



INVESTOR PRESENTATION

March 2023



CAUTIONARY STATEMENTS

Forward-Looking Statements

Certain statements included herein contain “forward-looking statements” within the meaning of federal securities laws about the financial condition and results of operations of the Company that are based on management’s beliefs, assumptions and expectations about our future economic performance, considering the information currently available to management. An example of such forward-looking statements include, among others, guidance pertaining to our financial outlook. The words “believe,” “may,” “could,” “will,” “should,” “would,” “anticipate,” “plan,” “estimate,” “project,” “expect,” “intend,” “seek,” “strive” and words of similar import, or the negative of such words, identify or signal the presence of forward-looking statements. These statements are not statements of historical fact, and they involve risks and uncertainties that may cause our actual results, performance or financial condition to differ materially from the expectations of future results, performance or financial condition that we express or imply in any forward-looking statement.

Factors that could contribute to such differences include, but are not limited to: the competitive nature of the textile industry and the impact of global competition; changes in the trade regulatory environment and governmental policies and legislation; the availability, sourcing and pricing of raw materials; general domestic and international economic and industry conditions in markets where the Company competes, including economic and political factors over which the Company has no control; changes in consumer spending, customer preferences, fashion trends and end uses for products; the financial condition of the Company’s customers; the loss of a significant customer or brand partner; natural disasters, industrial accidents, power or water shortages, extreme weather conditions and other disruptions at one of our facilities; the disruption of operations, global demand, or financial performance as a result of catastrophic or extraordinary events, including epidemics or pandemics such as the recent strain of coronavirus; the success of the Company’s strategic business initiatives; the volatility of financial and credit markets; the ability to service indebtedness and fund capital expenditures and strategic business initiatives; the availability of and access to credit on reasonable terms; changes in foreign currency exchange, interest and inflation rates; fluctuations in production costs; the ability to protect intellectual property; the strength and reputation of our brands; employee relations; the ability to attract, retain and motivate key employees; the impact of climate change or environmental, health and safety regulations; and the impact of tax laws, the judicial or administrative interpretations of tax laws and/or changes in such laws or interpretations.

All such factors are difficult to predict, contain uncertainties that may materially affect actual results and may be beyond our control. New factors emerge from time to time, and it is not possible for management to predict all such factors or to assess the impact of each such factor on the Company. Any forward-looking statement speaks only as of the date on which such statement is made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, except as may be required by federal securities laws. The above and other risks and uncertainties are described in the Company’s most recent Annual Report on Form 10-K, and additional risks or uncertainties may be described from time to time in other reports filed by the Company with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

Non-GAAP Financial Measures

Certain non-GAAP financial measures are designed to complement the financial information presented in accordance with GAAP. These non-GAAP financial measures include Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”), Adjusted EBITDA, Adjusted Net Income, Adjusted EPS, Adjusted Working Capital and Net Debt (collectively, the “non-GAAP financial measures”).

The non-GAAP financial measures are not determined in accordance with GAAP and should not be considered a substitute for performance measures determined in accordance with GAAP. The calculations of the non-GAAP financial measures are subjective, based on management’s belief as to which items should be included or excluded in order to provide the most reasonable and comparable view of the underlying operating performance of the business. The Company may, from time to time, modify the amounts used to determine its non-GAAP financial measures. We believe that these non-GAAP financial measures better reflect the Company’s underlying operations and performance and that their use, as operating performance measures, provides investors and analysts with a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets, among otherwise comparable companies. In evaluating non-GAAP financial measures, investors should be aware that, in the future, we may incur expenses similar to the adjustments included herein. Our presentation of non-GAAP financial measures should not be construed as indicating that our future results will be unaffected by unusual or non-recurring items. Each of our non-GAAP financial measures has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results or liquidity measures as reported under GAAP. Some of these limitations are (i) it is not adjusted for all non-cash income or expense items that are reflected in our statements of cash flows; (ii) it does not reflect the impact of earnings or charges resulting from matters we consider not indicative of our ongoing operations; (iii) it does not reflect changes in, or cash requirements for, our working capital needs; (iv) it does not reflect the cash requirements necessary to make payments on our debt; (v) it does not reflect our future requirements for capital expenditures or contractual commitments; (vi) it does not reflect limitations on or costs related to transferring earnings from our subsidiaries to us; and (vii) other companies in our industry may calculate this measure differently than we do, limiting its usefulness as a comparative measure. Because of these limitations, these non-GAAP financial measures should not be considered as a measure of discretionary cash available to us to invest in the growth of our business or as a measure of cash that will be available to us to meet our obligations, including those under our outstanding debt obligations. You should compensate for these limitations by relying primarily on our GAAP results and using these measures only as supplemental information.

INVESTMENT THESIS: A Global Sustainability Leader

- 1** **Leading global textile manufacturer** trusted by top brands to bring sustainable and innovative solutions to their products
- 2** **Demand is accelerating** for recycled yarns and flagship brand, **REPREVE®**, which remains the industry's most technologically-advanced solution
- 3** **Unique manufacturing/recycling platform** and textile expertise supports global growth and durable margin profile
- 4** Strong balance sheet supports growth investments in **innovation, new technology, and bolt-on acquisitions**

OVERVIEW

A global textile solutions provider and one of the world's leading innovators in manufacturing synthetic and recycled yarn.

Global Employees:
~2,700

Headquarters:
Greensboro, NC

NYSE:
UFI

Index Memberships:
Russell 2000

Fiscal Year:
Sunday nearest
June 30

Market Cap:
Approx.
\$175 million

Flagship Brand:


Sales:
FY22
\$816 million

Since:
1971

ABOUT UNIFI

UNIFI has been a **global leader** in manufacturing synthetic and recycled yarn since 1971. With a focus on **sustainability**, UNIFI is working today for the good for tomorrow.

GLOBAL REACH

- U.S. Manufacturing (1971)
 - El Salvador (2010)
 - Colombia (1997)
 - Brazil (1999)
 - Asia (Asset Light Operations) (2008)
-

SUSTAINABILITY, INNOVATION & MARKETING

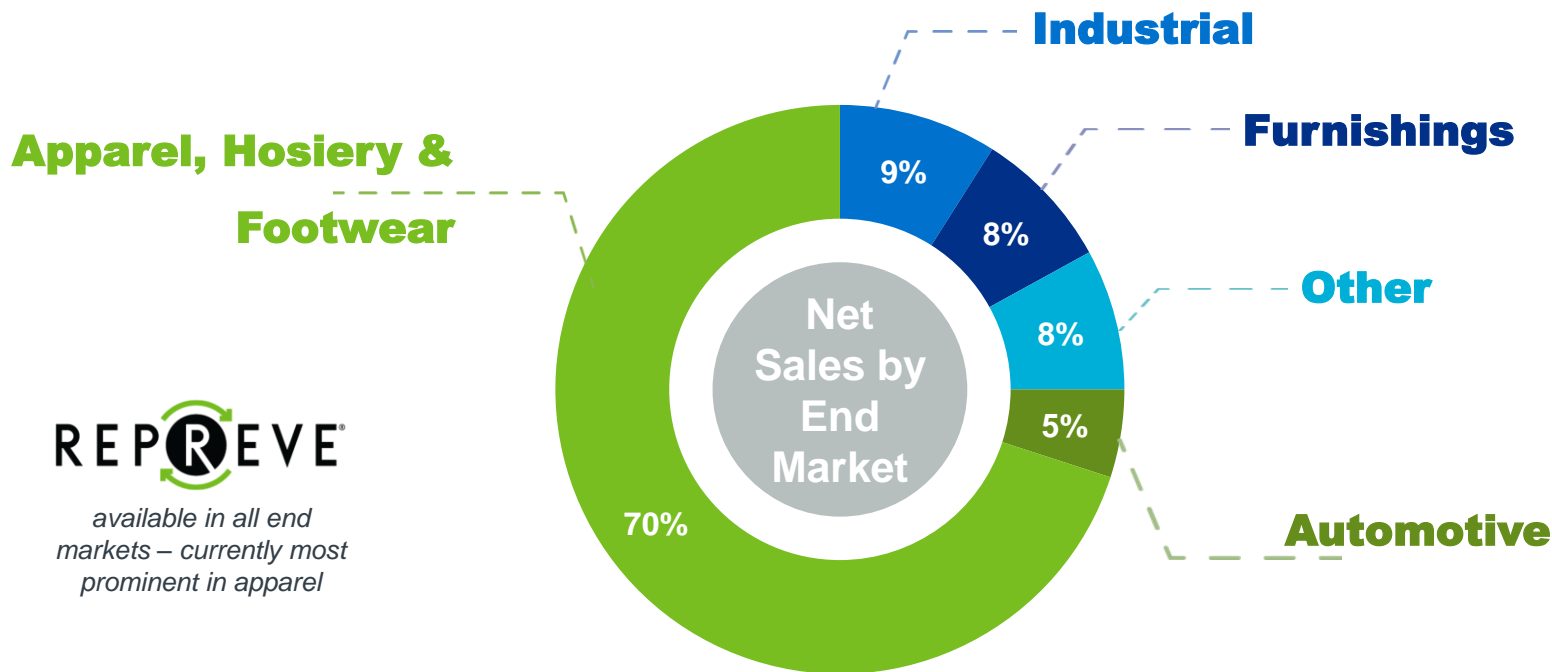


MARKET SEGMENTS

UNIFI products are found in a wide range of industries



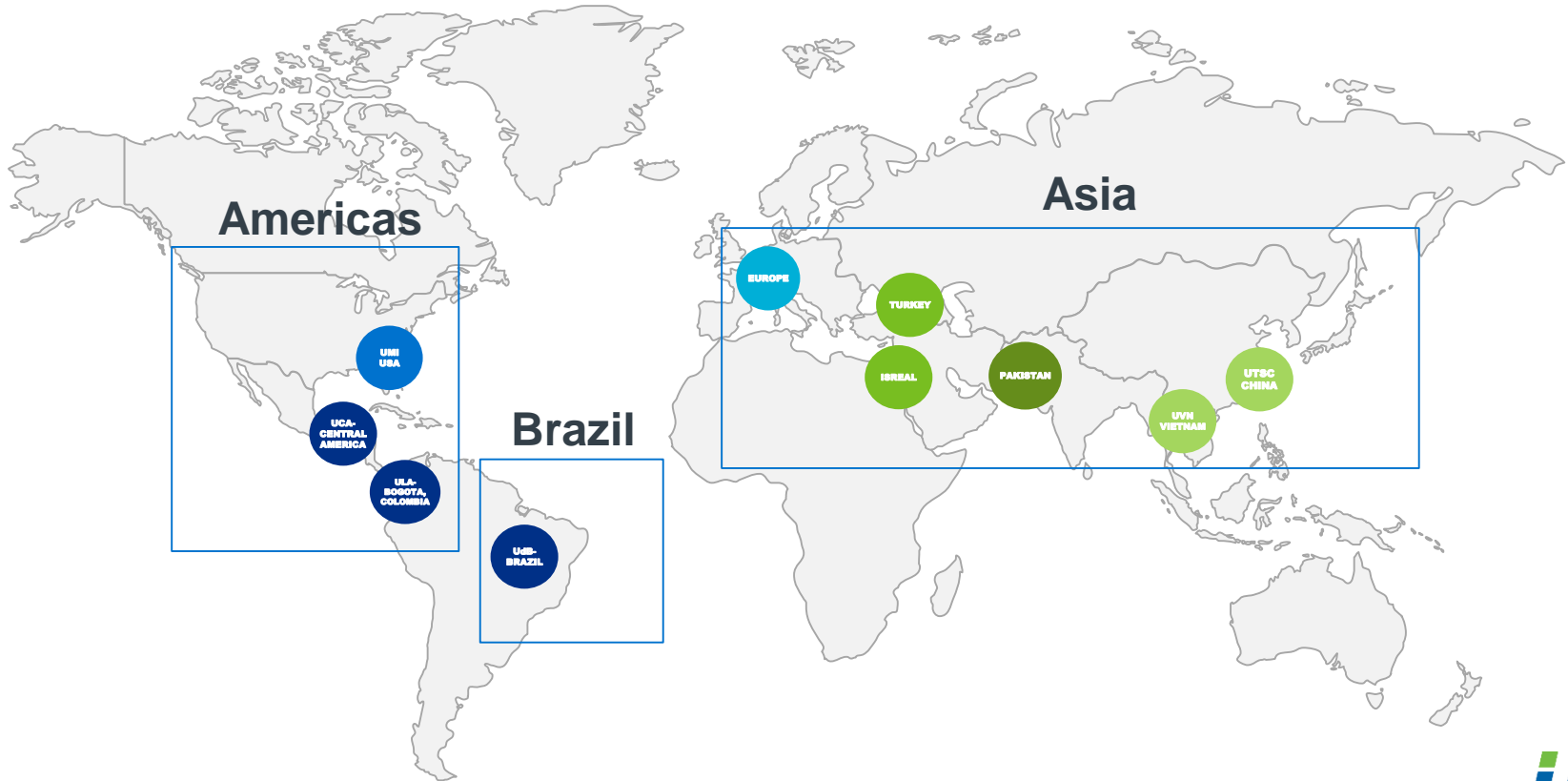
NON-APPAREL SALES OFFER MARGIN UPSIDE



available in all end markets – currently most prominent in apparel

GLOBAL REACH – Three Business Segments

UNIFI produces and distributes products across the Americas, Europe and Asia.



PRODUCT FLOW

Material Inputs

Finished Good



Recycled plastics,
petroleum, or derivatives

Resin

Base yarn
(POY)

Textured
yarn

Value-added
processes

Finished yarn
sale
(Virgin or
REPREVE)

North Carolina, USA

Americas Segment

Asset Driven

Asia

Asia Segment

Asset Light

Alfenas, Brazil

Brazil Segment

Asset Driven

El Salvador, Central America

Americas Segment

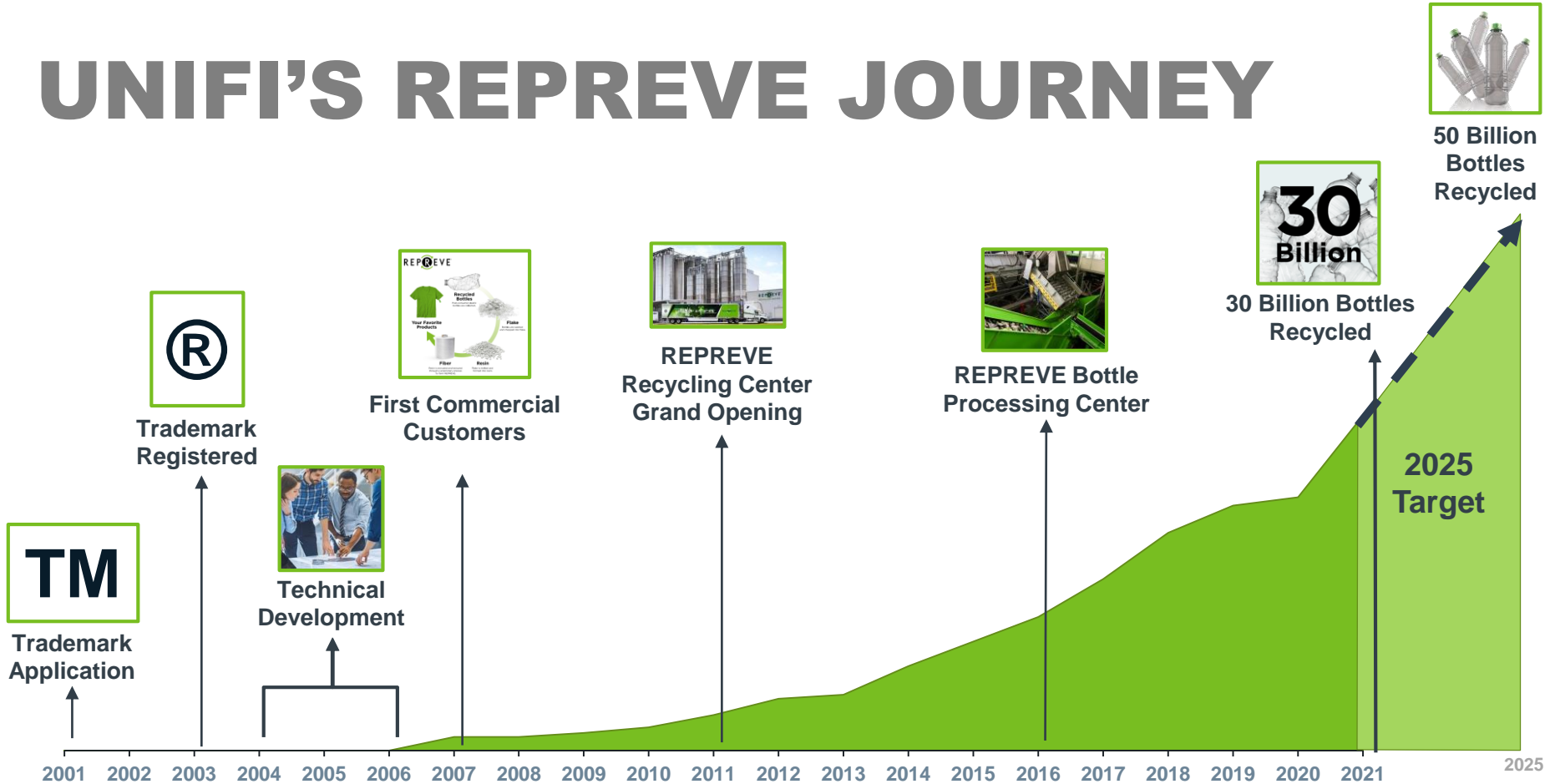
Asset Driven



REPREVE

and Sustainability

UNIFI'S REPREEVE JOURNEY



REPREEVE POLYESTER PROCESS

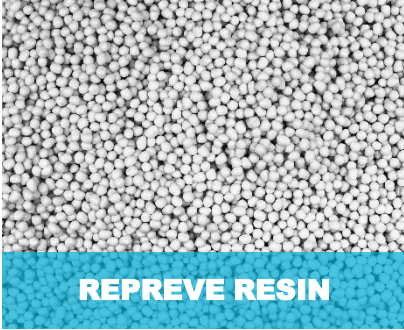
Post-consumer waste is transformed into REPREEVE.



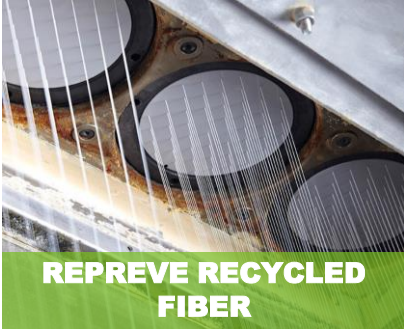
Post-consumer bottles are recycled



Bottles are washed and chopped into flake



Bottle flake is melted and formed into resin



Resin is melted and made into polyester yarn

The REPREVE Advantage



■ FiberPrint™ Technology

FiberPrint technology helps customers avoid false environmental claims. This proprietary technology validates the authenticity of REPREVE products and analyzes the fabric content and composition to support third-party certifications.

■ U Trust® Verification

The U Trust verification program is a comprehensive certification program designed to provide REPREVE customers with a high level of transparency and confidence.

● Third-Party Certified

Products made with REPREVE recycled materials, including post-consumer plastic bottles and pre-consumer fiber waste, are certified by third parties.

▲ Sustainably Indexed

REPREVE's Higg Materials Sustainability Index (MSI) Scores demonstrate that REPREVE has a lower global warming potential score compared to virgin material and competitive recycled material by 42% and 21%, respectively.

- Physical Certification
- Paper Certification
- ▲ Benchmark Testing

Transparent. Traceable. Trusted. Tested.



REPREVE APPLICATIONS



FILAMENT



APPAREL



AUTOMOTIVE



**SOCKS/
HOSIERY**



FOOTWEAR



STAPLE



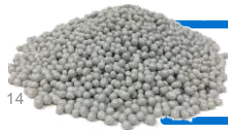
PADDING



BEDDING



INSULATION



CHIP



PACKAGING

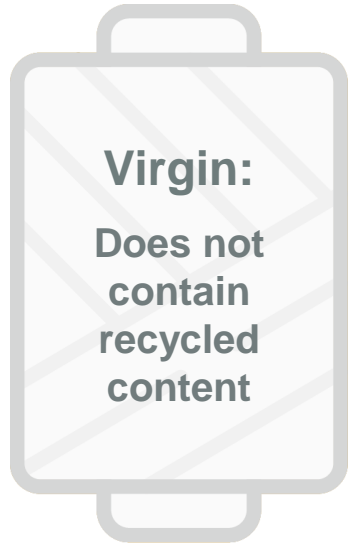


BOTTLES



FLOORING

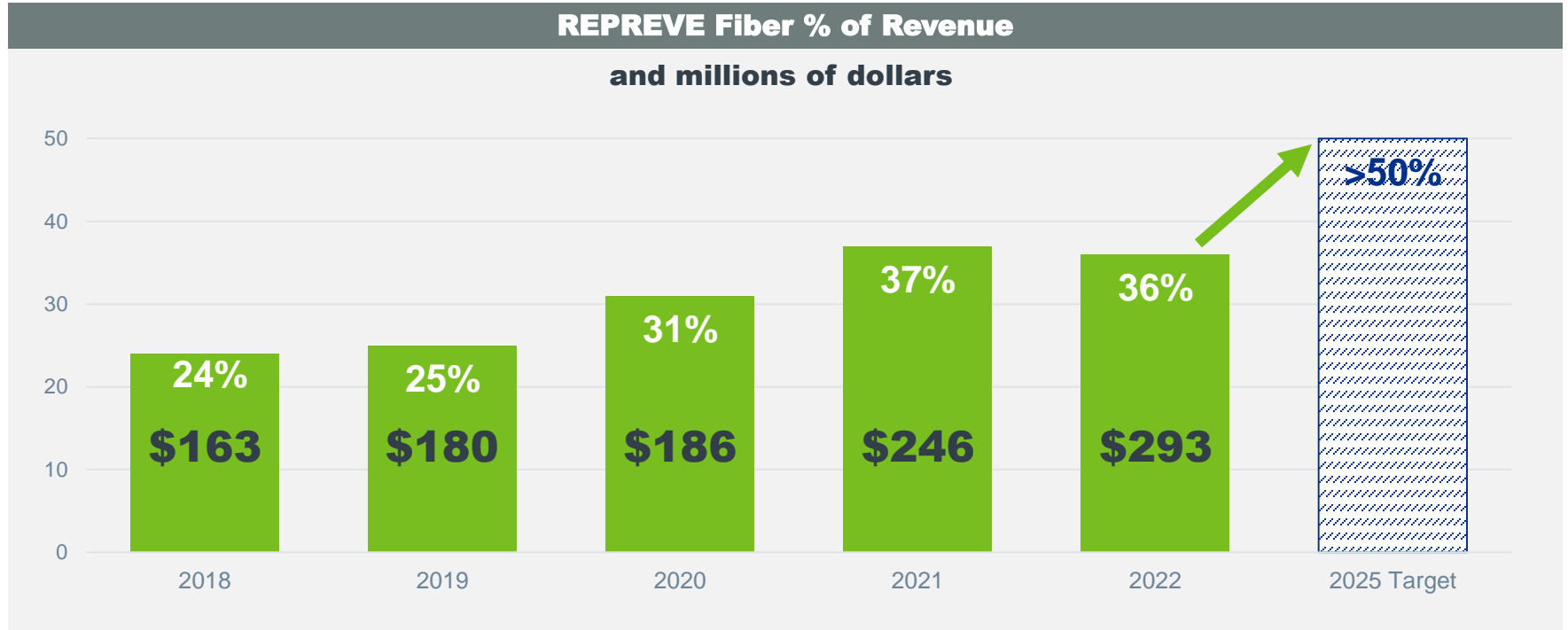
CURRENT RECYCLED VS. VIRGIN COMPOSITION



Percent of Recycled Sales By Segment



REPREVE FIBER AS A % OF REVENUE



SUSTAINABILITY AT UNIFI

Our sustainability vision will be accomplished through industry collaboration and transparency along with the expansion of REPVE



PLANET

Strategic investments to **reduce carbon footprint**

Pursue **zero waste to-landfill** in all owned operations

Reduction of plastic **pollution**

Reduce the use of **water**



PRODUCT

Transform **50 billion bottles** by Dec. 2025

Expand the scale of **Textile Takeback**

Reduce impact through product-focused innovation
& **life cycle analysis**

Transparency through **industry certifications** as well
as **U Trust and FiberPrint**



PEOPLE

Commitment to a **culture of safety**

Prioritize **community engagement** and **philanthropy**

Empower employees through opportunity, education
and leadership

Strengthen a culture that is **safe, fair, understanding**
and compassionate

CORPORATE SUSTAINABILITY GOALS

Many leading global retailers and apparel companies have announced targets to switch to recycled materials.



100% recycled polyester
by 2025



50% recycled polyester
& nylon by 2025

HANES
Brands Inc

100% recycled polyester
by 2025



50% recycled polyester
by 2025

GAP

100% recycled polyester
by 2025



RALPH
LAUREN

Key materials – 175M
recycled bottles by 2025



100% recycled polyester
by 2024

KOHL'S

50% recycled polyester
by 2025

BRANDS USING REPREEVE

APPAREL



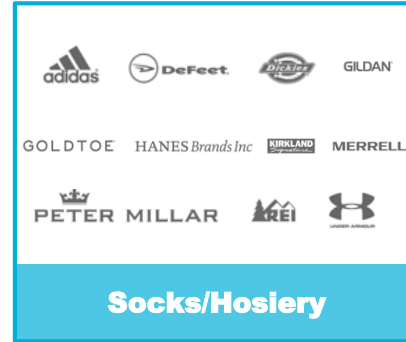
belk COSTCO WHOLESALE Disney
El Corte Inglés JCPenney KOHL'S
macy's NORDSTROM TARGET Walmart*

Major Retailers



BULA Columbia FREE COUNTRY
Kathmandu NORDEN OBERMEYER
ONEILL patagonia POLARTEC THE NORTH FACE

Outdoor



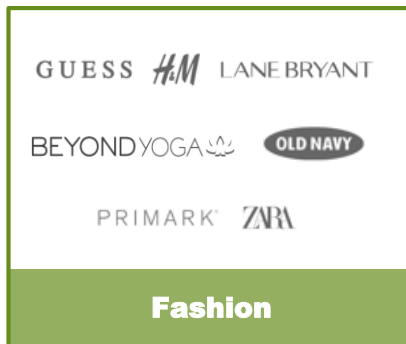
adidas DeFeet DIFECT GILDAN
GOLDTOE HANES Brands Inc KIRKLAND MERRELL
PETER MILLAR KREI UNDER ARMOUR

Socks/Hosiery



BOSS HUGO BOSS kate spade NEW YORK Lilly Pulitzer
MARA HOFFMAN PETER MILLAR RALPH LAUREN
TOMMY HILFINGER TORY BURCH

Luxury



GUESS H&M LANE BRYANT
BEYOND YOGA OLD NAVY
PRIMARK ZARA

Fashion



aramark ChefWorks Chick-fil-A CINTAS
DICK'S DISNEY ENGEL girl scouts
OAK HALL pepsi WM WORKWEAR

Uniform/Workwear



Cat & Jack ELEMENT
J.CREW patagonia QUIKSILVER
ROXY VESPA VITAMIN X A VOLCOM

Swim

BRANDS USING REPREVE

BEYOND APPAREL

DESIGNTEX eclipse ELLERY
HomeStyle

FLEXSTEEL' HON KUKA
HOME

L A Z B O Y' LICHTENBERG
EST. 1953 | NEW YORK

LOVESAC NICE LINK ROLLEASE
ACMEDA

Serta Steelcase SUNPAN

▼ IOLINO west elm WILLIAMS-SONOMA, INC.

Home and Contract

AVIA CONVERSE Fly Ltd

BOSS new balance NIKE ROTHY'S.

Teva TOMS UGG

Footwear

IGLOO' LEGACY NEW ERA

NIXON HePatriot Flag
THE MADE IN THE USA

SHIBUMI

fitbit. EASYWAY
PRODUCTS CO.

Accessories

Dickies Ford

GENERAL MOTORS

Virgin
GALACTIC

Transportation



Innovation and Technology

PRODUCT INNOVATIONS PORTFOLIO

UNIFI offers a comprehensive selection of innovative technologies.



eAFK EVOCOOLER TEXTURING TECHNOLOGY

Sustainability in Manufacturing



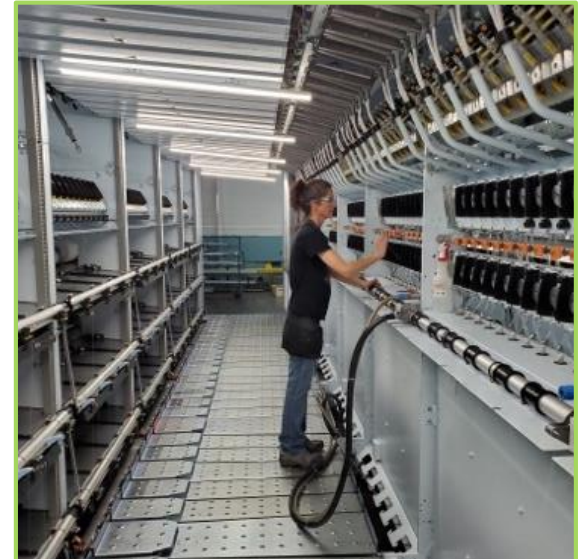
Lower Carbon Emissions

Estimated 20% energy and emissions reduction



Higher Efficiency

Process design creates less waste and produces more pounds per hour



A Better Environment

More comfortable and quieter working environment



Historical Financials

HISTORICAL FINANCIALS

(dollars in thousands, except per share amounts)

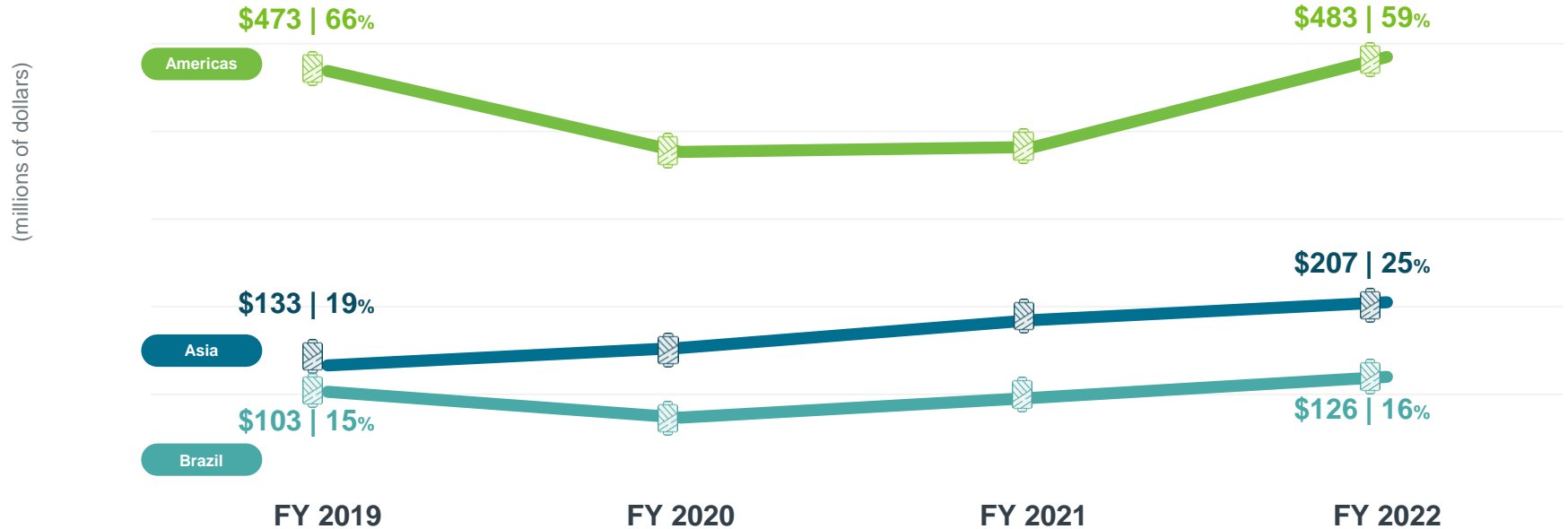
	<u>June 2018</u>	<u>June 2019</u>	<u>June 2020</u>	<u>June 2021</u>	<u>June 2022</u>
Net Sales	\$ 678,912	\$ 708,804	\$ 606,509	\$ 667,592	\$ 815,758
Operating Income (Loss)	28,799	10,960	(8,821)	38,611	28,599
Adjusted Net Income (Loss) *	24,515	3,523	(10,870)	22,660	14,283
Adjusted EPS *	1.32	0.19	(0.59)	1.20	0.76
Adjusted EBITDA *	52,271	36,300	16,553	64,643	55,190
Cash Provided by Operating Activities	37,335	7,284	52,724	36,681	380
Capital Expenditures	25,029	24,871	18,509	21,178	39,631
	<u>June 24, 2018</u>	<u>June 30, 2019</u>	<u>June 28, 2020</u>	<u>June 27, 2021</u>	<u>July 3, 2022</u>
Adjusted Working Capital *	\$ 152,423	\$ 180,376	\$ 135,894	\$ 162,525	\$ 205,466
Net Debt *	86,317	105,790	23,614	8,604	61,000

* Non-GAAP financial measures; reconciliations follow.



GEOGRAPHIC SALES

Total Sales	\$709	\$607	\$668	\$816
REPREVE Fiber Sales	\$180	\$186	\$246	\$293
REPREVE as a % of sales	25%	31%	37%	36%



CAPITAL ALLOCATION PRIORITIES



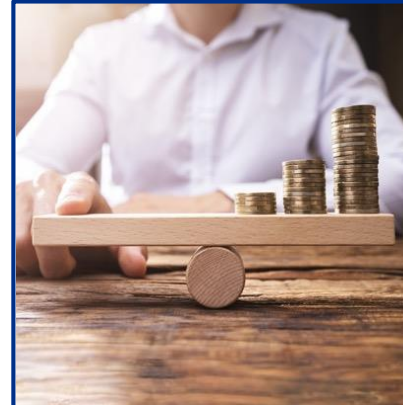
Drive Organic Growth

eAFK EvoCooler investments



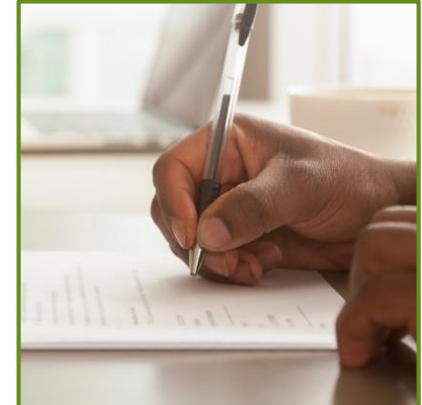
Share Repurchases

Opportunistic with available program (\$38M+)



Balanced Leverage

Healthy debt and leverage levels



Acquisitions

Bolt-on and industry consolidation

WORKING TODAY FOR THE GOOD OF TOMORROW



ADJUSTED NET (LOSS) INCOME & ADJUSTED EPS

(dollars in thousands, except per share amounts)

	YTD December 2022			
	Pre-tax Loss	Tax Impact	Net Loss	Diluted EPS
GAAP results	\$ (26,207)	\$ 336	\$ (25,871)	\$ (1.44)
Recovery of income taxes ⁽¹⁾	—	(3,799)	(3,799)	(0.21)
Adjusted results	\$ (26,207)	\$ (3,463)	\$ (29,670)	\$ (1.65)

	June 2022			
	Pre-tax Income	Tax Impact	Net Income	Diluted EPS
GAAP results	\$ 26,828	\$ (11,657)	\$ 15,171	\$ 0.80
Recovery of non-income taxes, net ⁽²⁾	815	(257)	558	0.03
Recovery of income taxes, net ⁽³⁾	—	(1,446)	(1,446)	(0.07)
Adjusted results	\$ 27,643	\$ (13,360)	\$ 14,283	\$ 0.76

	June 2021			
	Pre-tax Income	Tax Impact	Net Income	Diluted EPS
GAAP results	\$ 46,347	\$ (17,274)	\$ 29,073	\$ 1.54
Recovery of non-income taxes, net ⁽²⁾	(9,717)	3,304	(6,413)	(0.34)
Adjusted results	\$ 36,630	\$ (13,970)	\$ 22,660	\$ 1.20

	June 2020			
	Pre-tax Loss	Tax Impact	Net Loss	Diluted EPS
GAAP results	\$ (56,265)	\$ (972)	\$ (57,237)	\$ (3.10)
Impairment of investment in unconsolidated affiliate ⁽⁴⁾	45,194	—	45,194	2.45
Severance ⁽⁵⁾	1,485	(312)	1,173	0.06
Adjusted results	\$ (9,586)	\$ (1,284)	\$ (10,870)	\$ (0.59)

	June 2019			
	Pre-tax Income	Tax Impact	Net Income	Diluted EPS
GAAP results	\$ 10,011	\$ (7,555)	\$ 2,456	\$ 0.13
Severance ⁽⁵⁾	1,351	(284)	1,067	0.06
Adjusted results	\$ 11,362	\$ (7,839)	\$ 3,523	\$ 0.19

(1) In the second quarter of fiscal 2023, UNIFI recorded a recovery of income taxes in connection with filing amended tax returns in Brazil relating to certain income taxes paid in prior fiscal years.

(2) For fiscal 2021, UNIFI recorded a recovery of non-income taxes of \$9,717 related to favorable litigation results for its Brazilian operations, generating overpayments that resulted from excess social program taxes paid in prior fiscal years. For fiscal 2022, UNIFI reduced the estimated benefit based on additional clarity and review of the recovery process during the months following the decision.

(3) For fiscal 2022, UNIFI recorded a recovery of income taxes following a Brazil Supreme Court decision regarding certain income taxes in prior fiscal years.

(4) For fiscal 2020, UNIFI recorded an impairment charge of \$45,194 before tax, related to the April 2020 sale of its 34% interest in PAL.

(5) For fiscal 2020, UNIFI incurred certain severance costs in connection with (i) overall cost reduction efforts in the U.S. and (ii) a wind-down plan for its operations in Sri Lanka. For fiscal 2019, UNIFI incurred certain severance costs in connection with overall cost reduction efforts in the U.S.

ADJUSTED EBITDA

(dollars in thousands)

	June 2019	June 2020	June 2021	June 2022	YTD December 2022
Net income (loss)	\$ 2,456	\$ (57,237)	\$ 29,073	\$ 15,171	\$ (25,871)
Interest expense, net	4,786	4,057	2,720	1,561	2,075
Provision (benefit) for income taxes	7,555	972	17,274	11,657	(336)
Depreciation and amortization expense ⁽¹⁾	22,713	23,406	25,293	25,986	13,390
EBITDA	37,510	(28,802)	74,360	54,375	(10,742)
Equity in (earnings) loss of PAL	(2,561)	960	—	—	—
EBITDA excluding PAL	34,949	(27,842)	74,360	54,375	(10,742)
Recovery of non-income taxes, net ⁽²⁾	—	—	(9,717)	815	—
Gain on sale of investment in unconsolidated affiliate ⁽³⁾	—	(2,284)	—	—	—
Impairment of investment in unconsolidated affiliate ⁽³⁾	—	45,194	—	—	—
Severance ⁽⁴⁾	1,351	1,485	—	—	—
Adjusted EBITDA	\$ 36,300	\$ 16,553	\$ 64,643	\$ 55,190	\$ (10,742)

(1) Within this reconciliation, depreciation and amortization expense excludes the amortization of debt issuance costs, which are reflected in interest expense, net. Within the accompanying condensed consolidated statements of cash flows, amortization of debt issuance costs is reflected in depreciation and amortization expense.

(2) For fiscal 2021, UNIFI recorded a recovery of non-income taxes of \$9,717 related to favorable litigation results for its Brazilian operations, generating overpayments that resulted from excess social program taxes paid in prior fiscal years. For fiscal 2022, UNIFI reduced the estimated benefit based on additional clarity and review of the recovery process during the months following the decision.

(3) For fiscal 2020, UNIFI recorded an impairment charge of \$45,194 relating to the April 29, 2020 sale of its 34% interest in PAL. UNIFI's 34% share of PAL's loss subsequent to the date of the impairment charge (March 29, 2020) and through the date of transaction closing (April 29, 2020) was \$2,284 and generated a gain on sale.

(4) For fiscal 2020, UNIFI incurred certain severance costs in connection with (i) overall cost reduction efforts in the U.S. and (ii) a wind-down plan for its operations in Sri Lanka. For fiscal 2019, UNIFI incurred certain severance costs in connection with overall cost reduction efforts in the U.S.

ADJUSTED WORKING CAPITAL

(dollars in thousands)

	June 2019	June 2020	June 2021	June 2022	December 2022
Cash and cash equivalents	\$ 22,228	\$ 75,267	\$ 78,253	\$ 53,290	\$ 50,781
Receivables, net	88,884	53,726	94,837	106,565	64,980
Inventories	133,781	109,704	141,221	173,295	147,253
Income taxes receivable	4,373	4,033	2,392	160	1,938
Other current assets	16,356	11,763	12,364	18,956	13,203
Accounts payable	(41,796)	(25,610)	(54,259)	(73,544)	(33,784)
Other current liabilities	(16,849)	(13,689)	(31,638)	(19,806)	(11,345)
Income taxes payable	(569)	(349)	(1,625)	(1,526)	(587)
Current operating lease liabilities	—	(1,783)	(1,856)	(2,190)	(2,002)
Current portion of long-term debt	(15,519)	(13,563)	(16,045)	(11,726)	(11,092)
Working capital	\$ 190,889	\$ 199,499	\$ 223,644	\$ 243,474	\$ 219,345
Less: Cash and cash equivalents	(22,228)	(75,267)	(78,253)	(53,290)	(50,781)
Less: Income taxes receivable	(4,373)	(4,033)	(2,392)	(160)	(1,938)
Less: Income taxes payable	569	349	1,625	1,526	587
Less: Current operating lease liabilities	—	1,783	1,856	2,190	2,002
Less: Current portion of long-term debt	15,519	13,563	16,045	11,726	11,092
Adjusted Working Capital	\$ 180,376	\$ 135,894	\$ 162,525	\$ 205,466	\$ 180,307

NET DEBT

(dollars in thousands)

	June 2019	June 2020	June 2021	June 2022	December 2022
Long-term debt	\$ 111,541	\$ 84,607	\$ 70,336	\$ 102,309	\$ 118,980
Current portion of long-term debt	15,519	13,563	16,045	11,726	11,092
Unamortized debt issuance costs	958	711	476	255	319
Debt principal	128,018	98,881	86,857	114,290	130,391
Less: cash and cash equivalents	22,228	75,267	78,253	53,290	50,781
Net Debt	<u>\$ 105,790</u>	<u>\$ 23,614</u>	<u>\$ 8,604</u>	<u>\$ 61,000</u>	<u>\$ 79,610</u>