

**SUPPLEMENT NO. 1 DATED 3 MAY 2023
TO THE BASE PROSPECTUS DATED 3 MARCH 2023**

Heimstaden

Heimstaden AB (publ)
(incorporated with limited liability in Sweden)

€4,000,000,000
Euro Medium Term Note Programme

This supplement no. 1 (the "Supplement") is supplemental to, and must be read in conjunction with, the base prospectus dated 3 March 2023 (the "Base Prospectus"), prepared by Heimstaden AB (publ) (the "Issuer") with respect to its €4,000,000,000 Euro Medium Term Note Programme (the "Programme") and constitutes a supplement for the purposes of Article 23 of Regulation (EU) 2017/1129 (the "Prospectus Regulation"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

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. Approval by the Central Bank should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of the Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer 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 to:

- (a) incorporate by reference the Q1 2023 Results Announcement (as defined below);
- (b) incorporate by reference the Q1 2023 report of Heimstaden Bostad;
- (c) update the "*Description of the Issuer – The Issuer as a standalone entity*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (d) add in a new section entitled the "*Description of the Issuer – Recent Developments*" in the Base Prospectus;
- (e) update the "*Description of the Issuer – Selected Key Performance indicators of the Issuer – Derivation of key data considered alternative according to the ESMA guidelines*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (f) update the "*Description of Heimstaden Bostad – Group Structure*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (g) update the "*Description of Heimstaden Bostad – Shareholders – Equity*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (h) update the "*Description of Heimstaden Bostad – Shareholders – Capital Distribution*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;

- (i) update the "*Description of Heimstaden Bostad – Investment Property Portfolio*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (j) update the "*Description of Heimstaden Bostad – Income*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (k) update the "*Description of Heimstaden Bostad – Operational Data*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (l) update the "*Description of Heimstaden Bostad – Lease activities – Real economic occupancy, residential*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (m) update the "*Description of Heimstaden Bostad – Lease activities – Economic occupancy, residential*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (n) update the "*Description of Heimstaden Bostad – Signed Acquisitions*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (o) update the "*Description of Heimstaden Bostad – Capital expenditure, repair, and maintenance*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (p) update the "*Description of Heimstaden Bostad – Finance and Capital Structure - Funding*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (q) add in a new section entitled the "*Description Heimstaden Bostad – Recent Developments*" in the Base Prospectus;
- (r) update the "*Selected Key Performance Indicators of Heimstaden Bostad – Key Performance Indicators*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (s) update the "*Selected Key Performance Indicators of Heimstaden Bostad – Derivation of key data considered alternative according to the ESMA guidelines*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement;
- (t) update the "*Selected Key Performance Indicators of Heimstaden Bostad – Derivation of certain key data by geographic segment*" section of the Base Prospectus following publication of the Q1 2023 Results Announcement; and
- (u) following the publication of the Q1 2023 Results Announcement, update the statement of no significant or material change for the Group.

Incorporation of information by reference

By virtue of this Supplement, the first paragraph of the "*Documents Incorporated by Reference*" section on page 35 of the Base Prospectus is updated by adding items (c) and (d) as follows:

"(c) The Q1 2023 report of the Issuer, including the unaudited and reviewed condensed consolidated financial statements for the three months ended 31 March 2023 (the "**Q1 2023 Results Announcement**"). This document is available for viewing on the following website:

https://s28.q4cdn.com/819094337/files/doc_financials/2023/q1/Heimstaden-AB-Q1-2023.pdf

(d) The Q1 2023 report of Heimstaden Bostad, including the unaudited and reviewed condensed consolidated financial statements for the three months ended 31 March 2023. This document is available for viewing on the following website:

https://s28.q4cdn.com/551253430/files/doc_financials/2023/q1/Heimstaden-Bostad-Q1-2023.pdf

Paragraph (c) shall be redesignated to become paragraph (e).

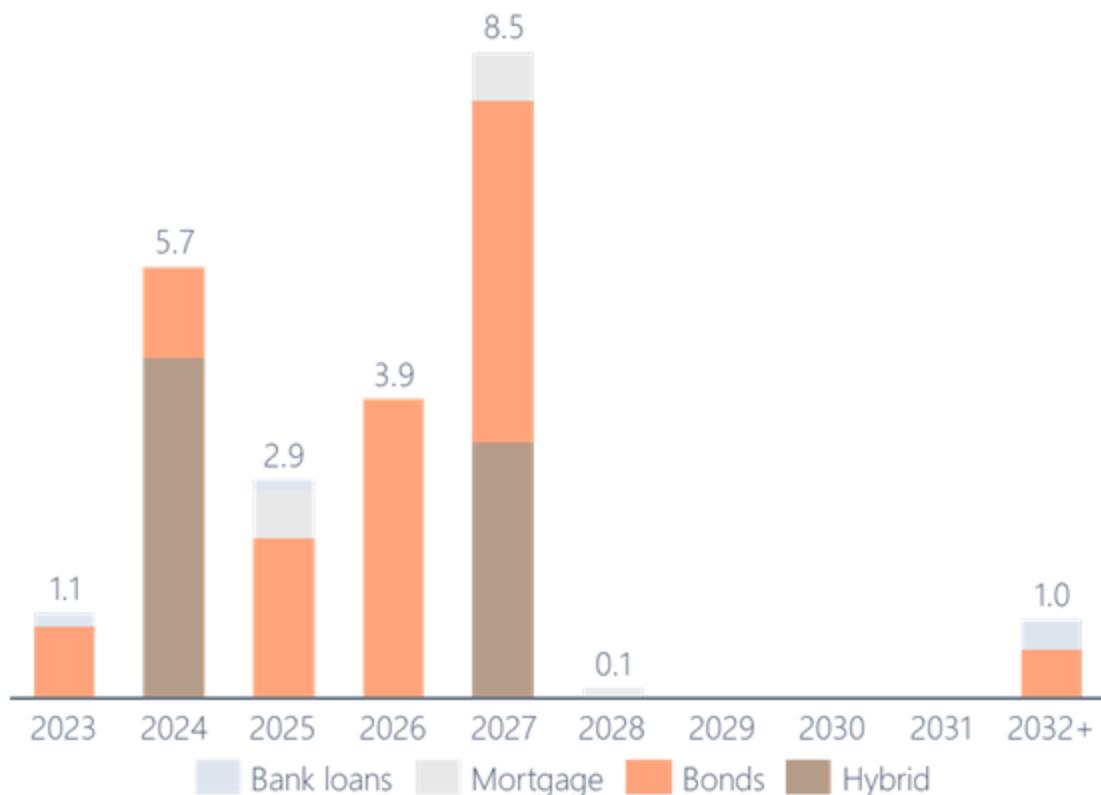
The Issuer as a standalone entity

The section entitled "*The Issuer as a standalone entity*" beginning on page 101 of the Base Prospectus, shall be deleted and replaced with the following:

"The Issuer as a standalone entity

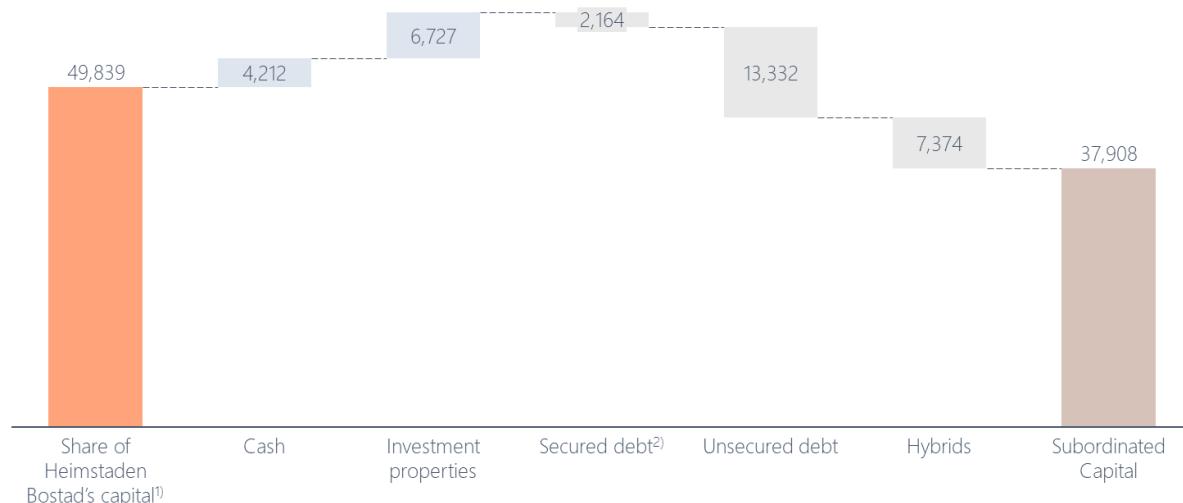
The chart below shows an overview of the Issuer Group's debt maturity profile as at 31 March 2023.

Issuer Group's non-audited debt maturity profile (SEK billion)



The chart below shows an overview of the Issuer Group's ownership in Heimstaden Bostad and the Issuer Group's assets and liabilities as of 31 March 2023.

Issuer Group's assets and liabilities (non-audited) (SEK million) as of 31 March 2023



Note:

⁽¹⁾ Capital means Heimstaden Bostad's net asset value excluding non-controlling interest and hybrid bonds with accrued interest.
⁽²⁾ Secured debt excluding Heimstaden Bostad deferred charges effect on Heimstaden AB debt.

The table below shows an overview of the Issuer Group's financial policy figures as of 31 March 2023 compared to 31 March 2022.

Financial Policy	Financial Policy Targets	As of 31 March (non-audited)	
		2023	2022
Loan-to-Value.....	≤30	19.9	22.2
Interest Coverage Ratio (<i>rolling 12 months</i>) (<i>multiple</i>).....	≥2.0	5.5	7.3
Interest Coverage Ratio, including hybrid costs (<i>rolling 12 months</i>) (<i>multiple</i>)	≥1.5	3.4	4.5

The table below shows an overview of the Issuer's ownership per share class in Heimstaden Bostad as of 31 March 2023.

Heimstaden's ownership in Heimstaden Bostad	As of 31 March 2023		
	(SEK million)	(Per cent. of capital) ^{1,2}	(Per cent. of votes) ¹
Class A shares	178	100.0	100.0
Class B shares.....	28,775	30.2	30.2
Class C shares.....	1	100.0	100.0
Common shares	20,884	57.3	57.3
Total.....	49,839	37.8	50.1

Note:

⁽¹⁾ Per cent. refers to Heimstaden's share of the total share class based on capital or votes.
⁽²⁾ Capital means Heimstaden Bostad's net asset value excluding non-controlling interest and hybrid bonds with accrued interest.

The table below provides an overview of the Icelandic portfolio as of 31 March 2023:

Iceland	Fair value of investment properties ⁽¹⁾ (SEK million)	Homes (units)	Residential share (%)	Regulated income (%)
Total	5,903	1,677	100.0	0.0

Note:

⁽¹⁾ The valuation of Icelandic properties is based on sales comparison. Two components are needed for a sales comparison, a standardised price and identical assets. Registers Iceland, the state registry for real estate, provides information on the sales price per sqm in the neighbourhood of each apartment in the portfolio and adjusts for the size and number of rooms. Based on this data, an average price per sqm is calculated based on size, number of rooms and year of transaction. The average of official sales prices from the current period, or if not available the most recent from earlier periods, is allocated to each apartment to assess the value. ".

Recent Developments

The following shall be inserted as a new section at the end page 103 of the Base Prospectus:

"Recent Developments

On 6 March 2023, Heimstaden Invest AB, a wholly owned subsidiary of Heimstaden AB, entered into a sales agreement to sell shares in Heimstaden Bostad AB for a total cash consideration of SEK 1.15 billion.

The sell of shares partly financed the tender offer to repurchase senior unsecured bonds, which was announced by Heimstaden Bostad on 27 February 2023 and finalized 6 March 2023.".

Selected Key Performance indicators of the Issuer

Derivation of key data considered alternative according to the ESMA guidelines

The section entitled "*Selected Key Performance indicators of the Issuer – Derivation of key data considered alternative according to the ESMA guidelines*" beginning on page 106 of the Base Prospectus, shall be deleted and replaced with the following:

"Derivation of key data considered alternative according to ESMA guidelines

	As of / rolling 12 months ending 31 March	
	2023 (unaudited)	2022 (unaudited)
	<i>(SEK millions, unless otherwise stated)</i>	
Relevant assets		
Heimstaden share of capital	49,839	65,383
Investment properties	6,727	5,380
Relevant assets	56,566	70,763
Net interest-bearing debt		
Interest-bearing secured liabilities	2,164	1,666
Interest-bearing unsecured liabilities	13,332	16,830
Interest-bearing liabilities	15,495	18,496
Cash and cash equivalents	-4,212	-2,788
Net interest-bearing debt	11,283	15,708
Net Loan-to-Value (%)		
Net interest-bearing debt	11,283	15,708
Relevant assets	56,566	70,763
Net Loan-to-Value (%)	19.9	22.2
Operating profit/loss		
Operating income	775	581
Operating cost	-557	-376
Operating profit/loss	218	205
Adjusted earnings		
Operating profit/loss	218	205
Class A dividends	673	434
Common dividends	1,648	1,809
Class B dividends	1,063	1,007

Adjusted earnings	4,756	3,250
Financial costs		
Interest expenses	-860	-474
Hybrid cost	-524	-301
Financial costs	-1,384	-775
Interest Coverage Ratio (rolling 12 months) (multiple)		
Adjusted earnings	4,756	3,455
Interest expenses	-860	-474
Interest Coverage Ratio (rolling 12 months) (multiple)	5.5	4.5
Interest Coverage Ratio, including hybrid costs (rolling 12 months) (multiple)		
Adjusted earnings	4,756	3,455
Financial costs	-1,384	-775
Interest Coverage Ratio, including hybrid costs (rolling 12 months) (multiple)	3.4	4.5
".		

Group Structure

The section entitled "*Group Structure*" beginning on page 107 of the Base Prospectus, shall be deleted and replaced with the following:

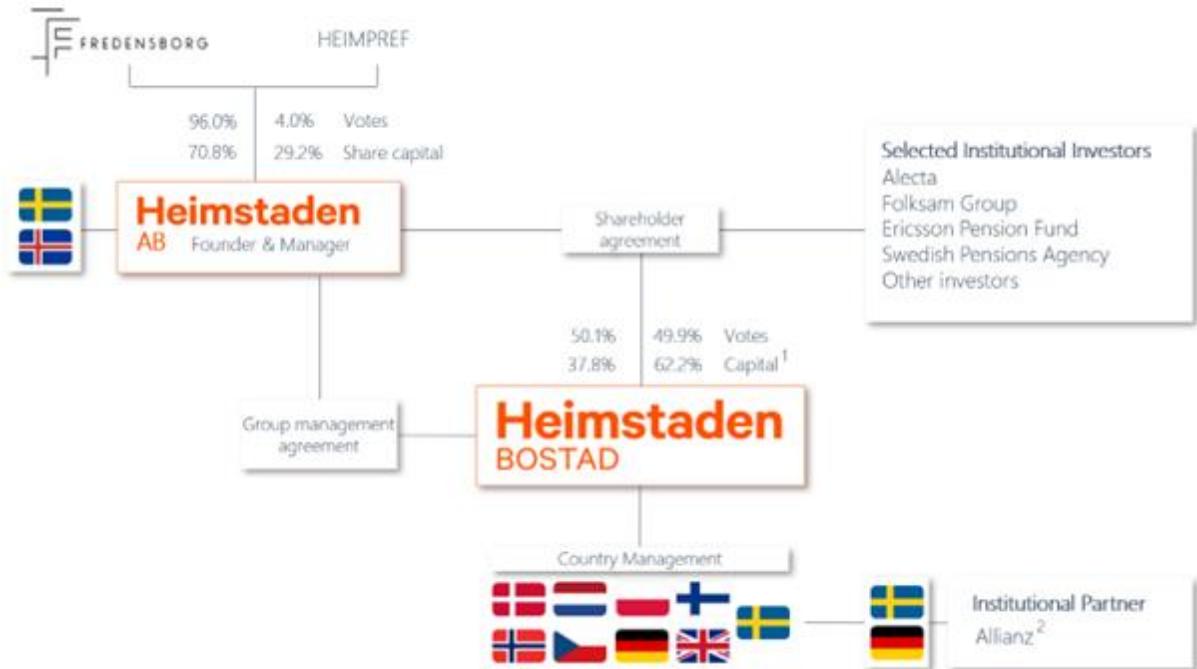
"Group Structure

The below provides an overview of the investors in Heimstaden Bostad (based on voting rights) as of 31 March 2023:

- Heimstaden AB (through subsidiary): 50.1%;
- Alecta: 30.4%;
- Folksam Group: 14.5%;
- Swedish Pensions Agency: 1.6%;
- Ericsson Pension Fund: 1.2%; and
- Other Investors: 2.2%.

The Issuer's majority owner is Fredensborg AS, a Norwegian investment company indirectly owned by Ivar Tollefsen. The rights of the shareholders in Heimstaden Bostad are contained in the articles of association of Heimstaden Bostad and Heimstaden Bostad is managed in accordance with those articles and with the provisions of Swedish law.

The illustration below provides an overview of the ownership structure of Heimstaden Bostad based on voting rights and capital as of 31 March 2023.



Note:

⁽¹⁾ Capital means Heimstaden Bostad's net asset value excluding non-controlling interest and hybrid bonds with accrued interest. The calculation is based on figures as of 31 March 2023.

⁽²⁾ Allianz, through a joint venture, see section "Allianz and Heimstaden Bostad joint venture".

Shareholders

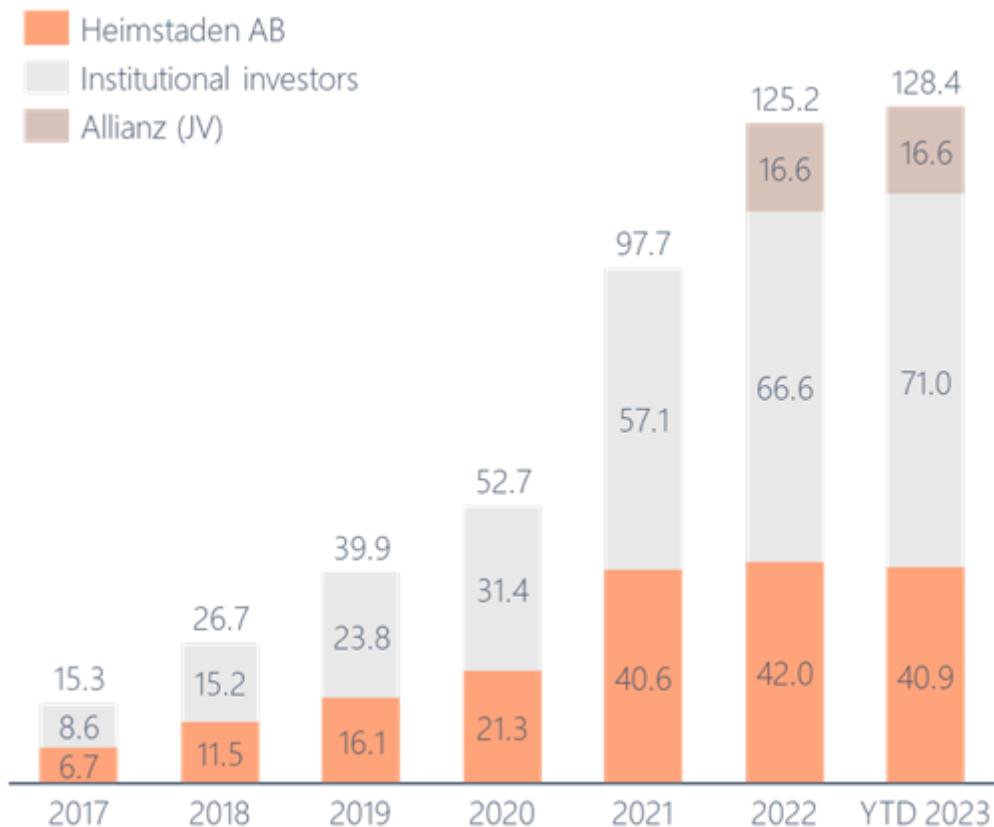
The section entitled "*Shareholders – Equity*" beginning on page 108 of the Base Prospectus, shall be deleted and replaced with the following:

"Equity"

Heimstaden Bostad's shares are privately held and comprise of four classes of shares (class A shares, class B shares, class C shares and common shares). All shareholders (except management) have holdings in both common shares and class B shares. Heimstaden (through its subsidiaries) is the only holder of the class A and class C shares.

The graph below shows the cumulative historical equity investment (in SEK, billion) made by the Heimstaden Bostad Group's institutional investors and Heimstaden from 2017 to the date of this Base Prospectus.

Cumulative equity injections (2017 – the date of this Supplement)



".

Capital Distribution

The section entitled "*Shareholders – Capital Distribution*" beginning on page 109 of the Base Prospectus, shall be deleted and replaced with the following:

"Capital Distribution

The total capital of Heimstaden Bostad as of 31 March 2023 and its distribution between its shareholders is presented in the table below:

Shareholders	Total capital ⁽¹⁾ (SEK billion)	Proportion of total capital ⁽¹⁾ (%)	Proportion of voting rights (%)
Heimstaden AB (through subsidiary).....	49.8	37.8	50.1
Alecta	49.7	37.7	30.4
Folksam Group	24.1	18.3	14.5
Swedish Pensions Agency	2.6	2	1.6
Other Investors	3.5	2.7	2.2
Ericsson Pension Fund.....	2.0	1.5	1.2
Total.....	131.7	100	100

Note:

⁽¹⁾ Capital means Heimstaden Bostad's net asset value excluding non-controlling interest and hybrid bonds with accrued interest. ".

Investment Property Portfolio

The section entitled "*Investment Property Portfolio*" beginning on page 118 of the Base Prospectus, shall be deleted and replaced with the following:

"Investment Property Portfolio

The table below shows the Heimstaden Bostad Group's property portfolio as of 31 March 2023.

Country	Fair Value of investment properties		Homes (No. of residential units)	Residential (%)	Regulated income	Rental income, earnings capacity ^{1,2} (SEK million)	Net operating income, earnings capacity ^{1,3} (SEK million)
	(SEK million)	(SEK per square metre)					
Sweden.....	94,454	29,693	45,154	91.1	100.0	4,346	2,431
Germany.....	87,798	43,936	29,711	92.3	100.0	2,621	2,027
Denmark.....	72,814	36,979	20,405	94.5	14.9	3,441	2,424
Netherlands	28,176	26,575	13,458	98.2	57.3	1,365	972
Czech Republic	24,883	9,608	42,593	96.0	25.6	1,719	1,206
Norway ⁽⁴⁾	18,363	88,045	4,004	85.8	0.0	758	533
Finland	3,804	22,628	3,168	95.6	0.0	262	136
UK	3,569	80,189	197	96.1	0.0	31	17
Poland	1,221	42,222	399	87.8	0.0	33	21
Total	335,082	29,909	159,089	92.9	58.4	14,576	9,767

Note:

⁽¹⁾ This information is an earning capacity based on the Group's properties as of 31 March 2023 with contracted rental income, and current property and administrative costs. It is important to note that earning capacity should not be equated with a forecast for the current year or the next twelve months. For example, earning capacity does not include an assessment of future rents, vacancies and market interest rates. In earning capacity, changes in value of properties and financial instruments, which affect the Group's income statement, have not been taken into account either.

⁽²⁾ Rental income capacity for the twelve months from 31 March 2023, excluding service income charges.

⁽³⁾ Net operating income capacity for the twelve months from 31 March 2023.

⁽⁴⁾ As of 31 March 2023, rental income for the property portfolio in Norway is generated through a lease agreement with Heimstaden AS, a subsidiary of Heimstaden Bostad AB. Under the arrangement, Heimstaden Bostad receives lease payments, calculated as the net of rental income generated by the property less its property expenses and certain administrative costs.

The table below shows a breakdown by category of the fair value of investment properties as of 31 March 2023.

Category	Sweden	Germany	Denmark	Netherlands	Czech Rep.	Norway	Finland	UK	Poland	Total
	(SEK million)									
Completed investment properties	89,628	87,798	71,456	28,176	24,667	17,775	3,448	770	783	324,502
Investment properties under construction ¹	4,338	-	1,230	-	-	-	-	2,800	438	8,806
Land and building rights	246	-	127	-	215	-	-	-	-	589
Land leases	241	-	-	-	-	588	356	-	-	1,185
Total	94,454	87,798	72,814	28,176	24,883	18,363	3,804	3,569	1,221	335,082

Note:

⁽¹⁾ Investment properties under construction are not valued by external valuers, please see the section "*Valuation of Development Properties*" in the Base Prospectus.

The chart below shows the fair value of investment properties development from 31 December 2022 to 31 March 2023 in SEK billion.



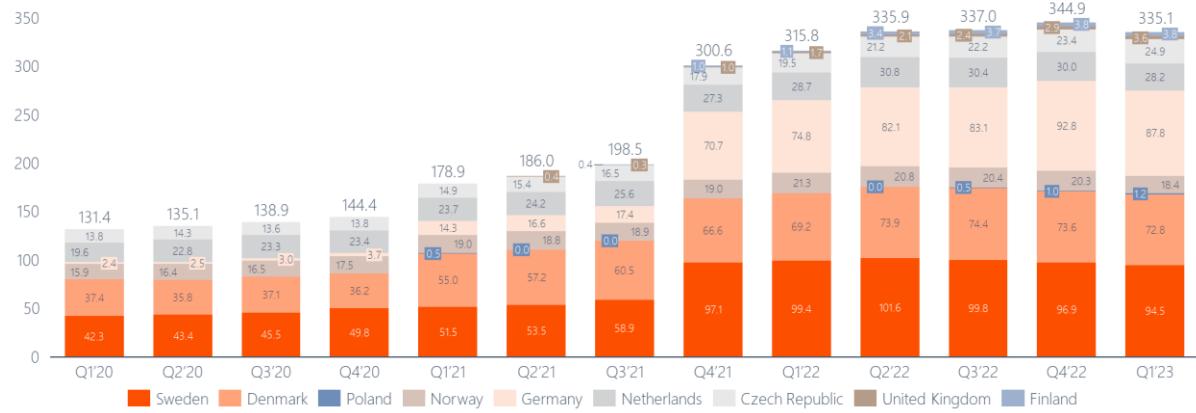
The table below shows the unrealised and realised changes in fair value of investment properties as of 31 March 2023 (compared to as of 31 December 2022). Unrealised value changes show the increase or decrease in market valuation as determined by external property valuation firms (see "*Valuation of Investment Properties*" in the Base Prospectus).

Country	Change in fair value of investment properties	
	(%)	(SEK million)
Sweden	-3.2	-3,161
Germany	-6.6	-6,189
Denmark	-4.1	-3,101
Netherlands	-7.8	-2,398
Czech Republic	1.6	386
Norway	4.1	717
Finland	-2.7	-106
UK	10.0	325
Poland	0.5	6
Total.....	-3.9	-13,521

The table below shows a comparison of the income measures of the Heimstaden Bostad Group's property portfolio across the geographic segments in which the Heimstaden Bostad Group operates for the three months ending 31 March 2023.

	Three months ending 31 March 2023										
	Sweden	Germany	Denmark	Netherlands	Czech Republic	Norway	Finland	UK	Poland	Eliminations	Total
Rental income (SEK million)	1,079	645	859	338	414	195	65	6	9	0	3,610
Net operating income (SEK million)	541	503	568	247	301	150	28	0	4	0	2,342
Net operating income margin (%)	50.1	77.9	66.1	73.2	72.6	77.3	43.9	N/A	43.5	—	64.9

The stacked column chart below shows the development in the fair value of investment properties (SEK billion) over time, as at the end of each quarter indicated.



Income

The section entitled "*Income*" beginning on page 120 of the Base Prospectus, shall be deleted and replaced with the following:

"Income"

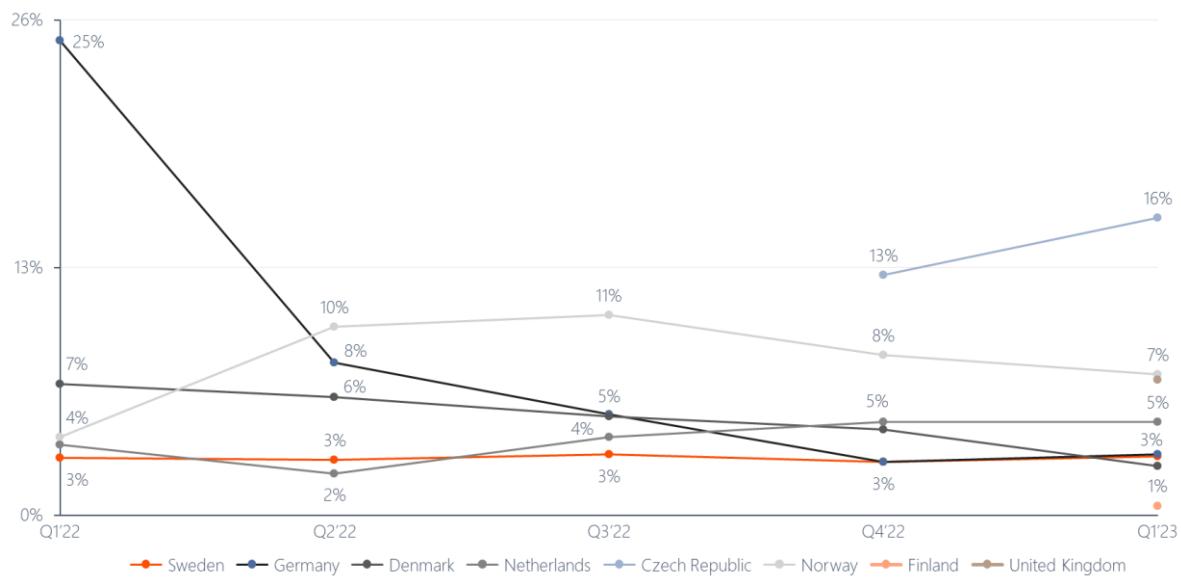
The table below shows the Heimstaden Bostad Group's rental income by property type for the three months ending 31 March 2023 and 31 March 2022.

Rental income	Three months ending 31 March	
	2023	
	(SEK million)	
Residential	3,314	2,784
Commercial	246	191
Parking	50	39
Total.....	3,610	3,014

Service income	Three months ending 31 March	
	2023	
	(SEK million)	
Residential	492	315
Commercial	23	11
Total.....	516	326

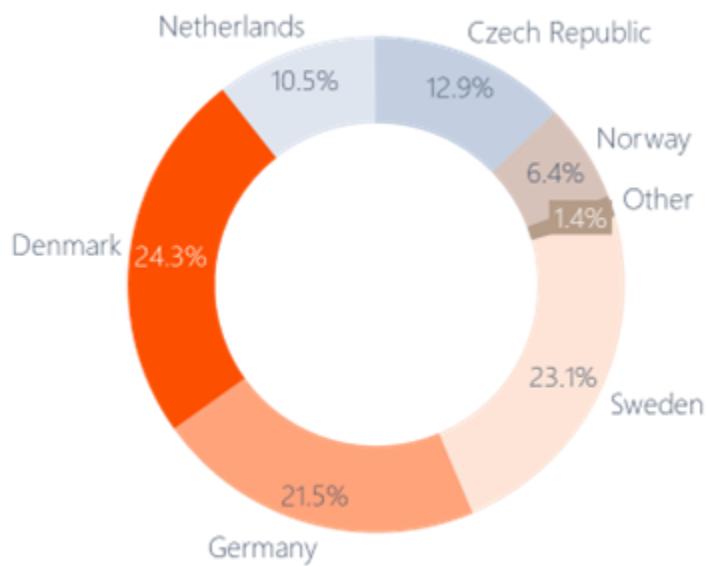
The line chart below shows the historical quarterly like-for-like rental growth by geographic segment for the period between the first quarter of 2022 and the first quarter of 2023.

Like-for-like rental growth by geographic segment (%)

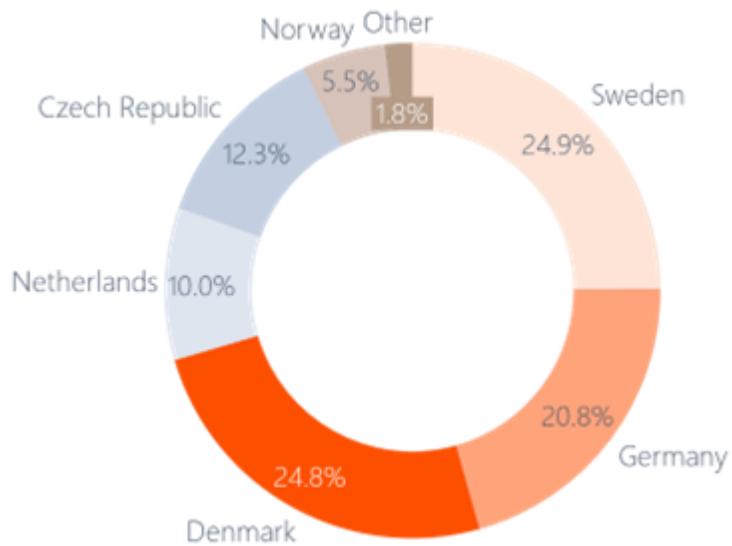


The first chart below shows the Heimstaden Bostad Group's actual net operating income by geographic segment as a share of total actual net operating income for the three months ending 31 March 2023. The second chart below shows the Heimstaden Bostad Group's earning capacity net operating income by geographic segment as a share of net operating income (according to total earnings capacity) as of 31 March 2023.

Net operating income distribution, actual (SEK 2,342 million) for the three months ending 31 March 2023

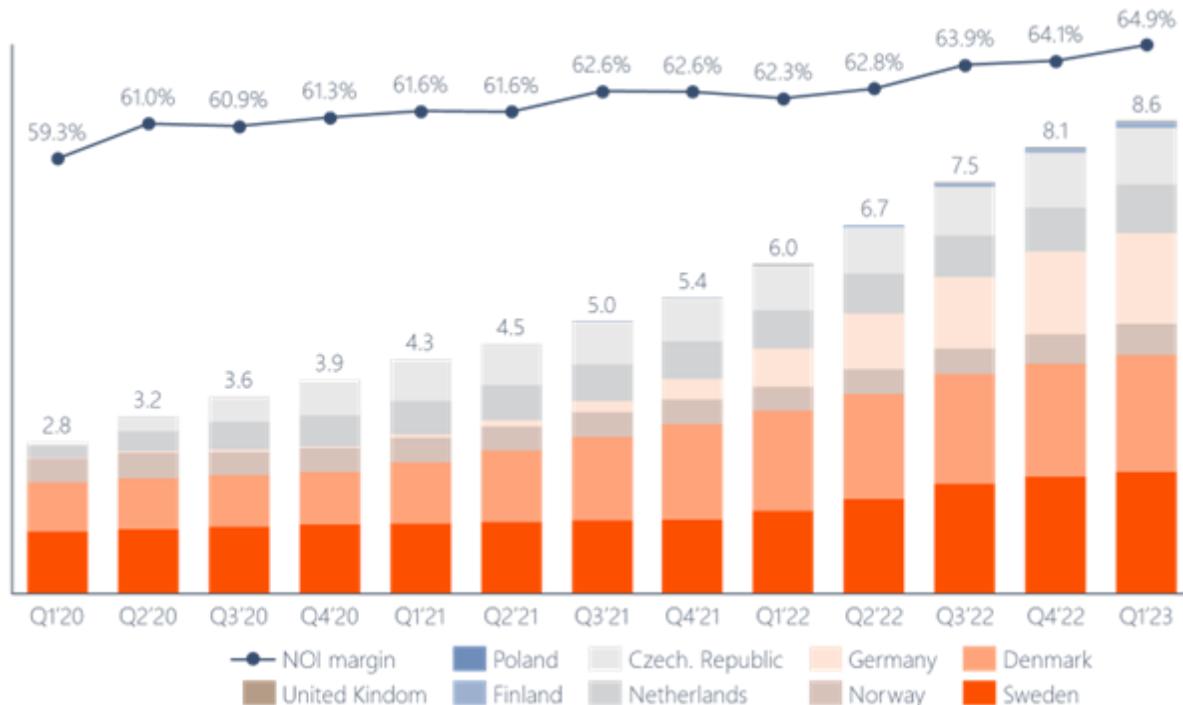


Net operating income distribution, earnings capacity (SEK 9,767 million) as at 31 March 2023



Net operating income

The column chart below shows the twelve months rolling net operating income (in billions of SEK) over the period from the twelve months ending 31 March 2020 until the twelve months ending 31 March 2023. In addition, the line value shows Heimstaden Bostad's total twelve months rolling net operating income margin from the twelve months ending 31 March 2020 until the twelve months ending 31 March 2023.



Operational Data

The section entitled "*Operational Data*" beginning on page 122 of the Base Prospectus, shall be deleted and replaced with the following:

"Operational Data

Potential Earnings Capacity

The earnings capacity represents annualised earnings calculated on the basis of the contracted rental income, current property expenses and administrative expenses of the property portfolio as of 31 March 2023. Announced property acquisitions or divestments that closed after the balance sheet date are not included in the calculation. The earnings capacity does not include any adjustment for development trends in rent levels, vacancy rates, property expenses or interest rates, nor does the earnings capacity provide any adjustment for expected changes in the fair value of properties, foreign exchange rates, acquisitions or disposals. The earnings capacity should not be considered a forecast for the current year or for the next 12-month period. There can be no assurance that such figures will not change in the future and therefore it is not a forecast of actual future earnings.

The following table sets out the unaudited earnings capacity as of 31 March 2023.

Earnings capacity	As of 31 March 2023 (unaudited) <i>(SEK million, unless otherwise stated)</i>
Current earning capacity	
Rental income.....	14,576
Service income	1,896
Property expenses.....	-6,704
Net operating income	9,767
Corporate administrative expenses	-866
Profit before financial items	8,901
Financial costs – interest-bearing liabilities	-4,213
Profit	4,688
Key data	
Net operating income margin (%).....	67.0
Interest coverage ratio (ICR) (multiple).....	2.1

Property Expenses

The following table sets out the property expenses for the Heimstaden Bostad Group's portfolio for the three months ending 31 March 2023 compared to the three months ending 31 March 2022.

	Three months ending 31 March	
	2023	2022
<i>(SEK million)</i>		
Property expenses		
Utilities	-718	-510
Repairs and maintenance	-194	-210
Property tax	-122	-109
Other.....	-184	-163
Property management	-566	-518
Total property expenses	-1,784	-1,510

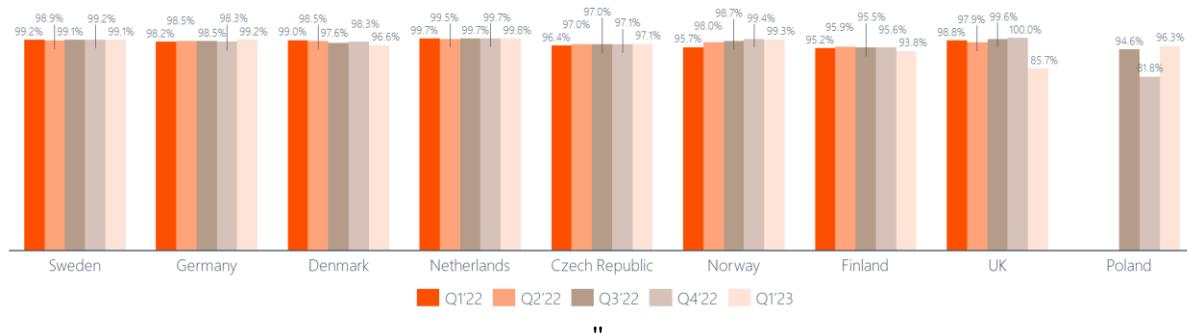
"

Lease activities – Real economic occupancy, residential

The section entitled "*Lease activities – Real economic occupancy, residential*" beginning on page 127 of the Base Prospectus, shall be deleted and replaced with the following:

"Real economic occupancy, residential"

The chart below shows the Heimstaden Bostad Group's real economic occupancy, expressed as a percentage, for the period between the three months ending 31 March 2022 and the three months ending 31 March 2023.



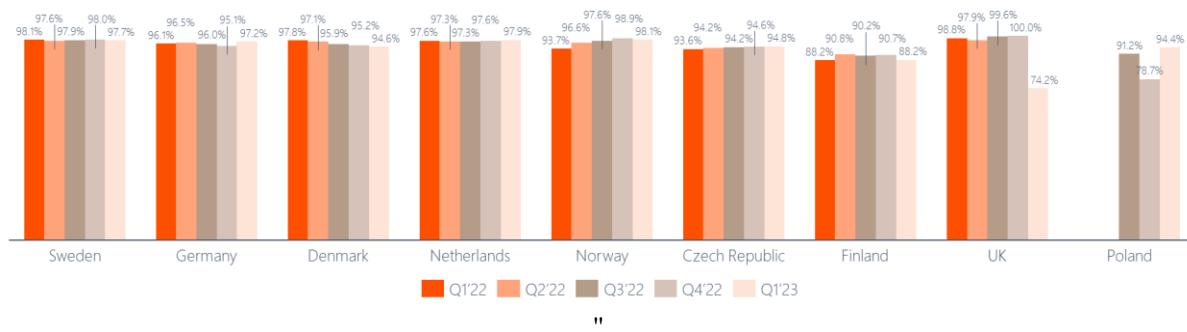
"

Lease activities – Economic occupancy, residential

The section entitled "*Lease activities – Economic occupancy, residential*" beginning on page 127 of the Base Prospectus, shall be deleted and replaced with the following:

"Economic occupancy, residential"

The chart below shows the Heimstaden Bostad Group's economic occupancy, expressed as a percentage, for the period between the three months ending 31 March 2022 and the three months ending 31 March 2023.



"

Signed Acquisitions

The section entitled "*Signed Acquisitions*" beginning on page 128 of the Base Prospectus, shall be deleted and replaced with the following:

"Signed Acquisitions"

Heimstaden Bostad expands and improves its portfolio through acquisitions of standing assets and newbuilds. As of 31 March 2023, the pipeline of signed acquisitions consisted of both standing assets

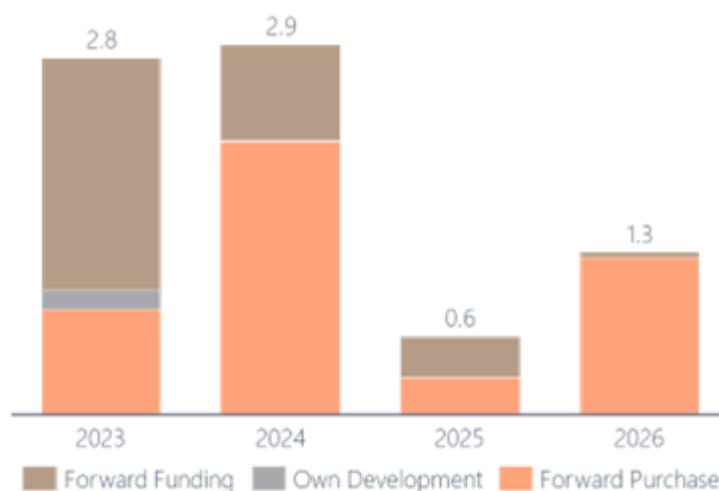
and newbuilds, totalling SEK 4.4 billion and 4,241 residential units. Newbuild investments are structured either as forward purchase or forward funding.

Heimstaden Bostad had forward funding contracts with a total committed future capital expenditure of SEK 3.1 billion as of 31 March 2023.

Signed acquisitions have not yet closed and are subject to conditions precedent, for example, developers meeting development targets. Therefore, such acquisitions are not guaranteed to complete on schedule or at all if conditions precedent are not met.

The graph below shows the signed acquisitions by the Heimstaden Bostad Group by scheduled closing date in SEK million as of 31 March 2023.

Signed acquisitions (SEK 7,519 million) as of 31 March 2023



Capital expenditure, repair, and maintenance

The section entitled "*Capital expenditure, repair, and maintenance*" beginning on page 129 of the Base Prospectus, shall be deleted and replaced with the following:

"Capital expenditure, repair, and maintenance"

Heimstaden Bostad invests in refurbishments and the construction of new investment properties. The table below provides a breakdown of capital expenditure, repair and maintenance for the three months ending 31 March 2023 and the three months ending 31 March 2022.

Capital expenditure, repair, and maintenance	Three months ending 31 March	
	2023 (SEK million)	2022
Income statement items		
Expenses for repair and maintenance ⁽¹⁾	226	263
Balance sheet items		
Capitalised repair and maintenance	578	689
Tenant improvements	472	313
Investment properties under construction	939	1,243
Capital expenditures.....	1,989	2,245

Note:

⁽¹⁾ Excluding group eliminations, see note 3 to the financial statements in the third quarter report of Heimstaden Bostad for the three months ending 31 March 2023.

".

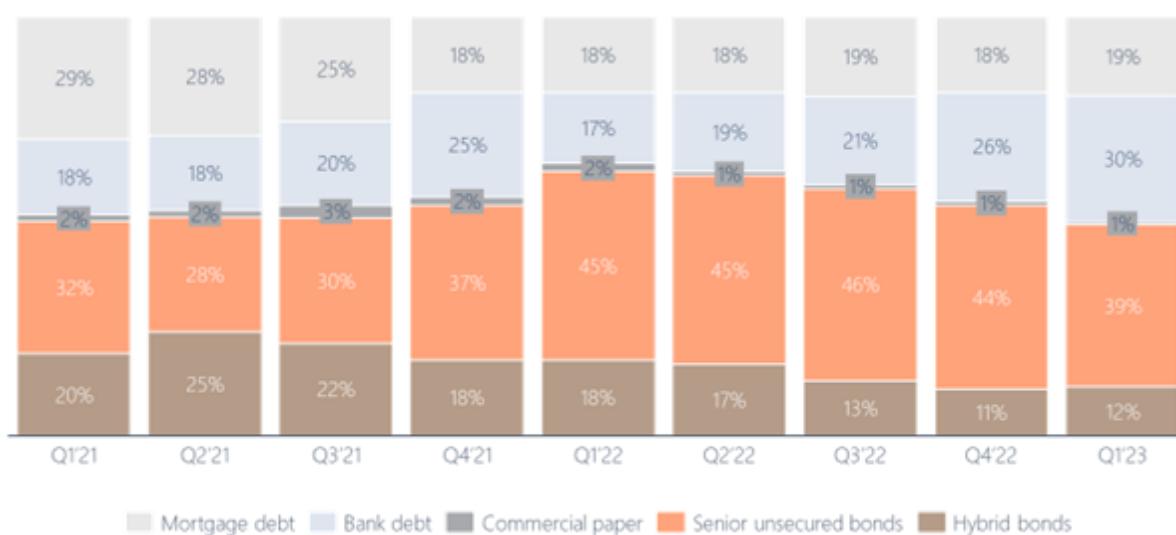
Finance and Capital Structure - Funding

The section entitled "*Finance and Capital Structure - Funding*" beginning on page 131 of the Base Prospectus, shall be deleted and replaced with the following:

"Funding

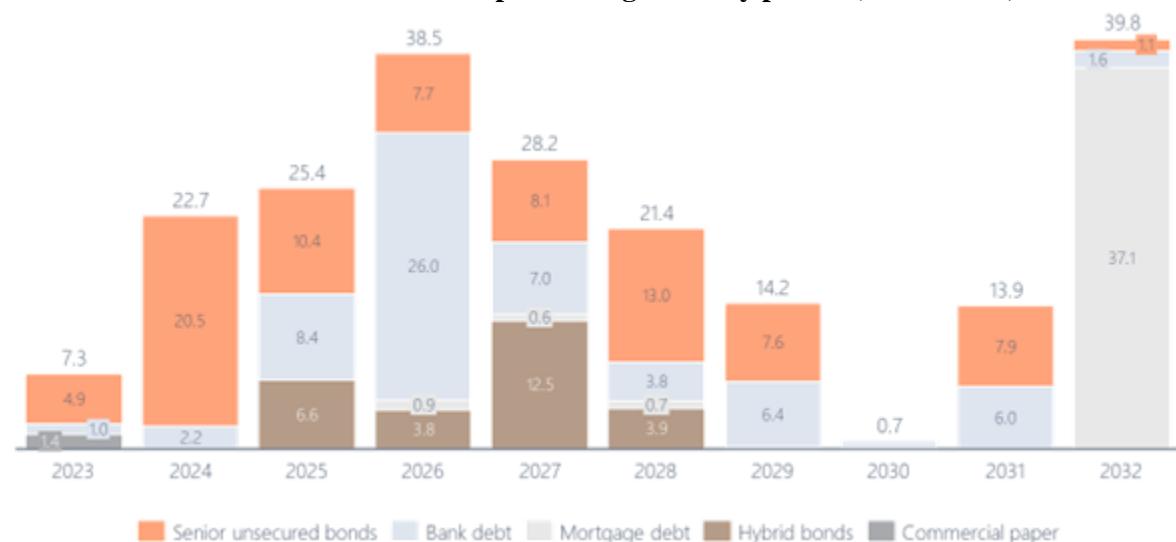
The chart below shows an overview of the Heimstaden Bostad Group's funding distribution, expressed as a percentage, from the three months ending 31 March 2021 to the three months ending 31 March 2023.

Funding distribution, % (three months ending 31 March 2021 – three months ending 31 March 2023)



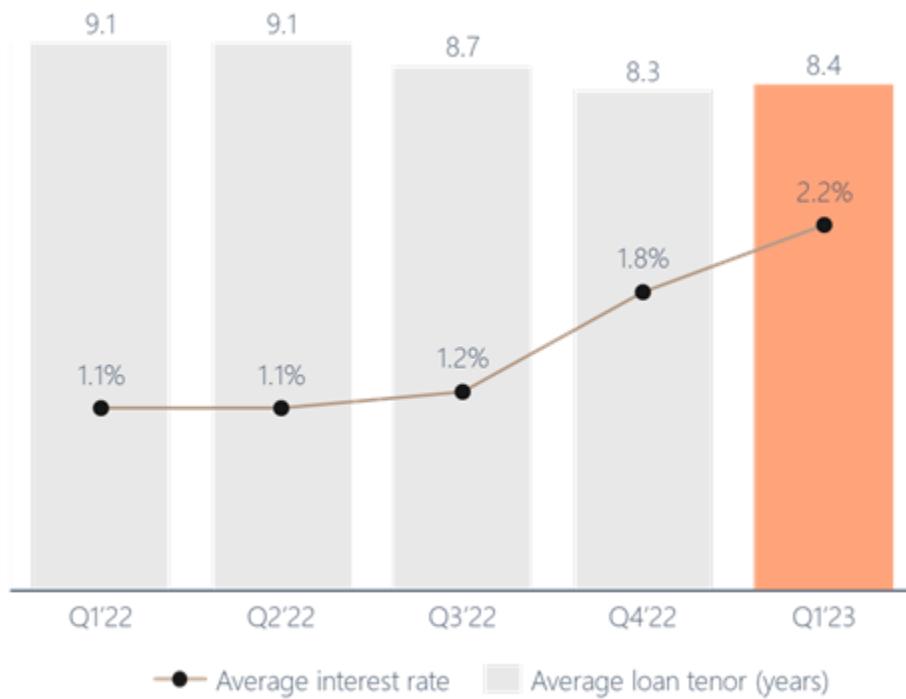
The chart below shows an overview of the Heimstaden Bostad Group's funding maturity profile (in SEK billion) as at the date of this Supplement, using the currency exchange rates as at 31 March 2023. Note hybrid instruments are perpetual and therefore the first reset date is shown as the maturity in the chart below.

Heimstaden Bostad Group's funding maturity profile (SEK billion)



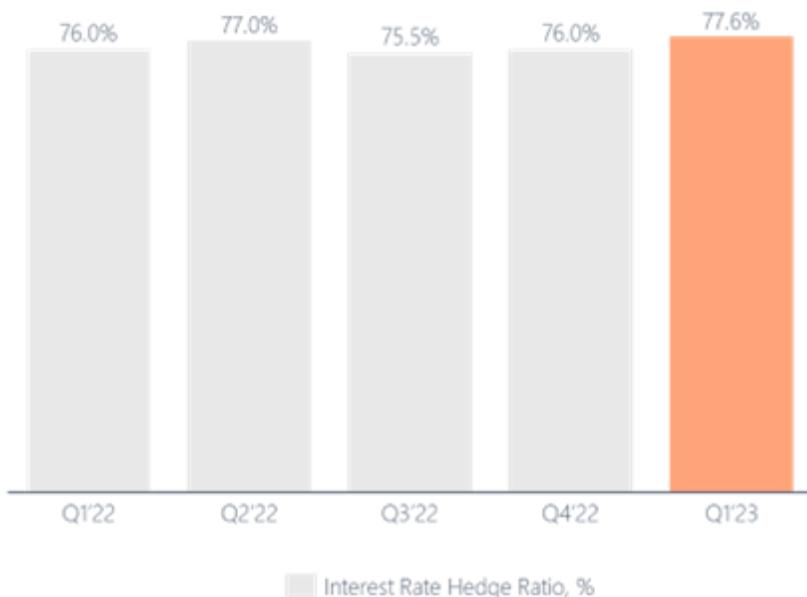
The chart below shows an overview of the Heimstaden Bostad Group's average interest rate, expressed as a percentage, and average loan tenor (years) from the figures from the three months ending 31 March 2022 to the three months ending 31 March 2023.

Average interest rate and average loan tenor (three months ending 31 March 2022 - three months ending 31 March 2023)



The chart below shows an overview of Heimstaden Bostad Group's interest rate hedge ratio ("hedge ratio") from 31 March 2022 to 31 March 2023. Additionally, as of 31 March 2023, average remaining term of fixed interest in the loan portfolio, including derivatives was 3.07 years.

Hedge ratio (as of 31 March 2022 – as of 31 March 2023)



The table below shows the Heimstaden Bostad Group's interest-bearing liabilities and whether the financing is secured by the Heimstaden Bostad Group's assets as of 31 March 2023.

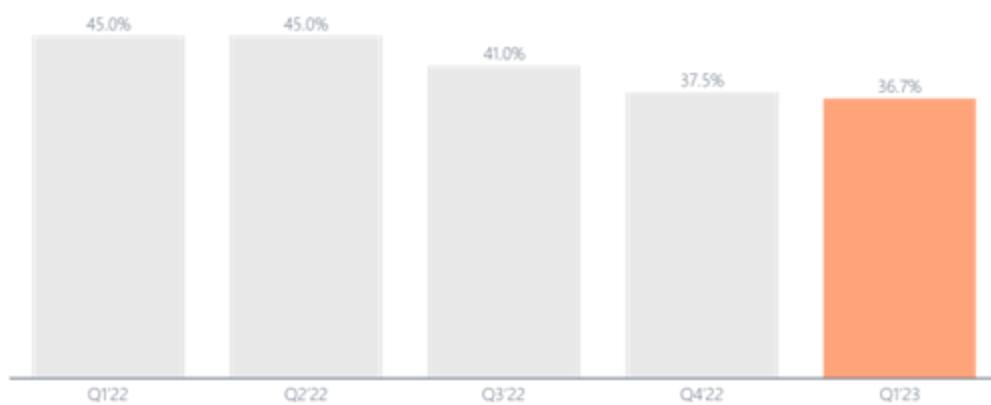
Interest-bearing liabilities	Interest-bearing liabilities	Secured loans	Share	Unutilised credit commitments
	(SEK million)	(%)	(%)	(SEK million)
Corporate bonds.....	82,696	0	45	
Mortgages.....	39,607	100	21	
Bank loans.....	63,128	98	34	17,570
Total.....	185,431	55	100	17,570
Deferred charges	-614			
Total including deferred charges	184,817			

The table below shows the Heimstaden Bostad Group's unencumbered properties ratio (value of unencumbered properties as a proportion of total property value), expressed as a percentage, by country as of 31 March 2023.

Country	Unencumbered properties ratio (%)
Sweden	55.7
Germany	16.5
Denmark	7.0
Netherlands.....	0.7
Czech Republic.....	100
Norway	93.8
Finland.....	100
UK	100
Poland.....	100
Total.....	36.7

The chart below shows the Heimstaden Bostad Group's unencumbered properties ratio, expressed as a percentage, from the three months ending 31 March 2022 to the three months ending 31 March 2023.

Unencumbered properties ratio (three months ending 31 March 2022 – three months ending 31 March 2023)



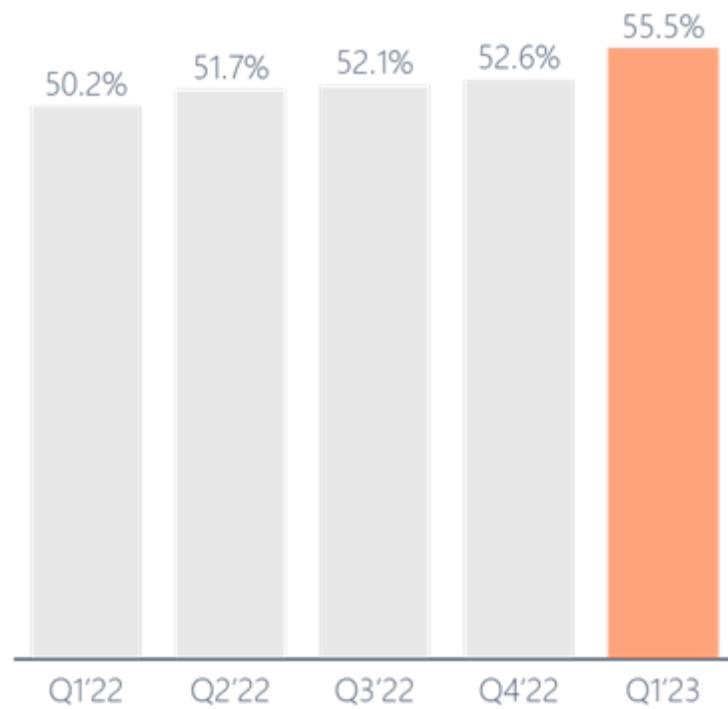
The chart below shows the Heimstaden Bostad Group's interest coverage ratio (S&P method) from rolling 12 months ending 31 March 2022 to rolling 12 months ending 31 March 2023.

Interest coverage ratio (S&P method) (rolling 12 months ending 31 March 2022 – rolling 12 months ending 31 March 2023)



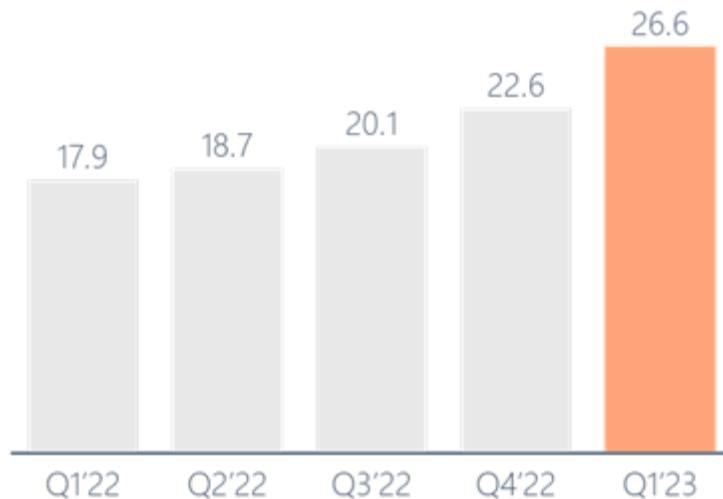
The chart below shows the Heimstaden Bostad Group's net debt / net debt + equity (S&P method) in relation to the Heimstaden Bostad Group's financial policy from the three months ending 31 March 2022 to the three months ending 31 March 2023.

Net debt / Net debt + Equity (S&P method), % (three months ending 31 March 2022 – three months ending 31 March 2023)



The chart below shows the Heimstaden Bostad Group's secured loan-to-value ratio, expressed as a percentage, from the three months ending 31 March 2022 to the three months ending 31 March 2023.

Secured loan-to-value ratio (three months ending 31 March 2022 – three months ending 31 March 2023)



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Recent Developments

The following shall be inserted as a new section at the end page 136 of the Base Prospectus:

"Recent Developments

Klas Åkerbäck replaces Anna Magnusson as new board member

On 3 April 2023, Klas Åkerbäck was appointed as a new board member, replacing Anna Magnusson. Klas Åkerbäck is Senior Portfolio Manager Real Estate at Alecta and is currently leading Alecta's indirect international real estate investments. Klas Åkerbäck has extensive experience in leading evaluation and implementation of investment strategies in the real estate sector.".

Selected Key Performance Indicators

Key Performance Indicators

The section entitled "*Key Performance Indicators*" beginning on page 139 of the Base Prospectus, shall be deleted and replaced with the following:

"Key Performance Indicators

	As at / three months ending 31 March	
	2023	2022
	(SEK million unless otherwise stated)	
Property-related key data		
Net operating income margin (%)	64.9	60.7
Economic occupancy ratio, residential (%)	96.3	96.8
Real economic occupancy ratio, residential (%)	98.2	98.5
Proportion residential fair value on balance sheet date (%)	92.9	93.0
Cash generated from operations	1,887	890
Financial key data		
Interest coverage ratio (rolling 12 months) (<i>multiple</i>)	3.0	4.0
Interest coverage ratio, (S&P method) (rolling 12 months) (<i>multiple</i>)	2.5	2.7
Net loan-to-value ratio (%)	52.7	44.5
Secured loan-to-value ratio (%)	26.6	17.9
Net debt / Net debt + Equity (S&P method) (%)	55.5	50.2
Net debt to total assets (%)	46.5	38.4
Equity ratio (%)	43.2	47.7
Average interest rate (%)	2.2	1.1
The average remaining term of fixed interest in the loan portfolio, including derivatives (years)	3.07	1.94
Average loan tenor (years)	8.41	9.13
Net asset value on the balance sheet date	172,695	198,786
Debt / EBITDA (rolling 12 month) (<i>multiple</i>)	21.9	22.5
Profit before inventory properties and fair value adjustments	2,180	1,728

Financial Policy	Financial Policy Targets	As at / rolling 12 months ending 31 March	
		2023	2022
Interest coverage ratio, rolling 12 months, S&P method	≥ 2.4	2.5	2.7
Net Debt / Net Debt + Equity, S&P Method (%) ⁽¹⁾	< 55	55.5	50.2
Average loan tenor (years)	≥ 4	8.4	9.1
Loan maturity in individual year (%)	≤ 25	19	19
Share of loans from individual lender (%)	≤ 20	8.2	9
Interest rate hedge (%)	≥ 75	77.6	76
Quick ratio ⁽²⁾	≥ 1.25	1.40	2.3

Notes:

(1) The Net debt to net debt + equity ratio is calculated on the basis of the S&P classification of Heimstaden Bostad's outstanding hybrid capital as being 50% debt and 50% equity, rather than the IFRS classification of the same instrument as being 100% equity.

(2) The quick ratio is calculated as cash and bank balance, including available credit facilities divided by forecast net liquidity needs over the ensuing 12 months, in accordance with S&P's guidelines.

The table above sets out the financial guidelines that are relevant to Heimstaden Bostad, as contained in internal guidelines and financial agreements with third parties.

The table below sets out the ways in which certain key data, which is considered "alternative" according to the ESMA guidelines, is derived".

Derivation of key data considered alternative according to the ESMA guidelines

The section entitled "*Derivation of key data considered alternative according to the ESMA guidelines*" beginning on page 140 of the Base Prospectus, shall be deleted and replaced with the following:

"Derivation of key data considered alternative according to the ESMA guidelines

	As for the three months ending 31 March	
	2023	2022
<i>(SEK million unless otherwise stated)</i>		
Economic occupancy, residential (%)		
Theoretical rental income on residential units	3,410	2,862
Economic vacancy	-127	-92
Rental income on residential units	3,283	2,770
Economic occupancy (%)	96.3	96.8
Real economic occupancy ratio, residential (%)		
Theoretical rental income on residential units	3,410	2,862
Adjusted for non-market vacancy	-62	-44
Adjusted theoretical rental income	3,347	2,819
Real economic occupancy ratio, residential (%)	98.2	98.5
Net operating income margin (%)		
Rental income	3,610	3,014
Net operating income	2,342	1,829
Net operating income margin (%)	64.9	60.7
	As at 31 March	
	2023	2022
<i>(SEK million unless otherwise stated)</i>		
Profit before financial items plus financial income (rolling 12 months)		
Profit before inventory properties and fair value adjustments	7,970	3,466
Transaction costs from business combination	-	2,054
Financial income	220	175
Profit before financial items plus financial income (rolling 12 months)	8,190	5,695
Interest coverage ratio (rolling 12 months) (multiple)		
Profit before financial items plus financial income	8,190	5,695
Financial costs – Interest-bearing liabilities	2,738	1,424
Interest coverage ratio (rolling 12 months) (multiple)	3.0	4.0
Interest coverage ratio, (S&P method) (rolling 12 months) (multiple)		
Profit before inventory properties and fair value adjustments	7,970	3,466
Depreciation and amortisation	2	1
SOS partnership	143	81
Transaction costs from business combination	-	2,054
Share of net profits of associated companies and joint ventures	-	-358
EBITDA, adjusted	8,115	5,244
Interest expenses on interest-bearing liabilities	2,738	1,424
Capitalised interest	117	55
50% hybrid dividend (reflecting S&P methodology)	447	451
Interest expense, adjusted	3,302	1,931
Interest coverage ratio, (S&P method) (rolling 12 months) (multiple)	2.5	2.7
Equity ratio (%)		
Total equity	164,393	174,483
Total assets	380,697	365,446
Equity ratio (%)	43.2	47.7
Net interest-bearing liabilities		
Interest-bearing secured liabilities	101,435	65,457
Interest-bearing unsecured liabilities	83,382	91,298

	As at 31 March	
	2023	2022
	<i>(SEK million unless otherwise stated)</i>	
Cash and cash equivalents	8,344	16,321
Net interest-bearing liabilities	176,473	140,434
Net debt to total assets (%)		
Net interest-bearing liabilities	176,473	140,434
Total assets	380,697	365,446
Net debt to total assets (%)	46.4	38.4
Net loan-to-value (LTV) (%)		
Net interest-bearing liabilities	176,473	140,434
Fair value of investment properties	335,082	315,843
Net loan-to-value (LTV) (%)	52.7	44.5
Secured loan-to-value (%)		
Interest-bearing secured liabilities	101,435	65,457
Total assets	380,697	365,446
Secured loan-to-value (%)	26.6	17.9
Net debt / Net debt + Equity (S&P method) (%)		
Equity	164,393	174,483
50% of hybrid equity as debt (S&P adjusted)	12,124	16,833
Equity adjusted	152,269	157,650
Total interest-bearing liabilities	184,817	156,755
Right-of-use-liabilities	1,443	1,410
Cash and cash equivalents	-8,344	-16,321
50% of hybrid equity as debt (S&P adjusted)	12,124	16,833
Net interest-bearing liabilities, adjusted (Net debt)	190,040	158,677
Net debt + Equity	342,309	316,327
Net debt / Net debt + Equity (S&P method) (%)	55.5	50.2
Net asset value on the balance sheet date		
Equity	164,393	174,483
Deferred tax liability not attributable to goodwill	8,302	24,303
Net asset value on the balance sheet date	172,695	198,786
Debt (rolling 12 months)		
Interest-bearing liabilities (<i>rolling 12 months</i>)	174,912	124,369
Debt (rolling 12 months)	174,912	124,369
EBITDA (rolling 12 months)		
Profit before inventory properties and fair value adjustments	7,970	3,466
Transaction cost from business combination	-	2,054
Amortisation and depreciation	7	1
EBITDA (rolling 12 months)	7,977	5,521
Debt/EBITDA (rolling 12 months) (multiple)		
Interest-bearing liabilities (<i>rolling 12 months</i>)	174,912	124,369
EBITDA (<i>rolling 12 months</i>)	7,977	5,521
Debt/EBITDA (rolling 12 months) (multiple)	21.9	22.5

".

Derivation of certain key data by geographic segment

The section entitled "*Derivation of certain key data by geographic segment*" beginning on page 142 of the Base Prospectus, shall be deleted and replaced with the following:

"Derivation of certain key data by geographic segment

	Three months ending 31 March 2023							Total		
	Sweden	Germany	Denmark	Netherlands	Norway	Czech rep.				
Rental income, Q1 2022 (comparative portfolio) (SEK million).....	1,021	493	728	299	182	320		3,043		
Rental income, Q1 2023 (comparative portfolio) (SEK million).....	1,079	645	859	338	195	414		3,530		
Like-for-like rental income growth (%).....	5.7	30.8	18.0	13.0	7.1	29.4		16.0		
Three months ending 31 March 2023										
	Sweden	Germany	Denmark	Nether- lands	Norway	Czech rep.	Finland	UK	Poland	Total
Theoretical rental income on residential units (SEK million).....	961	607	829	337	167	421	72	8	8.5	3,410
Economic vacancy (SEK million)	-22	-17	-45	-7	-3	-22	-8	-2	-0.5	-127
Rental income on residential units (SEK million)	939	591	784	330	163	399	63	6	8	3,283
Economic occupancy ratio (%).....	97.7	97.2	94.6	97.9	98.1	94.8	88.2	74.2	94.4	96.3
Three months ending 31 March 2023										
	Sweden	Germany	Denmark	Nether- lands	Norway	Czech rep.	Finland	UK	Poland	Total
Theoretical rental income on residential units (SEK million).....	983	624	873	344	170	443	80	10	9	3,536
Adjusted for non-market vacancy (SEK million)	-9	-5	-28	-1	-4	-12	-4	-1	-0.3	-62
Adjusted theoretical rental income (SEK million)	952	603	800	336	165	409	67	7	8	3,347
Real economic occupancy ratio (%).....	99.1	99.2	96.6	99.8	99.3	97.1	93.8	85.7	96.3	98.2
".										

Significant or Material Change

The section titled "*Significant or Material Change*" on page 151 of the Base Prospectus, shall be deleted and replaced with the following:

"There has been no significant change in the financial performance or financial position of the Group since 31 March 2023 and there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2022.".

Other Information

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

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

Certain figures and percentages included in this Supplement have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.