September 1, 2021

Unique Logistics International Reports Financial Results for Fiscal 2021 highlighted by 223% Growth in Revenue

NEW YORK, Sept. 1, 2021 /PRNewswire/ -- Unique Logistics International, Inc. (the "Company or "UNQL") (OTC Markets: UNQL) a global logistics and freight forwarding company, today announced results for its fiscal year ended May 31, 2021.

Key Financial Results

USD millions	For the Year Ended May 31, 2021 (Audited)	For the Period October 28, 2019 (Inception) through May 31, 2020 (Audited)	For the Year Ended May 31, 2020 (Proforma) *(1)* (Unaudited)
Total revenues	$371.9	$1.1	$115.1
Income (loss) from operations	$3.5	($0.4)	($2.1)
Net income (loss)	$1.7	($0.4)	($2.1)
Adjusted EBITDA	$8.9	($0.4)	n/a
Total assets	$69.5	$34.0	n/a
Total Stockholders' Equity	$6.6	$1.1	n/a

(1) Pro-forma financials present combined results of operations of the Company, if all the acquired entities were combined on June 1, 2019

UNQL announces 223% growth in revenue

"We are proud to present the first full year results of UNQL and believe that we have met shareholder expectations." said Sunandan Ray, Chief Executive Officer. "We have taken the three companies we acquired and delivered revenues that are 223% higher comparing the current reporting year versus the comparative period before acquisition for the same entities combined. We have achieved these results through the loyalty of our customers, the hard work and dedication of our management and staff and the support of our business partners. At the end of the first full reporting year, I am confident that the Company is ready to build on the base we have established in our market. We are ready to accelerate our growth strategy.

Key Business Highlights:

Revenue Environment:

- Management anticipates continuing strong demand for international logistics services in the year ahead.
- The reported revenue for the year ended May 31, 2021 of $371.9 million represents growth of 223% based on revenue of $115.1 million (proforma) reported by the acquired companies in the prior year before acquisition by the Company. The results represent Management's success in combining the acquired entities and positioning them for growth.
- Successful integration of the acquired companies along with the synergies achieved by Management puts the Company in a strong position to grow both organically and through acquisitions in strategic areas of our business.

Cost Performance:

- The Company has a well-established procurement strategy for the next twelve months with airlines and shipping lines in order to secure additional capacities to cater for the expected growth in our business. The Company's air cargo charter programs have added significant capacity for United States importers during a challenging period for logistics. Increasing domestic warehousing and distribution capabilities to support our international business is an integral part of the Company's strategy as it prepares to actively pursue its growth in the year ahead.
- The Company continues to expand its management expertise and team of employees to cater for its anticipated business growth. A new office in Houston planned for September 2021 will establish the Company's initial footprint in the Texas market. The Company is aware of the need to continuously balance increasing amounts of business with our employees' well-being and strongly believe that a happy employee is a productive team member.

***Non-GAAP Measurement of Business Performance:**

This press release includes certain financial information not prepared in accordance with Generally Accepted Accounting Principles in the United States ("GAAP"), including Adjusted EBITDA. Adjusted EBITDA is defined by the Company, for the periods presented, to be earnings before interest, factoring fees, taxes, depreciation and amortization, accretion of debt discounts, loss on debt extinguishments, stock-based compensation, and certain other items. Pursuant to the requirements of Regulation G, the Company has provided a reconciliation, in the tables attached to this press release, of income from continuing operations calculated in accordance U.S. GAAP to Adjusted EBITDA. Adjusted EBITDA is not a measurement of financial performance under U.S. GAAP and may not be comparable to other similarly titled measures of other companies. The Company calculated and communicated Adjusted EBITDA in the tables because the Company's management believes it is of importance to investors and lenders by providing additional information with respect to the performance of its fundamental business activities. Management presents Adjusted EBITDA because it believes that Adjusted EBITDA is a useful supplement to net income as an indicator of operating performance. Management also believes that Adjusted EBITDA is an industry-wide financial measure that is useful both to management and investors when evaluating the Company's performance and comparing our performance with the performance of our competitors. Management also uses adjusted EBITDA for planning purposes, as well as to evaluate the Company's performance because it believes that adjusted EBITDA more accurately reflects the Company's results, as it excludes certain items, such as stock-based compensation charges, that management believes are not indicative of the Company's operating performance. The Company believes that Adjusted EBITDA is a performance measure and not a liquidity measure. Adjusted EBITDA should not be considered as an alternative to operating or 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 U.S. 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 Adjusted EBITDA is defined by the Company for the periods presented to be earnings before interest, factoring fees, taxes, depreciation and amortization, accretion of debt discounts, loss on debt extinguishments, stock-based compensation, and certain other items. Pursuant to the requirements of Regulation G, the Company has provided a reconciliation in the tables attached to this release of loss from continuing operations calculated in accordance with U.S. GAAP to Adjusted EBITDA. Management presents Adjusted EBITDA because it believes that Adjusted EBITDA is a useful supplement to net loss as an indicator of operating performance. Adjusted EBITDA should not be considered as an alternative to operating or net loss 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.

The Company's calculation of Adjusted EBITDA may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view Adjusted EBITDA as an alternative to the U.S. GAAP operating measure of net income (loss). 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. Management does not intend the presentation of these non-GAAP measures to be considered in isolation or as a substitute for results prepared in accordance with U.S. GAAP. These non-GAAP measures should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with U.S. GAAP income taxes that can affect cash flows.

About Unique Logistics International, Inc.

Unique Logistics International, Inc. (OTC: 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.

Forward-Looking Statements

This press release does not constitute an offer to sell or a solicitation of offers to buy any securities of any entity. This news release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are intended to be covered by the "safe harbor" created by those sections. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, can generally be identified by the use of forward- looking terms such as "believe," "expect," "may," "should," "could," "seek," "intend," "plan," "goal," "estimate," "anticipate" or other comparable terms. All statements other than statements of historical facts included in this news release regarding our strategies, prospects, financial condition, operations, costs, plans and objectives are forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: our ability to successfully market our services; the acceptance of our services by customers; our continued ability to pay operating costs and ability to meet demand for our services; the amount and nature of competition from other logistics service providers; the effects of changes in the logistics market; our ability to comply with applicable regulations; and the other risks and uncertainties described in our prior filings with the Securities and Exchange Commission. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

FINANCIAL STATEMENTS (EXTRACT FROM 10-K)

UNIQUE LOGISTICS INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS

	May 31, 2021	May 31, 2020
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 252,615	$ 1,349,363
Accounts receivable – trade, net	20,369,747	7,932,310
Contract assets	23,423,314	4,837,008
Factoring reserve	7,593,665	970,724
Other prepaid expenses and current assets	761,458	91,671
Total current assets	52,400,799	15,181,076
Property and equipment – net	192,092	198,988
Other long-term assets:		
Goodwill	4,463,129	4,773,584
Intangible assets – net	8,044,853	8,752,000
Operating lease right-of-use assets – net	3,797,527	4,770,280
Deposits and other assets	555,362	292,404
Other long-term assets	16,860,871	18,588,268
Total assets	$ 69,453,762	$ 33,968,332
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable – trade	$ 38,992,846	$ 9,591,780
Accrued expenses and other current liabilities	2,383,915	3,619,216
Accrued freight	10,403,430	3,477,380
Current portion of notes payable – net of discount	2,285,367	1,476,642
Current portion of long-term debt due to related parties	397,975	6,380,975
Current portion of operating lease liability	1,466,409	1,288,216
Total current liabilities	55,929,942	25,834,209
Other long-term liabilities	565,338	848,010
Long-term-debt due to related parties, net of current portion	715,948	193,328
Notes payable, net of current portion – net of discount	3,193,306	2,494,420
Operating lease liability, net of current portion	2,431,144	3,482,064
Total long-term liabilities	6,905,736	7,017,822
Total liabilities	62,835,678	32,852,031
Commitments and contingencies		
Stockholders' Equity:		
Preferred Stock, $.001 par value: 5,000,000 shares authorized		
Series A Convertible Preferred stock, $0.001 par value; 130,000 issued and outstanding as of May 31, 2021 and 2020	130	130
Series B Convertible Preferred stock, $0.001 par value; 840,000 and 870,000 shares issued and outstanding as of May 31, 2021 and 2020, respectively	840	870
Common stock, $0.001 par value; 800,000,000 shares authorized; 393,742,663 and 0 shares issued and outstanding as of May 31, 2021 and 2020, respectively	393,743	-
Additional paid-in capital	4,906,384	1,523,811
Retained earnings (accumulated deficit)	1,316,987	(408,510)
Total Stockholders' Equity	6,618,084	1,116,301
Total Liabilities and Stockholders' Equity	$ 69,453,762	$ 33,968,332

UNIQUE LOGISTICS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended May 31, 2021	For the Period October 28, 2019 (Inception) Through May 31, 2020
Revenues:		
Airfreight services	$ 137,055,903	$ 169,924
Ocean freight and ocean services	196,041,832	730,944
Contract logistics	3,093,626	18,126
Customs brokerage and other services	35,695,911	151,330
Total revenues	371,887,272	1,070,324
Costs and operating expenses:		
Airfreight services	130,564,578	158,223
Ocean freight and ocean services	179,759,763	628,542
Contract logistics	1,267,360	3,497
Customs brokerage and other services	33,766,727	157,800
Acquisition expenses	-	239,350
Salaries and related costs	9,184,390	60,776
Professional fees	1,350,369	180,000
Rent and occupancy	1,815,194	21,086
Selling and promotion	4,535,373	5,720
Depreciation and amortization	765,532	-
Fees on factoring agreements	4,471,540	-
Other	877,458	19,682
Total costs and operating expenses	368,358,284	1,474,676
Income (loss) from operations	**3,528,988**	**(404,352)**
Other income (expenses)		
Interest	(1,781,828)	(4,158)
Gain on forgiveness of promissory notes	1,646,062	-
Loss on extinguishment of convertible note	(1,147,856)	-
Total other income (expenses)	(1,283,622)	(4,158)
Net income (loss) before income taxes	2,245,366	(408,510)
Income tax expense	519,869	-
Net income (loss)	**$ 1,725,497**	**$ (408,510)**
Net income (loss) per common share		
– basic	$ -	$ (0.04)
– diluted	$ -	$ (0.04)
Weighted average common shares outstanding		
– basic	1,408,941,722	10,000,000
– diluted	10,030,364,061	10,000,000

Adjusted EBITDA (Non-Gap Financial Measure)

	For the Year Ended May 31, 2021		For the Year Ended May 31, 2020	
Net income (loss)	$	1,725,497	$	(408,510)
Add Back:				
Income tax expense		519,869		-
Depreciation and amortization		765,532		-
Stock-based compensation		91,666		-
Gain on forgiveness of promissory notes		1,147,856		-
Loss on extinguishment of convertible notes		(1,646,062)		-
Factoring fees		4,471,540		-
Interest expense (including accretion of debt discount)		1,781,828		-
Adjusted EBITDA	$	8,857,726	$	(408,510)

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