

September 19, 2023



Unique Logistics International Reports Financial Results for Fiscal 2023 Highlighted by 134% Growth in Net Income

NEW YORK, Sept. 19, 2023 /PRNewswire/ -- Unique Logistics International, Inc. (OTCMKTS: UNQL) ("Unique" or the "Company"), a global logistics and freight forwarding company, today announced results for its fiscal year ended May 31, 2023.



UNIQUE LOGISTICS INTERNATIONAL, INC.

Key Figures (in millions)

	For the Year Ended May 31	
	2023	2022
	\$	
Revenue	325.6	\$ 1,014.5
Net Income	8.2	3.5
Adjusted EBITDA	\$ 12.1	\$ 17.3

	May 31, 2023	May 31, 2022
	\$	
Total Assets	111.5	\$ 124.9
Total Stockholders' Equity	\$ 17.6	\$ 5.8

- **134% Growth in Net Income Year Over Year**

Chief Executive Officer Sunandan Ray commented on these results, "Fiscal year 2023 highlights the normalization of the air and ocean freight markets following the post pandemic surge experienced in the second half of 2022 and the early part of 2023. Declining freight rates, as well as shipping volumes throughout the market, had a significant impact on revenue for Unique and throughout the industry, particularly in the last quarter of the fiscal year. On the other hand, at normalized freight rates, Unique substantially increased its gross margin (or net revenue) from 4.2% in fiscal year 2022 to 11.1% in fiscal year 2023. This improvement, together with containment of overhead, resulted in the company achieving adjusted EBITDA of \$12.1 million together with an increase in net income of 134%."

"The outlook for the first quarter of fiscal year 2024 remains soft. However, through the loyalty of our customer base, including new customers added, business volumes are expected to grow from September 2023 onwards, which we anticipate will positively impact our second quarter."

"The acquisitions we completed in February 2023 are also seeing business growth in the resurgent freight market. We look forward to reporting a full year of consolidated results in fiscal year 2024."

Mr. Ray concluded: "We are excited to be one step closer to listing on Nasdaq through our previously announced business combination with Edify Acquisition Corp., which remains on track. We expect to move quickly towards executing our M&A strategy soon after the business combination is completed."

On February 21, 2023, the Company completed the acquisition of share capital in eight operating subsidiaries from Unique Logistics Holdings Limited, a Hong Kong corporation. The Company's consolidated financial statements prepared under US GAAP include the operations of acquired businesses from the date of the acquisitions. The following unaudited pro forma financial information represents a summary of the consolidated results of operations for the years ended May 31, 2023, and 2022, assuming the acquisitions had been completed as of June 1, 2021, the first day of the period presented. The proforma adjustments include the elimination of intercompany revenue and expense transactions. The pro forma financial information is not necessarily indicative of the results of operations that would have been achieved if the acquisitions had been effective as of these dates, or of future results.

UNIQUE LOGISTICS INTERNATIONAL, INC.
Pro Forma Information (Unaudited)
(in millions)

	For the Year Ended May 31	
	2023	2022
Revenue	\$ 416.3	\$ 1,271.5
Net Income	11.7	26.1
Adjusted EBITDA	\$ 17.8	\$ 49.2

Business Outlook

"Closing the acquisition of operating subsidiaries and affiliates of our former parent company was a seminal moment for Unique Logistics in 2023, further enhancing our growth trajectory," stated Mr. Ray. "The completion of the acquisitions marks a crucial advancement in our strategic roadmap to emerge as a top-tier supply chain and logistics service provider. These new additions will fortify our authority in the industry. This acquisition is anticipated to elevate our net revenue and substantially boost our Adjusted EBITDA. We look forward to increasing logistics services and trade among the countries of our Acquired Companies and Europe, Latin America, Canada, and Intra-Asia, further bolstering our market agility."

Mr. Ray concluded, "We have made significant strides in expanding our position in the supply chain and logistics industry, demonstrating a clear commitment to our strategic plan, and continuing to scale as a prominent player. We are positioning ourselves to better meet

the needs of our customers, realizing our vision of yielding significant benefits in revenue and service excellence. It's an exciting time for the Unique team and a testament to our dedication to growth and excellence."

About Unique Logistics International, Inc.

Unique Logistics International, Inc. (OTC Markets: UNQL) through its wholly owned operating subsidiaries, is a global logistics and freight forwarding company providing a range of international logistics services that enable its customers to outsource to the Company sections of their supply chain process. The services provided are seamlessly managed by its network of trained employees and integrated information systems. We enable our customers to share data regarding their international vendors and purchase orders with us, execute the flow of goods and information under their operating instructions, provide visibility to the flow of goods from factory to distribution center or store and when required, update their inventory records.

For more information on UNQL and its businesses, please visit www.unique-usa.com.

About Non-GAAP Financial Measures (Adjusted EBITDA)

We define adjusted EBITDA to be earnings before interest, taxes, depreciation and amortization and other non-recurring income or expenses.

Adjusted EBITDA is not a measurement of financial performance under GAAP and may not be comparable to other similarly titled measures of other companies. We present adjusted EBITDA because we believe that adjusted EBITDA is a useful supplement to net income as an indicator of operating performance. For this reason, we believe adjusted EBITDA will also be useful to others, including our stockholders, as a valuable financial metric.

Adjusted EBITDA should not be considered as an alternative to net income as an indicator of performance or as an alternative to cash flows from operating activities as an indicator of cash flows, in each case as determined in accordance with GAAP, or as a measure of liquidity. In addition, adjusted EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows. We do not intend the presentation of these non-GAAP measures to be considered in isolation or as a substitute for results prepared in accordance with GAAP. These non-GAAP measures should be read only in conjunction with our condensed consolidated financial statements prepared in accordance with GAAP.

Cautionary Note Regarding Forward-Looking Statements

This press release includes express or implied statements that are not historical facts and are considered forward-looking within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. Forward-looking statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and may contain projections of our future results of operations or of our financial information or state other forward-looking information. In some cases, you can identify forward-looking statements by the following words: "may," "will," "could," "would," "should," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue," "ongoing," or the negative of these terms or other

comparable terminology, although not all forward-looking statements contain these words.

Although we believe that the expectations reflected in these forward-looking statements such as the growth in revenues, along with the statements under the heading Business Outlook are reasonable, these statements relate to future events or our future operational or financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control, including, without limitation, statements about our future financial performance, including our revenue, cash flows, costs of revenue and operating expenses; our anticipated growth; our predictions about our industry; the impact of the COVID-19 pandemic on our business and our ability to attract, retain and cross-sell to clients. The forward-looking statements contained in this release are also subject to other risks and uncertainties, including those more fully described in our filings with the Securities and Exchange Commission ("SEC"), including in our Annual Report on Form 10-K for the fiscal year ended May 31, 2023. The forward-looking statements in this press release speak only as of the date on which the statements are made. We undertake no obligation to update, and expressly disclaim the obligation to update, any forward-looking statements made in this press release to reflect events or circumstances after the date of this press release or to reflect new information or the occurrence of unanticipated events, except as required by law.

UNIQUE LOGISTICS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended 31-May-23	For the Year Ended 31-May-22
Revenues:		
Airfreight services	\$ 80,971,563	\$ 499,024,643
Ocean freight and ocean services	181,432,206	446,977,162
Contract logistics	3,217,479	3,491,489
Customs brokerage and other services	59,997,244	64,993,386
Total revenues	<u>325,618,492</u>	<u>1,014,486,680</u>
Equity method earnings	<u>136,656</u>	<u>-</u>
Costs and operating expenses:		
Airfreight services	72,578,396	496,918,427
Ocean freight and ocean services	160,572,708	418,552,477
Contract logistics	1,045,680	1,771,415
Customs brokerage and other services	55,280,445	54,368,332
Salaries and related costs	15,378,957	11,736,610
Professional fees	1,261,899	1,079,819
Rent and occupancy	3,077,975	2,022,396
Selling and promotion	2,883,916	6,653,335
Depreciation and amortization	1,270,462	782,351
Bad debt expense	-	2,541,676
Other expense	1,880,332	1,535,425
Total costs and operating expenses	<u>315,230,770</u>	<u>997,962,263</u>
Income from operations	10,524,378	16,524,417
Other income (expenses)		
Interest expense	(3,836,511)	(5,632,551)
Amortization of debt discount	-	(776,515)
Gain on forgiveness of promissory note	-	358,236
Change in fair value of derivative liabilities	879,733	(4,020,698)
Loss on extinguishment of convertible note	-	(564,037)
Change in fair value of contingent liabilities	1,750,000	-
Other income	285,951	60,000
Total other income (expenses)	<u>(920,827)</u>	<u>(10,575,565)</u>
Net income before income taxes	9,603,551	5,948,852
Income tax expense	<u>1,388,983</u>	<u>2,414,298</u>
Net income	8,214,568	3,534,554
Deemed dividend	<u>-</u>	<u>(4,565,725)</u>
Net income (loss) before allocation to noncontrolling interests	8,214,568	(1,031,171)
Noncontrolling interest	<u>(12,795)</u>	<u>-</u>
Net income (loss) attributable to for common shareholders	<u>\$ 8,201,773</u>	<u>\$ (1,031,171)</u>

UNIQUE LOGISTICS INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS

	31-May-23	31-May-22
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 6,744,238	\$ 1,422,393
Accounts receivable, net	41,402,435	74,746,036
Contract assets	2,886,779	30,970,581
Other current assets and prepaids	9,293,533	1,404,021
Total current assets	60,326,985	108,543,031
Property and equipment, net	609,785	188,889
Other noncurrent assets:		
Goodwill	20,516,018	4,463,129
Intangible assets, net	12,865,093	7,337,704
Equity-method investments	3,381,683	-
Operating lease right-of-use assets, net	10,269,516	2,408,098
Deferred tax asset, net	-	942,748
Deferred offering cost	2,419,976	506,502
Other noncurrent assets	1,133,674	521,834
Total other noncurrent assets	50,585,960	16,180,015
Total assets	\$ 111,522,730	\$ 124,911,935
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	\$ 25,132,388	\$ 49,028,862
Accrued expenses and current liabilities	8,594,947	5,666,159
Accrued freight	3,489,957	9,240,650
Contract liabilities	-	468,209
Revolving credit facility	8,050,227	38,141,451
Current portion of notes payable	-	608,333
Current portion of notes payable to related parties	4,801,310	301,308
Current portion of notes payable	4,801,310	301,308
Current portion of operating lease liability	2,379,774	912,618
Total current liabilities	52,448,603	104,367,590
Noncurrent liabilities		
Notes payable	4,000,000	-
Notes payable to related parties, net of current portion	8,750,000	397,968
Operating lease liability, net of current portion	8,212,445	1,593,873
Derivative liabilities	11,558,261	12,437,994
Deferred tax liability, net	4,405,442	-
Other noncurrent liabilities	4,552,346	282,666
Total noncurrent liabilities	41,478,494	14,712,501
Total liabilities	93,927,097	119,080,091
Commitments and contingencies	-	-
Stockholders' Equity:		
Preferred Stock, \$.001 par value: 5,000,000 shares authorized		
Series A Convertible Preferred stock, \$.001 par value; 120,065 and 130,000 issued and outstanding as of May 31, 2023, and 2022, respectively. Liquidation preference \$120 at May 31, 2023	120	130
Series B Convertible Preferred stock, \$.001 par value; 820,800 issued and outstanding as of May 31, 2023, and 2022, respectively. Liquidation preference of \$821 at May 31, 2023	821	821
Series C Convertible Preferred stock, \$.001 par value; 195, issued and outstanding as of May 31, 2023, and 2022, respectively. Liquidation preference \$9.6 million at May 31, 2023	-	-

Series D Convertible Preferred stock, \$0.001 par value; 180 and 187, issued and outstanding as of May 31, 2023, and 2022, respectively. Liquidation preference \$9.0 million at May 31, 2023


Preferred stock, value

Common stock, \$0.001 par value; 800,000,000 shares authorized; 799,141,770 and 687,196,478 shares issued and outstanding as of May 31, 2023, and 2022, respectively.

Additional paid-in capital	799,142	687,197
Accumulated other comprehensive income	180,220	292,155
Retained earnings	3,258	-
Total Stockholders' Equity attributable to common shareholder	13,066,109	4,851,541
Equity attributable to noncontrolling interests	14,049,670	5,831,844
Total Stockholders' Equity	3,545,963	-
Total Liabilities and Stockholders' Equity	17,595,633	5,831,844
	<u>\$ 111,522,730</u>	<u>\$ 124,911,935</u>

UNIQUE LOGISTICS INTERNATIONAL, INC.
ADJUSTED EBITDA (Non-GAAP Measure)

	For the Year Ended 31-May-23	For the Year Ended 31-May-22
Net income (loss) available to common shareholders	\$ 8,201,773	\$ (1,031,171)
Add Back:		
Deemed dividend	-	4,565,725
Income tax expense	1,388,983	2,414,298
Depreciation and amortization	1,270,462	782,351
Gain (loss) on forgiveness of promissory notes	-	(358,236)
Gain (loss) on extinguishment of convertible notes	-	564,037
Change in fair value of derivative liability	(879,733)	4,020,698
Change in fair value of contingent liability	(1,750,000)	
Factoring fees	-	27,000
Interest expense (including accretion of debt discount)	3,836,511	6,349,067
Noncontrolling interest income (loss)	(12,795)	-
Adjusted EBITDA	<u>\$ 12,055,201</u>	<u>\$ 17,333,769</u>

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