



# Q1 FY 2024 EARNINGS PRESENTATION

HIBBETT® | CITY GEAR®

ESTABLISHED 1945

# FD DISCLOSURE | FORWARD-LOOKING STATEMENTS

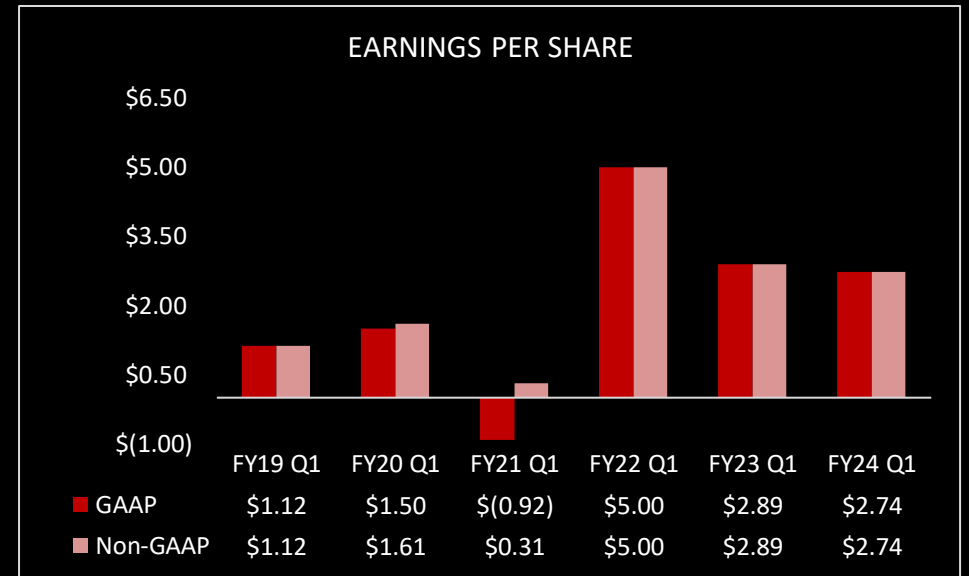
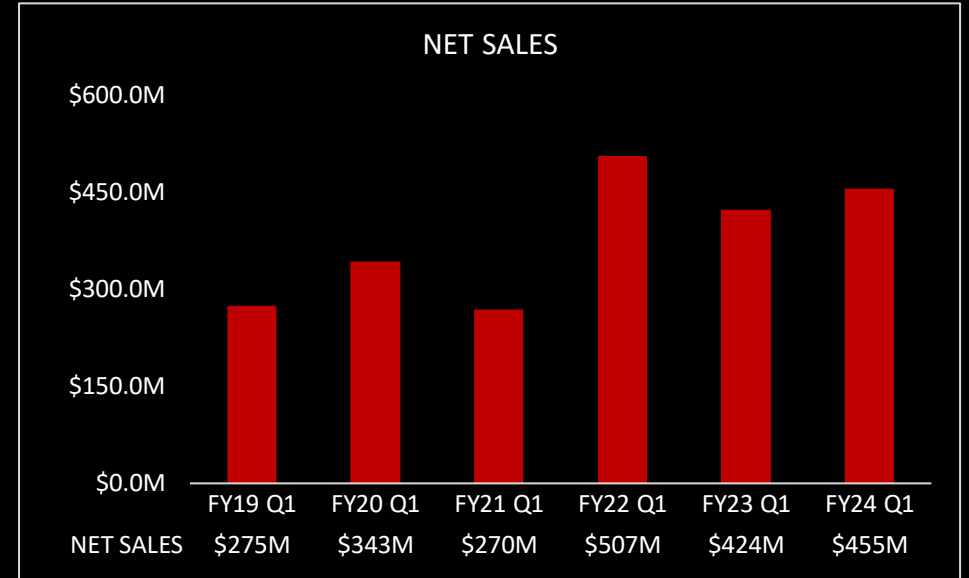
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This presentation contains forward-looking statements within the meaning of the federal securities laws. Other than statements of historical facts, all statements which address activities, events, or developments that the Company anticipates will or may occur in the future, including, but not limited to, such things as our future outlook including our Fiscal Year 2024 guidance, future capital expenditures and share repurchases, expansion, strategic plans, financial objectives, dividend payments, stock repurchases, growth of the Company's business and operations, including future cash flows, revenues, and earnings, our effective tax rate, and other such matters, are forward-looking statements. The forward-looking statements contained in this presentation reflect our current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, or performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements, including, but not limited to: changes in general economic or market conditions, including inflation and higher interest rates, that could affect overall consumer spending or our industry; changes to the financial health of our customers; our ability to successfully execute our long-term strategies; our ability to effectively drive operational efficiency in our business; our ability to effectively develop and launch new, innovative and updated products; our ability to accurately forecast consumer demand for our products and manage our inventory in response to changing demands; increased competition causing us to lose market share or reduce the prices of our products or to increase significantly our marketing efforts; the impact of public health crises, or other significant or catastrophic events; fluctuations in the costs of our products; acceleration of costs associated with the protection of the health of our employees and customers; loss of key suppliers or manufacturers or failure of our suppliers or manufacturers to produce or deliver our products in a timely or cost-effective manner, including due to port disruptions; our ability to maintain or grow current product allocations from our key vendors; our ability to accurately anticipate and respond to seasonal or quarterly fluctuations in our operating results; significant investments or capital expenditures; the availability, integration and effective operation of information systems and other technology, as well as any potential interruption of such systems or technology; risks related to data security or privacy breaches; our ability to raise additional capital required to grow our business on terms acceptable to us; our potential exposure to litigation and other proceedings; the impact of any future federal government shutdown and uncertainty regarding the federal government's debt level or changes in fiscal, monetary or regulatory policy; and our ability to attract key talent and retain the services of our senior management and key employees.

These forward-looking statements are based largely on our expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control. For additional discussion on risks and uncertainties that may affect forward-looking statements, see "Risk Factors" disclosed in our most recent Annual Report on Form 10-K. Any changes in such assumptions or factors could produce significantly different results. The Company undertakes no obligation to update forward-looking statements, whether as a result of new information, future events, or otherwise.

# RESULTS

- Q1 FY 2024 Results
  - Comparable Sales Increase of 4.1% Vs Prior Year
  - Operating Margin 10.1%
  - Diluted EPS of \$2.74 Versus Prior Year \$2.89
- Key Factors
  - Challenging Retail Environment
  - Lower Tax Returns vs Last Year
  - SG&A Leverage
  - Share Gains



\*Please see the GAAP to Non-GAAP reconciliations in the Appendix to this presentation.





# MERCHANDISING



Category  
Performance

Footwear – Up High Teens  
Apparel – Down Low 20's  
Team Sports – Down Low Teens



Footwear and Apparel  
Performance

Men's – Up Low Single Digits  
Women's – Up Low Single Digits  
Kid's – Up High Teens



Inventory

Promotional Activity  
Year-Over-Year Declines Expected in 2H FY24



# Q1 FY 2024 RESULTS

## INCOME STATEMENT

- Comp Sales: +4.1%
- Total Sales: +7.4%
- GM %: 33.7%
- SG&A%: 21.1%
- Operating Income: \$45.9 million
- Diluted EPS: \$2.74

## CASH FLOW

- Capital Expenditures: \$17.4 million
- 159.6M Shares Repurchased
- Quarterly dividend equal to \$0.25 per share for cash outlay of \$3.2 million





# BILL QUINN

CUSTOMER



# FY 2024 GUIDANCE UPDATE

Metric	Prior Outlook	Updated Outlook	Commentary
Total Sales	Up Mid-Single-Digit	Flat to Up ~2%	Includes 1% from 53 <sup>rd</sup> week
Comp Sales	Up Low-Single-Digit	Down Low-Single-Digit	
Store Count	Up 4%	Up 4%	Net new store growth: 40-50
Square Footage	Up 4.7%	Up 4.7%	
Gross Margin	34.9% to 35.0%	33.9% to 34.0%	Heavier Promotional Activity
SG&A %	23.2% to 23.3%	23.3% to 23.5%	
D&A	2.6%	2.9%	
EPS	\$9.50 to \$10.00	\$7.00 to \$7.75	
Tax Rate	~24.0%	~23.5% to ~23.7%	
Capital Expenditures	~\$60 to \$70 million	~\$60 to \$70 million	



# APPENDIX



# GAAP TO NON-GAAP RECONCILIATION FY21 Q1

**HIBBETT INC. AND SUBSIDIARIES**  
**GAAP to Non-GAAP Reconciliation**  
(Dollars in thousands except per share amounts)  
(Unaudited)

13 Weeks Ended May 2, 2020

	Excluded Amounts			Non-GAAP Basis (As Adjusted)	
	GAAP Basis (As Reported)	Acquisition Costs <sup>(1)</sup>	COVID-19 <sup>(2)</sup>		
Gross Margin	\$74,147	—	\$5,089	\$79,236	29.4%
SG&A expenses	\$69,673	\$654	\$4,433	\$64,586	23.9%
Operating income	(\$22,057)	\$654	\$29,183	\$7,780	2.9%
Provision for income taxes	(\$6,940)	\$204	\$9,112	\$2,376	0.9%
Net income	(\$15,287)	\$450	\$20,072	\$5,235	1.9%
Diluted earnings per share	(\$0.92)	\$0.03	\$1.21	\$0.31	

1) Excluded acquisition amounts during the 13-week period ended May 2, 2020, related to the acquisition of City Gear, LLC consist primarily of accounting and professional fees.

2) Excluded amounts during the 13-week period ended May 2, 2020, related to COVID-19 consist primarily of non-cash LCM reserve charges in cost of goods sold and impairment (goodwill, tradename and other assets) costs, change in valuation of contingent earnout and paid-not-worked salaries net of related tax credits.

3) Weighted average diluted shares outstanding were not adjusted for dilutive options and restricted stock in the calculation of GAAP loss per share.

# GAAP TO NON-GAAP RECONCILIATION FY20 Q1

HIBBETT INC. AND SUBSIDIARIES  
 GAAP to Non-GAAP Reconciliation  
 (Dollars in thousands except per share amounts)  
 (Unaudited)

13 Weeks Ended May 4, 2019

	Excluded Amounts			Non-GAAP Basis (As Adjusted)	% of Sales
	GAAP Basis (As Reported)	Acquisition Costs <sup>(1)</sup>	Strategic Realignment <sup>(2)</sup>		
Gross margin	\$118,603	\$956	—	\$119,559	34.8%
SG&A expenses	\$74,038	\$734	\$900	\$72,404	21.1%
Operating income	\$37,342	\$1,690	\$900	\$39,932	11.6%
Provision for income taxes	\$9,439	\$428	\$228	\$10,095	2.9%
Net income	\$27,857	\$1,262	\$672	\$29,791	8.7%
Diluted earnings per share	\$1.50	\$0.07	\$0.04	\$1.61	

1) Excluded acquisition costs represent costs incurred during the 13-week period ended May 4, 2019, related to the acquisition of City Gear, LLC and consists of amortization of inventory step-up, contingent earnout valuation update and legal, accounting and professional fees.

2) Excluded strategic realignment amounts during the 13-week period ended May 4, 2019, related to our accelerated store closure plan and consists of impairment costs net of reductions in lease liabilities related to accelerated store closures.