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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **November 12, 2024**

Abpro Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-41224**	**87-1013956**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

68 Cummings Park Drive **Woburn, MA**	**01801**
(Address of principal executive offices)	(Zip Code)

1-800-396-5890
(Registrant's telephone number, including area code)

Atlantic Coastal Acquisition Corp. II
6 St Johns Lane, Floor 5
New York, NY 10013
(Former name or former address, if changed since last report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of Each Class	**Trading Symbol(s)**	**Name of Each Exchange on Which Registered**
Shares of Common Stock, par value $0.0001 per share	ABP	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of Common Stock at an exercise price of $11.50	ABPWW	The Nasdaq Stock Market LLC

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

Emerging growth company ☒

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

Introductory Note

On November 13, 2024, Atlantic Coastal Acquisition Corp. II ("**ACAB**") completed a series of transactions that resulted in the combination (the "**Business Combination**") of ACAB with Abpro Corporation, a Delaware corporation ("**Abpro Corporation**"), pursuant to the previously announced Business Combination Agreement, dated December 11, 2023, amended by an amendment dated September 4, 2024 (the "**BCA**"), by and among ACAB, Abpro Merger Sub Corp., a Delaware corporation and a wholly owned subsidiary of ACAB ("**Merger Sub**"), and Abpro Corporation, following the approval at the special meeting of the shareholders of ACAB held on November 7, 2024 (the "**Special Meeting**"). On November 12, 2024, pursuant to the BCA, and as described in greater detail in the Company's final prospectus and definitive proxy statement, which was filed with the U.S. Securities and Exchange Commission (the "**SEC**") on October 18, 2024 (the "**Proxy Statement/Prospectus**"), Merger Sub merged with and into Abpro Corporation, with Abpro Corporation surviving the merger as a wholly owned subsidiary of ACAB, and ACAB changed its name to Abpro Holdings, Inc. ("**New Abpro**"). As consideration for the Business Combination, New Abpro issued to or reserved for Abpro Corporation shareholders an aggregate of approximately 50,000,000 shares of New Abpro common stock, par value $0.0001 per share (the "**Common Stock**"), consisting of 39,123,200 shares of Common Stock issued to Abpro Corporation shareholders, and 10,872,400 shares of Common Stock reserved for issuance in connection with certain Abpro Corporation rollover RSUs and stock options (collectively, the "**Merger Consideration**"). In addition, New Abpro issued an aggregate of 3,367,401 shares of Common Stock to the PIPE investors (as described below), an aggregate of 1,282,852 shares of Common Stock to vendors in connection with the Closing, and Atlantic Coastal Acquisition Management II LLC (the "**Sponsor**") forfeited and New Abpro cancelled 966,442 shares of Common Stock.

Unless otherwise defined herein, capitalized terms used in this Current Report on Form 8-K have the same meaning as set forth in the Proxy Statement/Prospectus.

Simultaneous with the closing of the Business Combination, New Abpro also completed a series of previously disclosed private investments in public equity, issuing 1,122,467 shares of Common Stock and 2,244,934 incentive shares of Common Stock in a private placement to PIPE investors (the "**PIPE Offering**"), which raised $7.0 million in proceeds and resulted in the cancellation of approximately $4.22 million of indebtedness.

In connection with the Special Meeting, ACAB shareholders holding 330,276 shares of ACAB's Series A common stock (the "**Public Shares**") (after giving effect to redemption reversal requests) exercised their right to redeem their shares for a pro rata portion of the funds in ACAB's trust account (the "**Trust Account**"). Prior to the Closing (as defined below) approximately $3,752,627 (approximately $11.36 per Public Share) was removed from the Trust Account to pay such holders.

Item 1.01. Entry into Material Definitive Agreement.

Business Combination Agreement

As disclosed under the section titled "*Proposal No. 1—The Business Combination Proposal*" of the Proxy Statement/Prospectus, ACAB entered into the BCA, dated December 11, 2023, as amended, by and among ACAB, Merger Sub and Abpro Corporation.

Accordingly, Merger Sub, a wholly owned subsidiary of ACAB, merged with and into Abpro Corporation, with Abpro Corporation surviving the merger as a wholly owned subsidiary of ACAB and ACAB changed its name to Abpro Holdings, Inc.

Item 2.01 of this Current Report discusses the consummation of the Business Combination and events contemplated by the BCA which were completed on November 13, 2024 (the "**Closing**") and is incorporated herein by reference.

Lock-up Agreements

On or about November 12, 2024, ACAB entered into Lock-Up Agreements (the "**Lock-up Agreements**") by and between ACAB and certain shareholders of Abpro Corporation (such shareholders, the "**Company Holders**"), pursuant to which, among other things, each Company Holder agreed not to, during the Lock-up Period (as defined below), lend, offer, pledge, hypothecate, encumber, donate, assign, sell, contract to sell, sell any option or contract to purchase, purchase an option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any of the shares or rollover RSUs and options issued to such Company Holder in connection with the Business Combination (the "**Lock-up Shares**"), enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such shares, or publicly disclose the intention to do any of the foregoing, whether any of these transactions are to be settled by delivery of any such shares or other securities, in cash, or otherwise, subject to limited exceptions. As used herein, "**Lock-Up Period**" means the period commencing on the date of the Closing and ending on the earlier of: (i) twelve months after the Closing and (ii) the date after the Closing on which New Abpro consummates a liquidation, merger, share exchange or other similar transaction with an unaffiliated third party that results in all of New Abpro's shareholders having the right to exchange their New Abpro Common Stock for cash, securities or other property.

The foregoing description of the Lock-Up Agreements is subject to and qualified in its entirety by reference to the full text of the form of the Lock-Up Agreement, a copy of which is included as Exhibit 10.7 hereto, and the terms of which are incorporated by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

The disclosure set forth in the "*Introductory Note*" and "*Business Combination Agreement*" above is incorporated into this Item 2.01 by reference.

Pursuant to the terms of the BCA, the Merger Consideration was approximately $500 million. The Merger Consideration consisted of an aggregate of approximately 50,000,000 shares of Common Stock of New Abpro, consisting of 39,123,200 shares of Common Stock issued to Abpro Corporation shareholders, and 10,872,400 shares of Common Stock reserved for issuance in connection with certain Abpro Corporation rollover RSUs and stock options. In connection with the Special Meeting, holders of 330,276 ACAB Public Shares sold in its initial public offering exercised their right to redeem those shares for cash prior to the redemption deadline of November 5, 2024 (and did not subsequently reverse the redemption election), at a price of $11.36 per share, for an aggregate payment from ACAB's Trust Account of approximately $3,752,627. On or about November 14, 2024, ACAB's units ceased trading, and New Abpro's Common Stock began trading on the Nasdaq Global Market under the symbol "ABP" and New Abpro's warrants began trading on the Nasdaq Capital Market under the symbol "ABPWW."

After taking into account the aggregate payment in respect of the redemptions, ACAB's Trust Account had a balance immediately prior to the Closing of approximately $2,381,084. Such balance in the Trust Account, together with approximately $7.0 million in proceeds from the PIPE Offering, were used to pay transaction expenses and other liabilities of ACAB and Abpro Corporation.

In connection with the Closing, one share of Series B common stock of ACAB held by the Sponsor was automatically exchanged for one share of Common Stock.

Simultaneous with the closing of the Business Combination, as discussed in the Introductory Note above, New Abpro also completed its previously announced private investment in public equity, issuing 1,122,467 shares of Common Stock and 2,244,934 incentive shares of Common Stock in the PIPE Offering, which raised $7.0 million in net proceeds. Additionally, New Abpro issued 350,000 shares of Common Stock to Pillsbury Winthrop Shaw Pittman LLC in consideration for legal services provided to ACAB, 600,000 shares of Common Stock to Cantor Fitzgerald & Co. in satisfaction of Cantor's deferred underwriting fee from ACAB's initial public offering, 100,000 shares of Common Stock to Roth Capital Partners, LLC for advisory services and 32,852 shares of Common Stock to Brookline Capital, in partial satisfaction of financial advisory fees (collectively, the "**Vendor Shares**"). Finally, in accordance with the Abpro Holdings, Inc. 2024 Equity Incentive Plan (the "**New Abpro Incentive Plan**"), New Abpro has reserved 6,240,773 shares of Common Stock for issuance pursuant to the New Abpro Incentive Plan.

Further, New Abpro issued 600,601 shares of Common Stock to the Sponsor in satisfaction of a working capital note issued to ACAB, and 600,000 shares of Common Stock to Ian Chan, Abpro Corporation and New Abpro's Chief Executive Officer, in satisfaction of an approximately $2.0 million promissory note of Abpro Corporation. Pursuant to the terms of the Ian Chan promissory note, Abpro Corporation agreed cause to be issued to Ian Chan a number of New Abpro stock options or warrants in an amount equal to the outstanding principal amount of such promissory note, subject to required approval by the New Abpro Board of Directors and Compensation Committee and registration of such securities on Form S-8.

After taking into account the aggregate payment in respect of the redemption, ACAB's trust account had a balance immediately prior to the Closing of approximately $2.38 million. Such balance in the trust account, together with approximately $7.0 million in proceeds from the PIPE Offering, were used to pay transaction expenses and other liabilities of ACAB and Abpro Corporation of approximately $7.12 million, with the remainder being deposited with Abpro Corporation along with the approximately $2.8 million in proceeds from the Yorkville Note (defined below).

FORM 10 INFORMATION

Item 2.01(f) of Form 8-K states that if the predecessor registrant was a shell company, as ACAB 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, New Abpro is providing the information below that would be included in a Form 10 if New Abpro were to file a Form 10. Please note that the information provided below relates to New Abpro as the combined company after the consummation of the Business Combination, unless otherwise specifically indicated or the context otherwise requires.

Forward-Looking Statements

The information in this Current Report on Form 8-K contains certain "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "aim," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result" and similar expressions, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Actual results may differ from their expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Many factors could cause actual future events to differ materially from the forward-looking statements in this Current Report on Form 8-K, including general economic, financial, legal, political and business conditions and changes in domestic and foreign markets; New Abpro's ability to raise additional capital; the outcome of judicial proceedings to which Abpro Corporation or New Abpro is, or may become a party; failure to realize the anticipated benefits of the Business Combination, including difficulty in, or costs associated with, integrating the businesses of ACAB and Abpro Corporation; risks related to the rollout of New Abpro's business and the timing of expected business milestones; the effects of competition on New Abpro's future business; and those factors discussed in ACAB's Registration Statement on Form S-1 filed with the SEC on January 18, 2022, Annual Report on Form 10-K for the fiscal year ended December 31, 2023, Quarterly Reports on Form 10-Q for the quarters ended March 31, 2024, June 30, 2024 and September 30, 2024 and the Proxy Statement/Prospectus under the heading "Risk Factors," and other documents of ACAB or New Abpro filed, or to be filed, with the SEC. You should carefully consider the foregoing factors and the other risks and uncertainties that will be described in the "Risk Factors" section of the Proxy Statement/Prospectus and other documents to be filed by New Abpro from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward- looking statements, and while New Abpro may elect to update these forward-looking statements at some point in the future, they assume no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law. New Abpro does not give any assurance that New Abpro will achieve its expectations.

Actual results, performance or achievements may differ materially, and potentially adversely, from any projections and forward-looking statements and the assumptions on which those forward-looking statements are based. There can be no assurance that the data contained herein is reflective of future performance to any degree. You are cautioned not to place undue reliance on forward-looking statements as a predictor of future performance as projected financial information and other information are based on estimates and assumptions that are inherently subject to various significant risks, uncertainties and other factors, many of which are beyond our control. All information set forth herein speaks only as of the date hereof in the case of information about New Abpro or the date of such information in the case of information from persons other than New Abpro, and New Abpro disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this Current Report on Form 8-K, except as required by law. Forecasts and estimates regarding New Abpro's industry and end markets are based on sources New Abpro believes to be reliable, however there can be no assurance these forecasts and estimates will prove accurate in whole or in part. Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

Business

The business of New Abpro is described in the Proxy Statement/Prospectus in the section titled "*Information About Abpro*" and that information is incorporated herein by reference.

Risk Factors

The risks associated with New Abpro are described in the Proxy Statement/Prospectus in the section titled "*Risk Factors*," which is incorporated herein by reference.

Financial Information

Reference is made to the disclosure set forth in Item 9.01 of this Current Report on Form 8-K concerning the financial information of Abpro Corporation. In addition, the financial information of ACAB contained in its Quarterly Report on Form 10-Q for the period ended September 30, 2024, which was filed with the SEC on November 25, 2024, is incorporated herein by reference. In addition, the Unaudited Pro Forma Condensed Combined Financial Information, financial statements for Abpro Corporation, and Management's Discussion and Analysis of Financial Condition and Results of Operation for Abpro Corporation, for the period ended September 30, 2024, are included as Exhibits 99.1, 99.2, and 99.3 to this Current Report on Form 8-K, respectively, and are incorporated herein by reference.

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

The disclosure contained under the heading "*ACAB Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Abpro Management's Discussion and Analysis of Financial Condition and Results of Operations*" in the Proxy Statement/Prospectus is incorporated herein by reference. ACAB's Management's Discussion and Analysis of Financial Condition and Results of Operation for the period ended September 30, 2024 is contained in its Quarterly Report on Form 10-Q for the period ended September 30, 2024, which was filed with the SEC on November 25, 2024, and is incorporated by reference herein. In addition, Abpro Corporation's Management's Discussion and Analysis of Financial Condition and Results of Operations for the period ended September 30, 2024, is included as Exhibit 99.3 to this Current Report on Form 8-K and is 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 New Abpro stockholders upon the completion of the Business Combination by:

- each person known by New Abpro to be the beneficial owner of more than 5% of any class of New Abpro's Common Stock;
- each director of New Abpro;
- each named executive officer of New Abpro; and
- New Abpro's officers and directors as a group.

Beneficial ownership is determined according to the rules of the SEC, which generally provide that a person has beneficial ownership of a security if he, she or it possesses sole or shared voting or investment power over that security, including options and warrants that are currently exercisable or exercisable within 60 days.

The beneficial ownership of Common Stock in the table below is presented as of November 13, 2024, and is based on 50,535,272 shares Common Stock issued and outstanding as of November 13, 2024, including 39,123,200 shares of Common Stock issued to the former shareholders of Abpro Corporation in the Business Combination as Merger Consideration, an aggregate of 3,367,401 shares of Common Stock issued in connection with the PIPE offering, 1,282,852 shares of New Abpro Common Stock issued to the underwriters and vendors in connection with the Business Combination Closing, an aggregate of 1,200,601 shares issued in satisfaction of certain debt obligations of ACAB and Abpro Corporation, and reflects the valid redemption of 330,276 Public Shares. The issued and outstanding shares of Common Stock does not include 983,333 shares of Common Stock transferred by Sponsor to Abpro Corporation at closing and held as treasury stock, 10,872,400 shares that made up the Merger Consideration and are reserved for future issuance pursuant to rollover RSUs and options of Abpro Corporation and 6,240,773 shares of Common Stock reserved for future issuance under the New Abpro Equity Incentive Plan. The below table excludes the Common Stock underlying the warrants and private warrants, because these securities are not exercisable until registered, which may or may not occur within sixty (60) days.

Unless otherwise indicated, New Abpro believes that all persons named in the table have sole voting and investment power with respect to all common shares beneficially owned by them. Unless otherwise noted, the business address of each of the following entities or individuals is 68 Cummings Park Drive, Woburn, MA 01801.

Name and Address of Beneficial Owner	Number of shares of New Abpro Common Stock	% of Total Voting Power
Directors and Named Executive Officers:		
Ian Chan[(1)]	8,652,800	17.1%
Shahraab Ahmad[(2)]	3,482,268	6.9%
Robert Markelewicz[(3)]	0	--
J. Wook (Miles) Suk[(4)]	85,600	*
Anthony D. Eisenberg	0	--
Soo Young Lee	0	--
Ian McDonald	0	--
All Executive Officers and Directors as a Group (7 individuals)	12,220,668	24.2%
Greater than Five Percent Holders:		
Abpro Bio International, Inc.[(5)]	16,507,334	32.7%
Ian Chan[(1)]	8,652,800	17.1%
Atlantic Coastal Acquisition Management II LLC[(2)]	3,482,268	6.9%

(1) Excludes 3,440,600 shares of Common Stock issuable pursuant to rollover RSUs and options, which are not exercisable within 60 days of the date hereof.

(2) Atlantic Coastal Acquisition Management II LLC, or the Sponsor, is the record holder of the shares reported herein. Shahraab Ahmad is the manager and the majority owner of the Sponsor. Accordingly, Mr. Ahmad may be deemed to beneficially own all of the shares held by the Sponsor. Mr. Ahmad disclaims beneficial ownership of any securities held by the Sponsor except to the extent of his pecuniary interest therein. Excludes shares of Common Stock underlying 13,850,000 private placement warrants held by the Sponsor.

(3) Excludes 760,500 shares of Common Stock issuable pursuant to rollover RSUs and options, which are not exercisable within 60 days of the date hereof.

(4) Excludes 619,800 shares of Common Stock issuable pursuant to rollover RSUs and options, which are not exercisable within 60 days of the date hereof.

(5) The business address for Abpro Bio International, Inc. is 139, Techno jungang-daero, Yuga-myeon, Dalseong-gun, Daegu, Republic of Korea. Abpro Bio International, Inc. is a subsidiary of Abpro Bio Co. Ltd, a publicly traded company listed on the KOSDAQ market of the Korea Exchange (KOSDAQ: 195990).

Directors and Executive Officers

New Abpro's directors and executive officers after the Closing are described in the Proxy Statement/Prospectus in the section titled "*Management and Board of the Post-Combination Company Following the Business Combination*," which is incorporated herein by reference.

Executive Compensation

The compensation of the named executive officers of ACAB before the Business Combination is set forth in the Proxy Statement/Prospectus in the section titled "*Management of ACAB—Executive Compensation*," which is incorporated herein by reference.

The information set forth in this Current Report on Form 8-K under Item 5.02 is incorporated in this Item 2.01 by reference.

At the Special Meeting, ACAB's shareholders approved the New Abpro Incentive Plan. A description of the material terms of the New Abpro Incentive Plan is set forth in the section of the Proxy Statement/Prospectus titled "*Proposal No. 8 – The Incentive Plan Proposal*," which is incorporated herein by reference. This summary is qualified in its entirety by reference to the complete text of the New Abpro Incentive Plan, a copy of which is attached as Exhibit 10.9 to this Current Report on Form 8-K.

Certain Relationships and Related Transactions, and Director Independence

The certain relationships and related party transactions of ACAB and Abpro Corporation are described in the Proxy Statement/Prospectus in the section titled "*Certain Relationships and Related Party Transactions*" and are incorporated herein by reference.

The previously disclosed Promissory Note to Shahraab Ahmad, dated August 16, 2024, providing for the payment of $206,000, including $103,000 principal on the Closing Date, was cancelled and replaced with a promissory note to ACAB providing for the payment of $103,000 principal on the Closing Date.

Reference is made to the disclosure regarding director independence in the section of the Proxy Statement/Prospectus titled "*Management and Board of the Post-Combination Company Following the Business Combination*," which is incorporated herein by reference.

The information set forth under Item 5.02 "*Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers—Employment Agreements*" of this Current Report on Form 8-K is incorporated into this Item 2.01 by reference.

Legal Proceedings

From time to time, we may be subject to legal proceedings and claims in the ordinary course of business.

Reference is made to the disclosure in the section of the Proxy Statement/Prospectus titled "*Information about Abpro—Legal Proceedings*," which is incorporated herein by reference.

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

On November 14, 2024, New Abpro's shares of Common Stock began trading on the Nasdaq Global Market under the symbol "ABP" and New Abpro's public warrants began trading on the Nasdaq Capital Market under the symbol "ABPWW." ACAB has not paid any cash dividends on its common stock to date. The payment of cash dividends by New Abpro in the future will be dependent upon New Abpro's revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of the Business Combination. The payment of any dividends subsequent to the Business Combination will be within the discretion of the board of directors of New Abpro. New Abpro does not currently have plans to issue cash dividends.

Information regarding New Abpro's Common Stock, rights and related shareholder matters are described in the Proxy Statement/Prospectus in the section titled "*Description of Capital Stock of the Post-Combination Company*" and such information is incorporated herein by reference.

Recent Sales of Unregistered Securities

Reference is made to the disclosure set forth under Item 3.02 and Item 2.01 of this Current Report on Form 8-K concerning the issuance of ACAB's and New Abpro's common stock in connection with the Business Combination and the PIPE Offering, which is incorporated herein by reference. In connection with the PIPE Offering, the PIPE investors were issued an aggregate of 3,367,401 shares of Common Stock. In connection with the Business Combination, on November 13, 2024, New Abpro issued (i) 350,000 shares of Common Stock to Pillsbury Winthrop Shaw Pittman LLC for legal services; (ii) 600,000 shares of Common Stock to Cantor Fitzgerald & Co., (iii) 100,000 shares of Common Stock to Roth Capital Partners, LLC for advisory services, and (iv) 32,852 shares to Brookline Capital, in partial satisfaction of financial advisory fees. Finally, on November 13, 2024, New Abpro issued 600,000 shares of Common Stock to Ian Chan, its CEO, and 600,601 shares of Common Stock to the Sponsor, each in satisfaction of outstanding promissory notes of ACAB or Abpro Corporation. Each of these issuances were made in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, and the rules and regulations thereunder (the "**Act**") as promulgated by the SEC under the Act.

Description of Registrant's Securities to be Registered

The description of New Abpro's securities is contained in the Proxy Statement/Prospectus in the sections titled "*Description of Capital Stock of the Post-Combination Company*."

Financial Statements and Supplementary Data

Reference is made to the disclosure set forth in New Abpro's Form 10-Q for the period ended September 30, 2024, as filed with the SEC on November 25, 2024 concerning the financial information of ACAB, and Item 9.01 of this Current Report on Form 8-K concerning the financial information of Abpro Corporation, Management's Discussion and Analysis of Financial Condition and Results of Operations for Abpro Corporation, and the Unaudited Pro Forma Condensed Consolidated Combined Financial Information. Reference is further made to the disclosure contained in the Proxy Statement/Prospectus in the sections titled "*Unaudited Pro Forma Condensed Consolidated Combined Financial Information*," "*ACAB Management's Discussion and Analysis of Financial Condition and Results of Operations*," and "*Abpro Management's Discussion and Analysis of Financial Condition and Results of Operations,"* which are incorporated herein by reference.

Financial Statements and Exhibits

The information set forth under Item 9.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On November 14, 2024, pursuant to the previously disclosed Standby Equity Purchase Agreement ("**SEPA**") dated October 30, 2024 with YA II PN, LTD ("**Yorkville**")., New Abpro entered into a Convertible Promissory Note ("**Yorkville Note**") for $3,000,000, and received net proceeds of $2,755,000. The Yorkville Note has a maturity of November 13, 2025, incurs interest at a rate of 0% (or 18% upon the occurrence of an uncured Event of Default), and is redeemable at the option of New Abpro if the VWAP of New Abpro's Common Stock is less than $11.50. Holder has a right to convert any portion of the Yorkville Note at any time at a conversion price equal to the lower of $11.50, 94% of the daily VWAP during the previous 5 consecutive trading days, which may be adjusted downward upon payment of stock dividend, stock split or reclassification, or if New Abpro issues Common Stock for no consideration or at a price lower than the then-effective Fixed Price (as defined in the Yorkville Note). The foregoing description of the Yorkville Note does not purport to be complete and is qualified in its entirety by the full text of the Yorkville Note, which is attached to this Current Report on Form 8-K as Exhibit 10.30, and is incorporated herein by reference.

The previously disclosed Promissory Note to Shahraab Ahmad, dated August 16, 2024, providing for the payment of $206,000, including $103,000 principal on the Closing Date, was cancelled and replaced with a promissory note to ACAB providing for the payment of $103,000 principal on the Closing Date.

Item 3.02. Unregistered Sales of Equity Securities.

PIPE Investment, Vendor Shares and Debt to Equity Rollover

The information set forth in this Current Report on Form 8-K under the caption "*Form 10 Information—Recent Sales of Unregistered Securities*" is incorporated herein by reference.

Initial Public Offering

On October 25, 2021, ACAB issued 7,187,500 shares of its Series B common stock, to its Sponsor for $25,000 in cash, at a purchase price of approximately $0.0035 per share (or $0.0033 per share, after giving effect to a 1.044-for-1 stock split on January 13, 2022), in connection with ACAB's formation. Such shares were issued in connection with ACAB's organization pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act. On January 13, 2022, ACAB effectuated a 1.044-for-1 stock split, resulting in an aggregate of 7,503,750 founder shares outstanding and held by ACAB's initial stockholders. On January 18, 2022, the underwriters partially exercised their over-allotment option and the remaining unexercised portion of over-allotment option were forfeited, an aggregate of 3,750 founder shares were forfeited, resulting in an aggregate of 7,500,000 founder shares outstanding held by ACAB's initial stockholders.

On January 19, 2022, ACAB consummated its initial public offering of 30,000,000 units. Each unit consists of one share of ACAB's Series A common stock and one-half of a redeemable warrant, with each warrant entitling the holder thereof to purchase one share of Series A common stock for $11.50 per share. The units were sold at a price of $10.00 per unit, generating gross proceeds of $300,000,000. Cantor Fitzgerald & Co. acted as sole book-running manager. The securities sold in the initial public offering were registered under the Securities Act on a Registration Statement on Form S-1 (No. 333-261459), which was declared effective by the SEC on January 13, 2022.

Simultaneously with the closing of ACAB's initial public offering, it consummated a private placement of 13,850,000 private placement warrants, at a price of $1.00 per private placement warrant, to Sponsor, generating gross proceeds of $13,850,000. Such securities were issued pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act.

Item 3.03. Material Modification to Rights of Security Holders.

The shareholders of ACAB approved the proposed second amended and restated certificate of incorporation of New Abpro (the "**Amended and Restated Certificate of Incorporation**") at the Special Meeting. In connection with the Closing, ACAB adopted the Amended and Restated Certificate of Incorporation effective as of November 12, 2024. Reference is made to the disclosure described in the Proxy Statement/Prospectus in the sections titled "*Proposal No. 1 – The Business Combination Proposal*," "*Proposal No. 2 – The NTA Proposal*," "*Proposal No. 3 – The Charter Approval Proposal*," and "*Proposal No. 4 – The Governance Proposal*," which is incorporated herein by reference.

The full text of the Amended and Restated Certificate of Incorporation, which is included as Exhibit 3.1 to this Current Report on Form 8-K, is incorporated herein by reference.

Effective November 12, 2024, the board of directors of ACAB also adopted the Amended and Restated Bylaws of New Abpro, the full text of which is included as Exhibit 3.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 5.01. Changes in Control of Registrant.

Reference is made to the disclosure in the Proxy Statement/Prospectus in the section titled "*Proposed No. 1 – The Business Combination Proposal*," which is incorporated herein by reference. Further reference is made to the information contained in Item 2.01 to this Current Report on Form 8-K, which is incorporated herein by reference.

As of the Closing: public shareholders own approximately 0.42% of the outstanding Common Stock; the Sponsor and its affiliates own approximately 6.89% of the outstanding Common Stock; other initial stockholders of ACAB and their transferees own approximately 2.23% of the outstanding Common Stock; Abpro Corporation's former shareholders (other than the PIPE investors) collectively own approximately 51.58% of the Common Stock; the PIPE Investors collectively own approximately 35.63% of the outstanding New Abpro Common Stock (including shares received as Merger Consideration, transfers from the Sponsor in connection with the closing of the Business Combination, and shares received in satisfaction of outstanding promissory notes); and vendors and the underwriters of ACAB's initial public offering own approximately 3.25% of the outstanding Common Stock.

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

Election of Directors and Appointment of Officers

The following persons began serving as executive officers and directors following the Closing. For information concerning the executive officers and directors, see the disclosure in the Proxy Statement/Prospectus in the sections titled "*Information about ACAB,*" "*Management and Board of the Post-Combination Company Following the Business Combination*" and "*Certain Relationships and Related Party Transactions*," which are incorporated herein by reference.

Name	Age	Position
Ian Chan	52	Chief Executive Officer and Director
Jin Wook (Miles) Suk	55	Co-Chief Executive Officer, Director and Chairman of the Board
Shahraab Ahmad	47	Chief Financial Officer
Robert J. Markelewicz, Jr., M.D., M.M.Sc.	43	Chief Medical Officer
Anthony D. Eisenberg	42	Director
Soo Young Lee	52	Director
Ian McDonald	37	Director

Each director will hold office until his or her term expires at the next annual meeting of shareholders for such director's class or until his or her death, resignation, removal or the earlier termination of his or her term of office.

New Abpro Incentive Plan

At the Special Meeting, ACAB shareholders approved the New Abpro Incentive Plan and reserved an amount of New Abpro Common Stock equal to 10% of the number of shares of Common Stock of New Abpro following the Business Combination for issuance thereunder. The New Abpro Incentive Plan was approved by the ACAB board of directors on November 11, 2024. The New Abpro Incentive Plan became effective immediately upon the Closing of the Business Combination, and New Abpro has reserved 6,240,773 shares of Common Stock for issuance thereunder.

A more complete summary of the terms of the New Abpro Incentive Plan is set forth in the Proxy Statement/Prospectus in the section titled "*Proposal No. 8 – The Incentive Plan Proposal.*" That summary and the foregoing description are qualified in their entirety by reference to the text of the New Abpro Incentive Plan, which is filed as Exhibit 10.9 to this Current Report on Form 8-K and incorporated herein by reference.

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

The information set forth in Item 3.03 of this Current Report on Form 8-K is incorporated by reference into this Item 5.03.

Item 5.06. Change in Shell Company Status.

As a result of the Business Combination, ACAB ceased being a shell company. Reference is made to the disclosure in the Proxy Statement/Prospectus in the section titled "*Proposal No. 1 – The Business Combination Proposal*," which is incorporated herein by reference. The information contained in Item 2.01 of this Current Report on Form 8-K is incorporated by reference into this Item 5.06.

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 beginning on page F-1, which are incorporated herein by reference, and the unaudited financial statements of ACAB and Abpro Corporation as of and for the nine months ended September 30, 2024, together with the notes thereto, are set forth in the Form 10-Q filed by New Abpro on November 25, 2024 and Exhibit 99.2 to this Current Report on Form 8-K, respectively, and are incorporated herein by reference.

(b) Pro forma financial information.

The unaudited pro forma condensed combined financial information as of and for the nine months ended September 30, 2024 is filed as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

(d) Exhibits.

2.1	Business Combination Agreement, dated as of December 11, 2023 (incorporated by reference to Annex A to ACAB's registration statement on Form S-4/A filed with the SEC on October 17, 2024).
2.2	Amendment No. 1 to Business Combination Agreement, dated September 4, by and among ACAB, Merger Sub and Abpro (incorporated by reference to Exhibit 10.1 to ACAB's Current Report on Form 8-K filed with the SEC on September 4, 2024).
3.1*	New Abpro Second Amended and Restated Certificate of Incorporation.
3.2*	New Abpro Amended and Restated Bylaws.
4.1	Specimen Series A Common Stock Certificate (incorporated by reference to ACAB's Registration Statement on Form S-1/A filed with the SEC on December 20, 2021).
4.2	Specimen Public Warrant Certificate (included in Exhibit 4.4) (incorporated by reference to ACAB's Registration Statement on Form S-1 filed with the SEC on December 2, 2021).
4.3	Public Warrant Agreement, dated January 13, 2022, between ACAB and Continental Stock Transfer & Trust Company, as warrant agent (incorporated by reference to ACAB's Current Report on Form 8-K filed with the SEC on January 19, 2022).
4.4	Specimen Private Warrant Certificate (included in Exhibit 4.6) (incorporated by reference to ACAB's Registration Statement on Form S-1 filed with the SEC on December 2, 2021).
4.5	Private Warrant Agreement, dated January 13, 2022, between ACAB and Continental Stock Transfer & Trust Company (incorporated by reference to ACAB's Current Report on Form 8-K filed with the SEC on January 19, 2022).
10.1	Investment Management Trust Agreement, dated January 13, 2022, by and between ACAB and Continental Stock Transfer & Trust Company, as trustee (incorporated by reference to ACAB's Current Report on Form 8-K filed with the SEC on January 19, 2022).
10.2	Securities Subscription Agreement, dated October 25, 2021, between ACAB and the Sponsor (incorporated by reference to Exhibit 10.3 to ACAB's registration statement on Form S-1 filed with the SEC on December 2, 2021).
10.3	Private Placement Warrant Purchase Agreement, dated January 13, 2022, by and between ACAB and the Sponsor (incorporated by reference to ACAB's Current Report on Form 8-K filed with the SEC on January 19, 2022).
10.4	Letter Agreement, dated January 13, 2022, among ACAB and its officers, directors, and the Sponsor (incorporated by reference to ACAB's Current Report on Form 8-K filed with the SEC on January 19, 2022).
10.5	Registration Rights Agreement, dated January 13, 2022, among ACAB, the Sponsor and certain securityholders of ACAB (incorporated by reference to ACAB's Current Report on Form 8-K filed with the SEC on January 19, 2022).
10.6	Amended Sponsor Letter Agreement, dated as of January 18, 2024, by and among ACAB, Abpro, the Sponsor and directors and officers of ACAB (incorporated by reference to Exhibit 10.1 to ACAB's Current Report on Form 8-K filed with the SEC on January 19, 2024).
10.7	Form of Abpro Lock-Up Agreement (incorporated by reference to Exhibit 10.11 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on October 17, 2024).
10.8	Form of Director and Officer Indemnification Agreement (incorporated by reference to Exhibit 10.12 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on October 17, 2024).

10.9*+	Abpro Holdings, Inc. 2024 Equity Incentive Plan.
10.10+	Employment Agreement, dated as of January 15, 2020, by and between Abpro and Ian Chan (incorporated by reference to Exhibit 10.14 to ACAB's Registration Statement on Form S-4, filed with the SEC on January 19, 2024).
10.11+	Offer Letter, dated June 11, 2018, by and between Abpro and Rob Markelewicz (incorporated by reference to Exhibit 10.15 to ACAB's Registration Statement on Form S-4, filed with the SEC on January 19, 2024).
10.12	Consulting Agreement, dated January 1, 2023, by and between the Company and NEM LLC (incorporated by reference to Exhibit 10.18 to ACAB's Registration Statement on Form S-4, filed with the SEC on January 19, 2024).
10.13	Commercial Lease Agreement, dated July 2, 2014, by and between Abpro and Cummings Properties, LLC (incorporated by reference to Exhibit 10.19 to ACAB's Registration Statement on Form S-4, filed with the SEC on January 19, 2024).
10.14	Lease Extension #1 to Commercial Lease Agreement, dated May 22, 2017, by and between Abpro and Cummings Properties, LLC (incorporated by reference to Exhibit 10.20 to ACAB's Registration Statement on Form S-4, filed with the SEC on January 19, 2024).
10.15	Lease Extension #2 to Commercial Lease Agreement, dated March 9, 2021, by and between Abpro and Cummings Properties, LLC (incorporated by reference to Exhibit 10.21 to ACAB's Registration Statement on Form S-4, filed with the SEC on January 19, 2024).
10.16#	Collaboration and License Agreement, dated August 26, 2016, as amended by the First Amendment to License Agreement dated November 11, 2016, as amended by the Second Amendment to License Agreement dated November 1, 2017, as amended by the Third Amendment to License Agreement dated March 5, 2018, and as amended by the Fourth Amendment to License Agreement dated December 9, 2019, by and between Abmed Corporation, MedImmune Limited and Abpro (incorporated by reference to Exhibit 10.22 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on April 2, 2024).
10.17	Side Letter Agreement, dated August 8, 2017, by and among the Company, AbMed Corporation, and MedImmune Limited (incorporated by reference to Exhibit 10.23 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on April 2, 2024).
10.18#	Patent License Agreement, dated August 29, 2017, as amended by the First Amendment, dated May 20, 2020, and as amended by the Second Amendment, dated October 13, 2023, by and between Abpro and The U.S. Department of Health and Human Services, as represented by The National Cancer Institute (incorporated by reference to Exhibit 10.24 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on April 2, 2024).
10.19#	Collaboration Agreement, dated as of January 30, 2019, by and between Abpro and Nanjing Chia Tai Tianqing Pharmaceutical Co., Ltd. (incorporated by reference to Exhibit 10.25 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on April 2, 2024).

10.20#	Collaboration and License Agreement, dated December 14, 2019, by and between Abpro and Abpro Bio International, Inc. (incorporated by reference to Exhibit 10.26 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on April 2, 2024).
10.21#	Collaboration and License Agreement, dated January 15, 2020, by and between Abmed Corporation and Abpro Bio International, Inc. (incorporated by reference to Exhibit 10.22 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on April 2, 2024).
10.22#	Collaboration Agreement, dated September 21, 2022, by and between Abpro and Celltrion, Inc. (incorporated by reference to Exhibit 10.28 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on April 2, 2024).
10.23	Form of Investor Subscription Agreement (incorporated by reference to Exhibit 10.1 to ACAB's Current Report on Form 8-K filed with the SEC on August 28, 2024).
10.24	Investor Rights Agreement, dated August 22, 2024 by and between Atlantic Coastal Acquisition Corp. II and Celltrion, Inc. (incorporated by reference to Exhibit 10.2 to ACAB's Current Report on Form 8-K filed with the SEC on August 28, 2024).
10.25	Amendment to Collaboration Agreement, dated October 9, 2024, by and between Abpro and Celltrion, Inc. (incorporated by reference to Exhibit 10.34 to ACAB's Registration Statement on Form S-4/A, filed with the SEC on October 9, 2024).
10.26	Confirmation of an OTC Equity Prepaid Forward Transaction, dated November 7, 2024, by and among the Company, Abpro and YA II PN, LTD. (incorporated by reference to Exhibit 10.1 to ACAB's Current Report on Form 8-K filed with the SEC on November 8, 2024).
10.27	Non-Redemption Agreement, dated November 5, 2024, by and among the Company and with Sandia Investment Management LP (incorporated by reference to Exhibit 10.1 to ACAB's Current Report on Form 8-K filed with the SEC on November 5, 2024).
10.28	Standby Equity Purchase Agreement dated October 30, 2024, by and among Atlantic Coastal Acquisition Corp. II, Abpro Corporation and YA II PN, Ltd. (incorporated by reference to Exhibit 10.1 to ACAB's Current Report on Form 8-K filed with the SEC on November 4, 2024).
10.29	Registration Rights Agreement dated October 30, 2024, by and among Atlantic Coastal Acquisition Corp. II, Abpro Corporation and YA II PN, Ltd. (incorporated by reference to Exhibit 10.2 to ACAB's Current Report on Form 8-K filed with the SEC on November 4, 2024).
10.30*	Convertible Promissory Note, dated November 13, 2024
21.1*	Subsidiaries of the Registrant
99.1*	Unaudited Pro Forma Condensed Consolidated Financial Statements
99.2*	Abpro Corporation Financial Statements for the period ended September 30, 2024
99.3*	Abpro Management's Discussion and Analysis of Financial Condition and Results of Operations
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

\+ Indicates a management or compensatory plan.

\# Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the Registrant if publicly disclosed. The Registrant agrees to furnish supplementally a copy of any such omitted exhibits and schedules to the SEC upon its request.

SIGNATURE

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.

ABPRO HOLDINGS, INC.

By: /s/ Ian Chan
Name: Ian Chan
Title: Chief Executive Officer

Dated: November 25, 2024

SECOND AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
ATLANTIC COASTAL ACQUISITION CORP. II

Shahraab Ahmad hereby certifies that:

ONE: He is the duly elected and acting Chief Executive Officer of Atlantic Coastal Acquisition Corp. II, a Delaware corporation (the "***Corporation***").

TWO: The date of filing of said corporation's original certificate of incorporation with the Secretary of State of the State of Delaware was May 20, 2021.

THREE: The Amended and Restated Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on January 18, 2022 (the "***Amended Certificate***").

FOUR: This Second Amended and Restated Certificate of Incorporation amends and restates the Amended Certificate in its entirety.

FIVE: This Second Amended and Restated Certificate of Incorporation has been duly approved and adopted by the Board of Directors of the Corporation on November 12, 2024, and by the stockholders of the Corporation on November 7, 2024, in accordance with the provisions of Sections 141, 228, 242 and 245 of the General Corporation Law of the State of Delaware.

FIVE: The Amended Certificate is hereby amended and restated to read in its entirety as follows:

I.

The name of this corporation is Abpro Holdings, Inc. (the "***Company***").

II.

The address of the registered office of the Company in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of the registered agent at such address is The Corporation Trust Company.

III.

The purpose of the Company is to engage in any lawful act or activity for which a corporation may be organized under the Delaware General Corporation Law ("***DGCL***").

IV.

A. The Company is authorized to issue two classes of stock to be designated, respectively, "***Common Stock***" and "***Preferred Stock***." The total number of shares which the Company is authorized to issue is 111,000,000 shares. 110,000,000 shares shall be Common Stock, each having a par value of $0.0001. 1,000,000 shares shall be Preferred Stock, each having a par value of $0.0001.

B. The Preferred Stock may be issued from time to time in one or more series. The Board of Directors of the Company (the "***Board of Directors***") is hereby expressly authorized to provide for the issue of any or all of the unissued and undesignated shares of the Preferred Stock in one or more series, and to fix the number of shares and to determine or alter for each such series, such voting powers, full or limited, or no voting powers, and such designation, preferences, and relative, participating, optional, or other rights and such qualifications, limitations, or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issuance of such shares and as may be permitted by the DGCL. The Board of Directors is also expressly authorized to increase or decrease the number of shares of any series subsequent to the issuance of shares of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be decreased in accordance with the foregoing sentence, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the stock of the Company entitled to vote thereon, without a separate vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to the terms of any certificate of designation filed with respect to any series of Preferred Stock.

C. Each outstanding share of Common Stock shall entitle the holder thereof to one vote on each matter properly submitted to the stockholders of the Company for their vote; *provided, however*, that, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Second Amended and Restated Certificate of Incorporation (this "***Restated Certificate***") (including any certificate of designation filed with respect to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series of Preferred Stock are entitled, either separately or together as a class with the holders of one or more other such series of Preferred Stock, to vote thereon by law or pursuant to this Restated Certificate (including any certificate of designation filed with respect to any series of Preferred Stock).

V.

For the management of the business and for the conduct of the affairs of the Company, and in further definition, limitation and regulation of the powers of the Company, of its directors and of its stockholders or any class thereof, as the case may be, it is further provided that:

A. The management of the business and the conduct of the affairs of the Company shall be vested in its Board of Directors. The number of directors that shall constitute the Board of Directors shall be fixed exclusively by resolutions adopted by a majority of the authorized number of directors constituting the Board of Directors.

B. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, the directors shall be divided into three classes designated as Class I, Class II and Class III, respectively. The Board of Directors is authorized to assign members of the Board of Directors already in office to such classes at the time the classification becomes effective. At the first annual meeting of stockholders following the initial classification of the Board of Directors, the term of office of the Class I directors shall expire and Class I directors shall be elected for a full term of three years. At the second annual meeting of stockholders following such initial classification, the term of office of the Class II directors shall expire and Class II directors shall be elected for a full term of three years. At the third annual meeting of stockholders following such initial classification, the term of office of the Class III directors shall expire and Class III directors shall be elected for a full term of three years. At each succeeding annual meeting of stockholders, directors shall be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting.

Notwithstanding the foregoing provisions of this section, each director shall serve until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

C. Subject to the rights of any series of Preferred Stock that may be designated from time to time to elect additional directors under specified circumstances, neither the Board of Directors nor any individual director may be removed without cause. Subject to any limitations imposed by applicable law, any individual director or directors may be removed with cause by the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all then-outstanding shares of capital stock of the Company entitled to vote generally at an election of directors, voting together as a single class.

D. Subject to any limitations imposed by applicable law and subject to the rights of the holders of any series of Preferred Stock that may be designated from time to time, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors, shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by the stockholders and except as otherwise provided by applicable law, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, and not by the stockholders. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified.

E. The Board of Directors is expressly empowered to adopt, amend or repeal the Amended and Restated Bylaws of the Company (the "***Bylaws***"). Any adoption, amendment or repeal of the Bylaws by the Board of Directors shall require the approval of a majority of the authorized number of directors. The stockholders shall also have power to adopt, amend or repeal the Bylaws; *provided, however,* that, in addition to any vote of the holders of any class or series of stock of the Company required by law or by this Restated Certificate, such action by stockholders shall require the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all of the then-outstanding shares of the capital stock of the Company entitled to vote generally in the election of directors, voting together as a single class.

F. The directors of the Company need not be elected by written ballot unless the Bylaws so provide.

G. No action shall be taken by the stockholders of the Company except at an annual or special meeting of stockholders called in accordance with the Bylaws. No action shall be taken by the stockholders of the Company by written consent or electronic transmission.

H. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Company shall be given in the manner provided in the Bylaws.

VI.

A. The liability of a director of the Company for monetary damages shall be eliminated to the fullest extent under applicable law.

B. To the fullest extent permitted by applicable law, the Company is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Company (and any other persons to which applicable law permits the Company to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise in excess of the indemnification and advancement otherwise permitted by such applicable law. If applicable law is amended after approval by the stockholders of this Article VI to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director to the Company shall be eliminated or limited to the fullest extent permitted by applicable law as so amended.

C. Any repeal or modification of this Article VI shall only be prospective and shall not affect the rights or protections or increase the liability of any director under this Article VI in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

VII.

A. Unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) and any appellate court therefrom shall be the sole and exclusive forum for the following claims or causes of action under Delaware statutory or common law: (A) any derivative claim or cause of action brought on behalf of the Company; (B) any claim or cause of action for breach of a fiduciary duty owed by any current or former director, officer or other employee of the Company, to the Company or the Company's stockholders; (C) any claim or cause of action against the Company or any current or former director, officer or other employee of the Company, arising out of or pursuant to any provision of the DGCL, this Restated Certificate or the Bylaws of the Company (as each may be amended from time to time); (D) any claim or cause of action seeking to interpret, apply, enforce or determine the validity of this Restated Certificate or the Bylaws of the Company (as each may be amended from time to time, including any right, obligation, or remedy thereunder); (E) any claim or cause of action as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; and (F) any claim or cause of action against the Company or any current or former director, officer or other employee of the Company, governed by the internal-affairs doctrine or otherwise related to the Company's internal affairs, in all cases to the fullest extent permitted by law and subject to the court having personal jurisdiction over the indispensable parties named as defendants. This Section A of Article VII shall not apply to claims or causes of action brought to enforce a duty or liability created by the Securities Act of 1933, as amended (the "***1933 Act***"), or the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts have exclusive jurisdiction.

B. Unless the Company consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the 1933 Act, including all causes of action asserted against any defendant named in such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by the Company, its officers and directors, the underwriters for any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering.

C. Any person or entity holding, owning or otherwise acquiring any interest in any security of the Company shall be deemed to have notice of and consented to the provisions of this Restated Certificate.

VIII.

A. The Company reserves the right to amend, alter, change or repeal any provision contained in this Restated Certificate, in the manner now or hereafter prescribed by statute, except as provided in Section B of this Article VIII, and all rights conferred upon the stockholders herein are granted subject to this reservation.

B. Notwithstanding any other provisions of this Restated Certificate or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the Company required by law or by this Restated Certificate or any certificate of designation filed with respect to a series of Preferred Stock that may be designated from time to time, subject to the rights of the holders of any series of Preferred Stock, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all of the then-outstanding shares of capital stock of the Company entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend or repeal Articles V, VI, VII and VIII of this Restated Certificate.

* * * *

SIX: This Restated Certificate has been duly adopted and approved by the Board of Directors and by written consent of the stockholders in accordance with Sections 228, 242 and 245 of the DGCL and written notice of such action has been given as provided in section 228 of the DGCL.

[Signature page follows]

IN WITNESS WHEREOF, Atlantic Coastal Acquisition Corp. II has caused this Second Amended and Restated Certificate of Incorporation to be signed by its Chief Executive Officer this 12th day of November, 2024.

ATLANTIC COASTAL ACQUISITION CORP. II

/s/ Shahraab Ahmad

By: Shahraab Ahmad
Its: Chief Executive Officer

SECOND AMENDED AND RESTATED BYLAWS OF ABPRO HOLDINGS, INC.

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware shall be at 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801.

The name of the registered agent at such address is The Corporation Trust Company, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801.

Section 2. Other Offices. The corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the corporation's Board of Directors (the "***Board of Directors***"), and may also have offices at such other places, both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. The corporate seal shall consist of a die bearing the name of the corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law (the "***DGCL***").

Section 5. Annual Meetings.

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may properly come before it, shall be held on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders (with respect to business other than nominations); (ii) brought specifically by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving the stockholder's notice provided for in Section 5(b) of these Second Amended and Restated Bylaws (the "***Bylaws***"), who is entitled to vote at the meeting and who complied with the notice procedures set forth in this Section 5. For the avoidance of doubt, clause (iii) above shall be the exclusive means for a stockholder to make nominations and submit other business (other than matters properly included in the corporation's notice of meeting of stockholders and proxy statement under Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "***1934 Act***")) before an annual meeting of stockholders.

(b) At an annual meeting of the stockholders, only such business shall be conducted as is a proper matter for stockholder action under Delaware law and as shall have been properly brought before the meeting.

(i) For nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, the stockholder must deliver written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(iii) of these Bylaws and must update and supplement such written notice on a timely basis as set forth in Section 5(c) of these Bylaws. Such stockholder's notice shall set forth: (A) as to each nominee such stockholder proposes to nominate at the meeting: (1) the name, age, business address and residence address of such nominee; (2) the principal occupation or employment of such nominee; (3) the class and number of shares of each class of capital stock of the corporation which are owned of record and beneficially by such nominee; (4) the date or dates on which such shares were acquired and the investment intent of such acquisition; (5) with respect to each nominee for election or re-election to the Board of Directors, include a completed and signed questionnaire, representation and agreement required by Section 5(e) of these Bylaws; and (6) such other information concerning such nominee as would be required to be disclosed in a proxy statement soliciting proxies for the election of such nominee as a director in an election contest (even if an election contest is not involved), or that is otherwise required to be disclosed pursuant to Section 14 of the 1934 Act and the rules and regulations promulgated thereunder (including such person's written consent to being named as a nominee and to serving as a director if elected); and (B) the information required by Section 5(b)(iv) of these Bylaws. The corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director of the corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

(ii) Other than proposals sought to be included in the corporation's proxy materials pursuant to Rule 14(a)-8 under the 1934 Act, for business other than nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, the stockholder must deliver written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(iii) of these Bylaws, and must update and supplement such written notice on a timely basis as set forth in Section 5(c) of these Bylaws. Such stockholder's notice shall set forth: (A) as to each matter such stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting, and any material interest (including any anticipated benefit of such business to any Proponent (as defined below) other than solely as a result of its ownership of the corporation's capital stock, that is material to any Proponent individually, or to the Proponents in the aggregate) in such business of any Proponent; and (B) the information required by Section 5(b)(iv) of these Bylaws.

(iii) To be timely, the written notice required by Section 5(b)(i) or 5(b)(ii) of these Bylaws must be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; *provided, however,* that, subject to the last sentence of this Section 5(b)(iii), in the event that the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so received not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. In no event shall an adjournment or a postponement of an annual meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(iv) The written notice required by Section 5(b)(i) or 5(b)(ii) of these Bylaws shall also set forth, as of the date of the notice and as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (each, a "***Proponent***" and collectively, the "***Proponents***"): (A) the name and address of each Proponent, as they appear on the corporation's books; (B) the class, series and number of shares of the corporation that are owned beneficially and of record by each Proponent; (C) a description of any agreement, arrangement or understanding (whether oral or in writing) with respect to such nomination or proposal between or among any Proponent and any of its affiliates or associates, and any others (including their names) acting in concert, or otherwise under the agreement, arrangement or understanding, with any of the foregoing; (D) a representation that the Proponents are holders of record or beneficial owners, as the case may be, of shares of the corporation entitled to vote at the meeting and intend to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice (with respect to a notice under Section 5(b)(i) of these Bylaws) or to propose the business that is specified in the notice (with respect to a notice under Section 5(b)(ii) of these Bylaws); (E) a representation as to whether the Proponents intend to deliver a proxy statement and form of proxy to holders of a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (with respect to a notice under Section 5(b)(i) of these Bylaws) or to carry such proposal (with respect to a notice under Section 5(b)(ii) of these Bylaws); (F) to the extent known by any Proponent, the name and address of any other stockholder supporting the proposal on the date of such stockholder's notice; and (G) a description of all Derivative Transactions (as defined below) by each Proponent during the previous 12 month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions.

For purposes of Sections 5 and 6 of these Bylaws, a "***Derivative Transaction***" means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proponent or any of its affiliates or associates, whether record or beneficial:

(w) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the corporation;

(x) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the corporation;

(y) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes; or

(z) which provides the right to vote or increase or decrease the voting power of, such Proponent, or any of its affiliates or associates, with respect to any securities of the corporation,

which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proponent in the securities of the corporation held by any general or limited partnership, or any limited liability company, of which such Proponent is, directly or indirectly, a general partner or managing member.

(c) A stockholder providing written notice required by Section 5(b)(i) or (ii) of these Bylaws shall update and supplement such notice in writing, if necessary, so that the information provided or required to be provided in such notice is true and correct in all material respects as of (i) the record date for the meeting and (ii) the date that is five business days prior to the meeting and, in the event of any adjournment or postponement thereof, five business days prior to such adjourned or postponed meeting. In the case of an update and supplement pursuant to clause (i) of this Section 5(c), such update and supplement shall be received by the Secretary at the principal executive offices of the corporation not later than five business days after the record date for the meeting. In the case of an update and supplement pursuant to clause (ii) of this Section 5(c), such update and supplement shall be received by the Secretary at the principal executive offices of the corporation not later than two business days prior to the date for the meeting, and, in the event of any adjournment or postponement thereof, two business days prior to such adjourned or postponed meeting.

(d) Notwithstanding anything in Section 5(b)(iii) of these Bylaws to the contrary, in the event that the number of directors in an Expiring Class (as defined below) is increased and there is no public announcement of the appointment of a director to such class, or, if no appointment was made, of the vacancy in such class, made by the corporation at least 10 days before the last day a stockholder may deliver a notice of nomination in accordance with Section 5(b)(iii) of these Bylaws, a stockholder's notice required by this Section 5 and which complies with the requirements in Section 5(b)(i) of these Bylaws, other than the timing requirements in Section 5(b)(iii) of these Bylaws, shall also be considered timely, but only with respect to nominees for any new positions in such Expiring Class created by such increase, if it shall be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the corporation. For purposes of this Section 5, an "***Expiring Class***" shall mean a class of directors whose term shall expire at the next annual meeting of stockholders.

(e) To be eligible to be a nominee for election or re-election as a director of the corporation pursuant to a nomination under clause (iii) of Section 5(a) of these Bylaws, such proposed nominee or a person on such proposed nominee's behalf must deliver (in accordance with the time periods prescribed for delivery of notice under Section 5(b)(iii) or 5(d) of these Bylaws, as applicable) to the Secretary at the principal executive offices of the corporation a written questionnaire with respect to the background and qualification of such proposed nominee and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that such person (i) is not and will not become a party to (A) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the corporation, will act or vote on any issue or question (a "***Voting Commitment***") that has not been disclosed to the corporation in the questionnaire or (B) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the corporation, with such person's fiduciary duties under applicable law; (ii) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director of the corporation that has not been disclosed therein; and (iii) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the corporation, and will comply with, all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the corporation.

(f) A person shall not be eligible for election or re-election as a director unless the person is nominated either in accordance with clause (ii) of Section 5(a) of these Bylaws, or in accordance with clause (iii) of Section 5(a) of these Bylaws. Except as otherwise required by law, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, or the Proponent does not act in accordance with the representations in Sections 5(b)(iv)(D) and 5(b)(iv)(E) of these Bylaws, to declare that such proposal or nomination shall not be presented for stockholder action at the meeting and shall be disregarded, notwithstanding that proxies in respect of such nominations or such business may have been solicited or received.

(g) Notwithstanding the foregoing provisions of this Section 5, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, a stockholder must also comply with all applicable requirements of the 1934 Act and the rules and regulations thereunder. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; *provided, however,* that any references in these Bylaws to the 1934 Act or the rules and regulations thereunder are not intended to and shall not limit the requirements applicable to proposals and/or nominations to be considered pursuant to Section 5(a)(iii) of these Bylaws.

(h) For purposes of Sections 5 and 6 of these Bylaws,

(i) "***public announcement***" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the 1934 Act; and

(ii) "***affiliates***" and "***associates***" shall have the meanings set forth in Rule 405 under the Securities Act of 1933, as amended (the "***1933 Act***").

Section 6. Special Meetings.

(a) Special meetings of the stockholders of the corporation may be called, for any purpose as is a proper matter for stockholder action under Delaware law, by (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer, or (iii) the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption).

(b) The Board of Directors shall determine the time and place, if any, of such special meeting. Upon determination of the time and place, if any, of the meeting, the Secretary shall cause a notice of meeting to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. No business may be transacted at such special meeting otherwise than specified in the notice of meeting.

(c) Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the corporation who is a stockholder of record at the time of giving notice provided for in this paragraph, who shall be entitled to vote at the meeting and who delivers written notice to the Secretary of the corporation setting forth the information required by Section 5(b)(i) of these Bylaws. In the event the corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder of record may nominate a person or persons (as the case may be), for election to such position(s) as specified in the corporation's notice of meeting, if written notice setting forth the information required by Section 5(b)(i) of these Bylaws shall be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the later of the 90th day prior to such meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The stockholder shall also update and supplement such information as required under Section 5(c) of these Bylaws. In no event shall an adjournment or a postponement of a special meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(d) Notwithstanding the foregoing provisions of this Section 6, a stockholder must also comply with all applicable requirements of the 1934 Act and the rules and regulations thereunder with respect to matters set forth in this Section 6. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; *provided, however,* that any references in these Bylaws to the 1934 Act or the rules and regulations thereunder are not intended to and shall not limit the requirements applicable to nominations for the election to the Board of Directors to be considered pursuant to Section 6(c) of these Bylaws.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at any such meeting. If mailed, notice is deemed given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. If sent via electronic transmission, notice is deemed given as of the sending time recorded at the time of transmission. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof, or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the corporation's Second Amended and Restated Certificate of Incorporation (as amended or restated from time to time, the "***Certificate of Incorporation***"), or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the outstanding shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairman of the meeting or by vote of the holders of a majority of the shares represented thereat, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute or by applicable stock exchange rules, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of the majority of shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by the statute or by the Certificate of Incorporation or these Bylaws, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting shall be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairman of the meeting or by the vote of a majority of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, shall be entitled to vote at any meeting of stockholders. Every person entitled to vote shall have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy shall be voted after three years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: (a) if only one votes, his act binds all; (b) if more than one votes, the act of the majority so voting binds all; or (c) if more than one votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of clause (c) of this Section 11 shall be a majority or even-split in interest.

Section 12. List of Stockholders. The Secretary shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. The list shall be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting. No action shall be taken by the stockholders except at an annual or special meeting of stockholders called in accordance with these Bylaws, and no action shall be taken by the stockholders by written consent or electronic transmission.

Section 14. Organization.

(a) At every meeting of stockholders, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or, if the President is absent, if applicable, the Lead Independent Director (as defined below), or, if the Lead Independent Director is absent, a chairman of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, shall act as chairman. The Secretary, or, in his or her absence, an Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

(b) The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office. The authorized number of directors of the corporation shall be fixed in accordance with the Certificate of Incorporation. Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors shall not have been elected at an annual meeting, they may be elected as soon thereafter as convenient at a special meeting of the stockholders called for that purpose in the manner provided in these Bylaws.

Section 16. Powers. The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Classes of Directors. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, the directors shall be divided into three classes designated as Class I, Class II and Class III, respectively. The Board of Directors is authorized to assign members of the Board of Directors already in office to such classes at the time the classification becomes effective. At the first annual meeting of stockholders following the initial classification of the Board of Directors, the term of office of the Class I directors shall expire and Class I directors shall be elected for a full term of three years. At the second annual meeting of stockholders following such initial classification, the term of office of the Class II directors shall expire and Class II directors shall be elected for a full term of three years. At the third annual meeting of stockholders following such initial classification, the term of office of the Class III directors shall expire and Class III directors shall be elected for a full term of three years. At each succeeding annual meeting of stockholders, directors shall be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting.

Notwithstanding the foregoing provisions of this Section 17, each director shall serve until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section 18. Vacancies. Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, and not by the stockholders, *provided, however*, that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected, and not by the stockholders. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time. If no such specification is made, it shall be deemed effective at the time of delivery to the Secretary. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office for the unexpired portion of the term of the director whose place shall be vacated and until his successor shall have been duly elected and qualified.

Section 20. Removal.

(a) Subject to the rights of any series of Preferred Stock to elect additional directors under specified circumstances, neither the Board of Directors nor any individual director may be removed without cause.

(b) Subject to any limitation imposed by law, any individual director or directors may be removed with cause by the affirmative vote of the holders of at least 66 2/3% of the voting power of all then outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors.

Section 21. Meetings.

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, by telephone, including a voice-messaging system or other system designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means. No further notice shall be required for regular meetings of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairman of the Board, the Chief Executive Officer or a majority of the authorized number of directors.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place of all special meetings of the Board of Directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least 24 hours before the date and time of the meeting. If notice is sent by U.S. mail, it shall be sent by first class mail, charges prepaid, at least three days before the date of the meeting. Notice of any meeting may be waived in writing, or by electronic transmission, at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, shall be as valid as though it had been transacted at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice shall sign a written waiver of notice or shall waive notice by electronic transmission. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting.

(a) Unless the Certificate of Incorporation requires a greater number, and except with respect to questions related to indemnification arising under Section 45 of these Bylaws for which a quorum shall be one-third of the exact number of directors fixed from time to time, a quorum of the Board of Directors shall consist of a majority of the exact number of directors fixed from time to time by the Board of Directors in accordance with the Certificate of Incorporation; *provided, however,* at any meeting whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees.

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any Bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors shall consist of one or more members of the Board of Directors and shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event shall any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of subsections (a) or (b) of this Section 25, may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings. Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 25 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

Section 26. Duties of Chairman of the Board of Directors. The Chairman of the Board of Directors, when present, shall preside at all meetings of the stockholders and the Board of Directors. The Chairman of the Board of Directors shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

Section 27. Lead Independent Director. The Chairman of the Board of Directors, or if the Chairman is not an independent director, one of the independent directors, may be designated by the Board of Directors as lead independent director ("***Lead Independent Director***") to serve until replaced by the Board of Directors. The Lead Independent Director will: with the Chairman of the Board of Directors, establish the agenda for regular Board meetings and serve as chairman of Board of Directors meetings in the absence of the Chairman of the Board of Directors; establish the agenda for meetings of the independent directors; coordinate with the committee chairs regarding meeting agendas and informational requirements; preside over meetings of the independent directors; preside over any portions of meetings of the Board of Directors at which the evaluation or compensation of the Chief Executive Officer is presented or discussed; preside over any portions of meetings of the Board of Directors at which the performance of the Board of Directors is presented or discussed; and perform such other duties as may be established or delegated by the Chairman of the Board of Directors.

Section 28. Organization. At every meeting of the directors, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the Lead Independent Director, or if the Lead Independent Director is absent, the Chief Executive Officer (if a director), or, if a Chief Executive Officer is absent, the President (if a director), or if the President is absent, the most senior Vice President (if a director), or, in the absence of any such person, a chairman of the meeting chosen by a majority of the directors present, shall preside over the meeting. The Secretary, or in his absence, any Assistant Secretary or other officer or director directed to do so by the Chairman, shall act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 29. Officers Designated. The officers of the corporation shall include, if and when designated by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Financial Officer and the Treasurer. The Board of Directors may also appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers and agents with such powers and duties as it shall deem necessary. The Board of Directors may assign such additional titles to one or more of the officers as it shall deem appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation shall be fixed by or in the manner designated by the Board of Directors.

Section 30. Tenure and Duties of Officers.

(a) General. All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

(b) Duties of Chief Executive Officer. The Chief Executive Officer shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors or the Lead Independent Director has been appointed and is present. Unless an officer has been appointed Chief Executive Officer of the corporation, the President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. To the extent that a Chief Executive Officer has been appointed and no President has been appointed, all references in these Bylaws to the President shall be deemed references to the Chief Executive Officer. The Chief Executive Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

(c) Duties of President. The President shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors, the Lead Independent Director, or the Chief Executive Officer has been appointed and is present. Unless another officer has been appointed Chief Executive Officer of the corporation, the President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

(d) Duties of Vice Presidents. The Vice Presidents may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or, if the Chief Executive Officer has not been appointed or is absent, the President shall designate from time to time.

(e) Duties of Secretary. The Secretary shall attend all meetings of the stockholders and of the Board of Directors and shall record all acts and proceedings thereof in the minute book of the corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary shall perform all other duties provided for in these Bylaws and other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time. The President may direct any Assistant Secretary or other officer to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(f) Duties of Chief Financial Officer. The Chief Financial Officer shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the President. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Chief Financial Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. To the extent that a Chief Financial Officer has been appointed and no Treasurer has been appointed, all references in these Bylaws to the Treasurer shall be deemed references to the Chief Financial Officer. The President may direct the Treasurer, if any, or any Assistant Treasurer, or the Controller or any Assistant Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each Controller and Assistant Controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(g) Duties of Treasurer. Unless another officer has been appointed Chief Financial Officer of the corporation, the Treasurer shall be the chief financial officer of the corporation and shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the President, and, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Treasurer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

Section 31. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 32. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission to the Board of Directors or to the President or to the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 33. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written consent of the directors in office at the time, or by any committee or by the Chief Executive Officer or by other superior officers upon whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 34. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name without limitation, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature shall be binding upon the corporation.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 35. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairman of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 36. Form and Execution of Certificates. The shares of the corporation shall be represented by certificates, or shall be uncertificated if so provided by resolution or resolutions of the Board of Directors. Certificates for the shares of stock of the corporation, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock represented by certificate in the corporation shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman of the Board of Directors, the Chief Executive Officer, or the President or any Vice President and by the Chief Financial Officer, Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 37. Lost Certificates. A new certificate or certificates shall be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner's legal representative, to agree to indemnify the corporation in such manner as it shall require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 38. Transfers.

(a) Transfers of record of shares of stock of the corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized, and, in the case of stock represented by certificate, upon the surrender of a properly endorsed certificate or certificates for a like number of shares.

(b) The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

Section 39. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, subject to applicable law, not be more than 60 nor less than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 40. Registered Stockholders. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 41. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 36 of these Bylaws), may be signed by the Chairman of the Board of Directors, the Chief Executive Officer, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; *provided, however,* that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 42. Declaration of Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 43. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors shall think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 44. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

Section 45. Indemnification of Directors, Officers, Employees and Other Agents.

(a) Directors and Officers. The corporation shall indemnify its directors and officers to the extent not prohibited by the DGCL or any other applicable law; *provided, however,* that the corporation may modify the extent of such indemnification by individual contracts with its directors and officers; and, *provided, further,* that the corporation shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the DGCL or any other applicable law or (iv) such indemnification is required to be made under subsection (d).

(b) Employees and Other Agents. The corporation shall have power to indemnify its employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person (except for officers) or other persons as the Board of Directors shall determine.

(c) Expenses. The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer, of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding provided, however, that if the DGCL requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking (hereinafter an "***undertaking***"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "***final adjudication***") that such indemnitee is not entitled to be indemnified for such expenses under this Section 45 or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Section 45, no advance shall be made by the corporation to an officer of the corporation (except by reason of the fact that such officer is or was a director of the corporation in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and officers under this Section 45 shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or officer. Any right to indemnification or advances granted by this Section 45 to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of request therefor. To the extent permitted by law, the claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such officer is or was a director of the corporation) for advances, the corporation shall be entitled to raise a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because the director or officer has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by a director or officer to enforce a right to indemnification or to an advancement of expenses hereunder, the burden of proving that the director or officer is not entitled to be indemnified, or to such advancement of expenses, under this Section 45 or otherwise shall be on the corporation.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Bylaw shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL, or by any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Bylaw shall continue as to a person who has ceased to be a director or officer, or, if applicable, employee or other agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Section 45.

(h) Amendments. Any repeal or modification of this Section 45 shall only be prospective and shall not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and officer to the full extent not prohibited by any applicable portion of this Section 45 that shall not have been invalidated, or by any other applicable law. If this Section 45 shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and officer to the full extent under any other applicable law.

(j) Certain Definitions. For the purposes of this Bylaw, the following definitions shall apply:

(i) The term "***proceeding***" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(ii) The term "***expenses***" shall be broadly construed and shall include, without limitation, court costs, attorneys' fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(iii) The term the "***corporation***" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Section 45 with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(iv) References to a "***director***," "***officer***," "***employee***," or "***agent***" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(v) References to "***other enterprises***" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "***serving at the request of the corporation***" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "***not opposed to the best interests of the corporation***" as referred to in this Section 45.

ARTICLE XII

NOTICES

Section 46. Notices.

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings shall be given as provided in Section 7 of these Bylaws. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by U.S. mail or nationally recognized overnight courier, or by facsimile, telegraph or telex, or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in subsection (a), or as otherwise provided in these Bylaws, except that such notice other than one which is delivered personally shall be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected, or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It shall not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person With Whom Communication is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address. Except as otherwise prohibited under the DGCL, any notice given under the provisions of the DGCL, the Certificate of Incorporation or the Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent shall have been deemed to have been given if such stockholder fails to object in writing to the corporation within 60 days of having been given notice by the corporation of its intention to send the single notice. Any consent shall be revocable by the stockholder by written notice to the corporation.

ARTICLE XIII

AMENDMENTS

Section 47. Amendments. Subject to the limitations set forth in Section 45(h) of these Bylaws or the provisions of the Certificate of Incorporation, the Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the corporation. Any adoption, amendment or repeal of the Bylaws of the corporation by the Board of Directors shall require the approval of a majority of the authorized number of directors. The stockholders also shall have power to adopt, amend or repeal the Bylaws of the corporation; *provided, however,* that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least 66 2/3% of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE XIV

LOANS TO OFFICERS OR EMPLOYEES

Section 48. Loans to Officers or Employees. Except as otherwise prohibited by applicable law, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XV

MISCELLANEOUS

Section 49. Forum.

(a) Unless the corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) and any appellate court therefrom shall be the sole and exclusive forum for the following claims or causes of action under Delaware statutory or common law: (A) any derivative claim or cause of action brought on behalf of the corporation; (B) any claim or cause of action for breach of a fiduciary duty owed by any current or former director, officer or other employee of the corporation, to the corporation or the corporation's stockholders; (C) any claim or cause of action against the corporation or any current or former director, officer or other employee of the corporation, arising out of or pursuant to any provision of the DGCL, the Certificate of Incorporation or the Bylaws of the corporation (as each may be amended from time to time); (D) any claim or cause of action seeking to interpret, apply, enforce or determine the validity of the Certificate of Incorporation or the Bylaws of the corporation (as each may be amended from time to time, including any right, obligation, or remedy thereunder); (E) any claim or cause of action as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; and (F) any claim or cause of action against the corporation or any current or former director, officer or other employee of the corporation, governed by the internal-affairs doctrine or otherwise related to the corporation's internal affairs, in all cases to the fullest extent permitted by law and subject to the court having personal jurisdiction over the indispensable parties named as defendants. This Section 49 of Article XV shall not apply to claims or causes of action brought to enforce a duty or liability created by the 1933 Act or the 1934 Act or any other claim for which the federal courts have exclusive jurisdiction.

(b) Unless the corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the 1933 Act, including all causes of action asserted against any defendant named in such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by the corporation, its officers and directors, the underwriters for any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering.

Exhibit 10.9

ABPRO HOLDINGS, INC. 2024 EQUITY INCENTIVE PLAN

1. *Purpose*. The purpose of the Abpro Holdings, Inc. 2024 Equity Incentive Plan (the "Plan") is to provide a means through which the Company and its Affiliates (each as defined below) may attract and retain key personnel and to provide a means whereby directors, officers, employees, consultants and advisors (and prospective directors, officers, employees, consultants and advisors) of the Company and its Affiliates can acquire and maintain an equity interest in the Company, or be paid incentive compensation, which may (but need not) be measured by reference to the value of Common Shares (as defined below), thereby strengthening their commitment to the welfare of the Company and its Affiliates and aligning their interests with those of the Company's shareholders.

2. *Definitions*. The following definitions shall be applicable throughout the Plan:

(a) "*Affiliate*" means (i) any person or entity that directly or indirectly controls, is controlled by or is under common control with the Company and/or (ii) to the extent provided by the Committee, any person or entity in which the Company has a significant interest. The term "control" (including, with correlative meaning, the terms "controlled by" and "under common control with"), as applied to any person or entity, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting or other securities, by contract or otherwise.

(b) "*Award*" means, individually or collectively, any Incentive Stock Option, Nonqualified Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Stock Bonus Award, and Performance Compensation Award granted under the Plan.

(c) "*Board*" means the Board of Directors of the Company.

(d) "*Business Combination*" has the meaning given such term in the definition of "Change in Control."

(e) "*Cause*" means, in the case of a particular Award, unless the applicable Award agreement states otherwise, (i) the Company or an Affiliate having "cause" to terminate a Participant's employment or service, as defined in any employment or consulting or similar agreement between the Participant and the Company or an Affiliate in effect at the time of such termination or (ii) in the absence of any such employment or consulting or similar agreement (or the absence of any definition of "Cause" contained therein), (A) gross misconduct by the Participant which results in loss, damage or injury to the Company or any of its Affiliates, its goodwill, business or reputation; (B) the commission or attempted commission of an act of embezzlement, fraud or breach of fiduciary duty which results in loss, damage or injury to the Company or any of its Affiliates, its goodwill, business or reputation; (C) the unauthorized disclosure or misappropriation of any trade secret or confidential information of the Company, any of its Affiliate or any third party who has a business relationship with the Company; (D) the Participant's conviction of or plea of nolo contendere to, a felony under any state or federal law which materially interferes with such Participant's ability to perform his or her services for the Company or any of its Affiliates or which results in loss, damage or injury to the Company or any of its Affiliates, its goodwill, business or reputation; (E) the violation (or potential violation) by the Participant, in any material respect, of a non-competition, non-solicitation, non-disclosure or assignment of inventions covenant between the Participant and the Company or any of its Affiliates; (F) the Participant's failure to perform the Participant's assigned duties and responsibilities to the reasonable satisfaction of the Company which failure continues, in the reasonable judgment of the Company, after written notice given to the Participant by the Company; or (G) the use of controlled substances, illicit drugs, alcohol or other substances or behavior which interferes with the Participant's ability to perform his or her services for the Company or any of its Affiliates or which otherwise results in loss, damage or injury to the Company, its goodwill, business or reputation. Any determination of whether Cause exists shall be made by the Committee in its sole discretion.

(f) "*Change in Control*" shall, in the case of a particular Award, unless the applicable Award agreement states otherwise or contains a different definition of "Change in Control," be deemed to occur upon:

(i) Any sale, lease, exchange or other transfer (in one or a series of related transactions) of all or substantially all of the assets of the Company to an unrelated third party;

(ii) Any "Person" as such term is used in Section 13(d) and Section 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") becomes, directly or indirectly, the "beneficial owner" as defined in Rule 13d-3 under the Exchange Act of securities of the Company that represent more than 50% of the combined voting power of the Company's then outstanding voting securities (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this Section 2(f)(ii), the following acquisitions shall not constitute a Change in Control: (I) any acquisition directly from the Company principally for bona fide equity financing purposes, (II) any acquisition by the Company, (III) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate, (IV) any acquisition by any corporation pursuant to a transaction that complies with Sections 2(f)(iv), (V) any acquisition involving beneficial ownership of less than 50% of the then-outstanding Common Shares (the "Outstanding Company Common Shares") or the Outstanding Company Voting Securities that is determined by the Board, based on review of public disclosure by the acquiring Person with respect to its passive investment intent, not to have a purpose or effect of changing or influencing the control of the Company;

(iii) During any period of not more than two (2) consecutive years, individuals who constitute the Board as of the beginning of the period (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the beginning of such period, whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) will be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board will be deemed to be an Incumbent Director;

(iv) Consummation of a merger, amalgamation or consolidation (a "Business Combination") of the Company with any other corporation, unless, following such Business Combination, all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Shares and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock (or, for a non-corporate entity, equivalent securities) and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors (or, for a non-corporate entity, equivalent governing body), as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries);

(v) Shareholder approval of a plan of complete liquidation of the Company.

(g) "*Code*" means the Internal Revenue Code of 1986, as amended, and any successor thereto. Reference in the Plan to any section of the Code shall be deemed to include any regulations or other interpretative guidance under such section, and any amendments or successor provisions to such section, regulations or guidance.

(h) "*Committee*" means a committee of at least two people as the Board may appoint to administer the Plan or, if no such committee has been appointed by the Board, the Board.

(i) "*Common Shares*" means shares of the Company's common stock, par value $0.0001 per share (and any stock or other securities into which such ordinary shares may be converted or into which they may be exchanged).

(j) "*Company*" means Abpro Holdings, Inc., a Delaware corporation.

(k) "*Date of Grant*" means the date on which the granting of an Award is authorized, or such other date as may be specified in such authorization.

(l) "*Effective Date*" means the date of adoption by the Company as set forth on the signature page hereto.

(m) "*Eligible Director*" means a person who is a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act.

(n) "*Eligible Person*" with respect to an Award denominated in Common Shares, means any (i) individual employed by the Company or an Affiliate; provided, however, that no such employee covered by a collective bargaining agreement shall be an Eligible Person unless and to the extent that such eligibility is set forth in such collective bargaining agreement which includes rules regarding equity entitlement or in an agreement or instrument relating thereto; (ii) director of the Company or an Affiliate; (iii) an individual consultant or advisor to the Company or an Affiliate; provided that if the Securities Act applies, such persons must be eligible to be offered securities registrable on Form S-8 under the Securities Act; or (iv) prospective employees, directors, officers, consultants or advisors who have accepted offers of employment or consultancy from the Company or its Affiliates (and would satisfy the provisions of clauses (i) through (iii) above once he or she begins employment with or begins providing services to the Company or its Affiliates).

(o) "*Exchange Act*" has the meaning given such term in the definition of "Change in Control," and any reference in the Plan to any section of (or rule promulgated under) the Exchange Act shall be deemed to include any rules, regulations or other interpretative guidance under such section or rule, and any amendments or successor provisions to such section, rules, regulations or guidance.

(p) "*Exercise Price*" has the meaning given such term in Section 7(b) of the Plan.

(q) "*Fair Market Value*" means, as of any date, the value of Common Shares determined as follows:

(i) If the Common Shares are listed on any established stock exchange or a national market system will be the closing sales price for such shares (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable;

(ii) If the Common Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Common Share will be the mean between the high bid and low asked prices for the Common Shares on the day of determination, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable; or

(iii) In the absence of an established market for the Common Shares, the Fair Market Value will be determined in good faith by the Committee.

(r) "*Good Reason*" means, if applicable to any Participant in the case of a particular Award, as defined in the Participant's employment agreement or the applicable Award agreement.

(s) "*Immediate Family Members*" shall have the meaning set forth in Section 14(b)(ii).

(t) "*Incentive Stock Option*" means an Option that is designated by the Committee as an incentive stock option as described in Section 422 of the Code and otherwise meets the requirements set forth in the Plan.

(u) "*Indemnifiable Person*" shall have the meaning set forth in Section 4(e) of the Plan.

(v) "*Mature Shares*" means Common Shares owned by a Participant that are not subject to any pledge or security interest and that have been either previously acquired by the Participant on the open market or meet such other requirements, if any, as the Committee may determine are necessary in order to avoid an accounting earnings charge on account of the use of such shares to pay the Exercise Price or satisfy a tax or deduction obligation of the Participant.

(w) "*Nonqualified Stock Option*" means an Option that is not designated by the Committee as an Incentive Stock Option.

(x) "*Option*" means an Award granted under Section 7 of the Plan.

(y) "*Option Period*" has the meaning given such term in Section 7(c) of the Plan.

(z) "*Outstanding Company Common Shares*" has the meaning given such term in the definition of "Change in Control."

(aa) "*Outstanding Company Voting Securities*" has the meaning given such term in the definition of "Change in Control."

(bb) "*Participant*" means an Eligible Person who has been selected by the Committee to participate in the Plan and to receive an Award pursuant to Section 6 of the Plan.

(cc) "*Performance Compensation Award*" shall mean any Award designated by the Committee as a Performance Compensation Award pursuant to Section 11 of the Plan.

(dd) "*Performance Criteria*" shall mean the criterion or criteria that the Committee shall select for purposes of establishing the Performance Goal(s) for a Performance Period with respect to any Performance Compensation Award under the Plan.

(ee) "*Performance Formula*" shall mean, for a Performance Period, the one or more formulae applied against the relevant Performance Goal to determine, with regard to the Performance Compensation Award of a particular Participant, whether all, some portion but less than all, or none of the Performance Compensation Award has been earned for the Performance Period.

(ff) "*Performance Goals*" shall mean, for a Performance Period, the one or more goals established by the Committee for the Performance Period based upon the Performance Criteria.

(gg) "*Performance Period*" shall mean the one or more periods of time, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to, and the payment of, a Performance Compensation Award.

(hh) "*Permitted Transferee*" shall have the meaning set forth in Section 15(b) of the Plan.

(ii) "*Person*" has the meaning given such term in the definition of "Change in Control."

(jj) "*Plan*" means this Abpro Holdings, Inc. 2024 Equity Incentive Plan, as amended from time to time.

(kk) "*Qualifying Termination*" means, except as otherwise provided by the Committee as set forth in the Award, the occurrence of either a termination of a Participant's employment by the Company without Cause or for Good Reason, in either case, occurring on or within the 12-month period (or such other period specified in the applicable Award Agreement) following the consummation of a Change in Control.

(ll) "*Restricted Period*" means the period of time determined by the Committee during which an Award is subject to restrictions or, as applicable, the period of time within which performance is measured for purposes of determining whether an Award has been earned.

(mm) "*Restricted Stock*" means Common Shares, subject to certain specified performance or time-based restrictions (including, without limitation, a requirement that the Participant remain continuously employed or provide continuous services for a specified period of time), granted under Section 9 of the Plan.

(nn) "*Restricted Stock Unit*" means an unfunded and unsecured promise to deliver Common Shares, cash, other securities or other property, subject to certain performance or time-based restrictions (including, without limitation, a requirement that the Participant remain continuously employed or provide continuous services for a specified period of time), granted under Section 9 of the Plan.

(oo) "*Retirement*" means, in the case of a particular Award, the definition set forth in the applicable Award Agreement.

(pp) "*SAR Period*" has the meaning given such term in Section 8(b) of the Plan.

(qq) "*Securities Act*" means the Securities Act of 1933, as amended, and any successor thereto. Reference in the Plan to any section of the Securities Act shall be deemed to include any rules, regulations or other interpretative guidance under such section, and any amendments or successor provisions to such section, rules, regulations or guidance.

(rr) "*Stock Appreciation Right*" or *"SAR"* means an Award granted under Section 8 of the Plan.

(ss) "*Stock Bonus Award*" means an Award granted under Section 10 of the Plan.

(tt) "*Strike Price*" means, except as otherwise provided by the Committee in the case of Substitute Awards, (i) in the case of a SAR granted in tandem with an Option, the Exercise Price of the related Option, or (ii) in the case of a SAR granted independent of an Option, the Fair Market Value on the Date of Grant.

(uu) "*Subsidiary*" means, with respect to any specified Person:

(i) any corporation, association or other business entity of which more than 50% of the total voting power of shares (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' agreement that effectively transfers voting power) is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(ii) any partnership (or any comparable foreign entity) (a) the sole general partner (or functional equivalent thereof) or the managing general partner of which is such Person or Subsidiary of such Person or (b) the only general partners (or functional equivalents thereof) of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

(vv) "*Substitute Award*" has the meaning given such term in Section 5(e).

3. *Effective Date; Duration*. The Plan shall be effective as of the Effective Date. The expiration date of the Plan, on and after which date no Awards may be granted hereunder, shall be the tenth anniversary of the Effective Date; provided, however, that such expiration shall not affect Awards then outstanding, and the terms and conditions of the Plan shall continue to apply to such Awards.

4. *Administration*.

(a) The Committee shall administer the Plan. To the extent required to comply with the applicable provisions of Rule 16b-3 promulgated under the Exchange Act (if the Board is not acting as the Committee under the Plan), it is intended that each member of the Committee shall, at the time he takes any action with respect to an Award under the Plan, be an Eligible Director. However, the fact that a Committee member shall fail to qualify as an Eligible Director shall not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

(b) Subject to the provisions of the Plan and applicable law, the Committee shall have the sole and plenary authority, in addition to other express powers and authorizations conferred on the Committee by the Plan or by the Board, to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to a Participant; (iii) determine the number of Common Shares to be covered by, or with respect to which payments, rights, or other matters are to be calculated in connection with, Awards; (iv) determine the form of Award agreement and the terms and conditions of any Award; (v) determine whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, Common Shares, other securities, other Awards or other property, or canceled, forfeited, or suspended and the method or methods by which Awards may be settled, exercised, canceled, forfeited, or suspended; (vi) determine whether, to what extent, and under what circumstances the delivery of cash, Common Shares, other securities, other Awards or other property and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the Participant or of the Committee; (vii) interpret, administer, reconcile any inconsistency in, correct any defect in and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan; (viii) establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Committee shall deem appropriate for the proper administration of the Plan including rules related to insider trading restrictions; (ix) accelerate the vesting or exercisability of, payment for or lapse of restrictions on, Awards, including, but not limited to, upon a Qualifying Termination; and (x) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

(c) The Committee may delegate to one or more officers of the Company or any Affiliate the authority to act on behalf of the Committee with respect to any matter, right, obligation, or election that is the responsibility of or that is allocated to the Committee herein, and that may be so delegated as a matter of law, except for grants of Awards to persons subject to Section 16 of the Exchange Act.

(d) Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions under or with respect to the Plan or any Award or any documents evidencing Awards granted pursuant to the Plan shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive and binding upon all persons or entities, including, without limitation, the Company, any Affiliate, any Participant, any holder or beneficiary of any Award, and any shareholder of the Company.

(e) No member of the Board, the Committee, delegate of the Committee or any employee or agent of the Company (each such person, an "Indemnifiable Person") shall be liable for any action taken or omitted to be taken or any determination made in good faith with respect to the Plan or any Award hereunder. Each Indemnifiable Person shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense (including attorneys' fees) that may be imposed upon or incurred by such Indemnifiable Person in connection with or resulting from any action, suit or proceeding to which such Indemnifiable Person may be a party or in which such Indemnifiable Person may be involved by reason of any action taken or omitted to be taken under the Plan or any Award agreement and against and from any and all amounts paid by such Indemnifiable Person with the Company's approval, in settlement thereof, or paid by such Indemnifiable Person in satisfaction of any judgment in any such action, suit or proceeding against such Indemnifiable Person, provided that the Company shall have the right, at its own expense, to assume and defend any such action, suit or proceeding and once the Company gives notice of its intent to assume the defense, the Company shall have sole control over such defense with counsel of the Company's choice. The foregoing right of indemnification shall not be available to an Indemnifiable Person to the extent that a final judgment or other final adjudication (in either case not subject to further appeal) binding upon such Indemnifiable Person determines that the acts or omissions of such Indemnifiable Person giving rise to the indemnification claim resulted from such Indemnifiable Person's bad faith, fraud or willful criminal act or omission or that such right of indemnification is otherwise prohibited by law or by the Company's Certificate of Incorporation or Bylaws. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such Indemnifiable Persons may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any other power that the Company may have to indemnify such Indemnifiable Persons or hold them harmless.

(f) Notwithstanding anything to the contrary contained in the Plan, the Board may, in its sole discretion, at any time and from time to time, grant Awards and administer the Plan with respect to such Awards. In any such case, the Board shall have all the authority granted to the Committee under the Plan.

5. *Grant of Awards; Shares Subject to the Plan; Limitations*.

(a) The Committee may, from time to time, grant Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Stock Bonus Awards and/or Performance Compensation Awards to one or more Eligible Persons. Subject to Section 12 of the Plan, the aggregate number of Common Shares that may be issued pursuant to Awards granted under the Plan shall not exceed the sum of 6,240,773 Common Shares plus shares subject to outstanding equity awards granted under the Abpro Corporation 2014 Stock Incentive Plan that will be converted into equity awards denominated in Common Shares under the Plan immediately prior to, and contingent upon, the consummation of the transactions contemplated in the Business Combination Agreement, dated as of December 11, 2023, by and among Atlantic Coastal Acquisition Corp. II, Abpro Merger Sub Corp. and Abpro Corporation, as the same may be amended from time to time, plus an annual increase on the first day of each fiscal year beginning in 2026 and ending in 2034, equal to the lesser of (A) five (5%) percent of the shares outstanding on the last day of the immediately preceding fiscal year and (B) such smaller number of shares as determined by the Board or the Committee.

(b) The maximum number of Common Shares that may be granted under the Plan during any single fiscal year to any Participant who is a non-employee director, when taken together with any cash fees paid to such non-employee director during such year in respect of his or her service as a non-employee director (including service as a member or chair of any committee of the Board), shall not exceed $750,000 in total value (calculating the value of any such Awards based on the grant date fair value of such Awards for financial reporting purposes); provided that the non-employee directors who are considered independent (under the rules of The Nasdaq Stock Market or other securities exchange on which the Common Shares are traded) may make exceptions to this limit for a non-executive chair of the Board, if any, in which case the non-employee Director receiving such additional compensation may not participate in the decision to award such compensation.

(c) In the event that (i) any Option or other Award granted hereunder is exercised through the tendering of Common Shares (either actually or by attestation) or by the withholding of Common Shares by the Company, or (ii) tax or deduction liabilities arising from such Option or other Award are satisfied by the tendering of Common Shares (either actually or by attestation) or by the withholding of Common Shares by the Company, then in each such case the Common Shares so tendered or withheld shall be added to the Common Shares available for grant under the Plan on a one-for-one basis. Shares underlying Awards under this Plan that are forfeited, cancelled, expire unexercised, or are settled in cash are available again for Awards under the Plan.

(d) Common Shares delivered by the Company in settlement of Awards may be authorized and unissued shares, shares held in the treasury of the Company, shares purchased on the open market or by private purchase, or a combination of the foregoing.

(e) Awards may, in the sole discretion of the Committee, be granted under the Plan in assumption of, or in substitution for, outstanding awards previously granted by an entity acquired by the Company or with which the Company combines ("Substitute Awards"). The number of Common Shares underlying any Substitute Awards shall not be counted against the aggregate number of Common Shares available for Awards under the Plan.

6. *Eligibility*. Participation shall be limited to Eligible Persons who have entered into an Award agreement and who have received written notification from the Committee, or from a person designated by the Committee, that they have been selected to participate in the Plan.

7. *Options*.

(a) *Generally*. Each Option granted under the Plan shall be evidenced by an Award agreement (whether in paper or electronic medium (including email or the posting on a web site maintained by the Company or a third party under contract with the Company)). Each Option so granted shall be subject to the conditions set forth in this Section 7, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award agreement. All Options granted under the Plan shall be Nonqualified Stock Options unless the applicable Award agreement expressly states that the Option is intended to be an Incentive Stock Option. Incentive Stock Options shall be granted only to Eligible Persons who are employees of the Company and its Affiliates, and no Incentive Stock Option shall be granted to any Eligible Person who is ineligible to receive an Incentive Stock Option under the Code. No Option shall be treated as an Incentive Stock Option unless the Plan has been approved by the shareholders of the Company in a manner intended to comply with the stockholder approval requirements of Section 422(b)(1) of the Code; provided that any Option intended to be an Incentive Stock Option shall not fail to be effective solely on account of a failure to obtain such approval, but rather such Option shall be treated as a Nonqualified Stock Option unless and until such approval is obtained. In the case of an Incentive Stock Option, the terms and conditions of such grant shall be subject to and comply with such rules as may be prescribed by Section 422 of the Code. If for any reason an Option intended to be an Incentive Stock Option (or any portion thereof) shall not qualify as an Incentive Stock Option, then, to the extent of such non-qualification, such Option or portion thereof shall be regarded as a Nonqualified Stock Option appropriately granted under the Plan.

(b) *Exercise Price*. Except with respect to Substitute Awards, the exercise price ("Exercise Price") per Common Share for each Option shall not be less than 100% of the Fair Market Value of such share determined as of the Date of Grant; provided, however, that in the case of an Incentive Stock Option granted to an employee who, at the time of the grant of such Option, owns shares representing more than 10% of the total combined voting power of all classes of shares of the Company or any related corporation (as determined in accordance with Treasury Regulation Section 1.422-2(f)), the Exercise Price per share shall not be less than 110% of the Fair Market Value per share on the Date of Grant and provided further, that, notwithstanding any provision herein to the contrary, the Exercise Price shall not be less than the par value per Common Share.

(c) *Vesting and Expiration*. Options shall vest and become exercisable in such manner and on such date or dates determined by the Committee and shall expire after such period, not to exceed ten years, as may be determined by the Committee (the "Option Period"); provided, however, that the Option Period shall not exceed five years from the Date of Grant in the case of an Incentive Stock Option granted to a Participant who on the Date of Grant owns shares representing more than 10% of the total combined voting power of all classes of shares of the Company or any related corporation (as determined in accordance with Treasury Regulation Section 1.422-2(f)); provided, further, that notwithstanding any vesting dates set forth in the Award agreement, the Committee may, in its sole discretion, accelerate the exercisability of any Option, which acceleration shall not affect the terms and conditions of such Option other than with respect to exercisability. Unless otherwise provided by the Committee in an Award agreement: (i) the unvested portion of an Option shall expire upon termination of employment or service of the Participant granted the Option, and the vested portion of such Option shall remain exercisable for (A) one year following termination of employment or service by reason of such Participant's death or disability (as determined by the Committee), but not later than the expiration of the Option Period or (B) 90 days following termination of employment or service for any reason other than such Participant's death or disability, and other than such Participant's termination of employment or service for Cause, but not later than the expiration of the Option Period; and (ii) both the unvested and the vested portion of an Option shall expire upon the termination of the Participant's employment or service by the Company for Cause. If the Option would expire at a time when the exercise of the Option would violate applicable securities laws, the expiration date applicable to the Option will be automatically extended to a date that is thirty (30) calendar days following the date such exercise would no longer violate applicable securities laws (so long as such extension shall not violate Section 409A of the Code); provided, that in no event shall such expiration date be extended beyond the expiration of the Option Period.

(d) *Method of Exercise and Form of Payment*. No Common Shares shall be delivered pursuant to any exercise of an Option until payment in full of the Exercise Price therefor is received by the Company and the Participant has paid to the Company an amount equal to any taxes required to be withheld or paid. Options that have become exercisable may be exercised by delivery of written or electronic notice of exercise to the Company in accordance with the terms of the Option accompanied by payment of the Exercise Price. The Exercise Price shall be payable (i) in cash, check, cash equivalent and/or Common Shares valued at the fair market value at the time the Option is exercised (including, pursuant to procedures approved by the Committee, by means of attestation of ownership of a sufficient number of Common Shares in lieu of actual delivery of such shares to the Company); provided that such Common Shares are not subject to any pledge or other security interest and are Mature Shares and; (ii) by such other method as the Committee may permit in accordance with applicable law, in its sole discretion, on a case by case basis, including without limitation: (A) in other property having a fair market value on the date of exercise equal to the Exercise Price or (B) if there is a public market for the Common Shares at such time, by means of a broker-assisted "cashless exercise" pursuant to which the Company is delivered a copy of irrevocable instructions to a stockbroker to sell the Common Shares otherwise deliverable upon the exercise of the Option and to deliver promptly to the Company an amount equal to the Exercise Price or (C) by a "net exercise" method whereby the Company withholds from the delivery of the Common Shares for which the Option was exercised that number of Common Shares having a fair market value equal to the aggregate Exercise Price for the Common Shares for which the Option was exercised. No fractional Common Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional Common Shares, or whether such fractional Common Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

(e) *Notification upon Disqualifying Disposition of an Incentive Stock Option*. Each Participant awarded an Incentive Stock Option under the Plan shall notify the Company in writing immediately after the date he makes a disqualifying disposition of any Common Shares acquired pursuant to the exercise of such Incentive Stock Option. A disqualifying disposition is any disposition (including, without limitation, any sale) of such Common Shares before the later of (A) two years after the Date of Grant of the Incentive Stock Option or (B) one year after the date of exercise of the Incentive Stock Option. The Company may, if determined by the Committee and in accordance with procedures established by the Committee, retain possession of any Common Shares acquired pursuant to the exercise of an Incentive Stock Option as agent for the applicable Participant until the end of the period described in the preceding sentence.

(f) *Compliance with Laws, etc*. Notwithstanding the foregoing, in no event shall a Participant be permitted to exercise an Option in a manner that the Committee determines would violate the Sarbanes-Oxley Act of 2002, if applicable, or any other applicable law or the applicable rules and regulations of the Securities and Exchange Commission or the applicable rules and regulations of any securities exchange or inter-dealer quotation system on which the securities of the Company are listed or traded.

8. *Stock Appreciation Rights*.

(a) *Generally*. Each SAR granted under the Plan shall be evidenced by an Award agreement (whether in paper or electronic medium (including email or the posting on a web site maintained by the Company or a third party under contract with the Company)). Each SAR so granted shall be subject to the conditions set forth in this Section 8, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award agreement. Any Option granted under the Plan may include tandem SARs. The Committee also may award SARs to Eligible Persons independent of any Option.

(b) *Exercise Price*. The Exercise Price per Common Share for each SAR shall not be less than 100% of the Fair Market Value of such share determined as of the Date of Grant.

(c) *Vesting and Expiration*. A SAR granted in connection with an Option shall become exercisable and shall expire according to the same vesting schedule and expiration provisions as the corresponding Option. A SAR granted independent of an Option shall vest and become exercisable and shall expire in such manner and on such date or dates determined by the Committee and shall expire after such period, not to exceed ten years, as may be determined by the Committee (the "SAR Period"); provided, however, that notwithstanding any vesting dates set by the Committee, the Committee may, in its sole discretion, accelerate the exercisability of any SAR, which acceleration shall not affect the terms and conditions of such SAR other than with respect to exercisability. Unless otherwise provided by the Committee in an Award agreement: (i) the unvested portion of a SAR shall expire upon termination of employment or service of the Participant granted the SAR, and the vested portion of such SAR shall remain exercisable for (A) one year following termination of employment or service by reason of such Participant's death or disability (as determined by the Committee), but not later than the expiration of the SAR Period or (B) 90 days following termination of employment or service for any reason other than such Participant's death or disability, and other than such Participant's termination of employment or service for Cause, but not later than the expiration of the SAR Period; and (ii) both the unvested and the vested portion of a SAR shall expire upon the termination of the Participant's employment or service by the Company for Cause. If the SAR would expire at a time when the exercise of the SAR would violate applicable securities laws, the expiration date applicable to the SAR will be automatically extended to a date that is thirty (30) calendar days following the date such exercise would no longer violate applicable securities laws (so long as such extension shall not violate Section 409A of the Code); provided, that in no event shall such expiration date be extended beyond the expiration of the SAR Period.

(d) *Method of Exercise*. SARs that have become exercisable may be exercised by delivery of written or electronic notice of exercise to the Company in accordance with the terms of the Award, specifying the number of SARs to be exercised and the date on which such SARs were awarded. Notwithstanding the foregoing, if on the last day of the Option Period (or in the case of a SAR independent of an option, the SAR Period), the fair market value exceeds the Strike Price, the Participant has not exercised the SAR or the corresponding Option (if applicable), and neither the SAR nor the corresponding Option (if applicable) has expired, such SAR shall be deemed to have been exercised by the Participant on such last day and the Company shall make the appropriate payment therefor.

(e) *Payment*. Upon the exercise of a SAR, the Company shall pay to the Participant an amount equal to the number of shares subject to the SAR that are being exercised multiplied by the excess, if any, of the fair market value of one Common Share on the exercise date over the Strike Price, less an amount equal to any taxes required to be withheld or paid. The Company shall pay such amount in cash, in Common Shares valued at fair market value, or any combination thereof, as determined by the Committee. No fractional Common Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional Common Shares, or whether such fractional Common Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

9. *Restricted Stock and Restricted Stock Units*.

(a) *Generally*. Each grant of Restricted Stock and Restricted Stock Units shall be evidenced by an Award agreement (whether in paper or electronic medium (including email or the posting on a web site maintained by the Company or a third party under contract with the Company)). Each such grant shall be subject to the conditions set forth in this Section 9, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award agreement.

(b) *Restricted Accounts; Escrow or Similar Arrangement*. Upon the grant of Restricted Stock, a book entry in a restricted account shall be established in the Participant's name at the Company's transfer agent and, if the Committee determines that the Restricted Stock shall be held by the Company or in escrow rather than held in such restricted account pending the release of the applicable restrictions, the Committee may require the Participant to additionally execute and deliver to the Company (i) an escrow agreement satisfactory to the Committee, if applicable, and (ii) the appropriate share power (endorsed in blank) with respect to the Restricted Stock covered by such agreement. If a Participant shall fail to execute an agreement evidencing an Award of Restricted Stock and, if applicable, an escrow agreement and blank share power within the amount of time specified by the Committee, the Award shall be null and void. Subject to the restrictions set forth in this Section 9 and the applicable Award agreement, the Participant generally shall have the rights and privileges of a shareholder as to such Restricted Stock, including without limitation the right to vote such Restricted Stock and the right to receive dividends, if applicable. To the extent shares of Restricted Stock are forfeited, any share certificates issued to the Participant evidencing such shares shall be returned to the Company, and all rights of the Participant to such shares and as a shareholder with respect thereto shall terminate without further obligation on the part of the Company.

(c) *Vesting; Acceleration of Lapse of Restrictions*. Unless otherwise provided by the Committee in an Award agreement the unvested portion of Restricted Stock and Restricted Stock Units shall terminate and be forfeited upon termination of employment or service of the Participant granted the applicable Award.

(d) *Delivery of Restricted Stock and Settlement of Restricted Stock Units*.

(i) Upon the expiration of the Restricted Period with respect to any shares of Restricted Stock, the restrictions set forth in the applicable Award agreement shall be of no further force or effect with respect to such shares, except as set forth in the applicable Award agreement. If an escrow arrangement is used, upon such expiration, the Company shall deliver to the Participant, or his beneficiary, without charge, the share certificate evidencing the shares of Restricted Stock that have not then been forfeited and with respect to which the Restricted Period has expired (rounded down to the nearest full share). Dividends, if any, that may have been withheld by the Committee and attributable to any particular share of Restricted Stock shall be distributed to the Committee and attributable to any particular share of Restricted Stock shall be distributed to the Participant in cash or, at the sole discretion of the Committee, in Common Shares having a fair market value equal to the amount of such dividends, upon the release of restrictions on such share and, if such share is forfeited, the Participant shall have no right to such dividends (except as otherwise set forth by the Committee in the applicable Award agreement).

(ii) Unless otherwise provided by the Committee in an Award agreement, upon the expiration of the Restricted Period with respect to any outstanding Restricted Stock Units, the Company shall deliver to the Participant, or his beneficiary, without charge, one Common Share for each such outstanding Restricted Stock Unit; provided, however, that the Committee may, in its sole discretion, elect to (i) pay cash or part cash and part Common Share in lieu of delivering only Common Shares in respect of such Restricted Stock Units or (ii) defer the delivery of Common Shares (or cash or part Common Shares and part cash, as the case may be) beyond the expiration of the Restricted Period if such delivery would result in a violation of applicable law until such time as is no longer the case. If a cash payment is made in lieu of delivering Common Shares, the amount of such payment shall be equal to the fair market value of the Common Shares as of the date on which the Restricted Period lapsed with respect to such Restricted Stock Units, less an amount equal to any taxes required to be withheld or paid.

10. *Stock Bonus Awards*. The Committee may issue unrestricted Common Shares, or other Awards denominated in Common Shares, under the Plan to Eligible Persons, either alone or in tandem with other awards, in such amounts as the Committee shall from time to time in its sole discretion determine. Each Stock Bonus Award granted under the Plan shall be evidenced by an Award agreement (whether in paper or electronic medium (including email or the posting on a web site maintained by the Company or a third party under contract with the Company)). Each Stock Bonus Award so granted shall be subject to such conditions not inconsistent with the Plan as may be reflected in the applicable Award agreement.

11. *Performance Compensation Awards*.

(a) Generally. The Committee shall have the authority, at the time of grant of any Award described in Sections 7 through 10 of the Plan, to designate such Award as a Performance Compensation Award. The Committee shall have the authority to make an award of a cash bonus to any Participant and designate such Award as a Performance Compensation Award. Unless otherwise determined by the Committee, all Performance Compensation Awards shall be evidenced by an Award agreement.

(b) *Discretion of Committee with Respect to Performance Compensation Awards*. The Committee shall have the discretion to establish the terms, conditions and restrictions of any Performance Compensation Award. With regard to a particular Performance Period, the Committee shall have sole discretion to select the length of such Performance Period, the type(s) of Performance Compensation Awards to be issued, the Performance Criteria that will be used to establish the Performance Goal(s), the kind(s) and/or level(s) of the Performance Goals(s) that is (are) to apply and the Performance Formula.

(c) *Performance Criteria*. The Committee may establish Performance Criteria that will be used to establish the Performance Goal(s) for Performance Compensation Awards which may be based on the attainment of specific levels of performance of the Company (and/or one or more Affiliates, divisions, business segments or operational units, or any combination of the foregoing) and may include, without limitation, any of the following: (i) net earnings or net income (before or after taxes); (ii) basic or diluted earnings per share (before or after taxes); (iii) revenue or revenue growth (measured on a net or gross basis); (iv) gross profit or gross profit growth; (v) operating profit (before or after taxes); (vi) return measures (including, but not limited to, return on assets, capital, invested capital, equity, or sales); (vii) cash flow (including, but not limited to, operating cash flow, free cash flow, net cash provided by operations and cash flow return on capital); (viii) financing and other capital raising transactions (including, but not limited to, sales of the Company's equity or debt securities); (ix) earnings before or after taxes, interest, depreciation and/or amortization; (x) gross or operating margins; (xi) productivity ratios; (xii) share price (including, but not limited to, growth measures and total shareholder return); (xiii) expense targets; (xiv) margins; (xv) productivity and operating efficiencies; (xvi) customer satisfaction; (xvii) customer growth; (xviii) working capital targets; (xix) measures of economic value added; (xx) inventory control; (xxi) enterprise value; (xxii) sales; (xxiii) debt levels and net debt; (xxiv) combined ratio; (xxv) timely launch of new facilities; (xxvi) client retention; (xxvii) employee retention; (xxviii) timely completion of new product rollouts; (xxix) cost targets; (xxx) reductions and savings; (xxxi) productivity and efficiencies; (xxxii) strategic partnerships or transactions; and (xxxiii) personal targets, goals or completion of projects. Any one or more of the Performance Criteria may be used on an absolute or relative basis to measure the performance of the Company and/or one or more Affiliates as a whole or any business unit(s) of the Company and/or one or more Affiliates or any combination thereof, as the Committee may deem appropriate, or any of the above Performance Criteria may be compared to the performance of a selected group of comparison or peer companies, or a published or special index that the Committee, in its sole discretion, deems appropriate, or as compared to various stock market indices. The Committee also has the authority to provide for accelerated vesting of any Award based on the achievement of Performance Goals pursuant to the Performance Criteria specified in this paragraph. Any Performance Criteria that are financial metrics, may be determined in accordance with United States Generally Accepted Accounting Principles ("GAAP") or may be adjusted when established to include or exclude any items otherwise includable or excludable under GAAP.

(d) *Modification of Performance Goal(s)*. The Committee is authorized at any time to adjust or modify the calculation of a Performance Goal for such Performance Period, based on and in order to appropriately reflect any specified circumstance or event that occurs during a Performance Period, including but not limited to the following: (i) asset write-downs; (ii) litigation or claim judgments or settlements; (iii) the effect of changes in tax laws, accounting principles, or other laws or regulatory rules affecting reported results; (iv) any reorganization and restructuring programs; (v) unusual and/or infrequently occurring items as described in Accounting Principles Board Opinion No. 30 (or any successor pronouncement thereto) and/or in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to shareholders for the applicable year; (vi) acquisitions or divestitures; (vii) discontinued operations; (viii) any other specific unusual or infrequently occurring or non-recurring events, or objectively determinable category thereof; (ix) foreign exchange gains and losses; and (x) a change in the Company's fiscal year.

(e) *Terms and Condition to Receipt of Payment*. Unless otherwise provided in the applicable Award agreement, a Participant must be employed by the Company on the last day of a Performance Period to be eligible for payment in respect of a Performance Compensation Award for such Performance Period. A Participant shall be eligible to receive payment in respect of a Performance Compensation Award only to the extent that: (A) the Performance Goals for such period are achieved; and (B) all or some of the portion of such Participant's Performance Compensation Award has been earned for the Performance Period based on the application of the Performance Formula to such achieved Performance Goals. Following the completion of a Performance Period, the Committee shall determine whether, and to what extent, the Performance Goals for the Performance Period have been achieved and, if so, calculate the amount of the Performance Compensation Awards earned for the period based upon the Performance Formula. The Committee shall then determine the amount of each Participant's Performance Compensation Award actually payable for the Performance Period.

(f) *Timing of Award Payments*. Except as provided in an Award agreement, Performance Compensation Awards granted for a Performance Period shall be paid to Participants as soon as administratively practicable following the Committee's determination in accordance with Section 11(e).

12. *Changes in Capital Structure and Similar Events*. In the event of (i) any dividend (other than ordinary cash dividends) or other distribution (whether in the form of cash, Common Shares, other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, amalgamation, consolidation, spin-off, split-up, split-off, combination, repurchase or exchange of Common Shares or other securities of the Company, issuance of warrants or other rights to acquire Common Shares or other securities of the Company, or other similar corporate transaction or event (including, without limitation, a Change in Control) that affects the Common Shares, or (ii) unusual or infrequently occurring events (including, without limitation, a Change in Control) affecting the Company, any Affiliate, or the financial statements of the Company or any Affiliate, or changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange or inter-dealer quotation system, accounting principles or law, such that in either case an adjustment is determined by the Committee in its sole discretion to be necessary or appropriate to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall make any such adjustments in such manner as it may deem equitable, including without limitation any or all of the following:

(a) adjusting any or all of (A) the number of Common Shares or other securities of the Company (or number and kind of other securities or other property) that may be delivered in respect of Awards or with respect to which Awards may be granted under the Plan (including, without limitation, adjusting any or all of the limitations under Section 5 of the Plan) and (B) the terms of any outstanding Award, including, without limitation, (1) the number of Common Shares or other securities of the Company (or number and kind of other securities or other property) subject to outstanding Awards or to which outstanding Awards relate, (2) the Exercise Price or Strike Price with respect to any Award or (3) any applicable performance measures (including, without limitation, Performance Criteria and Performance Goals);

(b) providing for a substitution or assumption of Awards in a manner that substantially preserves the applicable terms of such Awards;

(c) accelerating the exercisability or vesting of, lapse of restrictions on, or termination of, Awards or providing for a period of time for exercise prior to the occurrence of such event;

(d) modifying the terms of Awards to add events, conditions or circumstances (including termination of employment within a specified period after a Change in Control) upon which the exercisability or vesting of or lapse of restrictions thereon will accelerate;

(e) deeming any performance measures (including, without limitation, Performance Criteria and Performance Goals) satisfied at target, maximum or actual performance through closing or such other level determined by the Committee in its sole discretion, or providing for the performance measures to continue (as is or as adjusted by the Committee) after closing;

(f) providing that for a period prior to the Change in Control determined by the Committee in its sole discretion, any Options or SARs that would not otherwise become exercisable prior to the Change in Control will be exercisable as to all Common Shares subject thereto (but any such exercise will be contingent upon and subject to the occurrence of the Change in Control and if the Change in Control does not take place after giving such notice for any reason whatsoever, the exercise will be null and void) and that any Options or SARs not exercised prior to the consummation of the Change in Control will terminate and be of no further force and effect as of the consummation of the Change in Control; and

(g) canceling any one or more outstanding Awards and causing to be paid to the holders thereof, in cash, Common Shares, other securities or other property, or any combination thereof, the value of such Awards, if any, as determined by the Committee (which if applicable may be based upon the price per Common Share received or to be received by other shareholders of the Company in such event), including without limitation, in the case of an outstanding Option or SAR, a cash payment in an amount equal to the excess, if any, of the fair market value (as of a date specified by the Committee) of the Common Shares subject to such Option or SAR over the aggregate Exercise Price or Strike Price of such Option or SAR, respectively (it being understood that, in such event, any Option or SAR having a per share Exercise Price or Strike Price equal to, or in excess of, the fair market value of a Common Share subject thereto may be canceled and terminated without any payment or consideration therefor); provided, however, that in the case of any "equity restructuring" (within the meaning of the Financial Accounting Standards Board Accounting Standards Codification Topic 718), the Committee shall make an equitable or proportionate adjustment to outstanding Awards to reflect such equity restructuring. The Company shall give each Participant notice of an adjustment hereunder and, upon notice, such adjustment shall be conclusive and binding for all purposes.

13. *Amendments and Termination*.

(a) *Amendment and Termination of the Plan*. The Board may amend, alter, suspend, discontinue, or terminate the Plan or any portion thereof at any time; provided that (i) no amendment to Section 13(b) (to the extent required by the proviso in such Section 13(b)) shall be made without shareholder approval and (ii) no such amendment, alteration, suspension, discontinuation or termination shall be made without shareholder approval if such approval is necessary to comply with any tax or regulatory requirement applicable to the Plan (including, without limitation, as necessary to comply with any rules or requirements of any securities exchange or inter-dealer quotation system on which the Common Shares may be listed or quoted); provided, further, that any such amendment, alteration, suspension, discontinuance or termination that would materially and adversely affect the rights of any Participant or any holder or beneficiary of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant, holder or beneficiary.

(b) *Amendment of Award Agreements*. The Committee may, to the extent consistent with the terms of any applicable Award agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Award theretofore granted or the associated Award agreement, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of any Participant with respect to any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant; provided, further, that without shareholder approval, except as otherwise permitted under Section 12 of the Plan, (i) no amendment or modification may reduce the Exercise Price of any Option or the Strike Price of any SAR, (ii) the Committee may not cancel any outstanding Option or SAR where the Fair Market Value of the Common Shares underlying such Option or SAR is less than its Exercise Price and replace it with a new Option or SAR, another Award or cash and (iii) the Committee may not take any other action that is considered a "repricing" for purposes of the shareholder approval rules of the applicable securities exchange or inter-dealer quotation system on which the Common Shares are listed or quoted.

14. *General*.

(a) *Award Agreements*. Each Award under the Plan shall be evidenced by an Award agreement, which shall be delivered to the Participant (whether in paper or electronic medium (including email or the posting on a web site maintained by the Company or a third party under contract with the Company)) and shall specify the terms and conditions of the Award and any rules applicable thereto, including without limitation, the effect on such Award of the death, disability or termination of employment or service of a Participant, or of such other events as may be determined by the Committee.

(b) *Nontransferability*.

(i) Each Award shall be exercisable only by a Participant during the Participant's lifetime, or, if permissible under applicable law, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or an Affiliate; provided that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(ii) Notwithstanding the foregoing, the Committee may, in its sole discretion, permit Awards (other than Incentive Stock Options) to be transferred by a Participant, without consideration, subject to such rules as the Committee may adopt consistent with any applicable Award agreement to preserve the purposes of the Plan, to: (A) any person who is a "family member" of the Participant, as such term is used in the instructions to Form S-8 under the Securities Act (collectively, the "Immediate Family Members"); (B) a trust solely for the benefit of the Participant and his or her Immediate Family Members; (C) a partnership or limited liability company whose only partners or stockholders are the Participant and his or her Immediate Family Members; or (D) any other transferee as may be approved either (I) by the Board or the Committee in its sole discretion, or (II) as provided in the applicable Award agreement. (each transferee described in clauses (A), (B), (C) and (D) above is hereinafter referred to as a "Permitted Transferee"); provided that the Participant gives the Committee advance written notice describing the terms and conditions of the proposed transfer and the Committee notifies the Participant in writing that such a transfer would comply with the requirements of the Plan.

(iii) The terms of any Award transferred in accordance with the immediately preceding sentence shall apply to the Permitted Transferee and any reference in the Plan, or in any applicable Award agreement, to a Participant shall be deemed to refer to the Permitted Transferee, except that (A) Permitted Transferees shall not be entitled to transfer any Award, other than by will or the laws of descent and distribution; (B) Permitted Transferees shall not be entitled to exercise any transferred Option unless there shall be in effect a registration statement on an appropriate form covering the Common Shares to be acquired pursuant to the exercise of such Option if the Committee determines, consistent with any applicable Award agreement, that such a registration statement is necessary or appropriate; (C) the Committee or the Company shall not be required to provide any notice to a Permitted Transferee, whether or not such notice is or would otherwise have been required to be given to the Participant under the Plan or otherwise; and (D) the consequences of the termination of the Participant's employment by, or services to, the Company or an Affiliate under the terms of the Plan and the applicable Award agreement shall continue to be applied with respect to the Participant, including, without limitation, that an Option shall be exercisable by the Permitted Transferee only to the extent, and for the periods, specified in the Plan and the applicable Award agreement.

(c) *Tax Withholding and Deductions*.

(i) A Participant shall be required to pay to the Company or any Affiliate, and the Company or any Affiliate shall have the right and is hereby authorized to deduct and withhold, from any cash, Common Shares, other securities or other property deliverable under any Award or from any compensation or other amounts owing to a Participant, the amount (in cash, Common Shares, other securities or other property) of any required taxes (up to the maximum statutory rate under applicable law as in effect from time to time as determined by the Committee) and deduction in respect of an Award, its grant, vesting or exercise, or any payment or transfer under an Award or under the Plan and to take such other action as may be necessary in the opinion of the Committee or the Company to satisfy all obligations for the payment of such taxes.

(ii) Without limiting the generality of clause (i) above, the Committee may, in its sole discretion, determined on a case by case basis, permit a Participant to satisfy, in whole or in part, the foregoing tax and deduction liability by (A) the delivery of Common Shares (which are not subject to any pledge or other security interest and are Mature Shares, except as otherwise determined by the Committee) owned by the Participant having a fair market value equal to such liability or (B) having the Company withhold from the number of Common Shares otherwise issuable or deliverable pursuant to the exercise or settlement of the Award a number of shares with a fair market value equal to such liability.

(d) *No Claim to Awards; No Rights to Continued Employment; Waiver*. No employee of the Company or an Affiliate, or other person, shall have any claim or right to be granted an Award under the Plan or, having been selected for the grant of an Award, to be selected for a grant of any other Award. There is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards. The terms and conditions of Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant and may be made selectively among Participants, whether or not such Participants are similarly situated. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to be retained in the employ or service of the Company or an Affiliate, nor shall it be construed as giving any Participant any rights to continued service on the Board. The Company or any of its Affiliates may at any time dismiss a Participant from employment or discontinue any consulting relationship, free from any liability or any claim under the Plan, unless otherwise expressly provided in the Plan or any Award agreement. By accepting an Award under the Plan, a Participant shall thereby be deemed to have waived any claim to continued exercise or vesting of an Award or to damages or severance entitlement related to non-continuation of the Award beyond the period provided under the Plan or any Award agreement, notwithstanding any provision to the contrary in any written employment contract or other agreement between the Company and its Affiliates and the Participant, whether any such agreement is executed before, on or after the Date of Grant.

(e) *Addenda*. The Committee may adopt such addenda to the Plan as it may consider necessary or appropriate for the purpose of granting Awards, which Awards may contain such terms and conditions as the Committee deems necessary or appropriate to accommodate differences in local law, tax policy or custom, which may deviate from the terms and conditions set forth in this Plan The terms of any such addenda shall supersede the terms of the Plan to the extent necessary to accommodate such differences but shall not otherwise affect the terms of the Plan as in effect for any other purpose. With respect to Participants who reside or work outside of the United States of America, the Committee may in its sole discretion amend the terms of the Plan or outstanding Awards with respect to such Participants in order to conform such terms with the requirements of local law or to obtain more favorable tax or other treatment for a Participant, the Company or its Affiliates.

(f) *Designation and Change of Beneficiary*. Each Participant may file with the Committee a written designation of one or more persons as the beneficiary(ies) who shall be entitled to receive the amounts payable with respect to an Award, if any, due under the Plan upon his death. A Participant may, from time to time, revoke or change his beneficiary designation without the consent of any prior beneficiary by filing a new designation with the Committee. The last such designation received by the Committee shall be controlling; provided, however, that no designation, or change or revocation thereof, shall be effective unless received by the Committee prior to the Participant's death, and in no event shall it be effective as of a date prior to such receipt. If no beneficiary designation is filed by a Participant, the beneficiary shall be deemed to be his or her spouse or, if the Participant is unmarried at the time of death, his or her estate.

(g) *Termination of Employment/Service*. Unless determined otherwise by the Committee at any point following such event: (i) neither a temporary absence from employment or service due to illness, vacation or leave of absence nor a transfer from employment or service with the Company to employment or service with an Affiliate (or vice-versa) shall be considered a termination of employment or service with the Company or an Affiliate; and (ii) if a Participant's employment with the Company and its Affiliates terminates, but such Participant continues to provide services to the Company and its Affiliates in a non-employee capacity (or vice-versa), such change in status shall not be considered a termination of employment with the Company or an Affiliate.

(h) *No Rights as a Stockholder*. Except as otherwise specifically provided in the Plan or any Award agreement, no person shall be entitled to the privileges of ownership in respect of Common Shares or other securities that are subject to Awards hereunder until such shares have been issued or delivered to that person.

(i) *Government and Other Regulations*.

(i) The obligation of the Company to settle Awards in Common Shares or other consideration shall be subject to all applicable laws, rules, and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company shall be under no obligation to offer to sell or to sell, and shall be prohibited from offering to sell or selling, any Common Shares or other securities pursuant to an Award unless such shares have been properly registered for sale pursuant to the Securities Act with the Securities and Exchange Commission or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall be under no obligation to register for sale under the Securities Act any of the Common Shares or other securities to be offered or sold under the Plan. The Committee shall have the authority to provide that all certificates for Common Shares or other securities of the Company or any Affiliate delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan, the applicable Award agreement, the federal securities laws, or the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange or inter-dealer quotation system upon which such shares or other securities are then listed or quoted and any other applicable federal, state, local or non-U.S. laws, and, without limiting the generality of Section 9 of the Plan, the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. Notwithstanding any provision in the Plan to the contrary, the Committee reserves the right to add any additional terms or provisions to any Award granted under the Plan that it in its sole discretion deems necessary or advisable in order that such Award complies with the legal requirements of any governmental entity to whose jurisdiction the Award is subject.

(ii) The Committee may cancel an Award or any portion thereof if it determines, in its sole discretion, that legal or contractual restrictions and/or blockage and/or other market considerations would make the Company's acquisition of Common Shares from the public markets, the Company's issuance of Common Shares or other securities to the Participant, the Participant's acquisition of Common Shares or other securities from the Company and/or the Participant's sale of Common Shares to the public markets, illegal, impracticable or inadvisable. If the Committee determines to cancel all or any portion of an Award denominated in Common Shares in accordance with the foregoing, the Company shall pay to the Participant an amount equal to the excess of (A) the aggregate fair market value of the Common Shares subject to such Award or portion thereof canceled (determined as of the applicable exercise date, or the date that the shares would have been vested or delivered, as applicable), over (B) the aggregate Exercise Price or Strike Price (in the case of an Option or SAR, respectively) or any amount payable as a condition of delivery of Common Shares (in the case of any other Award). Such amount shall be delivered to the Participant as soon as practicable following the cancellation of such Award or portion thereof.

(j) *Payments to Persons Other Than Participants*. If the Committee shall find that any person to whom any amount is payable under the Plan is unable to care for his affairs because of illness or accident, or is a minor, or has died, then any payment due to such person or his estate (unless a prior claim therefor has been made by a duly appointed legal representative) may, if the Committee so directs the Company, be paid to his spouse, child, relative, an institution maintaining or having custody of such person, or any other person deemed by the Committee to be a proper recipient on behalf of such person otherwise entitled to payment. Any such payment shall be a complete discharge of the liability of the Committee and the Company therefor.

(k) *Nonexclusivity of the Plan*. Neither the adoption of this Plan by the Board nor the submission of this Plan to the shareholders of the Company for approval shall be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of stock options or other equity-based awards otherwise than under this Plan, and such arrangements may be either applicable generally or only in specific cases.

(l) *No Trust or Fund Created*. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate, on the one hand, and a Participant or other person or entity, on the other hand. No provision of the Plan or any Award shall require the Company, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Company maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the Company, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other employees under general law.

(m) *Reliance on Reports*. Each member of the Committee and each member of the Board shall be fully justified in acting or failing to act, as the case may be, and shall not be liable for having so acted or failed to act in good faith, in reliance upon any report made by the independent public accountant of the Company and its Affiliates and/or any other information furnished in connection with the Plan by any agent of the Company or the Committee or the Board, other than himself.

(n) *Relationship to Other Benefits*. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance or other benefit plan of the Company except as otherwise specifically provided in such other plan.

(o) *Governing Law*. The Plan shall be governed by and construed in accordance with the internal laws of the State of Delaware applicable to contracts made and performed wholly within the State of Delaware, without giving effect to the conflict of laws provisions thereof. Each party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the state and federal courts seated in Wilmington, Delaware (and any appellate courts thereof) in any action or proceeding arising out of or relating to this Plan, and each of the parties hereby irrevocably and unconditionally (a) agrees not to commence any such action or proceeding except in such courts, (b) agrees that any claim in respect of any such action or proceeding may be heard and determined in such court, (c) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any such court, and (d) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party hereby knowingly, voluntarily and intentionally irrevocably waives the right to a trial by jury in respect to any litigation, dispute, claim, legal action or other legal proceeding based hereon, or arising out of, under, or in connection with, this Plan.

(p) *Severability*. If any provision of the Plan or any Award or Award agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or entity or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be construed or deemed stricken as to such jurisdiction, person or entity or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

(q) *Obligations Binding on Successors*. The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, amalgamation, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company.

(r) *Code Section 409A*.

(i) Notwithstanding any provision of this Plan to the contrary, all Awards made under this Plan are intended to be exempt from or, in the alternative, comply with Code Section 409A and the interpretive guidance thereunder, including the exceptions for stock rights and short-term deferrals. The Plan shall be construed and interpreted in accordance with such intent. Each payment under an Award shall be treated as a separate payment for purposes of Code Section 409A.

(ii) If a Participant is a "specified employee" (as such term is defined for purposes of Code Section 409A) at the time of his or her termination of service, no amount that is nonqualified deferred compensation subject to Code Section 409A and that becomes payable by reason of such termination of service shall be paid to the Participant (or in the event of the Participant's death, the Participant's representative or estate) before the earlier of (x) the first business day after the date that is six months following the date of the Participant's termination of service, and (y) within 30 days following the date of the Participant's death. For purposes of Code Section 409A, a termination of service shall be deemed to occur only if it is a "separation from service" within the meaning of Code Section 409A, and references in the Plan and any Award agreement to "termination of service" or similar terms shall mean a "separation from service." If any Award is or becomes subject to Code Section 409A, unless the applicable Award agreement provides otherwise, such Award shall be payable upon the Participant's "separation from service" within the meaning of Code Section 409A. If any Award is or becomes subject to Code Section 409A and if payment of such Award would be accelerated or otherwise triggered under a Change in Control, then the definition of Change in Control shall be deemed modified, only to the extent necessary to avoid the imposition of an excise tax under Code Section 409A, to mean a "change in control event" as such term is defined for purposes of Code Section 409A.

(iii) Any adjustments made pursuant to Section 12 to Awards that are subject to Code Section 409A shall be made in compliance with the requirements of Code Section 409A, and any adjustments made pursuant to Section 12 to Awards that are not subject to Code Section 409A shall be made in such a manner as to ensure that after such adjustment, the Awards either (x) continue not to be subject to Code Section 409A or (y) comply with the requirements of Code Section 409A.

(s) *Expenses; Gender; Titles and Headings*. The expenses of administering the Plan shall be borne by the Company and its Affiliates. Masculine pronouns and other words of masculine gender shall refer to both men and women. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings shall control.

(t) *Other Agreements*. Notwithstanding the above, the Committee may require, as a condition to the grant of and/or the receipt of Common Shares or other securities under an Award, that the Participant execute lock-up, shareholder or other agreements, as it may determine in its sole and absolute discretion.

(u) *Payments*. Participants shall be required to pay, to the extent required by applicable law, any amounts required to receive Common Shares or other securities under any Award made under the Plan.

(v) *Erroneously Awarded Compensation*. All Awards shall be subject (including on a retroactive basis) to (i) any clawback, forfeiture or similar incentive compensation recoupment policy established from time to time by the Company, including, without limitation, any such policy established to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act, (ii) applicable law (including, without limitation, Section 304 of the Sarbanes-Oxley Act and Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act), and/or (iii) the rules and regulations of the applicable securities exchange or inter-dealer quotation system on which the Common Shares or other securities are listed or quoted, and such requirements shall be deemed incorporated by reference into all outstanding Award agreements.

[signature page follows]

IN WITNESS WHEREOF, this Abpro Holdings, Inc. 2024 Equity Incentive Plan has been duly approved and adopted by the Company and the shareholders as of the dates set forth below.

Adopted by consent of the Board: _____ __, 2024

Shareholder Approved: _____ __, 2024

ABPRO HOLDINGS, INC.

By: _____
Title: _____
Date: _____

[signature page to Abpro Holdings, Inc. 2024 Equity Incentive Plan]

ADDENDUM A

ABPRO HOLDINGS, INC. 2024 EQUITY INCENTIVE PLAN

CALIFORNIA PARTICIPANTS

Prior to the date, if ever, on which the Common Shares of the Company becomes a listed security and/or the Company is subject to the reporting requirements of the Exchange Act, the terms of this Addendum shall apply to Awards issued to a Participant whose Award is issued in reliance on Section 25102(o) of the California Corporations Code (a "**California Participant**"). This Addendum is intended to satisfy the requirements of Section 25102(o) of the California Corporations Code and the regulations issued thereunder ("***Section 25102(o)***"). Definitions in the Plan and Award Agreement are applicable to this Addendum.

1. In the event of termination of the Participant's employment or other service other than for Cause, Options that are exercisable on the date of termination may not terminate prior to the earlier to occur of the Option expiration date or 30 days from termination (six months if termination is due to death or disability).

2. Notwithstanding anything to the contrary in the Plan, no Option Award may be exercisable on or after the 10th anniversary of the grant date and any Award Agreement shall terminate on or before the 10th anniversary of the grant date.

3. Options granted under the Plan shall be non-transferable other than by will, by the laws of descent and distribution, to a revocable trust or as permitted by Rule 701 of the Securities Act.

4. Notwithstanding anything to the contrary in the Plan dealing with capital adjustments, the Board shall in any event make such adjustments as may be required by Section 25102(o).

5. The Company shall furnish summary financial information (audited or unaudited) of the Company's financial condition and results of operations, consistent with the requirements of applicable laws, at least annually to each California Participant during the period such Participant has one or more Awards outstanding, and in the case of an individual who acquired shares of Common Stock pursuant to the Plan, during the period such Participant owns such shares of Common Stock; provided, however, the Company shall not be required to provide such information if (a) the issuance is limited to key persons whose duties in connection with the Company assure their access to equivalent information or (b) the Plan complies with all conditions of Rule 701 of the Securities Act; provided that for purposes of determining such compliance, any registered domestic partner shall be considered a "family member" as that term is defined in Rule 701.

6. The Plan must be approved by a majority of the outstanding securities entitled to vote by the later of (a) within 12 months before or after the date the Plan is adopted or (b) prior to or within 12 months of the granting of any Option or issuance of any security under the Plan in the State of California. Any Option granted to any person in the State of California that is exercised before security holder approval is obtained must be rescinded if security holder approval is not obtained in the manner described in the preceding sentence. Such securities shall not be counted in determining whether such approval is obtained. This provision shall not apply to a foreign private issuer, as defined by Rule 3b-4 of the Exchange Act, provided that the aggregate number of persons in the State of California granted options under all option plans and agreements and issued securities under all purchase and bonus plans and agreements does not exceed 35.

Exhibit 10.30

NEITHER THIS NOTE NOR THE SECURITIES INTO WHICH THIS NOTE IS CONVERTIBLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE. THESE SECURITIES HAVE BEEN SOLD IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

ABPRO HOLDINGS, INC.

Convertible Promissory Note

Original Principal Amount: $3,000,000
Issuance Date: November 13, 2024
Number: ABP-1

FOR VALUE RECEIVED, ABPRO HOLDINGS, INC. (f/k/a Atlantic Coastal Acquisition Corp. II), Delaware corporation (the "Company"), hereby promises to pay to the order of YA II PN, LTD., or its registered assigns (the "Holder"), the amount set out above as the Original Principal Amount (as reduced pursuant to the terms hereof pursuant to repayment, redemption, conversion or otherwise, the "Principal") and Payment Premium (as applicable), in each case when due, and to pay interest ("Interest") on any outstanding Principal at the applicable Interest Rate (as defined below) from the date set out above as the Issuance Date (the "Issuance Date") until the same becomes due and payable, whether upon the Maturity Date or acceleration, conversion, redemption or otherwise (in each case in accordance with the terms hereof). Certain capitalized terms used herein are defined in Section (12). The Issuance Date is the date of the first issuance of this Convertible Promissory Note (the "Note") regardless of the number of transfers and regardless of the number of instruments, which may be issued to evidence such Note. This Note was issued with an 8% original issue discount.

This Note is being issued pursuant to Section 2.01 of the Standby Equity Purchase Agreement, dated October 30, 2024 (as may be amended, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "SEPA"), by and among the Company (f/k/a Atlantic Coastal Acquisition Corp. II), Abpro Corporation, a Delaware corporation, and YA II PN, Ltd., as the Investor. This Note may be repaid in accordance with the terms of the SEPA, including, without limitation, pursuant to Investor Notices and corresponding Advance Notices deemed given by the Company in connection with such Investor Notices. The Holder also has the option of converting on one or more occasions all or part of the then outstanding balance under this Note by delivering to the Company one or more Conversion Notices in accordance with Section 3 of this Note.

(1) GENERAL TERMS

(a) Maturity Date. On the Maturity Date, the Company shall pay to the Holder an amount in cash representing all outstanding Principal, accrued and unpaid Interest, and any other amounts outstanding pursuant to the terms of this Note. The "Maturity Date" shall be November 13, 2025, as may be extended at the option of the Holder. Other than as specifically permitted by this Note, the Company may not prepay or redeem any portion of the outstanding Principal and accrued and unpaid Interest.

(b) Interest Rate and Payment of Interest. Interest shall accrue on the outstanding Principal balance hereof at an annual rate equal to 0% ("Interest Rate"), which Interest Rate shall increase to an annual rate of 18% upon the occurrence of an Event of Default (for so long as such event remains uncured). Interest shall be calculated based on a 365-day year and the actual number of days elapsed, to the extent permitted by applicable law.

(c) Monthly Payments. If, any time after the Issuance Date set forth above, and from time to time thereafter, an Amortization Event occurs, then the Company shall make monthly payments beginning on the 7th Trading Day after the Amortization Event Date and continuing on the same day of each successive Calendar Month. Each monthly payment shall be in an amount equal to the sum of (i) $1,250,000 of Principal in the aggregate among this Note and all Other Notes (or the outstanding Principal if less than such amount) (the "Amortization Principal Amount"), plus (ii) the Payment Premium in respect of such Amortization Principal Amount, and (iii) accrued and unpaid interest hereunder as of each payment date. The obligation of the Company to make monthly prepayments related to an Amortization Event shall cease (with respect to any payment that has not yet come due) if any time after the Amortization Date (A) in the event of a Floor Price Event, on the date that is the 7th consecutive Trading Day that the daily VWAP is greater than the Floor Price then in effect, or the date that the Company reduces the Floor Price in accordance with the terms of this Note, (B) in the event of a Registration Event, the condition or event causing the Registration Event has been cured or the Holder is able to resell the Common Shares issuable upon conversion of this Note without limitations in accordance with Rule 144 under the Securities Act, or (C) in the event of an Exchange Cap Event, the date the Company has obtained stockholder approval to increase the number of Common Shares under the Exchange Cap and/or the Exchange Cap no longer applies, unless a subsequent Amortization Event occurs.

(d) Optional Redemption. The Company at its option shall have the right, but not the obligation, to redeem ("Optional Redemption") early a portion or all amounts outstanding under this Note as described in this Section; *provided* that (i) the Company provides the Holder with at least five Trading Days' prior written notice (each, a "Redemption Notice") of its desire to exercise an Optional Redemption, and (ii) on the date the Redemption Notice is issued, the VWAP of the Common Stock is less than the Fixed Price. Each Redemption Notice shall be irrevocable and shall specify the outstanding balance of the Note to be redeemed and the Redemption Amount. The "Redemption Amount" shall be equal to the outstanding Principal balance being redeemed by the Company, plus the Redemption Premium, plus all accrued and unpaid interest. After receipt of the Redemption Notice, the Holder shall have five Trading Days to elect to convert all or any portion of the Note. On the sixth Trading Day after the Redemption Notice, the Company shall deliver to the Holder the Redemption Amount with respect to the Principal amount redeemed after giving effect to conversions or other payments effected during the five Trading Day period.

(e) Payment Dates. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(2) EVENTS OF DEFAULT.

(a) An "Event of Default", wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

(i) The Company's failure to pay to the Holder any amount of Principal, Redemption Amount, Payment Premium, Interest, or other amounts when and as due under this Note or any other Transaction Document within five (5) Trading Days after such payment is due;

(ii) The Company or any Subsidiary of the Company shall commence, or there shall be commenced against the Company or any Subsidiary of the Company any proceeding under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or the Company or any Subsidiary of the Company commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction, whether now or hereafter in effect relating to the Company or any Subsidiary of the Company, any such bankruptcy, insolvency or other proceeding which remains undismissed for a period of sixty one (61) days; or the Company or any Subsidiary of the Company is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or the Company or any Subsidiary of the Company suffers any appointment of any custodian, private or court appointed receiver or the like for it or all or substantially all of its property which continues undischarged or unstayed for a period of sixty one (61) days; or the Company or any Subsidiary of the Company makes a general assignment of all or substantially all of its assets for the benefit of creditors; or the Company or any Subsidiary of the Company shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; or the Company or any Subsidiary of the Company shall call a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; or the Company or any Subsidiary of the Company shall by any act or failure to act expressly indicate its consent to, approval of or acquiescence in any of the foregoing; or any corporate or other action is taken by the Company or any Subsidiary of the Company for the purpose of effecting any of the foregoing;

(iii) The Company or any Subsidiary of the Company shall default beyond applicable grace and cure periods, in any of its obligations under any debenture, mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument under which there may be issued, or by which there may be secured or evidenced any indebtedness for borrowed money or money due under any long term leasing or factoring arrangement of the Company or any Subsidiary of the Company in an amount exceeding $100,000, whether such indebtedness now exists or shall hereafter be created and such default is not cured within the time prescribed by the documents governing such indebtedness or if no time is prescribed, within ten (10) Trading Days, and as a result, such indebtedness becomes or is declared due and payable;

(iv) A final judgment or judgments for the payment of money aggregating in excess of $100,000 are rendered against the Company and/or any of its Subsidiaries and which judgments are not, within thirty (30) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within thirty (30) days after the expiration of such stay; provided, however, any judgment which is covered by insurance or an indemnity from a credit worthy party shall not be included in calculating the $100,000 amount set forth above so long as the Company provides the Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to the Holder) to the effect that such judgment is covered by insurance or an indemnity and the Company or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within thirty (30) days of the issuance of such judgment;

(v) The Common Shares shall cease to be quoted or listed for trading, as applicable, on any Principal Market for a period of ten (10) consecutive Trading Days;

(vi) The Company or any Subsidiary of the Company shall be a party to any Change of Control Transaction (as defined in Section (12)) unless in connection with such Change of Control Transaction this Note is repaid in full in accordance with the terms hereof;

(vii) The Company's (A) failure to deliver the required number of Common Shares to the Holder within one (1) Trading Day after the applicable Share Delivery Date or (B) notice, written or oral, to any holder of the Note, including by way of public announcement, at any time, of its intention not to comply with a request for conversion of any Note into Common Shares that is tendered in accordance with the provisions of the Note;

(viii) The Company shall fail for any reason to deliver the payment in cash pursuant to a Buy-In (as defined herein) within two (2) Business Days after such payment is due;

(ix) The Company's failure to timely file with the Commission any Periodic Report on or before the due date of such filing as established by the Commission, it being understood, for the avoidance of doubt, that due date includes any permitted filing deadline extension under Rule 12b-25 under the Exchange Act;

(x) Any representation or warranty made or deemed to be made by or on behalf of the Company in or in connection with any Transaction Document shall prove to have been incorrect in any material respect (or, in the case of any such representation or warranty already qualified by materiality, such representation or warranty shall prove to have been incorrect) when made or deemed made;

(xi) The Company uses the proceeds of the issuance of this Note, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulations T, U and X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof), or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose; or

(xii) Any Event of Default (as defined in the Other Notes or in any Transaction Document other than this Note) occurs with respect to any Other Notes, or any other debenture, note, or instrument held by the Holder in the Company or any agreement between or among the Company and the Holder; or

(xiii) The Company shall fail to observe or perform any material covenant, agreement or warranty contained in, or otherwise commit any material breach or default of any provision of this Note (except as may be covered by Section (2)(a)(i) through (2)(a)(xii) hereof) or any other Transaction Document, which is not cured or remedied within the time prescribed or if no time is prescribed within ten (10) Business Days.

(b) During the time that any portion of this Note is outstanding, if any Event of Default has occurred (other than an event with respect to the Company described in Section (2)(a)(ii)), the full unpaid Principal amount of this Note, together with interest and other amounts owing in respect thereof, to the date of acceleration shall become at the Holder's election given by notice pursuant to Section (5), immediately due and payable in cash; provided that, in the case of any event with respect to the Company described in Section (2)(a)(ii), the full unpaid Principal amount of this Note, together with interest and other amounts owing in respect thereof to the date of acceleration, shall automatically become due and payable, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Company. Furthermore, in addition to any other remedies, the Holder shall have the right (but not the obligation) to convert, on one or more occasions all or part of the Note in accordance with Section (3) (and subject to the limitations set out in Section (3)(c)(i) and Section (3)(c)(ii)) at any time after (x) an Event of Default or (y) the Maturity Date at the Conversion Price. The Holder need not provide, and the Company hereby waives any presentment, demand, protest or other notice of any kind, (other than required notice of conversion) and the Holder may immediately enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by the Holder in writing at any time prior to payment hereunder. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

(3) CONVERSION OF NOTE. This Note shall be convertible into shares of the Company's Common Shares, on the terms and conditions set forth in this Section (3).

(a) Conversion Right. Subject to the limitations of Section (3)(c), at any time or times on or after the Issuance Date, the Holder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount into fully paid and nonassessable Common Shares in accordance with Section (3)(b), at the Conversion Price. The number of Common Shares issuable upon conversion of any Conversion Amount pursuant to this Section (3)(a) shall be determined by dividing (x) such Conversion Amount by (y) the Conversion Price. The Company shall not issue any fraction of a share of Common Shares upon any conversion. All calculations under this Section (3) shall be rounded to the nearest $0.0001. If the issuance would result in the issuance of a fraction of a share of Common Shares, the Company shall round such fraction of a share of Common Shares up or down to the nearest whole share. The Company shall pay any and all transfer, stamp and similar taxes that may be payable with respect to the issuance and delivery of Common Shares upon conversion of any Conversion Amount.

(b) Mechanics of Conversion.

(i) Optional Conversion. To convert any Conversion Amount into Common Shares on any date (a "Conversion Date"), the Holder shall (A) transmit by email (or otherwise deliver), for receipt on or prior to 11:59 p.m., New York Time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit I (the "Conversion Notice") to the Company and (B) if required by Section (3)(b)(iii), surrender this Note to a nationally recognized overnight delivery service for delivery to the Company (or an indemnification undertaking reasonably satisfactory to the Company with respect to this Note in the case of its loss, theft or destruction). On or before the second (2nd) Trading Day following the date of receipt of a Conversion Notice (the "Share Delivery Date"), the Company shall (X) if legends are not required to be placed on certificates of Common Shares and provided that the Transfer Agent is participating in the Depository Trust Company's ("DTC") Fast Automated Securities Transfer Program, credit such aggregate number of Common Shares to which the Holder shall be entitled to the Holder's or its designee's balance account with DTC through its Deposit Withdrawal Agent Commission system or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver to the address as specified in the Conversion Notice, a certificate, registered in the name of the Holder or its designee, for the number of Common Shares to which the Holder shall be entitled which certificates shall not bear any restrictive legends unless required pursuant to rules and regulations of the Commission. If this Note is physically surrendered for conversion and the outstanding Principal of this Note is greater than the Principal portion of the Conversion Amount being converted, then the Company shall as soon as practicable and in no event later than three (3) Business Days after receipt of this Note and at its own expense, issue and deliver to the holder a new Note representing the outstanding Principal not converted. The Person or Persons entitled to receive the Common Shares issuable upon a conversion of this Note shall be treated for all purposes as the record holder or holders of such Common Shares upon the transmission of a Conversion Notice.

(ii) Company's Failure to Timely Convert. If within two (2) Trading Days after the Company's receipt of an email copy of a Conversion Notice the Company shall fail to issue and deliver a certificate to the Holder or credit the Holder's balance account with DTC for the number of Common Shares to which the Holder is entitled upon such holder's conversion of any Conversion Amount (a "Conversion Failure"), and if on or after such Trading Day the Holder purchases (in an open market transaction or otherwise) Common Shares to deliver in satisfaction of a sale by the Holder of Common Shares issuable upon such conversion that the Holder anticipated receiving from the Company (a "Buy-In"), then the Company shall, within two (2) Business Days after the Holder's request and in the Holder's discretion, either (i) pay cash to the Holder in an amount equal to the Holder's total purchase price (including brokerage commissions and other out of pocket expenses, if any) for the Common Shares so purchased (the "Buy-In Price"), at which point the Company's obligation to deliver such certificate (and to issue such Common Shares) shall terminate, or (ii) promptly honor its obligation to deliver to the Holder a certificate or certificates representing such Common Shares and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of Common Shares, times (B) the Closing Price on the Conversion Date.

(iii) Book-Entry. Notwithstanding anything to the contrary set forth herein, upon conversion of any portion of this Note in accordance with the terms hereof, the Holder shall not be required to physically surrender this Note to the Company unless (A) the full Conversion Amount represented by this Note is being converted or (B) the Holder has provided the Company with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of this Note upon physical surrender of this Note. The Holder and the Company shall maintain records showing the Principal and Interest converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Company, so as not to require physical surrender of this Note upon conversion.

(c) Limitations on Conversions.

(i) Beneficial Ownership. The Holder shall not have the right to convert any portion of this Note to the extent that after giving effect to such conversion, the Holder, together with any affiliate thereof, would beneficially own (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 4.99% of the number of Common Shares outstanding immediately after giving effect to such conversion or receipt of shares as payment of interest. Since the Holder will not be obligated to report to the Company the number of Common Shares it may hold at the time of a conversion hereunder, unless the conversion at issue would result in the issuance of Common Shares in excess of 4.99% of the then outstanding Common Shares without regard to any other shares which may be beneficially owned by the Holder or an affiliate thereof, the Holder shall have the authority and obligation to determine whether the restriction contained in this Section will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section applies, the determination of which portion of the Principal amount of this Note is convertible shall be the responsibility and obligation of the Holder. If the Holder has delivered a Conversion Notice for a Principal amount of this Note that, without regard to any other shares that the Holder or its affiliates may beneficially own, would result in the issuance in excess of the permitted amount hereunder, the Company shall notify the Holder of this fact and shall honor the conversion for the maximum Principal amount permitted to be converted on such Conversion Date in accordance with Section (3)(a) and, any Principal amount tendered for conversion in excess of the permitted amount hereunder shall remain outstanding under this Note. The provisions of this Section may be waived by a Holder (but only as to itself and not to any other Holder) upon not less than 65 days prior notice to the Company. Other Holders shall be unaffected by any such waiver.

(ii) Principal Market Limitation. Notwithstanding anything in this Note to the contrary, the Company shall not issue any Common Shares upon conversion of this Note, if the issuance of such Common Shares, together with any Common Shares issued in connection the SEPA and with any other related transactions that may be considered part of the same series of transactions, would exceed the aggregate number Common Shares that the Company may issue in a transaction in compliance with the Company's obligations under the rules or regulations of Nasdaq Stock Market LLC (the "Nasdaq") and shall be referred to as the "Exchange Cap," except that such limitation shall not apply if the Company's stockholders have approved such issuances on such terms in excess of the Exchange Cap in accordance with the rules of the Nasdaq. Any failure by the Company to issue shares as a result of the limitations imposed by this Section 3(c) shall in no way be considered (i) a breach or default of any provision of this Note or (ii) an Event of Default.

(iii) Monthly Conversions. The Holder shall not have the right to convert any portion of this Note during any Calendar Month in excess of the greater of (i) $2,000,000 of principal and interest due hereunder and (ii) 15% of the dollar value traded in such Calendar Month; provided that the limitation set forth in this Section 3(c)(iii) may be waived by the Company in its sole discretion.

(d) Other Provisions.

(i) All calculations under this Section (3) shall be rounded to the nearest $0.0001 or whole share.

(ii) So long as this Note or any Other Notes remain outstanding, the Company shall have reserved from its duly authorized share capital, and shall have instructed its transfer agent to irrevocably reserve, the maximum number of Common Shares issuable upon conversion of this Note and the Other Notes (assuming for purposes hereof that (x) this Note and such Other Notes are convertible at the Floor Price as of the date of determination, (y) any such conversion shall not take into account any limitations on the conversion of the Note or Other Notes set forth herein or therein (the "Required Reserve Amount"), provided that at no time shall the number of Common Shares reserved pursuant to this Section (3)(d)(ii) be reduced other than proportionally with respect to all Common Shares in connection with any conversion (other than pursuant to the conversion of this Note and the Other Notes in accordance with their terms) and/or cancellation, or reverse stock split. The Company covenants that, upon issuance in accordance with conversion of this Note in accordance with its terms, the Common Shares, when issued, will be validly issued, fully paid and nonassessable.

(iii) Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section (2) herein for the Company's failure to deliver certificates or issue book entries representing Common Shares upon conversion within the period specified herein and such Holder shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief, in each case without the need to post a bond or provide other security. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(iv) Legal Opinions. The Company is obligated to cause its legal counsel to deliver legal opinions to the Company's transfer agent in connection with any legend removal upon the expiration of any holding period or other requirement for which the Underlying Shares may bear legends restricting the transfer thereof. To the extent that a legal opinion is not provided (either timely or at all), then, in addition to being an Event of Default hereunder, the Company agrees to reimburse the Holder for all reasonable costs incurred by the Holder in connection with any legal opinions paid for by the Holder in connection with sale or transfer of Underlying Common Shares. The Holder shall notify the Company of any such costs and expenses it incurs that are referred to in this section from time to time and all amounts owed hereunder shall be paid by the Company with reasonable promptness.

(e) Adjustment of Conversion Price.

(i) If the Company, at any time while this Note is outstanding, shall (a) pay a stock dividend or otherwise make a distribution or distributions on shares of its Common Shares or any other equity or equity equivalent securities payable in Common Shares, (b) subdivide outstanding Common Shares into a larger number of shares, (c) combine (including by way of reverse stock split) outstanding Common Shares into a smaller number of shares, or (d) issue by reclassification of Common Shares any shares of capital stock of the Company, then each of the Fixed Price and the Floor Price shall be multiplied by a fraction of which the numerator shall be the number of Common Shares (excluding treasury shares, if any) outstanding before such event and of which the denominator shall be the number of Common Shares outstanding after such event. Any adjustment made pursuant to this Section shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

(ii) If the Company, at any time while this Note is outstanding, shall issue any Common Shares (other than pursuant to the SEPA) for no consideration or for a price per share that is lower than the Fixed Price then in effect, the Fixed Price shall be reduced to equal the lowest price per share of such issuances.

(f) Other Corporate Events. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of Common Shares are entitled to receive securities or other assets with respect to or in exchange for Common Shares (a "Corporate Event"), the Company shall make appropriate provision to ensure that the Holder will thereafter have the right to receive upon a conversion of this Note, at the Holder's option, (i) in addition to the Common Shares receivable upon such conversion, such securities or other assets to which the Holder would have been entitled with respect to such Common Shares had such Common Shares been held by the Holder upon the consummation of such Corporate Event (without taking into account any limitations or restrictions on the convertibility of this Note) or (ii) in lieu of the Common Shares otherwise receivable upon such conversion, such securities or other assets received by the holders of Common Shares in connection with the consummation of such Corporate Event in such amounts as the Holder would have been entitled to receive had this Note initially been issued with conversion rights for the form of such consideration (as opposed to Common Shares) at a conversion rate for such consideration commensurate with the Conversion Price. Provision made pursuant to the preceding sentence shall be in a form and substance satisfactory to the Required Holders. The provisions of this Section shall apply similarly and equally to successive Corporate Events and shall be applied without regard to any limitations on the conversion or redemption of this Note.

(g) Whenever the Conversion Price is adjusted pursuant to Section (3) hereof, the Company shall promptly provide the Holder with a written notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(h) In case of any (1) merger or consolidation of the Company or any Subsidiary of the Company with or into another Person not affiliated with the Company, or (2) sale by the Company or any Subsidiary of the Company of all or substantially all of the assets of the Company in one or a series of related transactions, a Holder shall have the right to (A) exercise any rights under Section 2(a)(xii), (B) convert the aggregate amount of this Note then outstanding into the shares of stock and other securities, cash and property receivable upon or deemed to be held by holders of Common Shares following such merger, consolidation or sale, and such Holder shall be entitled upon such event or series of related events to receive such amount of securities, cash and property as the Common Shares into which such aggregate Principal amount of this Note could have been converted immediately prior to such merger, consolidation or sales would have been entitled, or (C) in the case of a merger or consolidation, require the surviving entity to issue to the Holder a convertible Note with a Principal amount equal to the aggregate Principal amount of this Note then held by such Holder, plus all accrued and unpaid interest and other amounts owing thereon, which such newly issued convertible Note shall have terms identical (including with respect to conversion) to the terms of this Note, and shall be entitled to all of the rights and privileges of the Holder of this Note set forth herein and the agreements pursuant to which this Note was issued. In the case of clause (C), the conversion price applicable for the newly issued shares of convertible preferred stock or convertible debentures shall be based upon the amount of securities, cash and property that each Common Shares would receive in such transaction and the Conversion Price in effect immediately prior to the effectiveness or closing date for such transaction. The terms of any such merger, sale or consolidation shall include such terms so as to continue to give the Holder the right to receive the securities, cash and property set forth in this Section upon any conversion or redemption following such event. This provision shall similarly apply to successive such events.

(4) REISSUANCE OF THIS NOTE.

(a) Transfer. If this Note is to be transferred, the Holder shall surrender this Note to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Note (in accordance with Section (4)(d)), registered in the name of the registered transferee or assignee, representing the outstanding Principal being transferred by the Holder (along with any accrued and unpaid interest thereof) and, if less than the entire outstanding Principal is being transferred, a new Note (in accordance with Section (4)(d)) to the Holder representing the outstanding Principal not being transferred. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of Section (3)(b)(iii) following conversion or redemption of any portion of this Note, the outstanding Principal represented by this Note may be less than the Principal stated on the face of this Note.

(b) Lost, Stolen or Mutilated Note. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Note, the Company shall execute and deliver to the Holder a new Note (in accordance with Section (4)(d)) representing the outstanding Principal.

(c) Note Exchangeable for Different Denominations. This Note is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Note or Notes (in accordance with Section (4)(d)) representing in the aggregate the outstanding Principal of this Note, and each such new Note will represent such portion of such outstanding Principal as is designated by the Holder at the time of such surrender.

(d) Issuance of New Notes. Whenever the Company is required to issue a new Note pursuant to the terms hereof, such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the Principal remaining outstanding (or in the case of a new Note being issued pursuant to Section 5(4)(a) or Section 5(4)(c), the Principal designated by the Holder which, when added to the Principal represented by the other new Note issued in connection with such issuance, does not exceed the Principal remaining outstanding under this Note immediately prior to such issuance of new Note), (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the Issuance Date of this Note, (iv) shall have the same rights and conditions as this Note, and (v) shall represent accrued and unpaid Interest from the Issuance Date.

(5) NOTICES. Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing by letter and email and will be deemed to have been delivered: upon the later of (A) either (i) receipt, when delivered personally or (ii) one (1) Business Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same and (B) receipt, when sent by electronic mail. The addresses and e-mail addresses for such communications shall be:

If to the Company, to:	Abpro Holdings, Inc. 68 Cummings Park Drive Woburn, MA 01801 Attn: Shahraab Ahmad E-mail: shahraab@atlanticcoastal.io; shahraab@abpro.com
with a copy (which shall not constitute notice) to:	Nelson Mullins Riley & Scarborough LLP 101 Constitution Avenue NW, Suite 900 Washington, D.C. 20001 Attn: Jonathan H. Talcott E-mail: jon.talcott@nelsonmullins.com
If to the Holder:	YA II PN, Ltd 1012 Springfield Avenue Mountainside, NJ 07092 Attention: Mark Angelo Telephone: 201-985-8300 Email: Legal@yorkvilleadvisors.com

or at such other address and/or email and/or to the attention of such other person as the recipient party has specified by written notice given to each other party three (3) Business Days prior to the effectiveness of such change. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) electronically generated by the sender's email service provider containing the time, date, recipient email address or (iii) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

(6) Except as expressly provided herein, no provision of this Note shall alter or impair the obligations of the Company, which are absolute and unconditional, to pay the Principal of, interest and other charges (if any) on, this Note at the time, place, and rate, and in the currency, herein prescribed. This Note is a direct obligation of the Company. As long as this Note is outstanding, the Company shall not and shall cause their subsidiaries not to, without the consent of the Holder, (i) amend its certificate of incorporation, bylaws or other charter documents so as to adversely affect any rights of the Holder; or (ii) enter into any agreement, arrangement or transaction in or of which the terms thereof would materially restrict, materially delay, conflict with or materially impair the ability of the Company to perform its obligations under the this Note, including, without limitation, the obligation of the Company to make cash payments hereunder.

(7) This Note shall not entitle the Holder to any of the rights of a stockholder of the Company, including without limitation, the right to vote, to receive dividends and other distributions, or to receive any notice of, or to attend, meetings of stockholders or any other proceedings of the Company, unless and to the extent converted into Common Shares in accordance with the terms hereof.

(8) CHOICE OF LAW; VENUE; WAIVER OF JURY TRIAL.

(a) Governing Law. This Note and the rights and obligations of the Parties hereunder shall, in all respects, be governed by, and construed in accordance with, the laws (excluding the principles of conflict of laws) of the State of New York (the "Governing Jurisdiction") (including Section 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York), including all matters of construction, validity and performance.

(b) Jurisdiction; Venue; Service.

(i) The Company hereby irrevocably consents to the non-exclusive personal jurisdiction of the state courts of the Governing Jurisdiction and, if a basis for federal jurisdiction exists, the non-exclusive personal jurisdiction of any United States District Court for the Governing Jurisdiction.

(ii) The Company agrees that venue shall be proper in any court of the Governing Jurisdiction selected by the Holder or, if a basis for federal jurisdiction exists, in any United States District Court in the Governing Jurisdiction. The Company waives any right to object to the maintenance of any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, in any of the state or federal courts of the Governing Jurisdiction on the basis of improper venue or inconvenience of forum.

(iii) Any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or tort or otherwise, brought by the Company against the Holder arising out of or based upon this Note or any matter relating to this Note, or any other Transaction Document, or any contemplated transaction, shall be brought in a court only in the Governing Jurisdiction. The Company shall not file any counterclaim against the Holder in any suit, claim, action, litigation or proceeding brought by the Holder against the Company in a jurisdiction outside of the Governing Jurisdiction unless under the rules of the court in which the Holder brought such suit, claim, action, litigation or proceeding the counterclaim is mandatory, and not permissive, and would be considered waived unless filed as a counterclaim in the suit, claim, action, litigation or proceeding instituted by the Holder against the Company. The Company agrees that any forum outside the Governing Jurisdiction is an inconvenient forum and that any suit, claim, action, litigation or proceeding brought by the Company against the Holder in any court outside the Governing Jurisdiction should be dismissed or transferred to a court located in the Governing Jurisdiction. Furthermore, the Company irrevocably and unconditionally agrees that it will not bring or commence any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Holder arising out of or based upon this Note or any matter relating to this Note, or any other Transaction Document, or any contemplated transaction, in any forum other than the courts of the State of New York sitting in New York County, and the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such suit, claim, action, litigation or proceeding may be heard and determined in such New York State Court or, to the fullest extent permitted by applicable law, in such federal court. The Company and the Holder agree that a final judgment in any such suit, claim, action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(iv) The Company and the Holder irrevocably consent to the service of process out of any of the aforementioned courts in any such suit, claim, action, litigation or proceeding by the mailing of copies thereof by registered or certified mail postage prepaid, to it at the address provided for notices in this Note, such service to become effective thirty (30) days after the date of mailing.

(v) Nothing herein shall affect the right of the Holder to serve process in any other manner permitted by law or to commence legal proceedings or to otherwise proceed against the Company or any other Person in the Governing Jurisdiction or in any other jurisdiction.

(c) THE PARTIES MUTUALLY WAIVE ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS OF ANY KIND ARISING OUT OF OR BASED UPON THIS NOTE OR ANY MATTER RELATING TO THIS NOTE, OR ANY OTHER TRANSACTION DOCUMENT, OR ANY CONTEMPLATED TRANSACTION. THE PARTIES ACKNOWLEDGE THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT THE PARTIES EACH MAKE THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH COUNSEL OF THEIR RESPECTIVE CHOICE. THE PARTIES AGREE THAT ALL SUCH CLAIMS SHALL BE TRIED BEFORE A JUDGE OF A COURT HAVING JURISDICTION, WITHOUT A JURY.

(9) If the Company fails to materially comply with the terms of this Note, then the Company shall reimburse the Holder promptly for all fees, costs and expenses, including, without limitation, attorneys' fees and expenses incurred by the Holder in any action in connection with this Note, including, without limitation, those incurred: (i) during any workout, attempted workout, and/or in connection with the rendering of legal advice as to the Holder's rights, remedies and obligations, (ii) collecting any sums which become due to the Holder, (iii) defending or prosecuting any proceeding or any counterclaim to any proceeding or appeal; or (iv) the protection, preservation or enforcement of any rights or remedies of the Holder provided that Holder shall not have been responsible in any way for the Company's noncompliance.

(10) Any waiver by the Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note. Any waiver must be in writing.

(11) If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder shall violate applicable laws governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum permitted rate of interest. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the Principal of or interest on this Note as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this indenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impeded the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

(12) CERTAIN DEFINITIONS. For purposes of this Note, the following terms shall have the following meanings:

(a) "Amortization Event" shall mean (i) the daily VWAP is less than the Floor Price then in effect for five Trading Days during a period of seven consecutive Trading Days (a "Floor Price Event"), (ii) unless the Company has obtained the approval from its stockholders in accordance with the rules of the Principal Market for the issuance of Shares pursuant to the transactions contemplated in this Note and the SEPA in excess of the Exchange Cap, the Company has issued in excess of 99% of the Common Shares available under the Exchange Cap (an "Exchange Cap Event"), or (iii) any time after the Effectiveness Deadline (as defined in the Registration Rights Agreement), the Investor is unable to utilize a Registration Statement to resell Underlying Shares for a period of ten (10) consecutive Trading Days (a "Registration Event") (the last such day of each such occurrence, a "Amortization Event Date").

(b) "Amortization Principal Amount" shall have the meaning set forth in Section (1)(c).

(c) "Applicable Price" shall have the meaning set forth in Section (3)(f).

(d) "Bloomberg" means Bloomberg Financial Markets.

(e) "Business Day" means any day except Saturday, Sunday and any day which shall be a federal legal holiday in the United States or a day on which banking institutions are authorized or required by law or other government action to close.

(f) "Buy-In" shall have the meaning set forth in Section (3)(b)(ii).

(g) "Buy-In Price" shall have the meaning set forth in Section (3)(b)(ii).

(h) "Calendar Month" means one of the 12 months named in the calendar.

(i) "Change of Control Transaction" means the occurrence of (a) an acquisition after the date hereof by an individual or legal entity or "group" (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Company, by contract or otherwise) of in excess of fifty percent (50%) of the voting power of the Company (except that the acquisition of voting securities by the Holder or any other current holder of convertible securities of the Company shall not constitute a Change of Control Transaction for purposes hereof), (b) a replacement at one time or over time of more than one-half of the members of the board of directors of the Company (other than as due to the death or disability of a member of the board of directors) which is not approved by a majority of those individuals who are members of the board of directors on the date hereof (or by those individuals who are serving as members of the board of directors on any date whose nomination to the board of directors was approved by a majority of the members of the board of directors who are members on the date hereof), (c) the merger, consolidation or sale of fifty percent (50%) or more of the assets of the Company or any Subsidiary of the Company in one or a series of related transactions with or into another entity, or (d) the execution by the Company of an agreement to which the Company is a party or by which it is bound, providing for any of the events set forth above in (a), (b) or (c). No transfer to a wholly-owned Subsidiary shall be deemed a Change of Control Transaction under this provision.

(j) "Closing Price" means the price per share in the last reported trade of the Common Shares on a Principal Market or on the exchange which the Common Shares are then listed as quoted by Bloomberg.

(k) "Commission" means the Securities and Exchange Commission.

(l) "Common Shares" means the shares of Class A common stock, par value $0.0001, of the Company and stock of any other class into which such shares may hereafter be changed or reclassified.

(m) "Conversion Amount" means the portion of the Principal, Interest, or other amounts outstanding under this Note to be converted, redeemed or otherwise with respect to which this determination is being made.

(n) "Conversion Date" shall have the meaning set forth in Section (3)(b)(i).

(o) "Conversion Failure" shall have the meaning set forth in Section (3)(b)(ii).

(p) "Conversion Notice" shall have the meaning set forth in Section (3)(b)(i).

(q) "Conversion Price" means, as of any Conversion Date or other date of determination the lower of (i) $11.50 per Common Share (the "Fixed Price"), or (ii) 94% of the lowest daily VWAP during the 5 consecutive Trading Days immediately preceding the Conversion Date or other date of determination (the "Variable Price"), but which Variable Price shall not be lower than the Floor Price then in effect. The Fixed Price shall be adjusted (downwards only) to equal the VWAP of the Common Shares over the three (3) Trading Days immediately preceding the 20th Trading Day following the Issuance Date if such price is lower than the initial Floor Price. The Conversion Price shall be adjusted from time to time pursuant to the other terms and conditions of this Note.

(r) "Convertible Securities" means any stock or securities directly or indirectly convertible into or exercisable or exchangeable for Common Shares.

(s) "Dilutive Issuance" shall have the meaning set forth in Section (3)(f).

(t) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(u) "Floor Price" solely with respect to the Variable Price, shall mean a price equal 20% of the Nasdaq Official Closing Price (as listed on Nasdaq.com) of the Common Shares for the Trading Day immediately prior to the Issuance Date. On the date that the initial Registration Statement is declared effective by the Commission (the "Floor Price Reset Date"), the Floor Price shall be adjusted (downwards only) to equal 20% of the Nasdaq Official Closing Price (as listed on Nasdaq.com) of the Common Shares for the Trading Day immediately prior to the Floor Price Reset Date if such price is lower than the Floor Price then in effect. Notwithstanding the foregoing, the Company may reduce the Floor Price to any amounts set forth in a written notice to the Holder, provided that such amount is no more than 75% of the Nasdaq Official Closing Price (as listed on Nasdaq.com) on the Trading Day immediately prior to the time of such reduction and no greater than the then effective Floor Price.

(v) "Fundamental Transaction**"** means any of the following: (1) the Company effects any merger or consolidation of the Company with or into another Person and the Company is the non-surviving company (other than a merger or consolidation with a wholly owned Subsidiary of the Company for the purpose of redomiciling the Company), (2) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (3) any tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Shares are permitted to tender or exchange their shares for other securities, cash or property, or (4) the Company effects any reclassification of the Common Shares or any compulsory share exchange pursuant to which the Common Shares is effectively converted into or exchanged for other securities, cash or property.

(w) "New Issuance Price" shall have the meaning set forth in Section (3)(f).

(x) "Other Notes" means any other notes issued pursuant to the SEPA and any other debentures, notes, or other instruments issued in exchange, replacement, or modification of the foregoing.

(y) "Payment Premium" means 5% of the Principal amount being paid.

(z) "Periodic Reports" shall mean all of the Company's reports required to be filed by the Company with the Commission under applicable laws and regulations (including, without limitation, Regulation S-K), including annual reports (on Form 10-K), quarterly reports (on Form 10-Q), and current reports (on Form 8-K), for so long as any amounts are outstanding under this Note or any Other Note; *provided* that all such Periodic Reports shall include, when filed, all information, financial statements, audit reports (when applicable) and other information required to be included in such Periodic Reports in compliance with all applicable laws and regulations.

(aa) "Person" means a corporation, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

(bb) "Principal Market" means any of The New York Stock Exchange, the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market or the Nasdaq Global Select Market, and any successor to any of the foregoing markets or exchanges.

(cc) "Redemption Premium" means 6% of the Principal amount being redeemed.

(dd) "Registration Rights Agreement" means the registration rights agreement entered into between the Company and the Holder on the date hereof.

(ee) "Registration Statement" means a registration statement meeting the requirements set forth in the Registration Rights Agreement, covering among other things the resale of the Underlying Shares and naming the Holder as a "selling stockholder" thereunder.

(ff) "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(gg) "Share Delivery Date" shall have the meaning set forth in Section (3)(b)(i).

(hh) "Subsidiary" means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of capital stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, general partners or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person; (ii) such Person and one or more Subsidiaries of such Person; or (iii) one or more Subsidiaries of such Person.

(ii) "Trading Day" means a day on which the Common Shares are quoted or traded on a Principal Market on which the Common Shares are then quoted or listed; provided, that in the event that the Common Shares are not listed or quoted, then Trading Day shall mean a Business Day.

(jj) "Transaction Document" means, each of, the Other Notes, the SEPA, the Registration Rights Agreement and any and all other documents, agreements, instruments or other items executed or delivered in connection with any of the foregoing.

(kk) "Underlying Shares" means the Common Shares issuable upon conversion of this Note or as payment of interest in accordance with the terms hereof.

(ll) "VWAP" means, for any security as of any date, the daily dollar volume-weighted average price for such security on the Principal Market during regular trading hours as reported by Bloomberg through its "Historical Prices – Px Table with Average Daily Volume" functions.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Convertible Promissory Note to be duly executed by a duly authorized officer as of the date set forth above.

COMPANY:

ABPRO HOLDINGS, INC.

By: /s/ Ian Chan
Name: Ian Chan
Title: Chief Executive Officer

EXHIBIT I
CONVERSION NOTICE

(To be executed by the Holder in order to Convert the Note)

TO: ABPRO HOLDINGS, INC.

Via Email:

The undersigned hereby irrevocably elects to convert a portion of the outstanding and unpaid Conversion Amount of Note No. ABP-1 into Common Shares of **ABPRO HOLDINGS, INC.**, according to the conditions stated therein, as of the Conversion Date written below.

Conversion Date:
Principal Amount to be Converted:
Accrued Interest to be Converted:
Total Conversion Amount to be converted:
Fixed Price:
Variable Price:
Applicable Conversion Price:
Number of Common Shares to be issued:

Please issue the Common Shares in the following name and deliver them to the following account:
Issue to:
Broker DTC Participant Code:
Account Number:

Authorized Signature: _____
Name: _____
Title: _____

Exhibit 21.1

Subsidiaries of Abpro Holdings, Inc.

1. Abpro Corporation (Delaware)

Exhibit 99.1

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Defined terms included below have the same meaning as terms defined and included elsewhere in this Current Report on Form 8-K ("Current Report"), unless defined below. As used in this unaudited pro forma condensed combined financial information, "Abpro" refers to Abpro Corporation prior to the Business Combination.

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X and presents the combination of the historical financial information of ACAB and Abpro, adjusted to give effect to the Business Combination and the other events contemplated by the Business Combination Agreement. Unless otherwise indicated or the context otherwise requires, references to the "Post-Combination Company" and "New Abpro" refer to the Post-Combination Company and its consolidated subsidiaries after giving effect to the Business Combination.

The unaudited pro forma condensed combined balance sheet as of September 30, 2024, combines the historical balance sheet of ACAB as of September 30, 2024, and the historical balance sheet of Abpro as of September 30, 2024, on a pro forma basis as if the Business Combination and the other related events in connection with the Business Combination Agreement had been consummated on September 30, 2024. The unaudited pro forma condensed combined statement of operations for the nine months ended September 30, 2024, combines the historical statements of operations of ACAB for the nine months ended September 30, 2024, and the historical statements of operations of Abpro for the nine months ended September 30, 2024 on a pro forma basis as if the Business Combination, the other events contemplated by the Business Combination Agreement and the other related events in connection with the Business Combination had been consummated on January 1, 2023, the beginning of the earliest period presented. The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2023, combines the historical statements of operations of ACAB for the year ended December 31, 2023, and the historical statements of operations of Abpro for the year ended December 31, 2023 on a pro forma basis as if the Business Combination and other related events in connection with the Business Combination had been consummated on January 1, 2023, the beginning of the earliest period presented.

The unaudited pro forma condensed combined financial information and accompanying notes have been derived from and should be read in conjunction with:

- the historical unaudited condensed consolidated financial statements of ACAB as of and for the three and nine months ended September 30, 2024, and the related notes, which are included in ACAB's Quarterly Report on Form 10-Q filed with the SEC on November 25, 2024 (the "ACAB 10-Q");
- the historical audited consolidated financial statements of ACAB as of and for the year ended December 31, 2023, and the related notes, which are included in ACAB's Annual Report on Form 10-K/A filed with the SEC on April 1, 2024 (the "ACAB 10-K/A");
- the historical unaudited condensed consolidated financial statements of Abpro as of and for the nine months ended September 30, 2024, and the related notes included in this Current Report; and
- the historical audited consolidated financial statements of Abpro as of and for the year ended December 31, 2023, and the related notes included in ACAB's Registration Statement on Form S-4/A filed with the SEC on October 17, 2024; and
- other information relating to ACAB and Abpro contained in this Current Report, including the Business Combination Agreement and the description of certain terms thereof.

The unaudited pro forma condensed combined financial information should also be read together with the sections of the ACAB 10-K/A and the ACAB 10-Q entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the section of this Current Report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as other financial information included elsewhere in this Current Report.

Description of the Business Combination

On November 12, 2024, ACAB and Abpro completed a series of transactions that resulted in the combination (the "Closing" of the "Business Combination") of ACAB with Abpro Corporation, a Delaware corporation ("Abpro Corporation"), pursuant to the previously announced Business Combination Agreement, dated December 11, 2023, amended by an amendment dated September 4, 2024 (the "BCA"), by and among ACAB, Abpro Merger Sub Corp., a Delaware corporation and a wholly owned subsidiary of ACAB ("Merger Sub"), and Abpro Corporation, following the approval at the special meeting of the shareholders of ACAB held on November 7, 2024 (the "Special Meeting"). On November 12, 2024, pursuant to the BCA, and as described in greater detail in the Company's final prospectus and definitive proxy statement, which was filed with the U.S. Securities and Exchange Commission (the "SEC") on October 18, 2024 (the "Proxy Statement/Prospectus"), Merger Sub merged with and into Abpro Corporation, with Abpro Corporation surviving the merger as a wholly owned subsidiary of ACAB, and ACAB changed its name to Abpro Holdings, Inc. ("New Abpro"). As consideration for the Business Combination, New Abpro issued to or reserved for Abpro Corporation shareholders an aggregate of approximately 50,000,000 shares of New Abpro common stock, par value $0.0001 per share (the "Common Stock"), consisting of 39,123,200 shares of Common Stock issued to Abpro Corporation shareholders, and 10,872,400 shares of Common Stock reserved for issuance in connection with certain Abpro Corporation rollover RSUs and stock options (collectively, the "Merger Consideration"). In addition, New Abpro issued an aggregate of 3,367,401 shares of Common Stock to the PIPE investors (as described below), an aggregate of 1,282,852 shares of Common Stock to vendors in connection with the Closing, and Atlantic Coastal Acquisition Management II LLC (the "Sponsor") forfeited and New Abpro cancelled 966,442 shares of Common Stock (further described below).

Under the Second Amended Articles of Incorporation of ACAB dated November 12, 2024, each of the outstanding shares of ACAB Series A Common Stock and the outstanding share of ACAB Class B Common Stock was exchanged into one share of Common Stock.

Abpro's 61,099 outstanding common stock warrants expired upon the consummation of the Business Combination.

Unless otherwise defined herein, capitalized terms used in this Current Report on Form 8-K have the same meaning as set forth in the Proxy Statement/Prospectus.

In connection with the Special Meeting, ACAB shareholders holding 330,276 shares of ACAB's Series A common stock (the "Public Shares") (after giving effect to the share repurchases by Yorkville as described below) exercised their right to redeem their shares for a pro rata portion of the funds in ACAB's trust account (the "Trust Account"). Prior to the Closing approximately $3,752,627 (approximately $11.36 per Public Share) was removed from the Trust Account to pay such holders.

Following the Closing, Abpro's stockholders shall be issued up to 14,500,000 additional shares of the Post- Combination Company common stock ("Earnout Shares") if, within five calendar years after the closing of the Business Combination, the volume weighted average price of shares of Series A Common Stock on Nasdaq, or any other national securities exchange on which the shares of Series A Common Stock are then traded ("VWAP") meets or exceeds three-tier target prices defined in the agreement, as follows:

a) one-third of the total Earnout Shares, if, the VWAP is greater than or equal to $13.00 over any 20 trading days within any consecutive 30 trading day period (the "First Share Target")

b) one-third of the total Earnout Shares, if, the VWAP is greater than or equal to $15.00 over any 20 trading days within any consecutive 30 trading day period (the "Second Share Target")

c) one-third of the total Earnout Shares, if, the VWAP is greater than or equal to $18.00 over any 20 trading days within any consecutive 30 trading day period (the "Third Share Target").

If following the Closing, a Change of Control (as defined in the Business Combination Agreement) occurs on or before the five year anniversary of the Closing Date, then if (i) the per share value of the consideration to be received by stockholders in connection with the Change of Control exceeds $13.00 per share and the First Share Target has not been previously achieved, then the First Share Target will be deemed to have been achieved, (ii) the per share value of the consideration to be received by stockholders exceeds $15.00 per share and the Second Share Target has not been previously achieved, then the Second Share Target will be deemed to have been achieved, and (iii) the per share value of the consideration to be received by stockholders exceeds $18.00 per share and the Third Share Target has not been previously achieved, then the Third Share Target will be deemed to have been achieved. Any Contingency Consideration that is not deemed to be earned in connection with the Change of Control shall be forfeited by the stockholders for no consideration.

These shares are contingently issuable upon the achievement of the set market performance targets. Considering the underlying contingent consideration to be transferred are common stocks, and as such is indexed to the Post-Combination Company's own stock and classified in stockholders' equity in the statement of financial position, we deemed the contingent payments under the earnout provisions to qualify for the scope exception in Accounting Standards Codification ("ASC") 815-10-15-74(a). As a result, the contingent consideration obligation will be recognized when the contingency is resolved, and the consideration is paid or becomes payable and has no impact on the pro forma condensed financial statements.

Concurrently with the execution of the BCA, Abpro and Abpro Bio International, Inc. ("Abpro Bio"), an Abpro stockholder, entered into an agreement (the "Sponsor Share Letter"), pursuant to which Sponsor agreed to, at the Closing Date, (i) retain 2,950,000 shares of Series A Common Stock of ACAB, (ii) retain 291,667 shares, and transfer 983,333 shares to Abpro and 983,333 of the shares Abpro Bio ("Promote Shares"), for such parties to use to obtain non-redemption commitments from SPAC stockholders or other capital for SPAC or the Surviving Corporation (with any shares unused for such purpose to be retained by such party), and (iii) forfeit the remainder of any Series A Common Stock and Series B Common Stock held by Sponsor (or 966,441 Series A shares and 1 Series B shares). It was also agreed in the Sponsor Share Letter that the Sponsor will transfer 200,000 shares to one of ACAB's financial advisors for the services provided prior to the merger date. The transfer of 983,333 shares of ACAB Series A Common Stock to Abpro Bio was reflected in the pro forma condensed financial statements as a part of the recapitalization in conjunction with the Business Combination and this transfer has no financial impact. As it relates to 983,333 shares transferred to Abpro, the corresponding issuance costs will be recorded at the date these shares are transferred to third-party investors against non-redemption or capital commitments. If the 983,333 shares of Series A common stock held by Abpro and 291,667 shares held by the Sponsor are transferred to third-party investors in conjunction with their capital commitments, the maximum related costs to be recorded to additional paid-in capital will be in the amount of approximately $14.3 million (based on the fair value of the ACAB's common stock shares of $11.20 per share at September 30, 2024) with the corresponding decrease in the paid-in-capital.

Under the terms of the BCA, at the Closing of the Business Combination, the Sponsor received 600,601 shares of common stock of New Abpro in exchange for the extinguishment of $2,000,000 advances to ACAB by the Sponsor.

Other Related Events in Connection with the Business Combination

Other related events that took place in connection with the Business Combination are summarized below:

- In connection with the Closing, the PIPE Investors (defined below) received 3,367,401 shares of New Abpro under the PIPE Subscription Agreements (defined below). On August 22, 2024, ACAB entered into subscription agreements with Abpro Bio and Celltrion Inc. ("Celltrion" and together with Abpro Bio, the "PIPE Investors") (the "PIPE Subscription Agreements"). Pursuant to the PIPE Subscription Agreements, at the Closing of the Business Combination, Abpro Bio purchased 622,467 newly-issued shares of New Abpro at a price of $10.00 per share, for an aggregate purchase price of $6,225,670 of which $4,225,663 was through the extinguishment of the balance due to Abpro Bio under the promissory note agreement between Abpro and Abpro Bio, and the remainder of $2,000,007 in cash. In addition, Abpro Bio received an aggregate of 1,244,934 Company Incentive Shares. Celltrion purchased 500,000 newly issued shares of New Abpro common stock, at the closing of the Business Combination, at a price of $10.00 per share, for an aggregate purchase price of $5,000,000. In addition, Celltrion was granted an aggregate of 1,000,000 Company Incentive Shares.

- On November 7, 2024, ACAB and Abpro entered into a Confirmation of an OTC Equity Prepaid Forward Transaction (the "Forward Purchase Agreement") with YA II PN, LTD ("Yorkville"). In connection with the Closing, and pursuant to the terms of the Forward Purchase Agreement, at the Closing Date, Yorkville purchased 100,000 shares from third parties ("Recycled Shares"), pursuant to the pricing date notice dated November 12, 2024. At the Closing of the Business Combination, in accordance with the terms of the Forward Purchase Agreement, Yorkville received approximately $1.1 million (the "Prepayment Amount") from the Trust Account, equal to $11.36 per Recycled Share (the "Initial Price").

- In connection with the Closing, approximately $2 million of promissory note liabilities of Abpro were converted into 600,000 New Abpro common stock shares.

Accounting for the Business Combination

Notwithstanding the legal form of the Business Combination pursuant to the Business Combination Agreement, the Business Combination is accounted for as a reverse recapitalization in accordance with US GAAP. Under this method of accounting, ACAB is treated as the acquired company and Abpro is treated as the acquirer for financial reporting purposes. Accordingly, for accounting purposes, the financial statements of the Post-Combination Company represent a continuation of the financial statements of Abpro, with the Business Combination treated as the equivalent of Abpro issuing stock for the net assets of ACAB, accompanied by a recapitalization. The net assets of ACAB are stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the Business Combination are those of Abpro. Abpro has been determined to be the accounting acquirer based on an evaluation of the following facts and circumstances:

- the Post-Combination Company Board consists of five directors, four of whom were designated by Abpro and one of whom were designated by ACAB;
- Abpro's existing senior management team comprises the senior management of the Combined Company; and
- Abpro's operations prior to the Business Combination comprise the ongoing operations of the Post-Combination Company as ACAB had minimal operations pre-combination.

Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X. The adjustments in the unaudited pro forma condensed combined financial information have been identified and presented to provide relevant information necessary for an illustrative understanding of the Post-Combination Company upon consummation of the Business Combination in accordance with GAAP.

Assumptions and estimates underlying the unaudited pro forma adjustments set forth in the unaudited pro forma condensed combined financial information are described in the accompanying notes. The unaudited pro forma condensed combined financial information has been presented for illustrative purposes only and is not necessarily indicative of the operating results and financial position that would have been achieved had the Business Combination occurred on the dates indicated, and does not reflect adjustments for any anticipated synergies, operating efficiencies, tax savings or cost savings. Any cash proceeds remaining after the consummation of the Business Combination and the other events contemplated by the Business Combination Agreement are expected to be used for general corporate purposes. Further, the unaudited pro forma condensed combined financial information does not purport to project the future operating results or financial position of the Post-Combination Company following the consummation of the Business Combination. The unaudited pro forma adjustments represent management's estimates based on information available as of the date of these unaudited pro forma condensed combined financial information and are subject to change as additional information becomes available and analyses are performed. ACAB and Abpro have not had any historical relationship prior to the transactions discussed in this proxy statement/prospectus. Accordingly, no pro forma adjustments were required to eliminate activities between the companies.

The following summarizes the pro forma Post-Combination Company common stock issued and outstanding immediately after the Business Combination:

	Number of Shares	% Ownership
New Abpro shares held by ACAB public stockholders [(1)]	210,993	0.4%
New Abpro shares held by Initial Stockholders	3,782,268	7.5%
New Abpro shares held by investors	2,168,558	4.3%
New Abpro shares held by service providers	1,282,852	2.5%
New Abpro shares issued to PIPE Investors	3,367,401	6.7%
New Abpro shares issued to settle Abpro notes payable - related party	600,000	1.2%
New Abpro shares issued to Abpro shareholders	39,123,200	77.4%
Shares outstanding	50,535,272	100%

(1) Inclusive of 100,000 shares held by Yorkville under the Forward Purchase Agreement (discussed below)

The pro forma table above excludes New Abpro shares reserved for the future issuance of Abpro outstanding options and restricted stock units.

The shares held by the ACAB Initial Stockholders include 7,200,000 Series A common stock shares held by ACAB's sponsor, 300,000 Series A common stock shares which have been transferred to ACAB's directors and Apeiron, and 600,601 Series A common stock shares issued to the Sponsor in extinguishment of $2,000,000 advances by the Sponsor to ACAB. The one share of Series B common stock held by ACAB's sponsor was reduced to zero, due to the share's forfeiture under the terms of the Sponsor Share Letter. The Series A common stock shares held by ACAB's sponsor of 7,200,000 were reduced by 966,441 forfeited shares, 983,333 shares transferred to ABI, 983,333 shares transferred to Abpro, and 200,000 shares transferred to one of ACAB's financial advisors under the terms of the Sponsor Share Letter. As it relates to 983,333 shares transferred to Abpro, the corresponding shares were excluded from the shares outstanding since these shares are held by New Abpro. The 983,333 shares held by Abpro will be included in the shares outstanding on the date these shares are transferred to third-party investors against non-redemption or capital commitments. In addition, on April 4, 2023, ACAB and the Sponsor entered into agreements with several unaffiliated third parties in exchange for them agreeing not to redeem certain public shares of ACAB at the special meeting called by the Company (the "Meeting") to approve an extension of time for the Company to consummate an initial business combination (the "Charter Amendment Proposal"). In exchange for the foregoing commitments not to redeem such shares, the Sponsor has agreed to transfer to such investors an aggregate of 825,225 shares of ACAB held by the Sponsor immediately following consummation of an initial business combination if they continued to hold such Non-Redeemed Shares through the Meeting. As such, at the Closing Date of the Business Combination, 825,225 shares held by the Sponsor were transferred to the investors. Also, on April 10, 2024, the Sponsor entered into a subscription agreement with Polar Multi-Strategy Master Fund ("Polar"), pursuant to which Polar provided the capital contribution to the Sponsor in the amount of $360,000 in exchange for 1 share of the Company's Series A common stock held by the Sponsor for each $1 invested by the Investor as of the closing of the Merger. As such, at the Closing Date of the Business Combination, 360,000 shares held by the Sponsor were forfeited and the corresponding number of New Abpro common stock shares were issued to Polar.

Following the Closing, the Abpro stockholders will have the right to receive the Contingent Consideration upon the occurrence of certain triggering events. Because the Contingent Consideration is contingently issuable based upon the price of Post- Combination Company common stock reaching certain thresholds that have not yet been achieved, the pro forma Post-Combination Company common stock issued and outstanding immediately after the Business Combination excludes the Contingent Consideration.

The following table summarizes the total New Abpro shares issuable to Abpro in connection with the Business Combination.

New Abpro shares issued in merger to Abpro shareholders	39,123,200
Additional New Abpro shares reserved for the future exercise of Abpro options and restricted stock units	10,872,400
Business Combination Consideration	49,995,600
Contingent Consideration	14,500,000
Total New Abpro shares issuable to Abpro shareholders	64,495,600

The total merger consideration received by equityholders of legacy Abpro on the Closing Date equaled the issuance of (or grant of options to purchase) Post-Combination Company equity with an aggregate value equal to approximately $500 million, comprised of (i) 39,123,200 shares of Post-Combination Company common stock, (ii) 10,872,400 shares of Post-Combination Company common stock issuable upon the exercise of options and vesting of restricted stock units, and (iii) 14,500,000 shares of Post-Combination Company common stock issuable upon the Earnout provisions if and when achieved, each multiplied by the deemed value of $10.00 per share.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET AS OF SEPTEMBER 30, 2024
(in thousands)

	ACAB (Historical)	Abpro (Historical)	Transaction Accounting Adjustments		Pro Forma Combined
ASSETS					
Current assets:					
Cash	$ 14	$ 1	$ 2,545	**(1)**	$ 3,281
			$ 6,430	**(3)**	
			$ (4,215)	**(5)**	
			$ (210)	**(6)**	
			$ (150)	**(11)**	
			$ (1,134)	**(12)**	
Accounts receivable	-	302	$ -		302
Prepaid expenses and other current assets	19	270	$ -		289
Due from related party - Abpro	103	-	$ (103)	**(14)**	-
Deferred offering costs	-	1,817	$ (1,817)	**(5)**	-
Cash and marketable securities held in trust account	1,424	-	$ (1,424)	**(13)**	-
Total current assets	1,560	2,390	$ (78)		3,872
Cash and marketable securities held in trust account	6,298	-	$ (6,298)	**(1)**	-
Restricted cash	-	140	$ -		140
Property and equipment, net	-	42	$ -		42
Right-of-use asset - operating lease	-	558	$ -		558
Security deposits	-	66	$ -		66
Patents	-	179	$ -		179
Forward Purchase Agreement asset	-	-	$ 940	**(12)**	940
Total assets	**$ 7,858**	**$ 3,375**	**$ (5,436)**		**$ 5,797**
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' (DEFICIT) EQUITY					
Current liabilities:					
Accounts payable	$ -	$ 5,259	$ (1,817)	**(5)**	$ 3,442
Accrued offering costs	5	-	$ -		5
Excise tax payable	3,076	-	$ -		3,076
Accrued expenses	1,739	2,745	$ -		4,484
Advance from related parties	2,270	-	$ (2,000)	**(10)**	270
Income taxes payable	366	-	$ -		366
Common stock to be redeemed (126,122 and 2,768,301 shares of Series A common stock, respectively)	1,424	-	$ (1,424)	**(13)**	-
Operating lease liability, current	-	601	$ -		601
Notes payable, current - related parties	160	6,672	$ (4,225)	**(3)**	363
			$ (2,141)	**(11)**	
			$ (103)	**(14)**	
Total current liabilities	9,040	15,277	$ (11,710)		12,607
Deferred underwriting fees payable	10,500	-	$ (10,500)	**(6)**	-
Total liabilities	19,540	15,277	$ (22,210)		12,607
Commitments and contingencies					
Series A common stock subject to possible redemption	6,128	-	$ (3,753)	**(1)**	-
			$ (2,375)	**(2)**	
Convertible Preferred stock					
Series F Convertible Preferred Stock	-	9,991	$ (9,991)	**(4)**	-
Series E Convertible Preferred Stock	-	29,841	$ (29,841)	**(4)**	-
Series D Convertible Preferred Stock	-	17,622	$ (17,622)	**(4)**	-
Series C Convertible Preferred Stock	-	14,949	$ (14,949)	**(4)**	-
Series B Convertible Preferred Stock	-	1,401	$ (1,401)	**(4)**	-
Series A Redeemable, Convertible Preferred Stock	-	1,795	$ (1,795)	**(4)**	-
Total convertible preferred stock	-	75,599	$ (75,599)		-
Stockholders' (deficit) equity					
Series A common stock	1	-	$ (1)	**(7)**	-
Series B common stock	-	-	$ -		-
Common stock	-	9	$ 1	**(3)**	5
			$ 3	**(4)**	
			$ (8)	**(7)**	
Treasury stock	-	(33)	$ 33	**(7)**	-
Additional paid-in-capital	-	21,442	$ 2,375	**(2)**	102,104
			$ 10,654	**(3)**	
			$ 75,596	**(4)**	
			$ (2,365)	**(5)**	
			$ 6,720	**(6)**	
			$ (24)	**(7)**	
			$ (23,933)	**(8)**	
			$ 7,648	**(9)**	
			$ 2,000	**(10)**	
			$ 1,991	**(11)**	
Accumulated (deficit) equity	(17,811)	(109,468)	$ (1,850)	**(5)**	(109,468)
			$ 3,570	**(6)**	
			$ 23,933	**(8)**	
			$ (7,648)	**(9)**	
			$ (194)	**(12)**	
Non-controlling interest	-	549	$ -		549
Total stockholders' deficit	(17,810)	(87,501)	$ 98,501		(6,810)
Total liabilities, convertible preferred stock and stockholders' deficit	**$ 7,858**	**$ 3,375**	**$ (5,436)**		**$ 5,797**

Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet as of September 30, 2024

The transaction accounting adjustments included in the unaudited pro forma condensed combined balance sheet as of September 30, 2024 are as follows:

(1) Reflects the liquidation and reclassification of cash and marketable securities held in the Trust Account that becomes available for general use by the Post-Combination Company following the Business Combination. In addition, in connection with the special meeting of stockholders of ACAB on November 7, 2024 related to the approval of the Merger, stockholders holding 330,276 shares of ACAB Series A Common Stock (net of 100,000 shares repurchased by Yorkville, as discussed below) issued in the Initial Public Offering of ACAB exercised their right to redeem their shares for a pro rata portion of the funds in the Trust Account. Pursuant to the terms of the Forward Purchase Agreement, at the closing of the Business Combination, Yorkville repurchased 100,000 Series A Common Stock shares from holders that previously elected to redeem their shares during the redemption period ("Recycled Shares"). As a result, approximately $3.8 million (approximately $11.36 per share) was removed from the Trust Account to pay such holders.

(2) Reflects the transfer of ACAB's Series A Common Stock subject to possible redemptions as of September 30, 2024 to permanent equity.

(3) Reflects the consideration of approximately $6.4 million from the common stock shares issued under the PIPE Subscription Agreements, net of $4.2 million settlement of the balance due to ABI under Abpro's promissory note agreement and $0.6 million of issuance costs.

(4) Reflects the exchange of all Abpro preferred stock (Series A preferred, Series B preferred, and Series C preferred, Series D preferred, Series E preferred, Series F preferred) into Post-Combination Company Common stock pursuant to the conversion rate for such shares of Abpro preferred stock effective immediately prior to the Closing.

(5) Reflects the preliminary estimated payment of direct and incremental transaction costs incurred prior to or concurrent with the Business Combination of approximately $4.2 million (exclusive of the deferred underwriters' discount discussed below) which were to be cash settled upon the Closing in accordance with the Business Combination Agreement. Transaction costs include legal, accounting, financial advisory and other professional fees related to the Business Combination. Of the total cash transaction costs of approximately $4.2 million, approximately $2.4 million are expected to be incurred by Abpro and charged to additional paid-in capital and approximately $1.8 million are to be incurred by ACAB and charged to expenses through accumulated deficit.

(6) Reflects the settlement of $10.5 million deferred payable settled through issuance of 600,000 shares to Cantor, cash payment of $210,000 and forgiveness of the remaining balance. The fair value of the shares was $6.7 million (based on the market value of $11.20 per share as of September 30, 2024) and the excess of $3,570,000 is accounted for as the recovery of accumulated deficit (since the initial accretion to the mezzanine reduced the accumulated deficit). For more information regarding the Cantor deferred underwriting fees, see "Certain Relationships and Related Party Transactions—ACAB — Deferred Underwriting Fee."

(7) Reflects the recapitalization of Abpro equity as a result of the exchange of Abpro common stock for the Post-Combination Company Common Stock and the exchange of Series A common stock and Series B common stock of ACAB into common stock shares.

(8) Reflects the elimination of ACAB's accumulated deficit to additional paid-in capital.

(9) Represents approximately $7.6 million of non-cash transaction costs attributable to the payments in 350,000 shares of the Post-combination Company's common stock shares for legal services, 232,852 shares of common stock shares for financial advisory fees, and 100,000 shares of Series A common stock shares for capital advisory services rendered to ACAB in connection with the Merger and payable upon the consummation of the Merger (based on the market value of $11.20 per share as of September 30, 2024).

(10) Reflects the issuance of 600,601 of the Post-combination Company's common stock shares to the Sponsor in exchange for the extinguishment of $2.0 million of the working capital note provided by the Sponsor.

(11) Reflects repayment of $2.1 million in related party loan liabilities outstanding at September 30, 2024, including approximately $2 million in related party loans with an Abpro executive settled through the issuance of 600,000 shares at Closing, and $0.1 million in cash.

(12) Reflect the Prepayment Amount to Yorkville and the fair value of the Forward Purchase Agreement asset. Pursuant to the terms of the Forward Purchase Agreement, on the Closing Date, Yorkville received approximately $1.1 million Prepayment Amount equal to $11.36 per Recycled Share (the "Initial Price"). Based on information available as of the date of this Current Report, certain assumptions, and preliminary accounting analyses that management believes are reasonable under the circumstances, the Forward Purchase Agreement is expected to be accounted for at fair value and result in an asset at the Closing Date. The actual adjustments may materially differ from the pro forma adjustments that appear in this Current Report. The fair value of the combined Company's position under the Forward Purchase Agreement was calculated using the Monte Carlo simulation, based on the following assumptions: The Company's stock price of $11.20 per share as of September 30, 2024, the risk-free rate of 4.73%, the term of three months, and the expected volatility of 100%. The net asset arising from the Forward Purchase Agreement totaled $940,000. The difference between the fair value of the Forward Purchase Agreement asset of $940,000 and the prepayment amount of $1,134,000 was expensed at the Closing Date.

(13) Reflects the redemption of ACAB Series A Common Stock shares in connection with the special meeting of stockholders of ACAB on September 19, 2024, when the stockholders holding 126,122 shares of ACAB Series A Common Stock issued in the Initial Public Offering of ACAB exercised their right to redeem their shares for a pro rata portion of the funds in the Trust Account. As a result, this adjustment reflects approximately $1.4 million (approximately $11.27 per share after removal of interest available to pay taxes) payment to the redeeming shareholders in October 2024.

(14) Reflects the elimination of ACAB's receivable and Abpro's payable related to intercompany advances.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(in thousands, except share and per share data)

	ACAB (Historical)	Abpro (Historical)	Transaction Accounting Adjustments		Pro Forma Combined
Revenue:					
Research and development services	$ -	$ 183	$ -		$ 183
Collaboration revenue	-	-	-		-
Royalty	-	-	-		-
Total revenues	-	183	-		183
Operating expenses					
General and administrative	1,926	4,864	-		6,790
Research and development	-	2,469	-		2,469
Total operating expenses	1,926	7,333	-		9,259
Loss from operations	(1,926)	(7,150)	-		(9,076)
Other income (expense)					
Other income	-	3,556	-		3,556
Interest income	3	3	-		6
Interest earned on marketable securities held in Trust Account	258	-	(258)	**(1)**	-
Interest expense	-	(306)	-		(306)
Total other income (expense), net	261	3,253	(258)		3,256
Income (Loss) before provision for income taxes	(1,665)	(3,897)	(258)		(5,820)
Provision for income taxes	(58)	-	58	**(1)**	-
Net income (loss)	**$ (1,723)**	**$ (3,897)**	**$ (200)**		**$ (5,820)**
Weighted average shares outstanding of Abpro common stock - basic and diluted		9,389,207			
Basic and diluted net income per share - Abpro common stock - basic and diluted		$ (0.42)			
Baisc and diluted weighted average shares outstanding, Non-redeemable common stock	7,500,000				50,535,272
Basic and diluted net income (loss) per share, non-redeemable common stock	$ (0.21)				$ (0.12)
Basic and diluted weighted average shares outstanding, Common stock subject to possible redemption	661,867				
Basic and diluted net income (loss) per common share, Common stock subject to possible redemption	$ (0.21)				

Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations for the Nine Months Ended September 30, 2024

The transaction accounting adjustments included in the unaudited pro forma condensed combined statement of operations for the nine months ended September 30, 2024 are as follows:

(1) Reflects an adjustment to eliminate interest income related to the Trust Account, including elimination of the related income tax expenses.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(in thousands, except share and per share data)

	ACAB (Historical)	Abpro (Historical)	Transaction Accounting Adjustments		Pro Forma Combined
Revenue:					
Collaboration revenue	$ -	$ 99	$ -		$ 99
Royalty	-	23	-		23
Total revenues	-	122	-		122
Operating expenses					
General and administrative	1,666	7,602	-		9,268
Research and development	-	4,266	-		4,266
Transaction costs	-	-	1,850	**(2)**	9,498
			7,648	**(3)**	
Total operating expenses	1,666	11,868	9,498		23,032
Loss from operations	(1,666)	(11,746)	(9,498)		(22,910)
Other income (expense)					
Interest income	52	63	-		115
Interest earned on marketable securities held in Trust Account	5,755	-	(5,755)	**(1)**	-
Interest and penalties on tax obligations	(142)	-	-		(142)
Interest expense	-	(23)	-		(23)
Total other income (expense), net	5,665	40	(5,755)		(50)
Income (Loss) before provision for income taxes	3,999	(11,706)	(15,253)		(22,960)
Provision for income taxes	(1,177)	-	1,177	**(1)**	-
Net income (loss)	**$ 2,822**	**$ (11,706)**	**$ (14,076)**		**$ (22,960)**
Weighted average shares outstanding of Abpro common stock - basic and diluted		9,356,648			
Basic and diluted net loss per share - Abpro common stock - basic and diluted		$ (1.25)			
Baisc and diluted weighted average shares outstanding, Non-redeemable common stock	7,500,000				50,535,272
Basic and diluted net income (loss) per share, non-redeemable common stock	$ 0.15				$ (0.45)
Basic and diluted weighted average shares outstanding, Common stock subject to possible redemption	11,257,894				
Basic and diluted net income (loss) per common share, Common stock subject to possible redemption	$ 0.15				

Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations for the Year Ended December 31, 2023

The transaction accounting adjustments included in the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2023 are as follows:

(1) Reflects an adjustment to eliminate interest income related to the Trust Account, including elimination of the related income tax expenses.

(2) Represents the transaction costs expected to be incurred by ACAB. Since the Business Combination is expected to be accounted for as a reverse merger and recapitalization of Abpro into ACAB, the costs to be incurred by ACAB to consummate the merger are expensed as incurred. This adjustment is non-recurring in nature and is not expected to have a continuing effect on future period statements of operations.

(3) Represents approximately $7.6 million of non-cash transaction costs attributable to the payments in 350,000 Series A common stock shares for legal services, 232,852 of Series A common stock shares for financial advisor services, and 100,000 shares of Series A common stock shares for capital advisory services rendered to ACAB in connection with the Merger and payable upon the consummation of the merger (based on the market value of $11.20 per share as of September 30, 2024). This adjustment is non-recurring in nature and is not expected to have a continuing effect on future period statements of operations.

Notes to Unaudited Pro Forma Condensed Combined Financial Statements

1. Basis of Presentation

The Business Combination is accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, ACAB is treated as the "acquired" company for financial reporting purposes. Accordingly, for accounting purposes, the financial statements of the Post-Combination Company represent a continuation of the financial statements of Abpro, and the Business Combination is treated as the equivalent of Abpro issuing stock for the net assets of ACAB, accompanied by a recapitalization. The net assets of ACAB are stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the Business Combination are those of Abpro.

The unaudited pro forma condensed combined balance sheet as of September 30, 2024, combines the historical balance sheet of ACAB as of September 30, 2024, and the historical balance sheet of Abpro as of September 30, 2024, on a pro forma basis as if the Business Combination and the other related events in connection with the Business Combination Agreement had been consummated on September 30, 2024. The unaudited pro forma condensed combined statement of operations for the nine months ended September 30, 2024, combines the historical statements of operations of ACAB for the nine months ended September 30, 2024, and the historical statements of operations of Abpro for the nine months ended September 30, 2024 on a pro forma basis as if the Business Combination, the other events contemplated by the Business Combination Agreement and the other related events in connection with the Business Combination had been consummated on January 1, 2023, the beginning of the earliest period presented. The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2023, combines the historical statements of operations of ACAB for the year ended December 31, 2023, and the historical statements of operations of Abpro for the year ended December 31, 2023 on a pro forma basis as if the Business Combination and other related events in connection with the Business Combination had been consummated on January 1, 2023, the beginning of the earliest period presented.

The unaudited pro forma condensed combined financial information and accompanying notes have been derived from and should be read in conjunction with:

- the historical unaudited condensed consolidated financial statements of ACAB as of and for the three and nine months ended September 30, 2024, and the related notes, which are included in ACAB's Quarterly Report on Form 10-Q filed with the SEC on November 25, 2024 (the "ACAB 10-Q");
- the historical audited consolidated financial statements of ACAB as of and for the year ended December 31, 2023, and the related notes, which are included in ACAB's Annual Report on Form 10-K/A filed with the SEC on April 1, 2024 (the "ACAB 10-K/A");
- the historical unaudited condensed consolidated financial statements of Abpro as of and for the nine months ended September 30, 2024, and the related notes included in this Current Report; and
- the historical audited consolidated financial statements of Abpro as of and for the year ended December 31, 2023, and the related notes; and
- other information relating to ACAB and Abpro contained in this Current Report, including the Business Combination Agreement and the description of certain terms thereof.

The unaudited pro forma condensed combined financial information should also be read together with the sections of the ACAB 10-K/A and the ACAB 10-Q entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the section of this Current Report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as other financial information included elsewhere in this Current Report.

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 pro forma adjustments are based on information available as of the date of this proxy statement/prospectus and certain assumptions and methodologies that management believes are reasonable under the circumstances. The unaudited condensed pro forma adjustments, which are described in these notes, may be revised as additional information becomes available and is evaluated. Therefore, the actual adjustments may materially differ from the pro forma adjustments that appear in this proxy statement/prospectus. Management considers this basis of presentation to be reasonable under the circumstances.

One-time direct and incremental transaction costs anticipated to be incurred by Abpro prior to, or concurrent with, the Closing are reflected in the unaudited pro forma condensed combined balance sheet as a direct reduction to the Post-Combination Company's additional paid-in capital. Since the Business Combination is expected to be accounted for as a reverse merger and recapitalization of Abpro into ACAB, the costs incurred by ACAB to consummate the merger are expensed as incurred.

2. Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Combined Financial Information

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X. The adjustments in the unaudited pro forma condensed combined financial information have been identified and presented to provide relevant information necessary for an illustrative understanding of Abpro upon consummation of the Business Combination in accordance with GAAP. Assumptions and estimates underlying the unaudited pro forma adjustments set forth in the unaudited pro forma condensed combined financial information are described in the accompanying notes to the pro forma schedules.

3. Loss per Share

Represents the net loss per share calculated using the historical shares of ACAB Common Stock outstanding, and the issuance of additional shares in connection with the Business Combination and other related events, assuming all shares were outstanding since January 1, 2023. As the Business Combination and other related events 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 issuable in connection with the Business Combination have been outstanding for the entire period presented. The stock options, restricted stock units and warrants were excluded in the earnings per share calculation as they would be anti-dilutive.

(in thousands, except share and per-share data)	**Nine Months Ended September 30, 2024 Pro Forma Combined**
Pro forma net loss	$ (5,820)
Weighted average shares outstanding-basic and diluted	50,535,272
Net loss per share-basic and diluted [(1)]	$ (0.12)
New Abpro shares held by ACAB public stockholders	210,993
New Abpro shares held by Initial Stockholders	3,782,268
New Abpro shares held by investors	2,168,558
New Abpro shares held by service providers	1,282,852
New Abpro shares issued to PIPE Investors	3,367,401
New Abpro shares issued to settle Abpro notes payable - related party	600,000
New Abpro shares issued to Abpro shareholders	39,123,200
Shares outstanding	50,535,272

(1) The outstanding warrants, stock options and restricted stock units of the Post-Combination Company are anti-dilutive and are not included in the calculation of basic or diluted net loss per share.

(in thousands, except share and per-share data)	Year Ended December 31, 2023 Pro Forma Combined
Pro forma net loss	$ (22,960)
Weighted average shares outstanding-basic and diluted	50,535,272
Net loss per share-basic and diluted [1]	$ (0.45)
New Abpro shares held by ACAB public stockholders	210,993
New Abpro shares held by Initial Stockholders	3,782,268
New Abpro shares held by investors	2,168,558
New Abpro shares held by service providers	1,282,852
New Abpro shares issued to PIPE Investors	3,367,401
New Abpro shares issued to settle Abpro notes payable - related party	600,000
New Abpro shares issued to Abpro shareholders	39,123,200
Shares outstanding	50,535,272

(1) The outstanding warrants, stock options and restricted stock units of the Post-Combination Company are anti-dilutive and are not included in the calculation of basic or diluted net loss per share.

The following outstanding shares of common stock equivalents are excluded from the computation of pro forma diluted net loss per share for all the periods and scenarios presented as they have an anti-dilutive effect:

ACAB Public Warrants	15,000,000
ACAB Private Warrants	13,850,000
Abpro Stock Options and Restricted Stock Units	10,872,400
Total	**39,722,400**

Exhibit 99.2

ABPRO CORPORATION AND SUBSIDIARY

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

INDEX TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ABPRO CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share data)
(Unaudited)

	September 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash	$ 1	$ 723
Accounts receivable	302	88
Deferred offering costs	1,817	878
Prepaid expenses and other current assets	270	208
Total current assets	2,390	1,897
Restricted cash	140	138
Property and equipment, net	42	102
Right-of-use asset - operating lease	558	966
Security deposits	66	66
Patents, net	179	186
Total assets	**$ 3,375**	**$ 3,355**
Liabilities, convertible preferred stock and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 5,259	$ 7,916
Accrued expenses	2,745	2,081
Operating lease liability, current	601	567
Finance lease liability, current	-	130
Notes payable, current – related parties	6,672	1,742
Total current liabilities	15,277	12,436
Operating lease liability, noncurrent	-	455
Total liabilities	**15,277**	**12,891**
Commitments and Contingencies (Note 7)		
Convertible preferred stock, $0.001 par value, issuable in series:		
Series F Convertible Preferred Stock; authorized shares – 4,444,444; issued and outstanding shares – 555,555; liquidation preference of $10,000 at September 30, 2024	9,991	9,991
Series E Convertible Preferred Stock; authorized, issued and outstanding shares – 3,303,966; liquidation preference of $30,000 at September 30, 2024	29,841	29,841
Series D Convertible Preferred Stock; authorized, issued and outstanding shares – 1,220,261; liquidation preference of $18,194 at September 30, 2024	17,622	17,622
Series C Convertible Preferred Stock; authorized, issued and outstanding shares – 2,005,687; liquidation preference of $15,725 at September 30, 2024	14,949	14,949
Series B Convertible Preferred Stock; authorized, issued and outstanding shares – 626,636; liquidation preference of $1,798 at September 30, 2024	1,401	1,401
Series A Redeemable, Convertible Preferred Stock; authorized, issued and outstanding shares – 19,254 shares; liquidation preference of $1,795 at September 30, 2024	1,795	1,795
Total convertible preferred stock	75,599	75,599
Stockholders' deficit:		
Common stock, $0.001 par value; authorized shares – 40,000,000; issued shares – 9,504,810 and 9,477,934, and outstanding shares – 9,402,034 and 9,375,158 at September 30, 2024 and December 31, 2023, respectively	9	9
Treasury stock, 102,776 shares at cost	(33)	(33)
Additional paid-in capital	21,442	19,911
Accumulated deficit	(109,468)	(105,571)
Total Abpro Corporation's stockholders' deficit	(88,050)	(85,684)
Non-controlling interest	549	549
Total stockholders' deficit	(87,501)	(85,135)
Total liabilities, convertible preferred stock and stockholders' deficit	**$ 3,375**	**$ 3,355**

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

ABPRO CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except share and per share data)
(Unaudited)

	For the Nine Months ended September 30,	
	2024	**2023**
Revenue:		
Research and development services	$ 183	$ -
Collaboration revenue	-	52
Royalty	-	23
Total revenues	183	75
Operating expenses:		
Research and development	2,469	3,108
General and administrative	4,864	4,899
Total operating expenses	7,333	8,007
Loss from operations	(7,150)	(7,932)
Other (expense) income:		
Other income	3,556	-
Interest income	3	60
Interest expense	(306)	(15)
Total other income, net	3,253	45
Net loss	$ (3,897)	$ (7,887)
Net loss per share		
Basic and diluted	$ (0.42)	$ (0.84)
Weighted average shares outstanding - basic and diluted	9,389,207	9,351,932

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

ABPRO CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CONVERTIBLE PREFFERED STOCK AND STOCKHOLDERS' DEFICIT
For the Nine Months Ended September 30, 2024 and 2023
(Amounts in thousands, except share data)
(Unaudited)

	Series A Redeemable, Convertible Preferred Stock		Series B Convertible Preferred Stock		Series C Convertible Preferred Stock		Series D Convertible Preferred Stock		Series E Convertible Preferred Stock		Series F Convertible Preferred Stock		Total Convertible Preferred Stock	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Deficit	Total Abpro's Stockholders' Deficit	Non-controlling Interest	Total Stockhold Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Shares	Amount	Shares	Amount					
Balances, as of December 31, 2023	19,254	$ 1,795	626,636	$ 1,401	2,005,687	$ 14,949	1,220,261	$ 17,622	3,303,966	$ 29,841	555,555	$ 9,991	$ 75,599	9,477,934	$ 9	(102,776)	$ (33)	$ 19,911	$ (105,571)	$ (85,684)	$ 549	$ (85
Vesting of restricted stock units	-	-	-	-	-	-	-	-	-	-	-	-	-	26,876	-	-	-	-	-	-	-	
Share-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,531	-	1,531	-	1
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,897)	(3,897)	-	(3
Balances, as of September 30, 2024	19,254	$ 1,795	626,636	$ 1,401	2,005,687	$ 14,949	1,220,261	$ 17,622	3,303,966	$ 29,841	555,555	$ 9,991	$ 75,599	9,504,810	$ 9	(102,776)	$ (33)	$ 21,442	$ (109,468)	$ (88,050)	$ 549	$ (87
Balances, as of December 31, 2022	19,254	$ 1,795	626,636	$ 1,401	2,005,687	$ 14,949	1,220,261	$ 17,622	3,303,966	$ 29,841	555,555	$ 9,991	$ 75,599	9,440,434	$ 9	(102,776)	$ (33)	$ 17,606	$ (93,865)	$ (76,283)	$ 549	$ (75
Vesting of restricted stock units	-	-	-	-	-	-	-	-	-	-	-	-	-	28,126	-	-	-	-	-	-	-	
Share-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,734	-	1,734	-	1
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,887)	(7,887)	-	(7
Balances, as of September 30, 2023	19,254	$ 1,795	626,636	$ 1,401	2,005,687	$ 14,949	1,220,261	$ 17,622	3,303,966	$ 29,841	555,555	$ 9,991	$ 75,599	9,468,560	$ 9	(102,776)	$ (33)	$ 19,340	$ (101,752)	$ (82,436)	$ 549	$ (81

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

ABPRO CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

	For the Nine Months Ended September 30,	
	2024	**2023**
Cash Flows from Operating Activities:		
Net loss	$ (3,897)	$ (7,887)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	67	210
Share-based compensation	1,531	1,734
Amortization of operating lease right-of-use assets	408	382
Other income (see Note 2)	(3,556)	-
Noncash interest expense	53	-
Changes in operating assets and liabilities:		
Accounts receivable	(214)	1,977
Prepaid expenses and other current assets	(62)	(209)
Accounts payable	325	(733)
Accrued expenses	551	(214)
Deferred revenue	-	(52)
Operating lease liability	(421)	(372)
Net cash used in operating activities	(5,215)	(5,164)
Cash Flows from Investing Activities:		
Purchase of property and equipment	-	(48)
Net cash used in investing activities	-	(48)
Cash Flows from Financing Activities:		
Proceeds from promissory notes	4,877	-
Payment of offering costs	(365)	-
Repayment of finance lease liabilities	(17)	(165)
Net cash provided by (used in) financing activities	4,495	(165)
Net change in cash and restricted cash	(720)	(5,377)
Cash and restricted cash - beginning of period	861	7,462
Cash and restricted cash - end of period	$ 141	$ 2,085
Supplemental disclosure of cash flow information and non-cash transactions:		
Interest paid	$ 1	$ 14
Deferred offering costs included in accounts payable	$ 575	$ -
Reclassification of residual value guarantees under finance lease to accrued expense	$ 113	$ -
As reported within the unaudited condensed consolidated balance sheets:		
Cash	$ 1	$ 1,947
Restricted cash	140	138
Total cash and restricted cash as presented in the balance sheet	$ 141	$ 2,085

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

1. Organization and Description of the Business

Nature of Operations

Abpro Corporation (the "Company") founded in 2004, was incorporated under the laws of the State of Delaware. The Company is headquartered in Woburn, Massachusetts.

The Company is a biotechnology company dedicated to developing next-generation antibody therapeutics to improve the lives of patients with severe and life-threatening diseases. The Company is focused on the development of novel antibodies using its proprietary discovery and engineering platforms, primarily in the areas of immuno-oncology, ophthalmology and infectious disease.

Risks and Uncertainties

The Company is subject to risks and uncertainties common to early-stage companies in the biotechnology industry, including, but not limited to, development by competitors of more advanced or effective therapies, dependence on key executives, protection of and dependence on proprietary technology, compliance with government regulations and ability to secure additional capital to fund operations. Programs currently under development will require significant additional research and development efforts, including preclinical and clinical testing and regulatory approval prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel and infrastructure, and extensive compliance-reporting capabilities. Even if the Company's product development efforts are successful, it is uncertain when, if ever, the Company will realize significant revenue from product sales.

Business Combination Agreement

On November 13, 2024 (the "Closing Date"), the Company consummated a business combination (the "Closing" of the "Business Combination") pursuant to the terms of the Business Combination Agreement, dated as of December 11, 2023 (the "Business Combination Agreement") by and among the Company, Atlantic Coastal Acquisition Corp. II, a Delaware corporation ("ACAB") and Abpro Merger Sub Corp., a Delaware corporation ("Merger Sub"). Pursuant to the Business Combination Agreement, on the Closing Date, (i) ACAB changed its name to "Abpro Holdings, Inc.," ("New Abpro") and (ii) Merger Sub merged with and into the Company, with the Company as the surviving company in the Business Combination. After giving effect to the Business Combination, the Company became a wholly owned subsidiary of ACAB. Shares of New Abpro commenced trading on the Nasdaq Capital Market on November 14, 2024.

Immediately prior to the effective time of the Business Combination, the Company's Preferred Shares that were issued and outstanding were converted into shares of the New Abpro's common stock. As a result of the Business Combination, among other things, each share of the Company's common stock, par value $0.001 per share, was converted into the right to receive the number of shares of newly issued ACAB Series A Common Stock (the "ACAB New Common Shares"), par value $0.0001 per share, calculated based on the Exchange Ratio as set forth in the Business Combination Agreement. The Company's common stock was exchanged for 39,123,200 shares of ACAB New Common Shares at the Closing Date.

Following the Closing, the Company's stockholders shall be issued up to 14,500,000 additional shares of the Post-Combination Company common stock ("Earnout Shares") if, within five calendar years after the closing of the Business Combination, the volume weighted average price of shares of Series A Common Stock on Nasdaq, or any other national securities exchange on which the shares of Series A Common Stock are then traded ("VWAP") meets or exceeds three-tier target prices defined in the agreement, as follows:

a) one-third of the total Earnout Shares, if, the VWAP is greater than or equal to $13.00 over any 20 trading days within any consecutive 30 trading day period (the "First Share Target")

b) one-third of the total Earnout Shares, if, the VWAP is greater than or equal to $15.00 over any 20 trading days within any consecutive 30 trading day period (the "Second Share Target")

c) one-third of the total Earnout Shares, if, the VWAP is greater than or equal to $18.00 over any 20 trading days within any consecutive 30 trading day period (the "Third Share Target").

If following the Closing, a Change of Control (as defined in the Business Combination Agreement) occurs on or before the five year anniversary of the Closing Date, then if (i) the per share value of the consideration to be received by stockholders in connection with the Change of Control exceeds $13.00 per share and the First Share Target has not been previously achieved, then the First Share Target will be deemed to have been achieved, (ii) the per share value of the consideration to be received by stockholders exceeds $15.00 per share and the Second Share Target has not been previously achieved, then the Second Share Target will be deemed to have been achieved, and (iii) the per share value of the consideration to be received by stockholders exceeds $18.00 per share and the Third Share Target has not been previously achieved, then the Third Share Target will be deemed to have been achieved. Any Contingency Consideration that is not deemed to be earned in connection with the Change of Control shall be forfeited by the stockholders for no consideration.

Pursuant to the terms of the Business Combination Agreement, 600,601 shares of Series A common stock of New Abpro were issued at Closing to ACAB's sponsor, Atlantic Coastal Management II LLC (the "Sponsor") in lieu of repayment of $2,000,000 of Unpaid SPAC Expenses (as defined in the Business Combination Agreement) owed to the Sponsor as a result of advances made by the Sponsor to ACAB.

In connection with the Closing, ACAB's articles of incorporation were amended to designate two classes of shares; preferred and common shares.

PIPE Subscription Agreements

On August 22, 2024, ACAB entered into a subscription agreement (the "Abpro Bio Subscription Agreement") with Abpro Bio International, Inc. ("ABI"), pursuant to which ABI agreed to subscribe for and purchase, and ACAB agreed to issue and sell, 622,467 newly-issued shares of Series A common stock, of ACAB substantially concurrently with the closing of the Business Combination at a price of $10.00 per share, for an aggregate purchase price of $6,225, of which $4,225 through the conversion of the balance due by the Company to ABI under the promissory note agreement (see Note 8) and the remainder of $2,000 in cash. At the Closing, ABI received 622,467 in New Abpro shares in exchange for the $4,225 conversion of the promissory note and $2,000 cash as described above. In addition, pursuant to the Abpro Bio Subscription Agreement, ABI received an aggregate of 1,244,934 shares of Series A common stock reserved for use in the PIPE Financing or to obtain capital for ACAB or the surviving company, as defined in the Business Combination Agreement (the "Incentive Shares").

On August 22, 2024, ACAB entered into a subscription agreement (the "Celltrion Subscription Agreement", together with the "Abpro Bio Subscription Agreement", collectively the "PIPE Subscription Agreements") with Celltrion, pursuant to which Celltrion agreed to subscribe for and purchase, and ACAB agreed to issue and sell, 500,000 newly-issued shares of Series A common stock, of ACAB substantially concurrently with the closing of the Business Combination, at a price of $10.00 per share, for an aggregate purchase price of $5,000. Such shares of New Abpro were issued on the Closing Date. In addition, Celltrion received an aggregate of 1,000,000 Incentive Shares.

Non-Redemption Agreement

On November 5, 2024, the Company and ACAB entered into a non-redemption agreement (the "Non-Redemption Agreement"), with Sandia Investment Management LP on behalf of certain funds, investors, entities or accounts for which it or its affiliates acts as manager, sponsor or advisor (the "NRA Investors"). Pursuant to such Non-Redemption Agreement, each NRA Investor agreed to rescind or reverse any previously submitted redemption demand of the common stock of the Company held or to be acquired by such NRA Investor (the "NRA Investor Shares") up to 124,352 shares of common stock in the aggregate.

At the Closing Date, the NRA Investors reversed redemption demands with respect to 11,043 Series A Common stock shares. Pursuant to the Non-Redemption Agreement, upon consummation of the Business Combination, ACAB shall pay or cause to be paid to the NRA Investors a payment in respect of their respective NRA Investor Shares from cash released from the trust account established in connection with ACAB's initial public offering equal to the number of NRA Investor Shares multiplied by the redemption price, minus the number of NRA Investor Shares multiplied by $9.00. As such, New Abpro shall pay to the NRA Investors $26, based on the redemption price of $11.36 at the Closing Date.

Standby Equity Purchase Agreement

On October 30, 2024, the Company and ACAB entered into a Standby Equity Purchase Agreement (the "SEPA") with YA II PN, Ltd. ("Yorkville").

Pre-Paid Advances

Subject to the satisfaction of the conditions set forth in the SEPA, Yorkville shall advance to the post-combination Company the aggregate principal amount of $5,000 (the "Pre-Paid Advance"), which shall be evidenced by convertible promissory notes (each a "SEPA Promissory Note"). On November 14, 2024, New Abpro received the first Pre-Paid Advance and entered into the Yorkville Note (defined below). The second Pre-Paid Advance shall be in a principal amount of $2,000 and advanced on the later of (i) the second trading day after the initial registration statement filed pursuant to the Registration Rights Agreement (as defined below) becomes effective and (ii) the second trading day after the required shareholder approval to issue shares of the post-combination Company's common stock in excess of the Exchange Cap (as defined) has been obtained. At each Pre-Advance Closing, Yorkville shall advance to the post-combination Company the principal amount of the Pre-Paid Advance, less a discount in an amount equal to 8% of the principal amount of the Pre-Paid Advance netted from the purchase price due and structured as an original issue discount, in immediately available funds to an account designated by the post-combination Company in writing, and the post-combination Company shall deliver a SEPA Promissory Note having a principal amount equal to the full amount of such Pre-Paid Advance, duly executed on behalf of the post-combination Company.

On November 14, 2024, pursuant to the SEPA, New Abpro entered into a Convertible Promissory Note ("Yorkville Note") for $3,000,000, and received net proceeds of $2,755,000. The Yorkville Note has a maturity of November 13, 2025, incurs interest at a rate of 0% (or 18% upon the occurrence of an uncured Event of Default), and is redeemable at the option of New Abpro if the VWAP of New Abpro's Common Stock is less than $11.50. New Abpro has a right to convert any portion of the Yorkville Note at any time at a conversion price equal to the lower of $11.50, 94% of the daily VWAP during the previous 5 consecutive trading days, which may be adjusted downward upon payment of stock dividend, stock split or reclassification, or if New Abpro issues Common Stock for no consideration or at a price lower than the then-effective Fixed Price (as defined in the Yorkville Note).

Advances

Upon the Closing of the Business Combination, the post-combination Company has the right, but not the obligation, to issue shares of its common stock pursuant to the SEPA to Yorkville ("Advance Shares", and such issuance and sale, an "Advance") and Yorkville shall subscribe for and purchase from the post-combination Company such Advance Shares, through written notice by the post-combination Company to Yorkville ("Advance Notice"), provided (i) no balance is outstanding under a SEPA Promissory Note, or (ii) if there is a balance outstanding under a SEPA Promissory Note, an Amortization Event (as defined in the SEPA Promissory Note), has occurred in accordance with and subject to the terms of the SEPA. The post-combination Company has the discretion to select the number of Advance Shares, not to exceed the Maximum Advance Amount (as defined below), that it desires to issue and sell to Yorkville in each Advance Notice. If any amount remains outstanding under any SEPA Promissory Note, without the prior written consent of Yorkville, the post-combination Company may only (other than with respect to a deemed Advance Notice pursuant to an Investor Notice (described below)) submit an Advance Notice (A) if an Amortization Event has occurred and the obligation of the post-combination Company to make monthly prepayments under the SEPA Promissory Note has not ceased, and (B) Yorkville pays the aggregate purchase price owed by the post-combination Company from such Advance by offsetting the amount of the Advance Proceeds against an equal amount outstanding under the subject SEPA Promissory Note, subject to the terms and conditions of the SEPA.

For as long as there is an outstanding balance under a SEPA Promissory Note, Yorkville has the right, but not the obligation, by delivery to the post-combination Company of Investor Notices (as defined in the SEPA), to cause an Advance Notice to be deemed delivered by Yorkville, which triggers the issuance and sale of Advance Shares to Yorkville, subject to terms and conditions as specified in the SEPA.

"Maximum Advance Amount" means (A) in respect of each Advance Notice delivered by the Company under the applicable provisions of the SEPA, an amount equal to one hundred percent (100%) of the average of the daily traded amount of its shares of common stock during the five consecutive trading days immediately preceding an Advance Notice, and (B) in respect of each Advance Notice deemed delivered by the Company pursuant to an Investor Notice, the amount selected by Yorkville in such Investor Notice, which amount shall not exceed the limitations set forth in Section 3.02 of the SEPA, including, among other things, (i) that all shares of the post-combination Company's common stock beneficially owned by Yorkville and its affiliates shall not exceed 4.99% of the then outstanding voting power of the Company or number of shares of the Company's common stock, (ii) that the aggregate number of shares issued and sold to Yorkville by the Company under the SEPA shall not exceed the amount registered in respect of the transaction contemplated by the SEPA under the Registration Statement (as defined below) then in effect and (iii) that the aggregate number of shares of common stock issued pursuant to Pre-Paid Advances (including the aggregation with the issuance of common stock under other Advances) cannot exceed 19.9% of the common stock of the post-combination Company outstanding as of the effective date of the SEPA (the "Exchange Cap"). The Exchange Cap shall not be applicable if: (a) the post-combination Company's stockholders have approved the issuance of common stock in excess of the Exchange Cap in accordance with the applicable rules of Nasdaq Stock Market LLC ("Nasdaq") or (b) the average price of all sales of common stock under the SEPA equals or exceed the lower of (i) the Nasdaq official closing price immediately preceding the effective date of the SEPA; or (ii) the average Nasdaq official closing price for the five trading days immediately preceding the effective date. The SEPA contemplates purchase by Yorkville of up to $50 million in aggregate gross purchase price for newly issued shares of the post-combination Company common stock.

The purchase price for the Advance Shares shall be the price per Advance Share obtained by multiplying the Market Price (i) by 96% in respect of an Advance Notice delivered by the Company with an Option 1 Pricing Period (defined by reference to VWAP on the trading day the Advance Notice is submitted), (ii) 97% in respect of an Advance Notice with an Option 2 Pricing Period (defined by reference to the lowest daily VWAP on three consecutive trading days commencing on the Advance Notice Date), or (iii) in the case of any Advance Notice delivered pursuant to an Investor Notice, equal to the Conversion Price (as defined in the SEPA Promissory Note).

Registration Rights Agreement

ACAB, Abpro and Yorkville also entered into a registration rights agreement (the "Registration Rights Agreement"), dated October 30, 2024, pursuant to which the ACAB agreed to file with the Securities and Exchange Commission a registration statement covering the resale of the applicable registrable securities under the Registration Rights Agreement, including the Company's shares of common stock issuable to Yorkville under the SEPA. The SEPA, Registration Rights Agreement, and the SEPA Promissory Note, and the documents executed in connection therewith, are referred to herein collectively as the "Financing Agreements."

Forward Purchase Agreement

On November 7, 2024, ACAB and the Company entered into a Confirmation of an OTC Equity Prepaid Forward Transaction (the "Forward Purchase Agreement" or "Transaction")) with Yorkville (the "Seller") to which a maximum of up to 500,000 Shares (as defined below) (the "Maximum Number of Shares") will be subject. For purposes of the Forward Purchase Agreement, (i) ACAB is referred to as the "Counterparty" prior to the consummation of the Business Combination, while New Abpro is referred to as the "Counterparty" after the consummation of the Business Combination and (ii) "Shares" means shares of the Series A common stock, par value $0.0001 per share, of the Company prior to the closing of the Business Combination ("ACAB Shares"), and, after the closing of the Business Combination, shares of common stock, par value $0.0001 per share, of New Abpro ("New Abpro Shares"). At the Closing Date, the Seller purchased 100,000 shares from third parties ("Recycled Shares"), pursuant to the pricing date notice dated November 12, 2024. Pursuant to the terms of the Forward Purchase Agreement, on the Closing Date, the Seller paid approximately $1,100 (the "Prepayment Amount") equal to $11.36 per Recycled Share (the "Initial Price").

The number of Recycled Shares subject to the Forward Purchase Agreement (being in no event more than the Maximum Number of Shares, the "Number of Shares") is subject to reduction following a termination of the Forward Purchase Agreement with respect to such shares as described under "Optional Early Termination" in the Forward Purchase Agreement.

The reset price (the "Reset Price") will initially be $10.00. The Reset Price will be subject to reset on a weekly basis commencing with the first full week following the Closing Date, to be the lowest of (a) the then current Reset Price, (b) $10.00 and (c) the VWAP Price of the Shares of the last 3 trading days in such week; provided, that in the event of a Dilutive Offering by the Counterparty, the Reset Price will also be reduced to equal the effective price per share in such Dilutive Offering immediately upon the occurrence of such Dilutive Offering. Furthermore, in the event that the Counterparty engages in a stock split, a reverse stock split or pays dividends in the form of Shares, the Reset Price shall be adjusted to reflect the effect thereof.

From time to time and on any date following the Trade Date (any such date, an "OET Date") and subject to the terms and conditions in the Forward Purchase Agreement, the Seller may, in its absolute discretion, terminate the Transaction in whole or in part by providing written notice to the Counterparty (the "OET Notice"), by no later than the next Payment Date following the OET Date, (which will specify the quantity by which the Number of Shares will be reduced (such quantity, the "Terminated Shares")). The effect of an OET Notice will be to reduce the Number of Shares by the number of Terminated Shares specified in such OET Notice with effect as of the related OET Date. As of each OET Date, the Counterparty will be entitled to an amount from the Seller, and the Seller will pay to the Counterparty an amount, equal to the product of (x) the number of Terminated Shares and (y) the Reset Price in respect of such OET Date. The payment date may be changed within a month at the mutual agreement of the parties.

The "Valuation Date" is the earliest to occur of (a) the date that is 3 months after the Closing Date and (b) the date specified by the Seller in a written notice to be delivered to the Counterparty at the Seller's discretion (which Valuation Date will not be earlier than the day such notice is effective) after the occurrence of any of (x) a VWAP Trigger Event, (y) a Delisting Event or (z) unless otherwise specified therein, upon any Additional Termination Event (defined below). The Valuation Date notice will become effective immediately upon its delivery from the Seller to the Counterparty in accordance with the Forward Purchase Agreement. Each of the following constitute an Additional Termination Event; (a) The Business Combination Agreement is terminated pursuant to its terms prior to the closing of the Business Combination; and (b) If it is, or, as a consequence of a change in law, regulation or interpretation, it becomes or will become, unlawful for the Seller to perform any of its obligations contemplated by the Transaction.

On the Cash Settlement Payment Date, which is the tenth local business day immediately following the last day of the Valuation Period, the Seller will remit to the Counterparty a cash amount (the "Settlement Amount") equal to (i) the Number of Shares as of the Valuation Date, multiplied by (ii) the difference of (a) the volume weighted daily VWAP Price over the Valuation Period, less (b) $0.50, and the Seller will not otherwise be required to return to the Counterparty any of the Prepayment Amount. In the event that the difference of (a) the volume weighted daily VWAP Price over the Valuation Period, less (b) $0.50, is equal to or less than $0, then the Settlement Amount shall be $0.

The Seller has agreed to waive any redemption rights with respect to any Recycled Shares in connection with the Business Combination only during the term of the Forward Purchase Agreement. Such waiver may reduce the number of Shares redeemed in connection with the Business Combination, and such reduction could alter the perception of the potential strength of the Business Combination.

Severance Agreement

On November 21, 2024, the Company entered into a severance agreement with an executive of the post-combination Company (the "Severance Agreement"). Pursuant to the terms of the Severance Agreement, the Company made a severance payment of $221 upon execution of the agreement. The Severance Agreement supersedes and extinguishes all other agreements between the executive and the Company including, but not limited to, the ACAB Executive Note (see Note 8).

Going Concern

The Company is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt abouts its ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are available to be issued. Through September 30, 2024, the Company has funded its operations mainly through equity and debt financings, and to a lesser extent, payments received in connection with collaboration and license agreements.

Since inception, the Company has incurred recurring losses. The Company's net losses totaled $3,897 and $7,887 for the nine months ended September 30, 2024 and 2023, respectively. The Company had an accumulated deficit of $109,468 as of September 30, 2024. The Company expects to incur operating losses for the foreseeable future.

On October 18, 2023, the Company entered into a promissory note agreement with ABI, a significant investor in the Company's Series E and F convertible preferred stock (See Note 8), to receive up to $6,000. The Company received $5,225 through the date of issuance of these condensed consolidated financial statements under this promissory note, including $2,783 during the nine months ended September 30, 2024 (see Note 8 for terms and conditions).

On April 18, 2024, the Company entered into a promissory note agreement with one of its executives (See Note 8 for terms and conditions) to receive, as amended, up to $2,158 in funding. The Company received $1,997 through the date of issuance of these unaudited condensed consolidated financial statements under this promissory note, including $1,991 during the nine months ended September 30, 2024.

On August 16, 2024, an executive at ACAB agreed to loan the Company $103 and the Company agreed to repay a total of $206 at the earlier of i) November 20, 2024, and ii) the closing of the Business Combination. On November 21, 2024, the ACAB Executive Note was amended and the liability to the ACAB executive was cancelled. According to the terms of the amended note, the Company will repay the principal amount of $103. See Note 8.

On October 7, 2024, the Company entered into an additional promissory note with ABI ("the 2024 ABI Note") to receive up to $1,000 from ABI in weekly installment of $250. The note accrues 10% interest and matures 5 business days after receipt of the proceeds under the PIPE Subscription Agreements. The Company received $1,000 under this note as of the Closing Date, and the balance of $1,000 was repaid in connection with the Closing.

In connection with the Closing of the Business Combination, the Company received approximately $2,300.

The future viability of the Company is largely dependent on its ability to raise additional capital to finance its operations. The Company expects to seek additional funding through equity and debt financings, collaboration agreements and research grants. Although the Company has been successful in raising capital in the past, there is no assurance that it will be successful in obtaining such additional financing on terms acceptable to the Company, if at all. If the Company is unable to obtain funding, the Company could be forced to delay, reduce or eliminate its research and development programs, product portfolio expansion or commercialization efforts, which could adversely affect its business prospects.

Accordingly, based on the considerations discussed above, management has concluded there is substantial doubt as to the Company's ability to continue as a going concern within one year after the date the condensed consolidated financial statements are issued. The Company plans to continue to fundraise, as well as seek alternate revenues from collaboration and license agreements. If adequate funds are not available, the Company may require initiating steps to slow cash burn, extending the cash runway until financing can be secured. The unaudited condensed consolidated financial statements do not include any adjustments with respect to the carrying amounts of assets and liabilities and their classification that might result from the outcome of this uncertainty.

2. Summary of Significant Accounting Policies

For the nine months ended September 30, 2024, there have been no changes to the significant accounting policies as disclosed in Note 2 to the Consolidated Financial Statements included in the Company's consolidated financial statements for the year ended December 31, 2023.

Basis of Presentation

The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and the applicable rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Certain information or footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted, pursuant to the rules and regulations of the SEC for interim financial reporting. These financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2023. The accompanying unaudited condensed financial statements include all adjustments that are of a normal recurring nature and necessary for the fair presentation of the results for the interim periods presented. Results for interim periods are not necessarily indicative of results to be expected for the full year.

The accompanying condensed consolidated financial statements include all of the accounts of the Company and its subsidiary, AbMed Corporation ("AbMed"). All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the amounts reported in the consolidated financial statements and accompanying notes. Significant estimates in these consolidated financial statements include stock-based compensation expense, fair value of common stock, revenue allocated to various performance obligations under license and collaboration agreements, pre-clinical and clinical accrued expenses, discount rates in relation to lease right-of-use assets and liabilities, valuation and realizability of deferred tax assets and the ability to continue as a going concern. On an ongoing basis, the Company evaluates its estimates, judgments, and methodologies. The Company bases its estimates on historical experience and on various other assumptions believed to be reasonable. Due to the inherent uncertainty involved in making estimates, actual results could differ materially from those estimates.

In March 2022, the Company received an invoice from Mabwell (Shanghai) Bioscience Co., Ltd. ("Mabwell") for approximately $3,500 in connection with the manufacturing of certain clinical material for the Company. The Company recorded the estimated amount in accounts payable based on the information available at the time, and subsequently engaged in discussion with Mabwell about the invoiced amount and its validity. The Company continued to dispute the amount and its contractual basis because the parties had neither finalized nor executed a clinical trial manufacturing agreement. In July 2024, the Company received communication from Mabwell that they will not be pursuing the collection of the originally invoiced amount. Accordingly, during the nine months ended September 30, 2024, the Company reversed the liability and recognized approximately $3,500 of other income.

Deferred Offering Costs

Deferred offering costs consist of legal, accounting, underwriting fees and other costs that are directly related to the Business Combination. These costs will be accounted for as a reduction of proceeds received at the Closing Date. As of September 30, 2024 and December 31, 2023, the Company had deferred offering costs of $1,817 and $878.

Non-controlling Interest

The Company holds an 82% ownership interest in its consolidated subsidiary, AbMed. Non-controlling interest represents the portion of net book value in AbMed that is not owned by the Company and is reported as a component in stockholders' equity on the condensed consolidated balance sheets. The Company bears all the operating costs of AbMed. Upon an event of default by the Company or upon a liquidation of AbMed, the non-controlling interest holder has the right to put its interest in AbMed to the Company. The amount to be paid under the redemption option is equal to $2.00 per share for each preferred share of AbMed stock held by the non-controlling interest holder plus all accrued and unpaid dividends thereon. The Company has not allocated any losses to the noncontrolling interests given that the preferred shares held by the non-controlling interest holder have no contractual obligations to share in the losses of AbMed. There were no operating activities in AbMed during the nine months ended September 30, 2024 and 2023.

Net Loss Per Share

The Company follows the two-class method to compute basic and diluted net loss per share attributable to common stockholders when shares meet the definition of participating securities. Series A, Series B, Series C, Series D, Series E and Series F (see Note 9) meet the definition of participating securities. The two-class method determines net income loss per common share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common stockholders for the period to be allocated between common and participating securities based upon their respective rights to share in the earnings as if all income for the period had been distributed. During periods of loss, there is no allocation required under the two-class method due to there being no distributed earnings for the period coupled with the fact that the Company's Series A, Series B, Series C, Series D, Series E and Series F do not contain a contractual right to absorb losses. Thus, all undistributed losses were allocated entirely to the Company's outstanding common stock for all periods presented.

Basic net loss per share attributable to common stockholders is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period without consideration of potentially dilutive common stock. Diluted net loss per share attributable to common stockholders reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the Company unless inclusion of such shares would be anti-dilutive. As the Company has incurred losses for the nine months ended September 30, 2024 and 2023, basic and diluted net loss per share is the same for each period.

The following table presents the potentially dilutive shares that were excluded from the computation of diluted net loss per share of common stock attributable to common stockholders, because their effect was anti-dilutive:

	September 30,	
	2024	**2023**
Convertible Preferred Stock	9,725,520	9,725,520
Warrants	61,009	61,009
Stock options	5,063,799	5,426,709
Unvested restricted stock units	18,959	55,209
Total	14,869,287	15,268,447

Segment Reporting

The Company conducts its business activities and reports financial results as one operating segment and one reportable segment, which is consistent with the Company structure and the way the Company operates its business.

Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," that addresses requests for improved income tax disclosures from investors that use the financial statements to make capital allocation decisions. Public entities must adopt the new guidance for fiscal years beginning after December 15, 2024. The amendments in this ASU must be applied on a retrospective basis to all prior periods presented in the financial statements and early adoption is permitted. The Company is currently evaluating the potential impact that the adoption of this standard will have on its financial statements.

In November 2023, FASB issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures to improve disclosure requirements about reportable segments and address requests from investors for additional, more detailed information about a reportable segment's expenses. This ASU requires that a public entity that has a single reportable segment provide all the disclosures required by the amendments in this ASU and all existing segment disclosures in Topic 280. Additionally, this ASU requires disclosures of significant segment expenses provided to the Chief Operating Decision Maker ("CODM") and included in reported measures of segment profit and loss. Disclosure of the title and position of the CODM is required. This ASU requires interim and annual disclosures about a reportable segment's profit or loss and assets. Furthermore, this ASU requires disclosure of other segment items by reportable segment including a description of its composition. This ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, on a retrospective basis. The disclosures will be implemented as required for the year-ended December 31, 2024. The Company is currently evaluating the impact of adopting this standard on its financial statements.

On November 4, 2024, the FASB issued ASU 2024-03, Accounting Standards Update 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses to improve financial reporting by requiring that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The amendments in this ASU do not change or remove current expense disclosure requirements; however, the amendments affect where such information appears in the notes to financial statements because entities are required to include certain current disclosures in the same tabular format disclosure as the other disaggregation requirements in the amendments. This ASU is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the potential impact that the adoption of this standard will have on its financial statements.

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

3. **Property and Equipment**

The Company's property and equipment include the following:

	September 30, 2024	December 31, 2023
Furniture and fixtures	$ 53	$ 53
Lab equipment	1,097	1,097
Computer hardware and software	15	15
Leasehold improvements	788	788
Equipment under finance leases	740	740
Property and Equipment	2,693	2,693
Less: Accumulated Depreciation	(2,651)	(2,591)
Total	$ 42	$ 102

Depreciation expense was $60 and $203 for the nine months ended September 30, 2024 and 2023, respectively.

4. Accrued Expenses

Accrued expenses consisted of the following:

	September 30, 2024	December 31, 2023
Accrued salaries and wages	$ 1,721	$ 1,398
Accrued professional fees	96	93
Accrued interest	196	5
Other accrued expenses	732	585
Total accrued expenses	$ 2,745	$ 2,081

5. License and Collaboration Agreements

NJCTTQ Collaboration Agreement

In January 2019, the Company entered into a collaboration agreement with Nanjing Chia Tai Tianquing Pharmaceutical Co., Ltd. ("NJCTTQ") to research, develop and commercialize two anti-Claudin 18.2 lead antibodies (the "NJCTTQ agreement"). Under the NJCTTQ agreement, the Company granted a non-exclusive, non-sublicensable research license and an exclusive, sublicensable license to NJCTTQ within the People's Republic of China and Thailand (the "NJCTTQ Territory"). The initial term of this agreement was 5 years, which could be automatically renewed for another 5 years. If no collaboration project reached the clinical stage within the first 5 years of the NJCTTQ agreement, then this agreement would not have been renewed. The agreement expired in January 2024.

The Company is eligible to receive up to an aggregate of $405,000 of non-refundable milestone payments from NJCTTQ upon achieving certain development, regulatory approval, and commercialization and sales milestones for each unique licensed antibody or product in NJCTTQ Territory. The Company agreed to pay NJCTTQ up to an aggregate of $5,000 in nonrefundable amounts upon achieving of a regulatory milestone in the Company's territory, which includes all other countries other than the NJCTTQ Territory. No milestones have been reached through the expiration of this agreement in January 2024, no products were sold by NJCTTQ, and no related revenue amounts have been recorded in the accompanying consolidated financial statements.

The Company and NJCTTQ agreed to pay reciprocal royalties, with each of them paying the other party low single-digit royalties, tiered based on net sales per calendar year in its territory. The agreement remains unrenewed as of September 30, 2024 after the expiration of its initial term. However, notwithstanding the agreement's expiration, the low single-digit royalties and the $5,000 regulatory milestone payable to NJCTTQ based on commercial approval in the Company's territory, as described above, will continue to apply. Through September 30, 2024, no products were sold by NJCTTQ or the Company under the NJCTTQ agreement and no regulatory milestones were achieved by the Company in the Company's territory.

ABP-100 Collaboration and License Agreement

In December 2019, the Company entered into an exclusive collaboration and license agreement with a related party, ABI (the "ABP-100 agreement"). Under the ABP-100 agreement, the Company granted ABI the license to develop and commercialize products and services based on the Company's Her2-hu-OKT3 bispecific antibody ("ABP-100") within the territories of People's Republic of China, Japan, South Korea, Southeast Asia, the Middle East and the Commonwealth of Independent States, as defined in the agreement. Unless earlier terminated, the ABP-100 agreement, will expire upon the satisfaction of all obligations under the agreement following the expiration of the last royalty payment obligation. Either party may terminate the agreement in the event of any uncured material breach by the other party. The license granted under the ABP-100 agreement was a sub-license from Memorial Sloan Kettering Cancer Center ("MSK") pursuant to MSK License Agreement (see Note 6). This agreement was terminated due to the termination of the MSK License Agreement in September 2023.

Under the ABP-100 agreement, ABI agreed to use commercially reasonable efforts to reach certain development and commercial milestones for at least one licensed product or licensed service within specified timeframes. ABI is committed to pay the Company running royalties on net sales of any licensed products or services from the mid-single digit percentages to the low double-digit percentage, and the guaranteed annual minimum royalties of $30 starting on the first anniversary of the effective date of the agreement (which annual minimum royalties may be credited against the running royalties on net sales of any licensed products or services). Through the termination of this agreement in September 2023, no products were sold by ABI under the ABP-100 agreement. During the nine months ended September 30, 2024 and 2023, the Company earned $0 and $23 in minimum royalty payments, included in royalty revenue. As of both September 30, 2024 and December 31, 2023, the accounts receivable were $53, associated with the minimum royalties under this agreement.

In addition to the royalty payments, the Company could receive up to $498,000 in milestone payments per licensed product or licensed service upon the achievement of specified research and development and sales milestone events. No milestones have been reached through the termination of this agreement in September 2023.

The Company was also entitled to research funding fees for costs incurred by the Company for certain sponsored research activities and the reimbursement of 60% of the costs of certain product development directed activities, as outlined in the agreement. During the nine months ended September 30, 2024 and 2023, the Company did not earn any research funding fees.

Further, the Company was to be reimbursed for patent costs for all documented out of pocket associated with the preparation, filing, prosecution and maintenance of patent rights in the license territory. The Company did not receive any reimbursements of patent costs during the nine months ended September 30, 2024 and 2023.

ABP-201 Collaboration and License Agreement

In January 2020, the Company's consolidated subsidiary, Abmed, entered into a collaboration and license agreement with ABI (the "ABP-201 Agreement"), pursuant to which the Company granted to ABI an exclusive, royalty-bearing, license under specified patent rights to make, use and sell certain of its proprietary ANG-2/VEGF-HIRK bispecific antibodies within the licensed territory comprising People's Republic of China, Japan, South Korea, Southeast Asia, the Middle East and the Commonwealth of Independent States. Unless earlier terminated in accordance with its terms, the agreement remains in effect on a country-by-country basis until the expiration of the last royalty term in such country.

Under the ABP-201 agreement, ABI agreed to use commercially reasonable efforts to reach certain development and commercialization milestones for such bispecific antibodies within specified territories and timeframes. ABI is committed to pay the Company up to $56,500 in milestone payments upon achieving certain research and development events, up to $485,000 in milestone payments based on annual net sales per each licensed product, and a double-digit percentage royalty in the low teens, tiered based on cumulative net sales by ABI, its affiliates or sublicensees beginning with the first commercial sale of a licensed product in its territory. No milestones have been reached through September 30, 2024, no products were sold by ABI, and no related revenue amounts have been recorded in the accompanying consolidated financial statements.

Celltrion Collaboration and License Agreement

In September 2022, the Company entered into an exclusive collaboration and license agreement with Celltrion, Inc. (the "Original Celltrion Agreement"), a company organized and existing under the laws of South Korea ("Celltrion"). The Company and Celltrion entered into an amendment to the agreement on August 14, 2024 in connection with the execution of the Celltrion Subscription Agreement (the "Amended Celltrion Agreement"). The amendment is subject to termination by the Company or Celltrion if (i) the share purchase under the Celltrion Subscription Agreement is not completed, or (ii) the Celltrion Subscription Agreement is terminated pursuant to Section 7 of the Celltrion Subscription Agreement. Under the Amended Celltrion Agreement, the Company granted to Celltrion a worldwide exclusive license under specified patent rights to develop, make, have made, import, export, use, have used, sell and have sold certain of its proprietary ABP-102 bispecific antibodies. The License Agreement also provides that the Company is to perform certain preclinical in vitro studies. The License Agreement will remain in effect for so long as ABP-102 is being developed or commercialized anywhere in the world. Celltrion may terminate the license agreement at any time by providing six months prior written notice to the Company.

Celltrion is committed to pay the Company up to $10,000 under the Original Celltrion Agreement and $6,000 under the Amended Celltrion Agreement in milestone payments upon granting the license and achieving certain research and development events, up to $1,750,000 in milestone payments based on annual net sales per each licensed product. The proceeds from commercialization are subject to a 50/50 profit split. Amounts that may be paid by third-party collaborators, for example upfronts, milestones and/or royalty payments from territorial commercialization partners, are also subject to a 50/50 split. Following commercial approval of ABP-102, the Company has agreed to reimburse Celltrion 87.5% under the Original Celltrion Agreement and 250% under the Amended Celltrion Agreement of its direct and certain indirect costs and expenses incurred through first commercial sale. Under the Original Celltrion Agreement, Celltrion is entitled to offset amounts otherwise due to us under the agreement until our share of these costs has been paid back; provided that the Company is entitled to a minimum 25% (or 50% under the Amended Celltrion Agreement) of profit from commercial sales and from third-party collaborators regardless of the amount of unreimbursed development costs outstanding (and then 50% once the reimbursement has been made in full).

The first milestone of $2,000 was achieved upon granting the license at the collaboration effective date, as defined in the Celltrion Agreement, in December 2022 and received in January 2023. The Company allocated $64 to the initial obligation to perform in vitro testing for the research and development services and the remaining $1,936 to the license of the Company's intellectual property, bundled with the associated know-how.

The Company's initial obligation to perform in vitro testing for the research and development services represents a distinct performance obligation. The revenue for this performance obligation was be recognized on a straight-line based over the term of the studies. During the nine months ended September 30, 2024 and 2023, the Company recognized $0 and $52, respectively, in connection with this performance obligation, included in collaboration revenue. As of both September 30, 2024 and December 31, 2023, there was no deferred revenue associated with the performance obligation.

Milestone Payments. The Company is entitled to development milestones under the Celltrion Agreement and certain regulatory milestone payments which are paid upon receipt of regulatory approvals. Except for the first milestone of $2,000 achieved in 2022, no other milestone payments were earned through September 30, 2024. The Company evaluated whether the remaining milestones are considered probable of being reached and determined that their achievement is highly dependent on factors outside of the Company's control. Therefore, these payments have been fully constrained and are not included in the transaction price. At the end of each subsequent reporting period, the Company will re-evaluate the probability of achievement of each milestone and any related constraint, and if necessary, adjust its estimate of the overall transaction price. Any such adjustments will be recorded on a cumulative catch-up basis, which would affect the reported amount of collaboration revenues in the period of adjustment.

Profit Splits. As the license is deemed to be the predominant item to which profit splits relate, the Company will recognize revenue when the related sales or third-party collaborator income occur. No profit split revenue has been recognized from inception through September 30, 2024.

6. Commitments under Research and Collaboration Agreements

MedImmune License Agreement

In August 2016, the Company entered into a collaboration and license agreement with MedImmune Limited ("MedImmune"), pursuant to which the Company received from MedImmune an exclusive, worldwide, royalty-bearing, sublicensable (subject to certain conditions) license to certain intellectual property rights relating to the Company's ABP-200 product candidates (the "MedImmune License Agreement"). The Company agreed to use commercially reasonable efforts to reach certain development and commercialization milestones for such bispecific antibodies within specified timeframes. Unless earlier terminated in accordance with its terms, the MedImmune License Agreement, as amended, remains in effect on a country-by-country basis until the expiration of the last royalty term in such country as to be determined by the launch of products based on the ABP-200 product candidates. The Company is no longer developing ABP-200.

Under the MedImmune License Agreement, the Company agreed to pay milestone and royalty payments, including up to $244,000 in milestone payments, which are comprised of $14,000 upon meeting certain clinical development milestones, $80,000 upon achieving certain regulatory events and $150,000 upon meeting certain worldwide commercial sales thresholds; and tiered high-single to low double-digit percentage royalties based on annualized net sales of each product commercialized from our collaboration on a country-by-country basis. No milestones have been reached and no products were sold by the Company through September 30, 2024.

NCI License Agreement

In August 2017, the Company entered into a patent license agreement with the National Cancer Institute (the "NCI"), a division of the National Institutes of Health (the "NIH"), pursuant to which the Company received an exclusive, worldwide license to make, use, sell, offer to sell and import products covered by the licensed patents in the field of using certain monoclonal antibodies as monospecific or bispecific antibodies for the treatment of liver cancer (the "NCI License Agreement"). The license agreement was amended in May 2020 and October 2023 and the field of use was narrowed to the development and commercialization of a bispecific antibody for the treatment of GPC-3 expressing liver cancer using a particular moiety for targeting GPC3 and the timeline for development and commercialization was extended. Unless earlier terminated, the Company's agreement with NCI will expire upon expiration of all licensed patent rights. The Company may also terminate the agreement as to any licenses in any country or territory upon 60 days written notice.

Pursuant to the NCI agreement and amendments, the Company agreed to pay low single-digit royalties based on net sales of licensed products as well as milestone payments of up to $3,995 due upon achievement of clinical and regulatory milestones, and up to $12,000 milestone payments due upon achievement of commercial milestones. No milestones have been reached and no products were sold by the Company through September 30, 2024.

The Company also has to pay the guaranteed annual minimum royalties of $25 starting on the effective date of the agreement (which annual minimum royalties may be credited against the running royalties on net sales of any licensed products or services). During each of the nine months ended September 30, 2024 and 2023, the Company incurred $19, in minimum royalty payments, included in research and development expenses. Under the amendment entered into in March 2020, the Company is also liable for the extension royalties of $225 payable under this agreement were rescheduled to become due in several installments starting in March 2022. As of September 30, 2024 and December 31, 2023, the accrued extension royalties were $200 and $175, respectively, included in accrued expenses and accounts payable in the condensed consolidated balance sheets.

The Company also agreed to reimburse patent costs for all documented out of pocket associated with the preparation, filing, prosecution and maintenance of patent rights. During both the nine months ended September 30, 2024 and 2023, the Company did not incur any expense related to the patent costs reimbursements.

Mabwell License Agreement

In October 2020, the Company entered into an exclusive collaboration and license agreement with Mabwell (Shanghai) BioScience Co., Ltd. ("Mabwell") (the "Mabwell License Agreement"). The agreement was amended in November 2020. Under the Mabwell license agreement, the Company received a non-exclusive, royalty-free research purpose license as well as an exclusive commercial license within certain territories, as defined in the agreement, to Mabwell's series of anti-SARS-CoV-2 monoclonal antibodies. Under the agreement, the Company is responsible for conducting at its sole expense, research and preclinical, clinical and other developments of any licensed products and bears all development costs and expenses related to obtaining or maintenance of marketing authorizations of licensed products in its territories. Mabwell is obligated, at the Company's request, to supply the Licensed Antibodies to the Company for clinical trial purpose at costs plus margin as defined in the agreement. The parties agreed to undertake certain joint clinical research and development activities with a portion of the costs contributed by Mabwell. Unless earlier terminated, the Mabwell License Agreement will expire on the occurrence of the last to expire royalty term, which is the later of a) the expiration of the last to expire valid claim of the patent rights and b) ten years from the first commercial sale of such Licensed Product, and determined on jurisdiction-by-jurisdiction basis. Either party may terminate the agreement in the event of any uncured material breach by the other party.

The agreement provides for development milestones of up to $32,500 and annual sales milestone payments of up to $50,000 payable by the Company to Mabwell. The agreement also provides for a profit sharing, with Mabwell sharing 50% of the net profits from the licensed product sales in certain territories as defined in the agreement. The Company will also make tiered royalty payments in the mid to high single digits on net sales of commercial products in the licensed territory.

During the nine months ended September 30, 2024 and 2023, development activities under the Mabwell collaboration agreement were immaterial to the condensed consolidated financial statements. No milestones have been reached and no products were sold under the Mabwell License Agreement through September 30, 2024.

MSK License Agreement

In March 2017, the Company entered into an exclusive license agreement with Memorial Sloan Kettering Cancer Center (the "MSK License Agreement"), pursuant to which the Company received an exclusive, royalty-bearing, worldwide license under specified patent rights to make, use and sell certain of MSK's proprietary Her2-huOKT3 bispecific antibodies. The agreement was amended on March 31, 2017, on March 31, 2018, and January 1, 2020. Unless earlier terminated in accordance with its terms, the agreement was to remain in effect on a country-by-country basis until the expiration of the last royalty term in such country as to be determined by the launch of products based on MSK antibodies. On September 19, 2023, MSK License Agreement was terminated by MSK due to the Company's failure to make the payments for the patent costs reimbursements discussed below.

Under the MSK License Agreement, as amended, the Company agreed to use commercially reasonable efforts to reach certain development and commercialization milestones for such bispecific antibodies within specified territories and timeframes. The Company was committed to pay MSK up to $10,500 in milestone payments upon achieving certain research and development and commercialization events or within a certain number of months of the effective date, up to $30,000 in milestone payments based on net sales, and tiered mid-single-digit percentage royalties based on annualized net sales of each product commercialized from the collaboration with guaranteed annual minimum royalties between $20 and $30 depending on certain development events. During the nine months ended September 30, 2024 and 2023, the Company incurred $0 and $15 in minimum royalty, included in research and development expenses. During the nine months ended September 30, 2024 and 2023, the Company did not incur any milestone payments under this agreement. As of both September 30, 2024 and December 31, 2023, the accrued minimum royalty and milestone payments were $790, included in accounts payable in the condensed consolidated financial statements.

The Company also agreed to reimburse patent costs for all documented out of pocket costs associated with the preparation, filing, prosecution and maintenance of patent rights in the license territory. During the nine months ended September 30, 2024 and 2023, the Company expensed $0 and $49 respectively, related to the patent costs reimbursements, included in general and administrative expenses. As of both September 30, 2024 and December 31, 2023, the liabilities for the patent costs reimbursements were $273, included in other accrued expenses and accounts payable.

As of both September 30, 2024 and December 31, 2023, the accrued liabilities for the unpaid interest on the outstanding minimum royalty and milestone payments due to MSK were $169, included in other accrued expenses.

VAZYME License agreement

In April 2021, the Company entered into a License Agreement with VAZYME Biotech Co., Ltd ("VAZYME") (the "VAZYME License Agreement"), pursuant to which the Company was granted an exclusive, perpetual, royalty-bearing, worldwide license under specified patent rights to research, develop and commercialize VAZYME proprietary anti-SARS-CoV-2 monoclonal antibodies. Unless earlier terminated in accordance with its terms, the agreement remains in effect on a country-by-country basis until the expiration of the last royalty term in such country.

Under the VAZYME License Agreement, the Company agreed to use commercially reasonable efforts to reach certain research and development, and commercialization milestones for such antibodies. The Company also agreed to pay $200 to VAZYME at the effective date of the agreement. The Company is committed to pay VAZYME up to $11,100 in milestone payments upon achieving certain research and development events, up to $70,000 in milestone payments based on annual net sales, and tiered low single-digit percentage royalties based on annualized net sales of each product commercialized from the collaboration. No milestones in the VAZYME License Agreement have been reached through September 30, 2024.

In December 2021, the Company entered into a Cooperation Agreement with Chengdu Bio-Innovate Pharmaceutical Technology Co., Ltd ("Bio-Innovate") and a three-way sharing agreement with VAZYME and Bio-Innovate ("the Company", "VAZYME" and "Bio-Innovate", collectively "all parties"), pursuant to which the Company entrusted Bio-Innovate to perform certain preclinical testing and all parties agreed that VAZYME will ship the agreed antibodies to Bio-Innovate rather than the Company to fulfill the requirements under the VAZYME License Agreement.

For the nine months ended September 30, 2024 and 2023, the Company did not incur any expenses related to the VAZYME License Agreement. As of both September 30, 2024 and December 31, 2023, the accrued liabilities under this agreement were $200, included in accounts payable in the condensed consolidated financial statements.

7. Commitments and Contingencies

Litigation

The Company, from time to time, is subject to legal proceedings and claims that arise in the ordinary course of business. Resolution of any such matter could have a material adverse effect on the results of operations and financial condition. The Company considers all claims on a periodic basis and based on known facts assesses whether potential losses are considered reasonably possible, probable and estimable. Based upon this assessment, the Company then evaluates disclosure requirements and whether to accrue for such claims in its condensed consolidated financial statements.

The Company records a provision for a contingent liability when it is both probable that a loss has been incurred and the amount of the loss can be reasonably estimated.

On August 12, 2024, the Company's landlord filed a court summons for eviction based on the Company's failure to make payments pursuant to one of its lease agreement. According to the summons, the landlord is claiming the full amount of rental payments over the term of the lease. As of September 30, 2024, the Company owed $186 to the landlord in late rent. This amount was included in accounts payable in the condensed consolidated financial statements as of September 30, 2024. On October 21, 2024, the Company paid the landlord $100 for late rent and maintenance expenses. A court date was scheduled for November 14, 2024, and has been subsequently postponed to November 21, 2024. On November 20, 2024, the Company paid the landlord $115 and on November 25, 2024, the court summons for eviction was dismissed by the landlord.

On September 12, 2023, a CRO vendor filed a lawsuit against the Company based on the Company's failure to make certain installments pursuant to a settlement agreement entered into with this vendor on January 23, 2023. Under the settlement agreement, the Company agreed to pay a total of $1,644 to the vendor, with $600 due 5 business days after the settlement effective date and ten monthly installments, approximately $104 each, starting in February 2023. The Company made the upfront payment and the first four monthly installments for a total of $1,016 but failed to make the monthly installment payments due after May 2023. On January 24, 2024, the Company received the endorsement on motion for default judgment which requested the Company to pay approximately $700 to the CRO vendor. During the nine months ended September 30, 2024, the Company accrued an additional $60 in interest, included in the interest expense. During the nine month ended September 30, 2024, the Company made an $11 payment to CRO. As of September 30, 2024 and December 31, 2023, the outstanding balance under this settlement agreement was $726 and $751, respectively. These amounts were included in accounts payable and accrued expenses in the condensed consolidated financial statements as of September 30, 2024 and December 31, 2023.

In addition to the lawsuit from a CRO vendor above, the Company accrued $325 and $379 as of September 30, 2024 and December 31, 2023, respectively, related to disputed invoices with vendors.

In June 2023, the Company received a notice of breach from MSK followed by a notice of termination in September 2023, pursuant to which MSK demanded payments totaling $1,230 for the services performed under the MSK License Agreement (see Note 6). The corresponding liability is included in accounts payable and accrued expenses in the consolidated financial statements as of both September 30, 2024 and December 31, 2023.

The MedImmune License Agreement (see Note 6) provides for a research plan with target dates for an IND application (July 2021) and Phase II commencement (December 2022). These target dates were not met, which gives MedImmune (now AstraZeneca) a termination right. The Company continues to provide annual development reports to MedImmune/AstraZeneca, most recently in January 2024. The Company does not expect a material impact on our business if MedImmune/AstraZeneca terminates this agreement. This license was originally entered into in connection with the development of ABP-200, which the Company is no longer developing. The Company believed that it does not need the intellectual property licensed under that agreement for the development and eventual commercialization of ABP-201 or any of its other programs.

8. Notes Payable – Related Parties

Promissory Note with ABI

On October 18, 2023, the Company entered into a promissory note agreement with ABI, a significant investor in the Company's Series E and F convertible preferred stock, to receive up to $6,000. The promissory note accrues interest at a rate of 5% per annum on the principal amount of each installment from the installment funding date until the maturity date and at a rate of 7% per annum after the maturity date if any amounts then remain outstanding. The "Maturity Date" is defined in the agreement as the earlier of (i) eighteen months from the funding date and (ii) the successful closing of the Business Combination. On August 22, 2024, ACAB entered into a subscription agreement (the "Abpro Bio Subscription Agreement") with ABI, pursuant to which ABI agreed to subscribe for and purchase, and ACAB agreed to issue and sell, 622,467 newly-issued shares of Series A common stock, of ACAB substantially concurrently with the closing of the Business Combination at a price of $10.00 per share, for an aggregate purchase price of $6,225, of which $4,225 through the conversion of the balance due by the Company to ABI under the promissory note agreement and the remainder of $2,000 in cash. This note is reported as current liabilities in the condensed consolidated balance sheets based on the expectation that the Business Combination will close before the end of 2024.

As of September 30, 2024 and December 31, 2023, the outstanding balance under this promissory note was $4,225 and $1,442, respectively. During the nine months ended September 30, 2024, the Company recorded $142 of interest expense on this promissory note.

Promissory Notes with Executive and Director

On December 29, 2023, the Company issued promissory notes to one of its executives and one of its directors, in the principal amount of $176 and $124, respectively, for deferred bonuses. Amounts under the promissory notes plus accrued interest are due and payable on the earlier of (i) the closing of the Business Combination and (ii) June 29, 2025. These promissory notes accrue interest at 5% per annum until the maturity date and 7% thereafter. These promissory notes are reported as current liabilities in the condensed consolidated balance sheets based on the expectation that the Business Combination will close before the end of 2024.

On April 18, 2024, the Company entered into a separate promissory note agreement with the same executive to receive, as amended, up to $2,158 in funding. During the nine months ended September 30, 2024, the Company received $1,991 from the executive under this agreement. These advances accrue interest at 7.5% per annum through the maturity date and at 9.5% per annum after the maturity date if any amounts then remain outstanding. All advances, plus accrued interest, are due and payable on the earlier of (i) the closing of the Business Combination and (ii) November 20, 2024. This promissory note agreement includes early repayment provisions which state that if in any calendar month prior to the closing of the Business Combination, the Company receives capital or cash flows from another party, then the executive will be paid 10% of such proceeds prior to any other obligations that the Company may have until the principal and interest have been repaid, however, no amounts were paid to the executive as a result of the promissory notes issued during the three months ended September 30, 2024 or from those disclosed in Note 15.

At the Closing, the outstanding promissory notes of $1,997 were converted into 600,000 New Abpro shares. In addition, at the Closing, the accrued interest on this promissory note totaling approximately $150 was repaid in cash. Pursuant to the terms of the promissory note, the Company agreed to cause to be issued to the executive a number of New Abpro stock options or warrants in an amount equal to the outstanding principal amount of such promissory note, subject to required approval by the New Abpro Board of Directors and Compensation Committee and registration of such securities on Form S-8.

As of September 30, 2024 and December 31, 2023, the total outstanding balance under the promissory notes with executive and director were $2,291 and $300 respectively. For the nine months ended September 30, 2024, the Company incurred approximately $48 in interest under these agreements.

Promissory Note with ACAB Executive

On August 16, 2024, an executive at ACAB agreed to loan the Company $103 under a promissory note (the "ACAB Executive Note"). The ACAB Executive Note does not accrue interest and the Company agreed to repay a total of $206 at the earlier of i) November 20, 2024, and ii) the closing of the Business Combination. This promissory note is reported as a current liability in the condensed consolidated balance sheets based on the expectation that the Business Combination will close before the end of 2024. The Company initially recorded a discount of $103 against the total repayment obligations of $206 for this promissory note, within notes payable in the condensed consolidated balance sheet.

As of September 30, 2024 and December 31, 2023, the total balance under the promissory note with the ACAB executive were $156 and $0 respectively. The Company amortized the $103 discount on the note into interest expense over the term of the note using the effective interest method, which resulted in the recording of $53 of interest expense for the nine months ended September 30, 2024.

On November 21, 2024, the ACAB Executive Note was amended to clarify that it should have been for the benefit of Abpro Holdings, Inc (formerly ACAB). Pursuant to the Severance Agreement (Note 1), the liability to the ACAB executive was cancelled. According to the terms of the amended note, the Company will repay the principal amount of $103. The note does not bear interest and is payable upon demand by Abpro Holdings, Inc. on or before December 31, 2024.

9. Stockholders' Equity

The Company's Amended and Restated Certificate of Incorporation ("Restated Charter") authorizes the issuance of up to 40,000,000 shares in common stock and up to 11,620,248 shares in preferred stock. The Company's Certificate of Incorporation, as amended, authorizes the issuance of Series A Redeemable Convertible Preferred Stock ("Series A"), Series B Convertible Preferred Stock ("Series B"), Series C Convertible Preferred Stock ("Series C"), Series D Convertible Preferred Stock ("Series D"), Series E Convertible Preferred Stock ("Series E") and Series F Convertible Preferred Stock ("Series F"), collectively referred to as "Convertible Preferred Stock".

Significant terms of the Convertible Preferred Stock are as follows:

Dividends

Dividends may be paid on the Preferred Stock when, as and if declared by the Board of Directors (the "Board"). The rights of holders of Preferred Stock to payment of any dividends shall be pro rata with the rights of holders of common stock. There have been no dividends declared by the Board through September 30, 2024.

Conversion

Each share of Preferred Stock is convertible, at the option of the holder, at any time after date of issuance of such share into the number of fully paid and non-assessable shares of common stock, which is determined by dividing the original issue price for such series by the applicable conversion price then in effect. The conversion price of Series A, Series B, Series C, Series D, Series E and Series F is $0.9323, $2.8725, $7.8441, $13.89, $9.08 and $18.00 per share, respectively.

Each share of Preferred Stock is automatically convertible into common stock upon the earlier of a Qualified IPO, defined as having net proceeds to the Company that is not less than $30,000, the consummation of a transaction or series of related transactions by merger, consolidation, share exchange or otherwise of the Company with a publicly-traded special purpose acquisition company with gross proceeds of at least $30,000 from the sale of its equity securities, or by vote of the holders of a majority of the then outstanding shares of one of the classes (Series A, Series B, Series C, Series D, Series E or Series F Preferred Stock), voting each as a single class on an as-converted basis.

Voting

Each holder of Preferred Stock is entitled to the number of votes equal to the number of shares of common stock into which the Preferred Stock could be converted as of the record date. Except as otherwise specified in the Certificate of Incorporation, the holders of Preferred Stock and the holders of common stock vote as a single class on all matters submitted to a vote of stockholders, and not as separate classes. Series A, Series B, Series C, and Series D stockholders are collectively entitled to elect one director. In addition, four directors may be elected by the majority of the common stock held by the founders of the Company.

Redemption Rights

At any time after January 1, 2019, and at the election of the holders of at least a majority of the then outstanding shares of Series A, the Company shall redeem all of Series A elected by the outstanding shares of Series A that have not been previously converted into common stock. The Company is to redeem the shares of Series A by paying in cash an amount per share equal to the original issue price for such Series A of $93.23 per share, plus all declared and unpaid dividends in three equal annual installments.

The Convertible Preferred Stock is redeemable upon a change in control. The occurrence of a change in control shall be deemed a Liquidation Event and the holders of shares of Convertible Preferred Stock then outstanding will be entitled to the same rights outlined in the Liquidation Preference section below. The deemed Liquidation Event was defined as (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is party (including, without limitation, any stock acquisition, reorganization, merger or consolidation but excluding any bona fide sale of stock solely for capital raising purposes) other than a transaction or series of transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction continue to retain, immediately after such transaction or series of transactions, as a result of shares in the Company held by such holders prior to such transaction, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such surviving entity; or (ii) a sale, lease, transfer, exchange, exclusive license or other description of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions. As such, the Convertible Preferred Stock is classified as temporary equity in the condensed consolidated financial statements.

Liquidation Preference

In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, the holders of the Series F, Series E and Series D are entitled to receive, prior and in preference to any distribution to the holders of the common stock or any other series of Preferred Stock, an amount per share for each share of Series F, Series E and Series D held by them equal to the sum of original issue price, and all declared but unpaid dividends (if any).

After the payment or setting aside for payments to the Series F, Series E and Series D, the event of any liquidation, dissolution or winding up of the Company or other liquidation event, either voluntary and involuntary, the holders of the Series C are entitled to receive, prior and in preference to any distribution to the holders of the common stock, Series A, or Series B, an amount per share for each share of Series C held by them equal to the sum of original issue price and all declared but unpaid dividends (if any).

After the payment or setting aside for payment to the holders of Series F, Series E, Series D, and Series C, in the event of any liquidation, dissolution or winding up of the Company or other liquidation event, either voluntary or involuntary, the holders of the Series A and Series B are entitled to receive, prior and in preference to any distribution to the holders of the common stock, an amount per share for each share of Series A or Series B, held by them equal to the sum of original issue price and all declared but unpaid dividends (if any).

After the payment or setting aside for payment to the holders of the Preferred Stock, in the event of any liquidation, dissolution or winding up of the Company or other liquidation event, either voluntary or involuntary, the holders of the common stock are entitled to receive remaining assets of the Company legally available for distribution on a pro rata basis.

10. Share-Based Compensation

2014 Stock Incentive Plan

The Company's 2014 Stock Incentive Plan (the "2014 Plan") provides for the Company to sell or issue restricted common stock, or to grant incentive stock options or nonqualified stock options for the purchase of common stock, to employees, members of the Board and consultants of the Company. The 2014 Plan is administered by the Board, or at the discretion of the Board, by a committee of the Board. Stock options granted to employees and directors typically vest over four years. Stock options granted to non-employees typically vest immediately at the grant date. The maximum contractual term of the stock options is ten years.

Under the 2014 Plan, as amended, a total of 6,534,395 shares of common stock may be issued. The 2014 Plan expired in accordance with its original terms on February 2, 2024 and no additional awards may be granted thereunder after that date.

Stock Options

The summary of the Company's stock option activity is as follows:

	Number of Stock Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life
Outstanding at December 31, 2023	5,414,848	$ 3.34	6.1
Granted	-	-	-
Exercised	-	-	-
Forfeited/Expired	(351,049)	1.34	-
Outstanding at September 30, 2024	5,063,799	$ 3.48	5.4
Exercisable at September 30, 2024	4,179,329	$ 3.49	5.3

Stock Option Valuation

The assumptions that the Company used to determine the fair value of the stock options granted to employees, directors and nonemployees were as follows:

	Nine-Month Period Ended September 30, 2023
Risk-free interest rate	3.53%
Expected term (in years)	6.3
Expected volatility	71%
Expected dividend yield	0%

No stock options were granted during the nine months ended September 30, 2024. The weighted average grant date fair value of awards granted during the nine months ended September 30, 2023 was $4.26 per share.

Restricted Stock Units

The Company grants restricted stock units ("RSUs") to various employees and directors. These RSUs cliff vest on the first anniversary of the grant date. The fair value of the RSUs is determined based upon the fair value of the underlying common stock as of the grant date.

The summary of the Company's restricted stock units activity is as follows:

	Number of Shares	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Vesting Period
Outstanding at December 31, 2023	45,835	$ 3.33	1.2
Granted	-	-	-
Vested	(26,876)	3.33	-
Forfeited	-	-	-
Outstanding at September 30, 2024	18,959	$ 3.33	0.5

Stock-Based Compensation Expense

The summary of the recorded stock-based compensation expense is follows:

	Nine Months Ended September 30,	
	2024	2023
Research and development	$ 62	$ 91
General and administrative	1,469	1,643
Total stock-based compensation	$ 1,531	$ 1,734

As of September 30, 2024, there was approximately $1,671 of unrecognized compensation cost related to unvested stock option awards that are expected to be recognized over a weighted-average period of 1.3 years. As of September 30, 2024 there was approximately $58 of unrecognized compensation cost related to unvested restricted stock awards that are expected to be recognized over a weighted-average period of 0.5 years.

11. Warrants

Common Stock Warrants

The following presents information about warrants to purchase common stock outstanding as of September 30, 2024:

	Shares	Weighted-Average Exercise Price	Average Remaining Contractual Life
2017 Warrants	61,009	$ 14.91	5.49 years

No warrants were issued or exercised during the nine months ended September 30, 2024 and 2023. These 2017 Warrants expire between March 13, 2030 and October 10, 2030 or upon the consummation of the Business Combination, unless exercised.

12. Employee Benefit Plan

The Company has a 401(k) retirement plan available to all eligible employees. During the nine months ended September 30, 2024 and 2023, the Company made $101 and $80 in matching contributions, respectively, to the plan.

13. Related Parties

On January 15, 2020, the Company entered into an agreement for various consulting services, as defined in the agreement, with a member of the Company's Board of Directors. On January 1, 2023, the Company entered into a new consulting agreement with the same director, which superseded the agreement dated in January 2020. The agreement was terminated during the nine months ended September 30, 2024. During the nine months ended September 30, 2024 and 2023, the Company incurred $83 and $188 under this agreement, respectively. As of both September 30, 2024 and December 31, 2023, the unpaid amount was $21.

On December 1, 2021, the Company entered into a consulting agreement with a member of the Company's Board of Directors. Under the agreement, the Company is obligated to pay fees for various consulting services, as defined in the agreement. This agreement was terminated in May 2022. The Company did not incur any expense under this agreement during the nine months ended September 30, 2024 and 2023. As of both September 30, 2024 and December 31, 2023, the unpaid balance was $8.

In September 2022, the Company entered into a collaboration and license agreement with Celltrion, a significant investor in the Company's Series F, as discussed in Note 5. The Company entered into the ABP-100 Agreement and ABP-201 Agreement with ABI, a significant investor in the Company's Series E and F, described in Note 5.

On March 13, 2023, the Company's CEO, upon the approval of the Company's Board of Directors, transferred $5,000 from the Company's bank account at First Republic Bank to his personal bank account as an emergency response to the collapse of First Republic Bank. This amount was recorded in receivable from related party as of March 31, 2023. The full amount of $5,000 plus accrued interest of $18 was returned to the Company on May 3, 2023, with a remaining balance of accrued interest of $3 as of September 30, 2024.

On October 18, 2023, the Company issued a promissory note to ABI in the principal amount of up to $6,000 for expenses incurred in connection with the Business Combination and for its operating expenses, as discussed in Note 8.

On December 29, 2023, the Company issued promissory notes to one of its executives and one of its directors in the principal amount of $176 and $124, respectively, as discussed in Note 8.

On April 18, 2024, the Company entered into a separate promissory note agreement with the same executive to receive, as amended, up to $2,158 in funding. During the nine months ended September 30, 2024, the Company received $1,991 from the executive under this agreement. See Note 8.

On April 18, 2024, the Company entered into an agreement with an executive to defer payment of compensation from April 18, 2024 until the earlier of (i) the closing of the Business Combination and (ii) November 20, 2024. The executive's deferred wages at September 30, 2024 and December 31, 2023 were $221 and $0, respectively, and were included in accrued expenses in the condensed consolidated balance sheets.

14. Income Taxes

The Company did not record any income tax provision or benefit for the nine months ended September 30, 2024 and 2023. The Company has evaluated the positive and negative evidence bearing upon its ability to realize any deferred tax assets. Management has considered the Company's history of cumulative net losses incurred since inception and its history of gross losses and has concluded that it is not more likely than not that the Company will realize the benefits of any deferred tax assets. Accordingly, a full valuation allowance has been established against the deferred tax assets as of September 30, 2024 and December 31, 2023. Management reevaluates the positive and negative evidence at each reporting period.

15. Subsequent Events

Promissory Note with ABI

On October 7, 2024, the Company entered into an additional promissory note with ABI ("the 2024 ABI Note") to receive up to $1,000 from ABI in weekly installment of $250. The note accrues 10% interest and matures 5 business days after receipt of the proceeds under the PIPE Subscription Agreements (see Note 1). The Company received $1,000 under this note as of the Closing Date, and the balance of $1,000 was repaid in connection with the Closing.

Promissory Note Agreements with Executive

On October 15, 2024, the Company received $6 as part of the April 18, 2024 agreement, as amended, to receive advances from an executive. As of the issuance date of these financial statements, the Company received $1,997 in advances from the executive. See Note 8 for further details. At the Closing, the outstanding promissory notes of $1,997 were converted into 600,000 New Abpro shares. In addition, at the Closing, the accrued interest on this promissory note totaling approximately $150 was repaid in cash.

Advisory Service Agreement

On October 18, 2024, the Company and ACAB entered into a service agreement with a service provider to provide capital market advisory services in relation to the Business Combination. Under the advisory service agreement, the Company committed to pay to the service provider a $500 fee for the services and a premium payment of $125. This commitment is secured by a $525 promissory note dated as of October 18, 2024. The note accrues 15% annual compounded interest and is due at the closing date of the Business Combination. The note was paid in full on the Closing Date.

Promissory Note with ACAB Executive

On November 21, 2024, the ACAB Executive Note was amended (Note 8) and the liability to the ACAB executive was cancelled. According to the terms of the amended note, the Company will repay the principal amount of $103.

Court Summons for Eviction

On August 12, 2024, the Company's landlord filed a court summons for eviction based on the Company's failure to make payments pursuant to one of its lease agreements (Note 7). A court date was scheduled for November 14, 2024, and was subsequently postponed to November 21, 2024. On November 20, 2024, the Company paid the landlord $115 and on November 25, 2024, the court summons for eviction was dismissed by the landlord.

ABPRO MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis summarizes the significant factors affecting the consolidated operating results, financial condition, liquidity, and cash flows of our company as of and for the periods presented below. The following discussion and analysis of our financial condition and results of operations should be read together with our consolidated financial statements and the related notes and other financial information included elsewhere in this Current Report on Form 8-K. The discussion and analysis should also be read together with the section of this proxy statement/prospectus entitled "Information About Abpro" and the unaudited pro forma condensed combined financial information in the section of this proxy statement/prospectus entitled "Unaudited Pro Forma Condensed Combined Financial Information." The discussion contains forward- looking statements that are based on the beliefs of management, as well as assumptions made by, and information currently available to, our management. Actual results and timing of selected events could differ materially from those discussed or implied by the forward-looking statements as a result of various factors, including those discussed below and detailed elsewhere in this proxy statement/prospectus, particularly in the sections entitled "Risk Factors" and "Forward-Looking Statements; Summary Risk Factors; Market, Ranking and Other Industry Data."

Unless otherwise indicated or the context otherwise requires, references in this section to "Abpro," "we," "us," "our," "the Company," and other similar terms refer to Abpro Corporation and its subsidiaries prior to the Business Combination.

Overview

We are a biotechnology company dedicated to developing next-generation antibody therapeutics with the goal of improving the lives of patients with severe and life-threatening diseases. We are focused on novel antibody constructs for immuno-oncology and ophthalmology. By leveraging our proprietary DiversImmune® and MultiMabTM antibody discovery and engineering platforms, we are developing a pipeline of antibodies, both independently and through collaborations with global pharmaceutical and research institutions.

Our two lead product candidates, ABP-102 and ABP-201, feature our next generation tetravalent antibody format, or TetraBi antibody format, which binds to two different targets with two distinct binding sites per target. ABP-102 is designed to redirect a patient's immune system to fight cancer by engaging T cells through co-targeting human epidermal growth factor receptor 2, or HER2, and cluster of differentiation 3, or CD3, T-cell co-receptor. We plan initially to develop ABP-102 for difficult to treat HER2+ solid tumors, focusing on orphan indications. ABP-201 is designed to block blood vessel formation and normalize damaged vessels through co-targeting vascular endothelial growth factor, or VEGF, and angiopoietin-2, or ANG-2. We plan to develop ABP-201 to treat vascular disease of the eye, focusing on wet age-related macular degeneration (Wet AMD). We intend to follow these two lead product candidates with a broad pipeline of CD3-targeting T-cell engagers based on the differentiated format of ABP-102. We expect to initiate clinical trials for ABP-102 and ABP-201 in 2026.

Recent Developments

On November 13, 2024 (the "Closing Date"), we consummated a business combination pursuant to the terms of the Business Combination Agreement, dated as of December 11, 2023 (the "Business Combination Agreement") by and among the Company, Atlantic Coastal Acquisition Corp. II, a Delaware corporation ("ACAB") and Abpro Merger Sub Corp., a Delaware corporation ("Merger Sub"). Pursuant to the Business Combination Agreement, on the Closing Date, (i) ACAB changed its name to "Abpro Holdings, Inc.," and (ii) Merger Sub merged with and into the Company, with the Company as the surviving company in the Business Combination. After giving effect to the Business Combination, the Company became a wholly owned subsidiary of ACAB.

Impact of Macroeconomic Events

Economic uncertainty in various global markets caused by political instability and conflicts, such as the ongoing conflicts in the Ukraine, and Israel, and economic challenges have led to market disruptions, including significant volatility in commodity prices, credit and capital market instability and supply chain interruptions, which have caused record inflation globally. Our business, financial condition, and results of operations could be materially and adversely affected by further negative impacts on the global economy and capital markets resulting from these global economic conditions, particularly if such conditions are prolonged or worsen. Although, to date, our results of operations have not been materially impacted by these global economic and geopolitical conditions, it is impossible to predict the extent to which our operations may be impacted in the short and long term. The extent and duration of these market disruptions, whether as a result of the military conflict between Russia and Ukraine, the effects of the Russian sanctions, the conflict between Israel and Hamas, geopolitical tensions, record inflation, or otherwise, are impossible to predict. Any such disruptions may also magnify the impact of other risks described or incorporated by reference in this Current Report on Form 8-K.

Results of Operations

Results of Operations for the Nine Months Ended September 30, 2024 and 2023

The following is a comparative discussion of our results of operations for the nine months ended September 30, 2024 and 2023 (in thousands):

	For the Nine Months Ended September 30,			
	2024	**2023**	**Change**	**%**
Revenue:				
Research and development services	$ 183	$ -	$ 183	100%
Collaboration revenue	-	52	(52)	-100%
Royalty	-	23	(23)	-100%
Total revenue	183	75	108	144%
Operating expenses:				
Research and development	2,469	3,108	(639)	-21%
General and administrative	4,864	4,899	(35)	-1%
Total operating expenses	7,333	8,007	(674)	-8%
Loss from operations	(7,150)	(7,932)	782	-10%
Other income, net	3,253	45	3,208	7,129%
Net loss	$ (3,897)	$ (7,887)	$ 3,990	51%

Revenue

We did not generate any material collaboration or royalty revenue during the nine months ended September 30, 2024 and 2023. Our research and development services revenue increased by $0.2 million during the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023, due to the revenue earned from the research and development services performed for Celltrion related to ABP-102 development. No such research and development services revenue was earned during the nine months ended September 30, 2023. Our ability to generate product revenues in the future will depend almost entirely on our ability to successfully develop, obtain regulatory approval for, and then successfully commercialize a drug candidate, or enter into collaborations that provide for payments to us.

Operating Expenses

Research and Development Expenses

Research and development expenses consist primarily of salaries, payroll taxes, employee benefits and stock- based compensation for those individuals involved in research and development efforts, as well as consulting expenses, third-party research and development expenses, laboratory supplies and clinical materials. The following tables summarize our research and development expenses by product candidate and program for the nine months ended September 30, 2024 and 2023 (in thousands):

	For the Nine Months Ended September 30,	
Research and development expenses	**2024**	**2023**
ABP-110	$ 96	$ 278
ABP-102	710	$ 291
ABP-150	19	$ 256
ABP-201	21	$ 189
ABP-100	-	$ 140
SARS-CoV-2 neutralizing antibody program	20	$ 975
Unallocated research and development expenses	1,603	$ 979
Total	**$ 2,469**	**$ 3,108**

Unallocated research and development expenses include engineering platform-related expenses that are not allocable to a specific product candidate or program, as well as stock-based compensation, other employee- related expenses that are not related to a specific product candidate or program, and facilities and depreciation expenses.

Research and development expenses decreased by $0.6 million for the nine months ended September 30, 2024, as compared to the nine months ended September 30, 2023 primarily due to the decrease in expenses associated with the SARS-CoV-2 neutralizing antibody program, partially offset by an increase in expenses associated with the development of ABP-102. The overall decrease in expenses was a result of the Company's reduction in research and development personnel and the use of consulting services.

General and Administrative Expenses

General and administrative expenses consist primarily of compensation and benefits to our personnel, including the costs related to our management services agreements, directors, and senior advisors; professional service fees, including accounting and legal services and other consulting services. General and administrative expenses remained consistent for the nine months ended September 30, 2024, as compared to the nine months ended September 30, 2023, as the increases in salaries, wages, and accounting service expenses were offset by a decrease in legal, consulting, and travel expenses.

Other Income, Net

Other income, net increased to $3.3 million in income for the nine months ended September 30, 2024, from $45 thousand in income for the nine months ended September 30, 2023. This change is primarily due to the reversal of the approximately $3.5 million liability to one of the Company's research and development providers as this provider informed the Company, as they are not pursuing collection on this liability.

Liquidity, Capital Resources and Going Concern

Through the date of the Business Combination with ACAB, the Company has financed its operations primarily through the sale of equity securities and issuance of promissory notes and, to a lesser extent, through the revenue from collaboration arrangements. Since its inception, the Company has incurred significant recurring losses, including a net loss of $3.9 million and $7.9 million for the nine months ended September 30, 2024, and 2023, respectively. As of September 30, 2024, the Company had an accumulated deficit of $109.5 million. The Company expects to incur operating losses in the foreseeable future.

While the Company completed the Business Combination in November 2024, cash and cash equivalents will be insufficient to fund our operations, including clinical trial expenses and capital expenditure requirements, for at least the next 12 months from the issuance date of our consolidated financial statements as of September 30, 2024. We have concluded that these circumstances raise substantial doubt about our ability to continue as a going concern within one year after the original issuance date of our annual financial statements. The Company is planning to raise additional capital through equity or debt financing to meet its operating cash needs. The Company has based this estimate on assumptions that may prove to be wrong, and the Company could exhaust its available capital resources sooner than it expects. There can be no assurance that any required future funding can be successfully completed on a timely basis or terms acceptable to the Company.

On October 18, 2023, the Company entered into a promissory note agreement with Abpro Bio International, Inc. ("ABI") to fund up to $6 million. The Company received $5.2 million through the date of this filing.

On April 18, 2024, the Company entered into a promissory note agreement with one of its executives to receive, as amended, up to $2.2 million in funding. The Company received $2.0 million through the date of this filing.

On August 16, 2024, an executive at ACAB provided a $103 loan to the Company and the Company agreed to repay a total of $206 at the earlier of i) November 20, 2024, and ii) the closing of the Business Combination. On November 21, 2024, the note was amended and the liability to the ACAB executive was cancelled. According to the terms of the amended note, the Company will repay the principal amount of $103.

On October 7, 2024, the Company entered into an additional promissory note with ABI ("the 2024 ABI Note") to receive up to $1.0 million from ABI in weekly installments of $250. The note accrues 10% interest and matures 5 business days after receipt of the proceeds under the PIPE Subscription Agreements. The Company received $1.0 million under this note as of the Closing Date, and the balance of $1.0 million was repaid in connection with the Closing.

In connection with the Closing of the Business Combination, the Company received approximately $2,300.

Future Funding Requirements

The Company expects its expenses to increase in connection with its ongoing activities, particularly as it advances the preclinical activities and clinical trials of its product candidates. In addition, subsequent to the Closing of the merger, the Company expects to incur additional costs associated with operating as a public company. The timing and amount of the Company's operating expenditures will depend largely on:

- the scope, number, initiation, progress, timing, costs, design, duration, any potential delays, and results of clinical trials and nonclinical studies for the Company's current or future product candidates, particularly the planned Phase 1/2 clinical trial for ABP-102, focusing on HER2+ breast and gastric cancers, as well as Phase 1 clinical trials for ABP-201 for the treatment of Wet AMD;
- the clinical development plans the Company establishes for its product candidates;
- the number and characteristics of product candidates and programs that the Company develops or may in-license;
- the outcome, timing and cost of regulatory reviews, approvals or other actions to meet regulatory requirements established by the FDA and comparable foreign regulatory authorities, including the potential for the FDA or comparable foreign regulatory authorities to require that the Company perform more studies for its product candidates than those that the Company currently expects;
- the Company's ability to obtain marketing approval for its product candidates;
- the cost of filing, prosecuting, defending and enforcing the Company's patent claims and other intellectual property rights covering its product candidates, including any such patent claims and intellectual property rights that the Company has licensed pursuant to the terms of its license agreement;
- The Company's ability to maintain, expand and defend the scope of its intellectual property portfolio, including the cost of defending intellectual property disputes, including patent infringement actions brought by third parties against the Company or its product candidates;
- the cost and timing of completion of commercial-scale outsourced manufacturing activities with respect to the Company's product candidates;

- the Company's ability to establish and maintain licensing, collaboration or similar arrangements on favorable terms and whether and to what extent the Company retains development or commercialization responsibilities under any new licensing, collaboration or similar arrangement;
- the cost of establishing sales, marketing and distribution capabilities for any product candidates for which the Company may receive regulatory approval in regions where the Company chooses to commercialize its products on its own;
- the success of any other business, product or technology that the Company acquires or in which the Company invests;
- the costs of acquiring, licensing or investing in businesses, product candidates and technologies;
- the Company's need and ability to hire additional management and scientific and medical personnel;
- the costs to operate as a public company in the United States, including the need to implement additional financial and reporting systems and other internal systems and infrastructure for the Company's business;
- market acceptance of the Company's product candidates, to the extent any are approved for commercial sale; and
- the effect of competing technological and market developments.

Until such time, if ever, as the Company can generate substantial product revenue, the Company expects to finance its cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances, and marketing, distribution or licensing arrangements with third parties. To the extent that the Company raises additional capital through the sale of equity or convertible debt securities, the ownership interest of the Company may be materially diluted, and the terms of such securities could include liquidation or other preferences that adversely affect the rights of the Company's stockholders and the rights of the stockholders of the combined organization following the Closing of the merger. Debt financing and preferred equity financing, if available, may involve agreements that include restrictive covenants that limit the Company's ability to take specified actions, such as incurring additional debt, making capital expenditures or declaring dividends. If the Company raises funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, the Company may have to relinquish valuable rights to its technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to the Company. If the Company is unable to raise additional funds through equity or debt financings or other arrangements when needed, the Company may be required to delay, scale back or discontinue the development and commercialization of one or more of its product candidates or delay its pursuit of potential in-licenses or acquisitions.

The following table summarizes our cash flows for the nine months ended September 30, 2024 and 2023:

	For the Nine Months Ended September 30,			
	2024	2023	Change	%
Net cash used in operating activities	$ (5,215)	$ (5,164)	$ (51)	1%
Net cash used in investing activities	$ -	$ (48)	$ 48	-100%
Net cash provided by (used in) financing activities	$ 4,495	$ (165)	$ 4,660	-2824%

Net cash used in operating activities for the nine months ended September 30, 2024, decreased by $0.1 million as compared to the nine months ended September 30, 2023. The decrease was primarily driven by the $0.1 million net changes in operating assets and liabilities mainly attributed to a decrease in accounts payable and accrued expenses due to repayment with limited spending and an increase in accounts receivable due to timing of payments under the collaboration agreement with Celltrion.

Net cash used in investing activities decreased by $48 thousand for the nine months ended September 30, 2024, as compared to the nine months ended September 30, 2023. The Company purchased laboratory equipment during the nine months ended September 30, 2023. No property and equipment was purchased during the nine months ended September 30, 2024.

Net cash provided by financing activities increased by $4.7 million for the nine months ended September 30, 2024, as compared to the nine months ended September 30, 2023. During the nine months ended September 30, 2024, the Company received proceeds of $4.9 million from promissory notes with related parties compared to $0 received during the nine months ended September 30, 2023. The proceeds from the promissory notes were partially offset by $0.4 million in offering costs payments related to the Business Combination with ACAB.

Critical Accounting Policies and Estimates

This discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with US GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported expenses and net loss incurred during the reporting periods. Our estimates are based on our historical experience and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Our significant accounting policies are described below. We believe that the accounting policies are critical for fully understanding and evaluating our financial condition and results of operations.

Share-Based Compensation

The Company accounts for share-based payments in accordance with Accounting Standard Codification Topic 718, Compensation—Stock Compensation ("ASC 718"). Under ASC 718, the Company measures, and records compensation expenses related to share-based payment awards (to employees and non-employees) based on the grant date fair value using the Black-Scholes option-pricing model. The Company recognizes forfeitures related to employee share-based payments when they occur. Forfeited share-based awards are recorded as a reduction to stock compensation expense.

The determination of the fair value of share-based payment awards utilizing the Black-Scholes model is affected by the stock price and a number of assumptions, including expected volatility, expected term, risk-free interest rate and expected dividends.

In determining the exercise prices of options granted, the Company's Board has considered the fair value of the common stock as of the measurement date. The fair value of the common stock has been determined by the Board at each award grant date based upon a variety of factors, including the results obtained from an independent third-party valuation, the Company's financial position and historical financial performance, the status of technological developments within the Company's proposed products, an evaluation or benchmark of the Company's competition, the current business climate in the marketplace, the illiquid nature of the common stock, arm's length sales of the Company's capital stock, including convertible preferred stock, the effect of the rights and preferences of the preferred stockholders, and then prospects of a liquidity event, among others.

The Company does not have a history of market prices of its common stock, and as such, volatility is estimated using historical volatilities of similar public entities. The peer group was developed based on companies in the biotechnology industry. The Company will continue to apply this process until a sufficient amount of historical information regarding the volatility of its own stock price becomes available. The expected term of the awards is estimated based on the simplified method for grants to employees and is based on the contractual term for non-employee awards. The risk- free interest rate assumption is based on observed interest rates appropriate for the terms of the awards. The dividend yield assumption is based on history and expectation of paying no dividends.

Convertible Preferred Stock

The Company accounts for its convertible preferred stock in accordance with the guidance in ASC Topic 480, "Distinguishing Liabilities from Equity" ("ASC 480"). Preferred stock subject to mandatory redemption (if any) is classified as a liability instrument and is measured at fair value. Conditionally redeemable common stock (including preferred stock that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) is classified as temporary equity.

Recent Accounting Pronouncements

See Note 2, *Summary of Significant Accounting Policies* of the Notes to the Financial Statements for a discussion of recent accounting pronouncements.