

H&M Group

Press release

26 September 2024

H&M decides to buy back own shares for SEK 1 billion

The board of directors of H & M Hennes & Mauritz AB has decided to utilise the authorisation granted by the 2024 annual general meeting to acquire the company's own B shares, in order to transfer capital to the shareholders and adjust the company's capital structure.

The share buyback programme will be carried out in accordance with the EU Market Abuse Regulation (MAR) and Commission Delegated Regulation (EU) 2016/1052 (the so-called Safe Harbour Regulation). Acquisitions of shares will be managed by an investment firm or credit institution that makes its trading decisions regarding the timing of the acquisitions of H&M's shares independently of H&M.

As part of creating further flexibility with regard to the group's capital structure, in conjunction with the 2023 full-year report the board of directors communicated that it intended to ask the 2024 annual general meeting for a general authorisation allowing it to buy back its own B shares in the period up to the 2025 annual general meeting. This general authorisation that was granted by the 2024 annual general meeting is one of the tools for the board to use if surplus liquidity is identified. This has now been identified and the board has thus decided to start a SEK 1 billion share buyback programme.

The purpose of the buybacks is to distribute surplus liquidity and thereby adjust H&M's capital structure by reducing its capital. Accordingly, the board of directors intends to propose to the 2025 annual general meeting that the repurchased shares are cancelled. It is intended that the reduction in share capital will be accompanied by a corresponding bonus issue so that the level of share capital is restored.

The share buyback programme is subject to the following terms:

- Buybacks are to take place on Nasdaq Stockholm in accordance with its Rule Book for Issuers, MAR and the Safe Harbour Regulation.
- The shares shall be purchased at a per-share price within the price range (spread) on Nasdaq Stockholm applicable from time to time, meaning the spread between the highest purchase price and the lowest selling price prevailing and disseminated by Nasdaq Stockholm from time to time.
- The maximum cumulative purchase amount is SEK 1 billion. In accordance with the Swedish Companies Act, H&M may not buy more shares than would bring H&M's holding of own shares to 10 percent of the shares in H&M.
- The programme begins on 26 September 2024 and will continue until no later than 26 November 2024.
- Payment for the shares is to be made in cash.

The total number of shares in H&M is 1,610,542,225 of which 194,400,000 are A shares and 1,416,142,225 are B shares. H&M currently holds none of its own shares.

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For more information from the H&M group and press images visit hmgroup.com/media.

H & M Hennes & Mauritz AB (publ) was founded in Sweden in 1947 and is quoted on Nasdaq Stockholm. H&M's business idea is to offer fashion and quality at the best price in a sustainable way. In addition to H&M, the group includes the brands COS, Monki, Weekday, & Other Stories, H&M HOME and ARKET as well as Sellpy. For further information, visit hmgroup.com.