

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): February 16, 2022

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

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 7.01. Regulation FD Disclosure.

Unifi, Inc. (the "Company") issued a press release announcing an Investor Day event on February 16, 2022, a copy of which is attached hereto as Exhibit 99.1. Members of the Company's senior management team responsible for commercialization, technology, innovation, and sustainability will join Albert P. Carey, Executive Chairman; Edmund M. Ingle, Chief Executive Officer; and Craig A. Creaturo, Executive Vice President & Chief Financial Officer, to provide an overview of the Company. The program will focus on the Company's long-term strategic plan and will include discussions of the Company's commercial capabilities, operations, financials, and growth strategy. A live audio webcast and replay of the program will be available on the "Investor Relations" section of the Company's website at www.unifi.com. A copy of the materials prepared for use by management is attached hereto as Exhibit 99.2 and will also be available on the "Investor Relations" section of the Company's website at www.unifi.com.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release of Unifi, Inc., dated February 16, 2022.
99.2	Investor Day 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: February 16, 2022

By: /s/ CRAIG A. CREATURO

Craig A. Creaturo
Executive Vice President & Chief Financial Officer

UNIFI, Inc., Makers of REPREVE®, Hosts Investor Event Today

Leadership team will outline plan to reach \$1.1 billion of revenue in fiscal 2025 and set long-term margin targets

Greensboro, North Carolina -- Unifi, Inc., (NYSE: UFI), makers of REPREVE® and one of the world's leading innovators in recycled and synthetic yarns, is hosting an investor event today to provide long-term revenue and margin targets and outline strategic plans for growing market share, expanding the REPREVE brand and further developing the Company's existing innovative and sustainable portfolio.

Investor Day Presentation Highlights

- Fiscal 2022 revenues are expected to surpass \$800 million, and the Company has set a goal of achieving \$1.1 billion or more of revenues in fiscal 2025.
- Strategic execution is expected to generate gross margin of 14% to 15% and Adjusted EBITDA of \$110 million or more in fiscal 2025.
- REPREVE Fiber products comprised 37% of consolidated revenues in fiscal 2021, and management expects to achieve a 50% or more composition by fiscal 2025.
- Management will discuss: the initial, positive results from the installation of eAFK EvoCooler texturing machinery in its U.S. manufacturing facilities, the installation expansion that will cover the remaining Americas facilities in El Salvador and Brazil, and the increase of machines to be installed in the U.S.
- The Company has set a goal of transforming a total of 50 billion plastic bottles by December 2025 after recently surpassing 30 billion plastic bottles transformed.
- Representatives from WM (formerly Waste Management), L2 Brands and Haggard will discuss the benefits of utilizing the REPREVE brand, process and products.

Eddie Ingle, Chief Executive Officer of Unifi, commented, "As we celebrate 50 years of resilience and dedicated service to our customers, we are also marking our transformation for the future and outlining plans to achieve some significant financial milestones. We look forward to generating further long-term value and engaging with shareholders throughout this event."

Financial Targets

2025 Revenue \$1.1 billion or more

2025 Gross Margin 14% to 15%

2025 Adjusted EBITDA \$110 million or more

A **webcast** of the event and the associated materials will be available on the Investor Relations section of the Company's website and will be accessible for approximately 90 days.

About Unifi

Unifi, Inc. (NYSE: UFI) is a global textile solutions provider and one of the world's leading innovators in manufacturing synthetic and recycled performance fibers. Through REPREVE®, one of Unifi's proprietary technologies and the global leader in branded recycled performance fibers, Unifi has transformed more than 30 billion plastic bottles into recycled fiber for new apparel, footwear, home goods and other consumer products. Unifi continually innovates technologies to meet consumer needs in moisture management, thermal regulation, antimicrobial protection, UV protection, stretch, water resistance and enhanced softness. Unifi collaborates with many of the world's most influential brands in the sports apparel, fashion, home, automotive and other industries. For more information about Unifi, visit www.Unifi.com.

Contact

Alpha IR Group
Davis Snyder
312-445-2870
UFI@alpha-ir.com



INVESTOR DAY 2022



February 16, 2022

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 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").

- EBITDA represents Net income before net interest expense, income tax expense, and depreciation and amortization expense.
- Adjusted EBITDA represents EBITDA adjusted to exclude (any) equity in loss of Parkdale America, LLC ("PAL") and, from time to time, certain other adjustments necessary to understand and compare the underlying results of the Company.
- Adjusted Net Income represents net income calculated under GAAP, adjusted to exclude certain amounts which management believes do not reflect the ongoing operations and performance of UNIFI and/or for which exclusion may be necessary to understand and compare the underlying results of UNIFI.
- Adjusted EPS represents Adjusted Net Income divided by UNIFI's diluted weighted average common shares outstanding.
- Adjusted Working Capital represents receivables plus inventory and other current assets, less accounts payable and accrued expenses, which is an indicator of the Company's production efficiency and ability to manage its inventory and receivables.
- 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. 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.

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. Equity in loss of PAL is excluded from Adjusted EBITDA because such results do not reflect our operating performance.

Management uses Adjusted Working Capital as an indicator of the Company's production efficiency and ability to manage inventory and receivables. Adjusted Working Capital is a metric used in the determination of variable compensation. 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. Management uses Adjusted Net 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.

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.

Agenda

1

WELCOME AND OVERVIEW

A.J. Eaker

5

BRAND TESTIMONIALS

Jay Hertwig

2

STRATEGY & INNOVATION

Al Carey and Eddie Ingle

6

SUSTAINABILITY

Meredith Boyd

3

FISCAL 2025 GOALS

Craig Creaturo

7

Q&A

Management Team

4

TOUR / WEBCAST BREAK

8

CLOSE

Eddie Ingle

Vice President of Finance

A.J. EAKER

Today's wardrobe includes the following
REPREVE®-based items:

- Jos. A. Bank® 1905 Collection Tailored Fit Spread Collar Plaid REPVEVE Dress Shirt
- Flag LTD. Men's Shelby Plain Toe Knit Hybrid Casual Shoes



Overview

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



Global Employees:
~2,900



Headquarters:
Greensboro, NC

NYSE:
UFI

Index Memberships:
S&P 600
Russell 2000

Fiscal Year:
Sunday nearest
June 30

Market Cap:
Approx.
\$400 million

Since:
1971

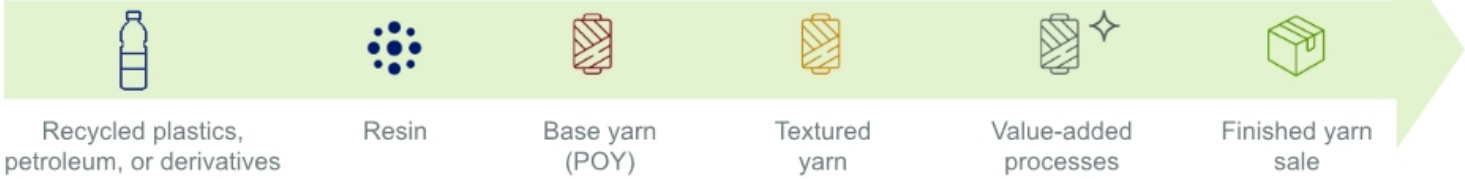
Sales:
FY22 Estimate
\$800 million



Product Flow

Material Inputs

Finished Good



North Carolina, USA Asset Driven

Asia Asset Light

Alfenas, Brazil Asset Driven

El Salvador, Central America Asset Driven



REPREVE® Process



RECYCLED BOTTLES

Post-consumer bottles are recycled



RECYCLED FLAKE

Bottles are washed and chopped into flake



REPREVE RESIN

Bottle flake is melted and formed into resin



REPREVE RECYCLED FIBER

Resin is melted and made into yarn

REPREEVE Fiber

STAPLE



Insulation



Bedding



Padding

FILAMENT



Footwear



Automotive



Apparel /
Accessories

Agenda

1

WELCOME AND OVERVIEW
A.J. Eaker

5

BRAND TESTIMONIALS
Jay Hertwig

2

STRATEGY & INNOVATION
Al Carey and Eddie Ingle

6

SUSTAINABILITY
Meredith Boyd

3

FISCAL 2025 GOALS
Craig Creaturo

7

Q&A
Management Team

4

TOUR / WEBCAST BREAK

8

CLOSE
Eddie Ingle



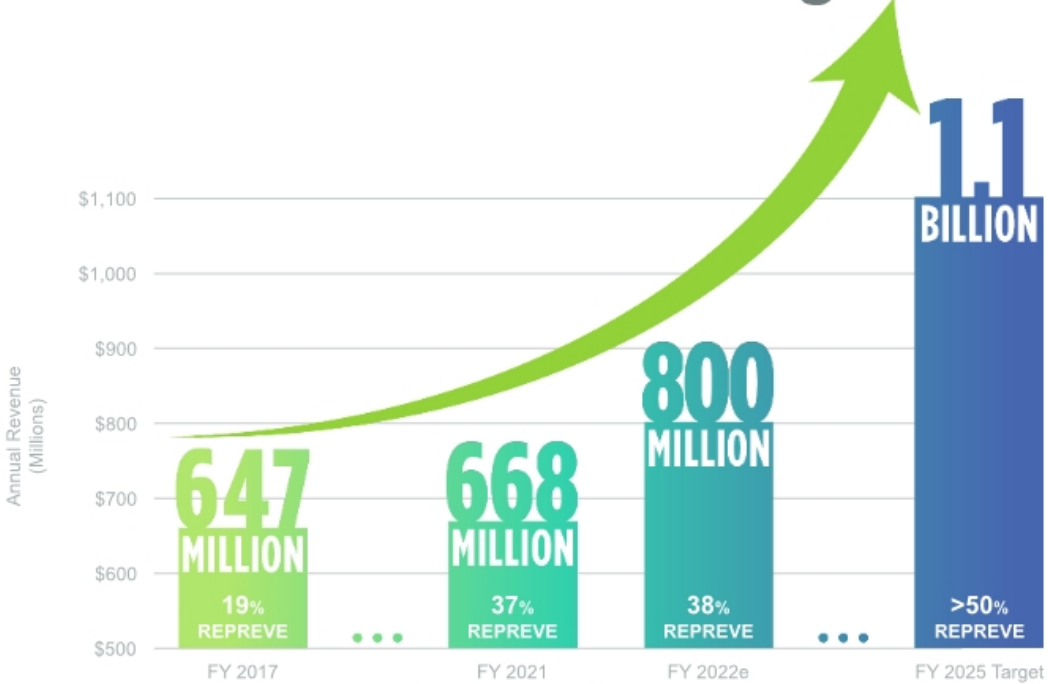
Executive Chairman

AL CAREY

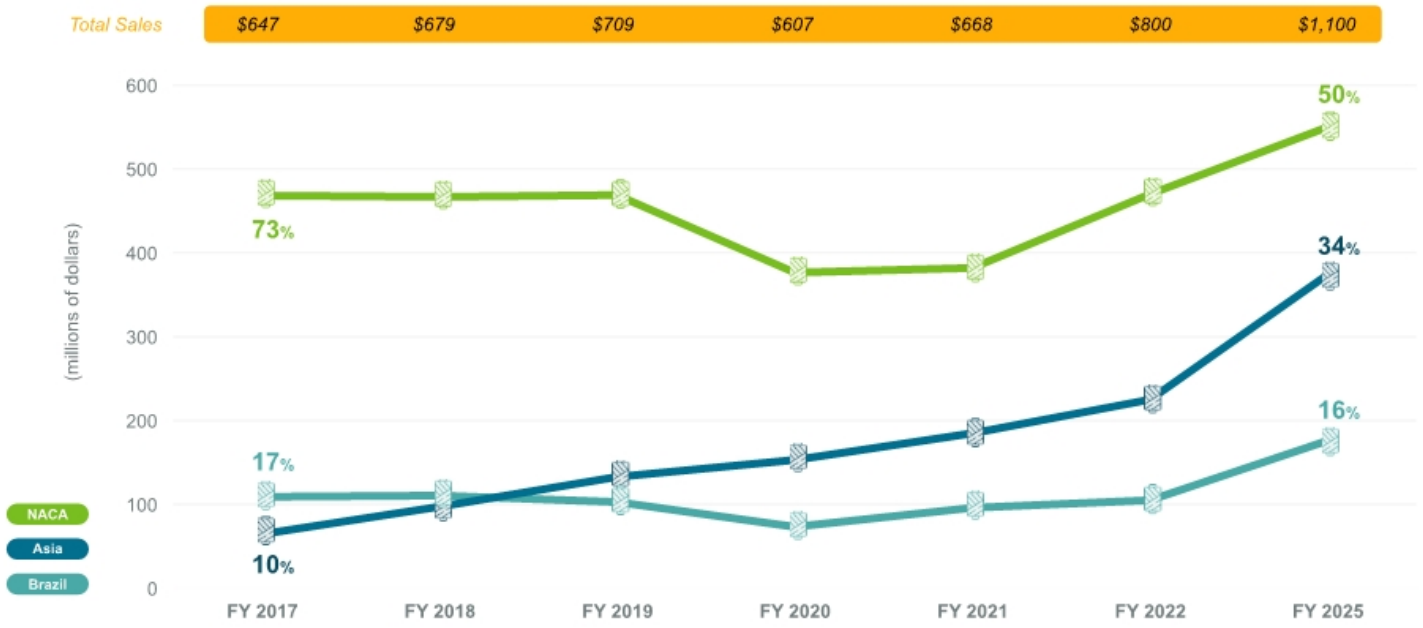
Today's wardrobe includes the following REPREVE-based items:

- Haggard® Smart Wash™ REPREVE suit
- Flag LTD. Men's Boardwalk Plain Toe Lace-Up Knit Sneakers

2025 Revenue Target

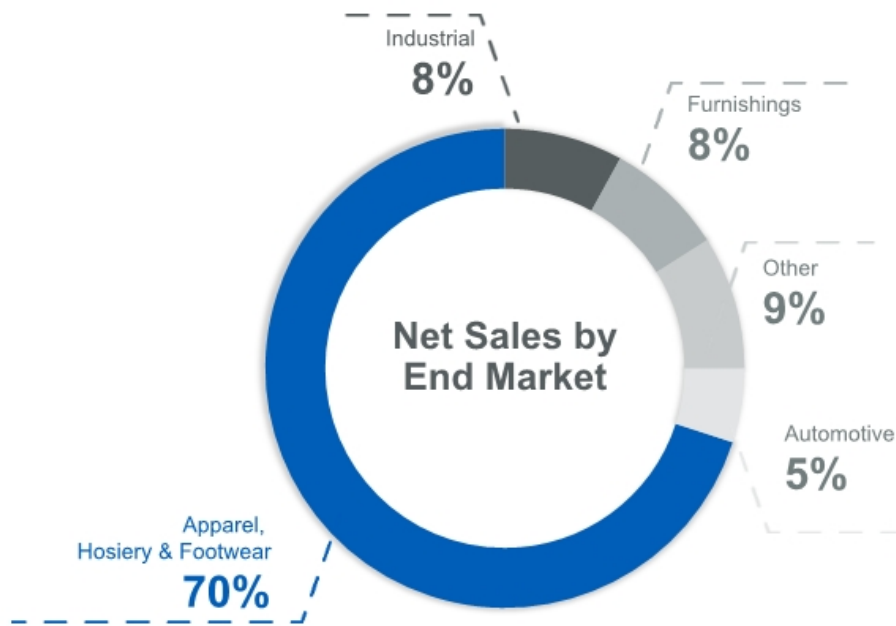


Geographic Sales



* This data omits All Other category revenue. FY2017 through FY2021 amounts are as reported, FY 2022 and FY 2025 amounts are estimated. Percentages listed are for total sales for that fiscal year. NACA = North America and Central America.

Non-Apparel REPREVE Sales Offer Margin Upside



14 Revenue data is presented for fiscal 2021, for which consolidated net sales was \$668 million.



Innovation Provides Competitive Advantage



TruTemp³⁶⁵®



eAFK EvoCooler



Circularity

Agenda

1

WELCOME AND OVERVIEW

A.J. Eaker

2

STRATEGY & INNOVATION

Al Carey and Eddie Ingle

3

FISCAL 2025 GOALS

Craig Creaturo

4

TOUR / WEBCAST BREAK

5

BRAND TESTIMONIALS

Jay Hertwig

6

SUSTAINABILITY

Meredith Boyd

7

Q&A

Management Team

8

CLOSE

Eddie Ingle

Chief Executive Officer

EDDIE INGLE

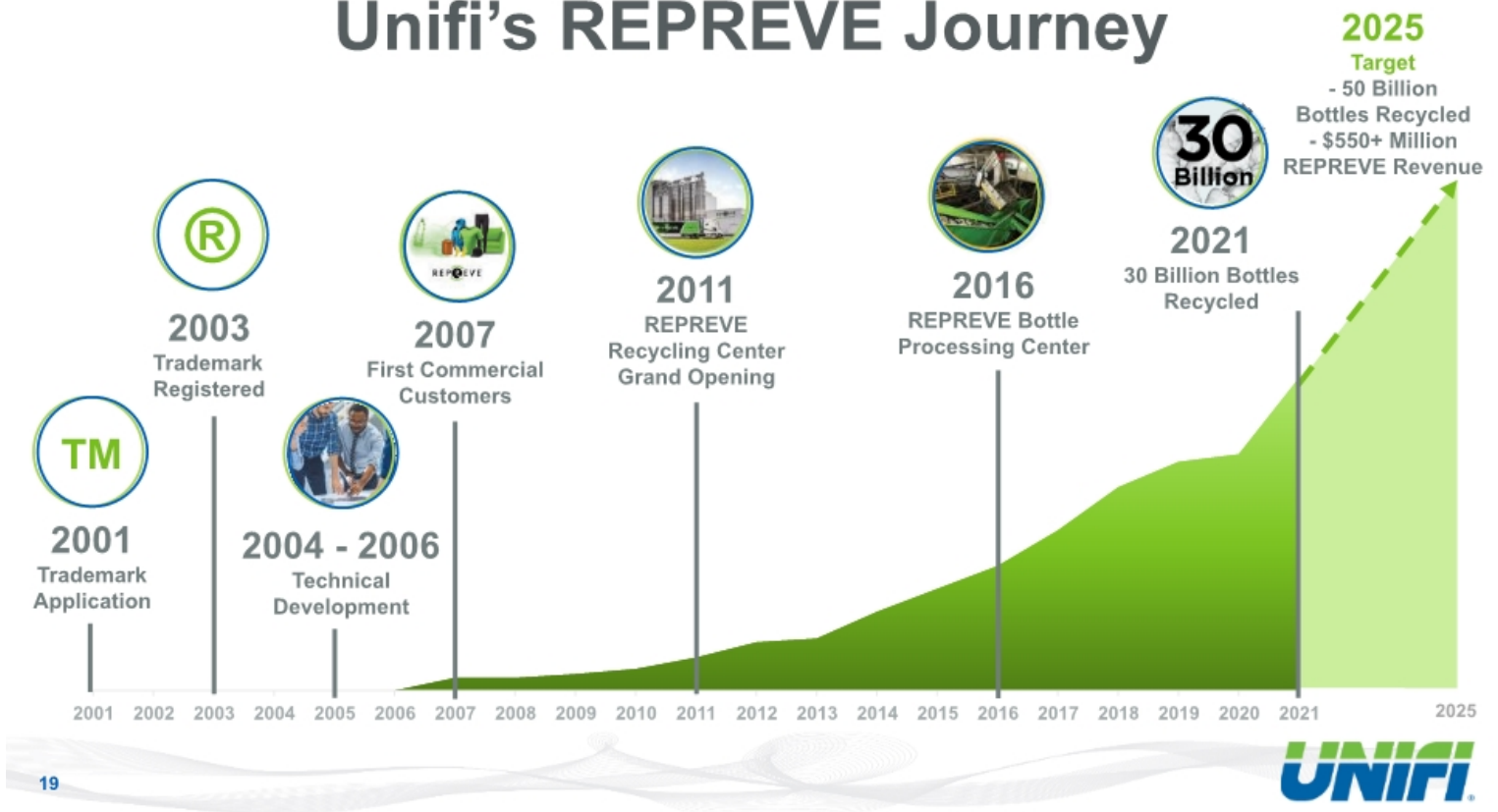


Today's wardrobe includes the following REPREVE-based items:

- Haggag Smart Wash REPREVE suit
- Smarterwear REPREVE Shirt by Burlington
- Converse® Shoes with REPREVE fabric uppers
- KIRKLAND™ Signature wool + REPREVE nylon blend socks
- Arcade REPREVE nylon belt



Unifi's REPREVE Journey



REPREVE: Positive Impact on Future Growth and Profitability

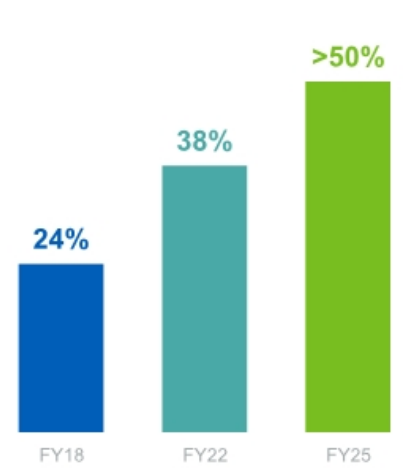
REPREVE Fiber Revenue (\$M)



Current Recycled Gross Margins

Recycled products currently have higher gross margins than virgin products; often 200 to 300 more basis points¹

REPREVE Fiber as a % of Total Revenue



Over 80% of total revenue growth between FY22 and FY25 will be REPREVE fiber

* FY18 amounts are as reported; FY22 and FY25 amounts are estimated.

¹On average, excluding Brazil segment, which produces limited volume of recycled products.

Continued Sales Growth for REPREVE



TARGET

100%

RECYCLED POLYESTER
BY 2025



50%

RECYCLED POLYESTER & NYLON
BY 2025



HANES
Brands Inc

100%

RECYCLED POLYESTER
BY 2025



Walmart

50%

RECYCLED POLYESTER
BY 2025



GAP

60%

RECYCLED POLYESTER
BY 2025



**RALPH
LAUREN**

100%

KEY MATERIALS
175 Million Recycled Bottles by 2025



100%

RECYCLED POLYESTER
BY 2024



KOHL'S

50%

RECYCLED POLYESTER BY 2025

21 Percentages represent declared sustainability goals from each brand.



Maintaining Sustainable Competitive Advantage

“ Any claim of apparel being recycled needs to be transparent, so we can't be greenwashed. ”

EVP, National Retail Chain



FiberPrint®

Tracer Technology

U | TRUST
VERIFICATION PROGRAM

Supply Chain Transparency

Summary of Strategies Designed to Grow Revenue and EBITDA

1

Grow market share by leveraging competitive advantages

US / Central America, Brazil, Asia

2

Expand REPREVE and build sustainable markets beyond apparel

Strength of REPREVE extends beyond traditional markets

3

Accelerate innovation and develop circular capabilities

Build new value-added offerings and position Unifi as the leader in circular economy

4

Increase brand awareness of REPREVE

Enhanced co-branding and B2B and B2C engagement

Summary of Strategies Designed to Grow Revenue and EBITDA

1

Grow market share by leveraging competitive advantages

US / Central America, Brazil, Asia

2

Expand REPREVE and build sustainable markets beyond apparel

Strength of REPREVE extends beyond traditional markets

3

Accelerate innovation and develop circular capabilities

Build new value-added offerings and position Unifi as the leader in circular economy

4

Increase brand awareness of REPREVE

Enhanced co-branding and B2B and B2C engagement

Grow Market Share by Leveraging Competitive Advantages

United States & Central America



From **29%** to **40%**

Brazil



From **12%** to **18%**

Asia



From **3%** to **8%**

*Asia Segment sales
double in four years*

Market share data is derived from internal estimates using multiple non-public sources. "From" market share reflects estimates for calendar 2019.

"To" market share reflects estimates for calendar 2025. For each of the United States, Central America and Brazil, market share is expressed regarding polyester textured yarn. For Asia, market share is expressed regarding recycled polyester staple and filament fiber.

25

UNIFI



eAFK EvoCooler Texturing Technology Exclusive to Unifi in the Americas

- Lower Carbon Footprint (~20% reduction in energy)
 - Higher Productivity (~30% – 35% increase)
- Less Labor Intensive (~25% – 30% reduction direct labor)
 - Lower Maintenance (~35% – 40% reduction)
 - Increased Flexibility
 - Product Innovation Capabilities

\$100 million capital investment

Preliminary data based on initial machine installations in US

UNIFI

Drivers to Unifi's Growth in US, Central America and Brazil



**Consumer Demand
for Sustainable Products**



**Near Shoring and
Re-Shoring of Production**

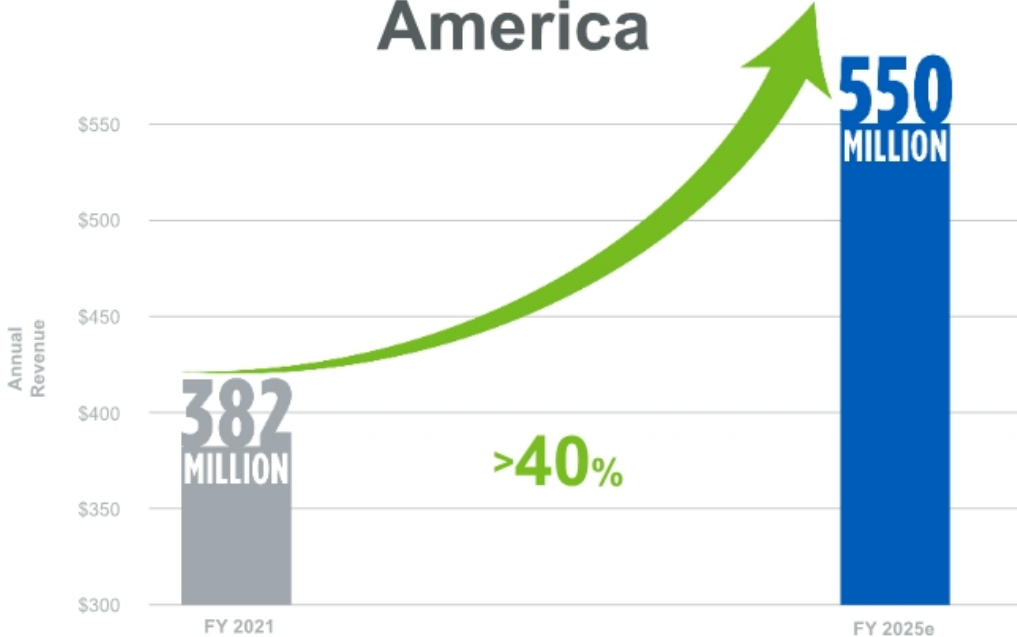


US and Central America: Key Growth Market

Regional Competitive Advantages

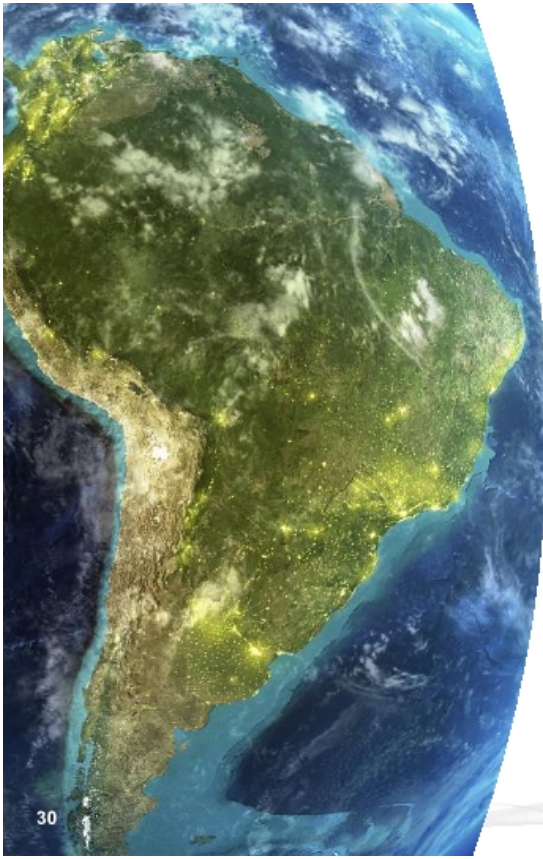
- **REPREVE**
 - Installation of next generation eAFK EvoCooler texturing technology
 - No new manufacturing space required for capacity expansion
 - Trade compliant production
 - Vertical regional manufacturing base
 - Local supply chain
 - Innovative R&D teams

Forecast Revenue Growth in US and Central America



29 *Our revenue generated from our operations in North America and Central America, generally comprising the net sales of the Polyester and Nylon segments.





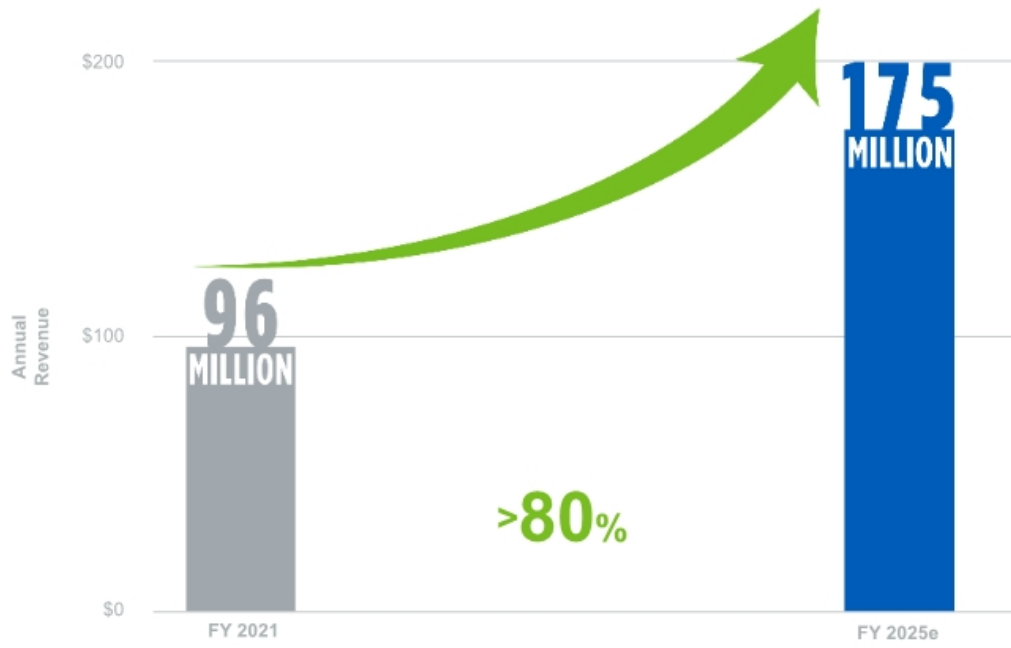
Brazil: Key Growth Market

Regional Competitive Advantages

- **REPREVE** *Low % of revenue today, but demand is growing rapidly*
- Installation of next generation eAFK EvoCooler texturing technology
- New manufacturing capacity competitive with imports
- No new manufacturing space required for capacity expansion
- Value-added, tailor-made specialty textured yarn production capability
- Speed to market



Forecast Revenue Growth in Brazil



31 *Our revenue generated from our operations in South America, comprising the net sales of the Brazil segment.



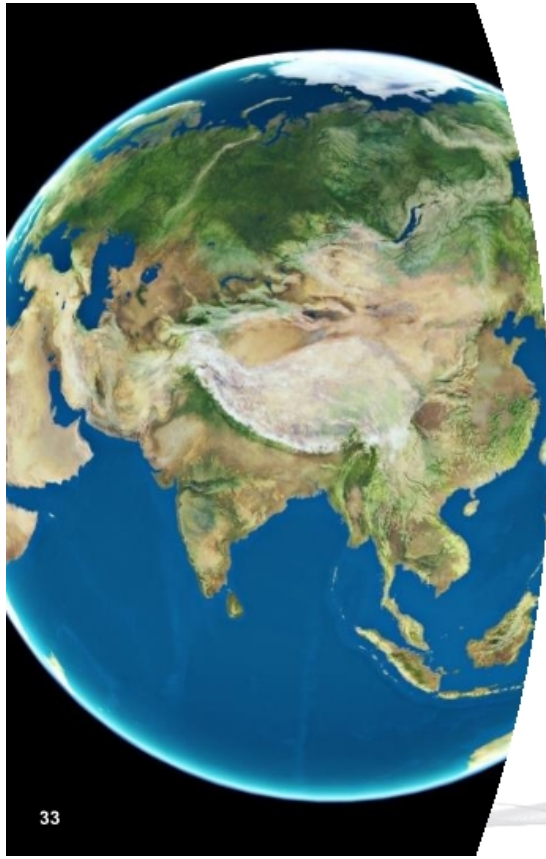
Drivers to Unifi's Growth in Asia



Consumer Demand for Sustainable Products



Supply and demand from increased locations across Asia

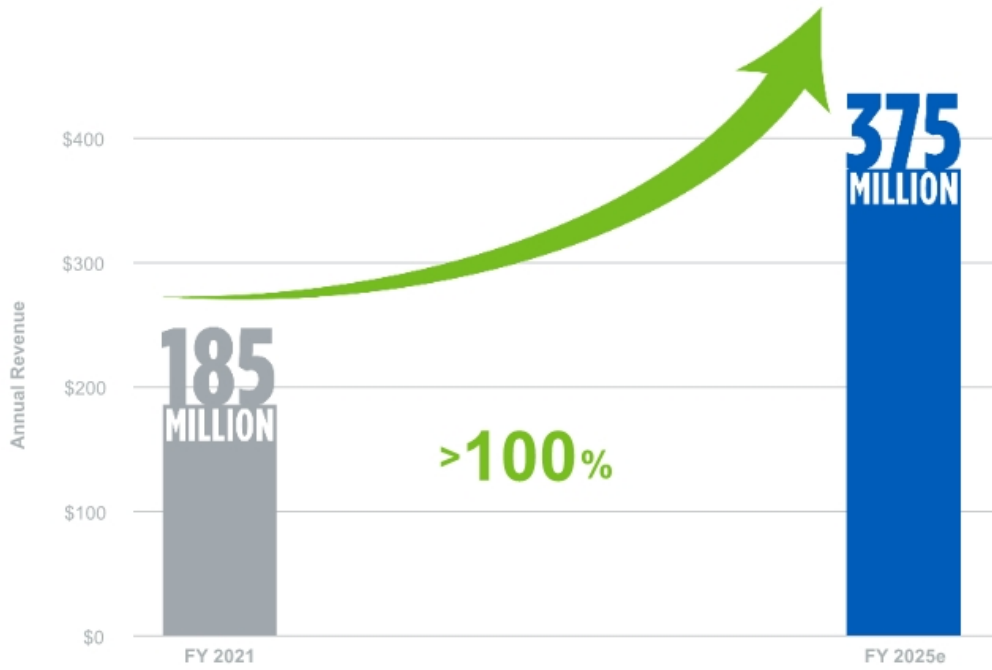


Asia: Key Growth Market

Regional Competitive Advantages in Asia

- **REPREVE**
- Asset light business model
- Flexible and expanding supply chain
- Trusted transparent supplier
- Product line extensions
- Deep relationships with local and Western brands
- Textile takeback

Forecast Revenue Growth in Asia



34 *Our revenue generated from our operations in Asia, comprising the net sales of the Asia segment.



Summary of Strategies Designed to Grow Revenue and EBITDA

1

Grow market share by leveraging competitive advantages

US / Central America, Brazil, Asia

2

Expand REPREVE and build sustainable markets beyond apparel

Strength of REPREVE extends beyond traditional markets

3

Accelerate innovation and develop circular capabilities

Build new value-added offerings and position Unifi as the leader in circular economy

4

Increase brand awareness of REPREVE

Enhanced co-branding and B2B and B2C engagement

Build Sustainable Markets Beyond Apparel



Automotive



Medical / PPE



**Packaging
& Nonwoven**



Footwear

Automotive

The fabric market for headliners and seating is approximately \$250 million in the U.S.¹

Electrification of cars and trucks is driving manufacturers to think differently about their interiors



Continental 

The emergence of electric vehicles has the industry focused on producing environmentally-friendly vehicles/interiors into the foreseeable future.

37 ¹Based on Unifi's estimates for the addressable market for polyester fibers in automotive industry.

UNIFI

Medical / PPE

The synthetic fiber market for the medical industry is approximately \$800 million in the U.S.¹

**New US
government
legislation
requires stockpile
of US-made PPE**



PPE and medical demand is expected to remain strong with heightened awareness of personal safety and government-led investments.

Packaging, Nonwoven, Hygiene & Film

The recycled polyester flake and resin market for the nonwoven, packaging and film industries is approximately \$1.1 billion in the U.S.¹

REPREVE moves into consumer packaging, industrial wipes and hygiene goods



Packaging and nonwoven markets utilize our recycled flake and resin to enhance their composition of sustainable components and these markets exhibit strong demand.

39 ¹Based on Unifi's estimates of the addressable market for recycled polyester flake and resin used for the nonwoven, packaging and film industries.



Footwear

The fabric market for the footwear industry is approximately \$2.5 billion globally¹

Consumer trend to wearing shoes with fabric uppers opens new markets beyond traditional sneaker market



Footwear with synthetic fibers remains a compelling market as consumers seek out more sustainable, lighter-weight and customizable options.

Summary of Strategies Designed to Grow Revenue and EBITDA

1

Grow market share by leveraging competitive advantages

US / Central America, Brazil, Asia

2

Expand REPREVE and build sustainable markets beyond apparel

Strength of REPREVE extends beyond traditional markets

3

Accelerate innovation and develop circular capabilities

Build new value-added offerings and position Unifi as the leader in circular economy

4

Increase brand awareness of REPREVE

Enhanced co-branding and B2B and B2C engagement

Textile Takeback

The Environment Demands It

"A circular economy can address ~45% of all global greenhouse gas emissions." ¹

The Consumer Demands It

73% of Generation Z and 68% of millennials are willing to pay more for sustainable products²

The Customer Demands It

Nike 2025 goal: Use 10x the amount of post-consumer waste collected and recycled/donated³

Many of our customers are currently participating in takeback programs



42 1: <https://ellenmacarthurfoundation.org/topics/climate/overview>
2: The State Of Consumer Spending: Gen Z Shoppers Demand Sustainable Retail, First Insight, January 2020
3: <https://purpose.nike.com/planet>



Closing the Loop



- Driven by brands
- Supported by consumers
- Made possible by Unifi
- Going beyond the bottle

Capabilities

Textile Takeback



Processes

Knitted Cord





Plus Silentnight

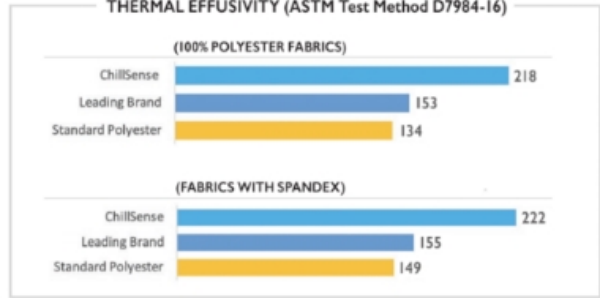
eco range



Products

ChillSense™

THERMAL EFFUSIVITY (ASTM Test Method D7984-16)



Do you want your mattress to feel **COOLER?**

Click here to learn about Unifi's new cool-touch polyester, **CHILLSENSE**

Also available in **REPREVE**



UNIFI

Summary of Strategies Designed to Grow Revenue and EBITDA

1

Grow market share by leveraging competitive advantages

US / Central America, Brazil, Asia

2

Expand REPREVE and build sustainable markets beyond apparel

Strength of REPREVE extends beyond traditional markets

3

Accelerate innovation and develop circular capabilities

Build new value-added offerings and position Unifi as the leader in circular economy

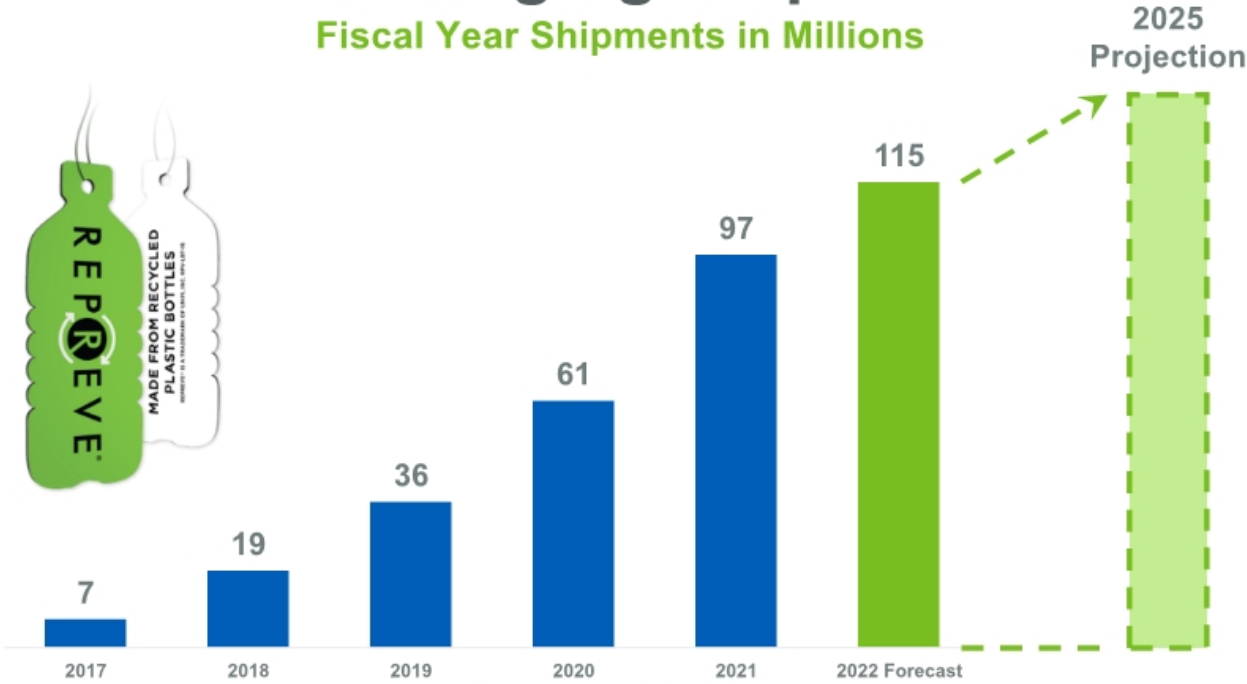
4

Increase brand awareness of REPREVE

Enhanced co-branding and B2B and B2C engagement

Unifi Hangtag Shipments

Fiscal Year Shipments in Millions



REPREEVE Awareness

Bottle Tag And Logo



20% of people surveyed recall seeing the REPREEVE bottle tag



22% of people surveyed recall seeing the REPREEVE logo

Drive Unifi's Position as the Gold Standard in Global Sustainable Synthetic Textiles

Customer
Success
Stories

Stronger Media
Presence &
Industry Visibility

Corporate
Communications

Drive Mass Awareness of REPREVE

Cement **REPREVE** as the #1 global branded synthetic



- Mass global advertising with circular storytelling
- Sponsor WM Phoenix Open
- Brand/Retailer Co-marketing toolkit
- Enhanced social media promotion to build consumer following



Olympics

2020 Summer Olympics



2022 Winter Olympics



Pac-12



Disney



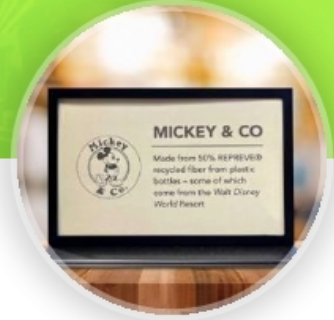
**BOTTLE
COLLECTION**



**CAST
COSTUMES**



**RETAIL
PRODUCT**



STORYTELLING

Drive REPREVE Growth Beyond Apparel

- Building effective and efficient digital capabilities
- Expand presence in new markets
- Join key influential industry associations to enhance awareness
- Industry-specific account-based marketing



REPREEVE Champions of Sustainability

Unifi is proud to celebrate our brand, retailer and textile partners that exemplify leadership in sustainability and go above and beyond to protect our planet.



Summary of Strategies Designed to Grow Revenue and EBITDA

1

Grow market share by leveraging competitive advantages

US / Central America, Brazil, Asia

2

Expand REPREVE and build sustainable markets beyond apparel

Strength of REPREVE extends beyond traditional markets

3

Accelerate innovation and develop circular capabilities

Build new value-added offerings and position Unifi as the leader in circular economy

4

Increase brand awareness of REPREVE

Enhanced co-branding and B2B and B2C engagement

Agenda

1

WELCOME AND OVERVIEW
A.J. Eaker

5

BRAND TESTIMONIALS
Jay Hertwig

2

STRATEGY & INNOVATION
Al Carey and Eddie Ingle

6

SUSTAINABILITY
Meredith Boyd

3

FISCAL 2025 GOALS
Craig Creaturo

7

Q&A
Management Team

4

TOUR / WEBCAST BREAK

8

CLOSE
Eddie Ingle

Chief Financial Officer & EVP

CRAIG CREATURO

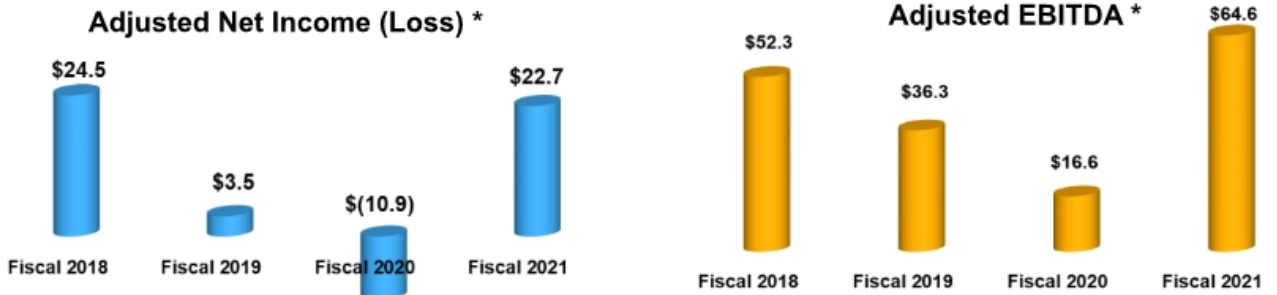
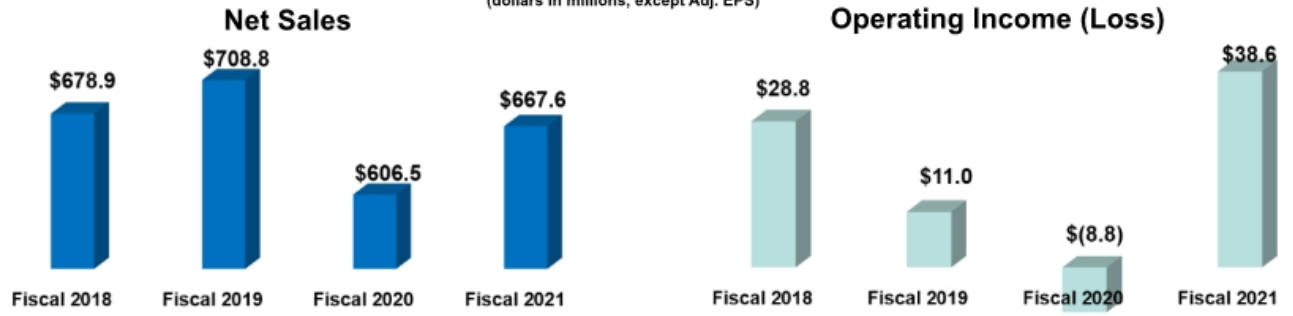
Today's wardrobe includes the following
REPREVE-based items:

- Jos. A. Bank® 1905 Collection REPREVE Long Sleeve Dress Shirt
- Volcom® Modern Stretch Pants
- Hugo Boss® Titanium Sneakers



Historical Financials

(dollars in millions, except Adj. EPS)



Adjusted EPS *	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Adjusted EPS *	\$1.32	\$0.19	\$(0.59)	\$1.20

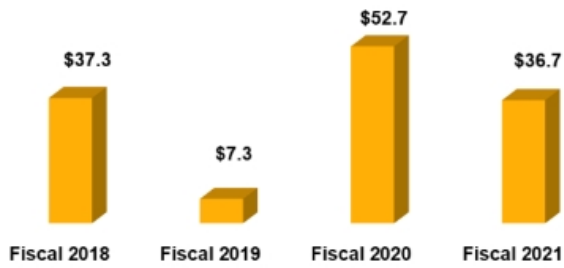
60 * Non-GAAP financial measures are detailed in the appendix.



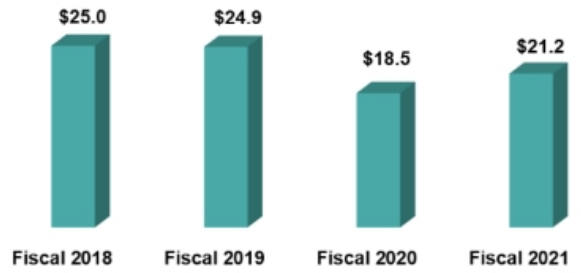
Historical Financials (cont.)

(dollars in millions)

Cash Provided by Operating Activities



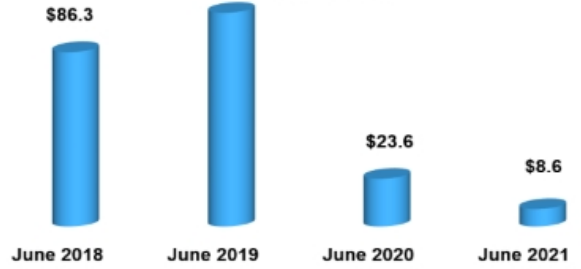
Capital Expenditures



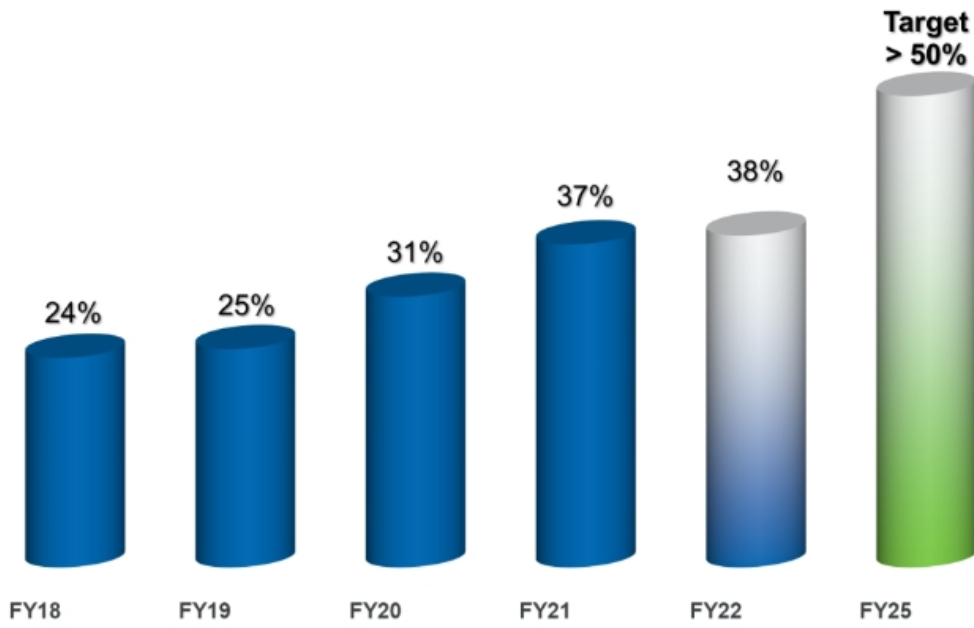
Adjusted Working Capital *



Net Debt *



REPREVE Fiber as a % of Revenue Target

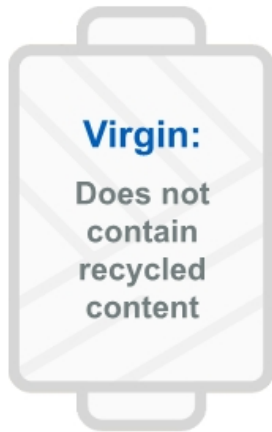


62 * FY18, FY19, FY20 and FY21 amounts are as reported; FY22 and FY25 amounts are estimated.



Current Recycled vs. Virgin Composition

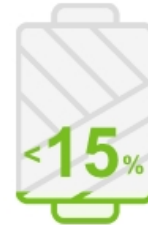
Percent of Recycled Sales



POLYESTER



ASIA



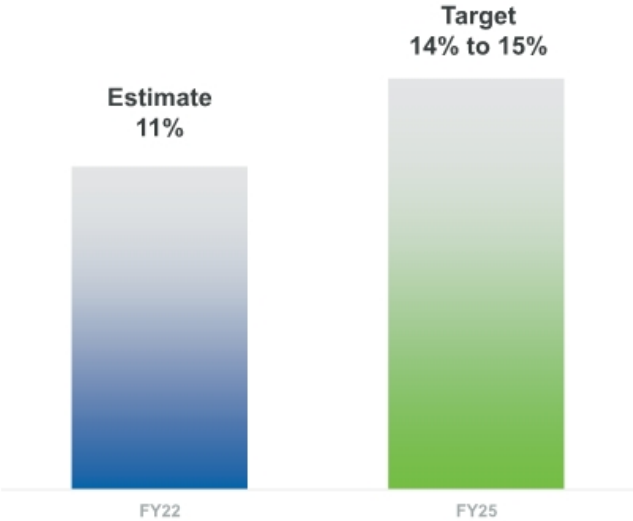
NYLON



BRAZIL

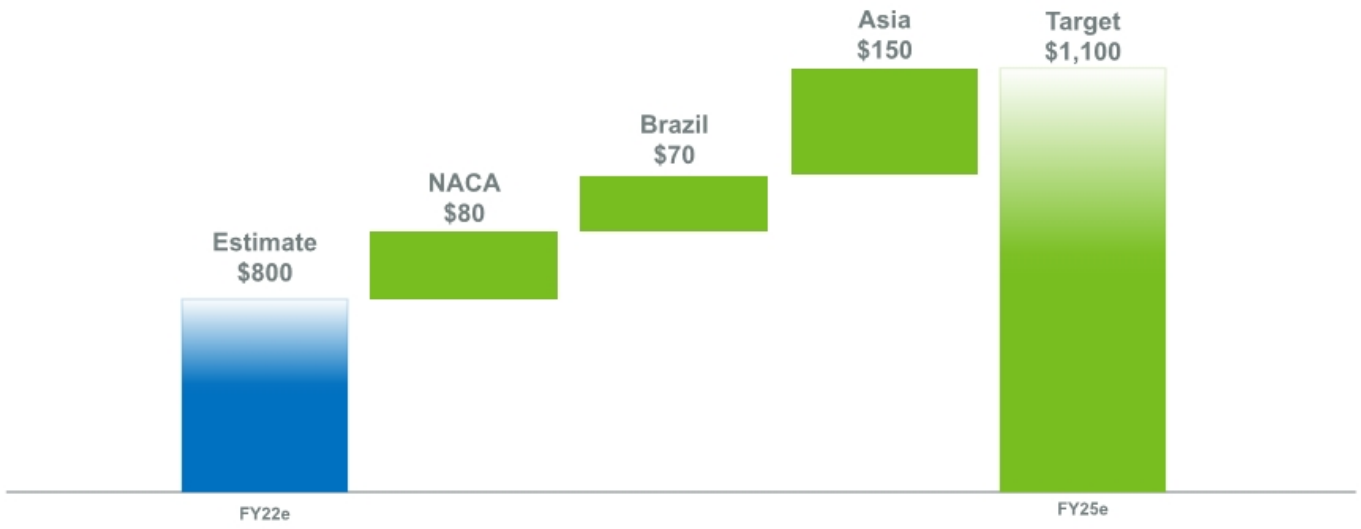
Fiscal 2025 Gross Margin % Target

Gross Margin % of Revenue



Fiscal 2025 Revenue Target

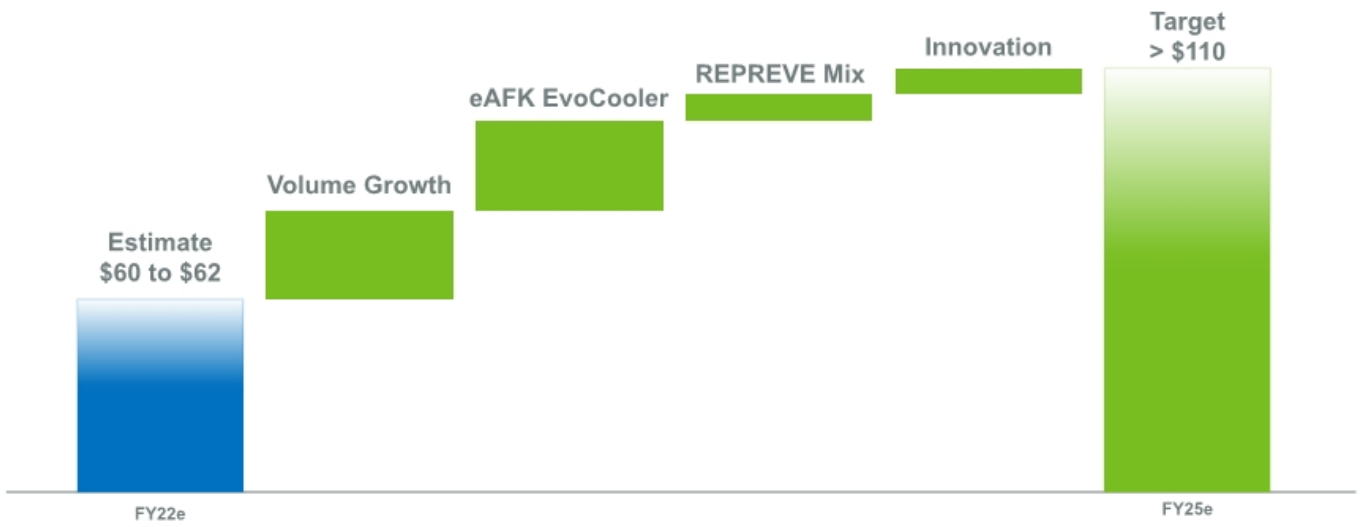
(Dollars in millions)



Fiscal 2025 Adjusted EBITDA Target

Adjusted EBITDA* Growth Components

(Dollars in millions)



66 * Non-GAAP financial measures are detailed in the appendix.



Additional Fiscal 2025 Expectations

- Depreciation and amortization expense of \$35 to \$40
- Effective tax rate of 35% to 40%
- Capital expenditures of \$20 to \$25

(Dollars in millions)

Capital Allocation Priorities



**Drive Organic
Growth**



**Share
Repurchases**



**Balanced
Leverage**



Acquisitions

Acquisition Opportunities



Agenda

1

WELCOME AND OVERVIEW

A.J. Eaker

2

STRATEGY & INNOVATION

Al Carey and Eddie Ingle

3

FISCAL 2025 GOALS

Craig Creaturo

4

TOUR / WEBCAST BREAK

5

BRAND TESTIMONIALS

Jay Hertwig

6

SUSTAINABILITY

Meredith Boyd

7

Q&A

Management Team

8

CLOSE

Eddie Ingle

Intermission

This event is on break.

Unifi will return at approximately 12:00 noon Eastern Time to conduct the remaining sessions of this 2022 Investor Day event.

Thank you for joining us today.

Agenda

1

WELCOME AND OVERVIEW

A.J. Eaker

2

STRATEGY & INNOVATION

Al Carey and Eddie Ingle

3

FISCAL 2025 GOALS

Craig Creaturo

4

TOUR / WEBCAST BREAK

5

BRAND TESTIMONIALS

Jay Hertwig

6

SUSTAINABILITY

Meredith Boyd

7

Q&A

Management Team

8

CLOSE

Eddie Ingle

SVP of Commercialization

JAY HERTWIG

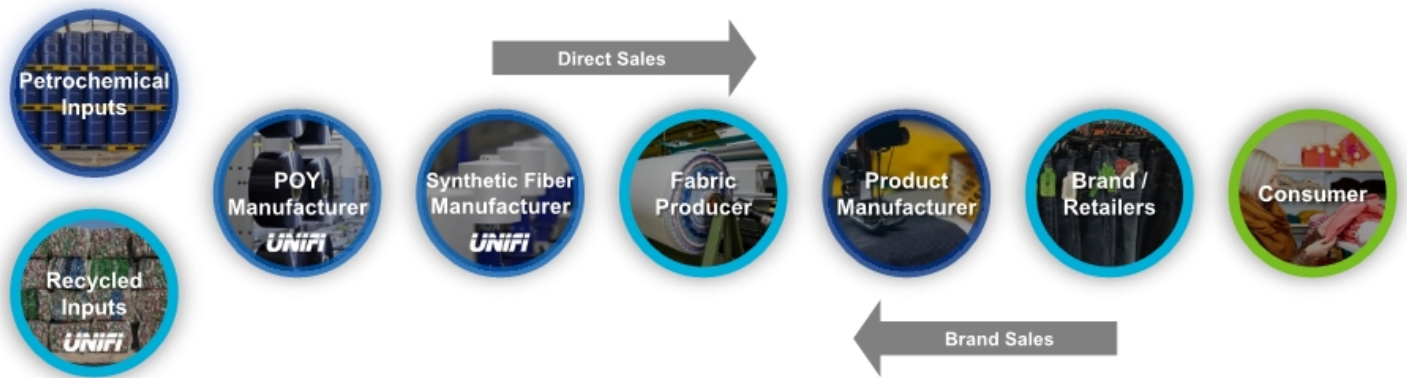
Today's wardrobe includes the following
REPREVE-based items:

- Haggard REPREVE Smart Wash suit
- JOE™ Joseph Abboud REPREVE
Dress Shirt



Push – Pull Principle

(Direct Sales/Brand Sales/Marketing)



REPREEVE Brand Growth – Apparel

Major Retailers belk COSTCO DISNEY El Corte Inglés JCPenney KOHL'S macy's NORDSTROM TARGET Walmart

Outdoor BUA Columbia FREE COUNTRY Kathmandu HÖRZEN OBERMEYER ONEILL patagonia PALARTEC THE NORTH FACE

Socks / Hosiery adidas DeFeet GILDAN GOLDTOE HANES Brands Inc KIRKLAND MERRELL PETER MILLAR REI UNDER ARMOUR

Luxury BOSS kate spade Lilly Pulitzer MARA HOFFMAN PETER MILLAR RALPH LAUREN TOMMY HILFINGER TORY BURCH

Fast Fashion GUESS H&M LANE BRYANT Massimo Dutti OLD NAVY PRIMARK ZARA

Uniform / Workwear aramark Chef Works Chick-fil-A CINTAS DISNEY ENGEL girlscouts OAK HALL pepsi WM WORKWEAR

Swim Cat & Jack ELEMENT J.CREW patagonia QUIKSURF ROXY VELA VITAMIN X A VOLCOM



REPREEVE Brand Growth – Beyond Apparel

Home and Contract

DESIGNTEX eclipse ELLERY *HomeStyler* FLEXSTEEL' HON KUKA HOME LA Z BOY' LICHTENBERG FOR HOT | ICE COLD
 LOVESAC WIDE 23 LMM ROLLEASE ACMEDA *Linea* Sarta Steelcase SUNPAN VIOLINO west elm WILLIAMS-SONOMA, INC.

Footwear

AVIA CONVERSE *Flag Ltd.* BOSS HEAD KITCH new balance NIKE ROTHY'S. Tava TOMS UGG

Accessories

IGLOO' LEGACY NEW ERA NIXON  *The Patriot Flag* SHIBUMI

Transportation

Dickies Ford GENERAL MOTORS *Virgin GALACTIC*



BRENT BELL

VP of Recycling





WM and the UNIFI partnership

Brent Bell
VP Recycling WM



WM - Premier Asset Network and Established Sustainability Leadership

145 Recycling Facilities



Managing more post-consumer recyclables than anyone else in North America

\$200M+ In recycling investments 2021	2021 recycling facility of the year (NWRA)	15M tons of recyclables
48,250 employees	10,388 alternative fuel vehicles	171 natural gas fueling stations
\$15.2B total revenue	\$3.4B cash from operations	\$1.6B capital expenditures
2021 World's Most Admired Companies (Fortune)	100 Most Sustainable Companies List (Barron's)	Dow Jones Sustainability Index, Sector Leader (S&P Global ESG)

WM commercial – featuring Repreve



- WM ad featuring Repreve
- 4M+ impressions
- Aired on CNBC, NBC Sports and the Golf Channel



WM uniforms made from Repeve

“Our drivers will ride their routes collecting plastic bottles, milk jugs and other materials that will eventually be turned into the uniforms that they wear every day. This is the circular economy in action,” said CEO Jim Fish during a video announcement.



WM/UNIFI partnership

- WM largest residential recycler in North America
- Experienced movement issues of recycled materials with past customers switching from recycled to virgin based on price
- WM Policy not to export any residential plastics
- WM desire for sustainable partner to handle recycled materials (PET)
- WM and WM customers wanting circularity stories around their material streams – what happens to my plastics?
- UNIFI/Repreve brand fit that need to ensure our customers that their materials have a sustainable home

PETE WALDRON

President





84

L2 Brands Overview

- L2 Brands is a leading designer and manufacturer of high-quality custom-logo apparel, headwear and home décor for the collegiate, resort/destination, and corporate markets in the United States. For 30 years, L2 has created products that connect consumers with the schools, traditions, destinations and workplaces they identify with and love.
- L2 Brands was formed in 2018 with the merger of League and Legacy, two Pennsylvania-based companies rooted in a hardworking, entrepreneurial culture and with a shared commitment to quality, authenticity and customer service. The merger presented a unique opportunity for substantial product, end market and operational synergies as well as diversification.
 - **LEAGUE** provides more than 100 styles of casual apparel consisting of premium fleece, t-shirts, and bottoms.
 - **LEGACY** offers an assortment of 35 styles baseball hats, visors, buckets, winter beanies and home décor.
 - In addition to the League and Legacy brands, L2 owns the *Redshirt* women's private label apparel brand produced exclusively for Barnes & Noble bookstores and makes men's and women's apparel for Follett bookstores pursuant to an exclusive contract for their *Fall Rush* private label program. L2 was also recently tabbed to produce apparel for the *Masters* starting this year.

Quick Stats

- 2022 forecasted sales of \$125M+: 55% in college retail, 35% in resort/destination, 10% in corporate.
- 10,000+ active customers: ~2,500 in college/K-12, ~3,500 in resort/destination and ~4,000 in corporate-direct spread across all 50 states, Canada and the Caribbean.
- Longstanding licensee with more than 800 licenses for colleges and universities nationally. #2 supplier to the largest channel - campus local (behind only HBI and Champion).
- Consistently strong Gross and EBITDA margins
- State-of-the art 185,000 sf office, warehouse and decoration facility in Hanover, PA; 100,000 sf manufacturing facility in El Salvador; 11,000 sf of office space housing the sales, design, and merchandising teams in Plymouth Meeting, PA.
- L2 operates a highly customized business model, shipping close to 8.5M units in 2021 with an average order size of \$801 at 64 units and an AUP of \$12.57 (excluding drop ship sales).

Speed + Flexibility + Quality

HANOVER, PA – 400 EMPLOYEES

- 185,000 SF Office, Warehouse and Decoration Facility
- 43 **Barudan** 15-head embroidery machines
- 9 SEIT laser bridge machines for embroidered applique
- Screen Print Shop: 9 Automatic and 3 Manual presses
- 6 **Kornit** Direct-to-Garment (DTG) printers
- E-commerce capabilities: Fully integrated, single piece drop-ship process with automated workflows

PLYMOUTH MEETING, PA – 35 EMPLOYEES

- Executive Offices – Sales, Strategic Accts, and Licensing
- Apparel Design, Graphic Design and Merchandising teams
- In-house photography studio

LCA (EL SALVADOR) – 575 EMPLOYEES

- 100,000 SF Office, Warehouse, Mfg and Decoration Facility
- 16 Cut-and-Sew production modules
- Stock fabric positions, warehousing for all blank apparel styles
- Screen Print Shop: 10 Automatic and 6 Manual presses
- 2 SEIT laser bridge machines for embroidered applique
- 7-day transit time to Miami for shipment to customers or 10 days to Hanover



Headquarters in Hanover, PA + Office in Plymouth Meeting, PA + Fully-Factory in El Salvador



Hanover, PA



Plymouth Meeting, PA

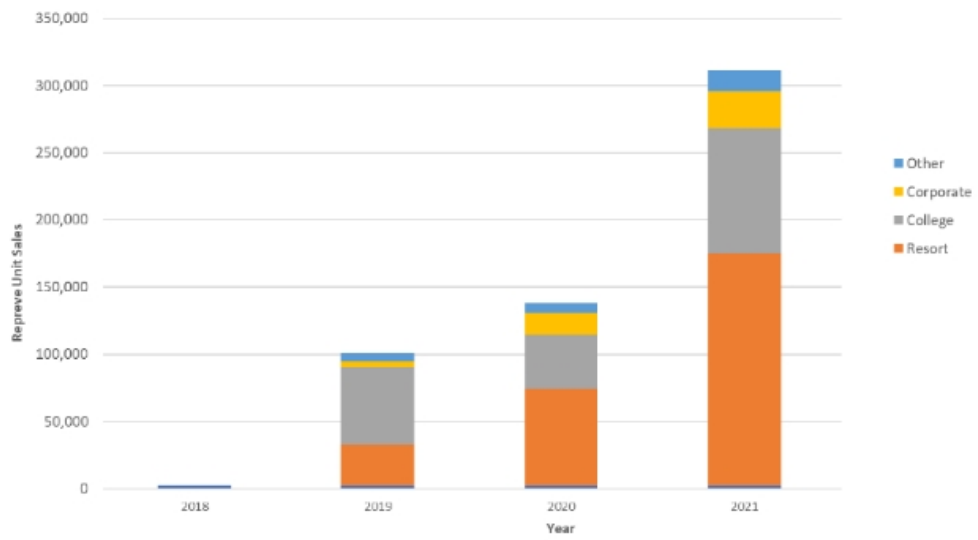


LCA (El Salvador)

Representative Products



Repreve Sales 2018 - 2021



Events and In-Store Merchandising



TONY ANZOVINO

Chief Sourcing & Merchandising Officer

HAGGAR®

HAGGAR®

The logo for UNIFI, featuring the word "UNIFI" in a stylized, italicized font. The top portion of the letters is green, and the bottom portion is blue. A registered trademark symbol (®) is located at the end of the word.

Haggar Product Line featuring Unifi Fibers

eClo Stria Dress Pants	<u>Premium Comfort Dress Pants (7.0%)</u>
Life Khaki Cotton Casual Pants	<u>Cool Right Casual Pants (7.6%)</u>
Premium Comfort Khaki	Cool 18 Pro Casual pants (7.6%)
Sustainable Stretch Chino	<u>Active Series Casual & Dress (5.4%)</u>
Premium Stretch	Active Series Suit Separates (5.8%)
H26 Premium Stretch Pant (8.2%)	Active Flex (9.2%)
H26 Bronx 5 Pocket (8.0%)	<u>Smart Wash Repeve Suit (9.0%)</u>
H26 Manhattan Casual Pant (13.6%)	
H26 Weekend Jogger (7.5%)	

Sustainable Partnership Since 2009

Cool 18 Pro since 2016:

20.2 million yds. = 5.9 million lbs. Sorbtek

eClo/PCDP since 2009:

31.4 million yds. = 4.1 million lbs. Repreve

Others since 2009:

3.1 million yds. = 800k lbs. Unifi fiber

Champions of Sustainability Award 2017



Total Measured Market – Units – Full Year 2021

Total Measured Marketing Data Includes: Premium Mid Tier (Kohl's, Macy's, JCPenney, Belk, Nordstrom, Dillard's, & Amazon) + Target and Walmart, Club Stores, Athletic/Sporting Goods Stores

Dress/Suit Pants Brand Market Share – Units Total Measured Market, Full Year 2021

Total Measured Market (Retailer POS Tracking Service)			
Men's Dress Pants/Suit Pants	Unit Share Rank	Unit Share	Share Chg. vs 2019
Haggar	1	24.7%	+908 bps
Van Heusen	2	5.9%	-160 bps
Lauren Ralph Lauren	3	5.2%	-86 bps
Kenneth Cole Reaction	4	4.7%	+177 bps
Calvin Klein	5	4.6%	+34 bps
Tommy Hilfiger	6	3.9%	+120 bps
Kenneth Cole	7	3.0%	+76 bps
Joseph Abboud	8	2.2%	+50 bps
Santorelli	9	0.2%	-1 bps
Canali	10	0.1%	-3 bps
Private Label		26.9	-272 bps
Total Units	16,959,036		-30.2%

Source: NPD Retail Tracking Service, Total Measured Market, Full Year 2021, Unit Rank
Total Measured Market Data is Point of Sale Data that includes: Koh's, Macy's, JC Penney, Belk, Boscov's, Nordstrom, Dillard's, Amazon, Target and Walmart, Club Stores, Athletic/Sporting Goods Stores

Dress/Suit Pant Items Market Share - Units Total Measured Market, Full Year 2021

Total Measured Market (Retailer POS Tracking Service)				
Brand	Style	Unit Share Rank	Unit Share	Share Chg. vs 2019
Haggar	Premium Comfort Dress Pant Classic FF	1	3.1%	+102 bps
Haggar	J.M. Haggar 4 Way Stretch Dress Pant Superflex Slim FF	2	1.9%	+85 bps
Haggar	Premium Comfort Dress Pant Classic Pleated	3	1.8%	+46 bps
Haggar	Premium Comfort Dress Pant Slim FF	4	1.7%	+116 bps
Calvin Klein	Flat Front Pant	5	0.8%	+4 bps
Haggar	J.M. Haggar Premium Stretch Suit Pant Classic FF	6	0.7%	+4 bps
Kenneth Cole Reaction	Technicole Dress Pants	7	0.6%	+47 bps
Tommy Hilfiger	Modern-Fit Comfort Stretch Performance Pant	8	0.5%	+26 bps
Santorelli	Luxury Serge Pant	9	0.2%	+0 bps
Van Heusen	No Iron Straight FF Pant	10		
Total Units	16,959,036	-30.2%		

Source: NPD Retail Tracking Service, Total Measured Market, Full Year 2021, Unit Rank
Total Measured Market Data is Point of Sale Data that includes: Koh's, Macy's, JC Penney, Belk, Bosco's, Nordstrom, Dillard's, Amazon, Target and Walmart, Club Stores, Athletic/Sporting Goods Stores

Suit Jacket/Sportscoat Brand Market Share - Units Total Measured Market, Full Year 2021

Total Measured Market (Retailer POS Tracking Service)			
Men's Suit Jackets/Sportcoats	Unit Share Rank	Unit Share	Share Chg. vs 2019
Lauren Ralph Lauren	1	10.0%	+32 bps
Haggar	2	8.4%	+331 bps
Tommy Hilfiger	3	5.3%	+77 bps
Calvin Klein	4	4.7%	+56 bps
Joseph Abboud	5	4.5%	+149 bps
Kenneth Cole	6	4.0%	+51 bps
Peerless	7	1.9%	+177 bps
Hart Schaffner Marx	8	1.0%	+3 bps
Hugo Boss	9	0.9%	+34 bps
Canali	10	0.2%	+2 bps
Private Label		31.4%	-400 bps
Total Units	7,637,890		-34.1%

Source: NPD Retail Tracking Service, Total Measured Market, Full Year 2021, Unit Rank
Total Measured Market Data is Point of Sale Data that includes: Kohf's, Macy's, JC Penney, Belk, Boscov's, Nordstrom, Dillard's, Amazon, Target and Walmart, Club Stores, Athletic/Sporting Goods Stores

Spring & Fall 2023



REPREVE®

OurOcean™



LIFE KHAKI

REPREVE®



The Future of Circular Sustainability



HAGGAR®

The logo for UNIFI, featuring the word "UNIFI" in a stylized, italicized font. The top half of the letters is green, and the bottom half is blue. A registered trademark symbol (®) is located at the end of the word.

Agenda

1

WELCOME AND OVERVIEW
A.J. Eaker

5

BRAND TESTIMONIALS
Jay Hertwig

2

STRATEGY & INNOVATION
Al Carey and Eddie Ingle

6

SUSTAINABILITY
Meredith Boyd

3

FISCAL 2025 GOALS
Craig Creaturo

7

Q&A
Management Team

4

TOUR / WEBCAST BREAK

8

CLOSE
Eddie Ingle



SUSTAINABILITY



SVP of Technology,
Innovation & Sustainability

MEREDITH BOYD

Today's wardrobe includes the following
REPREVE-based items:

- Fig® Clothing Kinsale Dress
- Hanes Eco Smart™ Tights
- Rothy's The Point Shoes

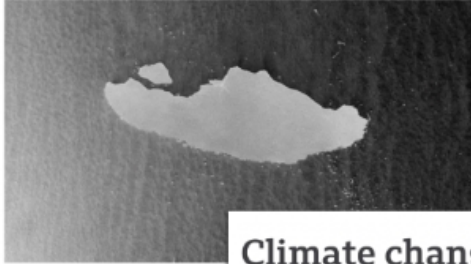


Climate Cannot Wait

Antarctica's doomed A68 iceberg dumped 1 trillion tons of water into the ocean over 3 years

By Brandon Specktor published 12 days ago

The impacts to the local ecosystem could be felt for years to come.



(Image credit: ESA/SENTINEL-1)

Source: [livescience.com](https://www.livescience.com)

Climate change: Huge toll of extreme weather disasters in 2021

By Matt McGrath
Environment correspondent

© 27 December 2021

Source: [bbc.com](https://www.bbc.com)

'Everyone's Looking for Plastic.' As Waste Rises, So Does Recycling.

Source: [nytimes.com](https://www.nytimes.com)

Disrupted

Electric cars hit 65% of Norway sales as Tesla grabs overall pole

By Victoria Klesty

Source: [reuters.com](https://www.reuters.com)

Climate and Environment

More than 40 percent of Americans live in counties hit by climate disasters in 2021

As climate-fueled extreme weather intensified last year, more than 80 percent of Americans experienced a heat wave. The impacts of fires and severe storms also spread.

Source: [washingtonpost.com](https://www.washingtonpost.com)

Sustainability at Unifi



Inspired by: The Shared Value Opportunity - Harvard Business School Online

A History of Sustainable Action



REPREEVE Growth

REPREEVE®



START
2007

10 ✓
BILLION
Nov.
2017

20 ✓
BILLION
Jun.
2020

30 ✓
BILLION
Nov.
2021

Customer Sustainability Goals



TARGET

100%

RECYCLED POLYESTER
BY 2025



50%

RECYCLED POLYESTER & NYLON
BY 2025



HANES
Brands Inc

100%

RECYCLED POLYESTER
BY 2025



Walmart

50%

RECYCLED POLYESTER
BY 2025



GAP

60%

RECYCLED POLYESTER
BY 2025



**RALPH
LAUREN**

100%

KEY MATERIALS
175 Million Recycled Bottles by 2025



100%

RECYCLED POLYESTER
BY 2024



KOHL'S

50%

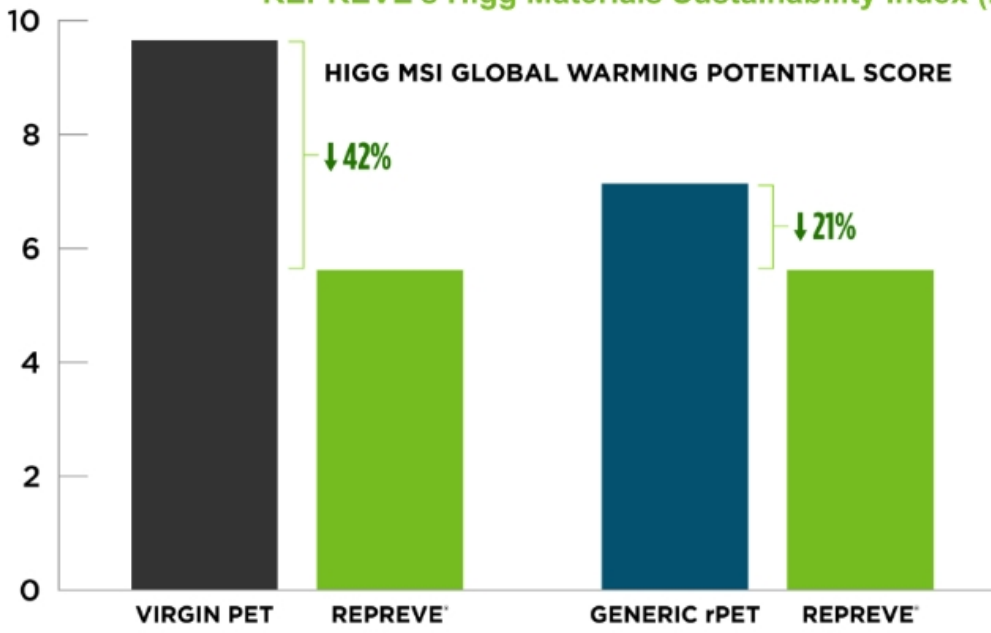
RECYCLED POLYESTER BY 2025

108 Percentages represent declared sustainability goals from each brand.



REPREVE Environmental Impact

REPREVE's Higg Materials Sustainability Index (MSI) Scores



Based on REPREVE manufactured in the US



Powered by Higg Co

Unifi Sustainability Story

30 Billion Bottles Recycled

2021 Sustainability Report



generates enough energy to power 284K homes for 1 year
provides energy equivalent to burning 222 million gallons of gas



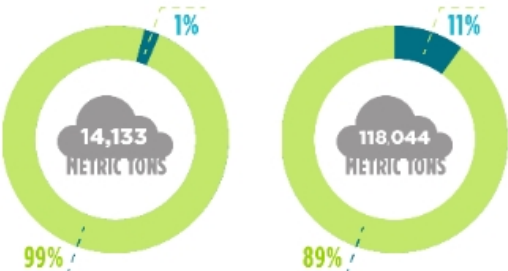
provides 3.5 million people their typical daily drinking water for 1 year
saves over 675 million gallons of water



improves air quality by avoiding 775 million kgs of CO₂e emissions
eliminates CO₂e emissions from the consumption of 1.8 million barrels of oil

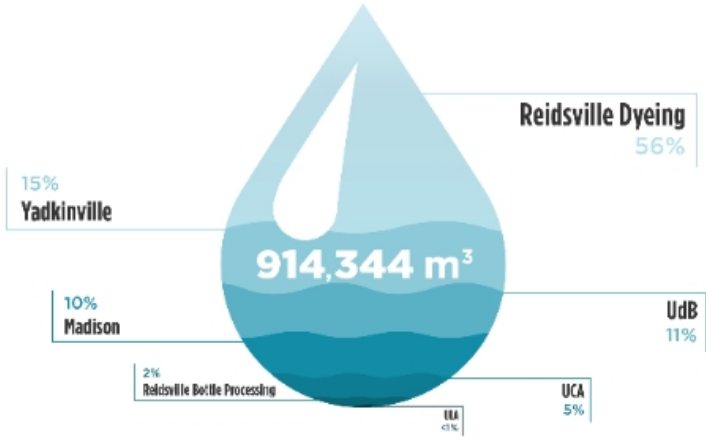


Unifi Sustainability Story



FY21 SCOPE 1
Metric tons CO₂

FY21 SCOPE 2
Metric tons CO₂



Vertical Integration in North Carolina



REPREVE® BOTTLE PROCESSING CENTER

REPREVE® RECYCLING CENTER

UNIFI TECHNOLOGY CENTER



Zero waste-to-landfill



Solar farm

eAFK EvoCooler Texturing Technology

Sustainability in Action



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

Beyond the Bottle

A Pathway to Circularity

- Expanding textile takeback and recycling technologies
- Collaboration in designing for circularity
- According to the 2021 Circularity Gap Report, circular economy strategies can cut global greenhouse gas emissions by 39%



REPREEVE Textile Takeback, Yadkinville, NC

Circularity in Action



**THE
NORTH
FACE**

Source: thenorthface.com



**girlfriend
collective**

Source: girlfriend.com



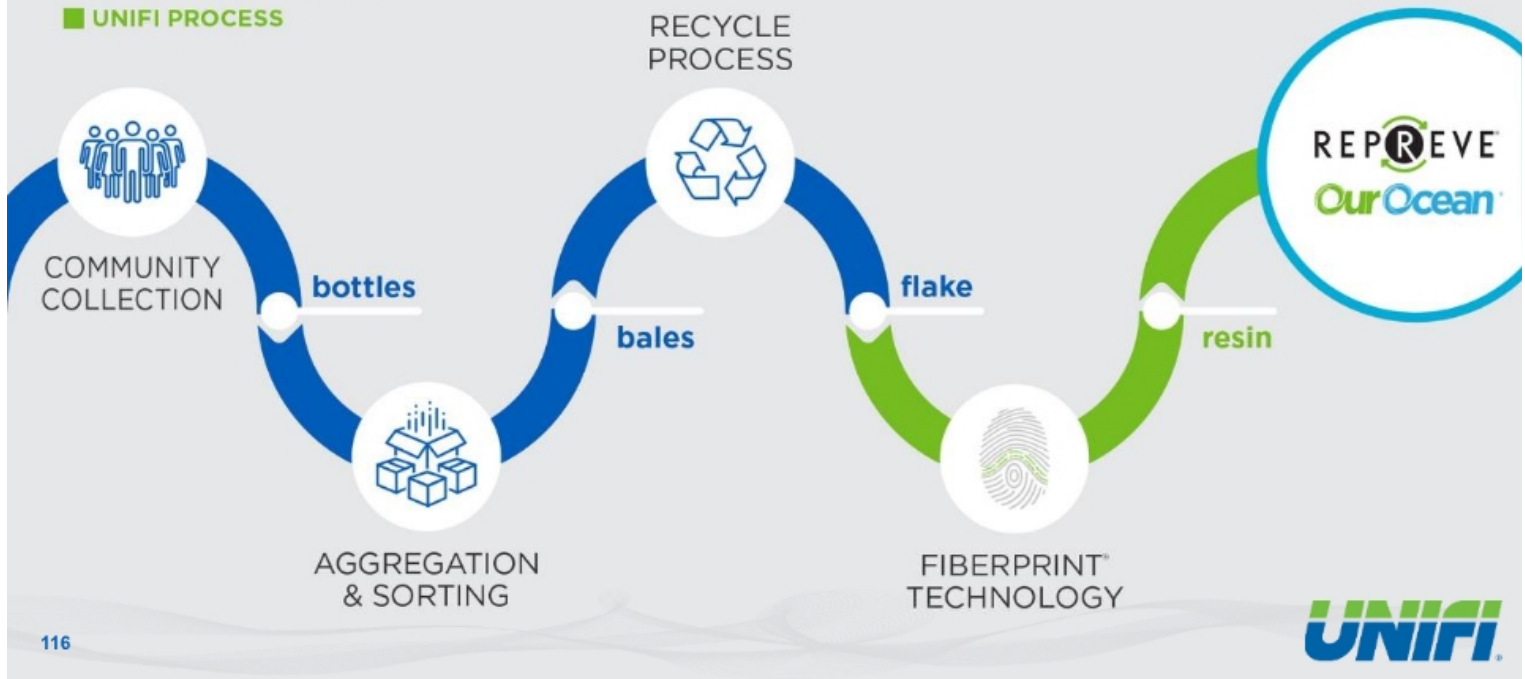
**DESIGNTEX
Steelcase**

Source: designtex.com

REPREVE Our Ocean® CERTIFIED SUPPLY CHAIN

■ THIRD PARTY PROCESS

■ UNIFI PROCESS





H&M &
REPREVE
Our Ocean

117 Jennifer Lopez wearing
H&M's oversize puffer jacket



Source: Chantal Anderson for the New York Times
Source: hm.com



REPVE SmartDye™

SMARTDYE

UP TO 30% ENERGY SAVINGS

REPVE LCI SAVINGS VS. VIRGIN POLYESTER

- 44% Reduction in energy consumption
- 16% Reduction in water consumption
- 29% Reduction in greenhouse gas emissions



Transparent. Traceable. Trusted.



U Trust® Verification

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



FiberPrint™ Technology

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



Recycled Content

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

REPREVE U Trust Certification Expansion

Existing: Fabric



The U Trust verification program is a comprehensive certification program designed to provide REPREVE customers with a higher level of transparency and validate the authenticity of REPREVE products

New: Product



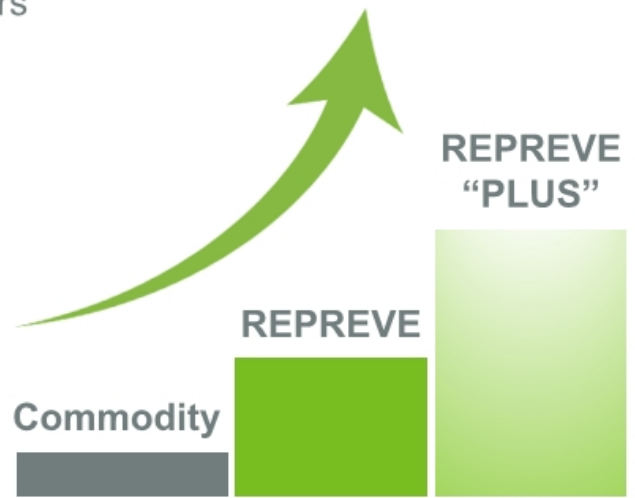
- ✓ Enhanced value chain transparency and mapping capability
- ✓ Link to finished articles for e-commerce tracking and tagging
- ✓ Confidence and credibility

REPREVE “PLUS” – Margin Accretion

- Higher margins for multifaceted products
- Enhanced defensibility from competitors
- Maximization of sustainable benefits



Source: kohls.com



Working Together for the Good of Tomorrow



122





GOAL:

50

BILLION BOTTLES

RECYCLED BY DEC. 2025

50 Billion →
Dec. 2025 Target


30 Billion →
Nov. 2021



SUSTAINABILITY AT UNIFI


Our **sustainability vision** will be accomplished by leading the **collaboration** and **transparency** across our industry, along with expanding the use of **recycled inputs** via **REPPEVE**.

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 December 2025
 - Expand the scale of **textile takeback**
 - Reducing impact** through product-focused innovation, collaboration and **life cycle analysis**
 - Transparency through **U Trust** and **FiberPrint** and industry-trusted certifications

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**

WORKING TODAY FOR THE GOOD OF TOMORROW



Agenda

1

WELCOME AND OVERVIEW
A.J. Eaker

5

BRAND TESTIMONIALS
Jay Hertwig

2

STRATEGY & INNOVATION
Al Carey and Eddie Ingle

6

SUSTAINABILITY
Meredith Boyd

3

FISCAL 2025 GOALS
Craig Creaturo

7

Q&A
Management Team

4

TOUR / WEBCAST BREAK

8

CLOSE
Eddie Ingle



APPENDIX



Appendix - Historical Financials and Non-GAAP Reconciliations

(dollars in thousands, except per share amounts)

	June 2018	June 2019	June 2020	June 2021
Net Sales	\$ 678,912	\$ 708,804	\$ 606,509	\$ 667,592
Operating Income (Loss)	28,799	10,960	(8,821)	38,611
Adjusted Net Income (Loss) *	24,515	3,523	(10,870)	22,660
Adjusted EPS *	1.32	0.19	(0.59)	1.20
Adjusted EBITDA *	52,271	36,300	16,553	64,643
Cash Provided by Operating Activities	37,335	7,284	52,724	36,681
Capital Expenditures	25,029	24,871	18,509	21,178

	June 24, 2018	June 30, 2019	June 28, 2020	June 27, 2021	December 26, 2021
Adjusted Working Capital *	\$ 152,423	\$ 180,376	\$ 135,894	\$ 162,525	\$ 183,378
Net Debt *	86,317	105,790	23,614	8,604	33,971

Adjusted Net Income (Loss) & Adjusted EPS

(dollars in thousands, except per share amounts)

June 2021

	Pre-tax Income	Tax Impact	Net Income	Diluted EPS
GAAP results	\$ 48,347	\$ (17,274)	\$ 28,073	\$ 1.54
Recovery of non-income taxes ⁽¹⁾	(9,117)	3,304	(6,413)	(0.34)
Adjusted results	\$ 35,630	\$ (13,970)	\$ 22,560	\$ 1.20

Weighted average common shares outstanding 18,850

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 ⁽²⁾	45,194	—	45,194	2.45
Severance ⁽³⁾	1,485	(312)	1,173	0.06
Adjusted results	\$ (9,586)	\$ (1,284)	\$ (10,870)	\$ (0.59)

Weighted average common shares outstanding 18,475

June 2019

	Pre-tax Income	Tax Impact	Net Income	Diluted EPS
GAAP results	\$ 10,011	\$ (7,556)	\$ 2,455	\$ 0.13
Severance ⁽³⁾	1,351	(287)	1,064	0.06
Adjusted results	\$ 11,362	\$ (7,843)	\$ 3,519	\$ 0.19

Weighted average common shares outstanding 18,655

June 2018

	Pre-tax Income	Tax Impact	Net Income	Diluted EPS
GAAP results	\$ 30,121	\$ 1,491	\$ 31,702	\$ 1.70
Reversal of specific tax valuation allowance ⁽⁴⁾	—	(3,937)	(3,937)	(0.20)
Reversal of specific uncertain tax position ⁽⁵⁾	—	(3,360)	(3,360)	(0.18)
Adjusted results	\$ 30,121	\$ (5,806)	\$ 24,515	\$ 1.32

Weighted average common shares outstanding 18,037

Footnote explanations are provided on the next slide.



Adjusted Net Income (Loss) & Adjusted EPS (cont.)

(dollars in thousands, except per share amounts)

Footnote explanations for previous slide detailing Adjusted Net Income (Loss) & Adjusted EPS reconciliations:

- (1) 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.
- (2) 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.
- (3) 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.
- (4) For fiscal 2018, UNIFI reversed a \$3,807 valuation allowance on certain historical NOLs in connection with a tax status change unrelated to the federal tax reform legislation signed into law in December 2017.
- (5) For fiscal 2018, UNIFI reversed a \$3,380 uncertain tax position relating to certain foreign exchange income applicable to fiscal 2015.

Adjusted EBITDA

(dollars in thousands)

	June 2018	June 2019	June 2020	June 2021
Net income (loss)	\$ 31,702	\$ 2,456	\$ (57,237)	\$ 29,073
Interest expense, net	4,375	4,786	4,057	2,720
(Benefit) provision for income taxes	(1,491)	7,555	972	17,274
Depreciation and amortization expense ⁽¹⁾	22,218	22,713	23,406	25,293
EBITDA	56,804	37,510	(28,802)	74,360
Equity in (earnings) loss of PAL	(4,533)	(2,561)	960	—
EBITDA excluding PAL	52,271	34,949	(27,842)	74,360
Recovery of non-income taxes ⁽²⁾	—	—	—	(9,717)
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	\$ 52,271	\$ 36,300	\$ 16,553	\$ 64,643

The reconciliations of the amounts reported under GAAP for Net Income (Loss) to EBITDA and Adjusted EBITDA are as follows:

- (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.
- (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)

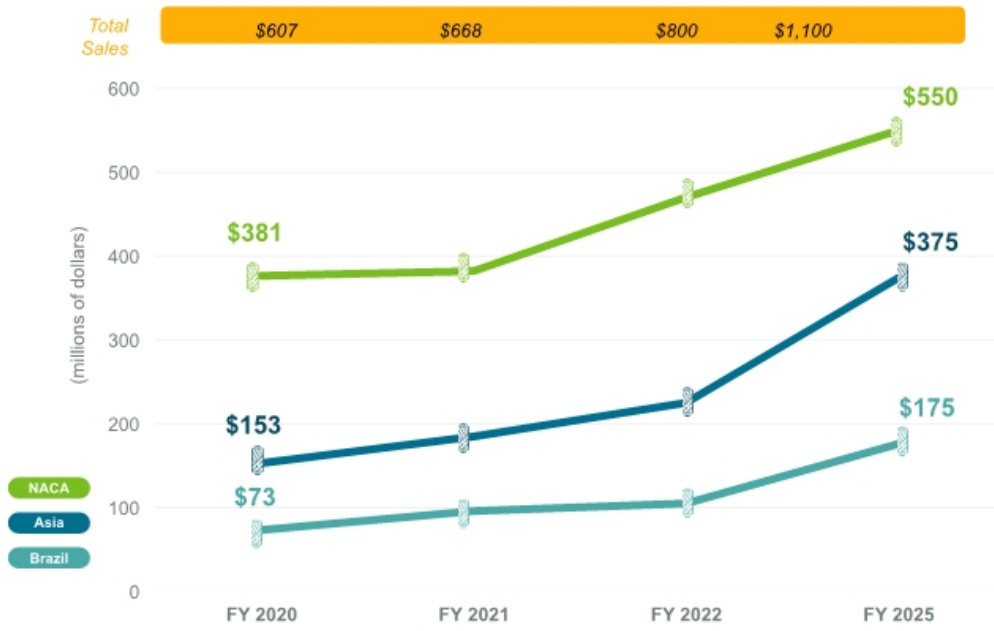
	June 2018	June 2019	June 2020	June 2021	December 2021
Cash and cash equivalents	\$ 44,890	\$ 22,228	\$ 75,267	\$ 78,253	\$ 47,620
Receivables, net	86,273	88,884	53,726	94,837	92,175
Inventories	126,311	133,781	109,704	141,221	148,893
Income taxes receivable	10,291	4,373	4,033	2,392	8,162
Other current assets	6,529	16,356	11,763	12,364	15,331
Accounts payable	(48,970)	(41,796)	(25,610)	(54,259)	(54,761)
Other current liabilities	(17,720)	(16,849)	(13,689)	(31,638)	(18,260)
Income taxes payable	(1,317)	(569)	(349)	(1,625)	(7,993)
Current operating lease liabilities	—	—	(1,783)	(1,856)	(2,150)
Current portion of long-term debt	(16,996)	(15,519)	(13,563)	(16,045)	(14,971)
Working capital	\$ 189,291	\$ 190,889	\$ 199,499	\$ 223,644	\$ 214,046
Less: Cash and cash equivalents	(44,890)	(22,228)	(75,267)	(78,253)	(47,620)
Less: Income taxes receivable	(10,291)	(4,373)	(4,033)	(2,392)	(8,162)
Less: Income taxes payable	1,317	569	349	1,625	7,993
Less: Current operating lease liabilities	—	—	1,783	1,856	2,150
Less: Current portion of long-term debt	16,996	15,519	13,563	16,045	14,971
Adjusted Working Capital	\$ 152,423	\$ 180,376	\$ 135,894	\$ 162,525	\$ 183,378

Net Debt

(dollars in thousands)

	June 2018	June 2019	June 2020	June 2021	December 2021
Long-term debt	\$ 113,553	\$ 111,541	\$ 84,607	\$ 70,336	\$ 66,257
Current portion of long-term debt	16,996	15,519	13,563	16,045	14,971
Unamortized debt issuance costs	658	958	711	476	363
Debt principal	131,207	128,018	98,881	86,857	81,591
Less: cash and cash equivalents	44,890	22,228	75,267	78,253	47,620
Net Debt	\$ 86,317	\$ 105,790	\$ 23,614	\$ 8,604	\$ 33,971

Geographic Sales



AACGR of Total Sales to FY 2025:

FY 2020 Act 12.6%

FY 2021 Act 13.3%

FY 2022 Est 11.2%

* This data omits All Other category revenue. FY 2020 and FY 2021 amounts are as reported, FY 2022 and FY 2025 amounts are estimated. NACA = North America and Central America.

