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The board of directors' proposal on resolution on authorisation for the board to decide on new issue of shares

Proposal on resolution on authorisation for the board to decide on new issue of shares pursuant to item 16c)

The board of directors of Heimstaden AB (publ), reg.no. 556670-0455 (the “**Company**”), proposes that the general meeting shall resolve to authorise the board to, within the framework of the articles of association in force at any given time, on one or more occasions during the period up to the 2022 annual general meeting, with or without deviation from the shareholders’ preferential rights, increase the Company’s share capital through new issue of no more than 40,000,000 preference shares against cash payment, with a provision for non-cash consideration or set-off or otherwise with conditions.

The purpose of the authorisation and the reason for allowing deviations from the shareholders’ preferential rights is to enable the Company to raise capital (including in accordance with an accelerated timetable) as part of the Company’s work to continue its growth, *inter alia*, through acquisitions and investments in existing holdings (directly and/or indirectly) and to achieve a more efficient capital structure in order to promote increased liquidity in the preference shares and a larger shareholder base in the Company.

To the extent that the issue is carried out with deviation from the shareholders’ preferential rights, the issue shall be made at market terms, subject to a market issue discount where applicable.

The board of directors proposes that the proposals pursuant to items 16a)–16c) shall be conditional upon each other and adopted by the general meeting as one single resolution.

Resolution in accordance with this item 16c) requires that shareholders representing a minimum of two thirds (2/3) of both the votes cast and the shares represented at the general meeting approve the proposal.

The board of directors, or a person appointed by the board, shall be authorised to make such minor adjustments of the resolution that may be required in connection with the registration of the resolution at the Swedish Companies Registration Office or Euroclear Sweden AB.

Malmö in March 2021

Heimstaden AB (publ)

The board of directors