

**SUPPLEMENT DATED 14 MARCH 2022 TO THE BASE PROSPECTUS DATED
20 AUGUST 2021 AS PREVIOUSLY SUPPLEMENTED BY THE FIRST SUPPLEMENT DATED
3 SEPTEMBER 2021 AND THE SECOND SUPPLEMENT DATED 16 NOVEMBER 2021**



CASTELLUM

CASTELLUM AB

(Incorporated with limited liability in Sweden)

CASTELLUM HELSINKI FINANCE HOLDING ABP

(incorporated with limited liability under the laws of the Republic of Finland)

Unconditionally and irrevocably guaranteed by

(in respect of Notes issued by Castellum Helsinki Finance Holding Abp only)

CASTELLUM AB

€3,000,000,000

Euro Medium Term Note Programme

This Supplement (the **Supplement**) to the Base Prospectus dated 20 August 2021 as previously supplemented by the first supplement dated 3 September 2021 and the second supplement (the **Second Supplement**) dated 16 November 2021 (the **Base Prospectus**) which comprises a base prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) constitutes a Supplement to the Base Prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the €3,000,000,000 Euro Medium Term Note Programme (the **Programme**) established by Castellum AB (**Castellum AB** and, in its capacity as guarantor of Notes issued by Castellum Finance (as defined below), the **Guarantor**) and Castellum Helsinki Finance Holding Abp (**Castellum Finance** and, together with Castellum AB in its capacity as an issuer, the **Issuers** and each an **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuers and the Guarantor.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuers or the Guarantor (in the case of Notes issued by Castellum Finance) nor as an endorsement of the quality of the Notes that are the subject of the Base Prospectus or this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

Each Issuer and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuers and the Guarantor, the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is (a) to incorporate by reference into the Base Prospectus certain sections of the Year-end Report January-December 2021 of Castellum AB (which contains the unaudited consolidated financial statements of Castellum AB for the year ended 31 December 2021); (b) to update the section of the Base Prospectus entitled "*Risk Factors – The Group's operations are affected by macroeconomic factors*" to reflect recent macroeconomic developments; (c) to update the sections of the Base Prospectus entitled "*Risk Factors – Risks relating to the Offer – the Offer is subject to significant uncertainties*" and "*Description of Castellum – Recent Developments – Offer to acquire Kungsleden – The Offer*" to reflect the completion of the Acquisition (as defined below); (d) to update the sections of the Base Prospectus entitled "*Risk Factors – Loss of key personnel may undermine Castellum's Operations*" and "*Description of Castellum – Organisation – Board of Directors and Executive Group Management*" following changes to the board of directors and management of Castellum AB; (e) to update the section of the Base Prospectus entitled "*Description of Castellum – Recent Developments*" to reflect certain recent developments; (f) to update the section of the Base Prospectus entitled "*Unaudited Pro Forma Financial Information*" to include an unaudited pro forma statement of income for 1 January – 31 December 2021 reflecting the Acquisition; and (g) to include a new "*Significant or Material Change*" statement.

Incorporation of information by reference

On 16 February 2022 Castellum AB published its Year-end Report January-December 2021 which contains the unaudited consolidated financial statements of Castellum AB for the year ended 31 December 2021 (the **2021 Year-end Report**). A copy of the 2021 Year-end Report has been filed with the Central Bank and, by virtue of this Supplement, pages 6 to 37 of the 2021 Year-end Report shall be incorporated in, and form part of, the Base Prospectus.

This document is available for viewing on the following website:

<https://vp244.alertir.com/afw/files/press/castellum/202202131005-1.pdf>

The Group's operations are affected by macroeconomic factors

The risk factor entitled "*Risk Factors – The Group's operations are affected by macroeconomic factors*" on page 17 of the Base Prospectus shall be deleted and replaced with the following:

"The Group's operations are affected by macroeconomic factors.

Castellum owns and manages commercial properties in selected growth regions in Sweden, Denmark and Finland and its operations are therefore affected by macroeconomic factors that are beyond its control. These factors include but are not limited to growth measured as gross domestic product (**GDP**), inflation and possible deflation, as well as general difficulties in securing financing (or financing on terms acceptable to Castellum). For instance, weak economic growth has a negative impact on the demand for commercial premises, which in turn may lead to higher vacancy rates, declining market rents and foregone indexation income from existing leases. The risk of payment difficulties (or even bankruptcies) also increases, which has an immediate negative effect on cash flow. Limited access to capital due to general difficulties in securing financing (or financing on terms acceptable to Castellum), for example, impedes Castellum's ability to conduct its operations. General economic downturns may also have an adverse effect on the market value of Castellum's properties. For example, during 2020, 2021 and continuing into 2022 the Covid-19 pandemic has caused extensive economic turbulence leading to a

deterioration of global and regional economic conditions, including in Europe and the Nordic region. While the pandemic had a sharp negative impact on the European and Nordic financial markets during 2020, the impact on Castellum's earnings has, to date, been limited with slightly lower rental income. The direct and indirect impact of Covid-19 remains uncertain, however a prolongation of the Covid-19 pandemic could significantly negatively impact economic growth, business operations and real estate markets. Additionally, global macroeconomic conditions may be adversely affected, for example, by political tensions, acts of war and/or expansion of sanctions, in particular as a result of the conflict between Russia and Ukraine. The prolongation of geopolitical tensions, sanctions and political uncertainty could negatively impact economic growth, business operations and real estate markets. This could have a material adverse effect on the financial performance and the cost of funding for Castellum. If any of these risks should materialise, it may have a materially adverse effect on Castellum's operations, earnings and financial position.

Supply and demand for properties, and therefore the yield on property investments, varies between different geographic markets and property categories, and can thus develop differently within such geographic markets and property categories. There is a risk that demand will fall and the market's yield requirement will therefore increase within those geographic markets and property categories in which Castellum operates. This may have a material adverse impact on Castellum's operations, earnings and financial position."

Risks relating to the Offer – the Offer is subject to significant uncertainties

The risk factor entitled "*Risk Factors – Risks relating to the Offer – the Offer is subject to significant uncertainties*" on page 21 of the Base Prospectus shall be deleted and replaced with the following:

"Risks relating to the Kungsleden Acquisition.

On 10 November 2021, Castellum announced that its voluntary public offer (the **Offer**) to shareholders of Kungsleden Aktiebolag (**Kungsleden**) to acquire all shares in Kungsleden in exchange for a combined consideration of shares in Castellum and cash had closed with Castellum having taken control of Kungsleden and Kungsleden formally becoming a subsidiary of Castellum (the **Acquisition**) as described in the section "*Description of the Issuer and the Group – Recent Developments – The Kungsleden Acquisition*".

Following the completion of the Acquisition, Kungsleden's business has become a part of the Group's business. The integration of Kungsleden is expected to be completed by the summer of 2022. There remains the risk that the process of integrating Kungsleden's business is made more difficult by factors currently unknown to Castellum but which may emerge during the on-going integration, thereby impeding the realisation of synergies and hampering the full integration of Kungsleden's business into Castellum. The failure to realise synergies arising from the Acquisition and successfully integrate Kungsleden's business could result in an adverse impact on the price of Castellum's shares and debt securities. Whether or not synergies may be realised depends on a number of factors and is based on Castellum's assessment of future circumstances and there is a risk that synergies may not be fully realised. Successful integration is required upon the acquisition of a new company to enable synergies in the new business. If the integration process continues for a longer period of time than expected, there is a risk that Castellum may be adversely affected. Information on Kungsleden used by Castellum when making the Offer was derived from public sources and was not independently verified by Castellum at the time. As a result, following completion of the Acquisition, the Group may become subject to liabilities or obligations of Kungsleden of which it was previously unaware when making the Offer. If the consideration paid by Castellum to acquire Kungsleden proves over time to be too high then this could

lead to write-downs in the future. All of the above factors may have a material adverse effect on the Group's business, results of operations and financial condition."

Loss of key personnel may undermine Castellum's Operations

The risk factor entitled "*Risk Factors – Loss of key personnel may undermine Castellum's Operations*" on page 22 of the Base Prospectus shall be deleted and replaced with the following:

"Loss of key personnel may undermine Castellum's Operations.

Castellum's business and financial performance is dependent on experienced employees possessing relevant skills. Such key individuals are included among senior executives as well as the Group's employees in general. Castellum's success is, to a large extent, dependent on its ability to recruit, motivate and retain qualified personnel at every level of its organisation. Castellum has recently experienced changes within the Group including in the composition of its Executive Group Management and there may be a risk that, over time, Castellum is unable to retain or recruit qualified personnel to the desired extent. Any disruption caused by the departure of one or more key individuals, including any delay in securing highly skilled replacements, could have an impact on Castellum's ability to implement its strategy in the near-term which could have a material adverse impact on Castellum's operations, earnings and financial position."

Board of Directors and Executive Group Management

In the section entitled "*Description of Castellum – Organisation – Board of Directors and Executive Group Management – Board of Directors*" on page 125 of the Base Prospectus, the table and footnotes thereto shall be deleted and replaced with the following:

"

Name	Year of birth	Board member since	Title	Other Board assignments
Per Berggren	1959	2007	Chairman of the Board ⁽¹⁾	Chairman of the board in Slättö Förvaltning AB, board member in Fasticon Kompetens Holding AB and White Arkitekter AB.
Rutger Arnhult	1967	2021	Board member	Chairman of the board in M2 Asset Management AB (publ).
Anna-Karin Celsing	1962	2021	Board member	Board member in Carnegie Investment Bank AB (publ), Volati AB (publ), Landshypotek Bank AB (publ), OX ₂ AB, Lannebo Fonder AB and Tim Bergling Foundation.
Anna Kinberg Batra	1970	2021	Board member	Chairman of the board in Soltech Energy Sweden AB (publ). Board member in Carasent ASA, SJR and Swedish Space Corporation.
Zdravkok Markovski	1964	2020	Board member	Board member in Besqab AB (publ) and ZM & Co AB.
Joacim Sjöberg	1964	2020	Board member	CEO and board member in Valhalla Corporate Advisor AB. Chairman of the board in Moonlighting Industries AB. Board member

				in Wästbygg Gruppen AB (publ) and KlaraBo Svergie AB.
Christina Karlsson Kazeem	1965	2016	Board member	CEO in ETTELVA Arkitekter AB. Chairman of the Board in Creador AB and Millimeter Arkitekter AB.

⁽¹⁾ Board member Per Berggen was appointed as Chairman of the Board on 10 January 2022."

In the section entitled "*Description of Castellum – Organisation – Board of Directors and Executive Group Management – Executive Group Management*" on page 126 of the Base Prospectus, the first paragraph, table and footnotes thereto shall be deleted and replaced with the following:

"Executive Group Management comprises the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Head of Treasury, the Chief Investment Officer, the Chief Legal Officer, the Director of People & Culture, the Director of Communications and the Regional Managers of each of the five main regions. Executive Group Management has joint responsibility for delivering on Group wide goals and strategies, and meetings mostly cover issues pertaining to overall operations. As at the date of this Supplement, Castellum's Executive Group Management consists of 13 people.

Name	Year of birth	Member of Executive Group management since	Position
Rutger Arnhult	1967	2021	Chief Executive Officer, Castellum AB
Maria Strandberg	1983	2022	Chief Financial Officer, Castellum AB
Jakob Mörndal	1983	2021	Chief Operating Officer, Castellum AB
Jens Andersson	1973	2022	Head of Treasury, Castellum AB
Kristina Sawjani	1975	2022	Chief Investment Officer, Castellum AB
Malin Löveborg	1978	2022	Chief Legal Officer, Castellum AB
Hanna Brandström	1980	2022	People & Culture Officer, Castellum AB
Anna-Karin Nyman	1983	2018	Director of Communications, Castellum AB
Sven Stork	1967	2022	Regional Manager Stockholm, Castellum AB
Mats Eriksson	1963	2022	Regional Manager Mälardalen, Castellum AB
Mariette Hilmersson	1971	2018	Regional Manager West, Castellum AB
Per Gawelin	1978	2018	Regional Manager Central, Castellum AB
Ola Orsmark	1971	2014	Regional Manager Öresund, Castellum AB

The Kungsleden Acquisition

The section of the Base Prospectus entitled "*Description of Castellum – Recent Developments – Offer to acquire Kungsleden*" beginning on page 127 of the Base Prospectus shall be deleted and replaced with the following:

"The Kungsleden Acquisition

The Offer

On 2 August 2021, Castellum announced its Offer to acquire Kungsleden in exchange for a combined consideration of shares in Castellum and cash. The Offer valued each Kungsleden share at SEK 124.90 making the total value of the Offer approximately SEK 26,860 million¹. On 10 November 2021, Castellum announced that the conditions of the Offer had been satisfied and it had decided to complete the Offer and acquire the shares tendered in the Offer. On the same date, Castellum took control of Kungsleden and Kungsleden became a subsidiary of Castellum. Castellum issued 68,469,057 new shares in Castellum and paid SEK 7,165 million in cash as consideration in respect of the acceptances received pursuant to the Offer and subsequent share purchases in the period 29 November 2021 – 28 January 2022. Additionally, Castellum paid SEK 2,705 million to acquire shares in Kungsleden in the market during Q3 2021. As of the date of this Supplement, Castellum holds 210,978,130 shares in Kungsleden corresponding to approximately 98.1 per cent. of the total outstanding shares in Kungsleden. Castellum has initiated compulsory redemption under the Swedish Companies Act to acquire all remaining shares in Kungsleden. The compulsory redemption procedure is expected to complete during the second half of 2022 at the earliest. However, Castellum will request an advance grant of title to the minority shares, which (if granted) will allow Castellum to exercise any rights of the minority shares once an intermediate award has been rendered. Such intermediate award is expected to be rendered during the first half of 2022.

Castellum financed the cash consideration payable under the Offer through Castellum's existing cash reserves on terms which are customary for the financing of public offers on the Swedish market.

Kungsleden

Kungsleden is a Swedish public limited liability company incorporated in Sweden and operating under Swedish law and its shares are admitted to trading on Nasdaq Stockholm's main market under the ticker KLED. Kungsleden is a Swedish property company focusing on commercial properties in Swedish growth regions, with a property value of approximately SEK 47 billion. Almost 90 per cent. of Kungsleden's property portfolio is in Stockholm, Gothenburg, Malmö and Västerås. Kungsleden focuses on a broad spectrum of operations and industries and customers consist of proprietorship to international groups and public administration. Kungsleden's property portfolio consists of 208 properties (including 16 development properties) with a total yearly rental value of approximately SEK 2.9 billion (as of 31 December 2021). Kungsleden's business model is based on long-term ownership, active management, improvement and development of commercial facilities in growth regions in Sweden.

Rationale

The rationale behind the business combination is to strengthen the Group's position as the largest listed commercial property group in the Nordics region by reported property market value². The management of Castellum expects the combination to create growth and shareholder value through an efficient common platform within property management, continued property acquisitions as well as development of existing properties portfolios whilst benefiting from an exchange of knowledge and operational synergies.

¹ Based on the closing price of Castellum's shares of SEK 241.10 per share on Nasdaq Stockholm on 30 July 2021, and 215,042,296 shares in Kungsleden. Shares held by Kungsleden have not been included when calculating the value of the Offer (3,361,006 shares as at 30 July 2021).

² Based on Castellum's calculations based on publicly available information.

The management of Castellum believes that the combination with Kungsleden provides opportunities for synergies within operation, property management, property development and financing as Castellum's operations are expected to be strengthened and efficiencies are expected to be gained through the exchange of knowledge and utilisation of economies of scale.

The management of Castellum estimates that the annual synergies within property management and administration to amount to approximately SEK 185 million and expects these synergies to reach full effect within two to three years of the acquisition occurring. These synergies are expected to arise through cost savings and efficiency gains in property management, reduced central administration and elimination of overlapping functions in the combined company, particularly given that approximately 90 per cent. of the combined portfolio is in complimentary locations.

The combined company will have the opportunity for financial synergies in the event that it can successfully refinance Kungsleden's outstanding loans based on Castellum's higher credit rating. The management of Castellum estimates the annual financing cost synergies to be SEK 100 million. In addition, the increased size of the Group is expected to improve the Group's position and competitiveness in capital markets.

Further, the management of Castellum believes that there are unquantified revenue synergies through improved customer offering and enhanced local presence of the combined company as well as stronger combined ability to extract further value from existing sites and accelerate new projects.

Castellum has begun the process of integrating Kungsleden into the Group. The integration is expected to be completed by the summer of 2022.

There can be no assurance that any synergies will be realised or that there will be no adverse impact on the operations of the Group.

The Combined Company

Following the Acquisition, the combined property portfolio has a market value of SEK 153.1 billion as of 31 December 2021 consisting of 762 properties (including 77 development properties) with a broad geographic diversification within growth regions in Sweden, Finland and Denmark. Taking into account Castellum's ownership in Entra ASA following the purchase of additional shares on 27 August 2021 and acquisitions carried out in July 2021, the property value of the combined company amounts to SEK 176 billion as of 31 December 2021. In order to enable focus on prioritised growth regions, the management of Castellum intends to divest of certain properties within less prioritised areas. The combined property portfolio mainly consists of office properties (approximately 58 per cent.), public sector properties (approximately 14 per cent.), warehouse, logistics and industry properties (approximately 14 per cent.) and retail properties (approximately 6 per cent.). The project portfolio of the combined company corresponds to just over 8 per cent. of the property value. The combined company has a broad customer base represented by public authorities, municipalities and large corporates. The single largest tenant of the combined company is estimated to account for approximately 3 per cent. of the combined rental value and the average lease period for the total combined property portfolio is estimated to be approximately 3.7 years.

Kungsleden is consolidated in Castellum's balance sheet in the 2021 Year-end Report. Certain income statement metrics of the combined company's portfolio are presented below. This section contains certain financial measures that are not defined or recognised under IFRS. These financial measures have been included because Castellum believes they provide useful supplemental information to understand and

analyse the combined company and the possibilities and synergies that may be achieved. Please refer to the section "*Unaudited Pro forma Financial Information*" for pro forma figures reviewed by Castellum's auditor and please refer to the section "*Alternative Performance Measures and Other Key Performance Indicators*" for definitions and explanations of the metrics disclosed below.

Castellum has prepared the following unaudited pro forma financial information for illustrative purposes only. Because of its nature, the unaudited pro forma financial information illustrates a hypothetical situation and does not describe Castellum's actual results or financial position. The purpose of the unaudited pro forma financial information is only to inform on facts and not to show Castellum's results or financial position at any specific time in the future. Consequently, potential investors should not overstate the importance of the unaudited pro forma financial information.

Income from property management (pro forma), MSEK	<u>Jan-December</u> <u>2021</u>
Income before tax	14,832
Reversed:	
Acquisition costs	-76
Financing fees, etc. for acquisitions	-27
Income from associated companies, excl. acquired earnings	981
Revaluation of earnings due to stepwise acquisition	111
Changes in value:	
Properties	8,896
Financial holdings	42
Impairment of goodwill	-194
Derivatives	532
Income from property management (pro forma)	4,566
Interest coverage ratio (pro forma)	
Income from property management (pro forma), MSEK	4,566
Reversed:	
Net financial items (pro forma), MSEK	-1,264
Income from property management, excl. net interest, MSEK	5,831
Net interest costs (pro forma), MSEK	-1,243
Interest coverage ratio, pro forma	469%

Following the Acquisition, Castellum intends to remain based in Gothenburg. The expanded operation that Kungsleden will contribute to means that the combined company will have two headquarters, one in Stockholm and one in Gothenburg.

Both Kungsleden and Castellum are committed to driving the development of green properties and sustainable development and Castellum intends to maintain its ambitious sustainability targets for the combined company with a goal of becoming Europe's most sustainable property company.

Castellum intends that the combined company will maintain its policy of having a loan-to-value ratio not exceeding 50 per cent. and it will also aim to maintain Castellum's rating, meaning it will continue to maintain an actual loan-to-value ratio below 45 per cent. Further, Castellum intends that the combined company will retain Castellum's financial target of annual growth in profit from property management per

share of 10 per cent. and dividend of at least 50 per cent. per share of the profit from property management.

Rating

On 4 August 2021, Moody's affirmed Castellum's long-term issuer rating of Baa2 with stable outlook. The affirmation of the rating and outlook followed Castellum's announcement of the Offer on 2 August 2021 and reflected Castellum's temporary increase in leverage being balanced by Castellum's targeted reduction of leverage towards a level of below 45 per cent. by year-end 2021 and the expected improvements in business profile following the Acquisition."

Recent Developments

In the section of the Base Prospectus entitled "*Description of Castellum – Recent Developments*" beginning on page 127 of the Base Prospectus, the following paragraphs shall be inserted at the end of such section:

"Gävle

Castellum is divesting 12 properties in Gävle to Fastighets AB Regio. The sale price is approximately SEK 2.3 billion less overheads and deferred tax totalling approximately SEK 130 million. The sale will result in an impairment of goodwill of approximately SEK 150 million and deferred tax income of approximately SEK 300 million. Closing will take place on 31 March 2022.

Intea

In December 2021, Castellum completed the divestment of Högkvarteret 1 and 2 in Helsingborg to Intea Fastigheter AB (publ). The sale price was SEK 2.4 billion less overheads and deferred tax totalling approximately SEK 120 million. The sale resulted in an impairment of goodwill of approximately SEK 120 million and deferred tax income of approximately SEK 300 million.

Oscar Properties

In November 2021, Castellum sold 16 properties in Stockholm, Öresund, Norrköping and Västerås to Oscar Properties. The sale price was SEK 1.7 billion less overheads and deferred tax totalling approximately SEK 95 million. The sale resulted in an impairment of goodwill of approximately SEK 20 million and deferred tax income of approximately SEK 170 million."

Unaudited Pro forma Financial Information

The section of the Base Prospectus entitled "*Unaudited Pro forma Financial Information*" beginning on page 137 of the Base Prospectus shall be deleted and replaced with the following:

"UNAUDITED PRO FORMA FINANCIAL INFORMATION

Castellum has prepared this unaudited pro forma financial information for illustrative purposes only. Because of its nature, the unaudited pro forma financial information illustrates a hypothetical situation and does not describe Castellum's actual results. The purpose of the unaudited pro forma financial information is only to inform on facts and not to show Castellum's results at any specific time in the future. Consequently, potential investors should not overstate the importance of the unaudited pro forma financial information.

BACKGROUND

On 2 August 2021, Castellum announced a voluntary public offer for all ordinary shares in Kungsleden (the **Offer**). The Offer consideration consisted of a combination of shares in Castellum and cash for the tendered shares in Kungsleden. Castellum offered each shareholder in Kungsleden the following;

- in respect of 70 per cent. of the number of Kungsleden shares tendered by such shareholder, 0.525 shares in Castellum per Kungsleden share; and
- in respect of the remaining 30 per cent. of the number of Kungsleden shares tendered by such shareholder, SEK 121 in cash per Kungsleden share.

Following the conclusion of the Offer, Castellum issued 68,469,057 new shares and paid SEK 7,241 million in cash consideration, including acquisition costs of SEK 76 million, in respect of the acceptances received pursuant to the Offer on 9 November 2021 and 18 November 2021 and subsequent purchases of shares in Kungsleden on 29 November 2021, 3 December 2021, 27 December 2021 and 28 January 2022. Additionally, Castellum paid SEK 2,705 million to acquire shares in Kungsleden in the market during Q3 2021. As Castellum gained control of Kungsleden on 10 November 2021 the purchase price allocation was prepared based on the purchase price of SEK 23,868 million and all acquisitions of Kungsleden shares subsequent to this date have not impacted the purchase price allocation.

Castellum has included unaudited pro forma financial information as of and for the full year ended 31 December 2021, in order to report the hypothetical effects that the Acquisition would have on Castellum's results. The following pro forma financial information is presented:

- Unaudited pro forma statement of income for the period 1 January 2021 - 31 December 2021, as if the Acquisition had been completed on 1 January 2021.

The pro forma adjustments are based upon available information and certain assumptions which the Board of Directors and management of Castellum believe are reasonable in this context and which are described in the accompanying notes to the unaudited pro forma financial information. Actual results may differ materially from the assumptions within the accompanying unaudited pro forma financial information.

The unaudited pro forma financial information does not include all information required for financial statements prepared under IFRS as adopted by the EU (**IFRS**) and should be read in connection with the historical financial information of Castellum and Kungsleden.

The unaudited pro forma financial information has been prepared in accordance with Annex 20 to Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation and has been

compiled in a manner consistent with the accounting principles of Castellum, IFRS as adopted by the EU, which are described in Castellum's annual report for 2020.

Castellum's auditor, Deloitte AB, has given an assurance report on the compilation of pro forma financial information which is included in the Base Prospectus – *“Independent Auditor’s Assurance Report on the Compilation of Pro Forma Financial Information included in a Prospectus”*.

ASSUMPTIONS AND BASIS FOR THE PRO FORMA FINANCIAL INFORMATION

Acceptance of the Offer

The Offer included all shares in Kungsleden that had not been repurchased by Kungsleden. The pro forma report is based on the actual number of shares in Kungsleden purchased by Castellum in connection with the Offer, the shares in Kungsleden purchased by Castellum in the market during Q3 2021 as well as the 3,367,768 shares in Kungsleden acquired by Castellum in the period 29 November 2021 – 28 January 2022.

Accounting principles

The unaudited pro forma financial information has been prepared following Castellum's accounting principles IFRS (as adopted by the EU), which are described in Castellum's annual report for 2020. Kungsleden also applies IFRS as adopted by the EU, as described in Kungsleden's annual report for 2020.

Presentation format

Service income in Kungsleden's internal accounting records is presented in the line item Rental income.

Business Combination vs. Asset Purchase

The Acquisition has been classified as a Business Combination in accordance with IFRS 3. Classification of a transaction as a Business Combination or Asset Purchase is made in accordance with a number of assessment criteria prescribed in IFRS 3.

Basis for the unaudited pro forma financial information

The 2021 Year-end Report for the period 1 January – 31 December 2021 of Castellum and the internal accounting records for the period 1 January – 9 November 2021 of Kungsleden form the basis for the unaudited pro forma financial information. The 2021 Year-end Report of Castellum and Kungsleden's internal accounting records for the period 1 January – 9 November 2021 have not been reviewed or audited by the companies' auditors. The internal accounting records for the period 1 January – 9 November 2021 of Kungsleden contain no other material information other than the financial information set out in the unaudited pro forma statement of income for 1 January – 31 December 2021 below.

The unaudited pro forma financial information does not include all of the information required for financial statements under IFRS and should be read in conjunction with the historical financial information of Castellum and Kungsleden.

PRO FORMA ADJUSTMENTS

The overall nature of the pro forma adjustments is described below. The adjustments are described in more detail in the notes to the pro forma accounts. The pro forma adjustments are expected to have a

continuing impact on the consolidated results, unless otherwise stated. General synergies or costs for integration have not been included in the pro forma accounts.

Adjustments of accounting principles

Castellum has carried out an analysis regarding significant differences between accounting principles of Castellum and Kungsliden. Castellum's assessment is that there are no material differences between accounting principles of Castellum and Kungsliden that have any significant effects on the financial information.

Purchase price allocation

As at the date of the Supplement, Castellum holds 210,978,130 shares in Kungsliden corresponding to approximately 98.1 per cent. of the total outstanding shares in Kungsliden. The shares were acquired by Castellum in three main stages with 21,000,000 shares acquired in the market during Q3 2021, 176,423,275 shares acquired on 10 November 2021 pursuant to the Offer and 9,887,087 shares acquired on 18 November 2021 pursuant to the Offer (corresponding to 9.9 per cent., 82.0 per cent. and 4.6 per cent. of the total shares in Kungsliden respectively). Thereafter, Castellum acquired 3,367,768 shares in the period 29 November 2021 – 28 January 2022. As such, the Acquisition was achieved in stages and accounted for using the requirements for a so-called step acquisition. This means that the shares of Kungsliden already held by Castellum had to be remeasured at fair value as at 10 November 2021 (i.e. when Castellum obtained control of Kungsliden).

In the purchase price allocation, the difference between the net of the identifiable assets acquired and the liabilities assumed, and the consideration has been recognised as goodwill.

Acquisition costs and financing

In order to finance the Acquisition, Castellum signed a bridge loan of SEK 8,000 million, the full amount of which is utilised, and additionally utilised other credit facilities of SEK 1,606 million. In the unaudited pro forma statement of income, the bridge loan and the other credit facilities have been treated as if the Acquisition took place on 1 January 2021. The estimated interest costs regarding the acquisition for the year 2021 amounts to approximately SEK 125 million.

Furthermore, at the time of the Acquisition Kungsliden had SEK 840 million in nominal amount of outstanding bonds containing change of control clauses giving their holders the right to put their bonds back to Kungsliden. However, no such bonds had been redeemed as of 31 December 2021. Accordingly, an assumption has been made in the unaudited pro forma financial information that Kungsliden's bonds are not redeemed. In addition, all of the change of control clauses in Kungsliden's bank facilities have been waived and the unaudited pro forma financial information is based on an assumption that these bank facilities remain in place.

Tax effect on adjustments

The tax effect has been taken into account on all adjustments that are deemed to be tax deductible or taxable in the unaudited pro forma financial information. The tax calculations are based on the statutory tax rate 20.6 per cent. for 2021.

**UNAUDITED PRO FORMA STATEMENT OF INCOME FOR
1 JANUARY – 31 DECEMBER 2021**

Based on the conditions above and the pro forma adjustments set out below, an unaudited pro forma statement of income is set out below for the year 1 January – 31 December 2021:

STATEMENT OF INCOME	Castellum 2021 IFRS	Kungsleden 1 January - Pro 9 November adjustments 2021 IFRS	- Pro formal adjustments Note	Castellum Pro forma Statement of Income
<i>(SEK million)</i>				
Rental income	5,723	2,223		7,946
Service income	461	0		461
Coworking income	169	0		169
Income	6,353	2,223		8,576
Operating costs	-840	-390		-1,230
Maintenance expenses	-155	-71		-226
Property tax	-401	-120		-521
Coworking expenses	-194	0		-194
Lettings and property administration expenses	-417	-159		-576
Net operating income	4,346	1,483		5,829
Central administrative expenses	-174	-12		-186
Acquisition costs	-76	0		-76
Income from associated companies	1,142	0		1,142
<i>Net financial items</i>				
Net interest costs	-845	-297	-101 A1	-1,243
Dividend	61	0		61
Financing fees, etc for acquisitions	-27	0		-27
Letting cost/Site leasehold fee	-27	-28		-55
Income incl. associated companies	4,400	1,145	-101	5,444
<i>of which income from property management</i>	<i>3,522</i>	<i>1,145</i>	<i>-101</i>	<i>4,566</i>
<i>Changes in value</i>				
Properties	7,185	1,711		8,896
Financial holdings	42	0		42
Impairment of goodwill	-194	0		-194
Revaluation of earnings due to stepwise acquisition	111	0		111
Derivatives	325	207		532
Income before tax	11,869	3,064	-101	14,832
Current tax	-173	0		-173
Deferred tax	132	-644	21 A2	-492
Net income for the period/year	11,828	2,419	-81	14,166

Notes to pro forma statement of income

A1

The cash consideration for the Acquisition, totalling SEK 9,870 million (SEK 7,165 million as cash consideration in respect of the acceptances received pursuant to the Offer and subsequent share purchases in the period 29 November 2021 – 28 January 2022 and SEK 2,705 million related to the shares acquired on the market during Q3 2021), as well as acquisition costs totalling SEK 76 million, will be financed through a bridge loan of SEK 8,000 million and other credit facilities of SEK 1,606 million with an assumption of an average annual interest rate of 1.3 per cent. equal to approximately SEK 125 million on an annual basis.

As Castellum obtained loans and paid in cash for the step acquisitions of shares in Kungsliden during Q3 and Q4 2021, Castellum has already incurred interest costs recognised as an expense in its financial statements for the full year ended 31 December 2021 of approximately SEK 24 million. Consequently, this expense of SEK 24 million has been considered when preparing the pro forma adjustments and thus excluded in the pro forma adjustment. This entails a pro forma adjustment in the pro forma statement of income for increased interest expenses totalling SEK 101 million.

A2

Additional interest cost for the Acquisition increases deferred tax income by SEK 21 million for the full year 1 January - 31 December 2021.

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

To the Board of Directors of Castellum AB, corporate identity number: 556475-5550

Report on the Compilation of Pro Forma Financial Information Included in a Prospectus

We have completed our assurance engagement to report on the compilation of pro forma financial information of Castellum AB ("Castellum") by the Board of Directors and Management of Castellum. The pro forma financial information consists of the unaudited pro forma statement of income for the 12 months ended 31 December 2021, and related notes as set out in section "Unaudited Pro Forma Financial Information" of the Supplement dated 14 March 2022 issued by Castellum which supplements the Base Prospectus dated 20 August 2021 as previously supplemented by the first supplement dated 3 September 2021 and the second supplement dated 16 November 2021 (as so supplemented, the "Base Prospectus"). The applicable criteria on the basis of which the Board of Directors and Management of Castellum have compiled the pro forma financial information are specified in Annex 20 of the Commission delegated regulation (EU) No. 2019/980 and described in the section "Unaudited Pro Forma Financial Information" of the Base Prospectus.

The pro forma financial information has been compiled by the Board of Directors and Management of Castellum to illustrate the impact of the Acquisition of all shares in Kungsleden AB (the "Offer") as set out in section "Unaudited Pro Forma Financial Information" of the Base Prospectus on Castellum's consolidated financial performance for the period ended 31 December 2021 as if the Acquisition had taken place at 1 January 2021.

As part of this process, information about Castellum's and Kungsleden AB's consolidated financial performance has been extracted by the Board of Directors and Management of Castellum from Castellum's 2021 Year-End Report on which no audit or review report has been published and the internal accounting records for the period of 1 January – 9 November 2021 of Kungsleden on which no audit or review report has been published.

The Board of Directors' and Management's Responsibility for the Pro Forma Financial Information

The Board of Directors and Management of Castellum are responsible for compiling the pro forma financial information on the basis of Delegated Regulation (EU) 2019/980.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies *International Standard on Quality Control 1* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibilities

Our responsibility is to express an opinion, as required by Delegated Regulation (EU) No. 2019/980, about whether the pro forma financial information has been compiled by the Board of Directors and

Management of Castellum on the basis of the applicable criteria and that these are consistent with Castellum's accounting policies.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the auditor plan and perform procedures to obtain reasonable assurance about whether the Board of Directors and Management have compiled the pro forma financial information on the basis of the applicable criteria and whether this basis is consistent with the accounting policies of Castellum. Our work primarily consisted of comparing the unadjusted financial information with the source documents as described in section "Unaudited Pro Forma Financial Information" of the Base Prospectus, considering the evidence supporting the adjustments and discussing the pro forma financial information with Management of Castellum.

The aforementioned opinion does not require an audit of historical unadjusted financial information, the adjustments to conform the accounting policies of Kungsleden AB to the accounting policies of Castellum, or the assumptions summarized in section "Unaudited Pro Forma Financial Information" of the Base Prospectus. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent Castellum's actual financial performance. Accordingly, we do not provide any assurance that the actual outcome for the 12 months ended 31 December 2021 as if the Acquisition had taken place at 1 January 2021 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors and Management in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- (i) The related pro forma adjustments give appropriate effect to those criteria;
- (ii) The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information;
- (iii) The pro forma financial information has been compiled on a basis consistent with the accounting policies of Castellum.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma financial information has been properly compiled on the basis stated in section "Unaudited Pro Forma Financial Information" of the Base Prospectus and that basis is consistent with the accounting policies applied by Castellum.

Gothenburg, 14 March 2022

Deloitte AB

Harald Jagner

Authorized Public Accountant"

The independent auditors of Castellum AB are Deloitte AB, of Södra Hamngatan 53, Box 33, Gothenburg, Sweden, Swedish authorised public accountants (authorised and regulated by the Supervisory Board of Public Accountants – Karlavägen 104, 115 26 Stockholm, Sweden). Deloitte AB has no material interest in Castellum AB.

The assurance report of Deloitte AB on the compilation of pro forma financial information included in this Supplement (see "*Independent Auditor's Assurance Report on the Compilation of Pro Forma Financial Information included in a Prospectus*") has been produced at the request of Castellum AB and is included, in the form and context in which it is included, with the consent of Deloitte AB who has authorised the contents of that part of this Supplement.

Significant or Material Change

The first paragraph under the heading "*Significant or Material Change*" on page 159 of the Base Prospectus shall be deemed deleted and replaced with the following:

"There has been no significant change in the financial performance or financial position of Castellum AB or the Group since 31 December 2021 and there has been no material adverse change in the financial position or prospects of Castellum AB since 31 December 2020."

Other information

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference into the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus since the publication of the Second Supplement.