



Q1 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.

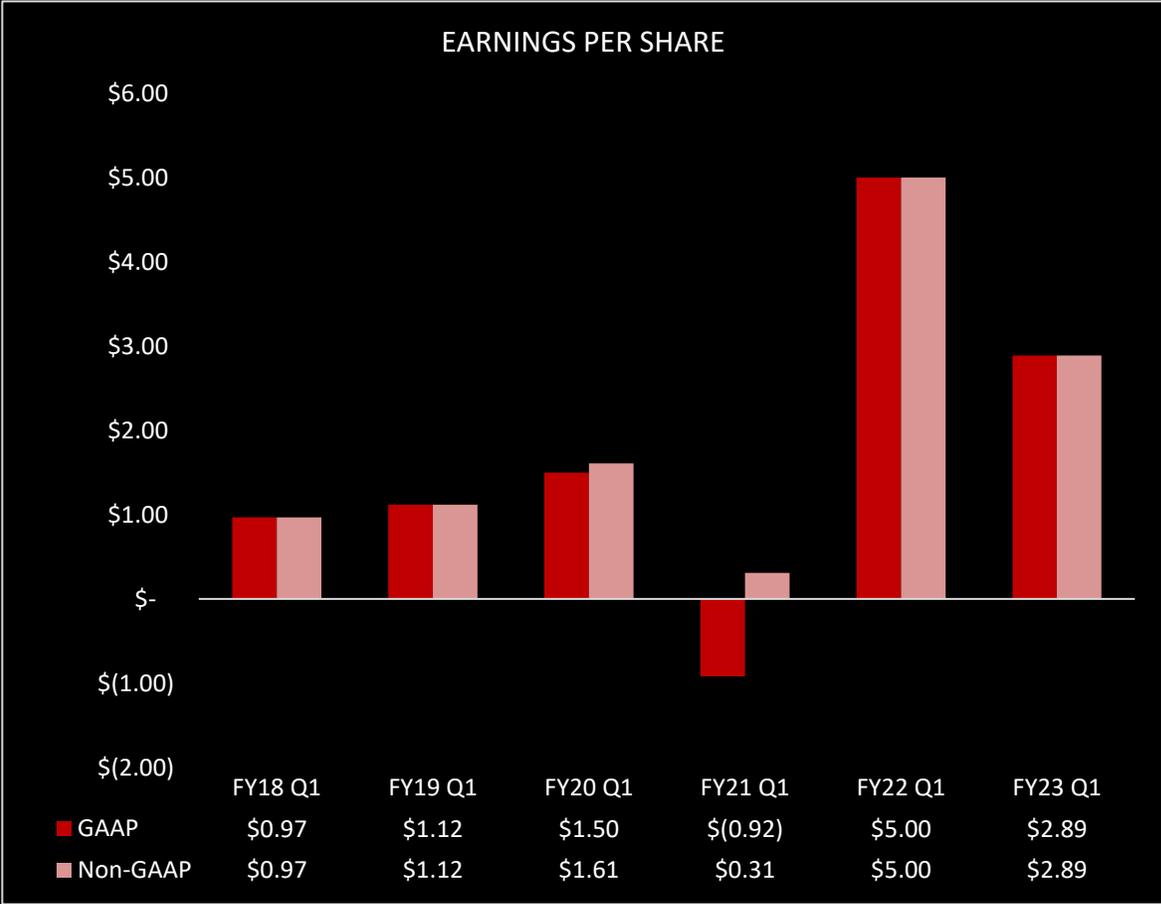
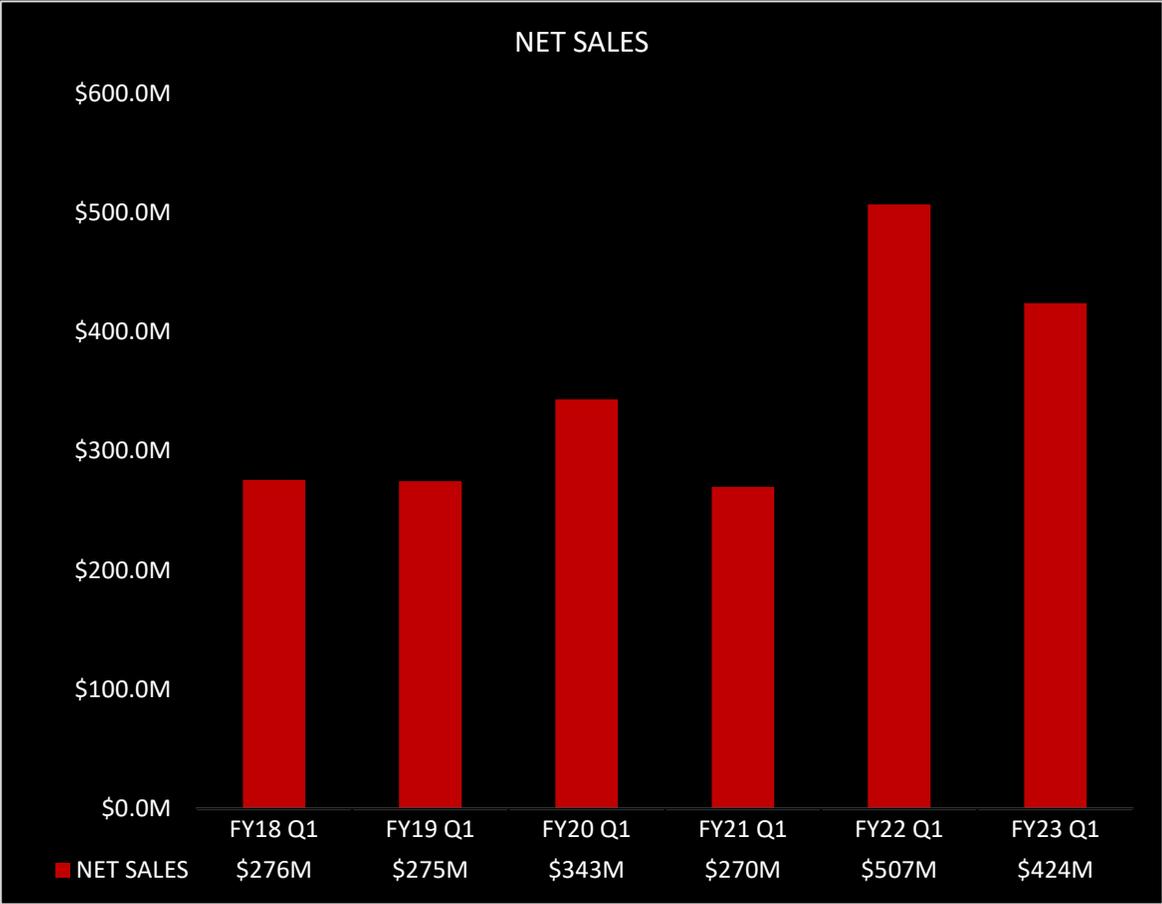
These forward-looking statements are based largely on our expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control. For additional discussion on risks and uncertainties that may affect forward-looking statements, see "Risk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

- Q1 FY23 Results –
 - Diluted EPS of \$2.89
 - Comparable Sales Decline of 18.9% versus Prior Year; Comparable Sales Increase of 22.9% versus Q1 FY20 (Pre-Pandemic)
 - Low Double-Digit Operating Income of 12%
 - Reiterate Full Year Comparable Sales and Diluted EPS Guidance
 - Key Factors
 - Absence of Stimulus Payments versus Prior Year
 - Strong Inventory Position at Quarter-End
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HISTORICAL FINANCIALS – Q1





MERCHANDISING



Category Performance

Footwear and apparel – mid-teens % decrease vs LY; up 22% vs Fiscal 2020
Footwear – Strong Inventory Position
Team Sports – up mid-single digit vs LY



Footwear and Apparel Performance

Men's – low-20s% increase vs Fiscal 2020
Women's – mid-60s% increase vs Fiscal 2020
Kid's – low-teens % increase vs Fiscal 2020



Inventory

Up \$94 million from Year-End
Inventory build Back-Half Q1
Well-positioned for Full-Year

Q1 FY23 RESULTS

INCOME STATEMENT

- Comp Sales: - 18.9%
- 3-Year Comp Sales: +22.9%
- GM %: 37.0%
- SG&A%: 22.5%
- Operating Income: \$50.7 million
- Diluted EPS: \$2.89

BALANCE SHEET

- Cash & Cash Equivalents: \$23.2 million
- Inventory: \$314.9 million
- Short-term Debt: \$20.4 million

CASH FLOW

- Capital Expenditures: \$16.0 million
- Repurchased 491,218 shares at a cost of \$22.4 million



BILL QUINN

CONSUMER INSIGHTS

FY23 GUIDANCE REITERATED

- FY 2023 Guidance
 - Total net sales expected to be relatively flat vs FY22
 - Comp sales estimated in the negative low-teen range in first-half; high single-digit in back half
 - FY23 gross margin anticipated to be in the range of 36.7% to 36.9% of net sales
 - SG&A projected to be in the range of 23.3% to 23.6% of net sales
 - 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 13.5 million

