

**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 21, 2024

UNIFI, INC.

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction
of incorporation)

1-10542
(Commission File Number)

11-2165495
(IRS Employer
Identification No.)

7201 West Friendly Avenue
Greensboro, North Carolina
(Address of principal executive offices)

27410
(Zip Code)

Registrant's telephone number, including area code: **(336) 294-4410**

Not Applicable

(Former name or former address, if changed since last report)

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 \$0.10 per share	UFI	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 21, 2024, the Company issued a press release announcing its operating results for the fiscal fourth quarter and fiscal year ended June 30, 2024, a copy of which is attached hereto as Exhibit 99.1.

Item 7.01. Regulation FD Disclosure.

On August 22, 2024, the Company will host a conference call to discuss its operating results for the fiscal fourth quarter and fiscal year ended June 30, 2024. A copy of the materials prepared for use by management during this conference call is attached hereto as Exhibit 99.2.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit No.	Description
99.1	Press Release of Unifi, Inc., dated August 21, 2024.
99.2	Earnings Call Presentation Materials.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

The information in this Current Report on Form 8-K, including the exhibits attached hereto, is being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

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.

UNIFI, INC.

Date: August 21, 2024

By: /s/ ANDREW J. EAKER
Andrew J. Eaker
Executive Vice President & Chief Financial Officer
Treasurer



UNIFI®, Makers of REPREVE®, Announces Fourth Quarter and Fiscal 2024 Results

Sales and profitability trends accelerated momentum through the second half of the fiscal year, as customer engagement and innovation focus has prepared Company to pivot to growth moving forward

Outlook for fiscal 2025 includes double-digit revenue growth and significantly enhanced margins and profitability

GREENSBORO, N.C., August 21, 2024 – Unifi, Inc. (NYSE: UFI) (together with its consolidated subsidiaries, “UNIFI”), leading innovator in recycled and synthetic yarn, today released operating results for the fourth fiscal quarter and fiscal year ended June 30, 2024.

Fourth Quarter Fiscal 2024 Overview

- Net sales were \$157.5 million, an increase of 6% from the third quarter of fiscal 2024, primarily driven by higher sales volumes.
- Revenues from REPREVE Fiber products were \$53.6 million and represented 34% of net sales, compared to \$46.8 million or 31% of net sales for the previous quarter.
- Gross profit was \$10.8 million and gross margin was 6.9%, representing a sequential-quarter improvement for all three reporting segments.
- Net loss was \$4.0 million, or \$0.22 per share, compared to a net loss of \$10.3 million, or \$0.57 per share, for the previous quarter.
- Adjusted EBITDA* was \$5.9 million, compared to (\$0.8) million for the previous quarter; and Adjusted Net Loss* was \$4.0 million, compared to \$10.3 million.
- Subsequent to quarter end, the Company launched two new innovative REPREVE® Fiber products that will help support future growth.

Eddie Ingle, Chief Executive Officer of Unifi, Inc., stated, “We are pleased to close our fiscal 2024 with growing momentum and believe the proactive, strategic initiatives we took throughout the year have positioned UNIFI to pivot to growth and stronger profitability as we move forward. Our financial performance over the last few quarters has shown consistent top-line growth, and we reported our third consecutive quarter of gross profit improvement. To maintain this progress, we have been reinvesting our cost savings and increased profits into areas of our business that we believe will drive additional revenue and margin-enhancing opportunities over the long-term. Some of these reinvestment efforts have already begun to take shape, evident by our recent innovation announcements, including our new ThermoLoop™ Insulation solution and the broadening of our Textile Takeback program across



filament and staple fiber. We are excited about the global opportunities that lie ahead of us, and we believe that we remain on the right path toward increasing shareholder value.”

Fourth Quarter Fiscal 2024 Compared to Fourth Quarter Fiscal 2023

Net sales increased to \$157.5 million from \$151.1 million, primarily due to higher sales volumes for each segment, partially offset by lower average selling prices associated with sales mix changes and lower raw material costs, particularly in the Americas Segment. Competitive market share gains helped secure additional sales volumes in both the Americas Segment and the Brazil Segment.

Gross profit increased to \$10.8 million from \$6.0 million. Brazil Segment gross profit improved by \$3.9 million, primarily due to pricing and market share gains. Asia Segment gross profit improved by \$1.0 million, primarily due to higher sales volumes.

Operating loss was \$0.8 million compared to \$13.7 million. The underlying improvement was primarily due to the increase in gross profit, while the prior year's operating loss included an \$8.2 million impairment charge for abandonment of specialized machinery constructed in the Americas. Net loss was \$4.0 million compared to \$15.3 million. Adjusted EPS* was (\$0.22) and Adjusted EBITDA* was \$5.9 million, compared to (\$0.39) and \$1.7 million, respectively.

Fiscal 2025 Outlook

First Quarter Fiscal 2025

UNIFI expects the following first quarter fiscal 2025 results:

- Net sales between \$147.0 million and \$153.0 million;
- Adjusted EBITDA** between \$1.0 million and \$3.0 million;
- Capital expenditures between \$3.0 million and \$4.0 million; and
- Continued volatility in the effective tax rate.

Full Year Fiscal 2025

UNIFI expects the following for fiscal 2025:

- Net sales to increase more than 10% over fiscal 2024, as underlying portfolio and REPREVE Fiber momentum continues while macroeconomic and inflationary uncertainties remain pronounced in the second half of calendar 2024.
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- Gross profit, gross margin, and Adjusted EBITDA** expected to increase significantly from fiscal 2024 to fiscal 2025, benefiting from higher sales volumes, initiatives from the previously announced Profitability Improvement Plan, and portfolio strength.
- Capital expenditures to range from \$10.0 million to \$12.0 million.

Ingle concluded, "As we look towards fiscal 2025 and beyond, our proactive innovation and cost initiatives we've taken over the last several quarters have positioned us to pivot to growth in both our REPREVE Fiber business and our beyond apparel initiatives. We continue to remain focused on diligently managing our balance sheet and operations to ensure that we are well-positioned to not only support our customers' needs with innovative products, but also deliver value for our stakeholders through improved financial performance."

* Adjusted EBITDA, Adjusted Net Loss, and Adjusted EPS are non-GAAP financial measures. The schedules included in this press release reconcile each non-GAAP financial measure to its most directly comparable GAAP financial measure.

** Guidance provided is a non-GAAP figure presented on an adjusted basis. For further details, see the non-GAAP financial measures information presented in the schedules included in this press release.

Fourth Quarter Fiscal 2024 Earnings Conference Call

UNIFI will provide additional commentary regarding its fourth quarter and fiscal 2024 results and other developments during its earnings conference call on August 22, 2024, at 9:00 a.m., Eastern Time. The call can be accessed via a live audio webcast on UNIFI's website at <http://investor.unifi.com>. Additional supporting materials and information related to the call will also be available on UNIFI's website.

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About UNIFI

UNIFI, Inc. (NYSE: UFI) is a global leader in fiber science and sustainable synthetic textiles. Using proprietary recycling technology, UNIFI is a pioneer in scaling the transformation of post-industrial and post-consumer waste into sustainable products. Through REPREVE, the world's leading brand of traceable, recycled fiber and resin, UNIFI is changing the way industries think about the materials they use – and reuse. A vertically-integrated manufacturer, the company has direct operations in the United States, Colombia, El Salvador, and Brazil, and sales offices all over the world. UNIFI envisions a future where circular and sustainable solutions are the only choice. For more information about UNIFI, visit www.unifi.com.



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Financial Statements, Business Segment Information and Reconciliations of Reported Results to Adjusted Results to Follow



CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share amounts)

	For the Three Months Ended		For the Fiscal Year Ended	
	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Net sales	\$ 157,452	\$ 151,058	\$ 582,209	\$ 623,527
Cost of sales	146,661	145,033	565,593	609,286
Gross profit	10,791	6,025	16,616	14,241
Selling, general and administrative expenses	11,243	11,761	46,632	47,345
Provision (benefit) for bad debts	312	(51)	1,571	(89)
Restructuring costs	—	—	5,101	—
Other operating expense, net	59	7,995	733	7,856
Operating loss	(823)	(13,680)	(37,421)	(40,871)
Interest income	(426)	(494)	(2,136)	(2,109)
Interest expense	2,357	2,368	9,862	7,577
Equity in loss (earnings) of unconsolidated affiliates	79	(357)	390	(896)
Loss before income taxes	(2,833)	(15,197)	(45,537)	(45,443)
Provision for income taxes	1,151	92	1,858	901
Net loss	\$ (3,984)	\$ (15,289)	\$ (47,395)	\$ (46,344)
Net loss per common share:				
Basic	\$ (0.22)	\$ (0.85)	\$ (2.61)	\$ (2.57)
Diluted	\$ (0.22)	\$ (0.85)	\$ (2.61)	\$ (2.57)
Weighted average common shares outstanding:				
Basic	18,252	18,061	18,154	18,037
Diluted	18,252	18,061	18,154	18,037



CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands)

	June 30, 2024	July 2, 2023
ASSETS		
Cash and cash equivalents	\$ 26,805	\$ 46,960
Receivables, net	79,165	83,725
Inventories	131,181	150,810
Income taxes receivable	164	238
Other current assets	11,618	12,327
Total current assets	248,933	294,060
Property, plant and equipment, net	193,723	218,521
Operating lease assets	8,245	7,791
Deferred income taxes	5,392	3,939
Other non-current assets	12,951	14,508
Total assets	\$ 469,244	\$ 538,819
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	\$ 43,622	\$ 44,455
Income taxes payable	754	789
Current operating lease liabilities	2,251	1,813
Current portion of long-term debt	12,277	12,006
Other current liabilities	17,662	12,932
Total current liabilities	76,566	71,995
Long-term debt	117,793	128,604
Non-current operating lease liabilities	6,124	6,146
Deferred income taxes	1,869	3,364
Other long-term liabilities	3,507	5,100
Total liabilities	205,859	215,209
Commitments and contingencies		
Common stock	1,825	1,808
Capital in excess of par value	70,952	68,901
Retained earnings	259,397	306,792
Accumulated other comprehensive loss	(68,789)	(53,891)
Total shareholders' equity	263,385	323,610
Total liabilities and shareholders' equity	\$ 469,244	\$ 538,819



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	For the Fiscal Year Ended	
	June 30, 2024	July 2, 2023
Cash and cash equivalents at beginning of year	\$ 46,960	\$ 53,290
<i>Operating activities:</i>		
Net loss	(47,395)	(46,344)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Equity in loss (earnings) of unconsolidated affiliates	390	(896)
Distribution received from unconsolidated affiliate	1,000	—
Depreciation and amortization expense	27,669	27,186
Non-cash compensation expense	2,074	2,805
Deferred income taxes	(3,543)	(2,788)
Impairment for asset abandonment	—	8,247
Recovery of taxes, net	—	(3,799)
Other, net	12	326
Changes in assets and liabilities	21,885	20,003
Net cash provided by operating activities	<u>2,092</u>	<u>4,740</u>
<i>Investing activities:</i>		
Capital expenditures	(11,189)	(36,434)
Other, net	519	209
Net cash used by investing activities	<u>(10,670)</u>	<u>(36,225)</u>
<i>Financing activities:</i>		
Proceeds from long-term debt	149,600	194,700
Payments on long-term debt	(160,201)	(174,623)
Proceeds from construction financing	—	6,533
Other, net	(6)	(672)
Net cash (used) provided by financing activities	<u>(10,607)</u>	<u>25,938</u>
Effect of exchange rate changes on cash and cash equivalents	(970)	(783)
Net decrease in cash and cash equivalents	<u>(20,155)</u>	<u>(6,330)</u>
Cash and cash equivalents at end of year	<u>\$ 26,805</u>	<u>\$ 46,960</u>



BUSINESS SEGMENT INFORMATION
(Unaudited)
(In thousands)

Net sales and gross profit details for each reportable segment of UNIFI are as follows:

	For the Three Months Ended		For the Fiscal Year Ended	
	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Americas	\$ 91,004	\$ 94,830	\$ 344,256	\$ 389,662
Brazil	32,240	27,116	117,783	119,062
Asia	34,208	29,112	120,170	114,803
Consolidated net sales	<u>\$ 157,452</u>	<u>\$ 151,058</u>	<u>\$ 582,209</u>	<u>\$ 623,527</u>

	For the Three Months Ended		For the Fiscal Year Ended	
	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Americas	\$ 2	\$ 136	\$ (17,630)	\$ (14,659)
Brazil	5,612	1,663	14,755	12,162
Asia	5,177	4,226	19,491	16,738
Consolidated gross profit	<u>\$ 10,791</u>	<u>\$ 6,025</u>	<u>\$ 16,616</u>	<u>\$ 14,241</u>

RECONCILIATIONS OF REPORTED RESULTS TO ADJUSTED RESULTS
(Unaudited)
(In thousands)

EBITDA and Adjusted EBITDA (Non-GAAP Financial Measures)

The reconciliations of the amounts reported under U.S. generally accepted accounting principles ("GAAP") for Net loss to EBITDA and Adjusted EBITDA are set forth below.

	For the Three Months Ended		For the Fiscal Year Ended	
	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Net loss	\$ (3,984)	\$ (15,289)	\$ (47,395)	\$ (46,344)
Interest expense, net	1,931	1,874	7,726	5,468
Provision for income taxes	1,151	92	1,858	901
Depreciation and amortization expense ⁽¹⁾	6,850	6,759	27,513	27,020
EBITDA	5,948	(6,564)	(10,298)	(12,955)
Loss on joint venture dissolution ⁽²⁾	—	—	2,750	—
Severance ⁽³⁾	—	—	2,351	—
Asset abandonment ⁽⁴⁾	—	8,247	—	8,247
Contract modification costs ⁽⁵⁾	—	—	—	623
Adjusted EBITDA	<u>\$ 5,948</u>	<u>\$ 1,683</u>	<u>\$ (5,197)</u>	<u>\$ (4,085)</u>

- (1) Within this reconciliation, depreciation and amortization expense excludes the amortization of debt issuance costs, which are reflected in interest expense, net. Within the condensed consolidated statements of cash flows, amortization of debt issuance costs is reflected in depreciation and amortization expense.
- (2) In the second quarter of fiscal 2024, UNIFI recorded a loss of \$2,750 related to the dissolution of a nylon joint venture.
- (3) In the second quarter of fiscal 2024, UNIFI incurred severance costs in connection with the Profitability Improvement Plan in the U.S.
- (4) In fiscal 2023, UNIFI abandoned certain specialized machinery in the Americas and recorded an impairment charge. The impairment charge was recorded to reflect the lack of future positive cash flows associated with the machinery, following multiple years of investment recovery since its fiscal 2017 installation.
- (5) In the third quarter of fiscal 2023, UNIFI amended certain existing contracts related to future purchases of texturing machinery by delaying the scheduled receipt and installation of such equipment in the U.S. and El Salvador for 18 months. UNIFI paid the associated vendor \$623 to facilitate the 18-month delay.



Adjusted Net Loss and Adjusted EPS (Non-GAAP Financial Measures)

The tables below set forth reconciliations of (i) loss before income taxes ("Pre-tax Loss"), provision for income taxes ("Tax Impact"), and net loss ("Net Loss") to Adjusted Net Loss and (ii) Diluted Earnings Per Share ("Diluted EPS") to Adjusted EPS. Rounding may impact certain of the below calculations.

	For the Three Months Ended June 30, 2024				For the Three Months Ended July 2, 2023			
	Pre-tax Loss	Tax Impact	Net Loss	Diluted EPS	Pre-tax Loss	Tax Impact	Net Loss	Diluted EPS
GAAP results	\$ (2,833)	\$ (1,151)	\$ (3,984)	\$ (0.22)	\$ (15,197)	\$ (92)	\$ (15,289)	\$ (0.85)
Asset abandonment ⁽¹⁾	—	—	—	—	8,247	—	8,247	0.46
Adjusted results	\$ (2,833)	\$ (1,151)	\$ (3,984)	\$ (0.22)	\$ (6,950)	\$ (92)	\$ (7,042)	\$ (0.39)
Weighted average common shares outstanding	18,252				18,061			

	For the Fiscal Year Ended June 30, 2024				For the Fiscal Year Ended July 2, 2023			
	Pre-tax Loss	Tax Impact	Net Loss	Diluted EPS	Pre-tax Loss	Tax Impact	Net Loss	Diluted EPS
GAAP results	\$ (45,537)	\$ (1,858)	\$ (47,395)	\$ (2.61)	\$ (45,443)	\$ (901)	\$ (46,344)	\$ (2.57)
Loss on joint venture dissolution ⁽²⁾	2,750	—	2,750	0.15	—	—	—	—
Severance ⁽³⁾	2,351	—	2,351	0.13	—	—	—	—
Asset abandonment ⁽¹⁾	—	—	—	—	8,247	—	8,247	0.46
Contract modification costs ⁽⁴⁾	—	—	—	—	623	—	623	0.03
Recovery of income taxes, net ⁽⁵⁾	—	—	—	—	—	(3,799)	(3,799)	(0.21)
Adjusted results	\$ (40,436)	\$ (1,858)	\$ (42,294)	\$ (2.33)	\$ (36,573)	\$ (4,700)	\$ (41,273)	\$ (2.29)
Weighted average common shares outstanding	18,154				18,037			

- In fiscal 2023, UNIFI abandoned certain specialized machinery in the Americas and recorded an impairment charge. The associated tax impact was estimated to be \$0 due to a valuation allowance against net operating losses in the U.S.
- In the second quarter of fiscal 2024, UNIFI recorded a loss of \$2,750 related to the dissolution of a nylon joint venture.
- In the second quarter of fiscal 2024, UNIFI incurred severance costs in connection with the Profitability Improvement Plan in the U.S.
- In the third quarter of fiscal 2023, UNIFI amended certain existing contracts related to future purchases of texturing machinery by delaying the scheduled receipt and installation of such equipment in the U.S. and El Salvador for 18 months. UNIFI paid the associated vendor \$623 to facilitate the 18-month delay. The associated tax impact was estimated to be \$0 due to (i) a valuation allowance against net operating losses in the U.S. and (ii) UNIFI's effective tax rate in El Salvador.
- 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.

Net Debt (Non-GAAP Financial Measure)

Reconciliations of Net Debt are as follows:

Cash and cash equivalents

	June 30, 2024	July 2, 2023
Long-term debt	\$ 117,793	\$ 128,604
Current portion of long-term debt	12,277	12,006
Unamortized debt issuance costs	229	289
Debt principal	130,299	140,899
Less: cash and cash equivalents	26,805	46,960
Net Debt	\$ 103,494	\$ 93,939

At June 30, 2024 and July 2, 2023, UNIFI's foreign operations held nearly all consolidated cash and cash equivalents.

REPVEVE Fiber

REPVEVE Fiber represents UNIFI's collection of fiber products on its recycled platform, with or without added technologies.



Non-GAAP Financial Measures

Certain non-GAAP financial measures included herein 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 (Loss) Income, Adjusted EPS, and Net Debt (together, the "non-GAAP financial measures").

- EBITDA represents Net (loss) income before net interest expense, income tax expense, and depreciation and amortization expense.
- Adjusted EBITDA represents EBITDA adjusted to exclude, from time to time, certain adjustments necessary to understand and compare the underlying results of UNIFI.
- Adjusted Net (Loss) Income represents Net (loss) income calculated under GAAP adjusted to exclude certain amounts. Management believes the excluded amounts do not reflect the ongoing operations and performance of UNIFI and/or exclusion may be necessary to understand and compare the underlying results of UNIFI.
- Adjusted EPS represents Adjusted Net (Loss) Income divided by UNIFI's weighted average common shares outstanding.
- Net Debt represents debt principal less cash and cash equivalents.

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. We may, from time to time, modify the amounts used to determine our non-GAAP financial measures.

We believe that these non-GAAP financial measures better reflect UNIFI'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.

This press release also includes certain forward-looking information that is not presented in accordance with GAAP. Management believes that a quantitative reconciliation of such forward-looking information to the most directly comparable financial measure calculated and presented in accordance with GAAP cannot be made available without unreasonable efforts because a reconciliation of these non-GAAP financial measures would require UNIFI to predict the timing and likelihood of potential future events such as restructurings, M&A activity, contract modifications, and other infrequent or unusual gains and losses. Neither the timing nor likelihood of these events, nor their probable significance, can be quantified with a reasonable degree of accuracy. Accordingly, a reconciliation of such forward-looking information to the most directly comparable GAAP financial measure is not provided.

Management uses Adjusted EBITDA (i) as a measurement of operating performance because it assists us in comparing our operating performance on a consistent basis, as it removes the impact of (a) items directly related to our asset base (primarily depreciation and amortization) and (b) items that we would not expect to occur as a part of our normal business on a regular basis; (ii) for planning purposes, including the preparation of our annual operating budget; (iii) as a valuation measure for evaluating our operating performance and our capacity to incur and service debt, fund capital expenditures, and expand our business; and (iv) as one measure in determining the value of other acquisitions and dispositions. Adjusted EBITDA is a key performance metric utilized in the determination of variable compensation. We also believe Adjusted EBITDA is an appropriate supplemental measure of debt service capacity, because it serves as a high-level proxy for cash generated from operations.

Management uses Adjusted Net (Loss) Income and Adjusted EPS (i) as measurements of net operating performance because they assist us in comparing such performance on a consistent basis, as they remove the impact of (a) items that we would not expect to occur as a part of our normal business on a regular basis and (b) components of the provision for income taxes that we would not expect to occur as a part of our underlying taxable operations; (ii) for planning purposes, including the preparation of our annual operating budget; and (iii) as measures in determining the value of other acquisitions and dispositions.

Management uses Net Debt as a liquidity and leverage metric to determine how much debt would remain if all cash and cash equivalents were used to pay down debt principal.

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 investors 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. Investors should compensate for these limitations by relying primarily on our GAAP results and using these measures only as supplemental information.



Cautionary Statement on 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 UNIFI 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 UNIFI competes, including economic and political factors over which UNIFI has no control; changes in consumer spending, customer preferences, fashion trends, and end-uses for UNIFI's products; the financial condition of UNIFI'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, but not limited to, epidemics or pandemics; the success of UNIFI's strategic business initiatives; the volatility of financial and credit markets, including the impacts of counterparty risk (e.g., deposit concentration and recent depositor sentiment and activity); 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 UNIFI. 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 UNIFI'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 UNIFI with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

-end-



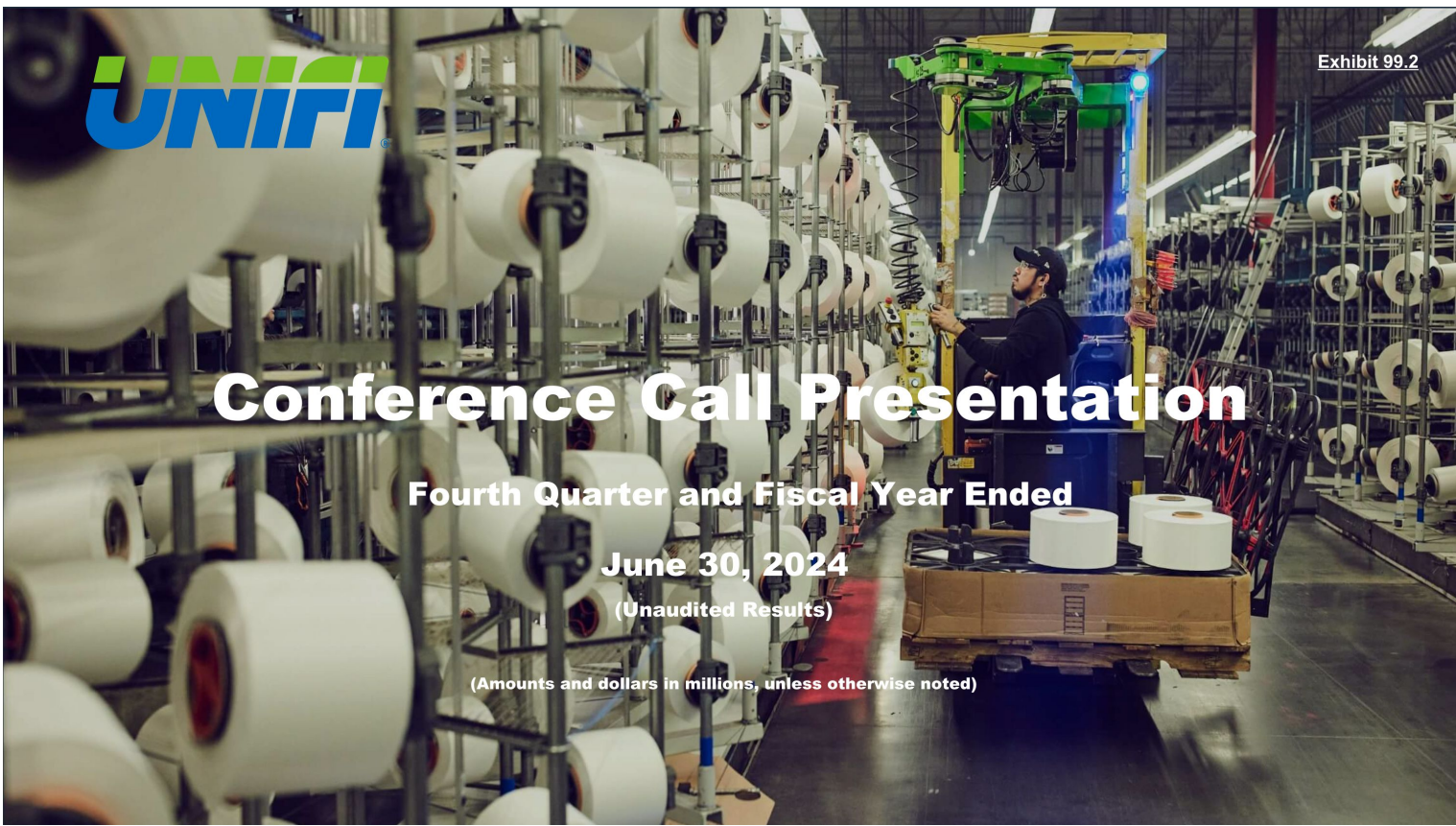
Conference Call Presentation

Fourth Quarter and Fiscal Year Ended

June 30, 2024

(Unaudited Results)

(Amounts and dollars in millions, unless otherwise noted)



Cautionary Statements



Forward-Looking Statements

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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 (Loss) 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.

Today's Speakers



Al Carey

Executive Chairman



Eddie Ingle

CEO and Director



A.J. Eaker

EVP, CFO, and Treasurer

Q4 Fiscal 2024 Overview



(compared to Q3 Fiscal 2024)

1. **Sequential performance improvement across all three segments**
2. **Business poised to return to growth in fiscal 2025 and beyond**
3. **Benefits of Profitability Improvement Plan to continue materializing through calendar 2024**

Consolidated Revenue

\$157.5M

(+5.7%)

Adjusted EPS¹

(\$0.22)

(+61.3%)

Adjusted EBITDA¹

\$5.9M

(+100.0%)

REPREVE[®] Fiber % of Sales

34%

(+300 bps)



Note: REPREVE Fiber represents UNIFI's collection of fiber products on its recycled platform, with or without added technologies.

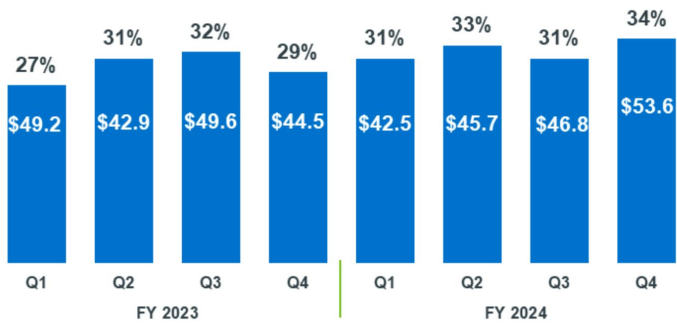
¹ Adjusted EPS and Adjusted EBITDA are non-GAAP financial measures described on Slide 2 and reconciled within the Earnings Release dated August 21, 2024.

REPREVE® Fiber Sales

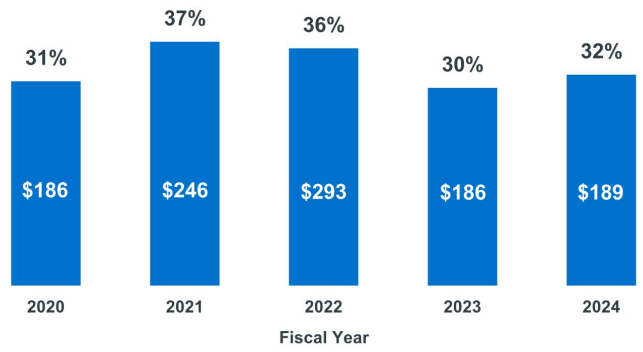


As a % of Net Sales

Quarterly



Annual



Note: REPREVE Fiber represents UNIFI's collection of fiber products on its recycled platform, with or without added technologies.

REPREVE® Powered by Textile Takeback™

REPREVE powered by Textile Takeback is the premiere, globally available, commercial-scale product platform leveraging textile waste into the most critical filament, fiber, and insulation products.

We are pleased to introduce our **new, white** offering in filament.

Revenue and volume benefits for the new filament yarn are expected to begin materializing in the second half of fiscal 2025.



Features & Benefits

- ThermaLoop down-like fiber and fiberball are made with 100%* recycled materials, including at least 50% fabric waste.
- ThermaLoop padding is made with 100%* recycled materials, including at least 50% fabric waste (exclusive of REPREVE® low melt polymer).
 - 100% recycled padding made possible with the new, REPREVE low melt fiber.
- Revenue benefits from ThermaLoop™ are expected to begin materializing fiscal 2026.



*100% recycled materials refers to the base polymer utilized but does not include additives and/or colorants.

Consolidated Highlights



	Q4 FY24	Q3 FY24	QoQ Change	Q4 FY23	YoY Change
Net Sales	\$157.5	\$149.0	5.7%	\$151.1	4.2%
Gross Profit	\$10.8	\$4.8	126.5%	\$6.0	79.1%
Gross Margin	6.9%	3.2%	370 bps	4.0%	290 bps

Highlights/Drivers

- Net sales and gross profit increased due to beneficial pricing actions, continued market share gains, and demand normalization, in conjunction with improvements from the Profitability Improvement Plan continuing to materialize.

Note: Q4 FY24 ended on June 30, 2024; Q3 FY24 ended on March 31, 2024; Q4 FY23 ended on July 2, 2023; and each contained 13 weeks.

Americas Highlights



	Q4 FY24	Q3 FY24	QoQ Change	Q4 FY23	YoY Change
Net Sales	\$91.0	\$91.1	(0.1)%	\$94.8	(4.0)%
Gross Profit (Loss)	\$0.0	(\$3.5)	100.1%	\$0.1	(98.5)%
Gross Margin	0.0%	(3.9)%	390 bps	0.1%	(100) bps

Highlights/Drivers

- Net sales were sequentially flat while gross profit increased, primarily due to improved productivity following holiday impacts on Q3 FY24.

Note: Q4 FY24 ended on June 30, 2024; Q3 FY24 ended on March 31, 2024; Q4 FY23 ended on July 2, 2023; and each contained 13 weeks.

Brazil Highlights



	Q4 FY24	Q3 FY24	QoQ Change	Q4 FY23	YoY Change
Net Sales	\$32.2	\$29.6	9.0%	\$27.1	18.9%
Gross Profit	\$5.6	\$3.8	46.3%	\$1.7	237.5%
Gross Margin	17.4%	13.0%	440 bps	6.1%	1,130 bps

Highlights/Drivers

- Net sales and gross profit increased sequentially and seasonally, primarily due to market share gains together with favorable pricing and cost dynamics.

Note: Q4 FY24 ended on June 30, 2024; Q3 FY24 ended on March 31, 2024; Q4 FY23 ended on July 2, 2023; and each contained 13 weeks.

Asia Highlights



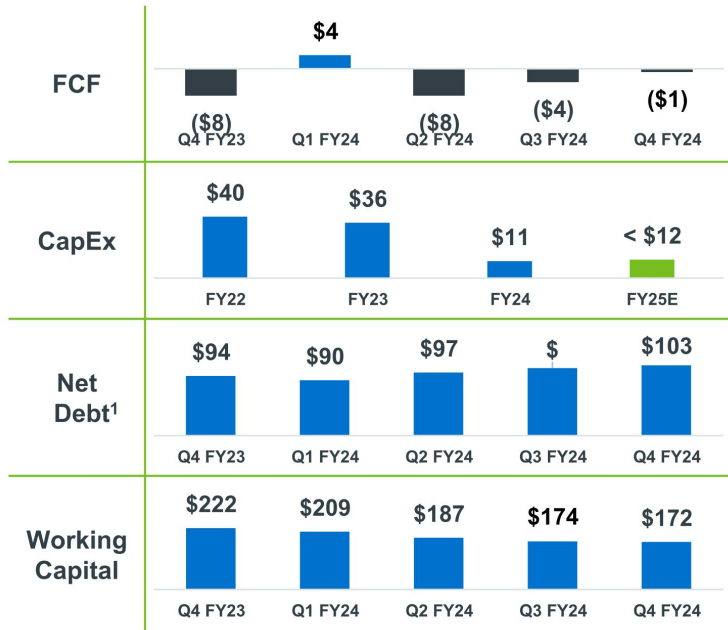
	Q4 FY24	Q3 FY24	QoQ Change	Q4 FY23	YoY Change
Net Sales	\$34.2	\$28.3	20.9%	\$29.1	17.5%
Gross Profit	\$5.2	\$4.4	16.6%	\$4.2	22.5%
Gross Margin	15.1%	15.7%	(60) bps	14.5%	60 bps

Highlights/Drivers

- Net sales and gross profit increased sequentially and seasonally, primarily due to higher sales volumes.

Note: Q4 FY24 ended on June 30, 2024; Q3 FY24 ended on March 31, 2024; Q4 FY23 ended on July 2, 2023; and each contained 13 weeks.

Balance Sheet



Cost control and working capital measures drive improvement in free cash flows.



¹ Net Debt is a non-GAAP financial measure described on Slide 2 and reconciled within the Earnings Release dated August 21, 2024.

Q1 2025 Financial Outlook



Continued Focused on Long-Term Growth

	Q1 FY24 Results	Q1 FY25 Outlook
Net Sales	\$138.8	\$147.0 to \$153.0
Adjusted EBITDA ¹	(\$4.8)	\$1.0 to \$3.0
Effective Tax Rate	3.4%	Continued Volatility
Capital Expenditures	\$2.9	\$3.0 to \$4.0

¹ Adjusted EBITDA is a non-GAAP financial measure described on Slide 2 and reconciled within the Earnings Release dated August 21, 2024.



Well Positioned to Realize Profitable Growth Opportunities in Fiscal 2025

- Net sales expected to increase more than 10% over fiscal 2024, as underlying portfolio and REPRESVE® Fiber momentum continues while macroeconomic and inflationary uncertainties remain pronounced in the second half of the year.
- Gross profit, gross margin, and Adjusted EBITDA¹ expected to increase significantly from fiscal 2024 to fiscal 2025, benefiting from higher sales volumes, a leaner cost structure, and portfolio strength.
- Capital expenditures expected to range from \$10.0 million to \$12.0 million.

1. Adjusted EBITDA is a non-GAAP financial measure described on Slide 2 and reconciled within the Earnings Release dated August 21, 2024.



Prepared to Pivot to Growth

1. Transforming the sales process, including pricing, to streamline operational efficiencies and drive margin improvement.
2. Scrutinizing working capital to reduce interest expense and improve cash flows.
3. Leveraging the realignment of resources and key talent across the organization to drive growth and innovation.
4. Increasing customer engagement in all business segments to grow our global market share of the demand for sustainable inputs.
5. Pursuing new yarn sales opportunities to grow the REPREEVE Fiber business, expand our value-added innovative product offerings, and build on our Beyond Apparel initiatives.



**Contact Investor
Relations:**

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