

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from your stockbroker, bank, solicitor, accountant or other independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document comprises a supplementary prospectus (the "**Supplementary Prospectus**") relating to Castelnau Group Limited (the "**Company**") in connection with the issue of Shares, prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority ("**FCA**") made pursuant to section 73A of FSMA. This Supplementary Prospectus has been approved by the FCA as the competent authority under the UK version of Regulation (EU) 2017/1129 (the "**UK Prospectus Regulation**") which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018.

The FCA only approves this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or of the quality of the securities that are the subject of the Prospectus and this Supplementary Prospectus. Investors should make their own assessment as to the suitability of investing in securities.

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Company's prospectus dated 23 September 2021 (the "**Prospectus**"). Any statement contained in the Prospectus shall be deemed to be modified or superseded to the extent that a statement contained in this document modifies or supersedes such statement. Except as expressly stated herein, or unless the context requires otherwise, the definitions used or referred to in the Prospectus also apply in this Supplementary Prospectus.

Potential investors should read the Prospectus and this Supplementary Prospectus in their entirety and, in particular, should consider the risk factors relating to the Company on pages 12 to 23 of the Prospectus when considering an investment in the Company.

CASTELNAU GROUP LIMITED

(a closed-ended investment company limited by shares incorporated under the laws of Guernsey with registered number 67529)

SUPPLEMENTARY PROSPECTUS

Initial Placing and Offer for Subscription for a target issue of

50 million Ordinary Shares at £1.00 per Ordinary Share

Issuance of Consideration Shares pursuant to the acquisition of the Target Assets

Placing Programme for up to 300 million Ordinary Shares and/or C Shares

Admission to trading on the Specialist Fund Segment of the Main Market

Investment Manager

PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

Financial Adviser and Sole Bookrunner

LIBERUM CAPITAL LIMITED

Specialist Fund Segment securities are not admitted to the Official List of the FCA. Therefore, the Company has not been required to satisfy the eligibility criteria for admission to listing on the Official List and is not subject to the FCA's Listing Rules. The London Stock Exchange has not examined or approved the contents of this document.

The Company and each of the Directors, whose names appear on page 31 of the Prospectus, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Supplementary

Prospectus is in accordance with the facts and this Supplementary Prospectus makes no omission likely to affect its import.

Liberum Capital Limited ("**Liberum**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and for no one else in relation to the arrangements referred to in the Prospectus and this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to the contents of the Prospectus or this Supplementary Prospectus or any transaction or arrangement referred to in the Prospectus or this Supplementary Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Liberum by FSMA or the regulatory regime established thereunder, Liberum does not make any representation or warranty express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of the Prospectus or this Supplementary Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company or the arrangements referred to in the Prospectus and this Supplementary Prospectus. Liberum (and its Affiliates, directors, officers and employees) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might have in respect of the contents of the Prospectus or this Supplementary Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company or the arrangements referred to in the Prospectus or this Supplementary Prospectus.

Notice to U.S. and other overseas investors

This Supplementary Prospectus and the Prospectus may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company and/or Liberum or to any person to whom it is unlawful to make such offer or solicitation. The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Canada, Australia, the Republic of South Africa or Japan. Subject to certain exemptions, the Shares may not be offered to or sold within Canada, Australia, the Republic of South Africa or Japan or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan.

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Shares in the United States. The Shares are being offered or sold outside the United States to non-U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder.

The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**") and investors will not be entitled to the benefits of the U.S. Investment Company Act.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law or regulation. Any person in the United States who obtains a copy of this document is requested to disregard it.

The Company is a registered closed-ended collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended and the Registered Collective Investment Schemes Rules and Guidance 2021 issued by the Guernsey Financial Services Commission (the "**GFSC**"). The GFSC, in granting registration, has not reviewed this document but has relied upon specific declarations provided by the Administrator. Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

This document has not been reviewed by the GFSC and, in granting registration, the GFSC has relied upon specific warranties provided by the Administrator.

The distribution of this Supplementary Prospectus and the Prospectus and any offer of Shares pursuant to the Issue or a Subsequent Issue may be restricted by law in certain jurisdictions. Other than in the United Kingdom, no action has been or will be taken to permit the possession, issue or distribution of this Supplementary Prospectus or the Prospectus (or any other offering or publicity material relating to the Shares) in any jurisdiction where action for that purpose may be required or where doing so is restricted by law. Accordingly, neither this Supplementary Prospectus, the Prospectus nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Supplementary Prospectus or the Prospectus comes should inform themselves about and observe any such restrictions. None of the Company, Liberum, the Investment Manager or any of their respective affiliates or advisers accepts any legal responsibility to any person, whether or not such person is a potential investor, in respect of any such restrictions.

Without limitation, save for the Annual Report (as defined below) neither the contents of the Company's website (www.castelnaugroup.com) nor any other website nor the content of any website accessible from hyperlinks on the Company's website, or any other website, is incorporated into, or forms part of this Supplementary Prospectus or the Prospectus, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of this Supplementary Prospectus and the Prospectus alone.

This Supplementary Prospectus is dated 5 August 2022.

INTRODUCTION

The publication of this Supplementary Prospectus is a regulatory requirement under the Prospectus Regulation Rules 3.4.1 and 3.4.2 and section 87G of FSMA and is being published to note a significant new factor relating to the information included in the Prospectus.

On 11 April 2022, the Company published the consolidated audited financial results of the Group for the financial year ended 31 December 2021 (the "**Annual Report**") which constitutes a significant new factor relating to financial information contained in the Prospectus.

A copy of the Annual Report has been filed with the Financial Conduct Authority.

This Supplementary Prospectus is also being published to update the Prospectus summary to include key historic financial information contained within the Annual Report.

This document contains further details of this significant new factor and is supplemental to, and should be read in conjunction with, the Prospectus.

WITHDRAWAL RIGHTS

In accordance with Prospectus Regulation Rule 3.4.1 and Article 23(2) of the UK Prospectus Regulation, if any investors had agreed before this Supplementary Prospectus is published to purchase or subscribe for Ordinary Shares, the allotment of which had not become fully unconditional, such investors would have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their agreement. The final date by which an investor would be entitled to exercise their right of withdrawal is 9 August 2022, however, there is no offer to the public being made pursuant to the Prospectus which has not, as at the date of this Supplementary Prospectus, become fully unconditional.

SUPPLEMENT TO THE SUMMARY

As a result of the publication of the Company's Annual Report, the summary in the Prospectus is hereby supplemented as follows:

1. The text in the section entitled "What is the key financial information regarding the issuer?" shall be deleted and replaced with the following:

"The selected historical financial information set out below, which has been prepared under IFRS, has been extracted without material adjustment from the unaudited statement of financial position for the Company dated 31 December 2020 and from the audited financial statements of the Company for the financial year ended 31 December 2021:

Table 1: "Additional information relevant to closed end funds"

Share Class	Total NAV*	No. of shares*	NAV per share (basic)*	Historical performance of the fund
Ordinary	£172,126,785	183,996,059	93.55 pence	The Company's audited Net Asset Value as at 31 December 2021 was £172.1 million, reflecting 93.55 pence NAV per Ordinary Share. This reflects a NAV total return since its initial public offering in October 2021 of -6.53 per cent.

* As at 31 December 2021.

Table 2: "Income Statement for closed end funds"

	Financial period from 13 March to 31 December 2020 (unaudited)	Financial year ended 31 December 2021 (audited)
Statement of Comprehensive Income	(£)	(£)
Income	-	-
Total Income	-	-
Expenses		
Net losses on financial assets at fair value through profit or loss	-	(10,021,645)
Other expenses	-	(1,968,331)
Loss before taxation	-	(11,989,976)
Taxation	-	-
Total comprehensive loss for the year/period	-	(11,989,976)
	Pence	Pence
Loss per Share – basic and diluted	-	(6.57)

2. Table 3: "Balance sheet for closed end funds"

	Financial period from 13 March to 31 December 2020 (unaudited)	Financial year ended 31 December 2021 (audited)
Statement of Financial Position	(£)	(£)
Non-current assets:		
Investments - equity	-	126,617,646
Investments - loans	-	3,361,795
Current Assets:		
Trade and other receivables	1	39,033
Cash and cash equivalents	-	44,497,139
Total Assets	1	174,515,613
Non-current liabilities:		
Earn out liability	-	1,283,333
Current liabilities:		
Earn out liability	-	916,667
Other payables	-	188,828
Total liabilities	-	2,388,828

Net Assets	1	172,126,785
Net Asset Value per Ordinary Share (pence)	-	93.55

FINANCIAL INFORMATION

Audited financial statements for the financial year ended 31 December 2021

The Annual Report was prepared in accordance with IFRS (as adopted in the UK), the Companies Law and Article 4 of the IAS Regulation.

The financial statements in the Annual Report were audited by Grant Thornton Limited (the "**Auditor**"), whose report was unqualified and did not include any references to any matters to which the Auditors drew attention by way of emphasis without qualifying their report.

Selected financial information set out in paragraph (b) below from the Annual Report is incorporated by reference into, and forms part of, this Supplementary Prospectus and the Prospectus. Information in the Annual Report that is not incorporated by reference is either not relevant to investors or covered elsewhere in this Supplementary Prospectus.

(a) Selected financial information

The key audited figures that summarise the Group's financial condition in respect of the financial year ended 31 December 2021, which have been extracted directly on a straightforward basis without material adjustment from the Annual Report, are set out in the following table:

	Audited financial statements of the Group for the financial year ended 31 December 2021
Total Assets (£)	174,515,613
Net Assets (£)	172,126,785
NAV per Ordinary Share (pence)	93.55

(b) Information incorporated by reference

The information set out below and relating to the Company is incorporated by reference and is available on the Company's website (www.castelnaugroup.com/investor-relations/reports-factsheets) or, free of charge, during normal business hours at the Company's registered office (PO Box 255, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, Channel Islands GY1 3QL).

	<i>Annual Report</i>
Nature of information	Page no(s)
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NO SIGNIFICANT CHANGE

There has been no significant change in the financial performance or financial position of the Company since 31 December 2021, being the end of the last financial period for which audited financial statements of the Company have been published.

ADDITIONAL INFORMATION

1. *Documents available for inspection*

Copies of the Prospectus and this Supplementary Prospectus are available for inspection on the Company's website at www.castelnaugroup.com/investor-relations#regulatory-documents.

Copies of the Annual Report are available for inspection on the Company's website at www.castelnaugroup.com/investor-relations/reports-factsheets.

Investors should note, however, that, save for the Annual Report, the contents of the Company's website and the contents of any websites which can be accessed through links on the Company's website, do not form part of either the Prospectus or this Supplementary Prospectus.

2. *General*

To the extent that there is any inconsistency between any statement in or incorporated by reference in this Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in this Supplementary Prospectus will prevail.

3. *No significant new factor, material mistake or material inaccuracy*

Save as disclosed in this document, no significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of the Shares has arisen or been noted since the publication of the Prospectus.