

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 8, 2024

Hanesbrands Inc.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation)

001-32891
(Commission File Number)

20-3552316
(IRS Employer Identification No.)

**1000 East Hanes Mill Road
Winston-Salem, North Carolina**
(Address of principal executive offices)

27105
(Zip Code)

(336) 519-8080
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--------------------------------|-------------------|---|
| Common Stock, Par Value \$0.01 | HBI | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition

On August 8, 2024, Hanesbrands Inc. (the “Company” or “Hanesbrands”) issued a press release announcing its financial results for the second quarter ended June 29, 2024. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 7.01. Regulation FD Disclosure

The Company has made available on the investors section of its corporate website, www.Hanes.com/investors, certain supplemental materials regarding Hanesbrands’ financial results and business operations (the “Supplemental Information”). The Supplemental Information Related to the Second Quarter is furnished herewith as Exhibit 99.2 and is incorporated by reference. The Supplemental Information Revised to Present Discontinued Operations resulting from the pending sale of the global *Champion* business and the exit of the U.S.-based outlet store business is furnished herewith as Exhibit 99.3 and is incorporated by reference. All information in the Supplemental Information is presented as of the particular date or dates referenced therein, and Hanesbrands does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

Exhibits 99.1, 99.2 and 99.3 to this Current Report on Form 8-K include forward-looking financial information that is expected to be discussed on Hanesbrands’ previously announced conference call with investors and analysts to be held at 8:30 a.m., Eastern time on August 8, 2024. The call may be accessed at www.Hanes.com/investors. Replays of the call will be available at www.Hanes.com/investors and at <https://edge.media-server.com/mmc/p/q4ozppjv>. The webcast replay will be available from approximately 12:00 p.m., Eastern time, on August 8, 2024, until 12:00 p.m., Eastern time, on August 8, 2025.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

| <u>Exhibit Number</u> | <u>Description</u> |
|------------------------------|---|
| 99.1 | Press Release dated August 8, 2024 |
| 99.2 | Supplemental Information Related to the Second Quarter |
| 99.3 | Supplemental Information Revised to Present Discontinued Operations |
| 101 | Inline XBRL Instance Document - The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document |
| 104 | Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document) |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

August 8, 2024

HANESBRANDS INC.

By: /s/ M. Scott Lewis
M. Scott Lewis
Chief Financial Officer and Chief Accounting Officer

News Media contact: Nicole Ducouer (336) 986-7090

Analysts and Investors contact: T.C. Robillard (336) 519-2115

HanesBrands Announces Second-Quarter 2024 Results

- *Reports solid second-quarter results with better-than-expected performance in U.S. innerwear business.*
- *Announced agreement to sell global Champion business and completed exit of U.S. outlet stores in July. Both businesses moved to discontinued operations in second-quarter 2024.*
- *These strategic actions fundamentally strengthen the Company, creating a more focused, simplified business with more consistent revenue growth, higher margins, strong cash generation, a strong competitive position, and multiple levers to unlock shareholder value over the next several years.*
- *Adjusts full-year 2024 guidance to reflect continuing operations, with continued visibility for strong profit and EPS growth. Provides third-quarter 2024 guidance. Company expects to pay down approximately \$1 billion of debt in second-half 2024 with net proceeds from the announced Champion sale and internal cash generation.*
- *Earnings presentation, including a bridge from second-quarter results to prior guidance, and recast historical financials are available on the Company's investor relations website.*

WINSTON-SALEM, N.C. (August 8, 2024) – HanesBrands Inc. (NYSE: HBI), a global leader in iconic apparel brands, today announced results for the second-quarter 2024.

“We delivered solid second-quarter results in a challenging consumer and apparel market, including better-than-expected U.S. innerwear performance and margin expansion,” said Steve Bratspies, CEO. “We’ve taken several strategic actions that have fundamentally strengthened and simplified our business, better positioning the Company for consistent revenue growth, higher profit margins, and strong cash generation. We’ve also identified additional savings opportunities to drive a step-function change in our cost structure, which combined with our current margin improvement initiatives and lower interest expense gives us visibility to strong double-digit EPS growth over the next several years. We believe our earnings growth potential and continued debt pay down positions us to unlock significant shareholder value.”

Second Quarter 2024 Continuing Operations Results Summary

- Beginning in second-quarter 2024, global *Champion* and U.S. outlet store businesses have been reclassified to discontinued operations.

- Net sales from continuing operations decreased 4% compared to prior year as sales declines continued to moderate, as expected. On an organic, constant-currency basis, net sales decreased 1%.
- Gained an additional 40 basis points of innerwear market share in the U.S. as increased marketing investments and product innovation continued to drive point-of-sale trends that outperformed the market.
- With the divestiture of global *Champion*, the Company is taking action to create the right cost structure for a simpler, more focused business. The Company recognized restructuring and other action-related charges and has specific plans in place to deliver a step-function change in its overall cost structure, including consolidation actions within its supply chain. These actions are expected to further reduce cost and improve operational efficiencies across the organization. As a result, GAAP operating loss from continuing operations was \$(63) million and GAAP loss per share from continuing operations was \$(0.39).
- Adjusting for restructuring and other action-related charges, adjusted operating profit from continuing operations increased 46% over prior year to \$126 million and adjusted earnings per share from continuing operations increased 650% to \$0.15.
- Generated \$78 million in cash flow from operations in a quarter that historically uses cash.
- Reduced its debt balance for the seventh consecutive quarter. Company expects to pay down approximately \$1 billion of debt in the second-half of 2024 through the use of net proceeds from the announced *Champion* sale and internal cash generation.

Second-Quarter 2024 Results

- **Net Sales** from continuing operations of \$995 million decreased approximately 4% compared to the prior year, with approximately 150 basis points due to the unfavorable impact from foreign exchange rates and approximately 130 basis points due to last year's U.S. Sheer Hosiery divestiture. On an organic constant currency basis, net sales decreased approximately 1%, or \$11 million, compared to last year, with better-than-expected innerwear sales in the U.S. essentially offset by the expected macroeconomic headwinds in Australia.
- **Gross Profit and Gross Margin** were \$307 million and 30.8%, respectively. **Adjusted Gross Profit**, which excludes certain costs related to restructuring and other action-related charges, increased 11% over last year to \$396 million. **Adjusted Gross Margin** of 39.8% increased approximately 525 basis points as compared to second-quarter 2023. The year-over-year improvement was driven primarily by lower input costs as the Company continues to anniversary the impact from peak inflation as well as the benefits from cost savings initiatives.
- **Selling, General and Administrative (SG&A) Expenses** increased 29% to \$370 million as compared to last year. **Adjusted SG&A Expenses**, which exclude certain costs related to restructuring and other action-related charges, were \$270 million and consistent with prior year. As a percent of net sales, adjusted SG&A expense of 27.1% increased 100 basis points over prior year. The year-over-year increase was driven by a 125 basis point increase in brand marketing investments within the U.S. innerwear business, which was partially offset by benefits from cost savings initiatives and disciplined expense management.

- **Operating Loss and Operating Margin** in second-quarter 2024 were \$(63) million and (6.3)%, respectively. **Adjusted Operating Profit** increased 46% over prior year to \$126 million and **Adjusted Operating Margin** increased 430 basis points to 12.7% as compared to second-quarter 2023.
- **Interest Expense and Other Expenses** for second-quarter 2024 were approximately \$50 million and \$11 million, respectively, which compared to approximately \$59 million and \$7 million, respectively, in the prior year.
- **Tax Expense** for second-quarter 2024 was \$12 million as compared to \$13 million in the prior year period. **Effective and Adjusted Tax Rates** for second-quarter 2024 were (10)% and 19%, respectively. For second-quarter 2023, the effective and adjusted tax rates were 323% and 62%, respectively. The Company's effective tax rate for 2024 and 2023 is not reflective of the U.S. statutory rate due to valuation allowances against certain net deferred tax assets.
- **Loss from continuing operations** totaled approximately \$(137) million, or \$(0.39) per diluted share in second-quarter 2024. This compares to a loss from continuing operations of \$(9) million, or \$(0.03) per diluted share, last year. **Adjusted Income from continuing operations** totaled \$53 million, or \$0.15 per diluted share. This compares to adjusted income from continuing operations of \$8 million, or \$0.02 per diluted share, in second-quarter 2023.

See the Note on Adjusted Measures and Reconciliation to GAAP Measures later in this news release for additional discussion and details of actions, which include restructuring and other action-related charges.

Second-Quarter 2024 Business Segment Summary

Beginning with second-quarter 2024, the Company realigned its reporting segments to U.S. and International given the reclassification of certain businesses to discontinued operations. Both segments include innerwear and non-innerwear products. The International segment reflects businesses in Australia, the Americas and Asia.

- **U.S.** net sales decreased 1% as compared to prior year. Despite the expected market decline in the quarter, the Company's strategy of consumer-centricity is working. The Company gained another 40 basis points of innerwear market share in the quarter as increased marketing investments as well as innovation in its *Hanes*, *Maidenform* and *Bali* brands helped drive retail space gains, attract younger consumers, and generate point-of-sale trends that outperformed the market. In the quarter, its *Hanes* Originals and *Maidenform* M innovation product lines delivered strong year-over-over sales growth. The Company also launched *Bali* Breathe, its biggest innovation behind the brand in over a decade.

Operating margin of 21.4% increased approximately 470 basis points over prior year. The increase was driven by lower input costs and benefits from cost savings initiatives, which helped fund a 50% increase in brand marketing investments to drive consumer demand behind new product innovation in both Men's and Women's.

- **International** net sales decreased approximately 4% on a reported basis, including \$15 million from unfavorable foreign exchange rates. International sales increased 2% on a constant currency basis compared to prior year with growth in the Americas and Asia more than offsetting the expected macroeconomic-driven decline in Australia.

Operating margin of 12.0% increased approximately 380 basis points compared to prior year driven by lower input costs and benefits from cost savings initiatives.

Cash Flow, Balance Sheet and Liquidity

- **Total liquidity position** at the end of second-quarter 2024 was more than \$1.3 billion, consisting of \$214 million of cash and equivalents and more than \$1 billion of available capacity under the Company's credit facilities.
- Based on the calculation as defined in the Company's senior secured credit facility, the **Leverage Ratio** at the end of second-quarter 2024 was 4.6 times on a net debt-to-adjusted EBITDA basis, which was below its second-quarter 2024 covenant of 6.63 times and below 5.6 times at the end of second-quarter 2023 (See Table 6-B).
- **Inventory** at the end of second-quarter 2024 of \$938 million decreased 20%, or \$235 million, year-over-year. The year-over-year decrease was driven predominantly by the benefits of its inventory management capabilities, including SKU discipline and lifecycle management, and lower input costs as the Company continued to anniversary the impact from peak inflation.
- **Cash Flow from Operations** was \$78 million in second-quarter 2024 as compared to \$88 million last year. **Free Cash Flow** was \$71 million in second-quarter 2024 as compared to \$78 million in second-quarter 2023.

Additional Information on Global *Champion* Business Sale

As announced on June 5, 2024, the Company has entered into a definitive agreement with Authentic Brands Group (ABG) to sell the global *Champion* business. As noted above, along with the U.S. outlet store business that was exited in July, the global *Champion* business has been reclassified to discontinued operations.

The Company is on-track to complete the sale of the global *Champion* business in the second half of 2024 and continues to expect net proceeds of approximately \$900 million, including working capital adjustments and customary transaction costs and excluding an additional contingent cash consideration of up to \$300 million. On the day of closing, Hanesbrands expects to receive approximately 90%, or over \$800 million, of the net proceeds, and expects to transfer the *Champion* IP as well as the operations of the Collegiate and European businesses. Hanesbrands expects to transfer ownership of the remaining *Champion* businesses, excluding Japan, from the time of close through the end of January 2025, upon which it expects to receive the remaining 10%, or approximately \$100 million, of net proceeds.

Hanesbrands expects to continue operating the *Champion* Japan business as a licensee for a temporary period of time after January 2025 until it is ultimately transitioned to ABG in accordance with the terms of the definitive agreement. While the Company expects this business to be classified as Discontinued Operations in the future, it is currently reported as part of the Company's Continuing Operations results. The *Champion* Japan business is expected to generate approximately \$120 million of sales at a low single-

digit operating margin, which is consistent with prior year, and is reflected in the Company's current 2024 Continuing Operations guidance.

Third-Quarter and Full-Year 2024 Financial Outlook

Current 2024 guidance metrics, which are based on continuing operations and reflect the global *Champion* and U.S. outlet store businesses being reported in discontinued operations, are not comparable to prior 2024 guidance metrics given on May 9, 2024. Financial results for prior periods have been recast for discontinued operations and are available in the supplemental section of the Company's investor relations homepage (www.hanes.com/investors).

The Company is providing guidance on tax expense due to the expected fluctuation of its quarterly tax rate, stemming from the deferred tax reserve matter previously disclosed in fourth-quarter 2022. Importantly, the reserve does not impact cash taxes. Some portion of the reserve may reverse in future periods.

The Company closed the sale of its U.S. Sheer Hosiery business on September 29, 2023. For the full year 2023, its U.S. Sheer Hosiery business generated \$50 million of net sales and an operating loss of \$(2) million. For third-quarter 2023, its U.S. Sheer Hosiery business generated approximately \$17 million of net sales and an operating loss of less than \$(1) million.

For fiscal year 2024, which ends on December 28, 2024, the Company currently expects:

- Net sales from continuing operations of approximately \$3.59 billion to \$3.63 billion, which includes projected headwinds of approximately \$50 million from last year's U.S. Sheer Hosiery divestiture and approximately \$40 million from changes in foreign currency exchange rates. At the midpoint, this represents an approximate 4% decrease as compared to prior year on a reported basis and an approximate 2% decrease on an organic constant currency basis.
- GAAP operating profit from continuing operations of approximately \$151 million to \$171 million.
- Adjusted operating profit from continuing operations of approximately \$395 million to \$415 million, which includes a projected headwind of approximately \$9 million from changes in foreign currency exchange rates.
- Pretax charges for restructuring and other action-related charges of approximately \$244 million.
- GAAP Interest expense of approximately \$210 million, which includes approximately \$10 million of accelerated amortization. Adjusted Interest expense of approximately \$200 million. Both GAAP and Adjusted interest expense reflect the pay down of debt from the use of net proceeds from the announced *Champion* sale and internal cash generation.
- GAAP and Adjusted Other expenses of approximately \$40 million.
- GAAP and Adjusted Tax expense of approximately \$45 million.
- GAAP loss per share from continuing operations of approximately \$(0.41) to \$(0.35).

- Adjusted earnings per share from continuing operations of approximately \$0.31 to \$0.37.
- Cash flow from operations of approximately \$200 million.
- Capital investments of approximately \$50 million, consisting of approximately \$40 million of capital expenditures and approximately \$10 million of cloud computing arrangements. Per GAAP, capital expenditures are reflected in cash from investing activities and certain cloud computing arrangements are reflected in Other Assets within cash flow from operating activities. The approximate \$10 million of cloud computing arrangements is factored into the full year cash flow from operations guidance of approximately \$200 million.
- Free cash flow of approximately \$160 million.
- Fully diluted shares outstanding of approximately 353 million.

For third-quarter 2024, which ends on September 28, 2024, the Company currently expects:

- Net sales from continuing operations of approximately \$920 million to \$950 million, which includes projected headwinds of approximately \$17 million from last year's U.S. Sheer Hosiery divestiture and approximately \$4 million from changes in foreign currency exchange rates. At the midpoint, this represents an approximate 3% decrease as compared to prior year on a reported basis and an approximate 1% decrease on an organic constant currency basis.
- GAAP operating profit from continuing operations of approximately \$85 million to \$100 million.
- Adjusted operating profit from continuing operations of approximately \$105 million to \$120 million, which includes a projected headwind of approximately \$1 million from changes in foreign currency exchange rates.
- Pretax charges for restructuring and other action-related charges of approximately \$20 million.
- GAAP and Adjusted Interest expense of approximately \$50 million.
- GAAP and Adjusted Other expenses of approximately \$10 million.
- GAAP and Adjusted Tax expense of approximately \$12 million.
- GAAP earnings per share from continuing operations of approximately \$0.03 to \$0.08.
- Adjusted earnings per share from continuing operations of approximately \$0.09 to \$0.14.
- Fully diluted shares outstanding of approximately 354 million.

HanesBrands has updated its quarterly frequently-asked-questions document, which is available at www.Hanes.com/FAQ.

Note on Adjusted Measures and Reconciliation to GAAP Measures

To supplement financial results prepared in accordance with generally accepted accounting principles, the Company provides quarterly and full-year results concerning certain non-GAAP financial measures, including adjusted diluted earnings (loss) per share from continuing operations, adjusted income (loss) from continuing operations, adjusted income tax expense, adjusted income (loss) from continuing operations before income taxes, adjusted operating profit (and margin), adjusted SG&A, adjusted gross profit (and margin), EBITDA, adjusted EBITDA, adjusted effective tax rate, adjusted interest expense and adjusted other expenses, net debt, leverage ratio and free cash flow.

Adjusted EPS is defined as diluted earnings (loss) per share from continuing operations excluding actions and the tax effect on actions. Adjusted income (loss) from continuing operations is defined as income (loss) from continuing operation excluding actions and the tax effect on actions. Adjusted income tax expense is defined as income tax expense excluding actions. Adjusted income (loss) from continuing operations before income taxes is defined as income (loss) from continuing operations before income tax excluding actions. Adjusted operating profit is defined as operating profit excluding actions. Adjusted SG&A is defined as selling, general and administrative expenses excluding actions. Adjusted gross profit is defined as gross profit excluding actions. Adjusted interest is defined as interest expense excluding actions. Adjusted other expenses is defined as other expenses excluding actions and adjusted effective tax rate is defined as adjusted income tax expense divided by adjusted income (loss) from continuing operations before income tax.

Charges for actions taken in 2024 and 2023, as applicable, include the supply chain restructuring and consolidation, corporate asset impairment, headcount actions and related severance charges, professional services, technology charges, gain/loss on classification of assets held for sale, loss on extinguishment of debt, gain on final settlement of cross currency swap contracts and the tax effects thereof.

While these costs are not expected to continue for any singular transaction on an ongoing basis, similar types of costs, expenses and charges have occurred in prior periods and may recur in future periods depending upon future business plans and circumstances.

HanesBrands has chosen to present these non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating operations absent the effect of our supply chain restructuring and consolidation and other actions that are deemed to be material stand-alone initiatives apart from the Company's core operations. HanesBrands believes these non-GAAP measures provide management and investors with valuable supplemental information for analyzing the operating performance of the Company's ongoing business during each period presented without giving effect to costs associated with the execution of any of the aforementioned actions taken.

The Company has also chosen to present EBITDA and adjusted EBITDA to investors because it considers these measures to be an important supplemental means of evaluating operating performance. EBITDA is defined as net income (loss) before the impacts of discontinued operations, interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding (x) restructuring charges related to our supply chain restructuring and consolidation, and other action-related charges described in more detail in Table 6-A and (y) certain other losses, charges and expenses as defined in the Consolidated Net Total Leverage Ratio under its Fifth Amended and Restated Credit Agreement, dated November 19, 2021, as amended (the "Credit Agreement") described in more detail in Table 6-B. HanesBrands believes that EBITDA and adjusted EBITDA are frequently used by securities analysts, investors and other interested

parties in the evaluation of companies in the industry, and management uses EBITDA and adjusted EBITDA for planning purposes in connection with setting its capital allocation strategy. EBITDA and adjusted EBITDA should not, however, be considered as measures of discretionary cash available to invest in the growth of the business.

Net debt is defined as the total of current debt, long-term debt, and borrowings under the accounts receivable securitization facility (excluding long-term debt issuance costs and debt discount and borrowings of unrestricted subsidiaries under the accounts receivable securitization facility) less (x) other debt and cash adjustments and (y) cash and cash equivalents. Leverage ratio is the ratio of net debt to adjusted EBITDA as it is defined in our Credit Agreement.

The Company defines free cash flow as net cash from operating activities less capital expenditures. Management believes that free cash flow, which measures our ability to generate additional cash from our business operations, is an important financial measure for use in evaluating the Company's financial performance. The Company defines organic net sales as net sales excluding those derived from businesses acquired or divested within the previous 12 months of the reporting date.

HanesBrands is a global company that reports financial information in U.S. dollars in accordance with GAAP. As a supplement to the Company's reported operating results, HanesBrands also presents constant-currency financial information, which is a non-GAAP financial measure that excludes the impact of translating foreign currencies into U.S. dollars. The Company uses constant currency information to provide a framework to assess how the business performed excluding the effects of changes in the rates used to calculate foreign currency translation.

To calculate foreign currency translation on a constant currency basis, operating results for the current-year period for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the average exchange rates in effect during the comparable period of the prior year (rather than the actual exchange rates in effect during the current year period).

HanesBrands believes constant currency information is useful to management and investors to facilitate comparison of operating results and better identify trends in the Company's businesses. The Company defines organic constant currency sales as net sales excluding those derived from businesses acquired or divested within the previous 12 months of the reporting date and also excluding the impact of translating foreign currencies into U.S. dollars as discussed above.

Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as an alternative to, or substitute for, financial results prepared in accordance with GAAP. Further, the non-GAAP measures presented may be different from non-GAAP measures with similar or identical names presented by other companies.

Reconciliations of these non-GAAP measures to the most directly comparable GAAP financial measures are presented in the supplemental financial information included with this news release.

Cautionary Statement Concerning Forward-Looking Statements

This news release contains certain information that may constitute forward-looking statements, as defined under U.S. federal securities laws. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can generally be identified by the use of words such as "may," "believe," "could," "will," "expect," "outlook," "potential," "project," "estimate," "future," "intend,"

“anticipate,” “plan,” “continue” or similar expressions. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements with respect to our intent, belief and current expectations about our strategic direction, prospects and future results are forward-looking statements and are subject to risks and uncertainties that could cause actual results to differ materially from those implied or expressed by such statements. These risks and uncertainties include, but are not limited to, with respect to the pending sale of the global *Champion* business, whether and when the required regulatory approvals will be obtained, whether and when the closing conditions will be satisfied, and whether and when the pending sale will close, if at all; our ability to execute, and realize benefits, successfully, or at all, from the pending sale of the global *Champion* business; our ability to successfully implement our strategic plans, including our supply chain restructuring and consolidation and other cost savings initiatives; trends associated with our business; the rapidly changing retail environment and the level of consumer demand; the effects of any geopolitical conflicts (including the ongoing Russia-Ukraine conflict and Middle East conflicts) or public health emergencies or severe global health crises, including effects on consumer spending, global supply chains, critical supply routes and the financial markets; our ability to deleverage on the anticipated time frame or at all, which could negatively impact our ability to satisfy the financial covenants in our Credit Agreement or other contractual arrangements; any inadequacy, interruption, integration failure or security failure with respect to our information technology; future intangible assets or goodwill impairment due to changes in our business, market conditions, or other factors, including significant fluctuations in foreign exchange rates; legal, regulatory, political and economic risks related to our international operations; our ability to effectively manage our complex international tax structure; our future financial performance; and other risks identified from time to time in our most recent Securities and Exchange Commission reports, including our annual report on Form 10-K and quarterly reports on Form 10-Q. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. Any forward-looking statement speaks only as of the date on which such statement is made, and HanesBrands undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, other than as required by law.

About HanesBrands

HanesBrands (NYSE: HBI) makes everyday apparel that is known and loved by consumers around the world for comfort, quality and value. Among the Company’s iconic brands are *Hanes*, the leading basic apparel brand in the United States; *Bonds*, which is setting new standards for design and sustainability; *Maidenform*, America’s number one shapewear brand; and *Bali*, America’s number one national bra brand. HBI employs 48,000 associates in approximately 30 countries and has built a strong reputation for workplace quality and ethical business practices. The Company, a longtime leader in sustainability, has set aggressive 2030 goals to improve the lives of people, protect the planet and produce sustainable products.

TABLE 1

HANESBRANDS INC.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(Unaudited)

| | Quarters Ended | | | Six Months Ended | | |
|--|---------------------|--------------------|----------|---------------------|--------------------|----------|
| | June 29, 2024 | July 1, 2023 | % Change | June 29, 2024 | July 1, 2023 | % Change |
| Net sales | \$ 995,393 | \$ 1,035,004 | (3.8)% | \$ 1,773,606 | \$ 1,919,034 | (7.6)% |
| Cost of sales | 688,320 | 678,211 | | 1,157,218 | 1,279,862 | |
| Gross profit | 307,073 | 356,793 | (13.9)% | 616,388 | 639,172 | (3.6)% |
| As a % of net sales | 30.8 % | 34.5 % | | 34.8 % | 33.3 % | |
| Selling, general and administrative expenses | 370,202 | 286,860 | 29.1 % | 640,409 | 543,695 | 17.8 % |
| As a % of net sales | 37.2 % | 27.7 % | | 36.1 % | 28.3 % | |
| Operating profit (loss) | (63,129) | 69,933 | (190.3)% | (24,021) | 95,477 | (125.2)% |
| As a % of net sales | (6.3)% | 6.8 % | | (1.4)% | 5.0 % | |
| Other expenses | 10,785 | 7,239 | | 20,014 | 21,977 | |
| Interest expense, net | 50,299 | 58,718 | | 100,905 | 103,938 | |
| Income (loss) from continuing operations before income taxes | (124,213) | 3,976 | | (144,940) | (30,438) | |
| Income tax expense | 12,332 | 12,826 | | 22,215 | 29,006 | |
| Loss from continuing operations | (136,545) | (8,850) | | (167,155) | (59,444) | |
| Income (loss) from discontinued operations, net of tax | (161,835) | (13,614) | | (170,347) | 2,576 | |
| Net loss | <u>\$ (298,380)</u> | <u>\$ (22,464)</u> | | <u>\$ (337,502)</u> | <u>\$ (56,868)</u> | |
| Earnings (loss) per share - basic: | | | | | | |
| Continuing operations | \$ (0.39) | \$ (0.03) | | \$ (0.48) | \$ (0.17) | |
| Discontinued operations | (0.46) | (0.04) | | (0.48) | 0.01 | |
| Net loss | <u>\$ (0.85)</u> | <u>\$ (0.06)</u> | | <u>\$ (0.96)</u> | <u>\$ (0.16)</u> | |
| Earnings (loss) per share - diluted: | | | | | | |
| Continuing operations | \$ (0.39) | \$ (0.03) | | \$ (0.48) | \$ (0.17) | |
| Discontinued operations | (0.46) | (0.04) | | (0.48) | 0.01 | |
| Net loss | <u>\$ (0.85)</u> | <u>\$ (0.06)</u> | | <u>\$ (0.96)</u> | <u>\$ (0.16)</u> | |
| Weighted average shares outstanding: | | | | | | |
| Basic | 351,990 | 350,501 | | 351,783 | 350,468 | |
| Diluted | 351,990 | 350,501 | | 351,783 | 350,468 | |

TABLE 2-A

HANESBRANDS INC.
Supplemental Financial Information
Impact of Foreign Currency
(in thousands, except per share data)
(Unaudited)

The following tables present a reconciliation of reported results on a constant currency basis for the quarter and six months ended June 29, 2024 and a comparison to prior year:

| | Quarter Ended June 29, 2024 | | | Quarter Ended July 1, 2023 | % Change, As Reported | % Change, Constant Currency |
|--|-----------------------------|--|----------------------|-------------------------------|--------------------------|--------------------------------|
| | As Reported | Impact from Foreign Currency ¹ | Constant Currency | | | |
| As reported under GAAP: | | | | | | |
| Net sales | \$ 995,393 | \$ (15,194) | \$ 1,010,587 | \$ 1,035,004 | (3.8)% | (2.4)% |
| Gross profit | 307,073 | (9,082) | 316,155 | 356,793 | (13.9) | (11.4) |
| Operating profit (loss) | (63,129) | (3,596) | (59,533) | 69,933 | (190.3) | (185.1) |
| Diluted loss per share from continuing operations ³ | \$ (0.39) | \$ (0.01) | \$ (0.38) | \$ (0.03) | 1,200.0 % | 1,166.7 % |
| As adjusted:² | | | | | | |
| Net sales | \$ 995,393 | \$ (15,194) | \$ 1,010,587 | \$ 1,035,004 | (3.8)% | (2.4)% |
| Gross profit | 395,694 | (9,082) | 404,776 | 357,029 | 10.8 | 13.4 |
| Operating profit | 126,126 | (3,596) | 129,722 | 86,628 | 45.6 | 49.7 |
| Diluted earnings per share from continuing operations ³ | \$ 0.15 | \$ (0.01) | \$ 0.16 | \$ 0.02 | 650.0 % | 700.0 % |

¹ Effect of the change in foreign currency exchange rates year-over-year. Calculated by applying prior period exchange rates to the current year financial results.

² Results for the quarters ended June 29, 2024 and July 1, 2023 reflect adjustments for restructuring and other action-related charges. See "Reconciliation of Select GAAP Measures to Non-GAAP Measures" in Table 6-A.

³ Amounts may not be additive due to rounding.

| | Six Months Ended June 29, 2024 | | | Six Months Ended July 1, 2023 | % Change, As Reported | % Change, Constant Currency |
|--|--------------------------------|--|----------------------|----------------------------------|--------------------------|--------------------------------|
| | As Reported | Impact from Foreign Currency ¹ | Constant Currency | | | |
| As reported under GAAP: | | | | | | |
| Net sales | \$ 1,773,606 | \$ (30,558) | \$ 1,804,164 | \$ 1,919,034 | (7.6)% | (6.0)% |
| Gross profit | 616,388 | (18,352) | 634,740 | 639,172 | (3.6) | (0.7) |
| Operating profit (loss) | (24,021) | (6,686) | (17,335) | 95,477 | (125.2) | (118.2) |
| Diluted loss per share from continuing operations ³ | \$ (0.48) | \$ (0.01) | \$ (0.46) | \$ (0.17) | 182.4 % | 170.6 % |
| As adjusted:² | | | | | | |
| Net sales | \$ 1,773,606 | \$ (30,558) | \$ 1,804,164 | \$ 1,919,034 | (7.6)% | (6.0)% |
| Gross profit | 705,212 | (18,352) | 723,564 | 640,924 | 10.0 | 12.9 |
| Operating profit | 180,203 | (6,686) | 186,889 | 115,181 | 56.5 | 62.3 |
| Diluted earnings per share from continuing operations ³ | \$ 0.11 | \$ (0.01) | \$ 0.12 | \$ (0.09) | (222.2)% | (233.3)% |

¹ Effect of the change in foreign currency exchange rates year-over-year. Calculated by applying prior period exchange rates to the current year financial results.

² Results for the six months ended June 29, 2024 and July 1, 2023 reflect adjustments for restructuring and other action-related charges. See "Reconciliation of Select GAAP Measures to Non-GAAP Measures" in Table 6-A.

³ Amounts may not be additive due to rounding.

TABLE 2-B

HANESBRANDS INC.
Supplemental Financial Information
Organic Constant Currency
(in thousands, except per share data)
(Unaudited)

The following tables present a reconciliation of reported results on an organic constant currency basis for the quarter and six months ended June 29, 2024 and a comparison to prior year:

| | Quarter Ended June 29, 2024 | | | | Quarter Ended July 1, 2023 | | | | % Change, As Reported | % Change, Organic Constant Currency |
|-----------|-----------------------------|---|--|---------------------------------|----------------------------|--|--------------|--------|--------------------------|--|
| | As Reported | Impact from Foreign Currency ¹ | Less U.S. Hosiery Divestiture ² | Organic Constant Currency | As Reported | Less U.S. Hosiery Divestiture ² | Organic | | | |
| Net sales | \$ 995,393 | \$ (15,194) | \$ — | \$ 1,010,587 | \$ 1,035,004 | \$ 13,470 | \$ 1,021,534 | (3.8)% | (1.1)% | |

¹ Effect of the change in foreign currency exchange rates year-over-year. Calculated by applying prior period exchange rates to the current year financial results.

² The Company sold its U.S. Sheer Hosiery business on September 29, 2023.

| | Six Months Ended June 29, 2024 | | | | Six Months Ended July 1, 2023 | | | | % Change, As Reported | % Change, Organic Constant Currency |
|-----------|--------------------------------|---|--|---------------------------------|-------------------------------|--|--------------|--------|--------------------------|--|
| | As Reported | Impact from Foreign Currency ¹ | Less U.S. Hosiery Divestiture ² | Organic Constant Currency | As Reported | Less U.S. Hosiery Divestiture ² | Organic | | | |
| Net sales | \$ 1,773,606 | \$ (30,558) | \$ — | \$ 1,804,164 | \$ 1,919,034 | \$ 33,055 | \$ 1,885,979 | (7.6)% | (4.3)% | |

¹ Effect of the change in foreign currency exchange rates year-over-year. Calculated by applying prior period exchange rates to the current year financial results.

² The Company sold its U.S. Sheer Hosiery business on September 29, 2023.

TABLE 3

HANESBRANDS INC.
Supplemental Financial Information
By Business Segment
(in thousands)
(Unaudited)

| | Quarters Ended | | | Six Months Ended | | |
|--|--------------------|---------------------|-----------------|---------------------|---------------------|-----------------|
| | June 29, 2024 | July 1, 2023 | % Change | June 29, 2024 | July 1, 2023 | % Change |
| Segment net sales: | | | | | | |
| U.S. | \$ 740,154 | \$ 751,049 | (1.5)% | \$ 1,284,045 | \$ 1,350,933 | (5.0)% |
| International | 254,539 | 264,406 | (3.7) | 488,088 | 520,745 | (6.3) |
| Other | 700 | 19,549 | (96.4) | 1,473 | 47,356 | (96.9) |
| Total net sales | <u>\$ 995,393</u> | <u>\$ 1,035,004</u> | <u>(3.8)%</u> | <u>\$ 1,773,606</u> | <u>\$ 1,919,034</u> | <u>(7.6)%</u> |
| Segment operating profit: | | | | | | |
| U.S. | \$ 158,214 | \$ 125,154 | 26.4 % | \$ 256,477 | \$ 191,761 | 33.7 % |
| International | 30,542 | 21,701 | 40.7 | 51,040 | 44,245 | 15.4 |
| Other | (130) | (1,721) | (92.4) | 551 | (212) | (359.9) |
| General corporate expenses/other | (62,500) | (58,506) | 6.8 | (127,865) | (120,613) | 6.0 |
| Total operating profit before restructuring and other action-related charges | 126,126 | 86,628 | 45.6 | 180,203 | 115,181 | 56.5 |
| Restructuring and other action-related charges | (189,255) | (16,695) | 1,033.6 | (204,224) | (19,704) | 936.5 |
| Total operating profit (loss) | <u>\$ (63,129)</u> | <u>\$ 69,933</u> | <u>(190.3)%</u> | <u>\$ (24,021)</u> | <u>\$ 95,477</u> | <u>(125.2)%</u> |

| | Quarters Ended | | | Six Months Ended | | |
|--|------------------|-----------------|------------------------|------------------|-----------------|------------------------|
| | June 29, 2024 | July 1, 2023 | Basis Points Change | June 29, 2024 | July 1, 2023 | Basis Points Change |
| Segment operating margin: | | | | | | |
| U.S. | 21.4 % | 16.7 % | 471 | 20.0 % | 14.2 % | 578 |
| International | 12.0 | 8.2 | 379 | 10.5 | 8.5 | 196 |
| Other | (18.6) | (8.8) | (977) | 37.4 | (0.4) | 3,785 |
| General corporate expenses/other | (6.3) | (5.7) | (63) | (7.2) | (6.3) | (92) |
| Total operating margin before restructuring and other action-related charges | 12.7 | 8.4 | 430 | 10.2 | 6.0 | 416 |
| Restructuring and other action-related charges | (19.0) | (1.6) | (1,740) | (11.5) | (1.0) | (1,049) |
| Total operating margin | <u>(6.3)%</u> | <u>6.8 %</u> | <u>(1,310)</u> | <u>(1.4)%</u> | <u>5.0 %</u> | <u>(633)</u> |

TABLE 4

HANESBRANDS INC.
Condensed Consolidated Balance Sheets
(in thousands)
(Unaudited)

| | June 29, 2024 | December 30, 2023 | July 1, 2023 |
|--|------------------|----------------------|-----------------|
| Assets | | | |
| Cash and cash equivalents | \$ 213,767 | \$ 185,717 | \$ 173,415 |
| Trade accounts receivable, net | 483,951 | 451,052 | 558,165 |
| Inventories | 937,980 | 972,654 | 1,173,006 |
| Other current assets | 189,347 | 117,057 | 155,262 |
| Current assets held for sale | 460,863 | 549,735 | 831,849 |
| Total current assets | 2,285,908 | 2,276,215 | 2,891,697 |
| Property, net | 209,801 | 354,410 | 369,812 |
| Right-of-use assets | 240,219 | 281,898 | 297,820 |
| Trademarks and other identifiable intangibles, net | 936,294 | 959,851 | 955,786 |
| Goodwill | 658,736 | 664,805 | 658,864 |
| Deferred tax assets | 17,029 | 18,176 | 3,762 |
| Other noncurrent assets | 126,385 | 139,151 | 142,398 |
| Noncurrent assets held for sale | 905,472 | 945,808 | 958,892 |
| Total assets | \$ 5,379,844 | \$ 5,640,314 | \$ 6,279,031 |
| Liabilities | | | |
| Accounts payable | \$ 704,114 | \$ 580,285 | \$ 791,531 |
| Accrued liabilities | 512,717 | 421,805 | 399,696 |
| Lease liabilities | 65,136 | 70,490 | 67,731 |
| Accounts Receivable Securitization Facility | — | 6,000 | 149,000 |
| Current portion of long-term debt | 44,250 | 59,000 | 59,000 |
| Current liabilities held for sale | 240,263 | 252,988 | 261,130 |
| Total current liabilities | 1,566,480 | 1,390,568 | 1,728,088 |
| Long-term debt | 3,224,155 | 3,235,640 | 3,504,275 |
| Lease liabilities - noncurrent | 217,483 | 239,686 | 252,944 |
| Pension and postretirement benefits | 95,067 | 103,456 | 109,708 |
| Other noncurrent liabilities | 93,705 | 123,918 | 206,534 |
| Noncurrent liabilities held for sale | 118,551 | 127,693 | 129,522 |
| Total liabilities | 5,315,441 | 5,220,961 | 5,931,071 |
| Stockholders' equity | | | |
| Preferred stock | — | — | — |
| Common stock | 3,516 | 3,501 | 3,498 |
| Additional paid-in capital | 363,078 | 353,367 | 343,042 |
| Retained earnings | 217,400 | 554,796 | 515,595 |
| Accumulated other comprehensive loss | (519,591) | (492,311) | (514,175) |
| Total stockholders' equity | 64,403 | 419,353 | 347,960 |
| Total liabilities and stockholders' equity | \$ 5,379,844 | \$ 5,640,314 | \$ 6,279,031 |

TABLE 5

HANESBRANDS INC.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

| | Quarters Ended | | Six Months Ended | |
|--|---------------------------------|--------------------------------|---------------------------------|--------------------------------|
| | June 29, 2024 ⁽¹⁾ | July 1, 2023 ⁽¹⁾ | June 29, 2024 ⁽¹⁾ | July 1, 2023 ⁽¹⁾ |
| Operating Activities: | | | | |
| Net loss | \$ (298,380) | \$ (22,464) | \$ (337,502) | \$ (56,868) |
| Adjustments to reconcile net loss to net cash from operating activities: | | | | |
| Depreciation | 22,304 | 18,343 | 39,978 | 35,703 |
| Amortization of acquisition intangibles | 4,100 | 4,159 | 8,203 | 8,345 |
| Other amortization | 2,899 | 3,593 | 6,198 | 6,398 |
| Impairment of long-lived assets and goodwill | 76,604 | — | 76,604 | — |
| Inventory write-down charges | 117,663 | — | 117,663 | — |
| Loss on extinguishment of debt | — | — | — | 8,466 |
| Loss on classification of assets held for sale | 51,071 | 7,338 | 51,071 | 5,199 |
| Amortization of debt issuance costs and debt discount | 2,561 | 2,266 | 5,105 | 4,239 |
| Other | 16,103 | 6,635 | 13,722 | 11,837 |
| Changes in assets and liabilities: | | | | |
| Accounts receivable | (51,193) | (4,972) | (54,487) | 46,671 |
| Inventories | 17,529 | 125,095 | (41,850) | 132,956 |
| Other assets | 7,088 | (25,856) | (466) | (36,617) |
| Accounts payable | 30,964 | (4,142) | 134,029 | 39,029 |
| Accrued pension and postretirement benefits | 80 | 1,461 | 261 | 2,940 |
| Accrued liabilities and other | 79,033 | (23,760) | 86,068 | (76,065) |
| Net cash from operating activities | 78,426 | 87,696 | 104,597 | 132,233 |
| Investing Activities: | | | | |
| Capital expenditures | (7,834) | (9,326) | (28,091) | (33,570) |
| Other | 3,625 | 103 | 3,653 | 19,047 |
| Net cash from investing activities | (4,209) | (9,223) | (24,438) | (14,523) |
| Financing Activities: | | | | |
| Borrowings on Term Loan Facilities | — | — | — | 891,000 |
| Repayments on Term Loan Facilities | (14,750) | (8,500) | (29,500) | (14,750) |
| Borrowings on Accounts Receivable Securitization Facility | 467,000 | 463,000 | 980,500 | 1,051,000 |
| Repayments on Accounts Receivable Securitization Facility | (484,500) | (480,000) | (986,500) | (1,111,500) |
| Borrowings on Revolving Loan Facilities | 293,000 | 556,000 | 609,000 | 977,500 |
| Repayments on Revolving Loan Facilities | (293,000) | (627,500) | (609,000) | (1,088,500) |
| Borrowings on Senior Notes | — | — | — | 600,000 |
| Repayments on Senior Notes | — | — | — | (1,436,884) |
| Payments to amend and refinance credit facilities | (501) | (864) | (679) | (28,235) |
| Other | 214 | (1,117) | (3,817) | (2,792) |
| Net cash from financing activities | (32,537) | (98,981) | (39,996) | (163,161) |
| Effect of changes in foreign exchange rates on cash | (195) | (869) | (12,963) | (1,130) |
| Change in cash and cash equivalents | 41,485 | (21,377) | 27,200 | (46,581) |
| Cash and cash equivalents at beginning of period | 191,216 | 213,209 | 205,501 | 238,413 |
| Cash and cash equivalents at end of period | \$ 232,701 | \$ 191,832 | \$ 232,701 | \$ 191,832 |
| Balances included in the Condensed Consolidated Balance Sheets: | | | | |
| Cash and cash equivalents | \$ 213,767 | \$ 173,415 | \$ 213,767 | \$ 173,415 |
| Cash and cash equivalents included in current assets held for sale | 18,934 | 18,417 | 18,934 | 18,417 |
| Cash and cash equivalents at end of period | \$ 232,701 | \$ 191,832 | \$ 232,701 | \$ 191,832 |

¹ The cash flows related to discontinued operations have not been segregated and remain included in the major classes of assets and liabilities. Accordingly, the Condensed Consolidated Statements of Cash Flows include the results of continuing and discontinued operations.

TABLE 6-A

HANESBRANDS INC.
Supplemental Financial Information
Reconciliation of Select GAAP Measures to Non-GAAP Measures
(in thousands, except per share data)
(Unaudited)

The following tables present a reconciliation of results from continuing operations as reported under GAAP to the results from continuing operations as adjusted for the quarter and six months ended June 29, 2024 and a comparison to prior year. The Company has chosen to present the following non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating continuing operations absent the effect of restructuring and other actions that are deemed to be material stand-alone initiatives apart from the Company's core operations. While these costs are not expected to continue for any individual transaction on an ongoing basis, similar types of costs, expenses and charges have occurred in prior periods and may recur in future periods depending upon future business plans and circumstances.

Restructuring and other action-related charges in 2024 and 2023 include the following:

| | |
|---|--|
| Supply chain restructuring and consolidation | In 2024, represents charges as a result of the pending sale of the global <i>Champion</i> business and the completed exit of the U.S.-based outlet store business in July 2024 related to significant restructuring and consolidation efforts within the Company's supply chain network, both manufacturing and distribution, to align the Company's network to its continuing operations to drive stronger operating performance and margin expansion. In 2023, represents charges related to supply chain segmentation to restructure and position the Company's distribution and manufacturing network to align with its demand trends, simplify operations and improve efficiencies. |
| Corporate asset impairment charges | Primarily represents charges related to a contract terminated in the second quarter of 2024 and impairment of the Company's headquarters location that was classified as held for sale in the second quarter of 2024. |
| Headcount actions and related severance | Represents charges related to operating model initiatives primarily headcount actions and related severance charges and adjustments related to restructuring activities. |
| Professional services | Represents professional fees, primarily including consulting and advisory services, related to restructuring activities. |
| Technology | Represents technology charges related to the implementation of the Company's technology modernization initiative which includes a global enterprise resource planning platform. |
| Gain/loss on classification of assets held for sale | Represents the gain/loss to adjust the valuation allowance related to the U.S. Sheer Hosiery business, prior to the sale on September 29, 2023, primarily from the changes in carrying value due to changes in working capital. |
| Loss on extinguishment of debt | Represents charges related to the redemption of the Company's 4.625% Senior Notes and 3.5% Senior Notes in the first quarter of 2023. |
| Gain on final settlement of cross currency swap contracts | Primarily represents the remaining gain related to cross-currency swap contracts previously designated as cash flow hedges in accumulated other comprehensive loss which was released into earnings as the Company unwound the cross-currency swap contracts in connection with the redemption of the 3.5% Senior Notes at the time of settlement in the first quarter of 2023. |
| Tax effect on actions | Represents the applicable effective tax rate on the restructuring and other action-related charges based on the jurisdiction of where the charges were incurred. |

| | Quarters Ended | | Six Months Ended | |
|--|-------------------|-------------------|-------------------|-------------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Gross profit, as reported under GAAP | \$ 307,073 | \$ 356,793 | \$ 616,388 | \$ 639,172 |
| As a % of net sales | 30.8 % | 34.5 % | 34.8 % | 33.3 % |
| Restructuring and other action-related charges: | | | | |
| Supply chain restructuring and consolidation | 78,226 | 236 | 78,393 | 1,752 |
| Corporate asset impairment charges | 10,395 | — | 10,395 | — |
| Headcount actions and related severance | — | — | 36 | — |
| Gross profit, as adjusted | <u>\$ 395,694</u> | <u>\$ 357,029</u> | <u>\$ 705,212</u> | <u>\$ 640,924</u> |
| As a % of net sales | <u>39.8 %</u> | <u>34.5 %</u> | <u>39.8 %</u> | <u>33.4 %</u> |

| | Quarters Ended | | Six Months Ended | |
|---|----------------|--------------|------------------|--------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Selling, general and administrative expenses, as reported under GAAP | \$ 370,202 | \$ 286,860 | \$ 640,409 | \$ 543,695 |
| As a % of net sales | 37.2 % | 27.7 % | 36.1 % | 28.3 % |
| Restructuring and other action-related charges: | | | | |
| Supply chain restructuring and consolidation | (78,581) | — | (80,521) | — |
| Corporate asset impairment charges | (9,712) | — | (9,712) | — |
| Headcount actions and related severance | (6,911) | (2,760) | (19,062) | (1,889) |
| Professional services | (3,544) | (3,608) | (4,034) | (3,648) |
| Technology | (218) | (2,881) | (399) | (7,102) |
| Loss on classification of assets held for sale | — | (7,338) | — | (5,199) |
| Other | (1,668) | 128 | (1,672) | (114) |
| Selling, general and administrative expenses, as adjusted | \$ 269,568 | \$ 270,401 | \$ 525,009 | \$ 525,743 |
| As a % of net sales | 27.1 % | 26.1 % | 29.6 % | 27.4 % |

| | Quarters Ended | | Six Months Ended | |
|--|----------------|--------------|------------------|--------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Operating profit (loss), as reported under GAAP | \$ (63,129) | \$ 69,933 | \$ (24,021) | \$ 95,477 |
| As a % of net sales | (6.3)% | 6.8 % | (1.4)% | 5.0 % |
| Restructuring and other action-related charges: | | | | |
| Supply chain restructuring and consolidation | 156,807 | 236 | 158,914 | 1,752 |
| Corporate asset impairment charges | 20,107 | — | 20,107 | — |
| Headcount actions and related severance | 6,911 | 2,760 | 19,098 | 1,889 |
| Professional services | 3,544 | 3,608 | 4,034 | 3,648 |
| Technology | 218 | 2,881 | 399 | 7,102 |
| Loss on classification of assets held for sale | — | 7,338 | — | 5,199 |
| Other | 1,668 | (128) | 1,672 | 114 |
| Operating profit, as adjusted | \$ 126,126 | \$ 86,628 | \$ 180,203 | \$ 115,181 |
| As a % of net sales | 12.7 % | 8.4 % | 10.2 % | 6.0 % |

| | Quarters Ended | | Six Months Ended | |
|---|----------------|--------------|------------------|--------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Interest expense, net and other expenses, as reported under GAAP | \$ 61,084 | \$ 65,957 | \$ 120,919 | \$ 125,915 |
| Restructuring and other action-related charges: | | | | |
| Loss on extinguishment of debt | — | — | — | (8,466) |
| Gain on final settlement of cross currency swaps | — | — | — | 1,370 |
| Interest expense, net and other expenses, as adjusted | \$ 61,084 | \$ 65,957 | \$ 120,919 | \$ 118,819 |

| | Quarters Ended | | Six Months Ended | |
|---|----------------|--------------|------------------|--------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Income (loss) from continuing operations before income taxes, as reported under GAAP | \$ (124,213) | \$ 3,976 | \$ (144,940) | \$ (30,438) |
| Restructuring and other action-related charges: | | | | |
| Supply chain restructuring and consolidation | 156,807 | 236 | 158,914 | 1,752 |
| Corporate asset impairment charges | 20,107 | — | 20,107 | — |
| Headcount actions and related severance | 6,911 | 2,760 | 19,098 | 1,889 |
| Professional services | 3,544 | 3,608 | 4,034 | 3,648 |
| Technology | 218 | 2,881 | 399 | 7,102 |
| Loss on classification of assets held for sale | — | 7,338 | — | 5,199 |
| Other | 1,668 | (128) | 1,672 | 114 |
| Loss on extinguishment of debt | — | — | — | 8,466 |
| Gain on final settlement of cross currency swaps | — | — | — | (1,370) |
| Income (loss) from continuing operations before income taxes, as adjusted | \$ 65,042 | \$ 20,671 | \$ 59,284 | \$ (3,638) |

| | Quarters Ended | | Six Months Ended | |
|--|------------------|-----------------|------------------|-----------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Loss from continuing operations, as reported under GAAP | \$ (136,545) | \$ (8,850) | \$ (167,155) | \$ (59,444) |
| Restructuring and other action-related charges: | | | | |
| Supply chain restructuring and consolidation | 156,807 | 236 | 158,914 | 1,752 |
| Corporate asset impairment charges | 20,107 | — | 20,107 | — |
| Headcount actions and related severance | 6,911 | 2,760 | 19,098 | 1,889 |
| Professional services | 3,544 | 3,608 | 4,034 | 3,648 |
| Technology | 218 | 2,881 | 399 | 7,102 |
| Loss on classification of assets held for sale | — | 7,338 | — | 5,199 |
| Other | 1,668 | (128) | 1,672 | 114 |
| Loss on extinguishment of debt | — | — | — | 8,466 |
| Gain on final settlement of cross currency swaps | — | — | — | (1,370) |
| Tax effect on actions | — | — | — | — |
| Income (loss) from continuing operations, as adjusted | \$ 52,710 | \$ 7,845 | \$ 37,069 | \$ (32,644) |

| | Quarters Ended ¹ | | Six Months Ended ¹ | |
|--|-----------------------------|-----------------|-------------------------------|-----------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Diluted loss per share from continuing operations, as reported under GAAP | \$ (0.39) | \$ (0.03) | \$ (0.48) | \$ (0.17) |
| Restructuring and other action-related charges: | | | | |
| Supply chain restructuring and consolidation | 0.44 | 0.00 | 0.45 | 0.00 |
| Corporate asset impairment charges | 0.06 | — | 0.06 | — |
| Headcount actions and related severance | 0.02 | 0.01 | 0.05 | 0.01 |
| Professional services | 0.01 | 0.01 | 0.01 | 0.01 |
| Technology | 0.00 | 0.01 | 0.00 | 0.02 |
| Loss on classification of assets held for sale | — | 0.02 | — | 0.01 |
| Other | 0.00 | 0.00 | 0.00 | 0.00 |
| Loss on extinguishment of debt | — | — | — | 0.02 |
| Gain on final settlement of cross currency swaps | — | — | — | 0.00 |
| Tax effect on actions | — | — | — | — |
| Diluted earnings (loss) per share from continuing operations, as adjusted | \$ 0.15 | \$ 0.02 | \$ 0.11 | \$ (0.09) |

¹ Amounts may not be additive due to rounding.

TABLE 6-B

HANESBRANDS INC.
Supplemental Financial Information
Reconciliation of Select GAAP Measures to Non-GAAP Measures
(in thousands, except per share data)
(Unaudited)

| | Last Twelve Months | |
|--|--------------------|-----------------|
| | June 29, 2024 | July 1, 2023 |
| Leverage Ratio: | | |
| EBITDA ¹ : | | |
| Loss from continuing operations | \$ (71,942) | \$ (512,826) |
| Interest expense, net | 211,260 | 177,737 |
| Income tax expense (benefit) | (20,701) | 477,435 |
| Depreciation and amortization | 84,793 | 80,044 |
| Total EBITDA | 203,410 | 222,390 |
| Total restructuring and other action-related charges (excluding tax effect on actions) ² | 207,319 | 70,311 |
| Other net losses, charges and expenses ³ | 96,060 | 118,533 |
| Total EBITDA from discontinued operations, as adjusted ⁴ | 165,532 | 223,822 |
| Total EBITDA, as adjusted | \$ 672,321 | \$ 635,056 |
| Net debt: | | |
| Debt (current and long-term debt and Accounts Receivable Securitization Facility excluding long-term debt issuance costs and debt discount of \$32,845 and \$38,475, respectively) | \$ 3,301,250 | \$ 3,750,750 |
| (Less) debt related to an unrestricted subsidiary ⁵ | — | — |
| Other debt and cash adjustments ⁶ | 3,957 | 3,587 |
| (Less) Cash and cash equivalents of continuing operations | (213,767) | (173,415) |
| (Less) Cash and cash equivalents of discontinued operations | (18,934) | (18,417) |
| Net debt | \$ 3,072,506 | \$ 3,562,505 |
| Debt/Loss from continuing operations ⁷ | (45.9) | (7.3) |
| Net debt/EBITDA, as adjusted ⁸ | 4.6 | 5.6 |

¹ Earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP financial measure.

² The last twelve months ended June 29, 2024 includes \$158 million of supply chain restructuring and consolidation charges, \$22 million of headcount actions and related severance charges, \$20 million of corporate asset impairment charges, \$4 million of professional services, \$2 million of technology charges, \$3 million related to other restructuring and other action-related charges and \$(2) million of a gain on the sale of business and classification of assets held for sale. The last twelve months ended July 1, 2023 includes \$15 million of supply chain restructuring and consolidation charges, \$13 million of a loss on classification of assets held for sale, \$12 million of professional services, \$12 million of technology charges, \$10 million of headcount actions and related severance charges, \$8 million of a loss on extinguishment of debt, \$1 million related to other restructuring and other action-related charges and \$(1) million of a gain on the final settlement of cross currency swap contracts. The items included in restructuring and other action-related charges are described in more detail in Table 6-A.

³ Represents other net losses, charges and expenses that can be excluded from the Company's leverage ratio as defined under its Fifth Amended and Restated Credit Agreement, dated November 19, 2021, as amended. The last twelve months ended June 29, 2024, primarily includes \$50 million of excess and obsolete inventory write-offs, \$18 million in other compensation related items primarily stock compensation expense, \$16 million of pension non-cash expense, \$13 million in charges related to sales incentive amortization, \$11 million of non-cash cloud computing expense, \$(3) million of recovery of bad debt expense, \$(2) million of net unrealized gains due to hedging activities and a \$(7) million adjustment for interest expense on debt and amortization of debt issuance costs related to an unrestricted subsidiary. The last twelve months ended July 1, 2023, primarily includes \$32 million of excess and obsolete inventory write-offs, \$20 million in other compensation related items primarily stock compensation expense, \$20 million in charges related to the ransomware attack and extraordinary events, \$19 million of pension non-cash expense, \$12 million in charges related to sales incentive amortization, \$6 million of bad debt expense, \$5 million in charges related to unrealized losses due to hedging and \$5 million of non-cash cloud computing expense.

⁴ Represents Total EBITDA from discontinued operations, as adjusted for all items that can be excluded from the Company's leverage ratio as defined under its Fifth Amended and Restated Credit Agreement, dated November 19, 2021, as amended.

⁵ Represents amounts outstanding under an existing accounts receivable securitization facility entered into by an unrestricted subsidiary of the Company.

⁶ Includes drawn and undrawn letters of credit, financing leases and cash balances in certain geographies.

⁷ Represents Debt divided by Loss from continuing operations, which is the most comparable GAAP financial measure to Net debt/EBITDA, as adjusted.

⁸ Represents the Company's leverage ratio defined as Consolidated Net Total Leverage Ratio under its Fifth Amended and Restated Credit Agreement, dated November 19, 2021, as amended, which excludes other net losses, charges and expenses in addition to restructuring and other action-related charges.

| | Quarters Ended | | Six Months Ended | |
|------------------------------------|------------------|-----------------|------------------|-----------------|
| | June 29, 2024 | July 1, 2023 | June 29, 2024 | July 1, 2023 |
| Free cash flow ¹ : | | | | |
| Net cash from operating activities | \$ 78,426 | \$ 87,696 | \$ 104,597 | \$ 132,233 |
| Capital expenditures | (7,834) | (9,326) | (28,091) | (33,570) |
| Free cash flow | \$ 70,592 | \$ 78,370 | \$ 76,506 | \$ 98,663 |

¹ Free cash flow includes the results from continuing and discontinued operations for all periods presented.

TABLE 7

HANESBRANDS INC.
Supplemental Financial Information
Reconciliation of GAAP Outlook to Adjusted Outlook
(in thousands, except per share data)
(Unaudited)

| | Quarter Ended | Year Ended |
|---|------------------------|------------------------|
| | September 28, | December 28, |
| | 2024 | 2024 |
| Operating profit outlook, as calculated under GAAP | \$85,000 to \$100,000 | \$151,000 to \$171,000 |
| Restructuring and other action-related charges outlook | 20,000 | 244,000 |
| Operating profit outlook, as adjusted | \$105,000 to \$120,000 | \$395,000 to \$415,000 |
| Interest expense, net outlook, as calculated under GAAP | \$50,000 | \$210,000 |
| Restructuring and other action-related charges outlook | — | 10,000 |
| Interest expense, net outlook, as adjusted | \$50,000 | \$200,000 |
| Diluted earnings (loss) per share from continuing operations outlook, as calculated under GAAP ¹ | \$0.03 to \$0.08 | \$(0.41) to \$(0.35) |
| Restructuring and other action-related charges outlook | 0.06 | 0.72 |
| Diluted earnings per share from continuing operations outlook, as adjusted | \$0.09 to \$0.14 | \$0.31 to \$0.37 |
| Cash flow from operations outlook, as calculated under GAAP | | \$200,000 |
| Capital expenditures outlook | | 40,000 |
| Free cash flow outlook | | \$160,000 |

¹ The Company expects approximately 354 million diluted weighted average shares outstanding for the quarter ended September 28, 2024 and approximately 353 million diluted weighted average shares outstanding for the year ended December 28, 2024.

The Company is unable to reconcile projections of financial performance beyond 2024 without unreasonable efforts, because the Company cannot predict, with a reasonable degree of certainty, the type and extent of certain items that would be expected to impact these figures in 2024 and beyond, such as net sales, operating profit, tax rates and action related charges.

Hanesbrands FAQs**Updated August 8, 2024 – New or updated information is in red****General and Current Period FAQs (Guidance comments as of August 8, 2024)**

(1) Q: What are the main components of your full-year 2024 guidance?

A: *Net Sales: We expect total net sales from continuing operations of approximately \$3.59 billion to \$3.63 billion. This includes an approximate \$50 million headwind from last year's U.S. Sheer Hosiery divestiture and an approximate \$40 million headwind from the impact of foreign exchange rates as compared to last year. The foreign exchange rate impact is reflected within the International segment. At the midpoint, our guidance represents a net sales decrease as compared to prior year of approximately 4% on a reported basis and approximately 2% on an organic constant currency basis.*

GAAP and Adjusted Operating Profit: Our guidance for GAAP Operating Profit from continuing operations is approximately \$151 million to \$171 million. Our guidance for Adjusted Operating Profit from continuing operations is approximately \$395 million to \$415 million, which excludes pretax charges for restructuring and other-related actions of approximately \$244 million. Our operating profit guidance includes an approximate \$9 million headwind from the impact of foreign exchange rates as compared to last year.

GAAP and Adjusted Interest/Other Expenses and Tax Expense: Our guidance assumes GAAP Interest expense of approximately \$210 million and Adjusted Interest expense of approximately \$200 million, which excludes accelerated amortization of approximately \$10 million. Both GAAP and Adjusted interest expense reflect the pay down of debt from the use of net proceeds from the announced Champion sale and internal cash generation. Our guidance assumes GAAP and Adjusted Other expenses of approximately \$40 million. Our guidance assumes GAAP and Adjusted Tax expense of approximately \$45 million.

GAAP and Adjusted EPS: Our guidance for GAAP EPS from continuing operations is a loss of approximately \$(0.41) to \$(0.35). Our guidance for Adjusted EPS from continuing operations is approximately \$0.31 to \$0.37. Adjusted EPS from continuing operations excludes approximately \$244 million of pretax charges for restructuring and other-related actions and approximately \$10 million for accelerated amortization. Both ranges are based on diluted shares outstanding of approximately 353 million for the year.

Cash flow from operations: Our full-year guidance for cash flow from operations is approximately \$200 million. Our full-year capital investment guidance is approximately \$50 million, consisting of approximately \$40 million of capital expenditures and approximately \$10 million of cloud computing arrangements. Per GAAP, capital expenditures are reflected in cash from investing activities and certain cloud computing arrangements are reflected in Other Assets within cash flow from operating activities. The approximate \$10 million of cloud computing arrangements is factored into the full-year cash flow from operations guidance of approximately \$200 million.

Free Cash Flow: Our guidance for Free Cash Flow is approximately \$160 million. We define Free Cash Flow as cash flow from operations less capital expenditures.

(2) Q: What are the main components of your third-quarter 2024 guidance?

A: *Net Sales: We expect total net sales from continuing operations of approximately \$920 million to \$950 million. This includes an approximate \$17 million headwind from last year's U.S. Sheer Hosiery divestiture and an approximate \$4 million headwind from the impact of foreign exchange rates as compared to last year. The foreign exchange rate impact is reflected within the International segment. At the midpoint, our guidance represents a net sales decrease as compared to prior year of approximately 3% on a reported basis and a decrease of approximately 1% on an organic constant currency basis.*

GAAP and Adjusted Operating Profit: Our guidance for GAAP Operating Profit from continuing operations is approximately \$85 million to \$100 million. Our guidance for Adjusted Operating Profit from continuing operations is approximately \$105 million to \$120 million, which excludes pretax charges for restructuring and other-related actions of approximately \$20 million. Our operating profit guidance includes an approximate \$1 million headwind from the impact of foreign exchange rates as compared to last year.

GAAP and Adjusted Interest/Other Expenses and Tax Expense: Our guidance assumes GAAP and Adjusted Interest expense of approximately \$50 million and GAAP and Adjusted Other expenses of approximately \$10 million. Our guidance assumes GAAP and Adjusted Tax expense of approximately \$12 million.

GAAP and Adjusted EPS: Our guidance for GAAP EPS from continuing operations is approximately \$0.03 to \$0.08. Our guidance for Adjusted EPS from continuing operations is approximately \$0.09 to \$0.14. Adjusted EPS from continuing operations excludes approximately \$20 million of pretax charges for restructuring and other-related actions. Both ranges are based on diluted shares outstanding of approximately 354 million for the quarter.

(3) Q: Can you size the U.S. Sheer Hosiery business that was divested?

A: *We closed the sale of the U.S. Sheer Hosiery business on September 29, 2023. For the full year 2023, the U.S. Sheer Hosiery business generated \$50 million of net sales and an operating loss of \$(2) million. For first-quarter 2023, the U.S. Sheer Hosiery business generated \$20 million of net sales and \$1 million of operating profit. For second-quarter 2023, the U.S. Sheer Hosiery business generated \$13.5 million of net sales and an operating loss of \$(1.5) million. For the third-quarter 2023, the U.S. Sheer Hosiery business generated \$17 million of net sales and an operating loss of less than \$(1) million.*

For prior FAQs that are applicable to their respective quarters, please see our prior Securities and Exchange Commission reports, including our Current Reports on Form 8-K.

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Charges for Actions and Reconciliation to GAAP Measures

To supplement financial results prepared in accordance with generally accepted accounting principles, the Company provides quarterly and full-year results concerning certain non-GAAP financial measures, including adjusted diluted earnings (loss) per share from continuing operations, adjusted income (loss) from continuing operations, adjusted income tax expense, adjusted income (loss) from continuing operations before income taxes, adjusted operating profit (and margin), adjusted SG&A, adjusted gross profit (and margin), EBITDA, adjusted EBITDA, adjusted effective tax rate, adjusted interest expense and adjusted other expenses, net debt, leverage ratio and free cash flow.

Adjusted EPS is defined as diluted earnings (loss) per share from continuing operations excluding actions and the tax effect on actions. Adjusted income (loss) from continuing operations is defined as income (loss) from continuing operation excluding actions and the tax effect on actions. Adjusted income tax expense is defined as income tax expense excluding actions. Adjusted income (loss) from continuing operations before income taxes is defined as income (loss) from continuing operations before income tax excluding actions. Adjusted operating profit is defined as operating profit excluding actions. Adjusted SG&A is defined as selling, general and administrative expenses excluding actions. Adjusted gross profit is defined as gross profit excluding actions. Adjusted interest is defined as interest expense excluding actions. Adjusted other expenses is defined as other expenses excluding actions and adjusted effective tax rate is defined as adjusted income tax expense divided by adjusted income (loss) from continuing operations before income tax.

Charges for actions taken in 2024 and 2023, as applicable, include the supply chain restructuring and consolidation, corporate asset impairment, headcount actions and related severance charges, professional services, technology charges, gain/loss on classification of assets held for sale, loss on extinguishment of debt, gain on final settlement of cross currency swap contracts and the tax effects thereof.

While these costs are not expected to continue for any singular transaction on an ongoing basis, similar types of costs, expenses and charges have occurred in prior periods and may recur in future periods depending upon future business plans and circumstances.

HanesBrands has chosen to present these non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating operations absent the effect of our supply chain restructuring and consolidation and other actions that are deemed to be material stand-alone initiatives apart from the Company's core operations. HanesBrands believes these non-GAAP measures provide management and investors with valuable supplemental information for analyzing the operating performance of the Company's ongoing business during each period presented without giving effect to costs associated with the execution of any of the aforementioned actions taken.

The Company has also chosen to present EBITDA and adjusted EBITDA to investors because it considers these measures to be an important supplemental means of evaluating operating performance. EBITDA is defined as net income (loss) before the impacts of discontinued operations, interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding (x) restructuring charges related to our supply chain restructuring and consolidation, and other action-related charges described in more detail in Table 6-A and (y) certain other losses, charges and expenses as defined in the Consolidated Net Total Leverage Ratio under its Fifth Amended and Restated Credit Agreement, dated November 19, 2021, as amended (the "Credit Agreement") described in more detail in Table 6-B. HanesBrands believes that EBITDA and adjusted EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the industry, and management uses EBITDA and adjusted

EBITDA for planning purposes in connection with setting its capital allocation strategy. EBITDA and adjusted EBITDA should not, however, be considered as measures of discretionary cash available to invest in the growth of the business.

Net debt is defined as the total of current debt, long-term debt, and borrowings under the accounts receivable securitization facility (excluding long-term debt issuance costs and debt discount and borrowings of unrestricted subsidiaries under the accounts receivable securitization facility) less (x) other debt and cash adjustments and (y) cash and cash equivalents. Leverage ratio is the ratio of net debt to adjusted EBITDA as it is defined in our Credit Agreement. The Company defines free cash flow as net cash from operating activities less capital expenditures. Management believes that free cash flow, which measures our ability to generate additional cash from our business operations, is an important financial measure for use in evaluating the Company's financial performance. The Company defines organic net sales as net sales excluding those derived from businesses acquired or divested within the previous 12 months of the reporting date.

HanesBrands is a global company that reports financial information in U.S. dollars in accordance with GAAP. As a supplement to the Company's reported operating results, HanesBrands also presents constant-currency financial information, which is a non-GAAP financial measure that excludes the impact of translating foreign currencies into U.S. dollars. The Company uses constant currency information to provide a framework to assess how the business performed excluding the effects of changes in the rates used to calculate foreign currency translation. To calculate foreign currency translation on a constant currency basis, operating results for the current-year period for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the average exchange rates in effect during the comparable period of the prior year (rather than the actual exchange rates in effect during the current year period).

HanesBrands believes constant currency information is useful to management and investors to facilitate comparison of operating results and better identify trends in the Company's businesses. The Company defines organic constant currency sales as net sales excluding those derived from businesses acquired or divested within the previous 12 months of the reporting date and also excluding the impact of translating foreign currencies into U.S. dollars as discussed above.

Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as an alternative to, or substitute for, financial results prepared in accordance with GAAP. Further, the non-GAAP measures presented may be different from non-GAAP measures with similar or identical names presented by other companies. See the Company's press release dated August 8, 2024, to reconcile quarterly non-GAAP performance measures to the most directly comparable GAAP financial measures. A copy of the press release is available at www.Hanes.com/Investors.

Cautionary Statement Concerning Forward-Looking Statements

These FAQs contain certain information that may constitute forward-looking statements, as defined under U.S. federal securities laws. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can generally be identified by the use of words such as "may," "believe," "could," "will," "expect," "outlook," "potential," "project," "estimate," "future," "intend," "anticipate," "plan," "continue" or similar expressions. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements with respect to our intent, belief and current expectations about our strategic direction, prospects and future results are forward-looking statements and are subject to risks and uncertainties that could cause actual results to

differ materially from those implied or expressed by such statements. These risks and uncertainties include, but are not limited to, with respect to the pending sale of the global *Champion* business, whether and when the required regulatory approvals will be obtained, whether and when the closing conditions will be satisfied, and whether and when the pending sale will close, if at all; our ability to execute, and realize benefits, successfully, or at all, from the pending sale of the global *Champion* business; our ability to successfully implement our strategic plans, including our supply chain restructuring and consolidation and other cost savings initiatives; trends associated with our business; the rapidly changing retail environment and the level of consumer demand; the effects of any geopolitical conflicts (including the ongoing Russia-Ukraine conflict and Middle East conflicts) or public health emergencies or severe global health crises, including effects on consumer spending, global supply chains, critical supply routes and the financial markets; our ability to deleverage on the anticipated time frame or at all, which could negatively impact our ability to satisfy the financial covenants in our Credit Agreement or other contractual arrangements; any inadequacy, interruption, integration failure or security failure with respect to our information technology; future intangible assets or goodwill impairment due to changes in our business, market conditions, or other factors, including significant fluctuations in foreign exchange rates; legal, regulatory, political and economic risks related to our international operations; our ability to effectively manage our complex international tax structure; our future financial performance; and other risks identified from time to time in our most recent Securities and Exchange Commission reports, including our annual report on Form 10-K and quarterly reports on Form 10-Q. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. Any forward-looking statement speaks only as of the date on which such statement is made, and HanesBrands undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, other than as required by law.

Supplemental Information

Historical Financial Results

**Revised to Present the Global *Champion* and U.S.-Based
Outlet Store Businesses as Discontinued Operations**

1st Quarter of 2022 - 1st Quarter of 2024

August 8, 2024

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In the second quarter of 2024, the Company reached the decision to exit the global *Champion* and U.S.-based outlet store businesses and began to separately report the results of the global *Champion* and U.S.-based outlet store businesses as discontinued operations. The historical financial information included herein for 2022, 2023 and the first quarter of 2024 has been revised to present the results of the global *Champion* and U.S.-based outlet store businesses as discontinued operations for all periods presented.

In addition, the Company realigned its reportable segments in the second quarter of 2024 and has applied this change to all periods presented. The Company's operations are now managed and reported in two operating segments, each of which is a reportable segment for financial reporting purposes: U.S. and International. Other consists of the Company's U.S. Sheer Hosiery business which was sold on September 29, 2023 and certain sales from its supply chain to the European Innerwear business which was sold on March 5, 2022.

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TABLE 1-A - As reported under GAAP

HANESBRANDS INC.
Condensed Consolidated Statements of Operations - As REPORTED
Revised to Present the Global *Champion* and U.S.-Based Outlet Store Businesses as Discontinued Operations
(in thousands, except per share data)
(Unaudited)

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|--|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Net sales | \$993,063 | \$ 1,063,529 | \$ 997,335 | \$ 933,965 | \$ 3,987,892 | \$ 884,030 | \$ 1,035,004 | \$ 961,294 | \$ 879,026 | \$ 3,759,354 | \$ 778,213 |
| Cost of sales | 634,652 | 672,437 | 660,108 | 619,400 | 2,586,597 | 601,651 | 678,211 | 611,513 | 523,845 | 2,415,220 | 468,898 |
| Gross profit | 358,411 | 391,092 | 337,227 | 314,565 | 1,401,295 | 282,379 | 356,793 | 349,781 | 355,181 | 1,344,134 | 309,315 |
| As a % of net sales | 36.1 % | 36.8 % | 33.8 % | 33.7 % | 35.1 % | 31.9 % | 34.5 % | 36.4 % | 40.4 % | 35.8 % | 39.7 % |
| Selling, general and administrative expenses | 268,009 | 281,378 | 278,663 | 297,830 | 1,125,880 | 256,835 | 286,860 | 268,751 | 257,210 | 1,069,656 | 270,207 |
| As a % of net sales | 27.0 % | 26.5 % | 27.9 % | 31.9 % | 28.2 % | 29.1 % | 27.7 % | 28.0 % | 29.3 % | 28.5 % | 34.7 % |
| Operating profit | 90,402 | 109,714 | 58,564 | 16,735 | 275,415 | 25,544 | 69,933 | 81,030 | 97,971 | 274,478 | 39,108 |
| As a % of net sales | 9.1 % | 10.3 % | 5.9 % | 1.8 % | 6.9 % | 2.9 % | 6.8 % | 8.4 % | 11.1 % | 7.3 % | 5.0 % |
| Other expenses | 934 | 1,851 | 2,907 | 3,546 | 9,238 | 14,738 | 7,239 | 9,079 | 7,270 | 38,326 | 9,229 |
| Interest expense, net | 28,737 | 29,194 | 34,438 | 39,361 | 131,730 | 45,220 | 58,718 | 56,648 | 53,707 | 214,293 | 50,606 |
| Income (loss) from continuing operations before income taxes | 60,731 | 78,669 | 21,219 | (26,172) | 134,447 | (34,414) | 3,976 | 15,303 | 36,994 | 21,859 | (20,727) |
| Income tax expense (benefit) | (2,509) | 1,862 | 3 | 448,426 | 447,782 | 16,180 | 12,826 | 21,280 | (64,196) | (13,910) | 9,883 |
| Income (loss) from continuing operations | 63,240 | 76,807 | 21,216 | (474,598) | (313,335) | (50,594) | (8,850) | (5,977) | 101,190 | 35,769 | (30,610) |
| Income (loss) from discontinued operations, net of tax | 55,462 | 15,294 | 58,885 | 56,490 | 186,131 | 16,190 | (13,614) | (32,822) | (23,249) | (53,495) | (8,512) |
| Net income (loss) | \$ 118,702 | \$ 92,101 | \$ 80,101 | \$ (418,108) | \$ (127,204) | \$ (34,404) | \$ (22,464) | \$ (38,799) | \$ 77,941 | \$ (17,726) | \$ (39,122) |
| Earnings (loss) per share - basic: | | | | | | | | | | | |
| Continuing operations | \$ 0.18 | \$ 0.22 | \$ 0.06 | \$ (1.36) | \$ (0.90) | \$ (0.14) | \$ (0.03) | \$ (0.02) | \$ 0.29 | \$ 0.10 | \$ (0.09) |
| Discontinued operations | 0.16 | 0.04 | 0.17 | 0.16 | 0.53 | 0.05 | (0.04) | (0.09) | (0.07) | (0.15) | (0.02) |
| Net income (loss) | \$ 0.34 | \$ 0.26 | \$ 0.23 | \$ (1.19) | \$ (0.36) | \$ (0.10) | \$ (0.06) | \$ (0.11) | \$ 0.22 | \$ (0.05) | \$ (0.11) |
| Earnings (loss) per share - diluted: | | | | | | | | | | | |
| Continuing operations | \$ 0.18 | \$ 0.22 | \$ 0.06 | \$ (1.36) | \$ (0.90) | \$ (0.14) | \$ (0.03) | \$ (0.02) | \$ 0.29 | \$ 0.10 | \$ (0.09) |
| Discontinued operations | 0.16 | 0.04 | 0.17 | 0.16 | 0.53 | 0.05 | (0.04) | (0.09) | (0.07) | (0.15) | (0.02) |
| Net income (loss) | \$ 0.34 | \$ 0.26 | \$ 0.23 | \$ (1.19) | \$ (0.36) | \$ (0.10) | \$ (0.06) | \$ (0.11) | \$ 0.22 | \$ (0.05) | \$ (0.11) |
| Weighted average shares outstanding: | | | | | | | | | | | |
| Basic | 350,251 | 349,772 | 349,884 | 349,974 | 349,970 | 350,435 | 350,501 | 350,667 | 350,765 | 350,592 | 351,576 |
| Diluted | 351,453 | 350,303 | 350,316 | 349,974 | 349,970 | 350,435 | 350,501 | 350,667 | 351,566 | 351,057 | 351,576 |

TABLE 1-B - Continuing Operations, As Adjusted

HANESBRANDS INC.
Condensed Consolidated Statements of Operations - As ADJUSTED
Revised to Present the Global *Champion* and U.S.-Based Outlet Store Businesses as Discontinued Operations
(in thousands, except per share data)
(Unaudited)

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|---|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Net sales | \$ 993,063 | \$ 1,063,529 | \$ 997,335 | \$ 933,965 | \$ 3,987,892 | \$ 884,030 | \$ 1,035,004 | \$ 961,294 | \$ 879,026 | \$ 3,759,354 | \$ 778,213 |
| Cost of sales, as adjusted | 633,896 | 671,905 | 649,892 | 617,259 | 2,572,952 | 600,135 | 677,975 | 609,984 | 524,973 | 2,413,067 | 468,695 |
| Gross profit, as adjusted | 359,167 | 391,624 | 347,443 | 316,706 | 1,414,940 | 283,895 | 357,029 | 351,310 | 354,053 | 1,346,287 | 309,518 |
| As a % of net sales | 36.2 % | 36.8 % | 34.8 % | 33.9 % | 35.5 % | 32.1 % | 34.5 % | 36.5 % | 40.3 % | 35.8 % | 39.8 % |
| Selling, general and administrative expenses, as adjusted | 263,997 | 275,547 | 265,453 | 279,886 | 1,084,883 | 255,342 | 270,401 | 267,570 | 255,697 | 1,049,010 | 255,441 |
| As a % of net sales | 26.6 % | 25.9 % | 26.6 % | 30.0 % | 27.2 % | 28.9 % | 26.1 % | 27.8 % | 29.1 % | 27.9 % | 32.8 % |
| Operating profit, as adjusted | 95,170 | 116,077 | 81,990 | 36,820 | 330,057 | 28,553 | 86,628 | 83,740 | 98,356 | 297,277 | 54,077 |
| As a % of net sales | 9.6 % | 10.9 % | 8.2 % | 3.9 % | 8.3 % | 3.2 % | 8.4 % | 8.7 % | 11.2 % | 7.9 % | 6.9 % |
| Other expenses, as adjusted | 934 | 1,851 | 2,907 | 3,546 | 9,238 | 6,388 | 7,239 | 9,079 | 7,270 | 29,976 | 9,229 |
| Interest expense, net, as adjusted | 28,737 | 29,194 | 34,438 | 39,361 | 131,730 | 46,474 | 58,718 | 56,648 | 53,707 | 215,547 | 50,606 |
| Income (loss) from continuing operations before income taxes, as adjusted | 65,499 | 85,032 | 44,645 | (6,087) | 189,089 | (24,309) | 20,671 | 18,013 | 37,379 | 51,754 | (5,758) |
| Income tax expense (benefit), as adjusted | (1,704) | 2,939 | 3,568 | 29,213 | 34,016 | 16,180 | 12,826 | 25,543 | 16,663 | 71,212 | 9,883 |
| Income (loss) from continuing operations, as adjusted | \$ 67,203 | \$ 82,093 | \$ 41,077 | \$ (35,300) | \$ 155,073 | \$ (40,489) | \$ 7,845 | \$ (7,530) | \$ 20,716 | \$ (19,458) | \$ (15,641) |
| Earnings (loss) per share - basic: | | | | | | | | | | | |
| Continuing operations, as adjusted | \$ 0.19 | \$ 0.23 | \$ 0.12 | \$ (0.10) | \$ 0.44 | \$ (0.12) | \$ 0.02 | \$ (0.02) | \$ 0.06 | \$ (0.06) | \$ (0.04) |
| Earnings (loss) per share - diluted: | | | | | | | | | | | |
| Continuing operations, as adjusted | \$ 0.19 | \$ 0.23 | \$ 0.12 | \$ (0.10) | \$ 0.44 | \$ (0.12) | \$ 0.02 | \$ (0.02) | \$ 0.06 | \$ (0.06) | \$ (0.04) |
| Weighted average shares outstanding: | | | | | | | | | | | |
| Basic | 350,251 | 349,772 | 349,884 | 349,974 | 349,970 | 350,435 | 350,501 | 350,667 | 350,765 | 350,592 | 351,576 |
| Diluted | 351,453 | 350,303 | 350,316 | 349,974 | 350,606 | 350,435 | 350,631 | 350,667 | 351,566 | 350,592 | 351,576 |

TABLE 2-A - Continuing Operations, Reconciliation of Non-GAAP Measures

HANESBRANDS INC.
Reconciliation of Select GAAP Measures to Non-GAAP Measures
Revised to Present the Global *Champion* and U.S.-Based Outlet Store Businesses as Discontinued Operations
(in thousands, except per share data)
(Unaudited)

The following tables present a reconciliation of the results of continuing operations as reported under GAAP to the results of continuing operations as adjusted by quarter for 2022, 2023 and the first quarter of 2024. The results of continuing operations exclude the results of the global *Champion* and U.S.-based outlet store businesses, which have been reclassified to discontinued operations for all periods presented. The Company has chosen to present the following non-GAAP measures to investors to enable additional analyses of past, present and future operating performance and as a supplemental means of evaluating continuing operations absent the effect of restructuring and other actions that are deemed to be material stand-alone initiatives apart from the Company's core operations. While these costs are not expected to continue for any individual transaction on an ongoing basis, similar types of costs, expenses and charges have occurred in prior periods and may recur in future periods depending upon future business plans and circumstances.

Restructuring and other action-related charges in 2022, 2023 and the first quarter of 2024 include the following:

| | |
|--|---|
| Supply chain restructuring and consolidation | Represents charges related to supply chain segmentation to restructure and position the Company's distribution and manufacturing network to align with its demand trends, simplify operations and improve efficiencies. |
| Headcount actions and related severance | Represents charges related to operating model initiatives primarily headcount actions and related severance charges and adjustments related to restructuring activities. |
| Technology | Represents technology charges related to the implementation of the Company's technology modernization initiative which includes a global enterprise resource planning platform. |
| Professional services | Represents professional fees, primarily including consulting and advisory services, related to restructuring activities. |
| Gain/loss on sale of business and classification of assets held for sale | Represents the gain/loss associated with the sale of the Company's U.S. Sheer Hosiery business and adjustments to the related valuation allowance prior to the sale, primarily from the changes in carrying value due to changes in working capital. |
| Loss on extinguishment of debt | Represents charges related to the redemption of the Company's 4.625% Senior Notes and 3.5% Senior Notes in the first quarter of 2023. |
| Gain on final settlement of cross currency swap contracts | Primarily represents the remaining gain related to cross-currency swap contracts previously designated as cash flow hedges in accumulated other comprehensive loss which was released into earnings as the Company unwound the cross-currency swap contracts in connection with the redemption of the 3.5% Senior Notes at the time of settlement in the first quarter of 2023. |
| Discrete tax expense/benefit | Represents an adjustment to non-cash reserves established at December 30, 2023 and December 31, 2022 related to deferred taxes established for Swiss statutory impairments, which are not indicative of the Company's core business operations. |
| Tax effect on actions | Represents the applicable effective tax rate on the restructuring and other action-related charges based on the jurisdiction of where the charges were incurred. |

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Gross profit, as reported under GAAP | \$ 358,411 | \$ 391,092 | \$ 337,227 | \$ 314,565 | \$ 1,401,295 | \$ 282,379 | \$ 356,793 | \$ 349,781 | \$ 355,181 | \$ 1,344,134 | \$ 309,315 |
| As a % of net sales | 36.1 % | 36.8 % | 33.8 % | 33.7 % | 35.1 % | 31.9 % | 34.5 % | 36.4 % | 40.4 % | 35.8 % | 39.7 % |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Supply chain restructuring and consolidation | 1,020 | 269 | 10,412 | 2,644 | 14,345 | 1,516 | 236 | 660 | (1,284) | 1,128 | 167 |
| Headcount actions and related severance | (265) | 265 | (196) | (516) | (712) | — | — | 869 | 156 | 1,025 | 36 |
| Other | 1 | (2) | — | 13 | 12 | — | — | — | — | — | — |
| Gross profit, as adjusted | \$ 359,167 | \$ 391,624 | \$ 347,443 | \$ 316,706 | \$ 1,414,940 | \$ 283,895 | \$ 357,029 | \$ 351,310 | \$ 354,053 | \$ 1,346,287 | \$ 309,518 |
| As a % of net sales | 36.2 % | 36.8 % | 34.8 % | 33.9 % | 35.5 % | 32.1 % | 34.5 % | 36.5 % | 40.3 % | 35.8 % | 39.8 % |

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|---|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Selling, general and administrative expenses, as reported under GAAP | \$ 268,009 | \$ 281,378 | \$ 278,663 | \$ 297,830 | \$ 1,125,880 | \$ 256,835 | \$ 286,860 | \$ 268,751 | \$ 257,210 | \$ 1,069,656 | \$ 270,207 |
| As a % of net sales | 27.0 % | 26.5 % | 27.9 % | 31.9 % | 28.2 % | 29.1 % | 27.7 % | 28.0 % | 29.3 % | 28.5 % | 34.7 % |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Supply chain restructuring and consolidation | — | — | — | — | — | — | — | — | — | — | (1,940) |
| Headcount actions and related severance | 1,665 | (560) | (159) | (8,633) | (7,687) | 871 | (2,760) | (1,662) | (573) | (4,124) | (12,151) |
| Technology | (4,459) | (1,971) | (2,622) | (2,870) | (11,922) | (4,221) | (2,881) | (588) | (657) | (8,347) | (181) |
| Professional services | (7,908) | (7,086) | (6,020) | (2,980) | (23,994) | (40) | (3,608) | (165) | (6) | (3,819) | (490) |
| Gain (loss) on sale of business and classification of assets held for sale | 6,528 | 4,340 | (4,310) | (3,023) | 3,535 | 2,139 | (7,338) | 1,558 | — | (3,641) | — |
| Other | 162 | (554) | (99) | (438) | (929) | (242) | 128 | (324) | (277) | (715) | (4) |
| Selling, general and administrative expenses, as adjusted | \$ 263,997 | \$ 275,547 | \$ 265,453 | \$ 279,886 | \$ 1,084,883 | \$ 255,342 | \$ 270,401 | \$ 267,570 | \$ 255,697 | \$ 1,049,010 | \$ 255,441 |
| As a % of net sales | 26.6 % | 25.9 % | 26.6 % | 30.0 % | 27.2 % | 28.9 % | 26.1 % | 27.8 % | 29.1 % | 27.9 % | 32.8 % |

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|--|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Operating profit, as reported under GAAP | \$ 90,402 | \$ 109,714 | \$ 58,564 | \$ 16,735 | \$ 275,415 | \$ 25,544 | \$ 69,933 | \$ 81,030 | \$ 97,971 | \$ 274,478 | \$ 39,108 |
| As a % of net sales | 9.1 % | 10.3 % | 5.9 % | 1.8 % | 6.9 % | 2.9 % | 6.8 % | 8.4 % | 11.1 % | 7.3 % | 5.0 % |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Supply chain restructuring and consolidation | 1,020 | 269 | 10,412 | 2,644 | 14,345 | 1,516 | 236 | 660 | (1,284) | 1,128 | 2,107 |
| Headcount actions and related severance | (1,930) | 825 | (37) | 8,117 | 6,975 | (871) | 2,760 | 2,531 | 729 | 5,149 | 12,187 |
| Technology | 4,459 | 1,971 | 2,622 | 2,870 | 11,922 | 4,221 | 2,881 | 588 | 657 | 8,347 | 181 |
| Professional services | 7,908 | 7,086 | 6,020 | 2,980 | 23,994 | 40 | 3,608 | 165 | 6 | 3,819 | 490 |
| (Gain) loss on sale of business and classification of assets held for sale | (6,528) | (4,340) | 4,310 | 3,023 | (3,535) | (2,139) | 7,338 | (1,558) | — | 3,641 | — |
| Other | (161) | 552 | 99 | 451 | 941 | 242 | (128) | 324 | 277 | 715 | 4 |
| Operating profit, as adjusted | \$ 95,170 | \$ 116,077 | \$ 81,990 | \$ 36,820 | \$ 330,057 | \$ 28,553 | \$ 86,628 | \$ 83,740 | \$ 98,356 | \$ 297,277 | \$ 54,077 |
| As a % of net sales | 9.6 % | 10.9 % | 8.2 % | 3.9 % | 8.3 % | 3.2 % | 8.4 % | 8.7 % | 11.2 % | 7.9 % | 6.9 % |

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|---|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Interest expense, net and other expenses, as reported under GAAP | \$ 29,671 | \$ 31,045 | \$ 37,345 | \$ 42,907 | \$ 140,968 | \$ 59,958 | \$ 65,957 | \$ 65,727 | \$ 60,977 | \$ 252,619 | \$ 59,835 |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Loss on extinguishment of debt | — | — | — | — | — | (8,466) | — | — | — | (8,466) | — |
| Gain on final settlement of cross currency swaps | — | — | — | — | — | 1,370 | — | — | — | 1,370 | — |
| Interest expense, net and other expenses, as adjusted | \$ 29,671 | \$ 31,045 | \$ 37,345 | \$ 42,907 | \$ 140,968 | \$ 52,862 | \$ 65,957 | \$ 65,727 | \$ 60,977 | \$ 245,523 | \$ 59,835 |

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|---|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Income (loss) from continuing operations before income taxes, as reported under GAAP | \$ 60,731 | \$ 78,669 | \$ 21,219 | \$ (26,172) | \$ 134,447 | \$ (34,414) | \$ 3,976 | \$ 15,303 | \$ 36,994 | \$ 21,859 | \$ (20,727) |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Supply chain restructuring and consolidation | 1,020 | 269 | 10,412 | 2,644 | 14,345 | 1,516 | 236 | 660 | (1,284) | 1,128 | 2,107 |
| Headcount actions and related severance | (1,930) | 825 | (37) | 8,117 | 6,975 | (871) | 2,760 | 2,531 | 729 | 5,149 | 12,187 |
| Technology | 4,459 | 1,971 | 2,622 | 2,870 | 11,922 | 4,221 | 2,881 | 588 | 657 | 8,347 | 181 |
| Professional services | 7,908 | 7,086 | 6,020 | 2,980 | 23,994 | 40 | 3,608 | 165 | 6 | 3,819 | 490 |
| (Gain) loss on sale of business and classification of assets held for sale | (6,528) | (4,340) | 4,310 | 3,023 | (3,535) | (2,139) | 7,338 | (1,558) | — | 3,641 | — |
| Other | (161) | 552 | 99 | 451 | 941 | 242 | (128) | 324 | 277 | 715 | 4 |
| Loss on extinguishment of debt | — | — | — | — | — | 8,466 | — | — | — | 8,466 | — |
| Gain on final settlement of cross currency swaps | — | — | — | — | — | (1,370) | — | — | — | (1,370) | — |
| Income (loss) from continuing operations before income taxes, as adjusted | \$ 65,499 | \$ 85,032 | \$ 44,645 | \$ (6,087) | \$ 189,089 | \$ (24,309) | \$ 20,671 | \$ 18,013 | \$ 37,379 | \$ 51,754 | \$ (5,758) |

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|---|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Income tax expense (benefit), as reported under GAAP | \$ (2,509) | \$ 1,862 | \$ 3 | \$ 448,426 | \$ 447,782 | \$ 16,180 | \$ 12,826 | \$ 21,280 | \$ (64,196) | \$ (13,910) | \$ 9,883 |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Discrete tax (expense) benefit | — | — | — | (422,918) | (422,918) | — | — | 4,263 | 80,859 | 85,122 | — |
| Tax effect on actions | 805 | 1,077 | 3,565 | 3,705 | 9,152 | — | — | — | — | — | — |
| Total included in income tax (expense) benefit | 805 | 1,077 | 3,565 | (419,213) | (413,766) | — | — | 4,263 | 80,859 | 85,122 | — |
| Income tax expense (benefit), as adjusted | \$ (1,704) | \$ 2,939 | \$ 3,568 | \$ 29,213 | \$ 34,016 | \$ 16,180 | \$ 12,826 | \$ 25,543 | \$ 16,663 | \$ 71,212 | \$ 9,883 |

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|--|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Income (loss) from continuing operations, as reported under GAAP | \$ 63,240 | \$ 76,807 | \$ 21,216 | \$ (474,598) | \$ (313,335) | \$ (50,594) | \$ (8,850) | \$ (5,977) | \$ 101,190 | \$ 35,769 | \$ (30,610) |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Supply chain restructuring and consolidation | 1,020 | 269 | 10,412 | 2,644 | 14,345 | 1,516 | 236 | 660 | (1,284) | 1,128 | 2,107 |
| Headcount actions and related severance | (1,930) | 825 | (37) | 8,117 | 6,975 | (871) | 2,760 | 2,531 | 729 | 5,149 | 12,187 |
| Technology | 4,459 | 1,971 | 2,622 | 2,870 | 11,922 | 4,221 | 2,881 | 588 | 657 | 8,347 | 181 |
| Professional services | 7,908 | 7,086 | 6,020 | 2,980 | 23,994 | 40 | 3,608 | 165 | 6 | 3,819 | 490 |
| (Gain) loss on sale of business and classification of assets held for sale | (6,528) | (4,340) | 4,310 | 3,023 | (3,535) | (2,139) | 7,338 | (1,558) | — | 3,641 | — |
| Other | (161) | 552 | 99 | 451 | 941 | 242 | (128) | 324 | 277 | 715 | 4 |
| Loss on extinguishment of debt | — | — | — | — | — | 8,466 | — | — | — | 8,466 | — |
| Gain on final settlement of cross currency swaps | — | — | — | — | — | (1,370) | — | — | — | (1,370) | — |
| Discrete tax expense (benefit) | — | — | — | 422,918 | 422,918 | — | — | (4,263) | (80,859) | (85,122) | — |
| Tax effect on actions | (805) | (1,077) | (3,565) | (3,705) | (9,152) | — | — | — | — | — | — |
| Income (loss) from continuing operations, as adjusted | \$ 67,203 | \$ 82,093 | \$ 41,077 | \$ (35,300) | \$ 155,073 | \$ (40,489) | \$ 7,845 | \$ (7,530) | \$ 20,716 | \$ (19,458) | \$ (15,641) |

| | Quarters Ended ¹ | | | | Year Ended ¹ | Quarters Ended ¹ | | | | Year Ended ¹ | Quarter Ended ¹ |
|---|-----------------------------|--------------|--------------|---------------|-------------------------|-----------------------------|--------------|---------------|---------------|-------------------------|----------------------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Diluted earnings (loss) per share from continuing operations, as reported under GAAP | \$ 0.18 | \$ 0.22 | \$ 0.06 | \$ (1.36) | \$ (0.90) | \$ (0.14) | \$ (0.03) | \$ (0.02) | \$ 0.29 | \$ 0.10 | \$ (0.09) |
| Restructuring and other action-related charges: | | | | | | | | | | | |
| Supply chain restructuring and consolidation | 0.00 | 0.00 | 0.03 | 0.01 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 |
| Headcount actions and related severance | (0.01) | 0.00 | 0.00 | 0.02 | 0.02 | 0.00 | 0.01 | 0.01 | 0.00 | 0.01 | 0.03 |
| Technology | 0.01 | 0.01 | 0.01 | 0.01 | 0.03 | 0.01 | 0.01 | 0.00 | 0.00 | 0.02 | 0.00 |
| Professional services | 0.02 | 0.02 | 0.02 | 0.01 | 0.07 | 0.00 | 0.01 | 0.00 | 0.00 | 0.01 | 0.00 |
| (Gain) loss on sale of business and classification of assets held for sale | (0.02) | (0.01) | 0.01 | 0.01 | (0.01) | (0.01) | 0.02 | 0.00 | — | 0.01 | — |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Loss on extinguishment of debt | — | — | — | — | — | 0.02 | — | — | — | 0.02 | — |
| Gain on final settlement of cross currency swaps | — | — | — | — | — | 0.00 | — | — | — | 0.00 | — |
| Discrete tax expense (benefit) | — | — | — | 1.21 | 1.21 | — | — | (0.01) | (0.23) | (0.24) | — |
| Tax effect on actions | 0.00 | 0.00 | (0.01) | (0.01) | (0.03) | — | — | — | — | — | — |
| Diluted earnings (loss) per share from continuing operations, as adjusted | \$ 0.19 | \$ 0.23 | \$ 0.12 | \$ (0.10) | \$ 0.44 | \$ (0.12) | \$ 0.02 | \$ (0.02) | \$ 0.06 | \$ (0.06) | \$ (0.04) |

¹ Amounts may not be additive due to rounding.

TABLE 2-B - Discontinued Operations, Reconciliation of Select Non-GAAP Measures

HANESBRANDS INC.
Reconciliation of Select GAAP Measures to Non-GAAP Measures
Discontinued Operations
(in thousands, except per share data)
(Unaudited)

The key components from discontinued operations related to the Global *Champion* and U.S.-Based Outlet Store Businesses are as follows:

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|---|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Net sales | \$ 583,093 | \$ 449,938 | \$ 673,406 | \$ 539,321 | \$ 2,245,758 | \$ 505,380 | \$ 403,976 | \$ 550,012 | \$ 417,801 | \$ 1,877,169 | \$ 377,988 |
| Operating profit (loss), as reported under GAAP | \$ 80,110 | \$ 37,540 | \$ 82,880 | \$ 43,600 | \$ 244,130 | \$ 31,775 | \$ (529) | \$ (15,068) | \$ (1,874) | \$ 14,304 | \$ 12,998 |
| Restructuring and other action-related charges | 34 | 17 | 3,025 | 2,140 | 5,216 | 3,112 | 1,366 | 74,361 | 14,266 | 93,105 | 16,752 |
| Operating profit, as adjusted | \$ 80,144 | \$ 37,557 | \$ 85,905 | \$ 45,740 | \$ 249,346 | \$ 34,887 | \$ 837 | \$ 59,293 | \$ 12,392 | \$ 107,409 | \$ 29,750 |
| Income (loss) from discontinued operations, net of tax, as reported under GAAP | \$ 50,937 | \$ 15,854 | \$ 58,885 | \$ 56,490 | \$ 182,166 | \$ 16,190 | \$ (13,614) | \$ (32,822) | \$ (23,249) | \$ (53,495) | \$ (8,512) |
| Restructuring and other action-related charges | 34 | 17 | 3,025 | 2,140 | 5,216 | 3,112 | 1,366 | 74,361 | 14,266 | 93,105 | 16,752 |
| Tax effect on actions | (11) | (8) | (928) | 947 | — | — | — | — | — | — | — |
| Income (loss) from discontinued operations, net of tax, as adjusted | \$ 50,960 | \$ 15,863 | \$ 60,982 | \$ 59,577 | \$ 187,382 | \$ 19,302 | \$ (12,248) | \$ 41,539 | \$ (8,983) | \$ 39,610 | \$ 8,240 |
| Diluted earnings (loss) per share from discontinued operations, as reported under GAAP ¹ | \$ 0.14 | \$ 0.05 | \$ 0.17 | \$ 0.16 | \$ 0.52 | \$ 0.05 | \$ (0.04) | \$ (0.09) | \$ (0.07) | \$ (0.15) | \$ (0.02) |
| Restructuring and other action-related charges ¹ | 0.00 | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 | 0.00 | 0.21 | 0.04 | 0.27 | 0.05 |
| Diluted earnings (loss) per share from discontinued operations, as adjusted ¹ | \$ 0.14 | \$ 0.05 | \$ 0.17 | \$ 0.17 | \$ 0.53 | \$ 0.06 | \$ (0.03) | \$ 0.12 | \$ (0.03) | \$ 0.11 | \$ 0.02 |
| Weighted average shares outstanding: | | | | | | | | | | | |
| Basic | 350,251 | 349,772 | 349,884 | 349,974 | 349,970 | 350,435 | 350,501 | 350,667 | 350,765 | 350,592 | 351,576 |
| Diluted | 351,453 | 350,303 | 350,316 | 350,353 | 350,606 | 350,827 | 350,501 | 351,204 | 350,765 | 351,057 | 352,381 |

¹ Amounts may not be additive due to rounding.

TABLE 3 - Continuing Operations, Segments

HANESBRANDS INC.
Supplemental Financial Information By Business Segment
Revised to Present the Global *Champion* and U.S.-Based Outlet Store Businesses as Discontinued Operations
(in thousands)
(Unaudited)

| | Quarters Ended | | | | Year Ended | Quarters Ended | | | | Year Ended | Quarter Ended |
|--|----------------|--------------|--------------|---------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|
| | Apr. 2, 2022 | Jul. 2, 2022 | Oct. 1, 2022 | Dec. 31, 2022 | Dec. 31, 2022 | Apr. 1, 2023 | Jul. 1, 2023 | Sep. 30, 2023 | Dec. 30, 2023 | Dec. 30, 2023 | Mar. 30, 2024 |
| Segment net sales: | | | | | | | | | | | |
| U.S. | \$ 643,597 | \$ 748,925 | \$ 697,601 | \$ 602,052 | \$ 2,692,175 | \$ 599,884 | \$ 751,049 | \$ 684,990 | \$ 600,733 | \$ 2,636,656 | \$ 543,891 |
| International | 280,900 | 284,697 | 268,232 | 301,795 | 1,135,624 | 256,339 | 264,406 | 255,784 | 276,506 | 1,053,035 | 233,549 |
| Other | 68,566 | 29,907 | 31,502 | 30,118 | 160,093 | 27,807 | 19,549 | 20,520 | 1,787 | 69,663 | 773 |
| Total net sales | \$ 993,063 | \$ 1,063,529 | \$ 997,335 | \$ 933,965 | \$ 3,987,892 | \$ 884,030 | \$ 1,035,004 | \$ 961,294 | \$ 879,026 | \$ 3,759,354 | \$ 778,213 |
| Segment operating profit: | | | | | | | | | | | |
| U.S. | \$ 105,827 | \$ 143,091 | \$ 105,032 | \$ 48,747 | \$ 402,697 | \$ 66,607 | \$ 125,154 | \$ 105,579 | \$ 106,933 | \$ 404,273 | \$ 98,263 |
| International | 42,696 | 34,354 | 31,395 | 44,013 | 152,458 | 22,544 | 21,701 | 24,570 | 48,234 | 117,049 | 20,498 |
| Other | 7,282 | 5,598 | 2,169 | 6,725 | 21,774 | 1,509 | (1,721) | 342 | (1,319) | (1,189) | 681 |
| General corporate expenses/other | (60,635) | (66,966) | (56,606) | (62,665) | (246,872) | (62,107) | (58,506) | (46,751) | (55,492) | (222,856) | (65,365) |
| Total operating profit before restructuring and other action-related charges | 95,170 | 116,077 | 81,990 | 36,820 | 330,057 | 28,553 | 86,628 | 83,740 | 98,356 | 297,277 | 54,077 |
| Restructuring and other action-related charges | (4,768) | (6,363) | (23,426) | (20,085) | (54,642) | (3,009) | (16,695) | (2,710) | (385) | (22,799) | (14,969) |
| Total operating profit | \$ 90,402 | \$ 109,714 | \$ 58,564 | \$ 16,735 | \$ 275,415 | \$ 25,544 | \$ 69,933 | \$ 81,030 | \$ 97,971 | \$ 274,478 | \$ 39,108 |

TABLE 4 - Continuing Operations, Constant and Organic Currency

HANESBRANDS INC.
Impact of Foreign Currency and Organic Constant Currency
Revised to Present the Global *Champion* and U.S.-Based Outlet Store Businesses as Discontinued Operations
(in thousands, except per share data)
(Unaudited)

The following table presents a reconciliation of reported results from continuing operations on a constant currency basis for the quarter ended March 30, 2024 and a comparison to prior year:

| | Quarter Ended March 30, 2024 | | | Quarter Ended April 1, 2023 | % Change, As Reported | % Change, Constant Currency |
|--|------------------------------|---|-------------------|-----------------------------|-----------------------|-----------------------------|
| | As Reported | Impact from Foreign Currency ¹ | Constant Currency | | | |
| As reported under GAAP: | | | | | | |
| Net sales | \$ 778,213 | \$ (15,364) | \$ 793,577 | \$ 884,030 | (12.0)% | (10.2)% |
| Gross profit | 309,315 | (9,270) | 318,585 | 282,379 | 9.5 | 12.8 |
| Operating profit | 39,108 | (3,090) | 42,198 | 25,544 | 53.1 | 65.2 |
| Diluted loss per share from continuing operations ³ | \$ (0.09) | \$ (0.01) | \$ (0.08) | \$ (0.14) | (35.7)% | (42.9)% |
| As adjusted:² | | | | | | |
| Net sales | \$ 778,213 | \$ (15,364) | \$ 793,577 | \$ 884,030 | (12.0)% | (10.2)% |
| Gross profit | 309,518 | (9,270) | 318,788 | 283,895 | 9.0 | 12.3 |
| Operating profit | 54,077 | (3,090) | 57,167 | 28,553 | 89.4 | 100.2 |
| Diluted loss per share from continuing operations ³ | \$ (0.04) | \$ (0.01) | \$ (0.04) | \$ (0.12) | (66.7)% | (66.7)% |

¹ Effect of the change in foreign currency exchange rates year-over-year. Calculated by applying prior period exchange rates to the current year financial results.

² Results for the quarters ended March 30, 2024 and April 1, 2023 reflect adjustments for restructuring and other action-related charges. See "Reconciliation of Select GAAP Measures to Non-GAAP Measures" in Table 2-A.

³ Amounts may not be additive due to rounding.

The following table presents a reconciliation of reported results from continuing operations on an organic constant currency basis for the quarter ended March 30, 2024 and a comparison to prior year:

| | Quarter Ended March 30, 2024 | | | | Quarter Ended April 1, 2023 | | | % Change, As Reported | % Change, Organic Constant Currency |
|-----------|------------------------------|---|--|---------------------------|-----------------------------|--|------------|-----------------------|-------------------------------------|
| | As Reported | Impact from Foreign Currency ¹ | Less U.S. Hosiery Divestiture ² | Organic Constant Currency | As Reported | Less U.S. Hosiery Divestiture ² | Organic | | |
| Net sales | \$ 778,213 | \$ (15,364) | \$ — | \$ 793,577 | \$ 884,030 | \$ 19,585 | \$ 864,445 | (12.0)% | (8.2)% |

¹ Effect of the change in foreign currency exchange rates year-over-year. Calculated by applying prior period exchange rates to the current year financial results.

² The Company sold its U.S. Sheer Hosiery business on September 29, 2023.