

**SUPPLEMENT NO. 3 DATED 5 JANUARY 2021
TO THE BASE PROSPECTUS DATED 4 AUGUST 2020**

Heimstaden Bostad AB (publ)

(incorporated with limited liability in Sweden)

Heimstaden Bostad Treasury B.V.

(incorporated with limited liability in the Netherlands, and having its statutory seat (statutaire zetel) in Amsterdam, The Netherlands)

€8,000,000,000

Euro Medium Term Note Programme

unconditionally and irrevocably guaranteed by

Heimstaden Bostad AB (publ)

(incorporated with limited liability in Sweden)

This supplement no. 3 (the "**Supplement**") is supplemental to, and must be read in conjunction with, the base prospectus dated 4 August 2020 (as supplemented, the "**Base Prospectus**"), supplement no. 1 dated 24 August 2020 and supplement no. 2 dated 3 November 2020 prepared by Heimstaden Bostad AB (publ) ("**Heimstaden Bostad**" and, in its capacity as guarantor of Notes issued by HBT (as defined below), the "**Guarantor**") and Heimstaden Bostad Treasury B.V. ("**HBT**" and, together with Heimstaden Bostad, the "**Issuers**", and each an "**Issuer**") with respect to their €8,000,000,000 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 Issuers or of the quality of the Notes that are the subject of the Base Prospectus.

Each Issuer and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each Issuer 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 to:

- (a) update references to Heimstaden Bostad's credit rating following the recent upgrade by S&P Global Ratings Europe Limited; and
- (b) update the "*Description of Heimstaden Bostad – Recent Developments*" section of the Base Prospectus to reflect updated operational information and the credit rating upgrade.

Ratings Upgrade

The references to "BBB- (outlook positive)" as the credit rating of Heimstaden Bostad by S&P Global Ratings Europe Limited on pages ii, 12 and 24 of the Base Prospectus shall be replaced with "BBB (outlook stable)".

Recent Developments

On page 114 of the Base Prospectus the following section shall be inserted at the end of the section entitled "*Recent Developments*":

"Acquisition of Polish property portfolio

On 8 December 2020, the Issuer acquired 650 residential units that are under construction (on a forward funding basis) in Warsaw, Poland and are due to be completed in 2022 or 2023. This portfolio amounts to 24,363 square metres of residential lettable area, and additional commercial area of 2,117 sqm. The purchase price paid was EUR 65 million.

Upgraded to 'BBB' rating by S&P

S&P Global Ratings Europe Limited announced on 14 December 2020 that it has upgraded Heimstaden Bostad to 'BBB' with a stable outlook. The rating agency cites Heimstaden Bostad's strengthened residential portfolio, enhanced earnings base and strong financial discipline as key reasons for the upgrade.

Acquisition of Danish property portfolio

On 16 December 2020, the Issuer signed a purchase agreement for the acquisition of 187 properties comprising a total of 6,237 residential units (including 357 residential units under construction with turnkey delivery within 12 months), 35 commercial properties and 9 land plots for future residential exploitation (with planning already in place) in Denmark. This portfolio amounts to a total of 850,700 square metres of lettable area.

HD Ejendomme is based in Odense with a fully integrated operational platform. The organisation counts some 85 employees, including administration-, letting-, property- and facility management services as well as real estate development expertise. The combined company will provide a strong platform for property and facility management across the country and enhance its ability to undertake new growth, anchored in a value-based business model and evergreen investment perspective.

The residential portfolio mainly consists of terraced houses distributed across Denmark and concentrated near large- and medium sized Danish cities, such as Odense, Vejle, Horsens, Silkeborg and Randers.

A large part of the portfolio has been constructed within the last 20 years, with 34 per cent. completed in the last three years. 10 per cent. of gross rental income is from regulated units built before 1992, in keeping with the Danish rental regime.

The agreed purchase price for the portfolio is approximately SEK 16.6 billion, which will be financed through a mix of available cash and debt, primarily from Danish mortgage institutions. Heimstaden Bostad expects that it will be able to maintain leverage in line with its financial policy. The transaction is expected to close in early 2021, subject to antitrust clearance."

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 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.