

**SUPPLEMENT DATED 16 NOVEMBER 2021 TO THE BASE PROSPECTUS DATED  
20 AUGUST 2021 AS PREVIOUSLY SUPPLEMENTED BY THE FIRST SUPPLEMENT DATED 3  
SEPTEMBER 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 (the **First Supplement**) dated 3 September 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 Interim Report January-September 2021 of Castellum AB (which contains the unaudited consolidated financial statements of Castellum AB for the nine months ended 30 September 2021); (b) 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 Kungsliden – The Offer*" to reflect the current status of the Offer; (c) 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 – Executive Group Management*" following the appointment of Jakob Mörndal as acting CEO of Castellum AB and resignation of Ulrika Danielson as CFO of Castellum AB; and (d) to include a new "*Significant or Material Change*" statement.

## **Incorporation of information by reference**

On 19 October 2021 Castellum AB published its Interim Report January-September 2021 which contains the unaudited consolidated financial statements of Castellum AB for the nine months ended 30 September 2021 (the **Q3 Interim Report**). A copy of the Q3 Interim Report has been filed with the Central Bank and, by virtue of this Supplement, pages 4 to 31 of the Q3 Interim Report shall be incorporated in, and form part of, the Base Prospectus.

This document is available for viewing on the following website:

[https://www.castellum.se/globalassets/investor-relations/budet-pa-kungsliden/castellum\\_interim\\_report\\_january-september\\_2021.pdf](https://www.castellum.se/globalassets/investor-relations/budet-pa-kungsliden/castellum_interim_report_january-september_2021.pdf)

## **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 Offer.***

On 2 August 2021, Castellum announced a voluntary public offer (the **Offer**) to shareholders of Kungsliden Aktiebolag (**Kungsliden**) to acquire all shares in Kungsliden in exchange for a combined consideration of shares in Castellum and cash. On 10 November 2021, Castellum announced that all conditions for completion of the Offer had been fulfilled and Castellum would complete the acquisition of the shares tendered in the Offer. The shares in Kungsliden tendered in the Offer at the end of the acceptance period on 9 November 2021, together with the shares in Kungsliden acquired by Castellum in the market, correspond to approximately 91.9 percent of the outstanding share capital and voting rights in Kungsliden. Castellum has decided to extend the acceptance period for the Offer up to and including 18 November 2021 to allow remaining shareholders to accept the Offer. Settlement for the shares tendered in the Offer during the acceptance period which ended on 9 November 2021 will take place on or around 15 November 2021. Settlement for shares tendered in the Offer during the extended acceptance period is expected to start around 24 November 2021.

Once the acquisition is completed, Kungsliden's business will become a part of the Group's business. There is a risk that this process is made more difficult by factors currently unknown to Castellum, thereby impeding the realisation of synergies and hampering the integration of Kungsliden's business into Castellum. The failure to realise synergies arising from the acquisition and successfully integrate Kungsliden'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 an integration process continues for a longer period of time than expected, there is a risk that the combined company may be adversely affected. Information on Kungsleden has been derived from public sources and has not been independently verified by Castellum. As a result, following completion of the acquisition, the Group may become subject to liabilities or obligations of Kungsleden about which it was previously unaware. 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 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. There may be a risk that, over time, Castellum is unable to retain or recruit qualified personnel to the desired extent. In particular, Ulrika Danielson stepped down as CFO on 10 November 2021 however, as at the date of this Supplement, no replacement has been formally appointed. Following the successful completion of the Offer, Castellum expects that the current CEO of Kungsleden, Biljana Pehrsson, will replace Jakob Mörndal as CEO of Castellum and the current Deputy CEO and CFO of Kungsleden, Ylva Sarby Westman, will be formally appointed as CFO of Castellum, in each case in early 2022. 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."

### **Executive Group Management**

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 Investment Officer, the HR Director, the Corporate Communications Director and the Managing Directors of each of the four 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 Base Prospectus Castellum AB's Executive Group Management consists of seven people. Ulrika Danielson stepped down as Chief Financial Officer on 10 November 2021 however, as at the date of this Supplement, no replacement has been formally appointed. Following the successful completion of the Offer, Castellum expects that the current Deputy CEO and CFO of Kungsleden, Ylva Sarby Westman, will be formally appointed as Chief Financial Officer of Castellum in early 2022.

<b>Name</b>	<b>Year of birth</b>	<b>Member of Executive Group management since</b>	<b>Position</b>
Jakob Mörndal	1983	2021 <sup>(1)</sup>	Acting Chief Executive Officer, Castellum AB
Anna-Karin Nyman	1983	2018	Corporate Communications Director, Castellum AB
Helena Dino	1967	2020	Human Resources Director, Castellum AB
Martin Bjöörn	1976	2019	Managing Director Region Stockholm-North at

Mariette Hilmersson	1971	2018	Castellum AB Managing Director, Region West at Castellum AB
Per Gawelin	1978	2018	Managing Director, Region Central at Castellum AB
Ola Orsmark	1971	2014	Managing Director Region Öresund at Castellum AB

(1) Jakob Mörndal was appointed as acting Chief Executive Officer on 8 October 2021. Following the successful completion of the Offer, Castellum expects that the current CEO of Kungsliden, Biljana Pehrsson, will replace Jakob Mörndal as CEO of Castellum in early 2022."

## The Offer

In the section of the Base Prospectus entitled "*Description of Castellum – Recent Developments – Offer to acquire Kungsliden – The Offer*" on page 127 of the Base Prospectus, the first three paragraphs shall be deleted and replaced with the following:

"On 2 August 2021, Castellum announced its Offer to acquire Kungsliden in exchange for a combined consideration of shares in Castellum and cash. Completion of the Offer was subject to customary conditions including, but not limited to, approval of the issuance of shares as consideration in the Offer by Castellum's shareholders, the Offer being accepted to such an extent that Castellum becomes the owner of shares representing more than 90 per cent. of the total number of outstanding shares in Kungsliden and receipt of all necessary regulatory and governmental approvals.

The Offer values each Kungsliden share at SEK 124.90 and the total value of the Offer is approximately SEK 26,860 million<sup>1</sup>. Castellum offered each shareholder of Kungsliden, in respect of 70 per cent. of the number of Kungsliden shares tendered by such shareholder, 0.525 shares in Castellum per Kungsliden share and, in respect of the remaining 30 per cent. of the number of Kungsliden shares tendered by such shareholder, SEK 121 in cash per Kungsliden share. In aggregate, up to a total of 79,028,043 shares in Castellum will be issued as consideration in the Offer and up to a total of approximately SEK 7,806 million will be paid in cash (based on full acceptance of the Offer). Further, Castellum offered shareholders of Kungsliden a 'mix & match' facility, whereby each Kungsliden shareholder, subject to certain restrictions, could elect to receive as much share consideration as possible or as much cash consideration as possible for their Kungsliden shares. However, the proportion between shares and cash was not to be varied as a result of individual elections made under the mix & match facility, instead, in order for individual shareholders in Kungsliden to receive a higher proportion of a certain requested consideration alternative under the mix & match facility, other shareholders must have made reverse elections to a corresponding extent.

On 13 September 2021, Castellum received the necessary competition clearance from the Swedish Competition Authority in respect of the Offer which satisfied the condition of the Offer in respect of obtaining all necessary regulatory and governmental approvals.

The acceptance period began on 30 September 2021 and ran originally until 29 October 2021. On 1 November 2021, Castellum extended the acceptance period for the Offer up to and including 9 November 2021. On 10 November 2021, Castellum announced that all conditions for completion of the Offer had been fulfilled. The shares tendered in the Offer at the end of the initial acceptance period on 29 October 2021, together with 21,300,000 shares in Kungsliden acquired by Castellum in the market (at prices not exceeding the Offer price), corresponding to approximately 9.9 percent of the outstanding share capital and voting rights in Kungsliden, amounted to in aggregate 190,823,591 shares in Kungsliden, corresponding to approximately 88.7 percent of the outstanding share capital and voting rights in Kungsliden. The corresponding number at the end of the extended acceptance period on 9 November 2021 was in aggregate 197,708,190 shares in Kungsliden, corresponding to approximately 91.9 percent of the outstanding share capital and voting rights in Kungsliden. Castellum has not acquired any additional shares in Kungsliden in

<sup>1</sup> 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 Kungsliden. Shares held by Kungsliden have not been included when calculating the value of the Offer (currently 3,361,006 shares).

the market after the end of the initial acceptance period. Castellum does not hold any other financial instruments which give Castellum financial exposure equivalent to a shareholding in Kungsleden. Castellum may acquire shares in Kungsleden in the market during the extended acceptance period ending on 18 November 2021.

Castellum has decided to complete the Offer and acquire all shares in Kungsleden that have been tendered in the Offer. Accordingly, Castellum declared the Offer to be unconditional and Castellum will complete the acquisition of the shares tendered.

The mix & match facility offered by Castellum to the shareholders of Kungsleden in the Offer has been exercised by shareholders representing 86,175,257 shares in Kungsleden, corresponding to approximately 40.1 percent of the outstanding shares in Kungsleden. Shareholders of Kungsleden representing in total 67,111,411 shares have chosen to receive as much share consideration as possible and shareholders representing in total 19,063,846 shares have chosen to receive as much cash consideration as possible. Castellum's board of directors will, in reliance on the authorisation from the extraordinary general meeting held on 27 August 2021, decide on a new issue of shares in Castellum which Castellum will pay as the share consideration to those shareholders in Kungsleden who have accepted the Offer.

Settlement for shares tendered in the Offer during the acceptance period which ended on 9 November 2021 will take place on or around 15 November 2021. To provide the remaining shareholders of Kungsleden who have not tendered their shares time to accept the Offer, the acceptance period has been extended until 18 November 2021 although the remaining shareholders will not be able to exercise the mix & match facility during the extended acceptance period. Settlement for shares tendered in the Offer during the extended acceptance period is expected to start around 24 November 2021.

Following the Offer becoming unconditional, shareholders who have accepted the Offer, or shareholders who accept the Offer during the extended acceptance period ending on 18 November 2021, have no right to withdraw their acceptances.

Following the end of the extended acceptance period on or around 18 November 2021, Castellum intends to initiate compulsory redemption of the remaining shares in Kungsleden as well as promote a delisting of Kungsleden's shares from Nasdaq Stockholm. Castellum may also acquire shares in Kungsleden in the market after the extended acceptance period ending on 18 November 2021."

### **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 30 September 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 First Supplement.