





Q2 FY23 EARNINGS PRESENTATION

HIBBETT® | CITY GEAR®

ESTABLISHED 1945

FD DISCLOSURE | FORWARD LOOKING STATEMENTS

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 2023 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, the impact of the COVID-19 pandemic on our business, 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, 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; the potential impact of new trade, tariff and tax regulations on our profitability; 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, including the COVID-19 pandemic, 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; and our ability to attract key talent and retain the services of our senior management and key employees.

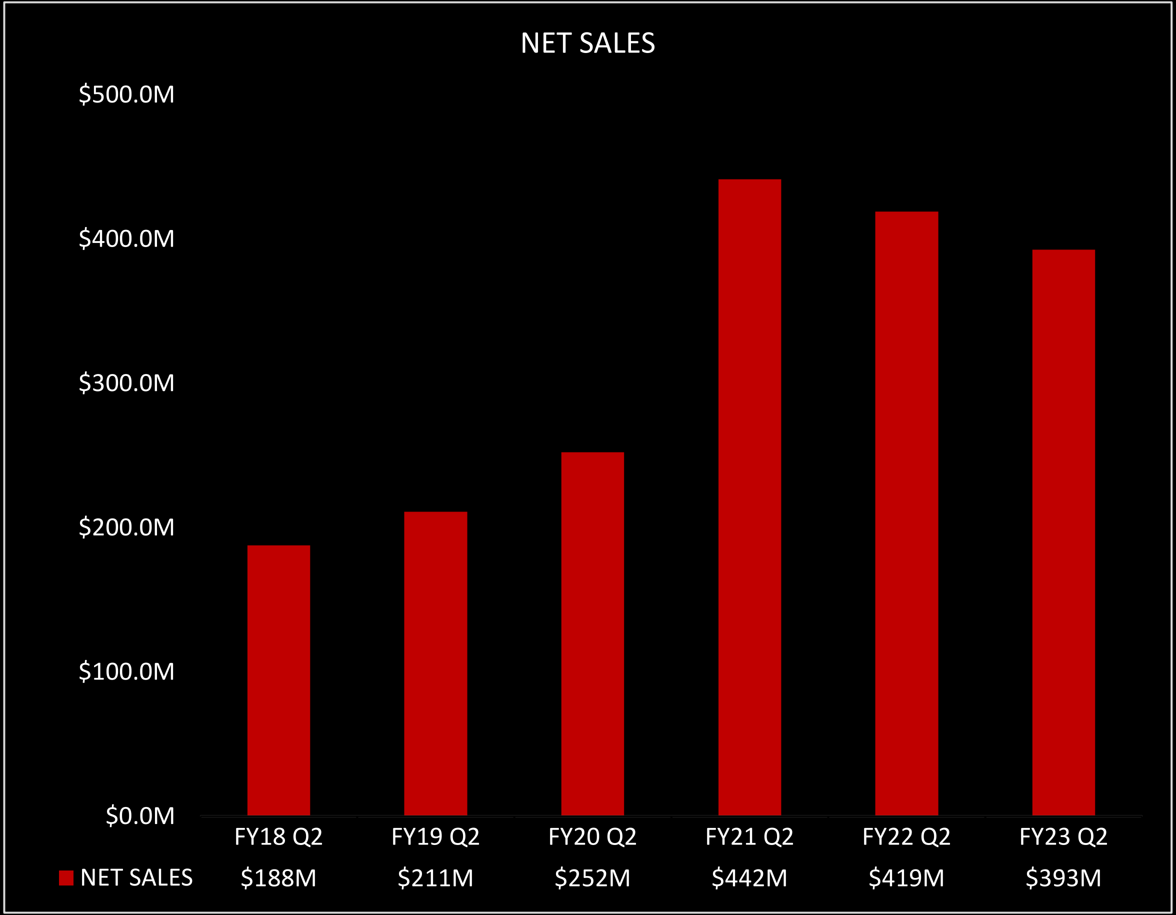
These forward-looking statements are based largely on our expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control. For additional discussion on risks and uncertainties that may affect forward-looking statements, see "Risk 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.

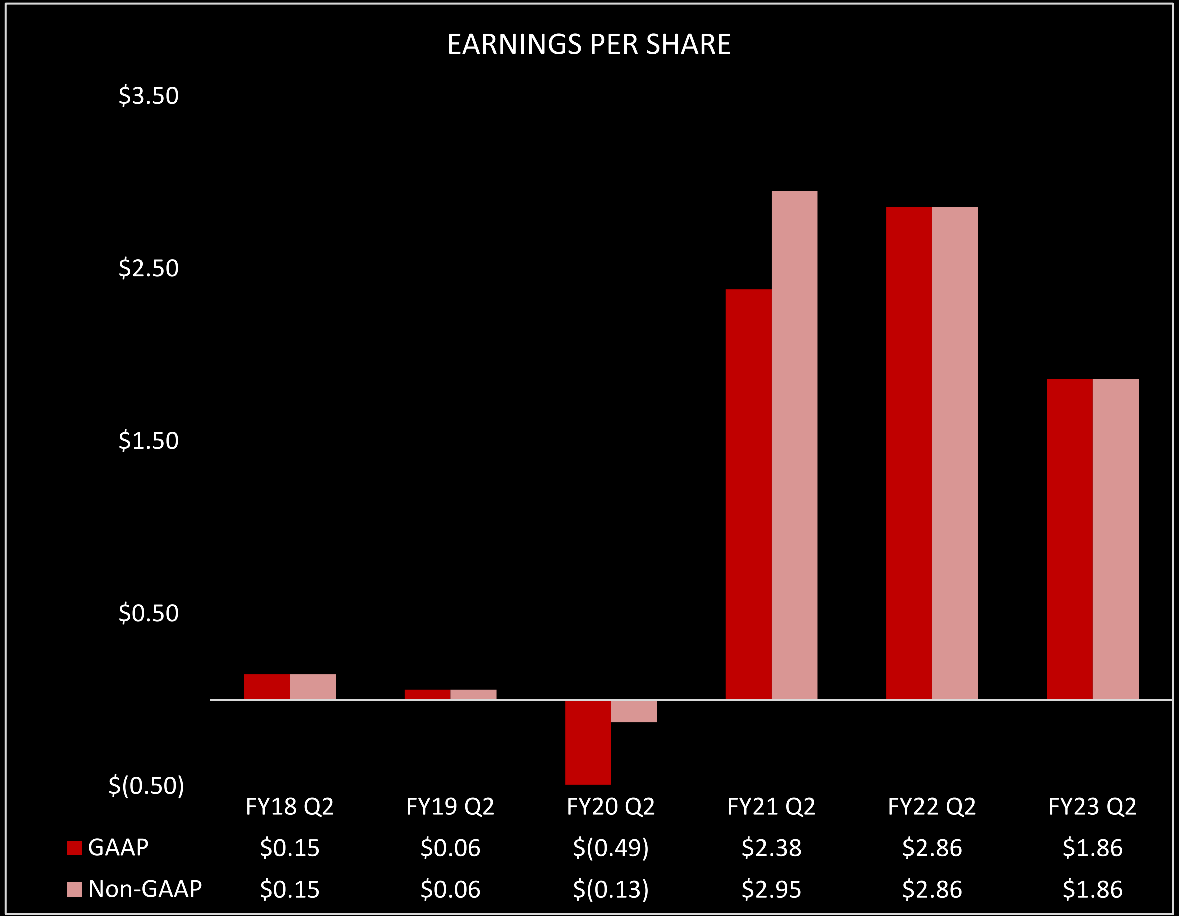
OVERVIEW

- Q2 FY23 Results –
  - Diluted EPS of $1.86
  - Comparable Sales Decline of 9.2% versus Prior Year; Comparable Sales Increase of 54.4% versus Q2 FY20 (Pre-Pandemic)
  - Operating Income Margin 8.4%
  - Increase Full-Year Comparable Sales Guidance; Reiterate FY23 Diluted EPS Guidance

- Key Factors
  - Timing of Back-To-School
  - Strong Inventory Position at Quarter-End

HISTORICAL FINANCIALS – Q2





MERCHANDISING

Category Performance

Footwear – up high-60s% vs FY20

Apparel – up low-40s% vs FY20

Team Sports – up LSD range vs FY20

Footwear and Apparel Performance

Men's – high-50s% increase vs FY20

Women's – high-70s% increase vs FY20

Kid's – low-60s% increase vs FY20

Inventory

Compared to FY20; inventory levels up 35% at quarter-end in balance with 54% sales increase over same period

Well-positioned for Full-Year

Q2 FY23 RESULTS

INCOME STATEMENT

- Comp Sales: - 9.2%
- 3-Year Comp Sales: +54.4%
- GM %: 34.4%
- SG&A%: 23.3%
- Operating Income: $32.8 million
- Diluted EPS: $1.86

CASH FLOW

- Capital Expenditures: $14.5 million
- Repurchased 145,178 shares at a cost of ~$7.0 million
- Quarterly dividend equal to $0.25 per outstanding common share for cash outlay of $3.2 million

YTD FY23 RESULTS

INCOME STATEMENT

- Comp Sales: - 14.5%
- 3-Year Comp Sales: +36.2%
- GM %: 35.7%
- SG&A%: 22.9%
- Operating Income: $83.5 million
- Diluted EPS: $4.77

BALANCE SHEET

- Cash & Cash Equivalents: $28.4 million
- Inventory: $366 million
- Short-term Debt: $88.5 million

CASH FLOW

- Capital Expenditures: $30.5 million
- Repurchased ~636,000 shares at a cost of $29.4 million
- Dividend payments of $6.5 million per outstanding common share

BILL QUINN

CONSUMER INSIGHTS

FY23 GUIDANCE

- Total net sales expected to increase in the low-single digit range in dollars compared to FY22 results
- Comp sales estimated to be up positive low-double digit range in back half; Full-Year flat to positive low single-digit range compared to FY22 results
- FY23 gross margin anticipated to be in the range of 35.1% to 35.3% of net sales; above pre-pandemic levels
- SG&A projected to be in the range of 22.7% to 22.8% of net sales; favorable to pre-pandemic levels
- Operating income expected to be in the low double-digit range as % of net sales
- Diluted EPS estimate of $9.75 - $10.50; assumes an estimated effective tax rate of 24.5% and an estimated weighted average diluted share count of approximately 13.3 million
- CapEx projected in the range of $60 to $70 million

APPENDIX

GAAP TO NON-GAAP RECONCILIATION (Q2 FY21)

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

	13-Weeks Ended August 1, 2020			
	GAAP Basis (As Reported)	Acquisition(1)	COVID-19(2)	Non-GAAP Basis (As Adjusted)
Cost of goods sold	$278,010	—	($1,353)	$279,363
Gross margin	$163,597	—	($1,353)	$162,244
SG&A expenses	$99,835	$3,493	$11,309	$85,033
Operating income	$56,278	$3,493	$9,956	$69,727
Provision for income taxes	$15,717	$979	$2,791	$19,487
Net income	$40,355	$2,514	$7,166	$50,035
Diluted earnings per share	$2.38	$0.15	$0.42	$2.95

1) Excluded acquisition amounts during the 13-weeks ended August 1, 2020, related to the acquisition of City Gear, LLC consisted primarily of change in valuation of contingent earnout and accounting and professional fees.

2) Excluded amounts during the 13-weeks ended August 1, 2020, related to the COVID-19 pandemic consisted primarily of non-cash LCM reserve adjustments in cost of goods sold, paid-not-worked salaries net of related tax credits in SG&A and reversal of the change in valuation of contingent earnout recorded during the 13-weeks ended May 2, 2020.

GAAP TO NON-GAAP RECONCILIATION (Q2 FY20)

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

	13-Weeks Ended August 3, 2019			
	GAAP Basis (As Reported)	Acquisition(1)	COVID-19(2)	Non-GAAP Basis (As Adjusted)
Cost of goods sold	$176,067	—	—	$176,067
Gross margin	$76,373	—	—	$76,373
SG&A expenses	$80,334	$7,553	$892	$71,889
Operating income	($11,641)	$7,553	$892	($3,196)
Provision for income taxes	($2,790)	$1,822	$215	($753)
Net income	($8,778)	$5,731	$677	($2,370)
Diluted earnings per share	($0.49)	$0.32	$0.04	($0.13)

1) Excluded acquisition costs represented costs incurred during the 13-weeks ended August 3, 2019, related to the acquisition of City Gear, LLC and consisted primarily of change in valuation of contingent earnout and legal, accounting and professional fees

2) Excluded strategic realignment amounts during the 13-weeks ended August 3, 2019, related to our accelerated store closure plan and consisted of professional fees, loss on fixed assets and impairment costs net of reductions in lease liabilities related to accelerated store closures.