H&M Group

H & M Hennes & Mauritz AB
Press conference 29 June, 2022
Six-month report 2022
Second quarter 2022

Strong sales development

• Well-received collections
• Increased full-price sales and decreased markdowns
• Increased sales in physical stores
• Online continues to do well
Integrated channels

• Strength of having both physical and digital channels
• Smooth and inspiring customer experience
• Continuous store optimisation
Well-positioned customer offering

- Meet customers’ ever-increasing expectations of affordable and sustainable fashion
Net sales
SEK m

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>46,509</td>
<td>54,504</td>
<td>+ 17%</td>
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<tr>
<td>Six months</td>
<td>86,569</td>
<td>103,670</td>
<td>+ 20%</td>
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Operating profit and margin by quarter
Rolling 12 months, SEK billion
Cash flow by quarter
From operating activities. Excluding IFRS 16, SEK billion
Net debt/EBITDA
Development excluding IFRS 16
Number of temporarily closed stores 2020–2022
Sustainable and profitable growth

Latest 2030

- Double sales
- Halving carbon footprint
- Profitability to exceed 10 percent over time
Growth areas

H&M

• Strengthen, develop and broaden offering to include more products and services

• Develop existing customer relationships and attract new customers

• Offer unbeatable value and enable for sustainable choices
Growth areas

• Expanding by increased sales in all channels

• New markets 2022: Ecuador, Kosovo, North Macedonia, and via franchise Costa Rica and Guatemala

• Accelerating expansion in North and South America region, with focus on Latin America
Growth areas

Portfolio brands och business ventures

• Consistently growing through our other brands, new business models and initiatives

• Strong sales development for COS, & Other Stories and ARKET
Growth areas

Sellpy

• Majority owner
• Circular business model
• Doubled sales in second quarter
Growth areas

Investments and partnerships

Investment arm Co:lab

• Create value both financially and in existing operations

• Renewcell and Infinited Fiber Company
Green investments

• Financially support projects contributing to reduce emissions in supply chain
• Goal to halve carbon emissions latest by 2030
• Green Fashion Initiative
• Fashion Climate Fund
Long-term investments

Investment in infrastructure for better customer experience

• Tech
• AI
• Supply chain
Long-term investments

Highly automated logistics centres

• More capacity
• Flexibility
• Speed between sales channels
• Increased assortment availability
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