

September 14, 2022



Unique Logistics International Reports Financial Results for Fiscal 2022 Highlighted by 173% Growth in Revenue and 94% Growth in Adjusted EBITDA

NEW YORK, Sept. 14, 2022 /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, 2022.



Fiscal 2022 Financial Highlights (in millions)

	For the Year Ended May 31	
	2022	2021
Net Revenue	\$ 1,014.5	\$ 371.9
Adjusted EBITDA	\$ 17.3	\$ 8.9
As of		
	May 31, 2022	May 31, 2021
Total Assets	\$ 124.9	\$ 69.5
Total Stockholders' Equity	\$ 5.8	\$ 6.6

- Revenue increased 173% year over year
- Adjusted EBITDA increased 94% year over year.

CEO Sunandan Ray commented on these results, "2022 was a pivotal year in the evolution of Unique Logistics since the acquisition of our operating subsidiaries in May 2020. Our focus has been on consolidating operations, continuing to build out our management team, and growing revenue by adding strategic corporate accounts."

"We are proud to present our second year consolidated financial results and believe we continue to prove the promise we knew was there when we first embarked on this endeavor. We are confident that our efforts to execute for our customers, build management expertise and evolve our ownership structure will result in a company that is poised to accelerate into the future."

Business Outlook

Mr. Ray stated, "For the fiscal year 2023 we are cautious, but optimistic about the Company's growth prospects. We believe the customer base will continue to grow strongly

and management will seek to improve profitability and increase EBITDA by building on the value additions in our service as well as operational efficiency. The Company will be focused on completing the acquisitions previously announced."

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

The Company believes that EBITDA (earnings before interest, taxes, depreciation and amortization) is useful to investors because it is commonly used in the cloud communications industry to evaluate companies on the basis of operating performance and leverage. Adjusted EBITDA provides an adjusted view of EBITDA that takes into account certain significant non-recurring transactions, if any, such as impairment losses and expenses associated with pending acquisitions, which vary significantly between periods and are not recurring in nature, as well as certain recurring non-cash charges such as changes in fair value of the Company's derivative liabilities and stock-based compensation. The Company also believes that Adjusted EBITDA provides investors with a measure of the Company's operational and financial progress that corresponds with the measurements used by management as a basis for allocating resources and making other operating decisions.

EBITDA and Adjusted EBITDA are not intended to represent cash flows for the periods presented, nor have they been presented as an alternative to operating income or as an indicator of operating performance and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In accordance with SEC Regulation G, the non-GAAP measurements in this press release have been reconciled to the nearest GAAP measurement, which can be viewed under the heading "Reconciliation of Net Income (loss) from Operations to EBITDA and Adjusted EBITDA" in the financial tables included in this press release.

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, 2022. 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-22	For the Year Ended 31-May-21
Revenues:		
Airfreight services	\$ 499,024,643	\$ 137,055,903
Ocean freight and ocean services	446,977,162	196,041,832
Contract logistics	3,491,489	3,093,626
Customs brokerage and other services	64,993,386	35,695,911
Total revenues	<u>1,014,486,680</u>	<u>371,887,272</u>
Costs and operating expenses:		
Airfreight services	496,918,427	130,564,578
Ocean freight and ocean services	418,552,477	179,759,763
Contract logistics	1,771,415	1,267,360
Customs brokerage and other services	54,368,332	33,766,727
Salaries and related costs	11,736,610	9,184,390
Professional fees	1,079,819	1,350,369
Rent and occupancy	2,022,396	1,815,194
Selling and promotion	6,653,335	4,535,373
Depreciation and amortization	782,351	765,532
Fees on factoring agreements	27,000	4,471,540
Bad debt expense	2,541,676	240,000
Other	1,508,425	637,458
Total costs and operating expenses	<u>997,962,263</u>	<u>368,358,284</u>
Income from operations	<u>16,524,417</u>	<u>3,528,988</u>
Other income (expenses)		
Interest expense	(5,632,551)	(431,439)
Amortization of debt discount	(776,515)	(1,350,389)
Gain on forgiveness of promissory note	358,236	1,646,062
Change in fair value of derivative liabilities	(4,020,698)	-
Loss on extinguishment of convertible note	(564,037)	(1,147,856)
Other income	60,000	-
Total other income (expenses)	<u>(10,575,565)</u>	<u>(1,283,622)</u>
Net income before income taxes	<u>5,948,852</u>	<u>2,245,366</u>
Income tax expense	<u>2,414,298</u>	<u>519,869</u>
Net income	<u>3,534,554</u>	<u>1,725,497</u>
Deemed Dividend	<u>(4,565,725)</u>	<u>-</u>
Net (loss) income available for common shareholders	<u>\$ (1,031,171)</u>	<u>\$ 1,725,497</u>

UNIQUE LOGISTICS INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS

	<u>31-May-22</u>	<u>31-May-21</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,422,393	\$ 252,615
Accounts receivable, net	74,746,036	20,369,747
Contract assets	30,970,581	23,423,314
Factoring reserve	-	7,593,665
Other prepaid expenses and current assets	1,404,021	761,458
Total current assets	<u>108,543,031</u>	<u>52,400,799</u>
Property and equipment, net	<u>188,889</u>	<u>192,092</u>
Other long-term assets:		
Goodwill	4,463,129	4,463,129
Intangible assets, net	7,337,704	8,044,853
Operating lease right-of-use assets, net	2,408,098	3,797,527
Deferred tax asset, net	942,748	263,221
Deposits	1,028,336	292,141
Other long-term assets	16,180,015	16,860,871
Total assets	<u>\$ 124,911,935</u>	<u>\$ 69,453,762</u>
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	\$ 49,028,862	\$ 38,992,846
Accrued expenses and other current liabilities	5,666,159	2,383,915
Accrued freight	9,240,650	10,403,430
Contract Liabilities	468,209	-
Revolving credit facility	38,141,451	-
Current portion of notes payable, net of discount	608,333	2,285,367
Current portion of long-term debt due to related parties	301,308	397,975
Current portion of operating lease liability	912,618	1,466,409
Total current liabilities	<u>104,367,590</u>	<u>55,929,942</u>
Other long-term liabilities	282,666	565,338
Long-term-debt due to related parties, net of current portion	397,968	715,948
Notes payable, net of current portion, net of discount	-	3,193,306
Derivative liabilities	12,437,994	-
Operating lease liability, net of current portion	1,593,873	2,431,144
Total long-term liabilities	<u>14,712,501</u>	<u>6,905,736</u>
Total liabilities	<u>119,080,091</u>	<u>62,835,678</u>
Commitments and contingencies	-	
Stockholders' Equity:		
Preferred Stock, \$.001 par value: 5,000,000 shares authorized		
Series A Convertible Preferred stock, \$.001 par value; 130,000 issued and outstanding as of May 31, 2022 and 2021	130	130
Series B Convertible Preferred stock, \$.001 par value; 820,800 and 840,000 shares issued and outstanding as of May 31, 2022 and 2021, respectively	821	840
Series C Convertible Preferred stock, \$.001 par value; 195 and none, issued and outstanding as of May 31, 2022 and 2021, respectively	-	-
Series D Convertible Preferred stock, \$.001 par value; 187 and none, issued and outstanding as of May 31, 2022 and 2021, respectively	-	-
Preferred Stock, Value		
Common stock, \$.001 par value; 800,000,000 shares authorized; 687,196,478 and 393,742,663 shares issued and outstanding as of May 31, 2022 and 2021, respectively	687,197	393,743
Additional paid-in capital	292,155	4,906,384
Retained earnings	4,851,541	1,316,987
Total Stockholders' Equity	<u>5,831,844</u>	<u>6,618,084</u>
Total Liabilities and Stockholders' Equity	<u>\$ 124,911,935</u>	<u>\$ 69,453,762</u>

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

	For the Year Ended 31-May-22	For the Year Ended 31-May-21
Net income (loss)	\$ (1,031,171)	\$ 1,725,497
Add Back:		
Deemed dividend	4,565,725	
Income tax expense	2,414,298	519,869
Depreciation and amortization	782,352	765,532
Stock-based compensation	-	91,666
Gain on forgiveness of promissory notes	(358,236)	1,147,856
Loss on extinguishment of convertible notes	564,037	(1,646,062)
Change in derivative liability	4,020,698	
Factoring fees	27,000	4,471,540
Interest expense (including accretion of debt discount)	6,349,066	1,781,828
Adjusted EBITDA	<u>\$ 17,333,769</u>	<u>\$ 8,857,726</u>

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