Interra Acquisition Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 7801)

(Warrant Code: 4801)

ANNUAL RESULTS ANNOUNCEMENT FOR THE PERIOD FROM JANUARY 11, 2022 (DATE OF INCORPORATION) TO DECEMBER 31, 2022

The board (the "**Board**") of directors (the "**Director(s)**") of Interra Acquisition Corporation (the "**Company**") is pleased to announce the annual results of the Company for the period from January 11, 2022 (the Company's date of incorporation) to December 31, 2022 (the "**Reporting Period**").

FINANCIAL HIGHLIGHTS

Statement of profit or loss and other comprehensive income for the period from 11 January 2022 (date of incorporation) to 31 December 2022
(Expressed in Hong Kong dollars)

	Note	**Period from 11 January 2022 (date of incorporation) to 31 December 2022** *$*
Revenue	*3*	**–**
Interest income		**2,616,312**
Listing expenses		**(7,437,655)**
Equity-settled share-based payment expenses	*13*	**(88,961,787)**
Other operating expenses	*4*	**(2,314,004)**
Fair value change of deferred underwriting commissions payable	*10*	**(217,528)**
Loss from operations		**(96,314,662)**
Changes in the carrying amount of financial liabilities arising from the Class A Shares	*12(a)*	**(42,078,925)**
Fair value change of Listed Warrants	*12(b)*	**(664,664)**
Loss before taxation		**(139,058,251)**
Income tax	*5*	**–**
Loss and total comprehensive income for the period		**(139,058,251)**
Loss per share	*6*	
Basic and diluted		**(4.33)**

Statement of financial position at 31 December 2022

(Expressed in Hong Kong dollars)

	Note	As at 31 December 2022 $
Assets		
Cash and cash equivalents	*7*	**10,115,072**
Interest receivables		**2,616,312**
Prepayments		**490,516**
Restricted bank balances	*8*	**1,001,000,000**
Total assets		**1,014,221,900**
Liabilities		
Other payables and accruals	*9*	**4,500,172**
Deferred underwriting commissions payable	*10*	**21,953,528**
Amount due to the Promoters	*11*	**597,497**
Liabilities arising from the Class A Shares	*12(a)*	**1,001,000,000**
Listed Warrants	*12(b)*	**102,334,232**
Total liabilities		**1,130,385,429**
NET LIABILITIES		**(116,163,529)**
CAPITAL AND RESERVES		
Share capital	*14(a)*	**2,503**
Reserves		**(116,166,032)**
NET DEFICIT		**(116,163,529)**

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Interra Acquisition Corporation (the "**Company**") was incorporated in the Cayman Islands on 11 January 2022. The address of the Company's registered office is 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

The memorandum and articles of association authorises the issuance of Class A ordinary shares (the "**Class A Shares**") and Class B ordinary shares (the "**Class B Shares**"). The Class B Shares have been issued prior to the initial public offering (the "**SPAC Offering**"). On 16 September 2022 (the "**Listing Date**"), the Company completed its SPAC Offering and issued 100,100,000 Class A Shares and 40,040,000 warrants (the "**Listed Warrants**") at an offering price of $10.00 for one Class A Share and 0.4 Listed Warrant.

Simultaneously, the Company issued 35,600,000 warrants (the "**Promoter Warrants**") in a private placement at a price of $1.00 per Promoter Warrant.

The Company was incorporated for the purpose of acquiring a suitable target that results in the listing of a successor company (referred to as a "**De-SPAC transaction**") within the time limits required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). In particular, the Company is required to announce the terms of the De-SPAC transaction within 24 months and complete the De-SPAC transaction within 36 months after the SPAC Offering (the "**De-SPAC Deadline**"). If the Company does not announce and complete a De-SPAC transaction by the De-SPAC Deadline, the Company would: (i) cease all operations except for the purpose of winding up, (ii) suspend the trading of the Class A Shares and the Listed Warrants, (iii) as promptly as reasonably possible but no more than one month after the date that trading in the Class A Shares is suspended, redeem the Class A Shares in cash which would completely extinguish the rights of the holders of the Class A Shares as shareholders (including the right to receive further liquidation distributions, if any), and (iv) as promptly as reasonably possible following such redemption, subject to the approval of the remaining shareholders and the board of directors, liquidate and dissolve, subject in each case to the Company's obligations under Cayman Islands law to provide for claims of creditors and the other requirements of applicable laws.

For every Class A Shares that is not redeemed upon the completion of the De-SPAC transaction, the holders of the Class A Shares will receive an additional 0.2 warrant per Class A Share. This seeks to motivate shareholders to elect not to redeem their Class A Shares at the time of the De-SPAC transaction. The additional 0.2 of one warrant per share to be issued as described above would have the same terms of the 0.4 of Listed Warrant mentioned above.

The Company had not carried on any business since the date of its incorporation and is not expected to generate any operating revenue other than interest income until the completion of the De-SPAC transaction, at the earliest. All activities for the period from 11 January 2022 (date of incorporation) to 31 December 2022 related to the Company's formation, the SPAC Offering and identifying an appropriate target for the De-SPAC transaction.

The Company's promoters are Primavera Capital Acquisition LLC, a Cayman Islands limited liability company (through a wholly owned subsidiary, Primavera Capital Acquisition (Asia) LLC, a Cayman Islands limited liability company) and ABCI Asset Management Limited, a Hong Kong limited liability company (through a wholly owned subsidiary, ABCI AM Acquisition Limited, a British Virgin Islands limited liability company) (together the "**Promoters**").

2 STATEMENT OF COMPLIANCE

The annual results set out in this announcement do not constitute the Company's financial statements for the period from 11 January 2022 (date of incorporation) to 31 December 2022 but are extracted from those financial statements.

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Listing Rules. Significant accounting policies adopted by the Company are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Company. None of these developments have had a material effect on how the Company's results and financial position for the current period have been prepared or presented. The Company has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

The principal activity of the Company is to acquire a suitable target for the completion of De-SPAC transaction within the time limits. No revenue was derived from this activity during the current period.

The Company's business activity is regularly reviewed and evaluated by the chief operating decision-makers. As a result of this evaluation, the directors of the Company consider that the Company's operations are operated and managed as a single reportable segment. Since this is the only reportable operating segment of the Company, no further operating segment analysis thereof is presented.

4 OTHER OPERATING EXPENSES

	Period from 11 January 2022 (date of incorporation) to 31 December 2022 *$*
Auditors' remuneration	
— audit services	**350,000**
— other services	**250,000**
Legal and professional fees	**593,000**
Insurance expenses	**140,360**
Company secretarial fee	**192,290**
Incorporation expenses	**24,683**
Directors' emoluments	**145,479**
Bank charges	**170,630**
Others	**447,562**
	2,314,004

5 INCOME TAX

No income tax has been recognised as the Company is not currently subject to income tax in the Cayman Islands and in opinion of the directors, the Company has no assessable profits in any other jurisdictions.

6 LOSS PER SHARE

The calculation of the basic loss per share for the period from 11 January 2022 (date of incorporation) to 31 December 2022 is based on the loss for the period attributable to Promoter Shareholders of the Company divided by the weighted average number of Class B Shares, calculated as follows:

(i) Loss for the period attributable to equity shareholders of the Company

	Period from 11 January 2022 (date of incorporation) to 31 December 2022 *$*
Loss for the period attributable to Promoter Shareholders of the Company	**139,058,251**

(ii) Weighted average number of shares

	Period from 11 January 2022 (date of incorporation) to 31 December 2022 Number of Class B Shares
Issued Class B Shares at 11 January 2022	**–**
Effect of Class B Shares issued	**32,079,619**
Weighted average number of Class B Shares at 31 December 2022	**32,079,619**

The calculation of diluted loss per share for the period from 11 January 2022 (date of incorporation) to 31 December 2022 has not included the potential effects of Class A Shares issued, as they had an anti-dilutive effect on the basic loss per share for the period.

7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	2022
	$
Cash at bank	**10,115,072**

8 RESTRICTED BANKS BALANCES

The gross proceeds of $1,001,000,000 from the SPAC Offering are deposited into an escrow account (the "**Escrow Account**") in accordance with the Listing Rules. The gross proceeds are invested in a bank deposit with interest rate depending on the maturity and the maximum term of 1 year. Except with respect to interest and other income earned on the funds held in the Escrow Account that may be released to pay the Company's expenses and taxes, if any, the proceeds from the SPAC Offering would not be released from the Escrow Account, except to:

- meet the redemption requests of holders of the Class A Shares in connection with a shareholder vote to modify the timing of the Company's obligation to announce the De-SPAC transaction within 24 months of the Listing Date or complete the De-SPAC transaction within 36 months of the Listing Date (or, if these time limits are extended pursuant to a vote of the holders of the Class A Shares and in accordance with the Listing Rules and a De-SPAC transaction is not announced or completed, as applicable, within such extended time limits), or approve the continuation of the Company following a material change in the Promoters or directors as provided for in the Listing Rules; or

- complete the De-SPAC transaction, in connection with which the funds held in the Escrow Account will be used to pay amounts due to holders of the Class A Shares who exercise their redemption rights, to pay all or a portion of the consideration payable to the De-SPAC target or owners of the De-SPAC target, to repay any loans drawn under the loan facility and to pay other expenses associated with completing the De-SPAC transaction;

- return funds to Class A Shareholders within one month of a suspension of trading imposed by the Stock Exchange if the Company (1) fails to obtain the requisite approvals in respect of the continuation of the Company following a material change referred to in Listing Rule 18B.32; or (2) fails to meet any of the deadlines (extended or otherwise) to (i) publish an announcement of the terms of a De-SPAC transaction within 24 months of the date of the Listing or (ii) complete a De-SPAC transaction within 36 months of the date of the Listing; or

- return funds to the Class A Shareholders upon the liquidation or winding up of the Company.

9 OTHER PAYABLES AND ACCRUALS

The accrual and other payables are expected to be settled within one year or are repayable on demand.

10 DEFERRED UNDERWRITING COMMISSIONS PAYABLE

Pursuant to the terms of the underwriting agreement relating to the SPAC Offering which was entered into by, among others, the Company, the Promoters and the underwriters of the SPAC Offering (the "**Underwriters**"), the Underwriters (i) received an underwriting commission equal to 2% of the gross proceeds for the SPAC Offering on the Listing Date, and (ii) will receive a deferred underwriting commission which comprises an amount up to 1.5% of the gross proceeds which is earned on completion of the De-SPAC transaction, and an amount equal to 1.5% of the gross proceeds less the aggregate amount paid by the Company pursuant to the exercise of the redemption rights of the shareholders of the Company which is earned on completion of the De-SPAC transaction.

The deferred underwriting commissions were recognised as a financial liability under "Deferred underwriting commissions payable" as at 31 December 2022. The fair value change of the deferred underwriting commissions payable was $217,528 for the period from 11 January 2022 (date of incorporation) to 31 December 2022.

11 AMOUNT DUE TO THE PROMOTERS

Amount due to the Promoters is unsecured, interest-free and repayable on demand.

12 CLASS A SHARES AND LISTED WARRANTS

The Company issued 100,100,000 Class A Shares together with 40,040,000 Listed Warrants for an aggregate price of $1,001,000,000 on the Listing Date.

(a) Class A Shares

The Company has an obligation to redeem the Class A Shares at $10 per share upon certain events (e.g. a change in the Promoters). Should the Class A Shares not be redeemed, the Company has an obligation to issue additional 0.2 warrant to the holder of the Class A Shares for each share that is not redeemed. Each Class A Share also entitles the holder to discretionary dividends and distributions.

The obligation to redeem the Class A Shares upon events that are beyond the control of the Company and the holder and issue additional warrants should the Class A Shares not be redeemed give rise to financial liabilities.

The movements of the Class A Shares are as follows:

	2022
	$
Liability components	
At 11 January (date of incorporation)	**–**
Issuance of Class A Shares	**1,001,000,000**
Transaction cost attributable to the issuance of Class A Shares	**(42,078,925)**
Changes in the carrying amount of the liabilities recognised in profit or loss	**42,078,925**
At 31 December	**1,001,000,000**
Equity component	
At 11 January (date of incorporation) and 31 December	**(101,669,568)**

(b) Listed Warrants

Each Listed Warrant gives the holder the right to subscribe for one share of a successor company (i.e. "**Successor Share**") upon completion of a De-SPAC transaction at $11.5 per share when the average closing price of the Successor Shares for the 10 trading days immediately prior to the date on which the notice of exercise is received by the registrar (the "**Fair Market Value**") is at least $11.5 per share. Such exercise will be conducted on a cashless basis by the holders surrendering the Listed Warrants for that number of Successor Shares, subject to adjustment, equal to the product of the number of Successor Shares underlying the Listed Warrants, multiplied by a quotient equal to the excess of the Fair Market Value of a Successor Share over the exercise price of the warrant divided by the Fair Market Value of the Successor Share. The Listed Warrants are exercisable 30 days after the completion of the De-SPAC transaction up to the date immediately preceding the fifth anniversary of the date of the completion of the De-SPAC transaction, both days inclusive.

The Listed Warrant are classified as derivative financial liabilities.

The movements of the Listed Warrants are as follows:

	2022
	$
At 11 January (date of incorporation)	**–**
Issuance of Listed Warrants	**101,669,568**
Fair value change of Listed Warrants recognised in profit or loss — unrealised	**664,664**
At 31 December	**102,334,232**

13 EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company issued 25,025,000 Class B Shares on 28 July 2022 at a price of $0.0001 per share. The conversion right was introduced to the Class B Shares upon Listing. Simultaneously, the Company issued 35,600,000 Promoter Warrants at an aggregate subscription price of $35,600,000. Each Promoter Warrant gives the holder the right to subscribe for one Successor Share at $11.5 per share and is settled net in shares. The Promoter Warrants are exercisable 12 months after the completion of the De-SPAC transaction. The contractual life of the Class B Shares and the Promoter Warrants is 3 years. The Company accounted for the Promoter Warrants, together with the conversion right in the Class B Shares, as equity-settled share-based payment with the completion of a De-SPAC transaction identified as the non-market performance condition.

(a) The number and weighted average exercise prices of the Promoter Warrants are as follows:

	Period from 11 January 2022 (date of incorporation) to 31 December 2022	
	Weighted average exercise price	**Number of Promoter Warrants**
Outstanding at the beginning of the period	N/A	–
Granted during the period	$11.5	35,600,000
Outstanding at the end of the period	$11.5	35,600,000
Exercisable at the end of the period	N/A	–

The Promoter Warrants outstanding at 31 December 2022 had an exercise price of $11.5 and a weighted average remaining contractual life of 2.7 years.

(b) Fair value of the Grants and assumptions

The fair value of services received in return for the Grants granted, which includes the Promoter Warrants and the conversion rights in the Class B Shares, is measured by reference to the fair value of the Grants granted.

The estimate of the fair value of the Promoter Warrants granted is measured based on a Monte Carlo simulation method. The contractual life of the Promoter Warrants is used as an input into this model. Expectations of early exercise are incorporated into the Monte Carlo simulation method.

	2022
Fair value of the Promoter Warrants and assumptions	
Fair value at measurement date	**$2.58**
Share price	**$10.00**
Exercise price	**$11.50**
Expected volatility	**38.51%–39.97%**
Option life	**3 years**
Expected dividends	**0.00%**
Risk-free interest rate	**3.21%–3.26%**

The expected volatility is estimated based on daily return of S&P SmallCap 600 Volatility — Highest Quintile Index. The length of period approximately equals to the expected time to maturity of the Promoter Warrants as of the Listing Date, sourced from Bloomberg. Expected dividends are based on management estimation. Changes in the subjective input assumptions could materially affect the fair value estimate.

The fair value of the conversion right per Class B Share was principally determined based on the value of the Class A Share.

The Grants were granted under a non-market performance condition. This condition has not been taken into account in the grant date fair value measurement of the services received.

14 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

	2022	
	No. of shares	**Share capital** *$*
Class B Shares (per value $0.0001 per share), issued and fully paid:		
At 11 January	–	–
Shares issued on 18 January	39,000,000	3,900
Shares issued on 4 March	22,500	2
Share repurchased on 28 July	(39,022,500)	(3,902)
Shares issued on 28 July	25,025,000	2,503
At 31 December	25,025,000	2,503

Share capital represents the par value of the issued shares.

(b) Dividends

No dividends have been paid or declared by the Company during the period from 11 January 2022 (date of incorporation) to 31 December 2022.

(c) Nature and purpose of reserves

(i) Other reserve

Other reserve comprises the amount allocated to the equity component of the Class A Shares.

(ii) Capital reserve

The capital reserve comprises (i) the portion of the grant-date fair value of the Grants granted to the Promoters that has been recognised in accordance with the accounting policy adopted for share-based payments, and (ii) the proceeds from the issuance of the Promoter Warrants to the Promoters.

(d) Capital management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders return, taking into consideration the future of the Company and capital efficiency, projected operating cash flows and projected capital expenditures.

The Company manages its capital structure, which comprises all components of equity and the gross proceeds from the SPAC Offering (see note 8), and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may issue new shares, new debt financing or the redemption of existing debt.

The Company is not subject to externally imposed capital requirements.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Company is a special purpose acquisition company ("**SPAC**") formed for the purpose of effecting an acquisition of, or a business combination ("**De-SPAC Transaction**") with one or more businesses ("**De-SPAC Target**"). In identifying the De-SPAC Target, the Company intends to invest in high-growth companies focused on Greater China in the sectors of innovative technology, consumer and new retail, advanced manufacturing, healthcare and climate action.

The Company completed an offering of its Class A Shares and Listed Warrants (the "**Offering**") on September 16, 2022 (the "**Listing Date**"). The Offering comprised 100,100,000 Class A Shares at an offer price of HK$10.00 per Class A Share and 40,040,000 Listed Warrants. Simultaneously with the Offering, the promoters of the Company (the "**Promoters**") subscribed for 35,600,000 Promoter Warrants at a price of HK$1.00 per Promoter Warrant. The Promoter Warrants are not listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Company received gross proceeds of HK$1,001.0 million from the Offering, which was deposited in a ring-fenced escrow account (the "**Escrow Account**") and held in the form of restricted bank balances. As of the date of this announcement, the Company has not used any of the gross proceeds received from the Offering.

During the Reporting Period, the Company had not selected any specific De-SPAC Target, or entered into any binding agreement with respect to a potential De-SPAC Transaction. Prior to the completion of the De-SPAC Transaction, the Company will not engage in any operations other than in connection with the selection, structuring and completion of the De-SPAC Transaction.

BUSINESS REVIEW

During the Reporting Period, the Company did not engage in any operations and did not generate any revenue. The Company's only activities from its incorporation to December 31, 2022 were organisational activities related to its incorporation, the Offering, and since the closing of the Offering, the search for prospective De-SPAC Target. The Company reported loss and total comprehensive income for the Reporting Period of approximately HK$139.1 million during the Reporting Period, which was mainly attributable to Promoter Shareholders of the Company.

As of the date of this announcement, there have been no material events affecting the Company or its listed securities since December 31, 2022.

FINANCIAL REVIEW

The Company did not generate any revenue other than an interest income of HK$2.6 million and incurred other operating expenses of HK$2.3 million. The Company recorded loss from operations of HK$96.3 million during the Reporting Period.

The Company recorded loss and total comprehensive income for the period of HK$139.1 million for the Reporting Period.

As of 31 December 2022, the Company had net liabilities of HK$116.2 million.

Loss and total comprehensive income for the period

As a result of the foregoing, the Company incurred a loss and total comprehensive income for the period of HK$139.1 million for the Reporting Period.

Other information

During the Reporting Period, there was no change in the accounting policy of the Company.

LIQUIDITY AND FINANCIAL RESOURCES

During the Reporting Period, the Company received gross proceeds of HK$1,001.0 million from the Offering, which was deposited into the Escrow Account in Hong Kong. The funds held in the Escrow Account may be released only to complete the De-SPAC Transaction, satisfy redemption requests of the Shareholders, and return funds to Class A Shareholders upon the suspension of trading of the Class A Shares and the Listed Warrants or upon the liquidation or winding up of the Company.

The Company has been monitoring its expenses on an ongoing basis and endeavors to keep the costs within the Company's primary sources of liquidity other than the funds deposited in the Escrow Account, including the proceeds from the sale of Class B Shares and the Promoter Warrants and the unsecured loan facility of HK$20 million, as set out in "Borrowings and gearing ratio" below (the "**Loan Facility**"). The Company believes that it is well positioned to manage the operating expenses when conducting negotiations and performing due diligence review on potential De-SPAC Targets.

Prior to the completion of the De-SPAC Transaction, the primary sources of liquidity to satisfy the Company's capital requirements include proceeds from the issuance of the Class B Shares and the Promoter Warrants and the Loan Facility. With the amount of liquid assets on hand which are held outside the Escrow Account, the Company is of the view that it has sufficient financial resources to meet its ongoing capital requirements prior to the completion of the De-SPAC Transaction. Due to the Company's business nature, there is no ageing analysis of accounts receivable and accounts payable.

As of December 31, 2022, the Company had HK$1,001.0 million in the form of restricted bank deposits, and the remaining current assets of HK$13.2 million, mainly consisting of cash and cash equivalents of HK$10.1 million. As of December 31, 2022, the Company had current liabilities of HK$1,130.4 million, mostly consisting of Class A Shares of HK$1,001.0 million.

Borrowings and gearing ratio

The Company (as borrower) and Primavera Capital Acquisition (Asia) LLC and ABCI AM Acquisition Limited (as lenders) entered into a facility agreement on September 7, 2022 in relation to an aggregate of HK$20 million unsecured Loan Facility. As of the date of this announcement, no amount had been drawn down under the Loan Facility. The Company had amounts due to the Promoters of HK$0.6 million as of December 31, 2022, which are unsecured, interest free and repayable on demand.

As the Company did not have any borrowings as of December 31, 2022, the net gearing ratio (as calculated by total interest-bearing bank borrowings as at the end of respective period divided by total equity as at the same date) was not applicable to the Company as of December 31, 2022.

Foreign Exchange Exposure

As at December 31, 2022, the Company's cash and cash equivalents was denominated in Hong Kong dollars. As such, the Company did not have significant foreign currency exposure during the Reporting Period. The Company currently does not have a foreign currency hedging policy, however, the Company manages foreign exchange risk by performing regular reviews of net foreign exchange exposures to eliminate the foreign exchange exposures, where necessary.

Accruals and other payable

As of December 31, 2022, the Company had accruals and other payables of HK$4.5 million, mainly consisting of accrued listing expenses and other operating expenses.

OUTLOOK AND PROSPECTS

The Company is one of the handful of publicly listed SPACs in Hong Kong. The Company will have 24 months from the Listing Date to make an announcement of the terms of the De-SPAC Transaction and 36 months from the Listing Date to complete the De-SPAC Transaction, subject to any extension period approved by the shareholders of the Company (the "**Shareholders**") in accordance with the Listing Rules and the articles of association of the Company. In the forthcoming months, the Company will use its best endeavors to source a De-SPAC Target with strong and sustainable growth prospects and recommend it for approval by the Shareholders and the Stock Exchange.

The Company will conduct thorough due diligence review for the introduced potential De-SPAC Target. If the Company decides to further pursue after a particular De-SPAC Target subsequent to the due diligence review, further negotiations will be conducted to structure the terms of the De-SPAC Transaction. It is expected that substantial costs will be incurred in evaluating potential De-SPAC Target and in negotiating and executing a De-SPAC Transaction. The Company will continue to incur expenses as a publicly listed company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence expenses related to prospective De-SPAC Transactions. The Company intends to consummate the De-SPAC Transaction using (i) proceeds of the Offering; (ii) proceeds from the issuance of the Class B Shares and the Promoter Warrants; (iii) proceeds from independent third party investments; (iv) funds from any backstop agreements it may enter into; (v) loans from the Promoters or their affiliates, if any, under the Loan Facility or other arrangements; (vi) shares issued to the owners of the De-SPAC Target; and (vii) any other equity or debt financing, or a combination of the foregoing.

Significant Investments, Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures

The Company has no significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Employee and Remuneration Policy

As of December 31, 2022, the Company had no full-time employees and no staff cost has been recognized as expenses of the Company during the Reporting Period. The executive Directors are not entitled to any remuneration from the Company. The remuneration package of the independent non-executive Directors as well as other corporate executives and employees of the Company (if any) are benchmarked against the remuneration for similar positions in the market. The Company did not adopt any share schemes under Chapter 17 of the Listing Rules since its incorporation.

As a SPAC, the Company does not intend to have any full-time employees prior to the completion of the De-SPAC Transaction. Thus, the Company did not adopt remuneration policy since its incorporation. Any remuneration policy to be adopted after completion of the De-SPAC Transaction will be determined by the Board and reviewed by the remuneration committee of the Company. In general, the Company expects that the remuneration policy of the Company will provide remuneration packages including salary, bonus and various allowances, so as to attract and retain top quality staff, and the Company will determine employee salaries based on each employee's qualification, position and seniority. Training programs will be provided to employees to accelerate the learning progress and improve the knowledge and skill levels of our employees where necessary.

Capital Expenditure and Commitments

The Company did not incur any capital expenditure and commitment during the Reporting Period.

Contingent Liabilities

As of December 31, 2022, the Company did not have any contingent liabilities.

Charges on Assets

As of December 31, 2022, there were no charges on assets of the Company.

Future Plans for Material Investments and Capital Assets

The Company will continue to focus on its business strategies as set out in the listing document of the Company dated September 9, 2022 in respect of the Offering (the "**Listing Document**"). As of December 31, 2022, the Company has no other future plans for any material investments or capital assets.

DIVIDEND

As disclosed in the Listing Document, the Company does not intend to pay cash dividends prior to the completion of a De-SPAC Transaction. Hence, no final dividend was proposed by the Board for the Reporting Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company is committed to maintaining high standard of corporate governance to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Board has complied with all applicable code provisions set out in the Corporate Governance Code set out in Appendix 14 to the Listing Rules (the "**CG Code**") during the period from the Listing Date to December 31, 2022 with the exception of code provision C.2.1 of the CG Code, which requires the roles of chairman and chief executive to be held by different individuals. Mr. Chen Tong and Mr. Yang Xiuke were each appointed as the Co-chairman of the Board, executive Director and co-chief executive officer of the Company. The Board believes that, in view of their experience, personal profile and their respective roles in the Promoters, Mr. Chen Tong and Mr. Yang Xiuke are the Directors best suited to identify strategic opportunities and focus of the Board. Given the minimal level of business operation of the Company before the successful completion of the De-SPAC Transaction, the Board believes that the combined role of Co-chairman of the Board and co-chief executive officer can promote the effective execution of strategic initiatives and facilitate the flow of information between management and the Board. The Directors consider that the balance of power and authority will not be impaired due to this arrangement. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and three independent non-executive Directors.

Compliance with Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Company's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the period from the Listing Date to December 31, 2022. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Company during the period from the Listing Date to December 31, 2022.

Purchase, Sale or Redemption of Listed Securities of the Company

Other than the securities issued in the Offering, during the period from the Listing Date to December 31, 2022, the Company did not purchase, sell or redeem any of its listed securities.

Use of Proceeds

(a) Use of proceeds from the Offering

The Company received gross proceeds of HK$1,001.0 million from the Offering. All of the gross proceeds from the Offering are held in the Escrow Account pursuant to Rule 18B.16 of the Listing Rules and are held in the form of restricted bank balances in compliance with the Listing Rules and guidance letters which may be published by the Stock Exchange from time to time. There has been no change in the intended use of gross proceeds as previously disclosed in the Listing Document. For the avoidance of doubt, the proceeds from the Offering held in the Escrow Account do not include the proceeds from the sale of Class B Shares and the Promoter Warrants.

(b) Use of other proceeds

The Company received gross proceeds of from the sale of the Promoter Warrants of HK$35.6 million. The gross proceeds from the sale of the Promoter Warrants are held outside of the Escrow Account.

The following table sets forth the status of use of gross proceeds held outside of the Escrow Account as of December 31, 2022:

	% of gross proceeds held outside of the Escrow Account	Allocation disclosed in the Listing Document	Proceeds utilized as of December 31, 2022	Proceeds unutilized as of December 31, 2022
Expenses related to the Offering	78.65%	HK$28.0 million	HK$23.2 million	HK$4.8 million
General working capital	21.35%	HK$7.6 million	HK$2.3 million	HK$5.3 million
Total	100%	HK$35.6 million	HK$25.5 million	HK$10.1 million

Notes:

1. For expenses in relation to a De-SPAC Transaction, including legal, accounting, due diligence, travel and other expenses associated with identification and evaluation of a prospective De-SPAC Target, the total amount of which the Company is currently unable to estimate.

2. The Company expects that the remaining unutilized proceeds held outside of the Escrow Account shall be utilized gradually at the time of the completion of the De-SPAC Transaction (i.e. within 36 months of the Listing Date (or within the extended time limits under the Listing Rules, if applicable)).

AUDIT COMMITTEE

The Board has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the CG Code.

The Audit Committee currently consists of three members, namely Ms. Chan Ching Chu (alias Rebecca Chan), Ms. Chan Jeanette Kim Yum and Mr. Pu Yonghao, each of whom is an independent non-executive Director. The chairlady of the Audit Committee is Ms. Chan Ching Chu (alias Rebecca Chan). The Company's annual results for the Reporting Period and the accounting principles and policies adopted by the Company have been reviewed by the Audit Committee of the Company.

SCOPE OF WORK OF KPMG

The figures in respect of the Company's statement of financial position, statement of profit or loss and other comprehensive income and the related notes thereto for the Reporting Period as set out in the preliminary announcement have been compared by the Company's auditors, KPMG, Certified Public Accountants, to the amounts set out in the Company's draft financial statements for the Reporting Period and the amounts were found to be in agreement. The work performed by KPMG in the preliminary announcement did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditors on this announcement.

EVENTS AFTER THE REPORTING PERIOD

The Company did not have any material subsequent event after the Reporting Period and up to the date of this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "**AGM**") will be held on Wednesday, June 21, 2023. A notice convening the AGM will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.interraacquisition.com), and will be dispatched to the Shareholders in accordance with the requirements of the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Friday, June 16, 2023 to Wednesday, June 21, 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Thursday, June 15, 2023.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Company (www.interraacquisition.com) and the website of the Stock Exchange (www.hkexnews.hk).

The annual report of the Company for the Reporting Period containing all relevant information required under the Listing Rules will be despatched to the Shareholders and available on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Interra Acquisition Corporation
Mr. CHEN Tong
Co-chairman, Executive Director and
Co-chief executive officer

Hong Kong, March 21, 2023

As at the date of this announcement, the Board of the Company comprises Mr. CHEN Tong (Co-chairman and Co-chief executive officer), Mr. YANG Xiuke (Co-chairman and Co-chief executive officer), Ms. MING Liang and Mr. GE Chengyuan as the Executive Directors, and Ms. CHAN Ching Chu (alias Rebecca CHAN), Ms. CHAN Jeanette Kim Yum and Mr. PU Yonghao as the Independent Non-Executive Directors.