INTERRA ACQUISITION CORPORATION

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 7801)
(Warrant Code: 4801)

2022
ANNUAL REPORT

Contents

DEFINITIONS

In this annual report, unless the context otherwise requires, the following terms have the following meanings:

"ABC"	Agricultural Bank of China Limited
"ABCI"	ABC International Holdings Limited
"ABCI AM"	ABCI Asset Management Limited, a company incorporated in Hong Kong on January 3, 2011, a corporation licenced to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities as defined under the SFO and a Promoter of the Company
"ABCI AM Acquisition"	ABCI AM Acquisition Limited, a company incorporated in the British Virgin Islands on July 25, 2017, a wholly owned subsidiary of ABCI AM
"AGM"	the annual general meeting of the Company to be held on Wednesday, June 21, 2023 or any adjournment thereof
"Articles of Association"	the second amended and restated articles of association of the Company, as amended from time to time
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of directors of the Company
"CEO" or "Chief Executive Officer"	chief executive officer of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules
"Chief Financial Officer"	chief financial officer of the Company
"China" or "PRC"	the People's Republic of China excluding, for the purpose of this annual report, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Class A Share(s)"	Class A ordinary share(s) in the share capital of the Company with a par value of HK$0.0001 each and, after the De-SPAC Transaction, the Class A ordinary shares of the Successor Company or such other ordinary shares of the Successor Company that the Class A Shares of the Company convert into or are exchanged for
"Class B Share(s)"	Class B ordinary share(s) in the share capital of the Company with a par value of HK$0.0001 each

"Company"	Interra Acquisition Corporation, an exempted company incorporated under the laws of the Cayman Islands with limited liability on January 11, 2022
"De-SPAC Target"	the target of a De-SPAC Transaction
"De-SPAC Transaction"	an acquisition of, or a business combination with, a De-SPAC Target by the Company that results in the listing of a Successor Company
"Director(s)"	the director(s) of the Company
"Escrow Account"	the ring-fenced escrow account located in Hong Kong with the Escrow Agent acting as the escrow agent of such account
"Escrow Agent"	BOCI-Prudential Trustee Limited acting as the escrow agent of the Escrow Account
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Share Registrar"	Tricor Investor Services Limited
"Listed Warrants"	the warrants to be issued to Professional Investors of the Class A Shares
"Listing"	the listing of the Class A Shares and the Listed Warrants on the Main Board of the Stock Exchange
"Listing Date"	September 16, 2022, the date on which the Class A Shares and the Listed Warrants are listed and dealings in the Class A Shares and the Listed Warrants first commence on the Main Board of the Stock Exchange
"Listing Document"	the listing document of the Company dated September 9, 2022
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Loan Facility"	the HK$20.0 million unsecured loan facility in relation to the loan agreement dated September 7, 2022 entered into by the Company, Primavera LLC and ABCI AM Acquisition

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
"Nomination Committee"	the nomination committee of the Board
"Offer Securities"	the Class A Shares and the Listed Warrants offered pursuant to the Offering
"Offering"	the offer of the Offer Securities by the Company to Professional Investors as described in the Listing Document
"Primavera LLC"	Primavera Capital Acquisition (Asia) LLC, a limited liability company incorporated in the Cayman Islands on December 29, 2021, which is wholly owned by Primavera US LLC
"Primavera US LLC"	Primavera Capital Acquisition LLC, a limited liability company incorporated in the Cayman Islands on August 3, 2020 and a Promoter of the Company
"Professional Investors"	has the meaning given to it in section 1 of Part 1 of Schedule 1 to the SFO
"Promoter Warrant(s)"	the warrants issued to Primavera LLC and ABCI AM Acquisition at the issue price of HK$1.00 per Promoter Warrant simultaneously with the closing of the Offering
"Promoters"	Primavera US LLC and ABCI AM
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the period from January 11, 2022 (the Company's date of incorporation) to December 31, 2022
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Shareholder(s)"	holder(s) of the Share(s)
"Shares"	Class A Shares and Class B Shares
"SPAC"	special purpose acquisition company

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Successor Company"	the listed issuer resulting from the completion of a De-SPAC Transaction
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$"	United States dollars, the lawful currency of the United States
"%"	per cent

CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. CHEN Tong (陳桐)
(Co-Chairman and Co-Chief Executive Officer)
Mr. YANG Xiuke (楊秀科)
(Co-Chairman and Co-Chief Executive Officer)
Ms. MING Liang (明亮)
Mr. GE Chengyuan (葛程遠)

Independent Non-executive Directors

Ms. CHAN Ching Chu
(alias Rebecca Chan) (陳清珠)
Ms. CHAN Jeanette Kim Yum (陳劍音)
Mr. PU Yonghao (浦永灝)

Audit Committee

Ms. CHAN Ching Chu
(alias Rebecca Chan) (陳清珠) *(Chairlady)*
Ms. CHAN Jeanette Kim Yum (陳劍音)
Mr. PU Yonghao (浦永灝)

Remuneration Committee

Ms. CHAN Jeanette Kim Yum (陳劍音) *(Chairlady)*
Ms. CHAN Ching Chu
(alias Rebecca Chan) (陳清珠)
Mr. PU Yonghao (浦永灝)

Nomination Committee

Mr. CHEN Tong (陳桐) *(Co-chairman)*
Mr. YANG Xiuke (楊秀科) *(Co-chairman)*
Ms. CHAN Jeanette Kim Yum (陳劍音)
Ms. CHAN Ching Chu
(alias Rebecca Chan) (陳清珠)
Mr. PU Yonghao (浦永灝)

Promoters

Primavera Capital Acquisition LLC
ABCI Asset Management Limited

Company Secretary

Mr. LEE Leong Yin (李亮賢) *(ACG, HKACG)*

Authorized Representatives

Mr. YANG Xiuke (楊秀科)
Mr. LEE Leong Yin (李亮賢)

Auditor

KPMG
Certified Public Accountants and Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

Principal Bank

Bank of China (Hong Kong) Limited
Bank of China Tower
1 Garden Road
Hong Kong

Legal Advisor

Davis Polk & Wardwell
10/F, The Hong Kong Club Building
3A Chater Road
Hong Kong

Compliance Advisor

Somerley Capital Limited
20th Floor, China Building
29 Queen's Road Central
Hong Kong

Registered Office

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

Principal Place of Business in Hong Kong

5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

Principal Share Registrar and Transfer Office

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

Hong Kong Share Registrar

Tricor Investor Services Limited
17/F
Far East Finance Centre
16 Harcourt Road
Hong Kong

Escrow Agent of the Escrow Account

BOCI-Prudential Trustee Limited
Suites 1501–1507, 1513–1516, 15/F
1111 King's Road
Taikoo Shing
Hong Kong

Website

www.interraacquisition.com

Stock Code

7801

Warrant Code

4801

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Company is a SPAC formed for the purpose of effecting a De-SPAC Transaction. 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 the Offering on September 16, 2022. 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 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. The Company received gross proceeds of HK$1,001.0 million from the Offering, which was deposited in the Escrow Account and held in the form of restricted bank balances. As of the date of this annual report, 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 annual report, 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 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 LLC and ABCI AM Acquisition (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 annual report, 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 in accordance with the Listing Rules and the Articles of Association. 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. 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. As of December 31, 2022, the Company has no other future plans for any material investments or capital assets.

DIRECTORS AND SENIOR MANAGEMENT

The Board consists of four executive Directors and three independent non-executive Directors.

Executive Directors

Mr. CHEN Tong (陳桐), aged 42, was appointed as the Director on January 11, 2022 and re-designated as the Co-Chairman of the Board, executive Director and Co-Chief Executive Officer on January 26, 2022. He is also the co-chairman of the Nomination Committee. Mr. Chen was nominated to the Board by Primavera US LLC, a Promoter, and is an officer (as defined under the SFO) of Primavera US LLC. Mr. Chen is a partner and a founding member of Primavera, which he joined in 2010. At Primavera, Mr. Chen is responsible for sourcing, executing and exiting a variety of deals in the consumer and technology sectors, including investments in Alibaba Group, Cainiao Smart Logistics, Alibaba Local Services Group, iResearch, Vitaco Health and Love Bonito. Mr. Chen currently serves as chief executive officer and chief financial officer of PCAC (NYSE: PV). Mr. Chen is the executive manager of one of the Promoters, Primavera US LLC. From 2003 to 2006, he worked at the investment banking division of Goldman Sachs in Hong Kong and New York.

Mr. Chen obtained a Bachelor of Arts degree in Applied Mathematics from Harvard College in June 2003. He also received both his JD and MBA degrees from Harvard Law School and Harvard Business School respectively, in June 2010.

Mr. YANG Xiuke (楊秀科), aged 37, was appointed as the Director on January 18, 2022 and re-designated as the Co-Chairman of the Board, executive Director and Co-Chief Executive Officer on January 26, 2022. He is also the co-chairman of the Nomination Committee. Mr. Yang was nominated to the Board by ABCI AM, a Promoter, and is an officer (as defined under the SFO) of ABCI AM. Mr. Yang is a managing director at ABCI and head of ABCI AM, which he joined in May 2020. At ABCI, Mr. Yang is responsible for leading and managing the Asset Management business, including investments, business development and operations. Mr. Yang is also the Chairman of investment committee of ABCI AM and a member of compliance committee of ABCI. Mr. Yang is a director of one of the Promoters, ABCI AM. Prior to joining ABCI, Mr. Yang served as an executive director and a member of investment committee of Asia Clean Energy Fund, a US$2 billion renewable energy-focused buyout fund sponsored by China Three Gorges Corporation and E Fund Management. Mr. Yang also served as managing director and head of Alternative Investments of E Fund Management (HK) Co. He also worked at Haitong International Securities Company Limited and Goldman Sachs (Asia) LLC in Hong Kong.

Mr. Yang received a Bachelor's degree in Computer Science and Technology from Tsinghua University in July 2006 and a Master's degree in Economics from Peking University in July 2009. Mr. Yang is currently a holder of a Type 4 (advising on securities) licence and a Type 9 (asset management) licence issued by the SFC and a responsible officer of ABCI AM, a Promoter.

Ms. MING Liang (明亮), aged 42, was appointed as the executive Director on April 25, 2022. Ms. Ming was nominated to the Board by ABCI AM, a Promoter, and is an officer (as defined under the SFO) of ABCI AM. Ms. Ming is a director of ABCI AM, which she joined in December 2019. Ms. Ming serves as one of the key personnels of ABCI AM's SFC authorised fund. Ms. Ming has been holding a Type 4 (advising on securities) licence and a Type 9 (asset management) licence issued by the SFC and a responsible officer of ABCI AM, since April 2020. Ms. Ming is currently a member of the investment committee of ABCI AM. Prior to joining ABCI AM, Ms. Ming was a vice president and responsible officer of CMS Asset Management (HK) Co., Limited. Prior to that, Ms. Ming worked at Donghai International Financial Holdings Company Limited, Guotai Junan Assets (Asia) Ltd and Citibank (Shanghai branch).

Ms. Ming received her Bachelor's degree of Business Administration in Accounting from Shanghai University of Finance and Economics in July 2002 and her Master of Science degree in Financial Economics from BI Norwegian School of Management in Norway in November 2004. Ms. Ming has been a CFA Charterholder since April 2009.

Mr. GE Chengyuan (葛程遠), aged 30, was appointed as the Director on January 18, 2022 and re-designated as executive Director and Co-Chief Financial Officer on January 26, 2022. Mr. Ge was nominated to the Board by Primavera US LLC, a Promoter, and is an officer (as defined under the SFO) of Primavera US LLC. Mr. Ge joined Primavera in 2019 and is responsible for leading the evaluation, due diligence and negotiation work stream in a variety of private equity and venture capital investments, with a focus on healthcare and consumer businesses. Recent transactions which Mr. Ge took the lead in executing include investments in Jenscare Scientific, Shukun Technology, Accutar Biotech, Xbiome and Aurora. Mr. Ge also has experience in SPAC issuance. He is one of the key execution members of the issuance of PCAC by Primavera US LLC in the United States and its de-SPAC transaction. Prior to that, Mr. Ge worked at UBS AG in both Hong Kong and Beijing from 2016 to 2019, focusing on client coverage and transaction execution in healthcare, power and utilities sectors, where his last position was an investment banking associate director in Corporate Client Solutions Department. Mr. Ge was primarily responsible for providing strategic capital solutions for institutional clients and leading the execution of various capital raising exercises for both public and private companies, including equity and debt issuance, merger and acquisitions and private equity transactions.

Mr. Ge obtained his Bachelor of Arts degree in Mathematics and Statistics from University of Oxford in March 2016.

Independent non-executive Directors

Ms. CHAN Ching Chu *(alias Rebecca Chan)* **(陳清珠)**, aged 55, was appointed as the independent non-executive Director on September 5, 2022 and is primarily responsible for supervising and providing independent judgement to the Board. She is the chairlady of the Audit Committee and a member of the Remuneration Committee and Nomination Committee. Ms. Rebecca Chan has over 34 years of experience working for international accounting firms and the Hong Kong Stock Exchange. In 2022, Ms. Rebecca Chan was the chief financial officer of Cloudbreak Pharma Inc Group, and the director of Cloudbreak Pharma (HK) Limited and Cloudbreak Therapeutics Limited. Ms. Rebecca Chan was formerly a partner of Deloitte Touche Tohmatsu, KPMG and PricewaterhouseCoopers at different time of her career. Rebecca had led various capital market services group of these international accounting firms. Her experience in executing various types of capital market transactions spanned across various industries such as financial services, securities firms, consumer market, technology, media, conglomerate, property, services, energy, innovation and new economy sectors such as telecommunications, web advertising and biotech companies. She also served as the co-Head of the IPO and Head of Accounting Affairs team of the Listing Division of the Hong Kong Stock Exchange. Currently, Ms. Rebecca Chan is a member of the Professional Services Advisory Committee of Hong Kong Trade Development Council; the Management Committee of Consumer Legal Action Fund and the Telecommunications Appeal Board of the HKSAR government; the Task Force on Alumni Engagement of Hang Seng University of Hong Kong Council; the Standing Committee on Legal Education and Training of the HKSAR government; and the Consumer Representative on the Costs Committee of the HKSAR government. Formerly she was a member of a number of governmental, professional and regulatory committees, including, among others, the Financial Reporting Advisory Panel of the Hong Kong Stock Exchange; the Dual Filing Advisory Group of the Securities and Futures Commission; the Policy Research Committee of the Financial Services Development Council; the Copyright Tribunal; the Hong Kong University of Science and Technology MBA Alumni Advisory Board; the Appeal Board on Closure Orders (Immediate Health Hazard); the Appeal Board Panel (Town Planning); the Mandatory Provident Fund Schemes Appeal Board; the Occupational Retirement Schemes Appeal Board; the Solicitors Disciplinary Tribunal Panel; and various committees of the Hong Kong Institute of Certified Public Accountants including the Corporate Finance Committee, the Accountants' Report Sub-Committee and the Professional Standard Monitoring Committee.

Ms. Rebecca Chan is a practising member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Institute of Chartered Accountants in England and Wales. Ms. Chan obtained a Master of Business Administration at the Hong Kong University of Science and Technology in November 1997.

Ms. CHAN Jeanette Kim Yum (陳劍音), aged 64, was appointed as the independent non-executive Director on September 5, 2022 and is primarily responsible for supervising and providing independent judgement to the Board. She is also the chairlady of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. Ms. Chan, based in Hong Kong, is employed by Airwallex (Cayman) Limited ("**Airwallex**"), a global cross-border payments company, since 2019, and is currently the Chief Legal, Compliance and Risk Officer of the Airwallex Group. Prior to Airwallex, she was the managing partner of the China practice at Paul, Weiss, Rifkind, Wharton & Garrison LLP practising from 1986 to 2019, an international law firm where her practice focused on cross-border mergers and acquisitions and private equity investments, with an emphasis on joint venture transactions and in the telecommunications, IT and media markets in the Asia Pacific region. She is an independent non-executive Director of AirPower Technologies Limited. Since September 2022, Ms. Chan has been as an independent non-executive Director of Tencent Music Entertainment Group, the shares of which are listed on the Stock Exchange (stock code: 1698) and the New York Stock Exchange (NYSE: TME).

Ms. Chan is qualified to practise law in New York, British Columbia (Canada) and Hong Kong and is a non-practising solicitor of England and Wales. She obtained a Bachelor of Arts from the University of Toronto in Canada in 1980, a Bachelor of Laws from the University of British Columbia in Canada in May 1983, and a Master's degree in Law from Harvard University in the United States in June 1986.

Mr. PU Yonghao (浦永灝), aged 65, was appointed as the independent non-executive Director on September 5, 2022 and is primarily responsible for supervising and providing independent judgement to the Board. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee. Mr. Pu has over 20 years of experience in holding senior positions in investment banks. He currently serves as independent non-executive director of Huafa Property Services Group Company Limited (formerly known as HJ Capital (International) Holdings Company Limited), the shares of which are listed on the Stock Exchange (stock code: 982). From 2015 to 2018, Mr. Pu was the founding partner and chief investment officer of Fountainhead Partners Company Limited. From 2004 to 2015, Mr. Pu held various positions at UBS AG, including the regional chief investment officer of Asia Pacific and his last position held with UBS AG was managing director in Wealth Management and Retail & Corporate Division. Prior to joining UBS AG, Mr. Pu worked at Asian Development Bank as senior consultant from 2002 to 2003, Nomura International (Hong Kong) Limited as senior economist from 2000 to 2002 and Bank of China International (UK) Limited as senior economist from 1997 to 2000. Mr. Pu was the honorary institute fellow of The Chinese University of Hong Kong, The Asia-Pacific Institute of Business from 2011 to 2021. Mr. Pu is the vice chairman of Chinese Financial Association of Hong Kong.

Mr. Pu obtained a Bachelor's degree in accounting from Xiamen University in July 1982 and a Master's degree in Economics from the same university in January 1985. He also obtained a Master of Science from The London School of Economics and Political Science in October 1989.

Senior management

Mr. CHEN Tong (陳桐) is the Co-Chairman of the Board, executive Director and Co-Chief Executive Officer. Please see "— Executive Directors" above for his detailed biography.

Mr. YANG Xiuke (楊秀科) is the Co-Chairman of the Board, executive Director and Co-Chief Executive Officer. Please see "— Executive Directors" above for his detailed biography.

Mr. GE Chengyuan (葛程遠) is the executive Director and Co-Chief Financial Officer. Please see "— Executive Directors" above for his detailed biography.

Ms. ZHANG Shiyun (張詩耘), aged 33, has served as the Co-Chief Financial Officer since January 26, 2022. Ms. Zhang is also a Vice President at ABCI AM, which she joined in June 2020. At ABCI AM, Ms. Zhang is responsible for identifying and executing alternative investment opportunities, such as private equity. Prior to joining ABCI AM, Ms. Zhang also worked at Silk Road International Capital Limited, E Fund Management (Hong Kong) Co., Limited and Beijing BDA Consulting Co. Ltd. Ms. Zhang received a Bachelor's degree in Economics from Peking University in July 2011.

Company secretary

Mr. LEE Leong Yin (李亮賢) is a senior manager of Corporate Services of Tricor Services Limited, a global professional services provider specialising in integrated business, corporate and investor services. Mr. Lee has over 12 years of experience in the corporate secretarial field. Mr. Lee is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Mr. Lee obtained a Bachelor's degree of Business Administration in Corporate Administration from Hong Kong Metropolitan University in August 2010.

Changes in Directors' information

The change in directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Listing Document is set out below:

(i) In September 2022, Ms. CHAN Jeanette Kim Yum was appointed as an independent non-executive director of Tencent Music Entertainment Group, the shares of which are listed on the Stock Exchange (stock code: 1698) and the New York Stock Exchange (NYSE: TME).

Save as disclosed above, as of the date of this annual report, there are no other changes to the Directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Listing Date.

REPORT OF DIRECTORS

The Board is pleased to present this report of directors together with the audited financial statements of the Company for the Reporting Period.

Directors

The Directors who held office during the Reporting Period and up to the date of this annual report are:

Executive Directors:

Mr. CHEN Tong (陳桐) *(Co-Chairman and Co-Chief Executive Officer)*
(Appointed as a Director on January 11, 2022 and re-designated as an executive Director on January 26, 2022)
Mr. YANG Xiuke (楊秀科) *(Co-Chairman and Co-Chief Executive Officer)*
(Appointed as a Director on January 18, 2022 and re-designated as an executive Director on January 26, 2022)
Ms. MING Liang (明亮)
(Appointed as an executive Director on April 25, 2022)
Mr. GE Chengyuan (葛程遠) *(Co-Chief Financial Officer)*
(Appointed as a Director on January 18, 2022 and re-designated as an executive Director on January 26, 2022)

Independent non-executive Directors:

Ms. CHAN Ching Chu *(alias Rebecca Chan)* (陳清珠)
(Appointed as an independent non-executive Director on September 5, 2022)
Ms. CHAN Jeanette Kim Yum (陳劍音)
(Appointed as an independent non-executive Director on September 5, 2022)
Mr. PU Yonghao (浦永灝)
(Appointed as an independent non-executive Director on September 5, 2022)

Biographical details of the Directors and senior management of the Company are set out in the section headed "Directors and Senior Management" of this annual report.

Principal activities

The Company is a SPAC formed for the purpose of effecting the De-SPAC Transaction. 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.

As of the date of this annual report, the Company has not selected any specific De-SPAC Target and it has not, nor has anyone on its behalf, initiated or engaged in any substantive discussions, directly or indirectly, with any De-SPAC Target with respect to a De-SPAC Transaction with the Company.

Business review

A fair review of the business of the Company as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including an analysis using financial key performance indicators and an indication of likely future developments in the Company's business, is set out in the section headed "Management Discussion and Analysis" of this annual report. These discussions form part of this annual report. Events affecting the Company that have occurred since the end of the financial year is set out in the paragraph headed "Important Events after the Reporting Period" in this annual report.

Environmental policies and performance

The Company is committed to operate its business in compliance with applicable environmental protection laws and regulations and has implemented relevant environmental protection measures in compliance with the required standards under applicable laws and regulations.

Further details of the Company's environmental policies and performance are disclosed in the section headed "Environmental, Social and Governance Report" of this annual report.

Compliance with the relevant laws and regulations

As far as the Board and management are aware, the Company has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Company. During the Reporting Period, there was no material breach of, or non-compliance, with applicable laws and regulations by the Company.

Related party transactions and connected transactions

Details of the related party transactions of the Company for the Reporting Period are set out in Note 19 to the financial statements contained in this annual report. Save as the Loan Facility, none of the related party transactions constitute a connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules. During the Reporting Period, the Company has not entered into any connected transaction or continuing connected transaction which should be disclosed pursuant to the requirements of Rule 14A.71 of the Listing Rules.

Competing business

There was no competing business of which any Directors or their respective close associates had a material interest, whether directly or indirectly, subsisted at the end of the year or any time during the Reporting Period.

Provision of financial assistance by promoters to the Company by way of a loan facility

The Company (as borrower) and Primavera LLC and ABCI AM Acquisition (as lenders) entered into a facility agreement on September 7, 2022 in relation to a Loan Facility of an aggregate of HK$20 million. As of the date of this annual report, no amount had been drawn down under the Loan Facility.

Since each of Primavera LLC and ABCI AM Acquisition is a connected person of the Company, the Loan Facility constitutes a continuing connected transaction of the Company. Accordingly, the entering into of the Loan Facility which is a form of financial assistance provided by connected persons to the Company constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Since the Loan Facility is not secured by any assets of the Company and is conducted on normal commercial terms or better, the transaction contemplated thereunder is fully exempted from the reporting, annual review, announcement, circular and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

The Loan Facility is interest free for which no security is provided by the Company as borrower and on normal commercial terms or better for the Company. No part of the Loan Facility can be converted into any Shares, warrants or other securities of the Company.

Major customers and suppliers and relationship with stakeholders

As the Company is a SPAC with no business operations other than administration related to establishing SPAC entity and identifying De-SPAC Target, it did not record any revenue for the Reporting Period, nor did it have any customers or suppliers during the Reporting Period.

The Company understands the importance of maintaining a good relationship with its employees and other stakeholders to meet its immediate and long-term goals. The Company will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

Principal risks and uncertainties

The following list is a summary of certain principal risks and uncertainties facing the Company, some of which are beyond its control.

- Because of the limited resources and the significant competition for De-SPAC Transaction opportunities, the Company may not be able to complete the De-SPAC Transaction. If the Company does not complete the De-SPAC Transaction, the Class A Shareholders may receive only their pro rata portion of the funds in the Escrow Account that are available for distribution to Class A Shareholders, and the warrants, including the Listed Warrants, will expire worthless;

- The Company may be unable to obtain third party investments in the amounts required to complete the De-SPAC Transaction;

- The De-SPAC Transaction is subject to regulatory approvals, and the Company cannot assure that it will receive all the necessary approvals;

- Past performance by the management team or, the Promoters and their respective affiliates, including investments and transactions in which they have participated and businesses with which they have been associated, may not be indicative of the future performance of the investment in the Company;

- The Company is dependent upon the officers and Directors and their departure could materially adversely affect the ability to operate; and

- The officers and Directors presently have, and any of them in the future may have additional, fiduciary or contractual obligations to other entities and, accordingly, may have conflicts of interest in determining to which entity a particular business opportunity should be presented.

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares.

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)).

Pre-emptive rights

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro-rata basis to the existing Shareholders. The Shareholders have no pre-emptive or other subscription rights, other than the additional Listed Warrants to be issued upon the completion of the De-SPAC Transaction as described in the paragraph "Description of Securities — Warrants — Additional Warrants" in the Listing Document.

Tax relief and exemption of holders of listed securities

The Company is not aware of any tax relief or exemption available to the Shareholders by reason of their respective holding of the Company's securities.

Subsidiaries

The Company does not have any subsidiary as of the date of this annual report.

Pension Schemes

As of December 31, 2022, the Company had no full-time employees, and no pension scheme was operated by the Company for any employee of the Company.

Property, plant and equipment

Due to the Company's business nature, the Company does not have any property, plant and equipment as of December 31, 2022.

Share capital

Details of movements in the share capital of the Company during the Reporting Period are set out in Note 17a to the financial statements.

Sufficiency of public float

According to the information that is publicly available to the Company and within the knowledge of the Board, as of the date of this annual report, the Company has maintained the public float as required under the Listing Rules.

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.

Donations

During the Reporting Period, the Company did not make any charitable donations.

Debentures issued

The Company did not issue any debentures during the Reporting Period.

Equity-linked agreements

No equity-linked agreements were entered into by the Company, or existed during the Reporting Period.

Results and dividends

The financial results of the Company for the Reporting Period are set out on pages 54 to 58 of this annual report.

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. There is no arrangement under which a shareholder of the Company has waived or agreed to waive any dividend.

Permitted indemnity

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director or other officer of the Company shall be entitled to be indemnified out of the assets and funds of the Company against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained in or about the conduct of the Company's business or affairs.

Such permitted indemnity provision has been in force for the Reporting Period. The Company has taken out liability insurance to provide appropriate coverage for the Directors.

Reserves

As of December 31, 2022, the Company did not have any distributable reserves. Details of the movements in the reserves of the Company during the Reporting Period are set out in the statement of changes in equity of the financial statements.

Directors' letters of appointment

Each of the executive Directors have entered into a letter of appointment in relation to his/her role as a Director, which is subject to termination by the Director or the Company in accordance with the terms of the letter of appointment, the requirements of the Listing Rules and the provisions relating to the retirement and rotation of the Directors under the Articles of Association. Pursuant to the letters of appointment entered into with the Company, none of the executive Directors will receive any remuneration as director's fee.

Each of the independent non-executive Directors have entered into a letter of appointment in relation to his/her role as a Director effective from September 5, 2022 which shall continue subject to termination by the Director or the Company in accordance with the terms of the letter of appointment, the requirements of the Listing Rules and the provisions relating to the retirement and rotation of the Directors under the Articles of Association. Under these letters of appointment, each of the independent non-executive Directors will receive an annual director's fee of HK$150,000 per year.

As of December 31, 2022, none of the Directors had a letter of appointment with the Company other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

Contracts with Controlling Shareholders and Pledging of Shares by Controlling Shareholders

As at December 31, 2022, the Company had no controlling shareholder and therefore (i) there was no pledge of Shares to secure the Company's debts or to secure guarantees or other support of their obligations, (ii) there was no loan agreement with covenants relating to specific performance of controlling shareholder, (iii) no contract of significance has been entered into among the Company and a controlling shareholder or any of its subsidiaries during the Reporting Period or subsisted as of December 31, 2022; and (iv) no contract of significance for the provision of services to the Company has been entered by and a controlling shareholder or any of its subsidiaries during the Reporting Period or subsisted as of December 31, 2022.

Directors' interests in transactions, arrangements or contracts of significance

Save as disclosed in this annual report, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting has entered into any service agreement or letter of appointment with any member of the Company (excluding agreements expiring or determinable by any member of the Company within one year without payment of compensation other than statutory compensation) during or at the end of the Reporting Period.

Arrangements to purchase shares or debentures

At no time during the Reporting Period was the Company a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debt securities including debentures of, the Company or any other body corporate.

Directors' and chief executives' interests and short positions in Shares and underlying Shares and debentures of the Company or any of its associated corporations

Save as disclosed in this annual report and to the best knowledge of the Directors, as at December 31, 2022, none of the Directors or the chief executives of the Company has any interests and/or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Substantial shareholders' interests and short positions in Shares and underlying Shares

As far as the Directors are aware, as at December 31, 2022, the following persons (other than the Directors or chief executives of the Company) had an interest or a short position in the Shares and the underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 336 of the SFO, to be entered in the register referred to therein:

Name of Shareholder	Capacity/ Nature of Interest	Number of Shares held or interested	Approximate percentage of the relevant class of Shares[(1)]	Approximate percentage of total issued Shares[(1)]
Class A Shares				
CITIC Group Corporation[(2)]	Interest in controlled corporation	17,749,644 Class A Shares	17.73%	14.19%
Lo Yuk Sui[(3)]	Interest in controlled corporation	17,094,000 Class A Shares	17.08%	13.66%
Industrial and Commercial Bank of China Limited[(4)]	Interest in controlled corporation	10,890,000 Class A Shares	10.88%	8.70%
TF International Securities Group Limited[(5)]	Beneficial interest	9,350,000 Class A Shares	9.34%	7.47%
Yue Xiu Investment Fund Series Segregated Portfolio Company — Yue Xiu Quantitative Growth SP[(6)]	Beneficial interest	7,700,000 Class A Shares	7.69%	6.15%
Primavera LLC[(7)(9)]	Beneficial interest	7,710,960 Class A Shares	7.70%	6.16%
Primavera US LLC[(7)(9)]	Interest in controlled corporation	7,710,960 Class A Shares	7.70%	6.16%
Dr. Fred Hu[(7)(9)]	Interest in controlled corporation	7,710,960 Class A Shares	7.70%	6.16%
ABCI AM Acquisition[(8)(9)]	Beneficial interest	5,140,640 Class A Shares	5.14%	4.11%
ABCI AM[(8)(9)]	Interest in controlled corporation	5,140,640 Class A Shares	5.14%	4.11%
ABCI[(8)(9)]	Interest in controlled corporation	5,140,640 Class A Shares	5.14%	4.11%
ABC[(8)(9)]	Interest in controlled corporation	5,140,640 Class A Shares	5.14%	4.11%
Central Huijin Investment Ltd.[(4)(8)(9)]	Interest in controlled corporation	17,603,156 Class A Shares	17.59%	14.07%

Name of Shareholder	Capacity/ Nature of Interest	Number of Shares held or interested	Approximate percentage of the relevant class of Shares(1)	Approximate percentage of total issued Shares(1)
Class B Shares				
Primavera LLC(7)	Beneficial interest	15,015,000 Class B Shares	60%	12%
Primavera US LLC(7)	Interest in controlled corporation	15,015,000 Class B Shares	60%	12%
Dr. Fred Hu(7)	Interest in controlled corporation	15,015,000 Class B Shares	60%	12%
ABCI AM Acquisition(8)	Beneficial interest	10,010,000 Class B Shares	40%	8%
ABCI AM(8)	Interest in controlled corporation	10,010,000 Class B Shares	40%	8%
ABCI(8)	Interest in controlled corporation	10,010,000 Class B Shares	40%	8%
ABC(8)	Interest in controlled corporation	10,010,000 Class B Shares	40%	8%
Central Huijin Investment Ltd. (8)	Interest in controlled corporation	10,010,000 Class B Shares	40%	8%

Notes:

(1) As at December 31, 2022, the Company has issued a total number of 125,125,000 Shares, including 100,100,000 Class A Shares and 25,025,000 Class B Shares.

(2) Based on the information set out in the relevant disclosure made by the relevant substantial shareholder(s), such Class A Shares are held through certain controlled corporations of CITIC Group Corporation. CITIC Group Corporation also held 2,239,644 Class A Shares in long position represent Class A Shares underlying listed derivatives — cash settled.

(3) Based on the information set out in the relevant disclosure made by the relevant substantial shareholder(s), such Class A Shares are held through certain controlled corporations of Lo Yuk Shui. Among the Class A shares in long position indirectly held by Lo Yuk Shui, 4,884,000 Class A Shares in long position represent Class A Shares underlying listed derivatives — convertible instruments.

(4) Based on the information set out in the relevant disclosure made by the relevant substantial shareholder(s), Murray Enterprise Limited is wholly-owned by ICBC International Investment Management Limited, which is in turn wholly-owned by ICBC International Holdings Limited. ICBC International Holdings Limited is wholly-owned by Industrial and Commercial Bank of China Limited, which is in turn owned as to 34.71% by Central Huijin Investment Ltd., a state owned enterprise. Therefore, each of Central Huijin Investment Ltd. and Industrial and Commercial Bank of China Limited is deemed to be interested in the 10,890,000 Class A Shares and 4,356,000 Listed Warrants held by Murray Enterprise Limited.

(5) Based on the information set out in the relevant disclosure made by TF International Securities Group Limited, TF International Securities Group Limited held 9,350,000 Class A Shares and 3,740,000 Listed Warrants.

(6) Based on the information set out in the relevant disclosure made by Yue Xiu Investment Fund Series Segregated Portfolio Company — Yue Xiu Quantitative Growth SP, Yue Xiu Investment Fund Series Segregated Portfolio Company — Yue Xiu Quantitative Growth SP held 7,700,000 Class A Shares and 3,080,000 Listed Warrants.

(7) Primavera LLC is a wholly-owned subsidiary of Primavera US LLC. Dr. Fred Hu holds approximately 39% of the shareholding in Primavera US LLC and is deemed to be interested in the underlying Class A Shares of the Promoter Warrants and Class B Shares held by Primavera LLC.

(8) ABCI AM Acquisition is a wholly-owned subsidiary of ABCI AM which is wholly-owned by ABCI, being a wholly-owned subsidiary of ABC. ABC is owned as to approximately 40.03% by Central Huijin Investment Ltd., a wholly state-owned company. Each of ABCI AM, ABCI, ABC and Central Huijin Investment Ltd. is deemed to be interested in the underlying Class A Shares of the Promoter Warrants and Class B Shares held by ABCI AM Acquisition.

(9) Represents interest in the underlying Class A Shares of the Promoter Warrants. On the basis of a cashless exercise of the Promoter Warrants and subject to the terms and conditions under the Promoter Warrant Agreement (including the exercise mechanism and anti-dilution adjustments), the Promoter Warrants may be exercised for a maximum of 12,851,600 Class A Shares in the aggregate, representing approximately 10.3% of the total Shares in issue.

Compensation of Directors and senior management

The executive Directors and senior management of the Company 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. Under the letters of appointment signed between the Company and each of the independent non-executive Directors, each of the independent non-executive Directors will receive an annual director's fee of HK$150,000 per year.

Details of the Director's emoluments and emoluments of the five highest paid individuals in the Company are set out in Notes 7 and 8 to the financial statements.

For the Reporting Period, no emoluments were paid by the Company to any Director or any of the five highest paid individuals as an inducement to join or upon joining the Company or as compensation for loss of office. None of the Directors has waived or agreed to waive any emoluments for the Reporting Period.

Except as disclosed above, no other payments have been made or are payable, for the Reporting Period, by the Company to or on behalf of any of the Directors.

Management contracts

No contract, concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Reporting Period.

Material legal proceedings

The Company was not involved in any material legal proceeding during the Reporting Period.

Annual general meeting

The AGM of the Company will be held on Wednesday, June 21, 2023. The notice of the AGM will be published and dispatched in due course in the manner as required by the Listing Rules.

Closure of register of members

For the purpose of determining the Shareholders' eligibility 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 no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all duly completed share transfer forms accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, June 15, 2023, for registration.

Auditor

The Company's shares were only listed on the Stock Exchange on September 16, 2022, and there has been no change in auditor since the Listing Date. The financial statements for the Reporting Period have been audited by KPMG, Certified Public Accountants, who are proposed for re-appointment at the AGM.

Continuing disclosure obligations pursuant to the Listing Rules

Save as disclosed in this annual report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

Important events after the Reporting Period

No important events affecting the Company occurred after the Reporting Period and up to the date of this annual report.

On behalf of the Board
Interra Acquisition Corporation

Mr. CHEN Tong
Co-Chairman, Executive Director and Co-Chief Executive Officer

Hong Kong, March 21, 2023

CORPORATE GOVERNANCE REPORT

The Board is pleased to present the corporate governance report for the Company for the period from the Listing Date to December 31, 2022.

Corporate governance practices

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 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.

Governance culture

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and stakeholders will all benefit.

Corporate governance is the process by which the Board instructs management of the Company to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure, among others,

— satisfactory and sustainable returns to Shareholders;

— that the interests of those who deal with the Company are safeguarded;

— that overall business risk is understood and managed appropriately; and

— that high standards of ethics are maintained.

Compliance with Model Code

The Company has adopted 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.

Board of Directors

The Company is headed by an effective Board which oversees the Company's strategic decisions and makes decisions objectively in the best interests of the Company. The Board should regularly review the contribution required from a Director to perform his/her responsibilities to the Company, and whether the Director is spending sufficient time performing such responsibilities.

The Board currently comprises four executive Directors and three independent non-executive Directors.

As of the date of this annual report, the composition of the Board is as following:

Executive Directors:

Mr. CHEN Tong (陳桐) *(Co-Chairman and Co-Chief Executive Officer)*
(Appointed as a Director on January 11, 2022 and re-designated as an executive Director on January 26, 2022)
Mr. YANG Xiuke (楊秀科) *(Co-Chairman and Co-Chief Executive Officer)*
(Appointed as a Director on January 18, 2022 and re-designated as an executive Director on January 26, 2022)
Ms. MING Liang (明亮)
(Appointed as an executive Director on April 25, 2022)
Mr. GE Chengyuan (葛程遠) *(Co-Chief Financial Officer)*
(Appointed as a Director on January 18, 2022 and re-designated as an executive Director on January 26, 2022)

Independent non-executive Directors:

Ms. CHAN Ching Chu *(alias Rebecca Chan)* (陳清珠)
(Appointed as an independent non-executive Director on September 5, 2022)
Ms. CHAN Jeanette Kim Yum (陳劍音)
(Appointed as an independent non-executive Director on September 5, 2022)
Mr. PU Yonghao (浦永灝)
(Appointed as an independent non-executive Director on September 5, 2022)

The biographical details of the Directors are set out in the section headed "Directors and Senior Management" of this annual report.

There is no relationship (including financial, business, family or other material/relevant relationship(s)) between the Board members.

Board meetings

Code provision C.5.1 of the CG Code stipulates that board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communications. Code provision C.2.7 of the CG Code requires that the Chairman should at least annually hold meetings with independent non-executive directors without the presence of other directors.

As the Company's Class A Shares and the Listed warrants were only listed on the Stock Exchange on September 16, 2022, only one Board meeting and a meeting between the Co-Chairman and the independent non-executive Directors without the presence of other Directors were held during the period from the Listing Date to December 31, 2022. The Company expects to continue to convene at least four regular meetings in each financial year at approximately quarterly intervals in accordance with code provision C.5.1 of the CG Code, and to hold a meeting between the Co-Chairmen and the independent non-executive Directors without the presence of other Directors in accordance with Code Provision C.2.7 of the CG Code.

A summary of the attendance record of the Directors at Board meetings and Board committee meetings is set out in the following table below:

Name of Director	Board	Audit Committee	Remuneration Committee	Nomination Committee
Executive Directors:				
Mr. CHEN Tong	1/1	N/A	N/A	0/0
Mr. YANG Xiuke	1/1	N/A	N/A	0/0
Ms. MING Liang	1/1	N/A	N/A	N/A
Mr. GE Chengyuan	1/1	N/A	N/A	N/A
Independent Non-executive Directors:				
Ms. CHAN Ching Chu *(alias Rebecca Chan)*	1/1	1/1	0/0	0/0
Ms. CHAN Jeanette Kim Yum	1/1	1/1	0/0	0/0
Mr. PU Yonghao	1/1	1/1	0/0	0/0

The Company did not hold any general meeting during the period from the Listing Date to December 31, 2022.

Independent non-executive Directors

During the period from the Listing Date to December 31, 2022, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Board has received from each of the independent non-executive Directors a written annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and considers each of them to be independent. Each of the independent non-executive Directors have entered into a letter of appointment in relation to his/her role as a director of the Company.

Appointment and re-election of Directors

All the Directors are subject to retirement by rotation and re-election at annual general meeting of the Company. Pursuant to the Articles of Association, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office and be eligible for re-election at each annual general meeting of the Company, provided that every Director is subject to retirement by rotation at least once every three years. In addition, any new Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.

As of the date of this annual report, none of the Directors had a letter of appointment with the Company other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

In accordance with article 119(a) and (b) of the Articles of Association, Mr. CHEN Tong, Mr. YANG Xiuke and Mr. GE Chengyuan will retire from the Board by rotation at the AGM and, being eligible, offer themselves for re-election.

Responsibilities, accountabilities and contributions of the Board and management

The Board is the primary decision making body of the Company and is responsible for overseeing the Company's strategic decisions and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board makes decisions objectively to safeguard in the interests of the Company and its shareholders. The Board has delegated the authority and responsibility for day-to-day management of the Company to the senior management of the Company.

All Directors, including the independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations. All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

Board Independence

The Company has a mechanism to evaluate the independence of the Board to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests. The objectives of the evaluation are to improve Board effectiveness, maximize strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance.

Further, the Company has appointed three independent non-executive Directors, which aims to enhance the effectiveness and decision-making of the Board by providing objective judgement and constructive challenge to management.

The Company has also established channels through formal and informal means whereby Directors can express their views in an open and candid manner. These include periodic Board reviews, dedicated meeting sections with the Co-Chairmen and interaction with management and other Board members including the Co-Chairmen outside the boardroom. The Board will review the implementation and effectiveness of the abovementioned mechanism on an annual basis to ensure that independent views and input are available to the Board. During the period from the Listing Date to the date of this annual report, the Board has reviewed the implementation and effectiveness of the abovementioned mechanism and the results were satisfactory.

Board committees

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. Each of these committees is established with defined written terms of reference. The terms of reference of each of these committees are available on the websites of the Company and the Stock Exchange.

Audit Committee

The Company has established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee consists of three independent non-executive Directors, namely, Ms. CHAN Jeanette Kim Yum, Mr. PU Yonghao and Ms. CHAN Ching Chu *(alias Rebecca Chan)*. Ms. CHAN Ching Chu *(alias Rebecca Chan)*, being the chairlady of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, risk management and internal control systems of the Company, overseeing the audit process and performing other duties and responsibilities assigned by the Board.

The Audit Committee has reviewed together with the management the accounting principles and policies adopted by the Company and discussed the risk management and internal controls and financial reporting matters including a review of the audited financial statements of the Company for the Reporting Period.

During the period from the Listing Date to December 31, 2022, the Audit Committee has convened meeting for once. During the period from the Listing Date and up to the date of this annual report, the Audit Committee has convened two meetings.

During the above meetings, the Audit Committee reviewed the annual results and annual report of the Company for the Reporting Period, discussed the matters with respect to the risk management and internal control systems of the Company, accounting policies and practises adopted by the Company, discussed the re-appointment of auditor, reviewed the whist-blowing policy and anti-corruption policy.

During the period from the Listing Date and up to the date of this annual report, the Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor.

Remuneration Committee

The Company has established a Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the CG Code. The Remuneration Committee consists of three independent non-executive Directors, namely, Ms. CHAN Ching Chu *(alias Rebecca Chan)*, Ms. CHAN Jeanette Kim Yum and Mr. PU Yonghao. Ms. CHAN Jeanette Kim Yum is the chairlady of the Remuneration Committee. The primary duties of the Remuneration Committee include, among others, (i) making recommendations to the Board of Directors on the policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing such remuneration policy, (ii) determining with delegated responsibility, or making recommendations to the Board of Directors on the remuneration packages of individual executive Directors and senior management, (iii) making recommendations to the Board on the remuneration of Non-executive Directors, and (iv) reviewing and approving the compensation payable to executive Directors and senior management for loss or termination of office or appointment as well as compensation arrangements relating to dismissal or removal of Directors for misconduct.

As the Company's Class A Shares and the Listed Warrants were only listed on the Stock Exchange on September 16, 2022, the Remuneration Committee did not hold any meetings during the period from the Listing Date to December 31, 2022. During the period from the Listing Date to the date of this annual report, the Remuneration Committee held meeting for once to review the remuneration policy and structure for all Directors and senior management and remuneration of Directors and senior management.

Nomination Committee

The Company has established a Nomination Committee with written terms of reference in compliance with the Rule 3.27A of the Listing Rules and the CG Code. The Nomination Committee consists of two executive Directors and three independent non-executive Directors, namely, Mr. CHEN Tong, Mr. YANG Xiuke, Ms. CHAN Ching Chu *(alias Rebecca Chan)*, Ms. CHAN Jeanette Kim Yum and Mr. PU Yonghao. Mr. CHEN Tong and Mr. YANG Xiuke are the co-chairmen of the Nomination Committee. The primary duties of the Nomination Committee include, without limitation, reviewing the structure, size and composition of the Board of Directors, assessing the independence of the independent non-executive Directors, making recommendations to the Board of Directors on matters relating to the appointment or re-appointment of Directors.

As the Company's Class A Shares and the Listed Warrants were only listed on the Stock Exchange on September 16, 2022, the Nomination Committee did not hold any meetings during the period from the Listing Date to December 31, 2022. During the period from the Listing Date to the date of this annual report, the Nomination Committee held meeting for once to review the structure, size and composition of the Board, the board diversity policy and the director nomination policy, assessed the independence of the independent non-executive Director and recommended the re-election of Director. The Board considered that an appropriate balance of diversity perspectives of the Board was maintained during the period from the Listing Date to December 31, 2022.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning board diversity as set out in the Company's board diversity policy (the "**Board Diversity Policy**"). The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

Board Diversity Policy

The Company has adopted the Board Diversity Policy which sets out the objective and approach to achieve and maintain diversity of the Board in order to enhance the effectiveness of the Board.

Pursuant to the Board Diversity Policy, the Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to professional experience, skills, knowledge, gender, age, nationality, cultural and education background, ethnicity and length of service. The Directors have a balanced mix of knowledge and skills, including knowledge and experience in the areas of private equity, corporate finance, accounting, legal and asset management. They obtained degrees in various areas including Applied Mathematics, Economies and Accounting. The Board Diversity Policy is well implemented as evidenced by the fact that there are four male Directors and three female Directors, ranging from 30 years old to 65 years old with different experience from different industries and sectors. The Board believes that based on the existing business model and specific needs, the background of the Directors and the composition of the Board satisfies the principles under the Board Diversity Policy. The gender ratio in the workforce (including senior management) remains balance during the period from the Listing Date to the date of this annual report and was 1:1 as at December 31, 2022. The Board is of the view that gender diversity has been achieved in respect of the Board.

During the period from the Listing Date to the date of this annual report, the Nomination Committee has reviewed the diversity of the Board and considered that the Company has achieved the measurable objectives of the Board Diversity Policy in terms of professional experience, skills, knowledge, gender, age and length of service etc.

The Company also committed to adopting a similar approach to promote diversity within the management (including but not limited to the senior management) of the Company to enhance the effectiveness of corporate governance of the Company as a whole. The Nomination Committee is delegated by the Board to be responsible for compliance with relevant codes governing board diversity under the CG Code. The Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness and the Company will disclose in its corporate governance report about the implementation of the Board Diversity Policy on an annual basis.

Measurable objectives

For the purpose of implementation of the Board Diversity Policy, selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Apart from the above objectives, the Board Diversity Policy has complied with the following objectives with the Listing Rules:

1. at least one third of the members of the Board shall be independent non-executive Directors;

2. at least three of the members of the Board shall be independent non-executive Directors;

3. at least one of the members of the Board shall be female; and

4. at least one of the members of the Board shall have obtained appropriate professional qualifications or accounting or related financial management expertise.

The Board has achieved the measurable objectives in the Board Diversity Policy.

Director Nomination Policy

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee.

The Company has adopted a director nomination policy (the "**Director Nomination Policy**") which sets out the selection criteria and nomination process in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The nomination procedure and process set out in the Director Nomination Policy is as follows:

- The Nomination Committee shall convene committee meetings and invite the Board members to nominate candidates (if any) for the Nomination Committee to consider before convening the meeting. The Nomination Committee may also nominate candidates who have not been nominated by the Board members.

- For the appointment of any director candidate, the Nomination Committee shall conduct adequate due diligence in respect of such candidate and make recommendations to the Board for consideration. For the re-appointment of any existing members of the Board, the Nomination Committee shall make recommendations to the Board for consideration.

The Director Nomination Policy sets out the criteria for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Integrity and reputation;
- Educational background, professional qualifications and work experience (including part-time jobs);
- Whether or not they have the necessary skills and experience;
- Whether or not they are able to spend sufficient time and energy to handle the Company's affairs;
- Whether or not they will promote the diversity of the Board in all aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and term of office;
- Whether or not the candidates for independent directors meet the requirements for independence under Rule 3.13 of the Listing Rules; and
- Any other relevant factors as determined by the Nomination Committee or the Board from time to time.

During the period from the Listing Date and up to the date of this annual report, there was no change in the composition of the Board. The Nomination Committee recommended to the Board that the re-appointment of Director at the AGM is subject to a stringent nomination process in accordance with the Director Nomination Policy and the Board Diversity Policy and to ensure the Board possesses the necessary skills, experience and knowledge in alignment with the Company's strategy.

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

Dividend policy

The Company has not paid any cash dividends on its Shares to date and do not intend to pay cash dividends prior to the completion of a De-SPAC Transaction. The payment of cash dividends in the future will be dependent upon the Company's revenues and earnings, if any, as well as its capital requirements and the general financial condition of the Successor Company subsequent to the completion of a De-SPAC Transaction. The payment of any cash dividends subsequent to a De-SPAC Transaction will be within the discretion of the Board at such time. Further, if the Company incurs any indebtedness, its ability to declare dividends may be limited by restrictive covenants it may agree to in connection therewith.

Corporate governance function

The Board is responsible for performing the functions set out in the Code Provision A.2.1 of the CG Code, including (a) to develop and review Company's policies and practices on corporate governance and make recommendations to the Board; (b) to review and monitor the training and continuous professional development of Directors and senior management; (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report. The Board has performed the aforesaid functions during the period from the Listing Date to the date of this annual report.

The Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of the Company may from time to time and as the circumstances require provide updated written training materials relating to the roles, functions and duties of a director of a company listed on the Stock Exchange.

Directors' responsibility in respect of the financial statements

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Reporting Period.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Continuous professional development of Directors

Pursuant to the code provision C.1.4 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

Pursuant to the code provision C.1.1 of the CG Code, each newly appointed Director should be provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under relevant statues, laws, rules and regulations.

During the Reporting Period and up to the date of this annual report, the Directors were regularly briefed on the amendments to or updates on the relevant laws, rules and regulations.

During the Reporting Period, all Directors (including Mr. CHEN Tong, Mr. YANG Xiuke, Ms. MING Liang, Mr. GE Chengyuan, Ms. CHAN Ching Chu *(alias Rebecca Chan)*, Ms. CHAN Jeanette Kim Yum and Mr. PU Yonghao) have participated in training session conducted by the legal advisers of the Company, and have been updated with the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. The Directors are asked to submit a signed training record to the Company on an annual basis. In addition, continuing briefing and professional development to Directors will be arranged whenever necessary.

Auditor's responsibility and remuneration

The Company appointed KPMG, Certified Public Accountants, as the external auditor for the Reporting Period. A statement by KPMG about their reporting responsibilities for the financial statements is included in the Independent Auditors' Report of this annual report.

Details of the fees paid/payable in respect of the audit and non-audit services provided by KPMG for the Reporting Period are set out in the table below:

Services rendered for the Company	Fees paid and payable HK$
Audit services	350,000
Non-audit services	
— Advisory services relating to the SPAC Offering	250,000
Total	600,000

Risk management and internal control

Risk management

The Board acknowledges that it is responsible for the Company's risk management and internal control systems and reviewing their effectiveness. The risk management and internal control measures are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Audit Committee will oversee the Company's risk management and internal control procedures, including (i) reviewing the Company's risk management and internal control systems; (ii) discussing the risk management and internal control system with the Company's senior management and to ensure that the senior management has performed its duties in establishing and maintaining effective systems; and (iii) considering major investigations findings on risk management and internal control matters as delegated by the Board or on its own initiative and senior management's response to those findings.

The risk management and internal control systems of the Company are reviewed on an annual basis. Arrangements are in place to identify, evaluate and manage significant risks including facilitating employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company. The Directors and members of the Company's senior management possess the necessary knowledge and experience in providing good corporate governance oversight in connection with risk management and internal control. The Board is of the view that the risk management and internal control systems in respect of the Reporting Period are effective and adequate.

Internal control

The Board is responsible for establishing and ensuring effective internal controls to safeguard the Shareholder's investment at all times. The Company's internal control policies set out a framework to identify, assess, evaluate and monitor key risks associated with its strategic objectives on an ongoing basis. The Company constantly monitors the implementation of those measures and procedures. The Company maintains strict anti-corruption policies on personnel with external communication functions. The Directors (who are responsible for monitoring the corporate governance of the Company) will also periodically review its compliance status with all relevant laws and regulations.

The Audit Committee will (i) make recommendations to the Board on the appointment, re-appointment and removal of external auditors; (ii) review the financial information of the Company; and (iii) oversee the financial reporting system and internal control procedures of the Company.

The Company has engaged Somerley Capital Limited as its compliance advisor to provide advice to the Directors and management team regarding matters relating to the Listing Rules. The Company's compliance advisor is expected to ensure the Company's use of funding complies with the section titled "Use of Proceeds and Escrow Account" in the Listing Document, as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely fashion. During the Reporting Period, the Company has regularly reviewed and enhanced its risk management and internal control systems. The Company believes that the Directors and members of the senior management possess the necessary knowledge and experience in providing good corporate governance oversight in connection with risk management and internal control. The Board has conducted a review of the effectiveness of the risk management and internal control systems and considers these systems effective and adequate.

The Company has procedures for identifying, handling and disseminating inside information, preclearance on dealing in Company's securities by Directors and designated members of the management, notification of regular blackout period and securities dealing restrictions to relevant Directors and employees have been implemented by the Company to guard against possible mishandling of inside information within the Company.

Under Code Provision D.2.5 of the CG Code, the Company should have an internal audit function. Due to the Company's business nature as a SPAC, the Company has no internal audit function. Nonetheless, the Company has maintained an internal control system and its implementation has been considered effective by the Audit Committee and the Board. In addition, the Audit Committee has communicated with external auditor of the Company to understand if there is any material control deficiency. Nevertheless, the Company will review the need for one on an annual basis.

Company secretary

Mr. LEE Leong Yin (李亮賢) ("Mr. Lee") has been appointed as the company secretary of the Company. Mr. Lee is a senior manager of Corporate Services of Tricor Services Limited, a global professional services provider specialising in integrated business, corporate and investor services. The primary contact person of Mr. Lee at the Company is Mr. GE Chengyuan, an executive Director and Co-Chief Financial Officer.

In compliance with Rule 3.29 of the Listing Rules, Mr. Lee has undertook not less than 15 hours of relevant professional training to update his skills and knowledge during the Reporting Period.

Shareholders' rights

Convening of extraordinary general meetings ("EGM") by Shareholders and putting forward proposals at general meetings

Pursuant to the Article 73 of the Articles of Association, an EGM shall be called by notice in writing of not less than 14 days. Pursuant to the Article 72 of the Articles of Association, any one or more shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings of the Company (the "**Eligible Shareholder(s)**") shall at all times have the right, by written requisition to the Board or the company secretary of the Company (the "**Company Secretary**"), to require an EGM to be called by the Board and to add resolution(s) to a meeting agenda for the transaction of any business specified in such requisition.

Eligible Shareholder(s) who wish to convene an EGM must deposit a written requisition (the "**Requisition**") signed by the Eligible Shareholder(s) concerned to the principal place of business of the Company in Hong Kong, at 5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong, for the attention of the Company Secretary.

The Company will check the Requisition and the identity and the shareholding of the Eligible Shareholder(s) will be verified with the Company's branch share registrar. If the Requisition is found to be proper and in order, the Company Secretary will ask the Board to convene an EGM within two (2) months and/or include the proposal or the resolution proposed by the Eligible Shareholder(s) at the EGM after the deposit of the Requisition.

If within 21 days of the deposit of the Requisition the Board has not advised the Eligible Shareholders of any outcome to the contrary and fails to proceed to convene such EGM within a further 21 days, the Eligible Shareholder(s) himself/herself/themselves may do so in accordance with the Articles of Association, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) concerned by the Company.

For proposal of a person for election as Director, pursuant to the Articles of Association and the Procedures for Shareholders to Propose a Person for Election as a Director of the Company, prior to the completion of a De-SPAC Transaction, the Company may by ordinary resolution of the holders of the Class B Shares appoint any person to be a Director, while the holders of the Class A Shares do not have a specific right to appoint a Director. Under the Articles of Association, one or more of the holders of the Class A holding not less than 10% of the Class A Shares may requisition a general meeting to propose a person for election as a Director. Such requisition must state the objects and the resolutions to be added to the agenda of the meeting and must be signed by the holder(s) of the Class A Shares requisitioning the meeting and deposited at the principal place of business of the Company in Hong Kong. In order for the Company to inform all shareholders of the proposal to appoint a Director, the requisition should include the biographical details of the nominated candidate as required under Rule 13.51(2) of the Listing Rules, together with a confirmation from the nominated candidate indicating his/her willingness to be act as a Director.

Putting forward enquiries to the Board and contact details

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Shareholders may send their enquiries or requests as mentioned above to the following address or email:

Address:	5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong
Email:	ir@interraacquisition.com

Shareholders engagement

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Company's business performance and strategies.

The Company has adopted a Shareholders' communication policy (the "**Communication Policy**") as part of its commitment to providing Shareholders and other stakeholders (including potential investors) with balanced and understandable information about the Company, through promote effective communication with the Shareholders and other stakeholders, encourage Shareholders to engage actively with the Company and enable Shareholders to exercise their rights as shareholders effectively.

The Communication Policy has set out means of communication by Shareholders and other stakeholders. For example, information uploaded by the Company to the HKEx News Website is also posted on the Company's website immediately thereafter. Such information includes announcements, circulars and notices of general meetings and other documents. Shareholders are encouraged to participate in general meetings (including annual general meetings) or to appoint proxies to attend and vote for and on their behalf, and the Company will provide Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the forthcoming annual general meeting, Directors (or their delegates as appropriate) will be available to meet Shareholders and answer their enquiries. These channels allow the Company to receive feedback from the Shareholders.

The implementation and effectiveness of the Communication Policy has been reviewed by the Board during the period from the Listing Date to the date of this annual report, and the effectiveness and implementation of the Communication Policy was confirmed having considered the communication channels in place to provide Shareholders and investment community with information about the latest development of the Company in a timely manner.

Changes in constitutional documents

Save for the adoption of the Second Amended and Restated Memorandum and Articles of Association of the Company, during the Reporting Period, there was no change in the constitutional documents of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

About this Report

About the Company

Interra Acquisition Corporation (the "**Company**" or "we") is a newly incorporated special purpose acquisition company ("**SPAC**") incorporated on 11 January 2022 as a Cayman Islands exempted company with limited liability for the purpose of effecting a De-SPAC Transaction. Until the completion of the De-SPAC Transaction, the Company will have no operations other than in connection with the selection, structuring and completion of the De-SPAC Transaction. Our strategy is 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.

Scope and Reporting Period

This is the first Environmental, Social, and Governance ("**ESG**") report of the Company, highlighting ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Unless otherwise stated, this ESG report covers the Company's environmental and social performances in Hong Kong from 11 January 2022 to 31 December 2022 (the "**Reporting Period**"). During the Reporting Period and up to date of this ESG Report, the Company has no subsidiary. As such, this ESG Report only covers the Company's environmental and social performances.

Reporting References and Principles

This ESG Report is prepared in accordance with the "Environmental, Social and Governance Reporting Guide" set out in Appendix 27 to the Listing Rules of the Stock Exchange (the "**ESG Guide**"). Its contents are prepared in line with the "Comply or Explain" provisions and the reporting principles of materiality, quantitative, balance, and consistency of the ESG Guide.

Materiality — With reference to Hong Kong Stock Exchange ("**HKEX**") publication, we identified material ESG issues that have significant impacts on our stakeholders. The process and results of the materiality assessment can be found in the section "Stakeholder Engagement and Materiality Assessment" of this ESG Report.

Quantitative — The Company accounts for and discloses key performance indicators ("**KPIs**") in quantitative terms for proper evaluation of the effectiveness of its ESG policies and actions. Where applicable, information on the standards, methodologies, assumptions, and sources of conversion factors have been disclosed.

Balance — The Report presents the Company's performance during the Reporting Period in an impartial manner, avoiding choices, omissions or presentation formats that may unduly influence readers' decisions or judgements.

Consistency — Consistent methodologies are adopted in preparing and presenting KPIs to allow meaningful comparisons of related data over time.

Approach to ESG

ESG Governance

The Company's Board of Directors (the "**Board**") has overall responsibility over the Company's ESG strategy and reporting. The Board oversees ESG issues related to the Company's operations and risks, evaluates, prioritises and manages material ESG issues, and sets the overall ESG strategy. While no specific environmental or social targets are set before the De-SPAC Transaction, the Board will consider setting relevant targets and regularly review the progress made towards the ESG targets set.

In the future, the Board will consider establishing an ESG working group to assess and manage ESG-related issues upon completing the De-SPAC Transaction.

ESG Considerations During the De-SPAC Transaction Process

Our business strategy is to generate attractive returns for our shareholders by completing our De-SPAC Transaction with a high-growth company focusing on Greater China. ESG plays a significant role in both the De-SPAC Transaction process and the subsequent business operations.

We intend to focus on businesses with high environmental, social and governance standards. We believe these businesses can create sustainable long-term value and attract the best talent. During the De-SPAC Transaction, we will conduct rigorous research and due diligence for all our potential De-SPAC Targets. Along with commercial, legal, financial, accounting and operational considerations, the due diligence will also consider ESG aspects of the potential De-SPAC Target to evaluate the underlying ESG risks of the business.

Stakeholder Engagement and Materiality Assessment

To determine ESG issues material to the Company, we referenced the Materiality table of the Hong Kong Stock Exchange ("**HKEX**") publication — "How to Prepare an ESG Report" to identify material ESG issues. The list of material ESG issues was reviewed and adjusted by Board to better align with our strategy and business nature. The list of material issues identified is as follows:

- Climate change
- Employment
- Development and training
- Labour standards
- Product responsibility
- Anti-corruption
- Community investment

After completing the De-SPAC Transaction, we will identify our key stakeholders and conduct stakeholder engagement exercises to re-evaluate the Company's material ESG issues.

Environment

The Company is a SPAC formed for the purpose of effecting a De-SPAC Transaction with one or more De-SPAC targets. As we have yet to commence the process of the De-SPAC Transaction, there are no business operations, and we do not have our own office or direct employees. Therefore at the current stage, the Company has a minimal environmental impact, and no environmental laws and regulations have a significant impact on the Company. During the Reporting Period, there was no material non-compliance relating to air and greenhouse gas emissions, discharge into water and land, and the generation of hazardous and non-hazardous waste.

Emissions, Use of Resources, the Environment and Natural Resources, and Climate Change

Due to the business nature of a SPAC, there were no business operations during the Reporting Period and no material reportable consumption of resources, including fuel, electricity, water and packaging materials. Similarly, the Company had no direct air pollutants or greenhouse gas emissions. With no office or direct employees, no hazardous or non-hazardous waste was generated during the Reporting Period.

Given these circumstances, we have not adopted formal environmental or climate policies or set environmental targets. Before the De-SPAC Transaction, we have not identified any significant climate-related risks or impacts on the environment and natural resources.

Nevertheless, the Company is still committed to monitoring its impact on the environment and natural resources, fulfilling its environmental protection responsibilities and reducing its adverse effect on the environment. Upon completing the De-SPAC Transaction, we expect significant changes to our business nature. The new business operations will result in emissions and resource consumption. We shall evaluate the environmental management approach of the acquired businesses and consider adopting appropriate environmental and climate change policies and targets depending on their business nature.

Society

Social Employment and Labour Standards

The Company's policy is that all applicants have equal opportunities for employment irrespective of age, gender, marital status, nationality and race, provided that they have the required abilities and experience to carry out the responsibilities. *A Human Resources and Payroll Policy* is in place to guide our recruitment, compensation and benefits, and employee conduct. The Company will review the implementation of the policy regularly.

We comply with all relevant laws and regulations concerning employment and labour practices. They include, but are not limited to:

- Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- Inland Revenue Ordinance (Cap. 112 of the Laws of Hong Kong);
- Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong);
- Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong); and
- Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong).

During the Reporting Period, the Company did not employ any employees, and there were no reportable employment figures of the Company. There was no non-compliance with relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. There was also no child nor forced labour in the Company's operation during the Reporting Period. If any incidents of non-compliance regarding labour standards are discovered within the Company's operation sites, the Company shall immediately suspend employment and carry out an internal investigation.

Employee Health and Safety

Given the business nature of the Company as a SPAC, there are minimal occupational health and safety risks. Nevertheless, we strictly comply with occupational health and safety laws and regulations to avoid health risks. The applicable regulations include, but are not limited to:

- Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong); and
- Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong).

As we do not employ employees, there are no reportable work-related injuries and fatalities during the Reporting Period. There was also no non-compliance relating to health and safety-related laws and regulations.

Development and Training

We recognise the importance of talent in the long-term success of the Company. As a SPAC, the Company does not intend to have any full-time employees prior to the completion of the De-SPAC Transaction. Upon completing the De-SPAC Transaction, we will organise relevant employee training programmes. However, as we currently do not employ any employees, there are no reportable training figures or initiatives for the Reporting Period. Training programs will be provided to employees to accelerate the learning progress and improve the knowledge and skill levels of our employees where necessary.

Supply Chain Management

The Company had no operations and had not engaged with any long-term key suppliers during the Reporting Period. While we have a *Procurement, Accounts Payable and Payment Policy in place*, we have yet to adopt any specific procedures to manage the environmental and social risks along the supply chain. Upon completing the De-SPAC Transaction, we shall review our supply chain to include relevant ESG considerations in the supply chain management process.

Product Responsibility

The Company strictly abides by the relevant laws and regulations relating to product responsibility. These include, but are not limited to:

- Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong);
- Office of the Privacy Commissioner for Personal Data, Hong Kong;
- Trade Marks Ordinance (Cap. 559 of the Laws of Hong Kong);
- Patents Ordinance (Cap. 514 of the Laws of Hong Kong); and
- Copyright Ordinance (Cap. 528 of the Laws of Hong Kong).

To ensure that the Company complies with applicable privacy laws, we have adopted the *Data Protection Policy* to guide on protecting any personal data we collect. There is also an *IT* General *Controls Policy* to ensure proper management and protection of our information assets, with detailed guidance on data management, storage and exchange to prevent leakage.

During the Reporting Period, there was no material non-compliance with relevant laws and regulations that would have a significant impact on the Company. There was also no reportable product recall or product-related complaints received from customers, for the Company did not provide any goods or services to customers. Upon completing the De-SPAC Transaction, we shall consider establishing relevant policies and procedures relating to intellectual property and quality assurance.

Anti-corruption

The Company is committed to acting with integrity, honesty, fairness, impartiality, and ethical business practices. We strive to promote an ethical culture and have zero tolerance for bribery and corrupt activities.

As documented in the Company's *Anti-corruption Policy*, all employees and Directors are expected to maintain high ethical standards without any actual or perceived conflict of interest. Abiding by the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong), we prohibit employees from being involved in any form of bribery or corruption, money laundering and financing of terrorism. We will provide proper training for the Company's personnel regularly to ensure compliance of our people and mitigate any potential corruption risks.

The Company encourages the reporting of suspected misconduct. It is committed to maintaining confidentiality and anonymity, ensuring timely handling of reports, fair treatment and protection from retaliation. Under the *Whistleblowing Policy*, whistleblowers may report to the designated mailbox, which can only be accessed by the Audit Committee. During the investigation process, all the information provided by the whistleblowers, including their identity, will be kept strictly confidential. Whistleblowers are protected from retaliation or penalties as long as they do not knowingly make false allegations.

During the Reporting Period, the Company did not have any lawsuits related to corruption, nor did it violate relevant laws and regulations that have a significant impact on the operations of the Company. There was no concluded legal case regarding corrupt practices brought against the Company during the Reporting Period.

Community Investment

The Company recognise its social responsibility as a corporate citizen but has yet to adopt formal policies on community contribution due to the business nature of a SPAC. During the Reporting Period, the Company had not participated in any community engagement activities or made any charitable donations.

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the shareholders of
Interra Acquisition Corporation
(Incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the financial statements of Interra Acquisition Corporation (the "Company") set out on pages 54 to 84, which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the cash flow statement for the period from 11 January 2022 (date of incorporation) to 31 December 2022 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022 and of its financial performance and its cash flows for the period from 11 January 2022 (date of incorporation) to 31 December 2022 in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the *HKICPA's Code of Ethics for Professional Accountants* (the "Code") together with any ethical requirements that are relevant to our audit of the financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 1 to the financial statements, which describes the purpose and design of the Company and the consequences if the Company fails to announce and complete an acquisition within the specified timeframes. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Valuation of Listed Warrants

Refer to note 15 to the financial statements and the accounting policies in note 2(j).

The Key Audit Matter	How the matter was addressed in our audit
On 16 September 2022, the Company was listed on the SPAC-segment of the Stock Exchange of Hong Kong Limited (the "Listing"). Upon the Listing, the Company raised gross proceeds of HK$1,001 million by offering 100,100,000 Class A ordinary shares (the "Class A Shares") and 40,040,000 warrants (the "Listed Warrants"). Listed Warrants issued on the listing date are accounted for as derivative liabilities that are measured at fair value through profit or loss. The fair value of Listed Warrants was assessed by the board of directors based on valuations prepared by qualified external valuer. The valuation of Listed Warrants is complex and involves a significant degree of judgement and estimation, particularly in determining appropriate expected volatility and risk-free interest rate. We identified valuation of Listed Warrants as a key audit matter because of the significance of Listed Warrants to the Company's financial statements and because of the significant degree of judgement and estimation involved in assessing the fair value.	Our audit procedures to assess the valuation of Listed Warrants included the following: • assessing the design and implementation of key internal controls over the valuation of Listed Warrants; • reading the instrument governing the terms of the Listed Warrants issued during the period to understand the relevant terms and comparing the information used in the valuation of Listed Warrants with the terms of the instrument to evaluate the accuracy of the information used in the valuation; • assessing the external valuer's qualifications, experience, expertise and objectivity; • with the assistance of our internal valuation specialists, assessing the appropriateness of the valuation methodology adopted by management and the external valuer with reference to the requirements of the prevailing accounting standards, challenging the reasonableness of the key assumptions adopted in the valuation, including expected volatility and risk-free interest rate, by comparing with available market data or other publicly available information; • with the assistance of our internal valuation specialists, performing an independent valuation of Listed Warrants and comparing the valuation recorded by the Company; and • assessing the reasonableness of the disclosures in the financial statements with reference to the requirements of the prevailing accounting standard.

Key audit matters (continued)

Accounting and valuation of share-based payment

Refer to note 16 to the financial statements and the accounting policies in note 2(k).

The Key Audit Matter	How the matter was addressed in our audit
As of 31 December 2022, the Company issued 25,025,000 Class B ordinary shares (the "Class B Shares") at a price of HK$0.0001 per share to the Promoters. In accordance with the memorandum and articles of association, the Class B Shares contain a conversion feature (the "Conversion Right") such that they are convertible into Successor Shares automatically upon the closing of the De-SPAC transaction at such a ratio that the number of Successor Shares issuable upon conversion of all Class B Shares will be equal to, on an as-converted basis and in the aggregate, 20% of the sum of all Class A Shares and Class B Shares in issue as at 16 September 2022. Upon Listing, the Promoters subscribed 35,600,000 warrants (the "Promoter Warrants") at the issue price of HK$1.00 per warrant. The Company considers the Promoter Warrants, together with the Conversion Right in the Class B Shares, fall within the scope of HKFRS 2 Share-based payment, under which the Company would receive services from the Promoters in exchange for consideration in the form of equity instruments, with the completion of a De-SPAC transaction identified as the non-market performance condition. The share-based payment was measured at its grant-date fair value as assessed by the board of directors based on valuations prepared by a qualified external valuer.	Our audit procedures to assess the accounting and valuation of share-based payment included the following: • assessing the design and implementation of key internal controls over the valuation of the Conversion Right of the Class B Shares and Promoter Warrants; • reading the Company's memorandum and articles of association and the subscription agreements of the Class B Shares and Promoter Warrants entered into during the period to understand the relevant terms and commercial rationale for the transactions and evaluating the reasonableness of the judgements adopted by management that the arrangement contains a share-based payment and that the completion of a De-SPAC transaction is a non-market performance condition, with reference to the requirements of the prevailing accounting standard and our understanding of the commercial rationale of the transaction; • comparing the information used in the valuation of the Conversion Right of the Class B Shares and Promoter Warrants with the terms of the Company's memorandum and articles of association and the agreements to evaluate the accuracy of the information used in the valuation; • assessing the external valuer's qualifications, experience, expertise and objectivity;

Key audit matters (continued)

Accounting and valuation of share-based payment (continued)

Refer to note 16 to the financial statements and the accounting policies in note 2(k). (continued)

The Key Audit Matter	How the matter was addressed in our audit
The valuation of share-based payment is complex and involves a significant degree of judgement and estimation, particularly in determining appropriate expected volatility and risk-free interest rate. We identified the accounting and valuation of share-based payment as a key audit matter because of the significance of share-based payment to the Company's financial statements and because of the significant degree of judgement and estimation involved in assessing the fair value.	• with the assistance of our internal valuation specialists, assessing the appropriateness of the valuation methodology adopted by management and the external valuer with reference to the requirements of the prevailing accounting standards, challenging the reasonableness of the key assumptions adopted in the valuation, including expected volatility and risk-free interest rate, by comparing with available market data or other publicly available information; • with the assistance of our internal valuation specialists, performing an independent valuation of share-based payment and comparing the valuation recorded by the Company; and • assessing the reasonableness of the disclosures in the financial statements with reference to the requirements of the prevailing accounting standards.

Information other than the financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and is therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chu Ngar Yee.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

21 March 2023

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	4	**–**
Interest income		**2,616,312**
Listing expenses		**(7,437,655)**
Equity-settled share-based payment expenses	19(b)	**(88,961,787)**
Other operating expenses	5	**(2,314,004)**
Fair value change of deferred underwriting commissions payable	13	**(217,528)**
Loss from operations		**(96,314,662)**
Changes in the carrying amount of financial liabilities arising from the Class A Shares	15(a)	**(42,078,925)**
Fair value change of Listed Warrants	15(b)	**(664,664)**
Loss before taxation		**(139,058,251)**
Income tax	6	**–**
Loss and total comprehensive income for the period		**(139,058,251)**
Loss per share	9	
Basic and diluted		**(4.33)**

The notes on pages 59 to 84 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

At 31 December 2022
(Expressed in Hong Kong dollars)

	Note	As at 31 December 2022 $
Assets		
Cash and cash equivalents	10	**10,115,072**
Interest receivables		**2,616,312**
Prepayments		**490,516**
Restricted bank balances	11	**1,001,000,000**
Total assets		**1,014,221,900**
Liabilities		
Other payables and accruals	12	**4,500,172**
Deferred underwriting commissions payable	13	**21,953,528**
Amount due to the Promoters	14	**597,497**
Liabilities arising from the Class A Shares	15(a)	**1,001,000,000**
Listed Warrants	15(b)	**102,334,232**
Total liabilities		**1,130,385,429**
NET LIABILITIES		**(116,163,529)**
CAPITAL AND RESERVES		
Share capital	17(a)	**2,503**
Reserves		**(116,166,032)**
NET DEFICIT		**(116,163,529)**

Approved and authorised for issue by the board of directors on 21 March 2023.

CHEN Tong)
) Directors
YANG Xiuke)

The notes on pages 59 to 84 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the period from 11 January 2022 (date of incorporation) to 31 December 2022
(Expressed in Hong Kong dollars)

	Note	Share capital $	Other reserve $	Capital reserve $	Accumulated losses $	Total $
Balance at 11 January 2022 (date of incorporation)		**–**	**–**	**–**	**–**	**–**
Changes in equity for the period:						
Loss and total comprehensive income for the period		**–**	**–**	**–**	**(139,058,251)**	**(139,058,251)**
Issuance of Class B Shares to the Promoters	17(a)	**2,503**	**–**	**–**	**–**	**2,503**
Issuance of Class A Shares	15(a)	**–**	**(101,669,568)**	**–**	**–**	**(101,669,568)**
Equity-settled share-based payment	19(b)	**–**	**–**	**88,961,787**	**–**	**88,961,787**
Proceeds from issuance of Promoter Warrants to the Promoters	16	**–**	**–**	**35,600,000**	**–**	**35,600,000**
Balance at 31 December 2022		**2,503**	**(101,669,568)**	**124,561,787**	**(139,058,251)**	**(116,163,529)**

The notes on pages 59 to 84 form part of these financial statements.

CASH FLOW STATEMENT

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 $
Operating activities		
Loss before taxation		**(139,058,251)**
Adjustments for:		
Interest income		**(2,616,312)**
Deferred underwriting commissions		**2,825,680**
Equity-settled share-based payment expenses	19(b)	**88,961,787**
Fair value change of deferred underwriting commissions payable	13	**217,528**
Changes in the carrying amount of financial liabilities arising from the Class A Shares	15(a)	**42,078,925**
Fair value change of Listed Warrants	15(b)	**664,664**
Changes in working capital		
Increase in prepayments		**(490,516)**
Increase in other payables and accruals		**5,100,172**
Net cash used in operating activities		**(2,316,323)**
Investing activities		
Increase in restricted bank balances		**(1,001,000,000)**
Net cash used in investing activities		**(1,001,000,000)**

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 $
Financing activities		
Payments of listing expenses		**(23,168,605)**
Proceeds from the issuance of Class A Shares and Listed Warrants		**1,001,000,000**
Proceeds from Promoter Warrants issued		**35,600,000**
Net cash generated from financing activities		**1,013,431,395**
Net increase in cash and cash equivalents		**10,115,072**
Cash and cash equivalents at 11 January 2022 (date of incorporation)		**–**
Cash and cash equivalents at 31 December 2022	10	**10,115,072**

Non-cash transaction

As at 31 December 2022, the Company had the deferred underwriting commissions payable of $21,953,528 (see note 13) and amount due to the Promoters of $597,497 with no cash flow impact.

The notes on pages 59 to 84 form part of these 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.

1 General information (Continued)

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 Significant accounting policies

(a) Statement of compliance

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.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following liabilities are stated at their fair value as explained in the accounting policies set out below:

— deferred underwriting commissions payable (see note 2(f)(ii)).

— Listed Warrants (see note 2(j)).

2 Significant accounting policies (Continued)

(b) Basis of preparation of the financial statements (Continued)

Notwithstanding the net liabilities of $116,163,529, which is mainly due to financial liabilities representing the Listed Warrants of $102,334,232 and deferred underwriting commissions payable of $21,953,528, as at 31 December 2022, the financial statements have been prepared on a going concern basis based on the following:

— the Promoters have committed to provide financial assistance to the Company by way of a loan facility of $20 million;

— each Listed Warrant will be exercised by the holders on a cashless basis upon completion of a De-SPAC transaction (see note 15(b)); and

— the directors of the Company have reviewed the Company's cash flow projections, and are of the opinion that the Company will have sufficient working capital to meet its liabilities and obligations as and when they fall due and to sustain its operations for the next twelve months from the end of the reporting period.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

2 Significant accounting policies (Continued)

(c) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Company recognises a loss allowance for expected credit losses ("ECLs") on the financial assets measured at amortised cost (including cash and cash equivalents, interest receivables and restricted bank balances).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

— fixed-rate financial assets and other receivables: effective interest rate determined at initial recognition or an approximation thereof; and

— variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

In measuring ECLs, the Company takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

— 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

— lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

For all financial instruments, the Company recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2 Significant accounting policies (Continued)

(c) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Company compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Company considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

— failure to make payments of principal or interest on their contractually due dates;

— an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

— an actual or expected significant deterioration in the operating results of the debtor; and

— existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Company recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2 Significant accounting policies (Continued)

(c) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Basis of calculation of interest income

Interest income recognised in accordance with note 2(l) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Company assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

— significant financial difficulties of the debtor;

— a breach of contract, such as a default or past due event;

— it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;

— significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or

— the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company become 90 days past due or when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

2 Significant accounting policies (Continued)

(d) Receivables

A receivable is recognised when the Company has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables that do not contain a significant financing component are initially measured at their transaction price. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see note 2(c)(i)).

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents exclude restricted bank balances described in note 11. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 2(c)(i).

(f) Payables and deferred underwriting commissions payable

(i) Payables

Payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(ii) Deferred underwriting commissions payable

The deferred underwriting commissions payable represents the Company's obligation to pay cash to the underwriters of the SPAC Offering. It is recognised as a financial liability measured at fair value, which takes into account the probability and timing of a De-SPAC transaction. Subsequent changes in fair value of the deferred underwriting commissions payable is recognised in profit or loss.

(g) Loan facility

The Promoters have committed to provide the Company with an interest-free loan facility to meet the Company's working capital needs or to finance transaction costs from time to time before the completion of a De-SPAC transaction. A financial liability will be recognised when a drawdown is made. The financial liability will be stated at amortised cost.

(h) Class B Shares

Class B Shares are equity instruments. The amount recognised in equity is the proceeds received net of transaction costs.

2 Significant accounting policies (Continued)

(i) Class A Shares

Class A Shares issued on the Listing Date give rise to financial liabilities since they are redeemable automatically or at the option of holders in case of occurrence of triggering events that are beyond the control of the Company and the holders.

In addition, each Class A Share would entitle the holder to receive additional warrants for no additional consideration at the completion of a De-SPAC transaction if the share is not redeemed. This conditional entitlement also gives rise to a financial liability.

The Company accounts for the liabilities arising from such a Class A share by recognising a derivative liability that would be measured at fair value through profit or loss representing the holder's right to receive warrants, and an additional financial liability representing the difference to the amount that the Company might have to pay if the Class A Share was redeemed, such that the aggregate liabilities equal the higher of the fair value of the derivative liability and redemption amount of the Class A Shares.

Transaction costs for the financial liabilities not subsequently measured at fair value through profit or loss would be included in the initial carrying amount of the financial liabilities.

(j) Listed Warrants

The warrants are derivative liabilities that are measured at fair value through profit or loss, since the warrants would not be settled only by exchanging a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

Transaction costs for the Listed Warrants are expensed as incurred.

(k) Share-based payments

In accordance with the memorandum and articles of association, the Class B Shares contain a conversion feature (the "Conversion Right") such that they are convertible into shares of a successor company (i.e. "Successor Share") automatically upon the closing of the De-SPAC transaction at such a ratio that the number of Successor Shares issuable upon conversion of all Class B Shares will be equal to, on an as-converted basis and in the aggregate, 20% of the sum of all Class A Shares and Class B Shares in issue as at the Listing Date.

The Company accounted for the Conversion Right in the Class B Shares and the Promoter Warrants granted on the Listing Date (collectively the "Grants") as equity-settled share-based payment, with the completion of a De-SPAC transaction identified as the non-market performance condition.

2 Significant accounting policies (Continued)

(k) Share-based payments (Continued)

The grant-date fair value of the Grants, as measured at the Listing Date using the Monte Carlo simulation model and excluding the impact of the vesting condition, would be recognised as equity-settled share-based payment cost with a corresponding increase in a reserve within equity. The total estimated fair value of the equity-settled share-based payment is spread over the vesting period, taking into account the probability that the related awards would vest. The service in relation to the share-based payment (i.e. identifying an appropriate target for the De-SPAC transaction and completing the De-SPAC transaction) commenced on the Listing Date.

During the vesting period, the number of awards that is expected to vest would be reviewed. Any resulting adjustment to the cumulative fair value recognised in prior period/year would be charged/credited to the profit or loss for the period/year of the review with a corresponding adjustment to the reserve. On vesting date, the amount recognised as the share-based payment cost is adjusted to reflect the actual number of awards that vest (with a corresponding adjustment to the capital reserve). The equity amount would recognised in the reserve until either the related ordinary shares are converted or issued, or the awards are forfeited (when it is released directly to accumulated loss).

(l) Interest income

Interest income is recognised using the effective interest method. For financial assets measured at amortised cost, the effective interest rate is applied to the gross carrying amount of the asset, unless the financial asset is credit-impaired in which case interest income is calculated based on the amortised cost of the financial asset (also see note 2(c)).

(m) Related parties

(a) A person, or a close member of that person's family, is related to the Company if that person:

(i) has control or joint control over the Company;

(ii) has significant influence over the Company; or

(iii) is a member of the key management personnel of the Company or the Company's parent.

2 Significant accounting policies (Continued)

(m) Related parties (Continued)

(b) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(n) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Company's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Company's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 Accounting judgements and estimates

(a) Critical accounting judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, management applies certain accounting judgement when assessing whether one or more transactions entered into with the Promoters fall within the scope of HKFRS 2, Share-based payment, under which the Company receives services from the Promoters in exchange for consideration in the form of equity instruments, or cash, or other assets for amounts that are based on the price (or value) of Company's equity instruments.

As set out in note 2(k), the Company has accounted for the Conversion Right in the Class B Shares and the Promoter Warrants granted on the Listing Date as equity-settled share-based payment, with the completion of a De-SPAC transaction identified as the non-market performance condition.

In making this judgement, the Company has taken into account among others the commercial rationale for the transactions, that the Promoters provide significant support to the Company in its activities, and that the related instruments include terms that make them valuable only upon the completion of a De-SPAC transaction.

(b) Sources of estimation uncertainty

Notes 15, 16 and 18 contain information about the assumptions and their risk factors relating to (i) valuation of the Listed Warrants, (ii) fair value of the Conversion Right in the Class B Shares and the Promoter Warrants, and (iii) fair value of the deferred underwriting commissions payable.

4 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.

(Expressed in Hong Kong dollars unless otherwise indicated)

5 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 (note 7)	**145,479**
Bank charges	**170,630**
Others	**447,562**
	2,314,004

6 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.

(Expressed in Hong Kong dollars unless otherwise indicated)

7 Directors' emoluments

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Period from 11 January 2022 (date of incorporation) to 31 December 2022			
	Directors' fees $	**Salaries, allowances and benefits in kind $**	**Retirement scheme contributions $**	**Total $**
Executive Directors				
CHEN Tong (appointed as a director on 11 January 2022 and re-designated as an executive director on 26 January 2022)	–	–	–	–
GE Chengyuan (appointed as a director on 18 January 2022 and re-designated as an executive director on 26 January 2022)	–	–	–	–
MING Liang (appointed on 25 April 2022)	–	–	–	–
YANG Xiuke (appointed as a director on 18 January 2022 and re-designated as an executive Director on 26 January 2022)	–	–	–	–
Independent non-Executive Directors ("INED")				
Ms. CHAN Jeanette Kim Yum (appointed on 5 September 2022)	**48,493**	–	–	**48,493**
Mr. PU Yonghao (appointed on 5 September 2022)	**48,493**	–	–	**48,493**
Ms. CHAN Ching Chu (appointed on 5 September 2022)	**48,493**	–	–	**48,493**
	145,479	–	–	**145,479**

8 Individuals with highest emoluments

The Company has three INEDs for the period from 11 January 2022 (date of incorporation) to 31 December 2022. Of the three individuals with the highest emoluments, all are directors whose emoluments are disclosed in note 7.

(Expressed in Hong Kong dollars unless otherwise indicated)

9 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.

(Expressed in Hong Kong dollars unless otherwise indicated)

10 Cash and cash equivalents

Cash and cash equivalents comprise:

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

11 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.

12 Other payables and accruals

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

13 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 (see note 18(b)) for the period from 11 January 2022 (date of incorporation) to 31 December 2022.

14 Amount due to the Promoters

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

15 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, which were accounted in accordance with the accounting policy set out in note 2(i).

(Expressed in Hong Kong dollars unless otherwise indicated)

15 Class A Shares and Listed Warrants (Continued)

(a) Class A Shares (Continued)

The movements of the Class A Shares are as follows:

Liability components	**2022 $**
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 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, which were accounted for in accordance with the accounting policy set out in note 2(j).

(Expressed in Hong Kong dollars unless otherwise indicated)

15 Class A Shares and Listed Warrants (Continued)

(b) Listed Warrants (Continued)

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**

16 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 as described in note 2(k) 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 (collectively, "the Grants"), as equity-settled share-based payment with the completion of a De-SPAC transaction identified as the non-market performance condition in accordance with the accounting policy set out in note 2(k).

(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.

(Expressed in Hong Kong dollars unless otherwise indicated)

16 Equity settled share-based transactions (Continued)

(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 in the 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.

(Expressed in Hong Kong dollars unless otherwise indicated)

17 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 in note 2(k), and (ii) the proceeds from the issuance of the Promoter Warrants to the Promoters.

17 Capital, reserves and dividends (Continued)

(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 11), 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.

18 Financial risk management and fair values of financial instruments

Exposure to liquidity risk arises in the normal course of the Company's business. The Company's exposure to this risk and the financial risk management policies and practices used by the Company to manage this risk is described below. The Company's exposure to credit, interest rate and currency risks is not significant.

(a) Liquidity risk

The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term. The Promoters have committed to provide an interest-free facility for an amount up to $20,000,000 for the Company to meet its working capital needs or to finance transaction costs from time to time before the completion of any De-SPAC transaction (see note 2(g)). Interest income earned on the funds held in the Escrow Account is also expected to be released to pay the Company's operating expenses (see note 11).

(Expressed in Hong Kong dollars unless otherwise indicated)

18 Financial risk management and fair values of financial instruments (Continued)

(a) Liquidity risk (Continued)

The following tables show the remaining contractual maturities at the end of 2022 of the Company's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the year) and the earliest date the Company can be required to pay.

	31 December 2022 Contractual undiscounted cash outflow		
	Within 1 year or on demand $	Total $	Carrying amount at 31 December 2022 $
Other payables and accruals	**4,500,172**	**4,500,172**	**4,500,172**
Amount due to the Promoters	**597,497**	**597,497**	**597,497**
Deferred underwriting commissions payable	**30,030,000**	**30,030,000**	**21,953,528**
Liabilities arising from the Class A Shares	**1,001,000,000**	**1,001,000,000**	**1,001,000,000**
	1,036,127,669	**1,036,127,669**	**1,028,051,197**

(b) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Company's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

- Level 3 valuations: Fair value measured using significant unobservable inputs

(Expressed in Hong Kong dollars unless otherwise indicated)

18 Financial risk management and fair values of financial instruments (Continued)

(b) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The Co-Chief Executive Officer of the Company works closely with a qualified external valuer to establish the appropriate valuation techniques and inputs in assessing the fair value of the Company's financial instruments, including the deferred underwriting commissions payable and Listed Warrants, both of which are categorised into Level 3 of the fair value hierarchy. A valuation report with analysis of changes in fair value measurement is prepared by the Co-Chief Executive Officer for each reporting period, and is reviewed and approved by the directors.

	Fair value at 31 December 2022	Fair value measurements as at 31 December 2022 categorised into		
		Level 1	Level 2	Level 3
	$	$	$	$
Recurring fair value measurements				
Deferred underwriting commissions payable	**21,953,528**	–	–	**21,953,528**
Listed Warrants	**102,334,232**	–	–	**102,334,232**

During the period from 11 January 2022 (date of incorporation) to 31 December 2022, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Company's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Information about Level 3 fair value measurements

Deferred underwriting commissions payable

The fair value of the deferred underwriting commissions payable is determined based on the expected payment, which takes into account the probability and timing of a De-SPAC transaction, discounted to present value using a discount rate of 5.6%. It is considered that a De-SPAC transaction is highly probable and is expected to occur in the second half of 2023, based on available industry information and market data.

(Expressed in Hong Kong dollars unless otherwise indicated)

18 Financial risk management and fair values of financial instruments (Continued)

(b) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements (Continued)

Deferred underwriting commissions payable (Continued)

The fair value measurement was positively correlated to the probability of a De-SPAC transaction. As at 31 December 2022, it is estimated that with all other variables held constant, an increase/decrease in the probability of De-SPAC transaction by 5% would have increased/decreased the Company's loss after tax by $1,155,449/$1,155,449 respectively.

The fair value measurement was negatively correlated to the discount rate. As at 31 December 2022, it is estimated that with all other variables held constant, an increase/decrease in the discount rate by 3% would have decreased/increased the Company's loss after tax by $431,978/$453,477.

The movements of the deferred underwriting commissions payable are as follows:

	2022 **$**
At 11 January (date of incorporation)	–
Initial recognition of deferred underwriting commissions payable	**21,736,000**
Fair value change of deferred underwriting commissions payable recognised in profit or loss — unrealised	**217,528**
At 31 December	**21,953,528**

Listed Warrants

	Valuation techniques	**Significant unobservable inputs**	**Range**
Listed Warrants	Monte Carlo simulation method	Expected volatility	39.15%-40.87%
		Risk-free interest rate	3.64-3.66%

(Expressed in Hong Kong dollars unless otherwise indicated)

18 Financial risk management and fair values of financial instruments (Continued)

(b) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements (Continued)

Listed Warrants (Continued)

The fair value of Listed Warrants was determined using the Monte Carlo simulation method and the significant unobservable input used in the fair value measurement were expected volatility and risk-free interest rate. The fair value measurement was positively correlated to the expected volatility and risk-free interest rate. As at 31 December 2022, it is estimated that with all other variables held constant, an increase/decrease in the expected volatility by 5% and risk-free interest rate by 3% would have increased/decreased the Company's loss after tax by $4,804,800/$5,109,104 and $6,114,108/$9,937,928 respectively.

(ii) Fair value of assets and liabilities carried at amounts other than fair value

All other financial instruments are carried at amounts not materially different from their fair values as at 31 December 2022.

19 Material related party transactions

(a) Key management personnel remuneration

Remuneration for key management personnel of the Company represents amounts paid to the Company's directors as disclosed in note 7.

(b) Other significant related party transaction

	Period from 11 January 2022 (date of incorporation) to 31 December 2022 **$**
Equity-settled share-based payment expenses to the Promoters (note 16)	**88,961,787**

(Expressed in Hong Kong dollars unless otherwise indicated)

20 Possible impact of amendments, new standards and interpretations issued but not yet effective for the accounting period beginning on 11 January 2022

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the accounting period beginning on 11 January 2022 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Company.

	Effective for accounting periods beginning on or after
HKFRS 17, *Insurance contracts*	1 January 2023
Amendments to HKFRS 10 and HKAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	to be determined
Amendments to HKFRS 16, *Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to HKAS 1, *Presentation of financial statements: Classification of liabilities as current or non-current*	1 January 2024
Amendments to HKAS 1, *Presentation of financial statements: Non-current Liabilities with Covenants*	1 January 2024
Amendments to HKAS 1 and HKFRS Practice Statement 2, *Disclosure of Accounting Policies*	1 January 2023
Amendments to HKAS 8, Accounting policies, changes in accounting estimates and errors: *Definition of accounting estimates*	1 January 2023
Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*	1 January 2023

The Company is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.