



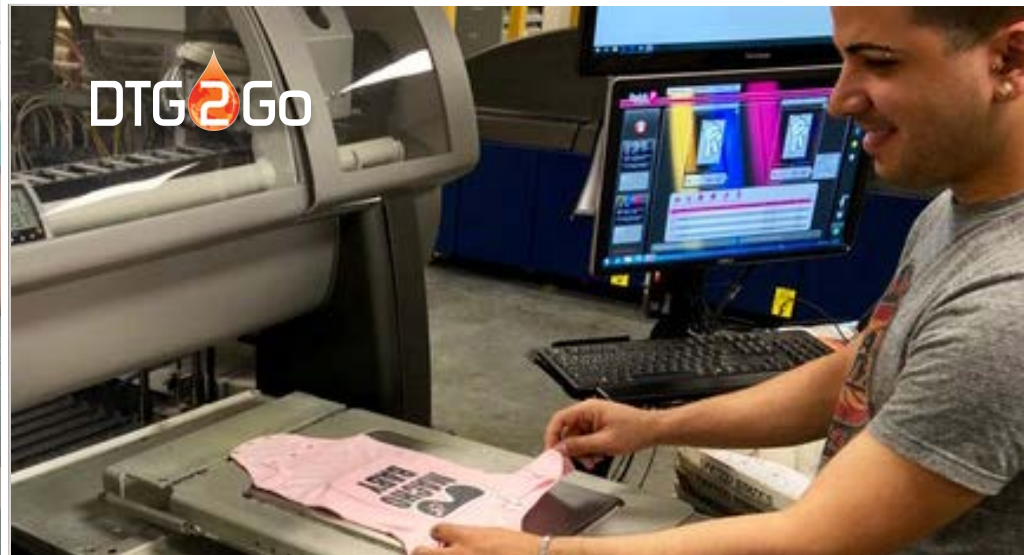
Delta Apparel, Inc.
Investor Presentation
May 2019



SALT LIFE



DTG2Go





Forward Looking Statements

- This presentation contains “Forward Looking” statements which reflect the Company's current expectations regarding future events and which involve risks and uncertainties. Although we believe that our expectations are based on reasonable assumptions, actual results could differ materially from those projected in this presentation.
- Please refer to the written materials made available to you in connection with this presentation as well as the Company’s most recent Form 10-K and other SEC filings for a more detailed discussion of some of the risks facing the Company that could affect the forward looking statements in this presentation.
- Finally, please note that any “Forward Looking” statements are made only as of the date of this presentation and the Company does not commit to update or revise these statements even if it becomes apparent that any projected results will not be realized.



Fiscal 2018

A Year of Accomplishments

- Grew sales year-over-year and significantly improved profitability
- Achieved 10% sales growth in our core Delta Catalog business and record revenue in our FunTees private label business
- Solidified our industry-leading position in the digital print and fulfillment market with DTG2Go
- Increased consumer awareness of Salt Life brand with expansion into new products, including Salt Life Lager
- Improved operating cash flows by nearly \$7 million to \$20.9 million
- Repurchased 464k shares of DLA stock for \$9 million under our Share Repurchase Program
- Realigned our business into the Delta Group and Salt Life Group to further leverage our core expertise and more efficiently manage the business





Delta Apparel, Inc.

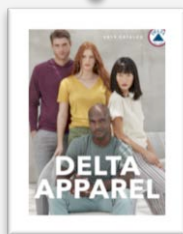
DELTA GROUP ~\$385 million *

DTG2Go



Activewear

Activewear



FunTees
A DIVISION OF DELTA APPAREL



Manufacturing

SALT LIFE GROUP ~\$45 million *

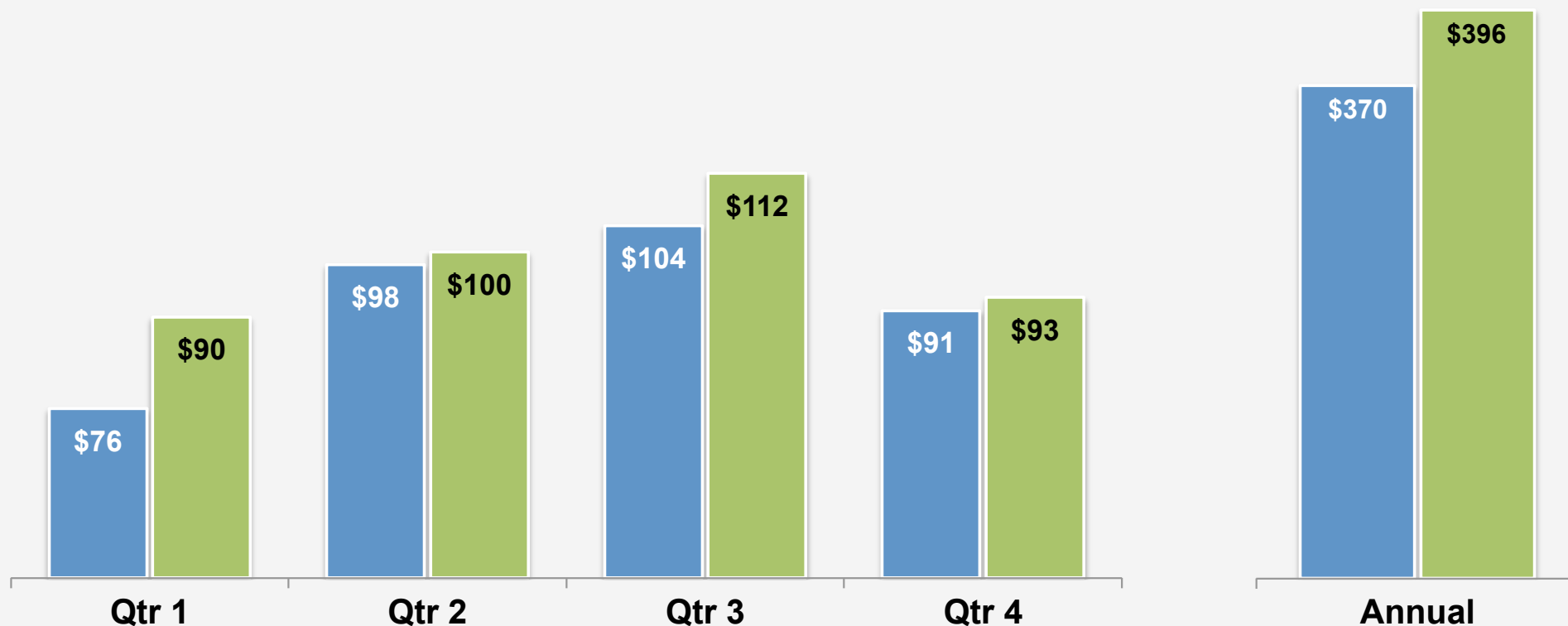
SaltLife

 **COAST**

* Based on FY19 estimate



Delta Apparel, Inc. – Sales Growth



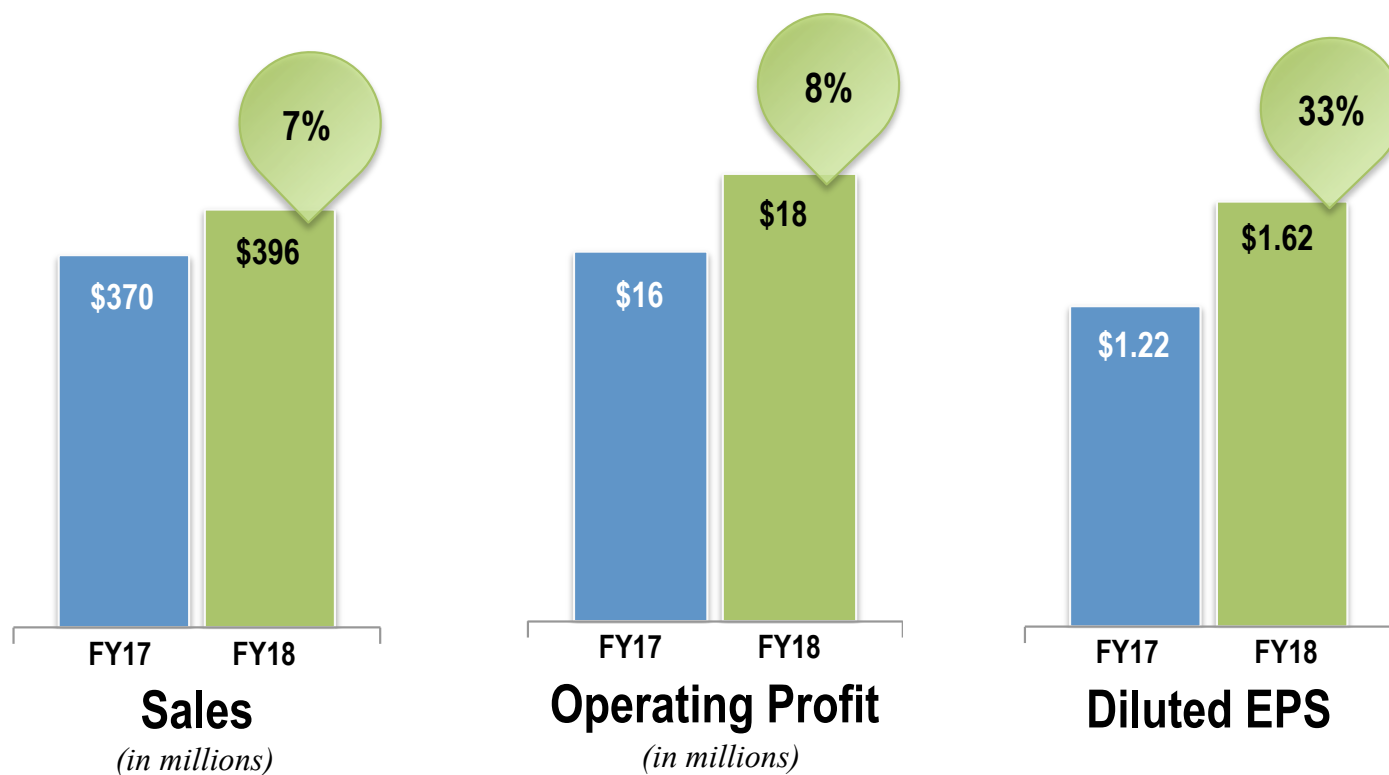
(in millions)

■ FY17 * ■ FY18

* Excludes \$9.4 million of sales from the since-divested Junkfood Clothing Company business



DLA Sales and Earnings Growth



Note: Comparison excludes \$9.4 million in prior year sales and prior year pre-tax gain of approximately \$1.0 million on sale of since-divested Junkfood Clothing Company business. Also excludes \$10.6 million impact on fiscal year 2018 results from United States tax reform.

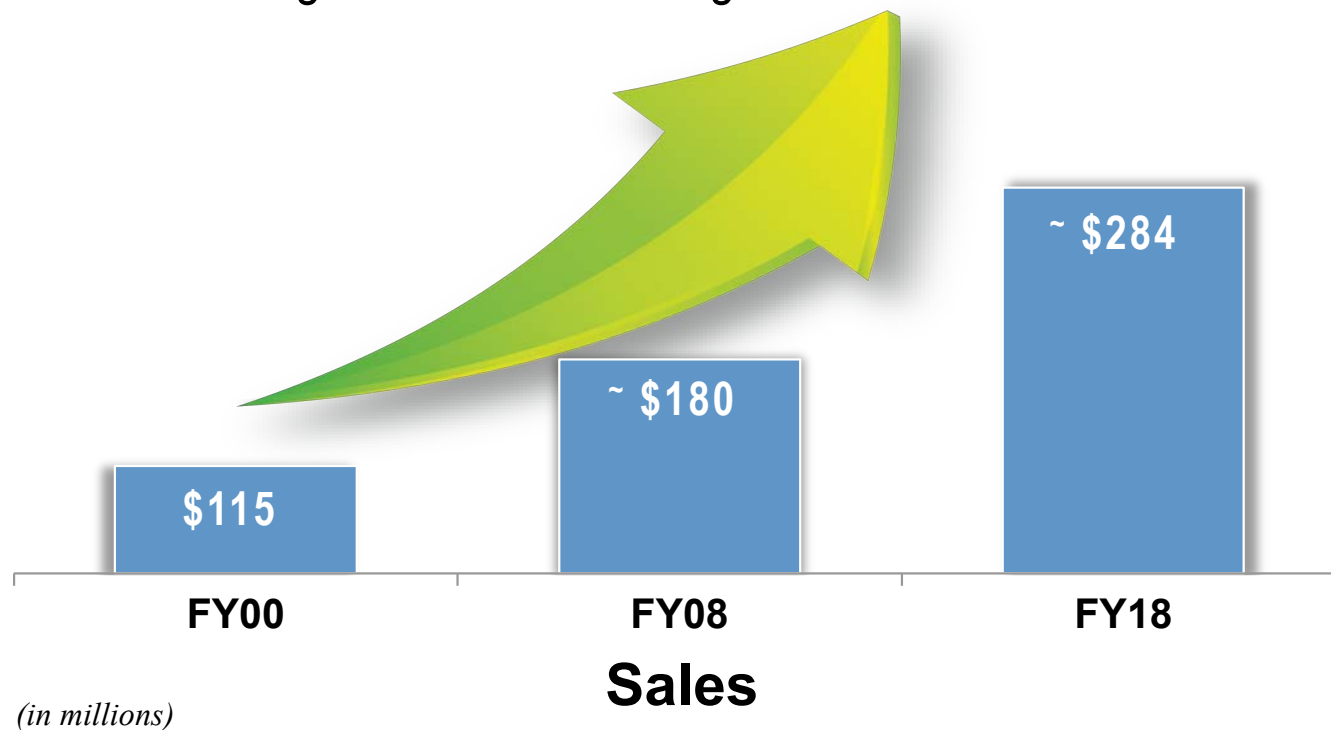


Fiscal 2019 Growth Initiatives

- Strong core business, Delta Activewear, continues to gain market share and expand customer base
- DTG2Go's cutting edge technology is revolutionizing the changing retail platform with digital print and fulfillment capabilities
- Significant growth potential with lifestyle brand, Salt Life
- Double-digit growth across our eCommerce sites; remains our most profitable sales channel

Strong Core Business, Delta Activewear

- Consistent 5% Sales CAGR over eighteen years
- Generating ~10% EBITDA margins



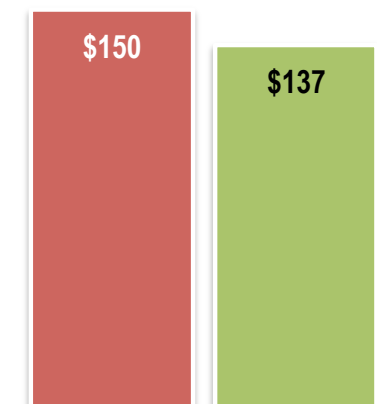
Strong Core Business, Delta Activewear

Strategically Expanding Margins

Lowest margins

Highest margins

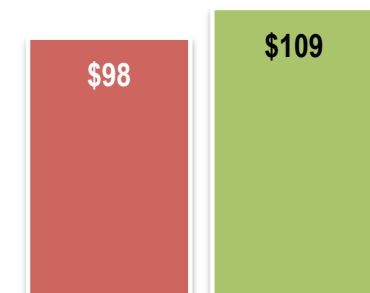
(4%) CAGR



FY16 FY18

CORE BASICS

+6% CAGR



FY16 FY18

PRIVATE LABEL

+63% CAGR



FY16 FY18

FASHION BASICS

(in millions)

Sales



Platinum



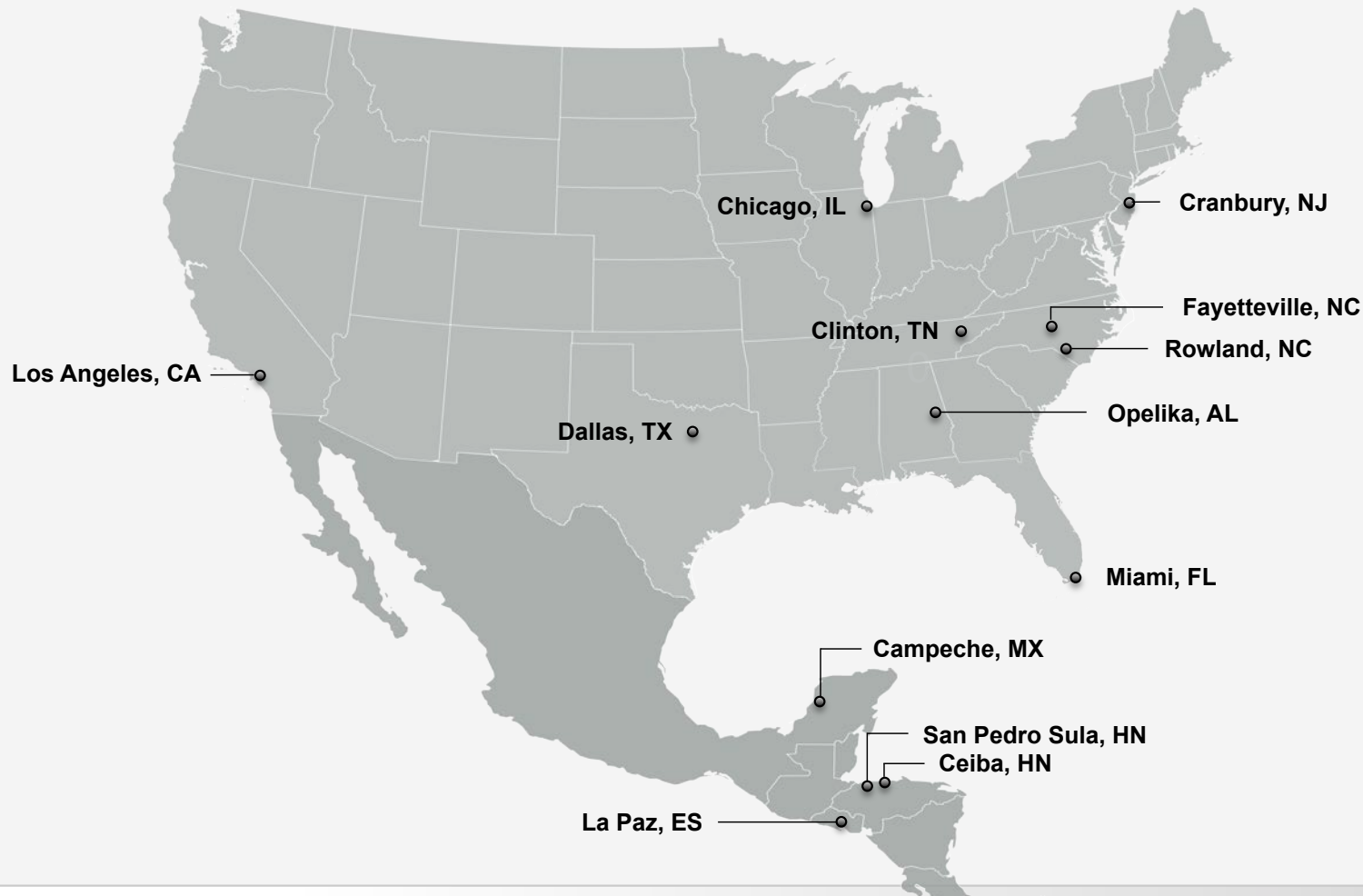
Fashion Basics

PLATINUM COLLECTION

THE PLATINUM COLLECTION – OUR CUT-ABOVE ESSENTIALS WHICH ADD A FRESH, FASHIONABLE EDGE TO DELTA APPAREL'S HISTORIC QUALITY. AFTER DECADES OF BEING YOUR SOURCE FOR CASUAL AND SPORT BASICS DONE RIGHT, WE'RE MOVING INTO NEW TERRITORY. MORE LUXURIOUS IN LOOK AND FEEL, PLATINUM PIECES TAKE THEIR REFINED ATTITUDE UPTOWN, DOWNTOWN, TO BRUNCH, TO THE OFFICE AND ANYWHERE IN BETWEEN. FOR THE STYLE-AWARE WEARER, THEY'RE MUST-HAVES RIGHT NOW, AND GOING FORWARD!



Strong Core Business, Delta Activewear



DISTRIBUTION

- Chicago, IL
- Clinton, TN
- Cranbury, NJ
- Dallas, TX
- Miami, FL
- Opelika, AL
- Los Angeles, CA

MANUFACTURING

- Fayetteville, NC
- Rowland, NC
- Ceiba Textiles, Honduras
- Campeche, Mexico
- La Paz, El Salvador
- San Pedro Sula, Honduras

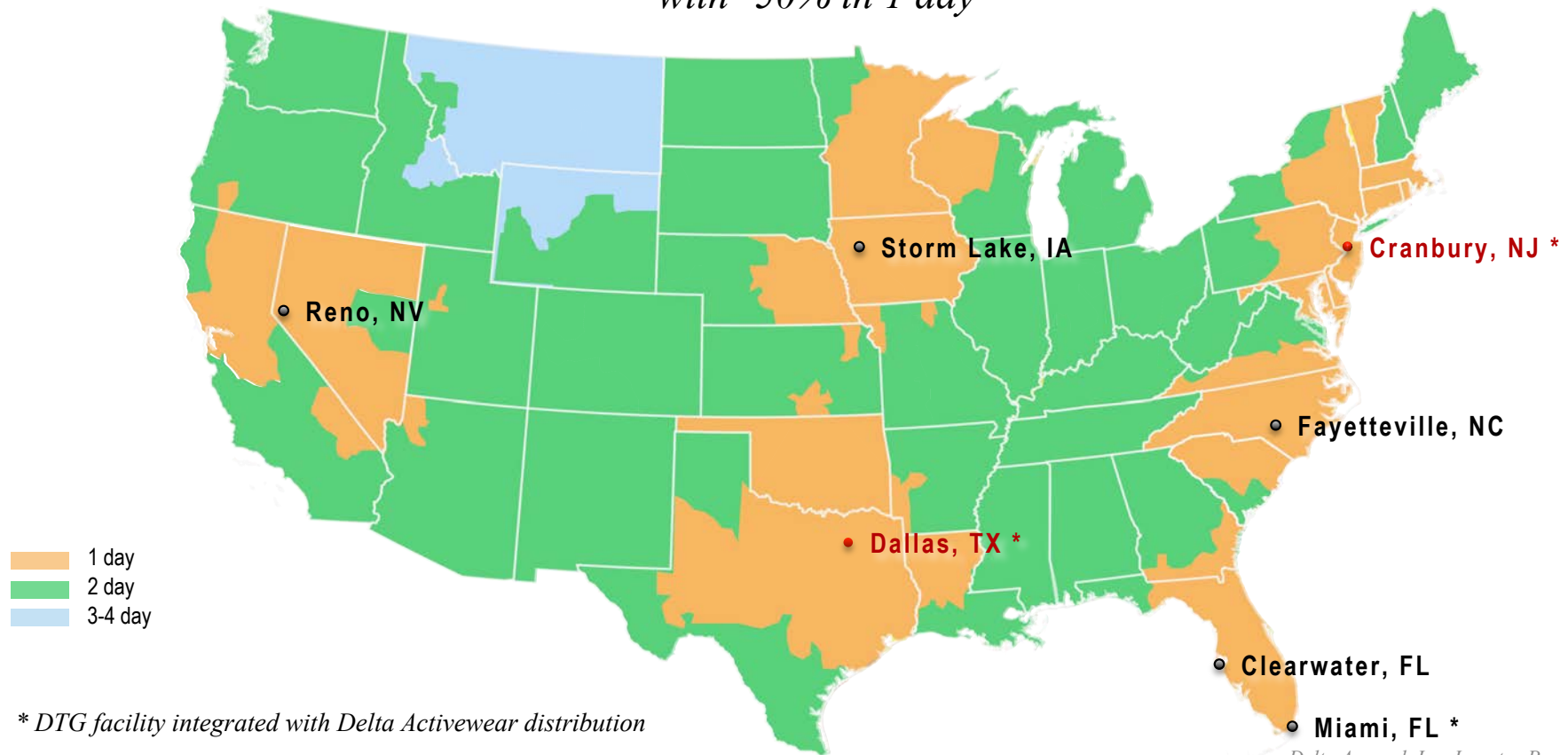
DTG2Go... Poised for 20% Sales CAGR

- **Only vertical digital print supplier in the world**
 - Seamless fulfillment integrated with Delta garments
 - Fashion and core basics, fleece and shorts
- **Industry leader in digital print and fulfillment capabilities**
 - Innovative technology
 - Ability to produce over 70,000 unique prints per day
 - Equipment on order to increase to over 90,000 per day
- **State-of-the-art equipment**
- **World class quality assurance**
- **Speed-to-market**
 - Orders shipped in 24-48 hours
 - Worldwide shipping to over 100 countries



DTG2Go ...Poised for 20% Sales CAGR

*2019 Expansion: Reaching 99% of US population in 1-2 day ship
with ~50% in 1 day*



DTG2Go ...Poised for 20% Sales CAGR

Cutting-Edge Equipment

Kornit ATLAS

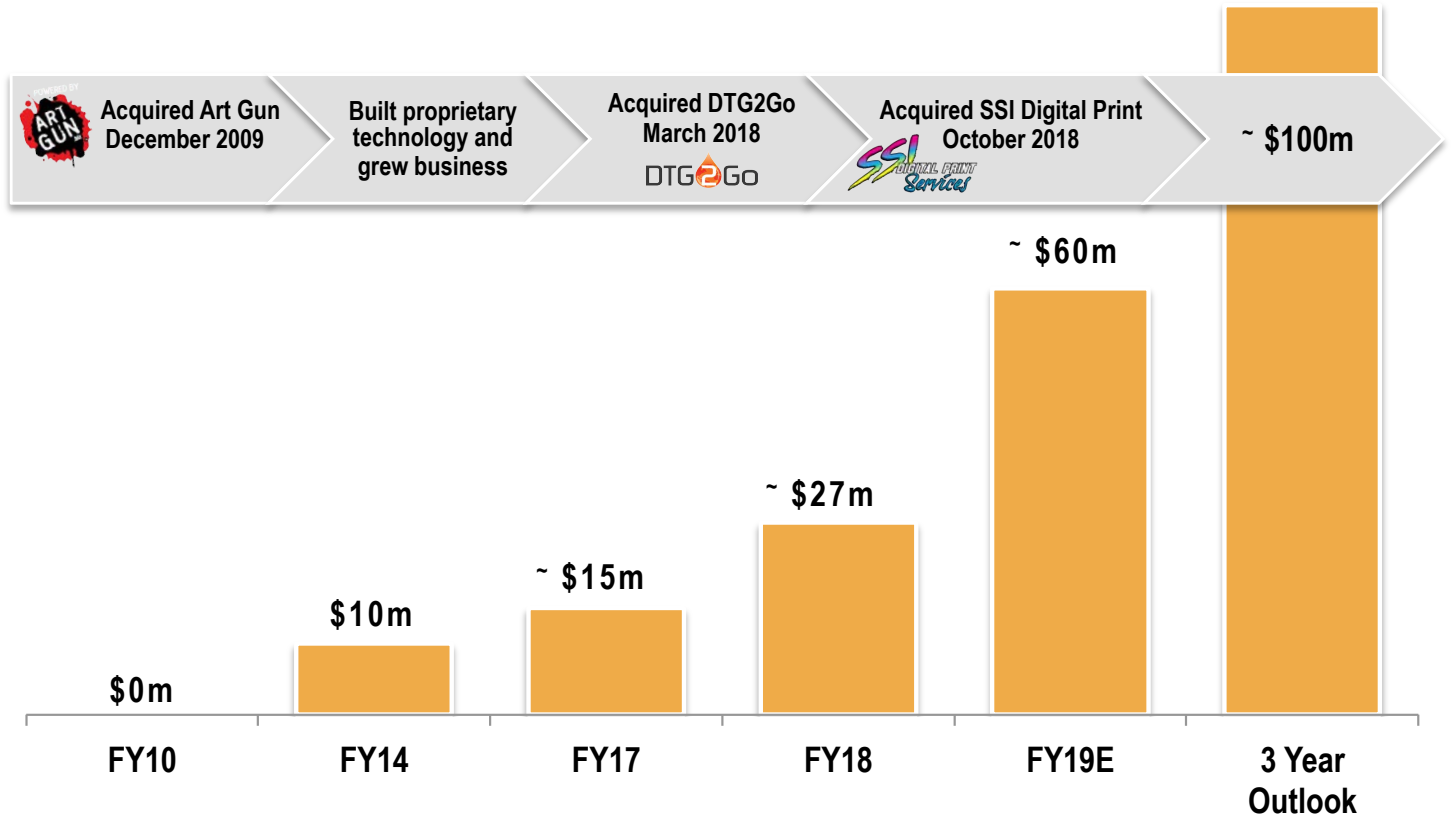
- Prints 80% more per hour than current AVK 1000
- Utilizes new 'odor-less' pre-spray
- Prints 6-color, with two additional heads for future ink options
- More ergonomically designed



Kornit Polyester Technology

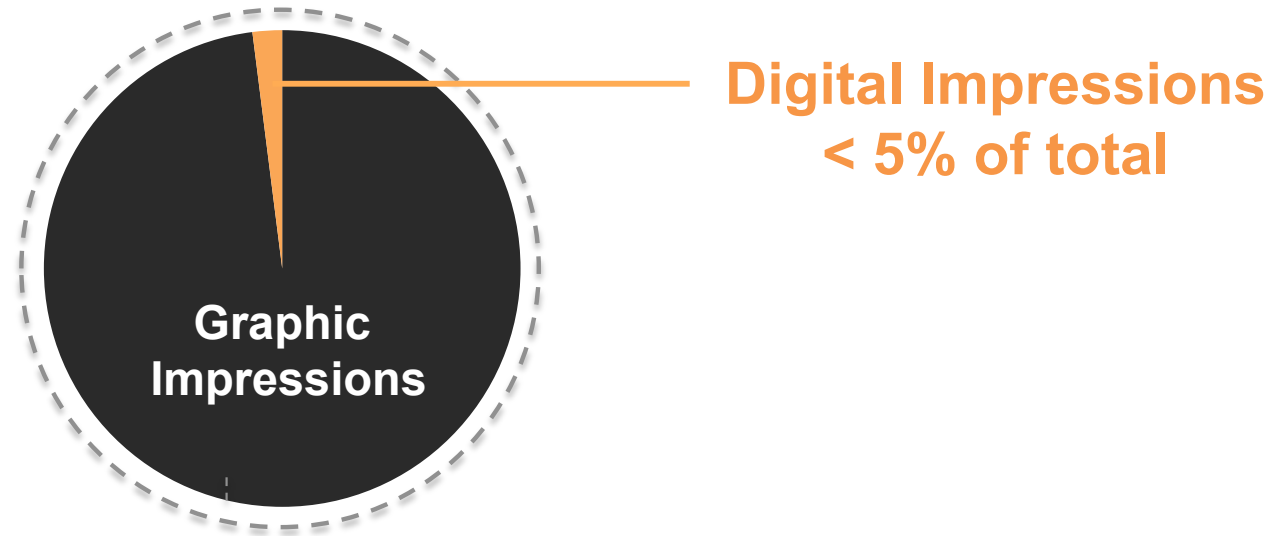
- Beta-testing first high-quality polyester digital printer
- High demand in activewear market for solution
- DTG2Go is first to bring this to market

DTG2Go ... Poised for 20% Sales CAGR



DTG2Go achieving double-digit operating profits with 20%+ EBITDA margins

DTG2Go ...Poised for 20% Sales CAGR



How large is the potential digital print market?

DTG2Go ...Poised for 20% Sales CAGR



Salt Life ...Positioned for Significant Growth





@livethesaltlife



1.1M
Followers
6.9K Posts



@realsaltlife

67.7K
Followers
45.7K Tweets
49.8K Likes



Real Salt Life



82K
Subscribers
6.6K Videos
26M Views

239K
Followers
5.3K Posts



@realsaltlife



SaltLife



Over 2 Million Decals Sold



Salt Life - Tampa, Florida



Salt Life Retail

Existing:

- Tampa, Florida
- Daytona Beach, Florida
- Jacksonville Beach, Florida
- Huntington Beach, California
- San Clemente, California
- Columbus, Georgia

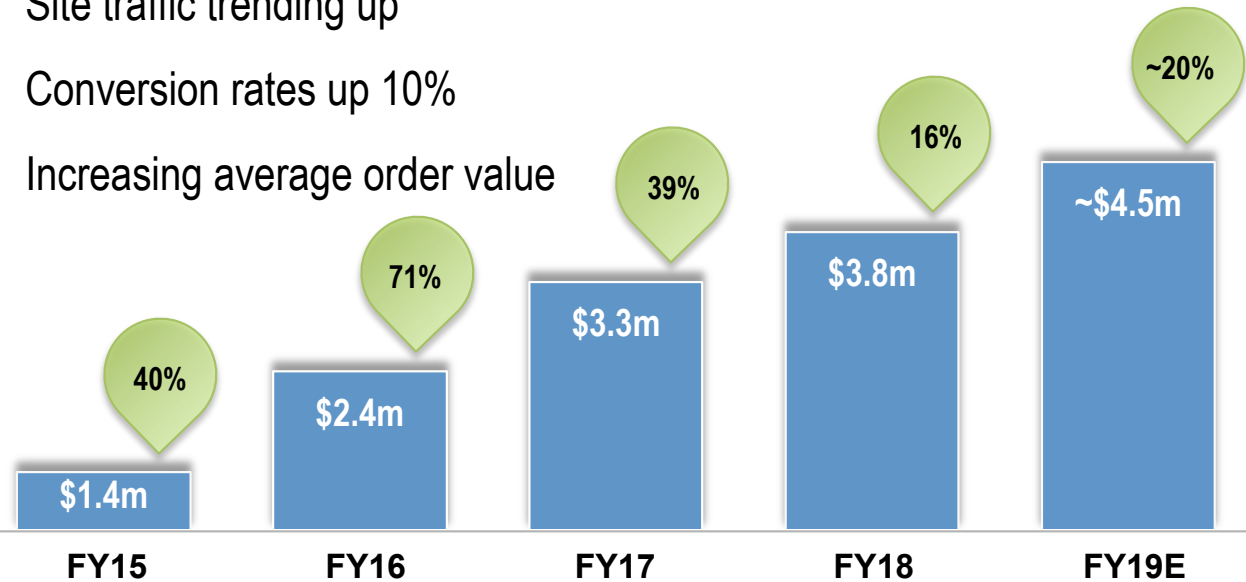
Coming Soon:

- Orlando, Florida
- Key West, Florida
- North Palm Beach, Florida
- Naples, Florida

Salt Life eCommerce

Over Two Million Consumers Visit Saltlife.com Annually

- Shipping to all 50 states
- Site traffic trending up
- Conversion rates up 10%
- Increasing average order value



eCommerce Sales Growth

A full-page photograph of two women standing in shallow turquoise ocean water. The woman on the left has long dark hair and is wearing a light blue and white striped bikini top and bottom, with a light pink and white patterned short-sleeved shirt tied at the waist. She is wearing dark sunglasses and has a joyful expression. The woman on the right has long blonde hair and is wearing a pink and white striped bikini top and bottom, with a blue and white patterned short-sleeved shirt tied at the waist. She is wearing blue mirrored sunglasses and is also smiling. Both women are splashing water. The background shows a clear blue sky and the horizon line of the ocean.

SALT LIFE

SWIM & OPTICS



Salt Life Beverage

- **Launched in Florida - Summer 2018**
 - Sold in over 3,000 doors in Florida
- **Offered draught beer – Fall 2018**
- **Expanding distribution in 2019**
 - Georgia - in stores
 - Alabama – in stores
 - North Carolina
 - Tennessee
 - South Carolina

Salt Life Restaurants

Operated through Licensee

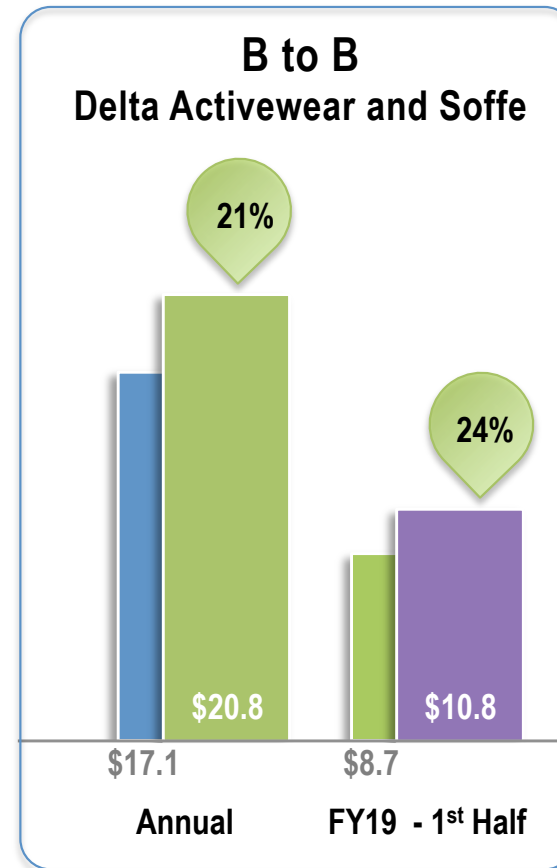
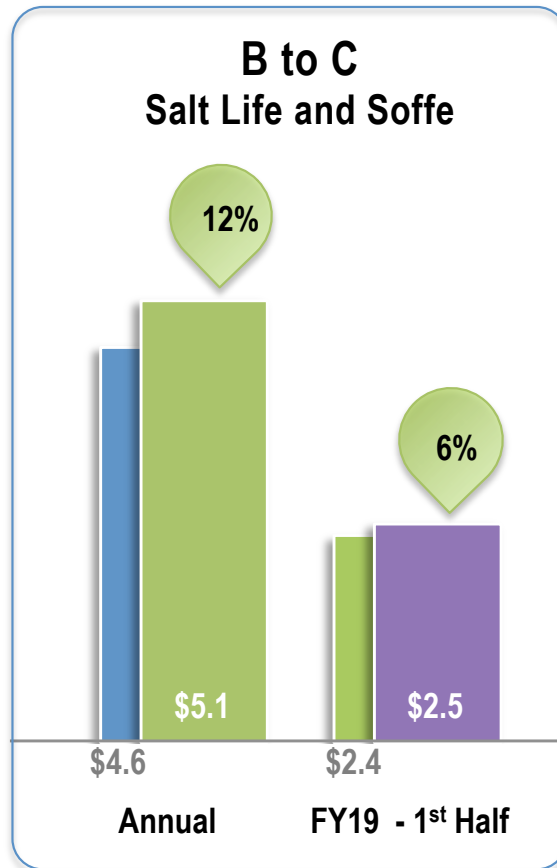
Fernandina Beach, FL - NEW

St. Augustine Beach, FL

Jacksonville Beach, FL



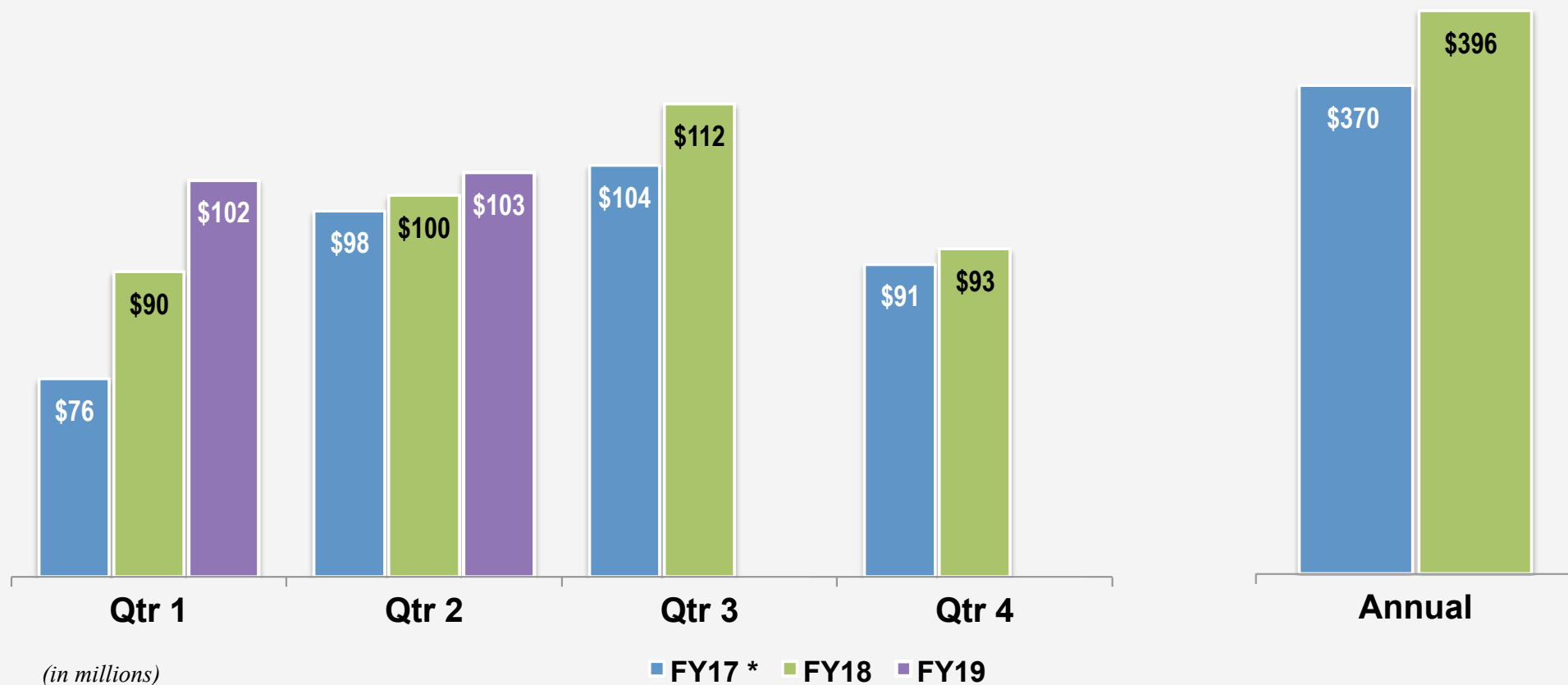
eCommerce – Sales Growth



■ FY17 ■ FY18 ■ FY19
(in millions)



Delta Apparel, Inc. – Sales Growth



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Q & A

