Merger Agreement, at the Effective Time, each Airship Option that was outstanding as of immediately prior to the Effective Time (whether vested or unvested) converted into (i) a Converted Stock Option, and (ii) the right to receive a number of Earnout Shares in accordance with, and subject to, the contingencies set forth in the Merger Agreement. At the Effective Time, Airship Pubco assumed all obligations of Airship with respect to each Converted Stock Option.

Pursuant to the Merger Agreement, at the Effective Time, each Airship SAR that was outstanding immediately before the Effective Time (whether vested or unvested) was assumed by Airship Pubco and converted into a Converted SAR. Each Converted SAR continued to have and be subject to substantially the same terms and conditions as were applicable to such Airship SAR immediately before the Effective Time (including expiration date, vesting conditions, and exercise provisions), except that (i) each Converted SAR covered that number of shares of Airship Pubco Common Stock equal to (A) the product (rounded down to the nearest whole number) of (1) the number of shares of Airship Common Stock subject to the Airship SAR immediately before the Effective Time and (2) the Conversion Ratio and (B) a number of Earnout Shares in accordance with, and subject to, the contingencies set forth in the Merger Agreement, and (ii) the per share base value for each share of Airship Pubco Common Stock covered by the Converted SAR equaled to the quotient (rounded up to the nearest whole cent) obtained by dividing (A) the base value per share of Airship Common Stock of such Airship SAR immediately prior to the Effective Time by (B) the Conversion Ratio. At the Effective Time, Airship Pubco assumed all obligations of Airship AI with respect to each Converted SARs.

Pursuant to the Merger Agreement, at the Effective Time, all of the Airship Warrants converted into (i) a Converted Warrant and (ii) with respect to each Airship Earnout Warrant, the right to receive a number of Earnout Shares in accordance with, and subject to, the contingencies set forth in the Merger Agreement. At the Effective Time, Airship Pubco assumed all obligations of Airship AI with respect to any Converted Warrants.

The Proposed Bylaws provide that the shares of Airship Pubco Common Stock issued to all holders of Airship Common Stock, Airship Options, Airship Earnout Warrants and Airship SARs as the Aggregate Merger Consideration will be subject to a lock-up for a period of 180 days following the Closing, and that the shares of Airship Pubco Common Stock issued to such holders upon satisfaction of the First Operating Performance Milestone (if any) will be subject to a 12-month lock-up period beginning on the date such shares are issued, unless waived, amended or repealed by the unanimous approval of the Airship Pubco Board; provided, further, that the lockup obligations set forth in Airship Pubco's bylaws will not apply to the lock-up shares of any lock-up holder that have been released from the lock-up obligations set forth therein in writing by the Company prior to the Closing Date.

Parent Support Agreement

In connection with the execution of the Merger Agreement, BYTS entered into the Parent Support Agreement with the Sponsor and Airship AI, pursuant to which the Sponsor agreed to, among other things, (a) to forfeit 1,000,000 BYTS Class A Ordinary Shares owned by the Sponsor on the Closing Date and (b) to make the Share Contribution of 2,600,000 BYTS Class A Ordinary Shares to secure non-redemption agreements and/or PIPE Financing. The Parent Support Agreement also provides that the Sponsor Shares will be subject to a lock-up for a period of 180 days following the Closing.

Non-Redemption Agreements

On August 1, 2023, BYTS entered into a Non-Redemption Agreement with the Sponsor pursuant to which the Sponsor agreed to acquire from shareholders of BYTS $6 million in aggregate value of Public Shares, either in the open market or through privately negotiated transactions, at a price no higher than the redemption price per share payable to Public Shareholders who exercise Redemption Rights with respect to their Public Shares, prior to the closing date of the Business Combination, to waive its Redemption Rights and hold the Public Shares through the closing date of the Business Combination, and to abstain from voting and not vote the Public Shares in favor of or against the Business Combination. As consideration for the Non-Redemption Agreement, BYTS agreed to pay the Sponsor $0.033 per Public Share per month, which will begin accruing on the date that is three days after the date of the Non-Redemption Agreement and terminate on the earlier of the closing date of the Business Combination, the termination of the Merger Agreement, or the Outside Closing Date (as defined in the Merger Agreement). Additionally, on August 1, 2023, BYTS entered into a Non-Redemption Agreement with the Non-Redeeming Shareholder holding Public Shares, pursuant to which the Non-Redeeming Shareholder agreed not to redeem $1 million in aggregate value of Public Shares held by it on the date of the Non-Redemption Agreement in connection with the Business Combination. The Non-Redeeming Shareholder is an investor in our Sponsor and, other than indirectly through its interest in our Sponsor, the Non-Redeeming Shareholder did not receive any separate consideration for such waiver.

Earnout Escrow Agreement

On December 21, 2023, the Company and Continental Stock Transfer & Trust Company entered in to an earnout escrow agreement (the "Earnout Escrow Agreement"), effective as of the Closing. The Earnout Escrow Agreement provides, among other things, that the Earnout Shares will be placed in escrow and will not be released from escrow until they are earned as a result of the occurrence of, as applicable, the First Operating Performance Milestone, the Second Operating Performance Milestone, the First Share Price Performance Milestone, and/or the Second Share Price Performance Milestone.

Anticipated Accounting Treatment

The Business Combination was accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, BYTS, who was the legal acquirer, was treated as the "acquired" company for accounting purposes and Airship AI was treated as the accounting acquirer. Accordingly, the Business Combination was treated as the equivalent of Airship AI issuing shares at the closing of the Business Combination for the net assets of BYTS as of the closing date, accompanied by a recapitalization. The net assets of BYTS was stated at historical cost, with no goodwill or other intangible assets recorded.

Airship AI was determined to be the accounting acquirer based on evaluation of the following facts and circumstances:

- Airship AI's stockholders have the majority voting interest in the combined company;
- The Airship Pubco Board is composed of one (1) director designated by BYTS and four (4) directors designated by Airship AI;
- Airship AI's senior management is the senior management of Airship Pubco;
- The business of Airship AI comprises the ongoing operations of Airship Pubco; and
- Airship AI is the larger entity, in terms of substantive assets.

Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial information has been prepared reflecting the actual redemptions as follows:

- *Actual Redemptions:* This scenario reflects that 1,068,187 Public Shares were redeemed for their pro rata share of the cash in the Trust Account. This resulted in a payment of approximately $11.55 million upon consummation of the Business Combination at a redemption price of approximately $10.81 per share.

The following summarizes the purchase consideration reflecting the actual redemptions:

Total shares transferred[(1)]	13,387,384
Value per share[(2)]	$ 10.00
Total share consideration	**$ 133,873,839**
Options exchanged[(3)]	46,646,100
SARs exchanged[(4)]	17,581,052
Warrants exchanged[(5)]	26,899,009
Total equity value[(6)]	**$ 225,000,000**

(1) Total shares transferred do not include Airship AI options, SARs or Warrants. See notes (3), (4) and (5) directly below for further information on these instruments.

(2) Value per share is calculated using a $10.00 per-share reference price. As the Business Combination will be accounted for as a reverse recapitalization, the value per share is disclosed for informational purposes only in order to indicate the fair value of shares transferred.

(3) Options exchanged represents the conversion of Airship AI options and SARs into Airship Pubco options and SARs in accordance with the Merger Agreement. These options are not assumed to be exercised for the purposes of the unaudited pro forma condensed combined financial information and, therefore, have not been included in Total share consideration. The value of the options represents the number of shares that would be issued under the option agreements assuming full cash exercise. Those shares are valued at the $10.00 per-share reference price.

(4) SARs exchanged represents the conversion of Airship AI SARs into Airship Pubco SARs in accordance with the Merger Agreement. These SARs are not assumed to be exercised for the purposes of the unaudited pro forma condensed combined financial information and, therefore, have not been included in Total share consideration. The value of the SARs represents the number of shares that would be issued under the SARs agreements assuming full cash exercise. Those shares are valued at the $10.00 per-share reference price.

(5) Warrants exchanged represents the conversion of Airship AI warrants into Airship Pubco Warrants in accordance with the Merger Agreement. These warrants are not assumed to be exercised for the purposes of the unaudited pro forma condensed combined financial information and, therefore, have not been included in Total share consideration. The value of the warrants represents the number of shares that would be issued under the warrant agreements assuming full cash exercise. Those shares are valued at the $10.00 per-share reference price.

(6) Total equity value includes the value of the exchanged options and warrants assuming full cash exercise of all such instruments. The total equity value is equal to the Equity Value of $225.0 million outlined in the Merger Agreement.

The following summarizes the pro forma shares of Airship Pubco Common Stock outstanding reflecting the actual redemptions:

	Actual Redemptions (Shares)	%
BYTS Public Shareholders[(1)]	106,330	0.5%
Non-Redemption Agreement Holders[(2)]	3,263,076	14.6%
BYTE NV Shareholders[(4)]	150,000	0.7%
Sponsor[(3)]	5,372,312	24.1%
Total BYTS Shares	8,891,718	39.9%
Existing Airship AI Shareholders	13,387,384	60.1%
Pro Forma Airship Pubco Common Stock at September 30, 2023[(5)]	22,279,102	100.0%

(1) Excludes (i) 570,555 Public Shares acquired by the Sponsor from the Public Shareholders in order to comply with the Non-Redemption Agreement to purchase $6 million worth of shares from either the open market or a private arrangement and (ii) approximately 92,521 Public Shares held by the Non-Redeeming Shareholder at an assumed price of $10.81 pursuant to the Non-Redeeming Shareholder's agreement not to redeem $1 million in aggregate value of Public Shares held by it.

(2) Reflects 570,555 Public Shares purchased by the Sponsor pursuant to the Non-Redemption Agreement and approximately 92,521 Public Shares held by the Non-Redeeming Shareholder at an assumed price of $10.81 pursuant to the Non-Redeeming Shareholder's agreement not to redeem $1 million in aggregate value of Public Shares held by it and 2,600,000 shares transferred from Sponsor to Non-Redeeming Shareholders as compensation to enter into Non-Redemption Agreements.

(3) Excludes 1,000,000 shares held by the Sponsor. The Sponsor agreed (a) to forfeit 1,000,000 BYTS Class A Ordinary Shares owned by the Sponsor on the Closing Date and (b) to make the Share Contribution of 2,600,000 BYTS Class A Ordinary Shares to secure non-redemption agreements and/or PIPE Financing. Also excludes 570,555 Public Shares acquired by the Sponsor from the Public Shareholders in order to comply with the Non-Redemption Agreement to purchase $6 million worth of shares from either the open market or a private arrangement.

(4) Includes 150,000 shares transferred from Sponsor to the claim holders of BYTE NV in full settlement of any claims.

(5) Excludes all Airship AI options (including vested Airship AI options), Airship AI SARs, Airship AI shares issuable under convertible notes, and Airship AI warrants as they were not outstanding common stock at the time of Closing. Also excludes the 16,699,626 warrants outstanding to acquire BYTS Class A Ordinary Shares. These warrants converted into warrants to acquire Airship Pubco Common Stock at Closing.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF SEPTEMBER 30, 2023

	Airship AI (Historical)[A]	Byte (Historical)[B]	Transaction Accounting Adjustments (Actual Redemptions)		Pro Forma Combined (Actual Redemptions)
Assets					
Current assets:					
Cash and cash equivalents	$ 482,373	$ 18,752	$ 8,121,895	**(1)**	$ 3,456,397
			(4,685,225)	**(4)**	
			(340,838)	**(6)**	
			(140,560)	**(8)**	
Accounts receivable, net of provision for credit losses of $0	600,938	—	—		600,938
Prepaid expenses and other	16,334	20,190	894,662	**(4)**	931,186
Payroll and income tax receivable	7,230	—	—		7,230
Total Current Assets	1,106,875	38,942	3,849,934		4,995,751
Property and equipment, net	5,580	—	—		5,580
Operating lease right of use asset	25,974	—	—		25,974
Other assets	255,431	—	—		255,431
Investments held in Trust Account	—	25,254,705	(13,709,278)	**(1)**	—
			(11,545,427)	**(2)**	
Total Assets	**$ 1,393,860**	**$ 25,293,647**	**$ (21,404,771)**		**$ 5,282,736**
Liabilities and Stockholders' Equity					
Current Liabilities					
Accounts payable – trade	$ 592,199	$ 184,322	$ (275,000)	**(4)**	$ 501,521
Advances from founders	1,750,000	—	—		1,750,000
Accrued expenses	112,700	—	3,375,000	**(4)**	3,487,700
Current portion of Senior Secured Convertible Promissory Note	2,385,503	—	—		2,385,503
Current Portion of operating lease liability	26,844	—	—		26,844
Deferred revenue – current portion	4,059,406	—	—		4,059,406
Advances from related party	—	140,560	(140,560)	**(8)**	—
Non-redemption agreement liability	—	250,243	(250,243)	**(6)**	—
Non-redemption agreement liability – related party	—	37,657	(37,657)	**(6)**	—
Accrued expenses	—	2,454,277	(2,019,438)	**(4)**	434,839
Total current liabilities	8,926,652	3,067,059	652,102		12,645,813
Deferred revenue – non-current	4,693,897	—	—		4,693,897
Redemption payable	—	5,587,383	(5,587,383)	**(1)**	—
Derivative warrant liability	—	3,840,914	—		3,840,914
Deferred underwriting fee payable	—	11,329,238	(11,329,238)	**(7)**	—
Total Liabilities	**13,620,549**	**23,824,594**	**(16,264,519)**		**21,180,624**
Common stock subject to possible redemption	—	19,567,322	(8,021,895)	**(3)**	—
			(11,545,427)	**(2)**	
	—	**19,567,322**	**(19,567,322)**		**—**

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET — (Continued)
AS OF SEPTEMBER 30, 2023

	Airship AI (Historical)[A]	Byte (Historical)[B]	Transaction Accounting Adjustments (Actual Redemptions)		Pro Forma Combined (Actual Redemptions)
Stockholders' Deficit					
Class A Common stock	—	912	(912)	**(5)**	—
Common stock	44,666	—	77	**(3)**	2,228
			(44,666)	**(5)**	
			1,876	**(5)**	
			15	**(9)**	
			260	**(10)**	
Additional paid-in capital	4,537,370	—	8,021,818	**(3)**	1,685,960
			(10,872,953)	**(5)**	
			(15)	**(9)**	
			(260)	**(10)**	
Accumulated deficit	(16,796,375)	(18,099,181)	(4,871,125)	**(4)**	(17,573,726)
			10,916,655	**(5)**	
			(52,938)	**(6)**	
			11,329,238	**(7)**	
Accumulated other comprehensive loss	(12,350)	—	—		(12,350)
Total Stockholders' Deficit	**(12,226,689)**	**(18,098,269)**	**14,427,070**		**(15,897,888)**
Total Liabilities and Stockholders' Deficit	**$ 1,393,860**	**$ 25,293,647**	**$ (21,404,771)**		**$ 5,282,736**

(A) Derived from the unaudited consolidated balance sheet of Airship AI.
(B) Derived from the unaudited balance sheet of Byte.

See accompanying notes to the unaudited pro forma condensed combined financial information.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2023

	(A) Airship AI (Historical)	(B) Byte (Historical)	Transaction Accounting Adjustments (Actual Redemptions)		Pro Forma Combined (Actual Redemptions)
Net revenue	**$ 8,092,971**	**$ —**	**$ —**		**$ 8,092,971**
Cost of net revenue	4,013,433	—	—		4,013,433
Gross profit	4,079,538	—	—		4,079,538
Operating expenses:					
Research and development expenses	2,028,081	—	—		2,028,081
Selling, general and administrative expenses	8,067,343	—	—		8,067,343
General and administrative – related party	—	90,000	—		90,000
General and administrative	—	3,289,510	7,315,358	**(3)**	10,604,868
Total operating loss	(10,095,424)	(3,379,510)	(7,315,358)		(20,790,292)
Loss from operations	(6,015,886)	(3,379,510)	(7,315,358)		(16,710,754)
Other income (loss)	(408,346)				(408,346)
Change in fair value of warrant liabilities	—	(2,504,864)	—		(2,504,864)
Interest earned in Trust Account	—	3,720,218	(3,720,218)	**(1)**	—
Interest and dividend expense	(57,830)	17,445			(40,385)
(Loss) income before taxes	**(6,482,062)**	**(2,146,711)**	**(11,035,576)**		**(19,664,349)**
Income tax expense	—	—	—		—
Net (loss) income	**$ (6,482,062)**	**$ (2,146,711)**	**$ (11,035,576)**		**$ (19,664,349)**
Other comprehensive loss					
Foreign currency translation loss	(2,244)	—	—		(2,244)
Total comprehensive loss	**$ (6,484,306)**	**$ (2,146,711)**	**$ (11,035,576)**		**$ (19,665,593)**
Weighted average shares outstanding, basic and diluted	7,614,666	19,713,543	2,565,559		22,279,102
Basic and diluted net income (loss) per share	**$ (0.85)**	**$ (0.11)**			**$ (0.88)**
Weighted average shares outstanding, diluted	7,614,666	19,713,543	2,565,559		22,279,102
Diluted net (loss) income per share	**$ (0.85)**	**$ (0.11)**			**$ (0.88)**

(A) Derived from the unaudited statement of operation and comprehensive loss of Airship AI for the nine months period ended September 30, 2023.
(B) Derived from the income statement of BYTS for the nine month period ended September 30, 2023.

See accompanying notes to the unaudited pro forma condensed combined financial information.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2022

	(C) Airship AI (Historical)	(D) Byte (Historical)	Transaction Accounting Adjustments (Actual Redemptions)		Pro Forma Combined (Actual Redemptions)
Net revenue	**$ 14,549,141**	**$ —**	**$ —**		**$ 14,549,141**
Cost of net revenue	6,128,128	—	—		6,128,128
Gross profit	8,421,013	—	—		8,421,013
Operating expenses:					
Research and development expenses	3,614,814	—	—		3,614,814
Selling, general and administrative expenses	7,630,012				7,630,012
General and administrative – related party		120,000			120,000
General and administrative		1,277,009	4,374,413	**(2)**	15,405,232
			9,753,810	**(3)**	
Total Operating expenses	(11,244,826)	(1,397,009)	(14,128,223)		(26,770,058)
Loss from operations	(2,823,813)	(1,397,009)	(14,128,223)		(18,349,045)
Interest income	42,565	—	—		42,565
Interest expense	(75,256)	—	—		(75,256)
Other income – PPP loan forgiveness	1,146,235	—	—		1,146,235
Other income – employee retention tax credit	1,232,776	—	—		1,232,776
Change in fair value of warrant liabilities	—	7,518,520	—		7,518,520
Interest income – bank	—	—	—		—
Interest earned in Trust Account	—	4,509,453	(4,509,453)	**(1)**	—
(Loss) income before taxes	**(477,493)**	**10,630,964**	**(18,637,676)**		**(8,484,205)**
Income tax expense	(10,000)	—	—		(10,000)
Net (loss) income	**$ (487,493)**	**$ 10,630,964**	**$ (18,637,676)**		**$ (8,494,205)**
Other comprehensive loss					
Foreign currency translation loss	**(10,106)**	—	—		(10,106)
Total comprehensive loss	**$ (497,599)**	**$ 10,630,964**	**$ (18,637,676)**		**$ (8,504,311)**
Weighted average shares outstanding, basic and diluted	7,614,666	41,491,564	(19,212,462)		22,279,102
Basic and diluted net income (loss) per share	**$ (0.06)**	**$ 0.26**			**$ (0.38)**
Weighted average shares outstanding, diluted	7,614,666	41,491,564	(19,212,462)		22,279,102
Diluted net (loss) income per share	**$ (0.06)**	**$ 0.26**			**$ (0.38)**

_____
(C) Derived from the audited statements of operation and comprehensive loss of Airship for the year ended December 31, 2022.
(D) Derived from the audited income statement of BYTS for the year ended December 31, 2022.

See accompanying notes to the unaudited pro forma condensed combined financial information.

NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION
NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

1. Basis of Presentation

The unaudited pro forma condensed combined financial information has been adjusted to give effect to transaction accounting adjustments related to the Business Combination linking the effects of the Business Combination to the historical financial information.

The Business Combination was accounted for as a reverse recapitalization in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 805, Business Combinations. Airship AI was determined to be the accounting acquirer. Under the reverse recapitalization model, the Business Combination was treated as Airship AI issuing equity for the net assets of BYTS, with no goodwill or intangible assets recorded.

The pro forma adjustments have been prepared as if the Business Combination had been consummated on September 30, 2023, in the case of the unaudited pro forma condensed combined balance sheet, and on January 1, 2022, the beginning of the earliest period presented, in the case of the unaudited pro forma condensed combined statements of operations.

The pro forma condensed combined balance sheet as of September 30, 2023, has been prepared using the following:

- Airship AI's historical unaudited condensed consolidated balance sheet as of September 30, 2023, as included elsewhere in this proxy statement/prospectus.
- BYTS's historical unaudited condensed balance sheet as of September 30, 2023, as included elsewhere in this proxy statement/prospectus.

The pro forma condensed combined statement of operations for the nine months ended September 30, 2023, has been prepared using the following:

- Airship AI's historical unaudited condensed consolidated statement of operations for the nine months ended September 30, 2023, as included in proxy statement/prospectus as filed on December 5, 2023 and supplemented on December 15, 2023.
- BYTS's historical unaudited condensed statement of operations for the nine months ended September 30, 2023, as included in proxy statement/prospectus as filed on December 5, 2023 and supplemented on December 15, 2023.

The pro forma combined statement of operations for the year ended December 31, 2022, has been prepared using the following:

- Airship AI's historical consolidated statement of operations for the period year ended December 31, 2022, as included in proxy statement/prospectus as filed on December 5, 2023 and supplemented on December 15, 2023.
- BYTS's historical condensed statement of operations for the year ended December 31, 2022, as included in proxy statement/prospectus as filed on December 5, 2023 and supplemented on December 15, 2023.

The adjustments presented in the unaudited pro forma condensed combined financial information have been identified and presented to provide relevant information necessary for an accurate understanding of Airship Pubco after giving effect to the Business Combination. Management has made significant estimates and assumptions in its determination of the pro forma adjustments. As the unaudited pro forma condensed combined financial information has been prepared based on these preliminary estimates, the final amounts recorded may differ materially from the information presented.

The Public Warrants issued in connection with BYTS Initial Public Offering (including sale of the Over-Allotment Units) and the Private Placement Warrants have been historically recognized as derivative liabilities in accordance with ASC 815. The terms of the warrants were reviewed in connection with the preparation of the pro forma and concluded that there were no elements that would cause a different accounting treatment. Accordingly, the warrant instruments will remain as liabilities at fair value and adjusts the instruments to fair value at each reporting period subsequent to the Business Combination.

The pro forma adjustments reflecting the consummation of the Business Combination are based on certain currently available information and certain assumptions and methodologies that management believes are reasonable under the circumstances. The unaudited condensed pro forma adjustments, which are described in the accompanying notes, may be revised as additional information becomes available and is evaluated. Therefore, it is likely that the actual adjustments will differ from the pro forma adjustments and it is possible the difference may be material. Management believes that its assumptions and methodologies provide a reasonable basis for presenting all of the significant effects of the Business Combination based on information available to management at this time and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information is not necessarily indicative of what the actual results of operations and financial position would have been had the Business Combination taken place on the dates indicated, nor are they indicative of the future consolidated results of operations or financial position of the post-combination company. They should be read in conjunction with the historical financial statements and notes thereto of Airship AI and BYTS.

2. Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet as of September 30, 2023

The following unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X as amended by the final rule, Release No. 33-10786, "Amendments to Financial Disclosures about Acquired and Disposed Businesses." Release No. 33-10786 replaces the existing pro forma adjustment criteria with simplified requirements to depict the accounting for the transaction ("Transaction Accounting Adjustments") and present the reasonably estimable synergies and other transaction effects that have occurred or are reasonably expected to occur ("Management's Adjustments"). BYTS has elected not to present Management's Adjustments and will only be presenting Transaction Accounting Adjustments in the unaudited pro forma condensed combined financial information.

The Transaction Accounting Adjustments included in the unaudited pro forma condensed combined balance sheet as of September 30, 2023 are as follows:

(1) To reflect the release of cash from investments held in the Trust Account and the payoff of the redemptions of $5.59 million in connection with the Second Extension Meeting held on September 22, 2023 for 525,624 BYTS Class A Ordinary Shares exercised their right to redeem their shares for approximately $10.63 per shares.

(2) To reflect the redemptions in connection with vote to approve the Business Combination, shareholders holding an aggregate of 1,068,187 BYTS Class A Ordinary Shares exercised their right to redeem their shares for approximately $10.81 per share of the funds held in the Trust Account for approximately $11.55 million.

(3) To reflect the transfer of share that did not redeem into permanent equity for the 769,406 Class A ordinary shares that remain.

(4) To record an aggregate of $4.87 million of estimated transaction cost consisting of legal, financial advisory and other professional fees related to the Business Combination and a prepaid D&O policy of $0.89 million. Out of the $4.87 million estimated transaction costs, $3.38 million remain payable to bankers currently represents 1.5% of the consideration paid of $225 million which is being negotiated, as such this resulted in $4.69 million paid with cash. The total amount expensed is $4.87 million ($8.06 million of estimated transaction costs, less $2.02 million already accrued by BYTS and $0.28 million already accrued by Airship, less $0.89 million capitalized as prepaid expense).

(5) To reflect the recapitalization of Airship AI through (a) the contribution of all the share capital in Airship AI to Airship Pubco Common Stock (b) the issuance of 13,387,384 Airship Pubco shares (c) the forfeiture of 1,000,000 shares in connection with the Sponsor Support Agreement at Closing (d) the surrender of the Class B Ordinary Share of BYTS and (e) the elimination of the historical accumulated deficit of BYTS of $10.92 million, the legal acquiree consisting of $18.10 million historical accumulated deficit as of September 30, 2023 plus the waived underwriting fee of $11.33 million discussed in adjustment 7 below and the transaction cost totaling $0.77 million.

Class A ordinary shares reconciliation:		
Class B converted to Class A at par	$	912
Issuance of 13,387,384 shares at par		1,339
Forfeiture of Sponsor Class A share at par		(375)
Total Class A ordinary shares adjustment at par	$	1,876
BYTS historical accumulated deficit elimination reconciliation in millions:		
Historical accumulated deficit	$	18.10
BYTS waived underwriting fee		(11.33)
BYTS transaction cost settled in cash		2.79
BYTS transaction cost settled included in accrued expenses		3.38
Accrued transaction cost included in balance sheet		(2.02)
Total eliminated historical accumulated deficit	$	10.92
Less historical Airship capital to be recapitalized	$	(0.04)
Net impact to additional paid in capital	$	10.88

(6) To record the payment pursuant to the two non-redemption agreements, pursuant to which each of the non-redeeming shareholders agreed to (a) not redeem 1,000,000 Public Shares held by each party on the date of the non-redemption agreements in connection with the vote to amend BYTS' Amended and Restated Memorandum and Articles of Association to extend the date by which BYTS has to consummate an initial Business Combination from March 23, 2023 to September 25, 2023 (the "First Extension" and such extended date, the "Extended Date") and (b) vote their Public Shares in favor of the Extension presented by BYTS for approval by its shareholders. In connection with the foregoing, BYTS agreed to pay to each non-redeeming shareholder $0.033 per Share in cash, total amount paid at closing in connection with the Non-Redemption Agreements was $340,838.

Additional Non-Redemption Agreements

On August 1, 2023, BYTS entered into a Non-Redemption Agreement with the Sponsor pursuant to which the Sponsor agreed to acquire from shareholders of BYTS $6 million in aggregate value of Public Shares, either in the open market or through privately negotiated transactions, at a price no higher than the redemption price per share payable to Public Shareholders who exercise Redemption Rights with respect to their Public Shares, prior to the Closing Date of the Business Combination, to waive its Redemption Rights and hold the Public Shares through the closing date of the Business Combination, and to abstain from voting and not vote the Public Shares in favor of or against the Business Combination. As consideration for the Non-Redemption Agreement, BYTS agreed to pay the Sponsor $0.033 per Public Share per month, which will begin accruing on the date that is three days after the date of the Non-Redemption Agreement and terminate on the earlier of the closing date of the Business Combination, the termination of the Merger Agreement, or the Outside Closing Date (as defined in the Merger Agreement). Additionally, on August 1, 2023, BYTS entered into a Non-Redemption Agreement with the Non-Redeeming Shareholder holding Public Shares, pursuant to which the Non-Redeeming Shareholder agreed not to redeem $1 million in aggregate value of Public Shares held by it on the date of the Non-Redemption Agreement in connection with the Business Combination. The Non-Redeeming Shareholder is an investor in our Sponsor and, other than indirectly through its interest in our Sponsor, the Non-Redeeming Shareholder did not receive any separate consideration for such waiver.

Amendment to Non-Redemption Agreement

In connection with the Second Extension, on September 14, 2023, BYTS entered into an amendment to the March 8, 2023 non-redemption agreement with one shareholder holding 1,000,000 Public Shares. In exchange for the shareholder's agreement not to redeem its Public Shares in connection with the Second Extension and to vote in favor of the Second Extension, BYTS agreed to extend its obligation to pay such shareholder $0.033 per share in cash per month through March 25, 2024.

(7) To record the effect of the underwriters agreement to waive the deferred underwriting commissions of $11.3 million, that was to be paid under the terms of the underwriting agreement, in the event of closing of a business combination with Airship AI Holdings, Inc.

(8) To record the repayment of advances from related party at closing for the amount due as of September 30, 2023 and an additional $0.34 million of proceeds received subsequent to September 30, 2023 for total payment at closing for $0.48 million, net impact of cash for the pro forma of $0.14 million.

(9) To record the transfer of 150,000 Sponsor share to the claim holders of BYTE NV. On December 13, 2023, BYTS formed a wholly-owned subsidiary in Nevada, BYTS NV Merger Sub, Inc. ("NV Merger Sub"), for the purpose of acquiring SILLC (E) Acquisition Corp., a Nevada corporation ("SILLC"), an entity subject to a bankruptcy proceeding that has no assets, no equity owners and no liabilities, except for claims of approximately 400 holders of allowed unsecured claims and a holder of allowed administrative expenses (collectively, the "Claim Holders"). On December 15, 2023, BYTS entered into an Agreement and Plan of Merger (the "SILLC Merger Agreement") by and among BYTS, NV Merger Sub, SILLC, and the other parties thereto, pursuant to which, immediately following the consummation of the Domestication and prior to the consummation of the Business Combination, NV Merger Sub merged with and into SILLC (the "SILLC Merger"), with SILLC surviving the SILLC Merger as a wholly-owned subsidiary of BYTS. SILLC became the successor and "Post Confirmation Debtor" pursuant to the bankruptcy plan. As a result of the SILLC Merger, and in accordance with the bankruptcy plan, Airship Pubco issued an aggregate of 150,000 shares of Airship Pubco Common Stock (the "Plan Shares") to the Claim Holders as full settlement and satisfaction of their respective claims, pursuant to Section 1145 of the U.S. Bankruptcy Code. The Sponsor forfeited an equal number of Sponsor Shares.

(10) To record the transfer of 2,600,000 Sponsor shares to make the Share Contribution to secure non-redemption agreements and/or PIPE Financing.

3. Adjustments to Unaudited Pro Forma Condensed Combined Statements of Operations for the Nine Months Ended September 30, 2023 and the Twelve Months Ended December 31, 2022

The transaction accounting adjustments included in the unaudited pro forma condensed combined statements of operations are as follows:

(A) Derived from the unaudited condensed statement of operations of Airship AI for the nine months ended September 30, 2023.

(B) Derived from the unaudited condensed statement of operations of BYTS for the nine months ended September 30, 2023.

(C) Derived from the audited consolidated statement of operations of Airship AI for the year ended December 31, 2022.

(D) Derived from the audited statement of operations of BYTS for the year ended December 31, 2022.

(1) Represents an adjustment to eliminate interest income on investments held in the trust account as of the beginning of the period.

(2) Represents an adjustment to recognize the effect of the pro forma balance sheet adjustment presented in Accounting Entry Adjustment #(4) above in the aggregate amount of $4.37 million for the direct, incremental costs of the Business Combination attributed to $0.99 million of legal and profession fees associated to Airship AI and $3.38 million in advisory fees included in accrued expenses, assuming those adjustments were made as of the beginning of the fiscal year presented. As these costs are directly related to the Business Combination, they are not expected to recur in the income of the combined company beyond 12 months after the Business Combination.

(3) Represents the stock-based compensation associated to the Earnout Shares. The Earnout Shares are being issued to employees or service providers of Airship AI, as such consideration was given to whether it should be viewed as a compensation arrangement under ASC 718, Stock compensation. The Earnout Shares have a service requirement and as such the shares were determined to fall under ASC 718. The milestones are anticipated to be achieved as such the value of the earn-out assumed to be recognized evenly over the requisite service period of five years. The value of the earnout was determined using a Monte Carlo Model. The following assumptions were used in the simulation: Five year term, quoted prices as of September 30, 2023 of $10.67, volatility of 40.3%, discount rate of 4.60%, probability of meeting the federal law enforcement agency growth at 100%. Adjustment represents the annual compensation expense for the year ended December 31, 2022 and the nine month expense for the nine month period ended September 30, 2023.

Earnout shares	5,000,000
Per share fair value	9.754
Total estimated grant date fair value	$ 48,769,051
Earnout period	5 years
Annual expense	9,753,810
Nine month expense	7,315,358

4. Net Loss per Share

Represents the net loss per share calculated using the historical weighted average shares outstanding, and the issuance of additional shares in connection with the Business Combination and related transactions, assuming the shares were outstanding since January 1, 2022. As the Business Combination and related transactions are being reflected as if they had occurred at the beginning of the period presented, the calculation of weighted average shares outstanding for basic and diluted net loss per share assumes that the shares issued in connection with the Business Combination have been outstanding for the entire period presented.

The unaudited pro forma condensed combined financial information has been prepared reflecting the actual redemptions:

	Pro Forma Combined Reflecting Actual Redemptions into Cash
Nine Months Ended September 30, 2023	
Net loss	$ (19,664,349)
Weighted average shares outstanding – basic and diluted	22,279,102
Basic and diluted net loss per share	$ (0.88)
Year Ended December 31, 2022	
Net loss	$ (8,494,205)
Weighted average shares outstanding – basic and diluted[(1)]	22,279,102
Basic and diluted net loss per share	$ (0.38)

Weighted average shares calculations, basic and diluted	Pro Forma Combined Reflecting Actual Redemptions into Cash
BYTS Public Shareholders	106,330
Non-Redemption Agreement Holders	3,263,076
BYTS NV Shareholders	150,000
Sponsor	5,372,312
Existing Airship AI Shareholders	13,387,384
Weighted average shares outstanding – basic and diluted	22,279,102

(1) As Airship Pubco had a net loss on a pro forma combined basis, the outstanding Airship Pubco options of 4,664,610, Airship SARs of 1,758,105, Airship Warrants of 2,689,901, Airship convertible notes of 367,000 and the 5,000,000 in Earnout Shares as well as the BYTS outstanding Public Warrants of 16,184,626 to Public Shareholders and 515,000 BYTS Warrants held by the Sponsor have no impact to diluted net loss per share as they are considered anti-dilutive.

EXHIBIT 21.1

List of Subsidiaries

Subsidiary	Place of Incorporation
Airship AI, Inc.	Washington
JDL Digital Systems, Inc.	Washington
Zeppelin Worldwide LLC	Delaware