



Q2 FY22 EARNINGS PRESENTATION

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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, 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 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 accurately anticipate and respond to seasonal or quarterly fluctuations in our operating results; our ability to successfully manage or realize expected results from 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 and Quarterly Report on Form 10-Q. 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.

INTRODUCTION

- Welcome
 - Q2 FY22 Results
 - Sales: Total Sales decrease of 5.1% vs Q2 FY21
 - -6.4% comp vs Q2 FY21
 - +30.3% comp YTD vs FY21
 - +72.8% comp vs Q2 FY20
 - +63.4% comp YTD vs FY20
 - Operating Income: \$61.5MM
 - Diluted EPS: \$2.86
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SALES DRIVERS

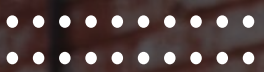
Q2 FY22 Drivers:

- Business model improvements delivered early
- Continued to add new customers as well as experienced gains in customer retention
- Greater year-over-year volume of existing customers that continued to increase their purchase amount
- Benefited from competitive closures and limited distribution

FUTURE EXPECTATIONS

- Ongoing improvements to our business model
- Additional investments in the consumer experience
- New customer retention
- Capitalize on competitive closures and the reduction in distribution of key brands
- Improve inventory position





Q2 FY22 MERCHANDISING



Category Performance

Apparel – Mid single digit % comp decline
Footwear – Mid single digit % comp decline
Team Sports – Double digit % comp growth



Footwear and Apparel Performance

Men's – Low teens % comp decline
Women's – Low teens % comp growth
Kid's – Low single digit % comp decline



Inventory

Positive to FY21 levels; likely below FY20
Aged inventory at historical \$ and % lows

SECOND QUARTER FISCAL 2022 RESULTS

INCOME STATEMENT

- Comp Sales: - 6.4%
- 2-Year Comp Sales: + 72.8%
- GM %: + 39.0%
- SG&A%: + 22.3%
- Operating Income: \$61.5MM
- Diluted EPS: \$2.86

CASH FLOW

- Cash Flow from Operations: \$7.2MM
- CapEx: \$13.8MM
- Repurchased 985,263 shares at a cost of \$83.2MM

YEAR-TO-DATE FISCAL 2022 RESULTS

INCOME STATEMENT

- Comp Sales: + 30.3%
- 2-Year Comp Sales: + 63.4%
- GM %: + 40.3%
- SG&A%: + 20.0%
- Operating Income: \$171.6MM
- Diluted EPS: \$7.90

CASH FLOW / BALANCE SHEET

- Cash Flow from Operations: \$115.5MM
- CapEx: \$20.8MM
- Repurchased 1,526,546 shares at a cost of \$120.6MM
- Cash: \$176.8MM
- Inventory: \$216.8MM

UPDATED GUIDANCE

- Drivers of FY22 Full Year Expectations
 - New consumer retention
 - E-commerce growth
 - Strong vendor relationships
 - Business model improvements
 - ✓ Double digit store unit growth
 - ✓ In-store consumer experience
 - ✓ Supply chain initiatives
 - ✓ Sales culture
- Updated FY22 Full Year Guidance
 - Sales comp in the mid-teens vs. last year
 - GM% decrease in 2nd half vs. 1st half FY22 but favorable vs. GAAP and adjusted FY21 on a full year basis
 - SG&A increase in 2nd half vs 1st half FY22 but decline vs. GAAP and adjusted FY21 on a full year basis
 - Diluted EPS of \$11.00 - \$11.50; assumes an effective tax rate of 25.0% and a weighted average diluted share count of approximately 16.2 million

*Specific items not factored into our outlook include further government stimulus payments, unannounced and/or unexpected market disruption, changes to the Federal minimum wage or significant wage inflation, increases in corporate tax rates and shifts in consumer spending habits.

