

Risk Factors Comparison 2024-03-26 to 2023-02-21 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

As a smaller reporting company, we are not required to include risk factors in this report. For the complete list of risks relating to our Company and our operations, see the section titled “ Risk Factors ” contained in our prospectus filed with the SEC on December 3, 2021. However, below is a partial list of material risks, uncertainties and other factors that could have a material effect on our Company and our operations: · we are an early stage Company with no revenue or basis to evaluate our ability to select a suitable business target; · we may not be able to select an appropriate target business or businesses and complete our initial business combination in the prescribed time frame; · our expectations around the performance of a prospective target business or businesses may not be realized; · we may not be successful in retaining or recruiting required officers, key employees or directors following our initial business combination; · our officers and directors may have difficulties allocating their time between the Company and other businesses and may potentially have conflicts of interest with our business or in approving our initial business combination; · we may not obtain additional financing to complete our initial business combination or reduce the number of shareholders requesting redemption; · you may not be given the opportunity to choose the initial business combination target or to vote on the initial business combination; · trust account funds may not be protected against third party claims or bankruptcy; · an active market for our public securities may not develop and you will have limited liquidity and trading; · the availability to us of funds from interest income on the trust account balance may be insufficient to operate our business prior to our initial business combination; and · our financial performance following a business combination with an entity may be negatively affected by their lack of an established record of revenue, cash flows, earnings and experienced management.

22-The SEC has recently issued proposed rules relating to certain activities of SPACs. Certain of the procedures that we, a potential business combination target or others may determine to undertake in connection with such proposals may increase our costs and the time needed to complete our initial business combination and may constrain the circumstances under which we could complete an initial business combination. The need for compliance with the SPAC Proposed Rules (defined below) may cause us to liquidate the funds in the Trust Account or liquidate SDAC at an earlier time than we might otherwise choose. With respect to the regulation of special purpose acquisition companies like the Company (“ SPACs ”), on March 30, 2022, the SEC issued proposed rules (the “ SPAC Proposed Rules ”) relating to, among other items, disclosures in business combination transactions involving SPACs and private operating companies ; the condensed financial statement requirements applicable to transactions involving shell companies ; the use of projections by SPACs in SEC filings in connection with proposed business combination transactions ; the potential liability of certain participants in proposed business combination transactions ; and to the extent to which SPACs could become subject to regulation under the Investment Company Act of 1940, as amended (the “ Investment Company Act ”), including a proposed rule that would provide SPACs a safe harbor from treatment as an investment company if they satisfy certain conditions that limit a SPAC’ s duration, asset composition, business purpose and activities. The SPAC Proposed Rules have not yet been adopted, and may be adopted in the proposed form or in a different form that could impose additional regulatory requirements on SPACs. Certain of the procedures that we, a potential business combination target, or others may determine to undertake in connection with the SPAC Proposed Rules, or pursuant to the SEC’ s views expressed in the SPAC Proposed Rules, may increase the costs and time of negotiating and completing an initial business combination, and may constrain the circumstances under which we could complete an initial business combination. The need for compliance with the SPAC Proposed Rules may cause us to liquidate the funds in the Trust Account or liquidate the Company at an earlier time than we might otherwise choose. Were we to liquidate, our warrants would expire worthless, and our securityholders would lose the investment opportunity associated with an investment in the combined company, including any potential price appreciation of our securities. If we are deemed to be an investment company for purposes of the Investment Company Act, we would be required to institute burdensome compliance requirements and our activities would be severely restricted. As a result, in such circumstances, unless we are able to modify our activities so that we would not be deemed an investment company, we would expect to abandon our efforts to complete an initial business combination and instead to liquidate the Company. As described further above, the SPAC Rule Proposals relate, among other matters, to the circumstances in which SPACs such as the Company could potentially be subject to the Investment Company Act and the regulations thereunder. The SPAC Rule Proposals would provide a safe harbor for such companies from the definition of “ investment company ” under Section 3 (a) (1) (A) of the Investment Company Act, provided that a SPAC satisfies certain criteria, including a limited time period to announce and complete a de- SPAC transaction. Specifically, to comply with the safe harbor, the SPAC Rule Proposals would require a company to file a report on Form 8- K announcing that it has entered into an agreement with a target company for a business combination no later than 18 months after the effective date of its registration statement for its initial public offering (the “ IPO Registration Statement ”). The company would then be required to complete its initial business combination no later than 24 months after the effective date of the IPO Registration Statement. Because the SPAC Rule Proposals have not yet been adopted, there is currently uncertainty concerning the applicability of the Investment Company Act to a SPAC, including a company like ours, that may not complete its business combination within 24 months after the effective date of the IPO Registration Statement. As a result, it is possible that a claim could be made that we have been operating as an unregistered investment company. If we are deemed to be an investment company under the Investment Company Act,

our activities would be severely restricted. In addition, we would be subject to burdensome compliance requirements. We do not believe that our principal activities will subject us to regulation as an investment company under the Investment Company Act. However, if we are deemed to be an investment company and subject to compliance with and regulation under the Investment Company Act, we would be subject to additional regulatory burdens and expenses for which we have not allotted funds. As a result, unless we are able to modify our activities so that we would not be deemed an investment company, we would expect to abandon our efforts to complete an initial business combination and instead to liquidate the Company. 21