

# DTG2Go Launches New 'On-Demand' Retail Solution

Opens Integrated DTG2Go Facility within Retailer's Distribution Center Increases Capacity for Future Growth

GREENVILLE, S.C., October 8, 2020 -- Delta Apparel, Inc. (NYSE American: DLA), a leading provider of core activewear and lifestyle apparel products, today announced the expansion of its digital print business, with the opening of its first 'On-Demand DC,' a solution for retailers and brands to grow their business utilizing an integrated, on-demand fulfillment model.

In partnership with the iconic retailer, Hot Topic, DTG2Go opens its ninth digital print and fulfillment center, integrated within Hot Topic's Nashville, Tennessee distribution center. This



collaboration is the first of its kind, revolutionizing the retail industry by partnering a leading omni-channel retailer of pop culture merchandise with DTG2Go, an innovator in print-on-demand technology and fulfillment services. The 'On-Demand DC' allows Hot Topic to provide a seamless consumer experience with reduced shipping costs, as on-demand, digitally printed apparel is merged with

inventoried products for shipment to the end consumer. It also opens the door for further utilization of digital print for store-level replenishments and immediate out-of-stock fulfillment. Hot Topic and DTG2Go have been joined by Kornit Digital to bring the most advanced digital print quality, techniques and applications to the retail market.

Deborah H. Merrill, President of the Delta Group, commented, "We are excited about the partnership with Hot Topic and the support of Kornit Digital, as DTG2Go launches its newest service model to retailers and brands alike. We believe the DTG2Go 'On-Demand DC,' utilizing our cutting-edge technology and service platform, will revolutionize the retail industry during a time when change is needed the most."

The DTG2Go 'On-Demand DC' digital solution provides retailers immediate access to utilize DTG2Go's broad network of print and fulfillment facilities, while offering the scalability to integrate digital fulfillment within the retailer's own distribution facility. DTG2Go provides the full package: the technology, personnel, quality control, equipment, blank apparel, and the experience and knowledge of this rapidly growing industry.

Merrill continued, "As an early adopter of an on-demand model, Hot Topic is a great partner for this first collaboration to deliver the next break-through in supply chain management and customer service. With this model, we plan to test the boundaries of the many opportunities that digital has to transform retail."

Michael Yerkes, Chief Operating Officer of Hot Topic, commented, "The expansion of our relationship with DTG2Go is a natural progression for us to create the ultimate customer experience around on-demand production. DTG2GO has been a great partner in bringing these operations together and we are excited to share this with our consumers this holiday season and beyond."

The Company anticipates accelerated growth in its DTG2Go on-demand, digital print services. To support the expected demand, DTG2Go is further increasing its fleet of digital equipment with the purchase of five Kornit Atlas printers. This purchase, combined with the eight Atlas machines just recently installed, increases daily printing capacity by over 25%. The new digital printers will be operational to support the upcoming holiday season. DTG2Go expects to make further capital investments in digital print equipment throughout fiscal year 2021 to support its growth initiatives.

For more information about the 'On-Demand DC' and other DTG2Go digital print and fulfillment solutions, please contact Vince Sciandra, DTG2Go's Vice President of Business Development, at Vince.Sciandra@DTG2Go.com.

#### About DTG2Go

DTG2Go is a market leader in the direct-to-garment digital print and fulfillment industry, bringing technology and innovation to the supply chain of its many customers. DTG2Go uses highly-automated factory processes and its proprietary software to deliver on-demand, digitally printed apparel direct to consumers on behalf of its customers. Utilizing its seven fulfillment facilities throughout the United States, DTG2Go offers a robust digital supply chain, shipping custom graphic products within 24 to 48 hours to consumers across the United States and in over 100 countries worldwide. DTG2Go services the fast-growing e-retailer channels, as well as the adspecialty, promotional products, screen print, traditional retail, social media, and licensed apparel marketplaces, among others. DTG2Go's nationwide digital print and fulfillment network currently includes facilities integrated within Delta Apparel's Activewear distribution centers in Miami, Florida; Dallas, Texas; Cranbury, New Jersey; and Phoenix, Arizona. Additional facilities are located in Clearwater, Florida; Reno, Nevada; Storm Lake, Iowa; Fayetteville, North Carolina and Nashville, Tennessee.

### **About Delta Apparel, Inc.**

Delta Apparel, Inc., along with its operating subsidiaries, DTG2Go, LLC, Salt Life, LLC, and M.J. Soffe, LLC, is a vertically-integrated, international apparel company that designs, manufactures, sources, and markets a diverse portfolio of core activewear and lifestyle apparel products under the primary brands of Salt Life®, COAST®, Soffe®, and Delta. The Company is a market leader in the direct-to-garment digital print and fulfillment industry, bringing DTG2Go technology and innovation to the supply chain of its customers. The Company specializes in selling casual and athletic products through a variety of distribution channels and tiers, including outdoor and sporting goods retailers, independent and specialty stores, better department stores and midtier retailers, mass merchants and e-retailers, the U.S. military, and through its business-to-business e-commerce sites. The Company's products are also made available direct-to-consumer on its websites at www.saltlife.com, www.coastapparel.com, www.soffe.com and

www.deltaapparel.com as well as through its branded retail stores. The Company's operations are located throughout the United States, Honduras, El Salvador, and Mexico, and it employs approximately 8,700 people worldwide. Additional information about the Company is available at <a href="https://www.deltaapparelinc.com">www.deltaapparelinc.com</a>.

### **Cautionary Note Regarding Forward-Looking Statements**

This press release may contain "forward-looking" statements that involve risks and uncertainties. Any number of factors could cause actual results to differ materially from anticipated or forecasted results, including, but not limited to, the volatility and uncertainty of cotton and other raw material prices and availability; the general U.S. and international economic conditions; competitive conditions in the apparel industry; restrictions on our ability to borrow capital or service our indebtedness; deterioration in the financial condition of our customers and suppliers and changes in the operations and strategies of our customers and suppliers; changing consumer preferences or trends; our ability to successfully open and operate new retail stores; changes in economic, political or social stability at our offshore locations; significant interruptions within our manufacturing or distribution facilities or other operations; our ability to attract and retain key management; significant changes in our effective tax rate; interest rate fluctuations increasing our obligations under our variable rate indebtedness; the ability to raise additional capital; the ability to grow, achieve synergies and realize the expected profitability of acquisitions; the volatility and uncertainty of energy, fuel and other costs; material disruptions in our information systems; compromises of our data security; significant litigation in either domestic or international jurisdictions; recalls, claims and negative publicity associated with product liability issues; the ability to protect our trademarks and other intellectual property; and the other factors set forth in the "Risk Factors" contained in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission and as updated in our subsequently filed Quarterly Reports on Form 10-Q. Except as may be required by law, Delta Apparel, Inc. expressly disclaims any obligation to update these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

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