

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

FORM 10-K/A
Amendment No. 1

(Mark One)

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

For the fiscal year ended December 31, 2021

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

For the transition period from _____ to _____

Commission file number: 001-40076

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

Delaware (State or other jurisdiction of incorporation or organization)	85-4030806 (I.R.S. Employer Identification No.)
c/o Ellenoff Grossman & Schole LLP 1345 Avenue of the Americas New York, New York (Address of principal executive offices)	10105 (Zip Code)

Registrant's telephone number, including area code: (929) 529-7125

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

Title of Each Class:	Trading Symbol(s)	Name of Each Exchange on Which Registered:
Units, each consisting of one share of Class A Common Stock and one-quarter of one Redeemable Warrant	FSRXU	The Nasdaq Stock Market LLC
Class A Common Stock, par value \$0.0001 per share	FSRX	The Nasdaq Stock Market LLC
Warrants, each exercisable for one share of Class A Common Stock for \$11.50 per share	FSRXW	The Nasdaq Stock Market LLC

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

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

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

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input checked="" type="checkbox"/>		

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the Class A common stock outstanding, other than shares held by persons who may be deemed affiliates of the registrant, computed by reference to the closing price for the Class A common stock on June 30, 2021, as reported on the Nasdaq Capital Market was \$291,900,000.

As of March 29, 2022 there were 30,800,000 shares of Class A common stock, par value \$0.0001 per share and 7,500,000 shares of the Company's Class B common stock, par value \$0.0001 per share, of the registrant issued and outstanding.



EXPLANATORY NOTE

This Amendment No.1 (the “Amendment No.1”) to the Annual Report on Form 10-K of FinServ Acquisition Corp. II (the “Company”) for the period ended December 31, 2021, originally filed with the Securities and Exchange Commission on March 29, 2022, is being filed solely to correct a typographical error with the issue date of the report provided by the Company’s independent auditor WithumSmith+Brown, PC. Pursuant to Rule 12b-15 promulgated under the Securities Exchange Act of 1934, as amended, we have repeated the entire text of Item 8 of the Form 10-K in this Amendment No. 1. However, there have been no changes to the text of such item other than the change in the date of the auditor’s report.

In addition, the Company is including in this Amendment No. 1 currently dated certifications from its Chief Executive Officer and Chief Financial Officer as required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 as Exhibits 31.1 and 31.2 and Exhibits 32.1 and 32.2, respectively.

Except as expressly set forth above, this Amendment No. 1 speaks as of the original filing date of the Form 10-K, and does not reflect events that may have occurred subsequent to that date, nor does it modify or update in any way disclosure made in the original Form 10-K.

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PART II

Item 8. Financial Statements and Supplementary Data.

This information appears following Item 16 of this Amendment No.1 to the Annual Report on Form 10-K and is included herein by reference.

PART IV

Item 15. Exhibit and Financial Statement Schedules.

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

- (1) Financial Statements

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- (2) Financial Statement Schedules

All financial statement schedules are omitted because they are not applicable or the amounts are immaterial and not required, or the required information is presented in the financial statements and notes beginning on F-1 on this Report.

- (3) Exhibits

We hereby file as part of this Report the exhibits listed in the attached Exhibit Index. Exhibits which are incorporated herein by reference can be inspected on the SEC website at www.sec.gov.

Item 16. Form 10-K Summary.

Not applicable.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of
FinServ Acquisition Corp. II

Opinion on the Financial Statements

We have audited the accompanying balance sheets of FinServ Acquisition Corp. II (the “Company”) as of December 31, 2021 and 2020, the related statements of operations, changes in stockholders’ equity and cash flows for the year ended December 31, 2021 and the period from November 23, 2020 (inception) through December 31, 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the year ended December 31, 2021 and the period from November 23, 2020 (inception) through December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, if the Company is unable to raise additional funds to alleviate liquidity needs and complete a business combination by February 22, 2023 then the Company will cease all operations except for the purpose of liquidating. The liquidity condition and date for mandatory liquidation and subsequent dissolution raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

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

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

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

/s/ WithumSmith+Brown, PC

We have served as the Company’s auditor since 2020.

New York, New York
March 29, 2022

PCAOB ID 100

FINSERV ACQUISITION CORP. II
BALANCE SHEETS

	December 31, 2021	December 31, 2020
Assets:		
Current Assets:		
Cash	\$ 152,443	\$ 3,523
Investment in Mutual Funds	998,796	—
Prepaid Expenses	224,880	—
Total current assets	1,376,119	3,523
Other noncurrent assets	26,682	—
Deferred offering costs	—	30,000
Cash and Investments held in Trust Account	300,025,197	—
Total assets	\$ 301,427,998	\$ 33,523
Liabilities, Redeemable Common Stock and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable and accrued expenses	\$ 321,157	\$ —
Promissory note - related party	—	9,284
Total current liabilities	321,157	9,284
Warrant liability	4,774,000	—
Deferred underwriting fee	10,500,000	—
Total liabilities	15,595,157	9,284
Commitments and Contingencies (Note 6)		
Common Stock subject to possible redemption, 30,000,000 and no shares at redemption value \$10.00 at December 31, 2021 and December 31, 2020, respectively	300,000,000	—
Stockholders' Equity (Deficit):		
Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Class A common stock, \$0.0001 par value; 100,000,000 shares authorized; 800,000 and 0 shares issued and outstanding (excluding 30,000,000 and no shares subject to possible redemption) at December 31, 2021 and December 31, 2020, respectively	80	—
Class B common stock, \$0.0001 par value; 10,000,000 shares authorized; 7,500,000 and 7,618,750 shares issued and outstanding at December 31, 2021 and December 31, 2020, respectively ⁽¹⁾	750	762
Additional paid-in capital	—	24,238
Accumulated deficit	(14,167,989)	(761)
Total stockholders' equity (deficit)	(14,167,159)	24,239
Total Liabilities, Redeemable Common Stock and Stockholders' Equity (Deficit)	\$ 301,427,998	\$ 33,523

⁽¹⁾ Shares at December 31, 2020 included up to 993,750 founder Class B shares subject to forfeiture by the Sponsor if over-allotment option was not exercised in full or in part by the underwriters (see Note 6).

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

FINSERV ACQUISITION CORP. II
STATEMENTS OF OPERATIONS

	For the year ended December 31, 2021	For the period from November 23, 2020 (Inception) to December 31, 2020
Formation and operating costs	\$ 649,181	\$ 761
Loss from Operations	<u>(649,181)</u>	<u>(761)</u>
Other income (expense):		
Interest earned on cash and marketable securities held in Trust Account	25,647	—
Offering costs allocated to warrants	(457,600)	—
Change in fair value of warrant liability	3,623,000	—
Loss on investment in mutual funds	(1,204)	—
Total other income (expense)	<u>3,189,843</u>	<u>—</u>
Net income (loss)	<u>\$ 2,540,662</u>	<u>\$ (761)</u>
Basic and diluted weighted average shares outstanding, Class A common stock	26,412,055	—
Basic and diluted net income (loss) per share, Class A common stock	<u>\$ 0.08</u>	<u>\$ —</u>
Basic and diluted weighted average shares outstanding, Class B common stock ⁽¹⁾	7,375,342	6,625,000
Basic and diluted net income (loss) per share, Class B common stock	<u>\$ 0.08</u>	<u>\$ (0.00)</u>

(1) Excludes up to 993,750 shares of Class B common stock subject to forfeiture if the over-allotment option was not exercised in full or in part by the underwriters (see Note 6). In February 2021, the Company effected a stock dividend of 0.06 shares for each Class B common share outstanding, resulting in the Sponsor holding an aggregate number of 7,618,750 Founder Shares (see Note 7). All share and per share amounts have been retroactively restated.

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

FINSERV ACQUISITION CORP. II
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2021 AND
PERIOD FROM NOVEMBER 23, 2020 (INCEPTION) THROUGH DECEMBER 31, 2020

	Class A Common stock		Class B Common stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares ⁽¹⁾	Amount			
Balance as of November 23, 2020 (Inception)	—	\$ —	—	\$ —	\$ —	\$ —	\$ —
Issuance of Class B common stock to initial stockholders	—	—	7,618,750	\$ 762	\$ 24,238	—	25,000
Net loss	—	—	—	—	—	\$ (761)	\$ (761)
Balance as of December 31, 2020	—	\$ —	7,618,750	\$ 762	\$ 24,238	\$ (761)	\$ 24,239
Sale of 800,000 Private Placement Units	800,000	80	—	—	7,777,920	—	7,778,000
Forfeiture of 118,750 shares due to over-allotment not exercised in full	—	—	(118,750)	(12)	12	—	—
Accretion of Class A common stock subject to possible redemption	—	—	—	—	(7,802,170)	(16,707,890)	(24,510,060)
Net income	—	—	—	—	—	2,540,662	2,540,662
Balance as of December 31, 2021	800,000	\$ 80	7,500,000	\$ 750	—	\$ (14,167,989)	\$ (14,167,159)

(1) Balance at December 31, 2020 includes up to 993,750 shares of Class B common stock subject to forfeiture if the over-allotment option was not exercised in full or in part by the underwriters (see Note 6). In February 2021, the Company effected a stock dividend of 0.06 shares for each Class B common share outstanding, resulting in the Sponsor holding an aggregate number of 7,618,750 Founder Shares (see Note 7). All share and per share amounts have been retroactively restated.

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

FINSERV ACQUISITION CORP. II
STATEMENTS OF CASH FLOWS

	For the year ended December 31, 2021	For the period from November 23, 2020 (Inception) to December 31, 2020
Cash flows from operating activities:		
Net income (loss)	\$ 2,540,662	\$ (761)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Incorporation cost paid by Sponsor	—	(716)
Interest earned on marketable securities held in trust account	(25,647)	—
Offering costs allocated to warrants	457,600	—
Change in fair value of warrant liability	(3,623,000)	—
Changes in operating assets and liabilities:		
Prepaid assets	(251,562)	—
Due to related party	—	—
Accrued expenses	321,157	—
Net cash used in operating activities	(580,790)	(1,477)
Cash Flows from Investing Activities:		
Investment of cash in trust account	(300,000,000)	—
Cash withdrawn from trust account to pay taxes	450	—
Net cash used in investing activities	(299,999,550)	—
Cash Flows from Financing Activities:		
Proceeds from issuance of founder shares	—	25,000
Proceeds from sale of units, net of underwriting discount	294,000,000	—
Proceeds from issuance of private placement warrants	8,000,000	—
Proceeds from (repayment of) promissory note – related party	(9,284)	10,000
Payment of offering costs	(262,660)	(30,000)
Net cash provided by financing activities	301,728,056	5,000
Net change in cash and cash equivalents	1,147,716	3,523
Cash and cash equivalents, beginning of the period	3,523	—
Cash and cash equivalents, end of the period	\$ 1,151,239	\$ 3,523
Cash, end of the period	\$ 152,443	\$ 3,523
Investment in Mutual Funds, end of the period	998,796	—
Cash and cash equivalents, end of the period	\$ 1,151,239	\$ 3,523
Supplemental disclosure of cash flow information from financing activity:		
Deferred underwriters' discount payable charged to additional paid-in capital	\$ 10,500,000	—

The accompanying notes are an integral part of these financial statements

FINSERV ACQUISITION CORP. II
NOTES TO FINANCIAL STATEMENTS

Note 1 — Organization and Business Operations

FinServ Acquisition Corp. II (the “Company”) is a newly organized blank check company incorporated as a Delaware corporation on November 23, 2020. The Company was formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses (“Business Combination”).

As of December 31, 2021, the Company had not commenced any operations. All activity through December 31, 2021 relates to the Company’s formation and the Initial Public Offering (“IPO”) which is described below, and, since the closing of the IPO, identifying a target company for a Business Combination. The Company will not generate any operating revenues until after the completion of a Business Combination, at the earliest. The Company generates non-operating income in the form of interest income from the proceeds derived from the IPO.

The registration statement for the Company’s IPO was declared effective by the U.S. Securities and Exchange Commission (the “SEC”) on February 17, 2021 (the “Effective Date”). On February 22, 2021, the Company consummated the IPO of 30,000,000 units (the “Units” and, with respect to the shares of Class A common stock included in the Units sold, the “Public Shares”), which included the partial exercise by the underwriters of the over-allotment option resulting in the purchase of an additional 3,500,000 Units, at \$10.00 per Unit, generating gross proceeds of \$300,000,000, which is discussed in Note 3. Each Unit consists of one share of Class A common stock, and one-fourth of one redeemable warrant to purchase one share of Class A common stock at a price of \$11.50 per whole share.

Simultaneously with the closing of the IPO, the Company consummated the sale of 800,000 placement units (the “Placement Units”), at a price of \$10.00 per Placement Unit, in a private placement to FinServ Holdings II LLC, a Delaware limited liability company (the “Sponsor”), generating gross proceeds of \$8,000,000, which is discussed in Note 4.

Transaction costs of the IPO amounted to \$16,792,661, consisting of \$6,000,000 of underwriting discount, \$10,500,000 of deferred underwriting discount, and \$292,661 of other offering costs. Total transaction costs included \$457,600 of expenses associated with the warrant liability.

Following the closing of the IPO on February 22, 2021, \$300,000,000 (\$10.00 per Unit) from the net offering proceeds of the sale of the Units in the IPO and the sale of the Placement Units was placed in a trust account (the “Trust Account”) and invested in U.S. government treasury bills with a maturity of 185 days or less or in money market funds investing solely in U.S. Treasuries, as determined by the Company, until the earlier of: (a) the completion of the Company’s initial Business Combination, (b) the redemption of any public shares properly submitted in connection with a stockholder vote to amend the Company’s amended and restated certificate of incorporation (i) to modify the substance or timing of the Company’s obligation to allow redemption in connection with the initial Business Combination or certain amendments to the charter prior thereto or to redeem 100% of the public shares if the Company does not complete the initial Business Combination within 24 months from the closing of the Public Offering or (ii) with respect to any other provision relating to stockholders’ rights or pre-Business Combination activity, and (c) the redemption of the public shares if the Company is unable to complete the initial Business Combination within 24 months from the closing of the Public Offering, subject to applicable law. The proceeds deposited in the Trust Account could become subject to the claims of the Company’s creditors, if any, which could have priority over the claims of the public stockholders.

The Company will provide its public stockholders with the opportunity to redeem all or a portion of their public shares upon the completion of the initial Business Combination either (i) in connection with a stockholder meeting called to approve the initial Business Combination or (ii) by means of a tender offer. The decision as to whether the Company will seek stockholder approval of a proposed initial Business Combination or conduct a tender offer will be made by the Company, solely in its discretion, and will be based on a variety of factors such as the timing of the transaction and whether the terms of the transaction would require the Company to seek stockholder approval under the law or stock exchange listing requirements. The stockholders will be entitled to redeem their shares for a pro rata share of the aggregate amount then on deposit in the Trust Account (initially approximately \$10.00 per share, plus any pro rata interest earned on the funds held in the Trust Account and not previously released to the Company to pay its tax obligations).

The Company will have only 24 months from February 22, 2021, the closing of the IPO, to complete an initial Business Combination (the “Combination Period”). However, if the Company doesn’t complete a Business Combination within the Combination Period, the Company will: (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest earned on the funds held in the Trust Account and not previously released to the Company to pay its taxes (less up to \$100,000 of interest to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders’ rights as stockholders (including the right to receive further liquidating distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the Company’s remaining stockholders and board of directors, liquidate and dissolve, subject in each case to the Company’s obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law.

The Sponsor, officers and directors have agreed to (i) waive their redemption rights with respect to their founder shares and public shares in connection with the completion of the initial Business Combination, (ii) waive their redemption rights with respect to their founder shares and public shares in connection with a stockholder vote to approve an amendment to the Company’s amended and restated certificate of incorporation (A) to modify the substance or timing of the Company’s obligation to allow redemption in connection with an initial Business Combination or to redeem 100% of the public shares if the Company does not complete the initial Business Combination within the Combination Period or (B) with respect to any other provision relating to stockholders’ rights or pre-initial Business Combination activity, (iii) waive their rights to liquidating distributions from the Trust Account with respect to their founder shares if the Company fails to complete the initial Business Combination within the Combination Period, although they will be entitled to liquidating distributions from the Trust Account with respect to any public shares they hold if the Company fails to complete the initial Business Combination within the prescribed time frame, and (iv) vote any founder shares and placement shares held by them and any public shares purchased during or after the Proposed Public Offering (including in open market and privately-negotiated transactions) in favor of the Company’s initial Business Combination.

The Company’s Sponsor has agreed that it will be liable to the Company if and to the extent any claims by a third party for services rendered or products sold to the Company, or a prospective target business with which the Company has entered into a written letter of intent, confidentiality or similar agreement or Business Combination agreement, reduce the amount of funds in the Trust Account to below the lesser of (i) \$10.00 per public share and (ii) the actual amount per public share held in the Trust Account as of the date of the liquidation of the Trust Account, if less than \$10.00 per share due to reductions in the value of the trust assets, less taxes payable, provided that such liability will not apply to any claims by a third party or prospective target business who executed a waiver of any and all rights to the monies held in the Trust Account (whether or not such waiver is enforceable), nor will it apply to any claims under the Company’s indemnity of the underwriters of the Proposed Public Offering against certain liabilities, including liabilities under the Securities Act of 1933, as amended (the “Securities Act”). However, the Company has not asked its Sponsor to reserve for such indemnification obligations, nor has the Company independently verified whether its Sponsor has sufficient funds to satisfy its indemnity obligations and believe that the Company’s Sponsor’s only assets are securities of the Company. Therefore, the Company cannot assure that its Sponsor would be able to satisfy those obligations.

Liquidity and Capital Resources

As of December 31, 2021, the Company had approximately \$1.2 million in its operating bank account and money market funds, and working capital of approximately \$1.1 million.

The Company’s liquidity needs up to February 22, 2021 had been satisfied through a capital contribution from the Sponsor of \$25,000 for the founder shares (see Note 5) and the loan under an unsecured promissory note from the Sponsor of up to \$300,000, which outstanding balance was paid on February 22, 2021 (see Note 5). In addition, in order to finance transaction costs in connection with a Business Combination, the Company’s Sponsor or an affiliate of the Sponsor or certain of the Company’s officers and directors may, but are not obligated to, provide the Company Working Capital Loans (see Note 5).

The Company has until February 22, 2023 to complete its initial Business Combination under the terms of its final prospectus filed with the SEC on February 19, 2021. If the Company does not complete its initial Business Combination by February 22, 2023, it will begin mandatory liquidation proceedings, including the cessation of all operations and redemption of the Public Shares. As of the date of this filing, the Company has not yet identified a target for its initial Business Combination.

Based on the foregoing, management believes that the Company will have sufficient working capital and borrowing capacity to meet its needs through the earlier of the consummation of a Business Combination or one year from this filing. Over this time period, the Company will be using these funds for paying existing accounts payable, identifying and evaluating prospective initial Business Combination candidates, performing due diligence on prospective target businesses, paying for travel expenditures, selecting the target business to merge with or acquire, and structuring, negotiating and consummating the Business Combination. However, in light of the mandatory liquidation that could potentially occur within one year from the date of this filing, management believes there is substantial doubt as to the Company’s ability to continue as a going concern if it does not consummate its initial Business Combination before February 22, 2023.

Risks and Uncertainties

Management is continuing to evaluate the impacts of the COVID-19 pandemic and the ongoing conflict in Ukraine and has concluded that while it is reasonably possible that it could have a negative effect on the Company's financial position, results of its operations and/or search for a target company, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Note 2 — Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented in U.S. dollars in conformity with accounting principles generally accepted in the United States of America ("GAAP") for financial information and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). In the opinion of management, all adjustments (consisting of normal recurring adjustments) have been made that are necessary to present fairly the financial position, results of operations and cash flows of the Company.

Emerging Growth Company Status

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

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

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. One of the more significant accounting estimates included in these financial statements is the determination of the fair value of the warrant liability. Accordingly, the actual results could differ significantly from those estimates.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. As of December 31, 2021 and 2020, the Company had cash and cash equivalents of \$1,151,239 and \$3,523, respectively.

Investments Held in Trust Account

At December 31, 2021, the assets held in the Trust Account were held in money market funds which invest in U.S. Treasury securities.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash accounts in a financial institution, which, at times, may exceed the federal depository insurance corporation coverage of \$250,000. The Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Warrant Liabilities

The Company does not use derivative instruments to hedge exposure to cash flow, market, or foreign currency risks. The Company evaluated the Public Warrants and Private Placement Warrants (collectively, "Warrants," which are discussed in Note 3, Note 4, and Note 8) in accordance with ASC 815-40, "Derivatives and Hedging — Contracts in Entity's Own Equity," and concluded that a provision in the Warrant Agreement related to certain tender or exchange offer precludes the Warrants from being accounted for as components of equity. As the Warrants meet the definition of a derivative as contemplated in ASC 815, the Warrants are recorded as derivative liabilities on the Balance Sheet and measured at fair value at inception (on the date of the IPO) and at each reporting date in accordance with ASC 820, "Fair Value Measurement," with changes in fair value recognized in the Statement of Operations in the period of change.

Offering Costs Associated with the Initial Public Offering

The Company complies with the requirements of the ASC 340-10-S99-1. Offering costs consisted of legal, accounting, underwriting fees and other costs incurred through the Initial Public Offering that were directly related to the Initial Public Offering. Offering costs are allocated to the separable financial instruments issued in the Initial Public Offering based on a relative fair value basis, compared to total proceeds received. Offering costs associated with warrant liabilities are expensed as incurred, presented as non-operating expenses in the statement of operations. Offering costs associated with the Class A common stock were charged to temporary equity upon the completion of the Initial Public Offering. Transaction costs of the IPO amounted to an aggregate of \$16,792,661, of which \$457,600 was allocated to expense associated with the warrant liability and \$16,335,061 was charged to temporary equity.

Class A Common Stock Subject to Possible Redemption

All of the shares of Class A common stock sold as part of the Units in the Public Offering contain a redemption feature which allows for the redemption of such public shares in connection with the Company's liquidation, if there is a stockholder vote or tender offer in connection with the Business Combination and in connection with certain amendments to the Company's second amended and restated certificate of incorporation. In accordance with SEC and its staff's guidance on redeemable equity instruments, which has been codified in ASC 480-10-S99, redemption provisions not solely within the control of the Company require common stock subject to redemption to be classified outside of permanent equity. Ordinary liquidation events, which involve the redemption and liquidation of all of the entity's equity instruments, are excluded from the provisions of ASC 480. Accordingly, at December 31, 2021, all shares of Class A common stock subject to possible redemption are presented as temporary equity, outside of the stockholders' equity section of the Company's balance sheets, respectively. The Company recognizes any subsequent changes in redemption value immediately as they occur and adjusts the carrying value of redeemable Class A common stock to the redemption value at the end of each reporting period. Immediately upon the closing of the Initial Public Offering, the Company recognized the accretion from initial book value to redemption amount value of redeemable Class A common stock. This method would view the end of the reporting period as if it were also the redemption date for the security. The change in the carrying value of redeemable Class A common stock also resulted in charges against Additional paid-in capital and Accumulated deficit.

The Class A common stock subject to possible redemption reflected on the balance sheet as of December 31, 2021 is reconciled in the following table:

Gross Proceeds	\$ 300,000,000
Less:	
Proceeds allocated to public warrants	(8,175,000)
Class A common stock issuance costs	(16,335,061)
Plus:	
Accretion of carrying value to redemption value	24,510,061
Class A common stock subject to possible redemption	<u>\$ 300,000,000</u>

Income Taxes

The Company accounts for income taxes under ASC 740, "Income Taxes" ("ASC 740"). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statement and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized. The deferred tax assets were deemed to be de minimis as of December 31, 2021 and December 31, 2020.

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

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of December 31, 2020. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position. The Company has identified the United States as its only "major" tax jurisdiction. The Company is subject to income tax examinations by major taxing authorities since inception. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with federal and state tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months. The provision for income taxes was deemed to be de minimis for the year ended December 31, 2021 and the period from November 23, 2020 (Inception) to December 31, 2020.

Net Income (Loss) Per Share of Common Stock

The Company complies with accounting and disclosure requirements of FASB ASC Topic 260, Earnings Per Share. The Company has two classes of shares, which are referred to as Class A common stock and Class B common stock. Income and losses are shared pro rata between the two classes of shares. Net income (loss) per share is computed by dividing net income by the weighted average number of shares outstanding during the period, excluding shares subject to forfeiture. The Company has not considered the effect of the warrants sold in the Initial Public Offering and the Private Placement to purchase an aggregate of 7,700,000 shares of the Company's Class A common stock in the calculation of diluted income (loss) per share, since the exercise of the warrants are contingent upon the occurrence of future events. As a result, diluted net income (loss) per share is the same as basic net income (loss) per share for the period presented.

Reconciliation of Net Income (Loss) per Share of Common Stock

Accordingly, basic and diluted income (loss) per share for Class A common stock and for Class B common stock is calculated as follows:

	For the year ended December 31, 2021		For the period from November 23, 2020 (Inception) to December 31, 2020	
	Class A Common Stock	Class B Common Stock	Class A Common Stock	Class B Common Stock
Basic and diluted net income (loss) per share:				
Numerator:				
Allocation of net income (loss)	\$ 1,986,069	\$ 554,593	\$ —	\$ (761)
Denominator:				
Weighted-average shares outstanding	26,412,055	7,375,342	—	7,500,000
Basic and diluted net income (loss) per share	<u>\$ 0.08</u>	<u>\$ 0.08</u>	<u>\$ —</u>	<u>\$ (0.00)</u>

Fair Value of Financial Instruments

The fair value of the Company's assets and liabilities, which qualify as financial instruments under FASB ASC 820, "Fair Value Measurements and Disclosures," approximates the carrying amounts represented in the accompanying balance sheets, primarily due to their short-term nature.

Recent Accounting Pronouncements

In August 2020, the FASB issued ASU 2020-06, *Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity* ("ASU 2020-06"), which simplifies accounting for convertible instruments by removing major separation models required under current GAAP. The ASU also removes certain settlement conditions that are required for equity-linked contracts to qualify for scope exception, and it simplifies the diluted earnings per share calculation in certain areas. The Company adopted ASU 2020-06 on January 1, 2021. Adoption of the ASU did not impact the Company's financial position, results of operations or cash flows.

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

Note 3 — Initial Public Offering

Public Units

On February 22, 2021, the Company sold 30,000,000 Units, at a purchase price of \$10.00 per Unit, which included the partial exercise by the underwriters of the over-allotment option resulting in the purchase of an additional 3,500,000 Units. Each Unit consists of one share of Class A common stock, and one-fourth of one redeemable warrant to purchase one share of Class A common stock (the “Public Warrants”).

Public Warrants

As of December 31, 2021, the Company has 7,500,000 Public Warrants. Each whole warrant entitles the holder to purchase one share of the Company’s Class A common stock at a price of \$11.50 per share, subject to adjustment as discussed herein. Each warrant will become exercisable on the later of 30 days after the completion of the initial Business Combination or February 22, 2022, the closing of the Public Offering, and will expire five years after the completion of the initial Business Combination, or earlier upon redemption or liquidation. In addition, if (x) the Company issues additional shares of Class A common stock or equity-linked securities for capital raising purposes in connection with the closing of the initial Business Combination at an issue price or effective issue price of less than \$9.20 per share of Class A common stock (with such issue price or effective issue price to be determined in good faith by the Company’s board of directors and, in the case of any such issuance to the Company’s Sponsor or its affiliates, without taking into account any founder shares held by the Sponsor or its affiliates, prior to such issuance) (the “Newly Issued Price”), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of the initial Business Combination on the date of the consummation of the initial Business Combination (net of redemptions), and (z) the volume weighted average trading price of the Company’s common stock during the 20 trading day period starting on the trading day prior to the day on which the Company consummates the initial Business Combination (such price, the “Market Value”) is below \$9.20 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the greater of the Market Value and the Newly Issued Price, the \$18.00 per share redemption trigger price described below under the caption “Redemption of warrants when the price per share of Class A common stock equals or exceeds \$18.00” will be adjusted (to the nearest cent) to be equal to 180% of the higher of the Market Value and the Newly Issued Price, and the \$10.00 per share redemption trigger price described below under the caption “Redemption of warrants when the price per share of Class A common Stock equals or exceeds \$10.00” will be adjusted (to the nearest cent) to be equal to the higher of the Market Value and the Newly Issued Price.

The Company will not be obligated to deliver any shares of Class A common stock pursuant to the exercise of a warrant and will have no obligation to settle such warrant exercise unless a registration statement under the Securities Act with respect to the shares of Class A common stock underlying the warrants is then effective and a current prospectus relating thereto is current. No warrant will be exercisable and the Company will not be obligated to issue shares of Class A common stock upon exercise of a warrant unless Class A common stock issuable upon such warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the warrants. In no event will the Company be required to net cash settle any warrant. In the event that a registration statement is not effective for the exercised warrants, the purchaser of a unit containing such warrant will have paid the full purchase price for the unit solely for the share of Class A common stock underlying such unit.

Redemption of Warrants When the Price per Share of Class A Common Stock Equals or Exceeds \$18.00

Once the warrants become exercisable, the Company may redeem the outstanding warrants:

- in whole and not in part;
- at a price of \$0.01 per warrant;
- upon not less than 30 days' prior written notice of redemption given after the warrants become exercisable (the "30-day redemption period") to each warrant holder; and
- if, and only if, the reported last sale price of the Class A common stock equals or exceeds \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending three business days before the Company sends the notice of redemption to the warrant holders.

Redemption of Warrants When the Price per Share of Class A Common Stock Equals or Exceeds \$10.00

Once the warrants become exercisable, the Company may redeem the outstanding warrants:

- in whole and not in part;
- at a price of \$0.10 per warrant, upon a minimum of 30 days' prior written notice of redemption, provided that holders will be able to exercise their warrants, but only on a cashless basis, prior to redemption based on the redemption date and the "fair market value" of Class A common stock except as otherwise described below;
- if, and only if, the reported last sale price of the Class A common stock equals or exceeds \$10.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days (the "Reference Days") within a 30-trading day period ending three business days before the Company sends the notice of redemption to the warrant holders; and
- if the reported last sale price of the Class A common stock is less than \$18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for the Reference Days, the placement warrants are also concurrently called for redemption on the same terms as the outstanding public warrants, as described above.

If the Company calls the warrants for redemption as described above, the management will have the option to require all holders that wish to exercise warrants to do so on a cashless basis. In determining whether to require all holders to exercise their warrants on a cashless basis, the management will consider, among other factors, the Company's cash position, the number of warrants that are outstanding and the dilutive effect on its stockholders of issuing the maximum number of shares of Class A common stock issuable upon the exercise of the warrants. In such event, each holder would pay the exercise price by surrendering the warrants for that number of shares of Class A common stock equal to the lesser of (A) the quotient obtained by dividing (x) the product of the number of shares of Class A common stock underlying the warrants multiplied by the excess of the "fair market value" (defined below) over the exercise price of the warrant by (y) the fair market value and (B) 0.361 per whole warrant. The "fair market value" shall mean the average reported closing price of the Class A common stock for the ten trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of warrants.

Note 4 — Private Placement

Simultaneously with the closing of the IPO, the Sponsor purchased an aggregate of 800,000 Placement Units at a price of \$10.00 per Placement Unit, for an aggregate purchase price of \$8,000,000, in a private placement. A portion of the proceeds from the private placement was added to the proceeds from the IPO held in the Trust Account.

Each Placement Unit is identical to the Units offered in the Public Offering except as described below. There will be no redemption rights or liquidating distributions from the Trust Account with respect to the founder shares, placement shares or placement warrants, which will expire worthless if the Company does not consummate a Business Combination within the Combination Period.

As of December 31, 2021, the Company has 200,000 Private Placement Warrants. The Private Placement Warrants will be identical to Public Warrants except that the Private Placement Warrants, so long as they are held by the Sponsor or its permitted transferees, (i) will not be redeemable by the Company, (ii) may not, subject to certain limited exceptions, be transferred, assigned or sold by the holders until 30 days after the completion of the Company's initial Business Combination, (iii) may be exercised by the holders on a cashless basis.

The Company's initial stockholders have agreed to waive their redemption rights with respect to their placement shares (i) in connection with the consummation of a Business Combination, (ii) in connection with a stockholder vote to amend the Company's amended and restated certificate of incorporation to modify the substance or timing of the Company's obligation to allow redemption in connection with the initial Business Combination or certain amendments to the Company's charter prior thereto, to redeem 100% of the public shares if the Company does not complete the initial Business Combination within the Combination Period or with respect to any other provision relating to stockholders' rights or pre-initial Business Combination activity and (iii) if the Company fails to consummate a Business Combination within the Combination Period or if the Company liquidates prior to the expiration of the Combination Period. However, the initial stockholders will be entitled to redemption rights with respect to any public shares held by them if the Company fails to consummate a Business Combination or liquidate within the Combination Period.

Note 5 — Related Party Transactions

Founder Shares

In December 2020, the Company's initial stockholders paid \$25,000, or approximately \$0.003 per share, in consideration for an aggregate of 7,187,500 shares of Class B common stock par value \$0.0001 (the "Founder Shares"). In February 2021, the Company effected a stock dividend of 0.06 shares for each share of Class B common stock outstanding, resulting in the Sponsor holding an aggregate number of 7,618,750 Founder Shares, including an aggregate of up to 993,750 shares subject to forfeiture if the over-allotment option was not exercised by the underwriters in full. On February 22, 2021, as a result of the underwriters' election to partially exercise their over-allotment option, a proportionate number of founder shares, aggregating 118,750, were forfeited, resulting in the Sponsor holding an aggregate of 7,500,000 Founder Shares.

With certain limited exceptions, the founder shares are not transferable, assignable or salable (except to the Company's officers and directors and other persons or entities affiliated with the Sponsor, each of whom will be subject to the same transfer restrictions) until the earlier of (A) six months after the completion of the Company's initial Business Combination or (B) subsequent to the Company's initial Business Combination, (x) if the last sale price of the Company's Class A common stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 90 days after the initial Business Combination, or (y) the date, following the completion of the Company's initial Business Combination, on which the Company completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of the Company's stockholders having the right to exchange their shares of common stock for cash, securities or other property.

Promissory Note — Related Party

On December 23, 2020, the Company issued an unsecured promissory note to the Sponsor for an aggregate of up to \$300,000 to cover expenses related to the IPO. This loan was non-interest bearing and payable on the earlier of December 31, 2021 or the completion of the Public Offering. On February 22, 2021, the Company paid the balance of the promissory note in full from the IPO proceeds, and it is no longer available to be drawn upon.

Related Party Loans

In order to finance transaction costs in connection with a Business Combination, the Sponsor or an affiliate of the Sponsor or certain of the Company's officers and directors may, but are not obligated to, loan the Company funds as may be required ("Working Capital Loans"). If the Company completes a Business Combination, the Company would repay the Working Capital Loans out of the proceeds of the Trust Account released to the Company. Otherwise, the Working Capital Loans would be repaid only out of funds held outside the Trust Account. In the event that a Business Combination does not close, the Company may use a portion of the working capital held outside the Trust Account to repay the Working Capital Loans but no proceeds from the Trust Account would be used to repay the Working Capital Loans. Up to \$1,500,000 of such Working Capital Loans may be convertible into units at a price of \$10.00 per unit at the option of the lender. The units would be identical to the Placement units. As of December 31, 2021 and December 31, 2020, no such Working Capital Loans were outstanding.

Administrative Services Agreement

The Company entered into an agreement whereby, commencing on April 1, 2021 through the earlier of the consummation of the Initial Business Combination or the Company's liquidation, the Company may pay, if requested by the Sponsor, a monthly fee of up to \$10,000 for office space, utilities and administrative support. Upon completion of the Business Combination or the Company's liquidation, the Company will cease paying these monthly fees. For the year ended December 31, 2021, the Company paid administrative fees of \$30,000 covering the quarter ended June 30, 2021. No fees were requested, paid or accrued for the quarters ended September 30, 2021 or December 31, 2021.

Note 6 — Commitments and Contingencies

Registration Rights

The holders of the founder shares, Placement Units, and units that may be issued upon conversion of Working Capital Loans, and any shares of Class A common stock issuable upon the exercise of the placement warrants and any shares of Class A common stock and warrants (and underlying Class A common stock) that may be issued upon conversion of the units issued as part of the Working Capital Loans and Class A common stock issuable upon conversion of the founder shares, will be entitled to registration rights pursuant to a registration rights agreement to be signed prior to or on the effective date of the Public Offering, requiring the Company to register such securities for resale. The holders of the majority of these securities are entitled to make up to three demands, excluding short form demands, that the Company registers such securities. In addition, the holders have certain “piggy-back” registration rights with respect to registration statements filed subsequent to the completion of the initial Business Combination and rights to require the Company to register for resale such securities pursuant to Rule 415 under the Securities Act.

Underwriting Agreement

The underwriter had a 45-day option from the date of the IPO to purchase up to an aggregate of 3,975,000 additional Units at the public offering price less the underwriting commissions to cover over-allotments, if any. On February 22, 2021, the underwriter partially exercised its over-allotment option and purchased 3,500,000 additional units, and was paid a cash underwriting discount of \$0.20 per Unit, or \$6,000,000 in the aggregate.

The underwriters are entitled to deferred underwriting fee of 3.5% of the gross proceeds of the IPO, or \$10,500,000 in the aggregate. The deferred fee will be payable to the underwriters from the amounts held in the Trust Account solely in the event that the Company completes an initial Business Combination, subject to the terms of the underwriting agreement.

Note 7 — Stockholders' Equity

Preferred Stock — The Company is authorized to issue 1,000,000 shares of preferred stock at par value of \$0.0001 per share. At December 31, 2021 and December 31, 2020, there were no shares of preferred stock issued or outstanding.

Class A Common Stock — The Company is authorized to issue 100,000,000 shares of Class A common stock at par value of \$0.0001 per share. At December 31, 2021 and December 31, 2020, there were 30,800,000 and 0 shares issued and outstanding, including 30,000,000 and 0 shares of Class A common stock subject to possible redemption, respectively.

Class B Common Stock — The Company is authorized to issue 10,000,000 shares of Class B common stock at par value of \$0.0001 per share. At December 31, 2021 and December 31, 2020, there were 7,500,000 and 7,618,750 shares issued and outstanding.

The Company's Sponsor, directors and officers have agreed not to transfer, assign or sell their founder shares until the earlier to occur of (A) six months after the completion of the Company's initial Business Combination or (B) subsequent to the Company's initial Business Combination, (x) if the last sale price of the Company's Class A common stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 90 days after the initial Business Combination, or (y) the date, following the completion of the Company's initial Business Combination, on which the Company completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of the Company's stockholders having the right to exchange their shares of common stock for cash, securities or other property.

The shares of Class B common stock will automatically convert into shares of Class A common stock at the time of the initial Business Combination on a one-for-one basis (subject to adjustment for stock splits, stock dividends, reorganizations, recapitalizations and the like), and subject to further adjustment as provided herein. In the case that additional shares of Class A common stock, or equity-linked securities, are issued or deemed issued in excess of the amounts offered in Proposed Public Offering and related to the closing of the initial Business Combination, the ratio at which shares of Class B common stock shall convert into shares of Class A common stock will be adjusted (unless the holders of a majority of the outstanding shares of Class B common stock agree to waive such adjustment with respect to any such issuance or deemed issuance) so that the number of shares of Class A common stock issuable upon conversion of all shares of Class B common stock will equal, in the aggregate, on an as-converted basis, 20% of the sum of the total number of all shares of common stock outstanding upon completion of the IPO (excluding the placement units and underlying securities) plus all shares of Class A common stock and equity-linked securities issued or deemed issued in connection with the initial Business Combination (excluding any shares or equity-linked securities issued, or to be issued, to any seller in the initial Business Combination, any private-equivalent units and their underlying securities issued to the Sponsor or its affiliates upon conversion of loans made to the Company).

Holders of record of the Class A common stock and holders of record of the Class B common stock will vote together as a single class on all matters submitted to a vote of the Company's stockholders, with each share of common stock entitling the holder to one vote except as required by law.

Note 8 — Fair Value Measurements

The Company follows the guidance in ASC 820, “Fair Value Measurement,” for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually.

The fair value of the Company’s financial assets and liabilities reflects management’s estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

- Level 1 — Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not being applied. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.
- Level 2 — Valuations based on (i) quoted prices in active markets for similar assets and liabilities, (ii) quoted prices in markets that are not active for identical or similar assets, (iii) inputs other than quoted prices for the assets or liabilities, or (iv) inputs that are derived principally from or corroborated by market through correlation or other means.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The following table presents information about the Company’s assets and liabilities that are measured at fair value on a recurring basis at December 31, 2021, and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value:

	<u>December 31,</u> <u>2021</u>	<u>Quoted Prices</u> <u>In Active</u> <u>Markets</u> <u>(Level 1)</u>	<u>Significant</u> <u>Other</u> <u>Observable</u> <u>Inputs</u> <u>(Level 2)</u>	<u>Significant</u> <u>Other</u> <u>Unobservable</u> <u>Inputs</u> <u>(Level 3)</u>
Assets:				
U.S. Money Market held in Trust Account	\$ 300,025,197	\$ 300,025,197	\$ —	\$ —
	<u>\$ 301,023,993</u>	<u>\$ 301,023,993</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities:				
Public Warrants Liability	\$ 4,650,000	\$ 4,650,000	\$ —	\$ —
Private Placement Warrants Liability	124,000	—	124,000	—
	<u>\$ 4,774,000</u>	<u>\$ 4,650,000</u>	<u>\$ 124,000</u>	<u>\$ —</u>

Level 1 assets include investments in mutual funds and money market funds invested in government securities. The Company uses inputs such as actual trade data, benchmark yields, quoted market prices from dealers or brokers, and other similar sources to determine the fair value of its investments.

The Warrants are accounted for as liabilities in accordance with ASC 815-40 and are presented within warrant liabilities on the balance sheet. The warrant liabilities are measured at fair value at inception and on a recurring basis, with changes in fair value presented within change in fair value of warrant liabilities in the statement of operations.

The Company established the initial fair value of the Public and Private Warrants on February 22, 2021, the date of the Company's Initial Public Offering, using a Monte Carlo simulation model and modified Black-Sholes model. The Warrants were classified as Level 3 at the initial measurement date due to the use of unobservable inputs. As of December 31, 2021, the Company used the quoted market price as the fair value of the Public Warrants and the Public Warrants were reclassified from Level 3 to Level 1. Due to certain "make whole" provisions in the warrant agreement, the Company also used the quoted market price of the Public Warrants as the fair value of the Private Warrants as of December 31, 2021, and reclassified the Private Warrants from Level 3 to Level 2, due to the use of the quoted price of a similar liability.

The following table presents the changes in the fair value of Level 3 warrant liabilities for the year ended December 31, 2021:

	Level 3 Warrant Liabilities
Fair Value as of December 31, 2020	\$ —
Initial measurement on February 22, 2021	8,397,000
Transfer of Public Warrants to Level 1	(9,000,000)
Transfer of Private Placement Warrants to Level 2	(240,000)
Change in valuation as of December 31, 2021	843,000
Fair Value as of December 31, 2021	<u>\$ —</u>

The key inputs into the Monte Carlo simulation and modified Black-Sholes model as of February 22, 2021 were as follows:

Inputs	February 22, 2021 (initial measurement)
Risk-free interest rate	0.61%
Exercise price	\$ 11.50
Expected volatility	14.5%
Underlying stock price	\$ 11.10
Term (in years)	5.0

Note 9 — Subsequent Events

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

EXHIBIT INDEX

Exhibit No.	Description
1.1	Underwriting Agreement, dated February 17, 2021, by and among the Company, Citigroup Global Markets Inc. and Barclays Capital Inc. (3)
3.1	Amended and Restated Certificate of Incorporation. (3)
3.2	By Laws (1)
4.1	Specimen Unit Certificate (2)
4.2	Specimen Class A Common Stock Certificate (2)
4.3	Specimen Warrant Certificate (2)
4.4	Warrant Agreement, dated February 17, 2021, by and between the Company and Continental Stock Transfer & Trust Company, as warrant agent. (3)
4.5	Description of Registered Securities.
10.1	Letter Agreement, dated February 17, 2021, by and among the Company, its officers, directors and the Sponsor. (3)
10.2	Promissory Note, dated November 23, 2020, issued to FinServ Holdings II LLC (1)
10.3	Investment Management Trust Agreement, February 17, 2021, by and between the Company and Continental Stock Transfer & Trust Company, as trustee. (3)
10.4	Registration Rights Agreement, dated February 17, 2021, by and among the Company, the Sponsor and the holders party thereto. (3)
10.5	Securities Subscription Agreement, dated November 23, 2020, between the Registrant and FinServ Holdings II LLC (1)
10.6	Placement Unit Purchase Agreement, dated February 17, 2021, by and between the Company and the Sponsor. (3)
10.7	Administrative Support Agreement, dated April 1, 2021, by and between the Company and the Sponsor.
14	Code of Ethics (1)
31.1	Certification of the Principal Executive Officer required by Rules 13a-14(a) and Rule 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of the Principal Financial Officer required by Rules 13a-14(a) and Rule 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of the Principal Executive Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.2	Certification of the Principal Financial Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
99.1	Audit Committee Charter (1)
99.2	Compensation Committee Charter (1)
101.INS	Inline XBRL Instance Document.*
101.SCH	Inline XBRL Taxonomy Extension Schema Document.*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.*
104	Cover Page Interactive Data File (Embedded as Inline XBRL document and contained in Exhibit 101).*

* Filed herewith.

** Furnished herewith

(1) Incorporated by reference to the Company's Registration Statement on Form S-1, filed with the SEC on February 2, 2021.

(2) Incorporated by reference to the Company's Registration Statement on Form S-1/A, filed with the SEC on February 8, 2021.

(3) Incorporated by reference to the Company's Form Current Report 8-K, filed with the SEC on February 23, 2021.

SIGNATURES

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

April 1, 2022

FINSERV ACQUISITION CORP. II

By: /s/ Lee Einbinder
Name: Lee Einbinder
Title: Chief Executive Officer
(Principal Executive Officer)

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

Name	Position	Date
<u>/s/ Lee Einbinder</u> Lee Einbinder	Chief Executive Officer and Director <i>(Principal Executive Officer)</i>	April 1, 2022
<u>/s/ Steven Handwerker</u> Steven Handwerker	Chief Financial Officer <i>(Principal Financial and Accounting Officer)</i>	April 1, 2022
<u>/s/ Howard Kurz</u> Howard Kurz	President and Director	April 1, 2022
<u>/s/ Robert Matza</u> Robert Matza	Director	April 1, 2022
<u>/s/ David Smilow</u> David Smilow	Director	April 1, 2022
<u>/s/ Val Soranno Keating</u> Val Soranno Keating	Director	April 1, 2022
<u>/s/ Michael Vaughan</u> Michael Vaughan	Director	April 1, 2022

**CERTIFICATION OF THE
PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
RULES 13a-14(a) AND 15d-14(a)
UNDER THE
SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Lee Einbinder, certify that:

1. I have reviewed this Annual Report on Form 10-K, as amended by Amendment No.1 on Form 10-K/A, of FinServ Acquisition Corp. II;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer[s] and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) (Paragraph omitted pursuant to SEC Release Nos. 33-8238/34-47986 and 33-8392/34-49313);
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer[s] and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 1, 2022

By: /s/ Lee Einbinder
Lee Einbinder
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF THE
PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
RULES 13a-14(a) AND 15d-14(a)
UNDER THE
SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Steven Handwerker, certify that:

1. I have reviewed this Annual Report on Form 10-K, as amended by Amendment No.1 on Form 10-K/A, of FinServ Acquisition Corp. II;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer[s] and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) (Paragraph omitted pursuant to SEC Release Nos. 33-8238/34-47986 and 33-8392/34-49313);
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer[s] and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 1, 2022

By: /s/ Steven Handwerker
Steven Handwerker
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF THE
PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of FinServ Acquisition Corp. II (the "Company"), as amended by Amendment No.1 on Form 10-K/A, for the year ended December 31, 2021, as filed with the Securities and Exchange Commission (the "Report"), I, Lee Einbinder, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: April 1, 2022

By: /s/ Lee Einbinder
Lee Einbinder
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF THE
PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of FinServ Acquisition Corp. II (the "Company"), as amended by Amendment No.1 on Form 10-K/A, for the year ended December 31, 2021, as filed with the Securities and Exchange Commission (the "Report"), I, Steven Handwerker, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the report.

Date: April 1, 2022

By: /s/ Steven Handwerker
Steven Handwerker
Chief Financial Officer
(Principal Financial Officer)