

Supplement dated and registered 23 December 2021 to the base prospectus approved by the Swedish  
Financial Supervisory Authority on 31 May 2021.

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The logo for Kungsleden, featuring a stylized, hand-drawn line drawing of a mountain range or a path that loops around the word "kungsleden".  
**kungsleden**

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SUPPLEMENT TO THE BASE PROSPECTUS FOR KUNGSLEDEN AB (PUBL)  
SEK 15,000,000,000 MEDIUM TERM NOTE PROGRAMME

Supplement to the base prospectus for Kungsleden AB's (publ) (the "**Company**") Medium Term Note Programme, approved and registered by the Swedish Financial Supervisory Authority ("**Swedish FSA**") on 31 May 2021 (ref. no. 21-9326) (the "**Base Prospectus**").

This Supplement (Swedish FSA ref. no. 21-34081) (the "**Supplement**") has been approved and registered by the Swedish FSA on 23 December 2021 in accordance with Article 23 of Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**") and was published on the Company's website on 23 December 2021.

This Supplement shall be read together with and form part of the Base Prospectus and other additions to the Base Prospectus. In case of conflicts between this Supplement and the Base Prospectus or documents incorporated by reference into the Base Prospectus, this Supplement shall prevail.

In accordance with Article 23 of the Prospectus Regulation, to withdraw notification, consent or purchase or subscription of transferable securities due to the publication of this Supplement shall be used no later than three (3) working days from the publication, the last day for revocation is thus on 29 December 2021.

This Supplement has been prepared due to (i) the completion of Castellum AB's (publ) ("**Castellum**") public takeover bid to the shareholders in the Company for the purpose of acquiring the Company, (ii) Castellum's application for compulsory redemption, (iii) the delisting of the Company's shares on Nasdaq Stockholm ("**Nasdaq**") and (iv) an extraordinary general meeting on 10 December 2021 for the purpose of deciding on certain changes to the composition of the Board of Directors. This Supplement also incorporates an interim report for the second and the third quarter of 2021 by reference. These events give rise to the following changes in the Base Prospectus:

- On page 8, under the heading "*Risk factors specific and material to the Company*" the following shall be incorporated:

*"Risks relating to the public take-over*

*Due to Castellum's acquisition of the Company, the Company's operations will be a part of Castellum's group. There is a risk that this process will be hampered by factors that are currently unknown to the Company. Whether synergies will be realized depend on a number of factors and is based on the Company's assumptions about future conditions. The board of the Company has analyzed the public offer using methods normally used in assessments of public takeover bids, including, but not limited to, the Company's and Castellum's valuation in relation to comparable listed companies, bid premiums in previous public takeover bids on Nasdaq, the stock market's expectations of the Company's and Castellum's profitability, and the board's expectations of the Company's long-term value development based on expected future cash flows. There is thus a risk that these synergies will not be fully materialized. If the integration of the Company's operations will take longer than expected, there is a risk that the Company will be adversely affected. There may also be a risk associated with the potential early redemption of the outstanding loans due to the change of control of the Company. Depending on the volume of loans to be repurchased, the Company may need to assume new financial obligations in order to refinance the repurchases. As a result, the Company may be subject to obligations that the Company is not currently aware of. These factors can have a significant negative impact on the Company's operations, operating results and financial position.*

*Risks relating to the Company's employees*

*Castellum's acquisition of the Company will affect employees in both companies. Castellum will develop an integration plan for the integration of the companies. The board of the Company has not yet been informed of detailed calculations or integration plans and what specific measures will be taken, and their impact on each company's organizations. There is thus a risk that the integration will take longer than expected which may result in the desired operational and administrative synergy effects being postponed*

or does not occur. There is a risk that the Company, over time, will not be able to retain or recruit new qualified staff to a sufficient extent, which will lead to increased costs, poorer customer relations and reduced internal efficiency, which in the long run will lead to poorer profitability.”

- On page 17, the last sentence in the text in the third section under the heading “General corporate information” shall be replaced with the following:

*“The Company’s shares were listed on the regulated market of Nasdaq Stockholm since June 1999 until 3 December 2021.”*

- On page 17, the text in the fourth section under the heading “General corporate information” shall be replaced with the following:

*“Due to Castellum’s acquisition of the Company, the Company has become a direct subsidiary of Castellum, which is the ultimate parent. The Company’s operations mainly consist of owning shares in its operating subsidiaries. It is therefore dependent upon distributions from its subsidiaries.”*

- On page 18, the text and the chart under the heading “Principal shareholders” shall be replaced with the following:

*“The share capital amounts to SEK 91,001,376 divided into 218, 403,302 shares. As of 30 November 2021, Castellum direct or indirect holds and controls 96,6 percent of the shares in the Company (of which the Company holds and controls 1,5 percent). Castellum has on 15 November 2021 applied for compulsory redemption of the outstanding shares.”*

- On page 19, the first section under heading “Credit Rating” shall be replaced with the following:

*“As of the date of this Base Prospectus the Company has been assigned an Investment Grade rating of Baa3 with a stable outlook from Moody’s Investors Service Limited (“**Moody’s**”). The credit rating was on 4 August 2021 placed on review for upgrade after the offer announcement made by Castellum to acquire all shares in the Company. According to Moody’s credit opinion dated 12 August 2021 (<https://www.kungsleden.se/en/media/press-releases/2021/moodys-places-the-rating-of-kungsleden-under-review-for-upgrade/>) the transaction is considered as credit positive for the Company as it will create a group with scale of around SEK 140 billion pro forma as of end of June 2021 focused on the office segment. Moreover, the Company will benefit from the combined group’s financial policy commensurate with a Baa2 rating guidance and improved access to capital and funding sources. Moody’s has published credit ratings reflecting the assessment of the creditworthiness of the Company, i.e. its ability to fulfil in a timely manner payment obligations, such as principal or interest payments on long-term loans, also known as debt servicing. Moody’s is established within the European Union and is registered in accordance with regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended through regulation (EU) No 513/2011 of the European Parliament and of the Council of 11 May 2011 on credit rating agencies (the “**Regulation**”).”*

- On page 21, the heading “Board of Directors, senior management and auditors” shall be replaced with “Board of Directors, CEO and auditors”

- On pages 21-22, the text under the heading “Board of Directors” shall be replaced with the following:

*“Pursuant to the Company’s articles of association, the Board of Directors shall consist of no less than three and no more than eight members, with no more than two deputy members, elected by the general meeting of the shareholders. The Board of Directors currently consists of four members elected on the extraordinary general meeting held on 10 December 2021. Below are the names and current positions of the members of the Board of Directors of the Company.”*

Rutger Arnhult

Born 1967. Chair of the Board.

**Principal education:** Master of Science in Economics, Lund University.

**Other directorships:** Chairman of the board of Castellum and M2 Asset Management AB (publ).

**Previous experience:** Extensive experience and expertise within the real estate industry. Has previously been CEO and board member of Klöver AB (publ) and board member of Corem AB (publ).

Independent of the Company and its executive management. Dependent of a major shareholder in the Company.

Holds no shares in the Company

Jakob Mörndal

Born 1983. Board member.

**Other directorships:** Chairman of the board of Kamelia Samhällsfastigheter AB, board member of Servistore AB and Footway Group AB.

**Education:** Master of Economic and Business Administration, Stockholm School of Economics.

**Current position:** Advisor management.

**Previous experience:** Extensive experience from management positions in the real estate business. Most recently as Head of Concept Development at Klöver AB (publ).

Independent of the Company and its executive management. Dependent of a major shareholder in the Company.

Holds no shares in the Company.

Mariette Hilmersson, board member

Born 1971. Board member.

**Other directorships:** Board member of Tyréns Group AB.

**Education:** Master of Laws, University of Gothenburg.

**Current position:** Managing Director Region West at Castellum.

**Previous experience:** Extensive experience from management positions in the real estate business. Most recently as CEO of Förvaltningsaktiebolaget Framtiden.

Independent of the Company and its executive management. Dependent of a major shareholder in the Company.

Holds no shares in the Company.

Kristina Månesköld

Born 1968. Board member.

**Other directorships:** -

**Education:** Master of Laws, University of Gothenburg.

**Current position:** General Counsel at Castellum.

**Previous experience:** Worked as an attorney at Advokatfirman Vinge and acted as an advisor at Catella.

Independent of the Company and its executive management. Dependent of a major shareholder in the Company.

Holds no shares in the Company.”

- On page 22-24, the heading “Senior Management” and the text under the heading, shall be replaced with the following:

**“CEO**

*“As of 8 December 2021, Ylva Sarby Westman is the new CEO of the Company, alongside her role as Deputy CEO and CFO of Castellum. The section below sets forth further details about her previous experience etc.*

Ylva Sarby Westman

Born 1973. Deputy CEO since 2015, CFO since 2020 and CEO since 2021.

**Education:** M.Sc. (Eng.), the Royal Institute of Technology, Stockholm.

**Previous experience:** Executive Deputy CEO of Newsec Investment AB, Property Development Manager at NCC Property Development AB.

**Other significant assignments outside the company:** Deputy CEO and CFO of Castellum, board member of Eastnine AB (publ) and Ikano Bostad AB.”

- On page 24, the following sentence under the heading “Conflicts of interest” shall be removed:

*“Several board members and members of the Senior Management have a financial interest in the Group as a consequence of being shareholders in the Company.”*

- On page 25, the text under the heading “Legal and arbitration proceedings” shall be replaced with the following:

*“Castellum has initiated compulsory redemption of the remaining shares in the Company. Since Castellum has not been able to reach an agreement with all of the other shareholders, on 15 November 2021 Castellum submitted a request to the Company’s Board of Directors that the dispute shall be resolved by arbitrators. On 23 November 2021, notice was given in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar), Dagens Nyheter and Svenska Dagbladet. Unless the shareholders designate a joint arbitrator within two weeks of the Date on which the notice was published, the Company’s Board of Directors will apply to the Swedish Companies Registration Office (Sw. Bolagsverket) for the appointment of a trustee. The trustee will subsequently appoint a joint arbitrator on behalf of the minority shareholders and protect the rights of absent shareholders in the dispute. The purchase price for the shares will be paid to the shareholders via Euroclear Sweden AB after the arbitral award has become final, without the shareholders having to take any specific action.*

*With the exception of the above, the Group is not now and has not been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened which the Company is aware of) during the previous 12 months from the*

*date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Company's and/or the Group's result or financial position."*

- On page 25, the heading "*Significant changes since 31 March 2021*" and the text under the heading shall be replaced with the following:

*"Significant changes since 30 September 2021*

*Since 30 September 2021, being the end of the last financial period for which interim financial information of the Company has been published, the following changes of the Company's financial and trading position have taken place.*

*On 2 August 2021, Castellum announced a recommended public offer to the shareholders of the Company to acquire all outstanding shares in the Company. The acceptance period for the offer began on 30 September 2021 and ended on 29 October 2021. Castellum later decided to extend the acceptance period until 18 November 2021.*

*As of 19 November 2021, Castellum controls approximately 96,5 percent of the total number of outstanding shares and votes in the Company. Castellum has called for compulsory redemption of the remaining shares in the Company.*

*Following that Castellum controls more than 90 percent of the shares in the Company and initiated compulsory redemption of the remaining shares in the Company, the board applied for de-listing of the Company's shares from Nasdaq. The Company's application was approved by Nasdaq on 19 November 2021 and the last day of trading was on 3 December 2021."*

- On page 26, under the heading "*Incorporation by reference*" the following text shall be incorporated under section five "*Interim report for the first quarter 2021*":

*"**Interim report for the second quarter 2021**, as regards the unaudited consolidated financial information (including comparable numbers for the second quarter 2020) on pages:*

- *4 (Income statement)*
- *4 (Statement of comprehensive income)*
- *7 (Statement of Group balance sheet)*
- *7 (Statement of changes in equity)*
- *16 (Statement of cashflows)*
- *20 (Parent company's income statement – in summary)*
- *20 (Parent company's balance sheet – in summary)*

***Interim report for the third quarter 2021**, as regards the unaudited consolidated financial information (including comparable numbers for the third quarter 2020) on pages:*

- *4 (Income statement)*
- *4 (Statement of comprehensive income)*
- *7 (Statement of Group balance sheet)*
- *7 (Statement of changes in equity)*
- *16 (Statement of cashflows)*
- *20 (Parent company's income statement – in summary)*
- *20 (Parent company's balance sheet – in summary)"*

- On pages 27-28, the text under the heading "*Documents available for inspection*" shall be replaced with the following:

*“Paper copies of the documents are available at the Company’s office, Warfvinges väg 31, Stockholm, and website ([www. kungsleden.se](http://www.kungsleden.se)) during the validity of the Base Prospectus (regular office hours):*

- *The Company’s certificate of registration;*
- *the Company’s articles of association;*
- *the Company’s annual reports (including auditor’s report) for the financial years 2019 and 2020;*  
*and*
- *the Company’s interim report for the first quarter, the second quarter and the third quarter 2021.”*