



Virala Acquisition Company Plc

**Q3 INTERIM REPORT
JANUARY-SEPTEMBER 2021**

July - September 2021

- The Company's cash and cash equivalents amounted to kEUR 4,004 on 30 September 2021. Cash held in the Company's blocked bank accounts amounted to kEUR 96,750. This is presented in the Balance Sheet under Other receivables.
- Other operating expenses amounted to kEUR 755, consisting mainly of expenses related to the de-spac work, i.e. the planned merger of the Company and Purmo Group Ltd announced on 8 September 2021.

January - September 2021

- Other operating expenses amounted to kEUR 2,519 consisting mainly of expenses related to the listing and de-spac work. Additionally, the fees of the members of the Board of Directors for the period amounted to kEUR 137.

Significant events during the period July - September 2021

- The Company announced on 8 September that it has signed a merger agreement and a merger plan concerning the merger of the Company and Purmo Group to form a publicly listed company aiming for global leadership in sustainable indoor comfort solutions.
- The Company announced on 20 September that the first share price hurdle as set out in the Company's articles of association had been exceeded for conversion of class F shares into class C shares.
- The Company's three major shareholders have on 10 August 2021 appointed the following members to the Shareholder's Nomination Board: Alexander Ehrnrooth, Chief Executive Officer of Virala Corporation and Chairman of the Board of the Company, Peter Seligson, Ahlstrom Invest B.V and Jarkko Takanen, Jussi Capital Oy. The Shareholders' Nomination Board elected from among its members Alexander Ehrnrooth as Chairman of the Nomination Board at its organizational meeting on 10 August 2021.

CEO review

"As of the beginning of Q3 our focus turned towards finding a target company. The summer was very active and we wanted to use the momentum of being the first and only SPAC in the Finnish market. Our VAC-SPAC model attracted a lot of interest, and in total we had a look at over 70 potential target companies.

We made our decision to focus on Purmo Group based on risk adjusted returns, future value creation potential, deal security, size and several other important parameters. We announced our planned merger with Purmo Group on 8 September, after finalizing the terms of the merger and due diligence work.

Purmo Group fit our investment criteria perfectly. It is a Finnish based global leader in its field, with a clear sustainability agenda and a path to grow its business both organically and through M&A. According to the negotiated terms, VAC shareholders will have a 26,7% share of the combined company after the merger.



The merger is subject to a 2/3 shareholder approval at the respective extraordinary general meetings (EGM) of VAC and Purmo Group, planned to be held on 13 December. Shareholders, excluding Virala Oy Ab, representing more than 2/3 of the votes in the Company, have already committed to vote for the merger at the EGM of the Company. I expect the merger to be finalized according to plan by year end 2021.

It has been a pleasure to note that markets have reacted positively to the merger announcement. I am convinced that the long-term benefits of the merger will be a result of Purmo Group being able to deliver on its growth strategy.

We put in a lot of effort to adjust the traditional SPAC-model to suit the Finnish market. We contributed to the capital market by introducing a new instrument enabling the listing of a significant Finnish company that might otherwise have found a home outside the local capital market.

I want to express my gratitude to our shareholders, and the whole team including the board for walking several extra miles for getting us this far. I look forward to a very bright future for the combined company.”

Johannes Schulman CEO

Company description

Virala Acquisition Company Plc (hereafter “VAC” or “the Company”), is a Finnish public limited liability company subject to the laws of Finland with the purpose of making a business acquisition as a SPAC (Special Purpose Acquisition Company).

The founding shareholder of the Company is Virala Corporation (“Virala”). Virala owns over 30 per cent of the Company’s Class C shares and all Class E and Class F shares of the Company. Trading with the Company’s shares began on the SPAC segment of the regulated market of Nasdaq Helsinki on 29 June 2021, after which the Company has 36 months to acquire a majority share or at least a significant minority share in one or several companies or businesses (the “Acquisition”).

According to the rules of Nasdaq Helsinki, at least 90 per cent of the gross proceeds from the offering must be deposited in blocked bank accounts maintained by a financial institution independent of VAC until the Acquisition has been completed. VAC has deposited EUR 96.75 million in the blocked bank accounts.

VAC’s investment strategy is to identify and acquire one or more companies and/or businesses or at least a significant minority share in one or more companies and/or businesses with good long-term growth and profitability potential either through organic growth and/or through acquisitions and develop their business further in a way that significantly increases shareholder value over the long-term. VAC has evaluated the identified potential target companies especially according to its investment criteria, taking into account also the companies’ financial and competitive positions. After examining a large pool of potential opportunities, VAC has concluded that Purmo Group on all accounts fulfils VAC’s investment criteria and has selected Purmo Group as the target company for the Acquisition.

Merger

VAC and Purmo Group have on 8 September 2021 entered into a merger agreement concerning the combination of VAC and Purmo Group and signed a merger plan, pursuant to which Purmo Group shall be merged into VAC through a statutory absorption merger pursuant to the Finnish Companies Act (the “Merger”). The Merger Plan has been published on the Company’s website. Purmo Group, with EUR 671 million in revenues and EUR 85 million in adjusted EBITDA in 2020, is an international leader in sustainable indoor climate comfort solutions. Purmo Group provides complete heating and cooling solutions to residential and non-residential buildings including radiators, towel warmers, underfloor heating, convectors, valves and controls.

The Merger values Purmo Group at EUR 685 million in enterprise value.

Upon completion of the Merger, Purmo Group's current shareholders will hold an ownership share of 73.3% in the aggregate and the existing shareholders of VAC an ownership share of 26.7% in the aggregate of the class C shares in the combined company, with VAC's largest shareholder Virala holding 8.8% of the class C shares in the combined company.

The independent members of the Board of Directors of VAC have unanimously decided to recommend that the shareholders of VAC support the Merger and vote in its favour in the EGM of VAC. Certain large shareholders of VAC, i.e., Virala, Ahlstrom Invest B.V., Jussi Capital Oy, Fennia Mutual Insurance Company, Svenska Litteratursällskapet i Finland, Oy Julius Tallberg Ab, and certain other shareholders including VAC's executive management and members of the Board of Directors, together representing in total approximately 79.5% of the votes in VAC, and 66.7% excluding the votes of Virala, have irrevocably undertaken to support the Merger and vote in its favour in the EGM of VAC.

VAC will publish a prospectus with detailed information on the Merger in November 2021. VAC expects to convene the EGM resolving on the Merger to be held on or about 13 December 2021. Subject to all conditions for completion of the Merger being fulfilled, the completion of the Merger is expected to occur by the end of December 2021.

Upon completion of the Merger, the combined company will be named Purmo Group Plc, it will be domiciled, and its headquarters will be in Helsinki, Finland. VAC intends to apply for the listing of the Merger consideration shares and all existing C Shares in VAC for public trading on the official list of Nasdaq Helsinki.

The Company's Board of Directors, Management Team and personnel

Based on a unanimous decision of the shareholders on 25 May 2021, four members, Alexander Ehrnrooth, Mammu Kaario, Jaakko Eskola and Kai Seikku, were elected to the Board of Directors of the Company. Alexander Ehrnrooth was elected as chairman and Mammu Kaario as vice chairman.

The Company's Management Team consists of CEO Johannes Schulman and CFO Mia Alholm. The chairman of the VAC's Board of Directors, Alexander Ehrnrooth, will participate actively in the duties of the Management Team in addition to his duties as a chairman of the Board of Directors.

The Company has no employees and the Company's CEO Johannes Schulman and CFO Mia Alholm work in these positions under a service agreement with Virala.

Shareholders' Nomination Board

The Company's three major shareholders have on 10 August 2021 appointed the following members to the Shareholder's Nomination Board: Alexander Ehrnrooth, Chief Executive Officer of Virala Corporation and Chairman of the Board of VAC, Peter Seligson, Ahlstrom Invest B.V and Jarkko Takanen, Jussi Capital Oy. The Shareholders' Nomination Board has from among its members elected Alexander Ehrnrooth as Chairman of the Nomination Board.

Shares and shareholders

The Company has three share classes, which are Class C shares, Class E shares and Class F shares. The ISIN codes of the shares are FI4000507488 (Class C share), FI4000507389 (Class E shares) and FI4000507470 (Class F shares).

Of the Company's share classes the Class C shares are listed. By the end of the review period the number of Class C shares amounted to 10,780,000. The number of the Company's registered shareholders on 30 September 2021 was 3,149, of which nominee-registered and non-Finnish investors owned approximately 13 percent of the shares.

The Company announced on 20 September that the first share price hurdle as set out in the Company's articles of association had been exceeded, pursuant to which 18.75 per cent of class F shares held by VAC's founding shareholder, Virala Corporation, have become eligible for conversion into class C shares at the start of the conversion period on 28 June 2024.

In the period of 30 June to 30 September 2021, a total of 858,193 VAC shares were traded on Nasdaq Helsinki, representing 8,0 percent of the shares outstanding. The total value of the share turnover was EUR 10,151,873. The lowest price of the share was EUR 9.60, the highest was EUR 15.65 and the average price was EUR 10.65. At the end of the period, the share price of the Company's Class C share was EUR 12.05 and the Company's market capitalization was EUR 129.9 million.

The Company's major shareholders as of 30 September 2021

	Class shares	C	Class F shares	Class E shares	Total shares		Total votes	
Shareholder	Number shares	of	Number of shares	Number of shares	Number of shares	of %	Number of votes	%
Virala Oy Ab	3,601,198		937,391	627,826	5,166,415	41.85	4,538,589	38.73
Ahlstrom Invest B.V	990,700		-	-	990,700	8.02	990,700	8.45
Jussi Capital Oy	900,000		-	-	900,000	7.29	900,000	7.68
Keskinäinen Vakuutusyhtiö Fennia	500,000		-	-	500,000	4.05	500,000	4.27
Svenska Litteratursällskapet I Finland.	500,000		-	-	500,000	4.05	500,000	4.27
Oy Julius Tallberg Ab	400,000		-	-	400,000	3.24	400,000	3.41
Föreningen Konstsamfundet Rf	200,000		-	-	200,000	1.62	200,000	1.71
Kusinkapital Ab	200,000		-	-	200,000	1.62	200,000	1.71
Merimieseläkekassa	200,000		-	-	200,000	1.62	200,000	1.71
Hammarén & Co Oy Ab	150,000		-	-	150,000	1.22	150,000	1.28
Ten largest shareholders, in total	7,641,898		937,391	627,826	9,207,115	74.58	8,579,289	73.22
Other shareholders	3 138 102		0	0	3 138 102	25.42	3 138 102	26.78
In total	10,780,000		937,391	627,826	12,345,217	100	11,717,391	100
Of which nominee- registered shares in total	550,0030		0	0	550,0030	4.46	550,0030	4.69

Risks and uncertainties

The risks and uncertainties facing the company are described in VAC's IPO prospectus dated 14 June 2021 and the risks and uncertainties facing the combined company will be described in the merger prospectus to be published in November 2021. Various factors may cause that the Merger is not completed or that its completion is delayed, resulting in incurrence of significant expenses and use of resources by VAC, as well as lost business opportunities that could otherwise have been pursued with the resources used for preparation of the Merger. It is also possible that the combined Company may not necessarily be able to realise some of the estimated benefits of the Merger in the manner or within the timeframe currently estimated.

Given the ongoing and dynamic nature of the COVID-19 pandemic, it is difficult to predict its impact on the business of potential targets. The extent of such impact will depend on future developments, which are uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others.

Significant events after the reporting period

There have not been any significant events after the reporting period.

Additional information:

CEO Johannes Schulman
CFO Mia Alholm
Project Assistant Charlotta Palm

Distribution:

Nasdaq Helsinki
Principal media
www.virala.fi

Condensed financial statements for the period ended 30 September 2021

The Q3 report is unaudited

Statement of comprehensive Income

kEUR	Note	1 July– 30 September 2021	1 July– 30 September 2020	1 January– 30 September 2021	1 January– 30 September 2020	1 January– 31 December 2020
Net sales		0.0	0.0	0.0	0.0	0.0
Expenses relating to employee benefits		0.0	0.0	-137.1	0.0	0.0
Other operating expenses	2.4	-754.5	-0.1	-2,381.5	-0.4	-0.6
Operating profit		-754.5	-0.1	-2,518.6	-0.4	-0.6
Profit/(loss) before tax		-754.5	-0.1	-2,518.6	-0.4	-0.6
Profit/(loss) for the period		-754.5	-0.1	-2,518.6	-0.4	-0.6
Earnings per share attributable to the shareholders of the Company:						
Weighted average number of Class C shares during the period		3 730 846				
Basic and diluted earnings per share EUR		-0,68				
Number of Class C shares at the end of the period		10 780 000				-
Basic and diluted earnings per share EUR		-0,23				

Balance sheet

kEUR	Note	30 September 2021	30 September 2020	31 December 2020
Current assets				
Long term receivables		102.9	0.0	0.0
Other receivables	2.2	97,407.3	0.0	0.0
Cash and cash equivalents	2.2	4,004.5	1.8	1.7
Total current assets		101,514.7	1.8	1.7
Total assets		101,514.7	1.8	1.7
Equity				
Share capital	2.3	80.0	3.3	3.3
Reserve for invested unrestricted equity	2.3	103,108.2	0.0	0.0
Accumulated losses		-1.6	-1.0	-1.0
Profit/(loss) for the period		-2,518.6	-0.5	-0.6
Total equity		100,587.9	1.8	1.7
Current liabilities				
Trade and other payables		926.7	0.0	0.0
Total current liabilities				
Total equity and liabilities		101,514.7	1.8	1.7

Statement of changes in equity

kEUR	Note	Share capital	Reserve for invested unrestricted equity	Accumulated losses	Total equity
1 January 2021		3.3	0.0	-1.6	1.7
Issuance of share capital	2.3	76.7			76.7
Share issues	2.3		226.3		226.3
Proceeds from offering ⁽¹⁾	2.3		102,801.9		102,801.9
Profit/(loss) for the period				-2,518.6	-2,518.6
30 September 2021		80.0	103,028.2	-2,520.2	100,587.9
(1) Net of kEUR -4,698.1 transaction cost					
1 January 2020		3.3	0.0	-1.0	2.3
Profit/(loss) for the period				-0.6	-0.6
31 December 2020		3.3	0.0	-1.6	1.7

Statement of cash flows

kEUR	1 July – 30 September 2021	1 July – 30 September 2020	1 January – 30 September 2021	1 January – 30 September 2020	1 January – 31 December 2020
Operating activities					
Profit/(loss) for the period	-754.5	-0.1	-2,518.6	-0.5	-0.6
Working capital changes	-5,994.3	0.0	-96,583.5	0.0	0.0
Receivables from related parties	0.0	0.0	0.0	0.4	0.4
Net cash flows from operating activities	-6,748.8	-0.1	-99,102.1	-0.1	-0.3
Net cash flows from investing activities	0.0	0.0	0.0	0.0	0.0
Financing activities					
Proceeds from the share capital increase	0.0	0.0	76.7	0.0	0.0
Proceeds from the share issues	0.0	0.0	226.3	0.0	0.0
Proceeds from offering	0.0	0.0	107,500.0	0.0	0.0
Transaction cost related to the offering	-57.6		-4,698.5	0.0	0.0
Net cash flows from financing activities	-57.6	0.0	103,104.5	0.0	0.0
Increase / (decrease) in cash and cash equivalents	-6,806.4	-0.1	4,002.8	0.0	-0.3
Cash and cash equivalents at the beginning of the period	10,810.9	2.0	1.7	2.0	2.0
Cash and cash equivalents at the end of the period ¹	4,004.5	1.9	4,004.5	1.9	1.7

¹ 90% or EUR 96.75 million of the proceeds received in connection with the offering have been deposited in blocked bank accounts. Such cash and cash equivalents which are not available for the use to the Company are presented in the balance sheet item Other receivables and they are not classified as cash and cash equivalents in the cash flow statement.

1. Company information

Virala Acquisition Company Plc (hereafter “VAC” or “the Company”) (Business ID: 2890898-5), is a Finnish public limited liability company subject to the laws of Finland with the purpose of making a business acquisition as a SPAC (“Special Purpose Acquisition Company”). The Company is domiciled in Helsinki, Finland and its headquarter is in Unioninkatu 7 B 15, 00130, Helsinki.

Trading in the Company's Class C shares began on the SPAC segment of the regulated market of Nasdaq Helsinki on 29 June 2021. The shareholders of Class C shares have, according to the articles of association, the right to request in connection with the Acquisition that their shares be redeemed if certain conditions as set out in the articles of association are fulfilled. In addition, according to the articles of association, if the Acquisition has not been completed within 36 months from the first day of trading in the Company's Class C shares on Nasdaq Helsinki, the Company's Board of Directors shall convene a General Meeting and make a proposal to enter the Company into liquidation. After that, the General Meeting can resolve to enter the Company into liquidation.

Prior to the Acquisition, the Company is not expected to generate any income from operations. After the Acquisition, the Company will continue the operations of the acquired business or provide administrative services to its subsidiaries that will continue the operations of the acquired business.

2. Significant accounting policies

2.1. Basis of preparation

This condensed financial information for the period 1 January to 30 September 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting, applying the same accounting principles as in the Company's first IFRS financial statements for the financial year ended 31 December 2020. The Company's first IFRS financial statements were prepared in connection with the listing of the Company's shares and only for purpose of being included to the prospectus.

The figures in the interim report are presented in thousands of euros, rounded to one decimal place.

The planned merger with Purmo Group will be accounted for under IFRS within scope of IFRS 2 Share-based payments by analogy to IFRS 3 Business Combinations whereby Purmo Group acquires a public special purpose acquisition company VAC in a reverse acquisition but there is no acquisition accounting and no recognition of goodwill, as VAC is not a business as defined by IFRS 3. Accordingly, the shares issued as merger consideration are recognized at fair value and recorded as consideration for the acquisition of VAC by Purmo Group as an increase in equity. The difference in the fair value of equity instruments held by VAC shareholders over the fair value of identifiable net assets of VAC represents a service of listing of Purmo Group's shares and is accounted for as a share-based payment in accordance with IFRS 2 and recorded as an expense through the income statement with a corresponding entry in equity post-Merger. As a result of the application to IFRS 3 by analogy to the Merger and application of the reverse acquisition guidance, Purmo Group's operating history and financial performance forms the basis for the comparative financial information for the combined Company.

2.2. Cash and cash equivalents

90% of the gross proceeds of the offering have been deposited in blocked bank accounts maintained by financial institutions independent of VAC until the completion of the Acquisition. VAC has deposited EUR 96.75 million in blocked bank accounts.

Such cash and cash equivalents that are not available to be used by the Company are presented as Other receivables in the balance sheet and they are not classified as cash and cash equivalents in the cash flow statement.

2.3. Equity

The Company has three share classes, which carry different voting rights in the Company and different rights to distributions of funds. Prior to admitting the Company's Class C shares to trading, the Company's share classes were renamed so that Class A shares were renamed as Class E shares and Class B shares were renamed as Class F shares. Class C shares were not renamed.

The shares have no nominal value. The shares are included in Euroclear Finland's book-entry system. The Company's Class E and F shares ("Founder Shares") are subject to redemption and consent clauses in accordance with the articles of association, which restrict the rights to transfer or acquire Founder Shares. The Founder shares are not publicly traded.

Class C and Class F shares carry one vote and Class E shares do not carry voting rights. The Class C shares are freely transferable, however, the Class C shares subscribed by Virala Corporation during the IPO, as well as the Class C shares subscribed by the members of the Board of Directors before the IPO are subject to transfer restrictions for a period of three years effective from the Company's listing. However, subject to the completion of the Merger, the Board of Directors of VAC has resolved to terminate Virala Corporation's lock-up undertaking concerning its Class C shares in order to conform to the free float requirement of the official list of Nasdaq Helsinki. In addition, shares subscribed by the members of the Board of Directors during the IPO are subject to transfer restrictions for a 180-day period effective from the Company's listing.

Class C shares carry a preferential right to dividends and to other distributions of assets until an aggregate amount of EUR 20 million has been distributed to the holders of the Class C shares, whereafter the Class C shares and Class F shares carry equal rights to dividends and other distributions of assets unless otherwise stipulated in the articles of association. However, prior to the fulfilment of the aggregate amount of preferential dividend referred to above, Class F shares carry right to distribution of assets in certain situations. Class F shares carry equal rights with Class C shares in the distribution of the assets after the aggregate amount of distributions based on the preferential rights with Class C shares has been distributed. Class E shares have no rights to dividends or distribution of assets.

The holders of Class C shares other than Virala Corporation and the members of the Board of Directors, the CEO, the CFO and their family members and controlled entities have right to request the redemption of Class C shares under certain conditions in accordance with the articles of association in connection the Acquisition. The redemption requires that the shareholder votes against the Acquisition in the General meeting.

According to the articles of association, Class F shares can be converted to the Company's Class C shares upon meeting or exceeding certain share price hurdles that are based on the volume weighted average trading price of the Class C shares. Based on the articles of association, Class E shares will be automatically converted into Class F shares if the Company issues Class C shares in a directed share issue. The articles of association include also the redemption clauses specific for different classes of shares. All the Class E shares will automatically convert into Class F shares in connection with the completion of the Merger.

The Company does not have treasury shares.

Changes in equity during the period

		Number of outstanding shares (pcs)	Share capital (EUR)	Reserve for invested unrestricted equity (EUR)
1 January 2021		330	3.3	-
7 May 2021	Bonus issue of Class A (later Class E) shares	869,235	-	-
7 May 2021	Share issue of Class B (later Class F share) shares	695,652	76.7	76.3
10 May 2021	Share issue of Class C shares	30,000	-	150.0
28 June 2021	Bonus issue of Class B (later class F) shares	241,739		
28 June 2021	Redemption of Class A (later class E) shares	-241,739		
28 June 2021	Offering of Class C shares net of kEUR 4,640.5 transaction costs	10,750,000	-	102,859.5
30 September 2021		12,345,217	80.0	103,085.8
	Class C shares, total	10,780,000		
	Class E shares, total	627,826		
	Class F shares, total	937,391		

On 7 May 2021 the Company issued 869,235 new Class A shares to the Company's sole shareholder Virala Corporation in a directed bonus issue.

In addition, on 7 May 2021 the Company issued 695,652 new Class B shares for subscription at consideration to the Company's sole shareholder Virala Corporation in a directed share issue with a subscription price of EUR 0.22/share. Total proceeds from the subscription were kEUR 153.0. The Company's share capital increased to kEUR 80.0 so that kEUR 76.7 of the total subscription price of Class B Shares was recorded to the share capital. Remaining balance of kEUR 76.3 was recorded to the reserve for invested unrestricted equity of the Company. With the proceeds from the share issue, the Company covers the costs incurred in analysing and investigating the expansion of its operations.

On 10 May 2021, the Company directed a total of 30,000 new Class C shares for subscription with consideration to Jaakko Eskola, Makai Holding Oy (a company controlled by Mammu Kaario) and Seico Investments Oy (a company controlled by Kai Seikku). The subscription price was EUR 5.00/share and total proceeds from the subscription were kEUR 150.0. Total subscription price was recorded to the reserve for invested unrestricted equity of the Company. With the proceeds from the share issue, the Company covers the costs incurred in analysing and investigating the expansion of its operations. Class C shares subscribed in the directed share issue are subject to the terms of consent that restrict the right to transfer or dispose them during a period of three years from the listing becoming effective. These Class C share subscriptions are transactions within the scope of IFRS 2 Share-based Payment, but as the subscription price is considered to reflect the fair value of the shares at the subscription date no compensation expense will be recognised.

On 28 June 2021, a technical bonus issue of the Class B shares and a redemption of the class A share was carried out, in which the number of Class B shares were increased by 241,739 shares to a total of 937,391 shares, which is equivalent to 8 % of the number of Class C and F shares issued by the Company.

In the IPO that ended on 28 June 2021, 10,750,000 Class C shares were issued at a subscription price of EUR 10. Of the subscription price, a total of kEUR 107,500.0 was netted against transaction costs of kEUR -4,698.1 and the remaining amount of kEUR 102,801.9 was recorded in the Company's reserve for invested unrestricted equity.

On 20 September 2021 it was announced that subsequent to the positive market reaction of the merger announcement, the first share price hurdle of EUR 12.00 set out in the articles of association had been exceeded, pursuant to which 18.75 per cent of class F shares held by VAC's founding shareholder, Virala Corporation, have become eligible for conversion into class C shares at the start of the conversion period on 28 June 2024.

2.4. Other operating expenses

kEUR	1 July – 30 September 2021	1 July – 30 September 2020	1 January– 30 September 2021	1 January– 30 September 2020	1 January – 31 December 2020
Costs related to listing	-165.7	0.0	1,415.8	0.0	0.0
Costs related to De-SPAC	726.9	0.0	727.0	0.0	0.0
Service costs to Virala Corporation	104.8	0.0	145.8	0.0	0.0
Other costs	88.5	0.1	93.0	0.5	0.6
Total	754.5	0.1	2,381.6	0.5	0.6

2.5. Related party transactions

The Company's related parties include key management personnel and their close family members and controlled entities, Virala Corporation, which exercises significant influence in the Company, and all subsidiaries and associated companies belonging to the Virala Group.

On 25 May 2021, the shareholders of the Company decided that the members of the Board of Directors are paid an annual fee of kEUR 30.0 and the Chairman of the Board kEUR 45.0. 40% of the annual fees will be paid in the Company's shares and 60% in cash. The remuneration for the first term is however paid in cash in its entirety, but the members of the Board of Directors each individually subscribed for Class C shares in an amount that corresponds to 40% of the annual remuneration of the member of the Board of Directors in question.

The founding shareholder, Virala Corporation, subscribed shares in the offering for EUR 35.0 million and after the offering owns 32.5 percent of the outstanding Class C shares and further owns all the Company's outstanding Class E and F Shares. In connection with the IPO, VAC's largest shareholder Virala agreed that its Class C shares will be subject to a three-year lock-up period during which Virala shall not sell any of its Class C shares without a justified reason and without the written consent of the Board of Directors or unless VAC's or Virala's agreement on transactional services and certain other services ceases prematurely. However, in order to conform to the 25% free float requirement of the official list of Nasdaq Helsinki and support liquidity and price discovery of the class C shares of the combined Company, the Board of Directors of VAC has resolved to terminate Virala's three-year lock-up undertaking concerning its class C shares subscribed for in the IPO. The termination of the lock-up undertaking is subject to the completion of the Merger and the lock-up undertaking terminates in connection with the completion of the Merger. The transfer restriction of the class F and class E shares remain in place in accordance with the articles of association.

VAC has no employees and management services are provided to the Company under the service agreements entered with Virala. The Company has entered into three agreements with Virala: an agreement concerning transactional services and certain other services, a CEO services agreement as well as a licence agreement concerning the use of "Virala" and "VAC a Virala Acquisition Company" trademarks. The total compensation under the agreements for these agreements amount to kEUR 41.0 (VAT 0%) per month and they are effective as of 2 June 2021.