



VANCOUVER, British Columbia, Aug. 22, 2018 — NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

Unisync Corp. (TSX-V:UNI) ("Unisync" or the "Company") is pleased to announce that it has entered into a binding acquisition agreement to acquire all of the issued and outstanding capital stock of Utility Garments Inc. ("Utility") of Montreal, PQ (the "Acquisition") from private equity firm BDG & Partners and two minority shareholders ("the "Vendors"). The purchase price, which is subject to closing adjustments, consists of cash consideration of \$19,500,000 and the issuance of 1,272,727 voting common shares of Unisync to the Vendors.

[https://www.youtube.com/watch?v=gcD4oo8cF8E\[/embedyt\]](https://www.youtube.com/watch?v=gcD4oo8cF8E[/embedyt])

In conjunction with the Acquisition, the Company has also entered into an agreement with Acumen Capital Finance Partners Limited, to issue, on a bought deal private placement basis, C\$8 million of subscription receipts (the "Subscription Receipts") to partially finance the Acquisition (the "Offering"). In addition, the Company's senior lender has agreed to provide increased credit facilities of \$13.5 million through a combination of operating and term loans.

Completion of the Acquisition, which is expected to occur on or about October 1, 2018, is subject to the satisfaction or waiver of certain closing conditions, including, among other things, third party consents and regulatory approvals. This is an expedited acquisition under the policies of the TSX Venture Exchange (the "TSX-V").

Unisync CEO Douglas Good: "It has been a longstanding strategic objective of the Company to expand our Canadian geographic reach into the Quebec marketplace with an established and well respected uniform supplier headquartered in that province. This merger with Utility will fulfill this objective and allow both entities to utilize the combined broad base of service locations across Canada to more efficiently service current and prospective national accounts. The Acquisition has the strong support of the senior operational management of both companies."

"We are very excited about the potential that this merging of two established entities provides, each with an enviable list of marquis accounts and a lengthy history of excellence," commented B. James Bottoms, President of Unisync's Corporate Apparel Division.

Harold Geyer, President and CEO of Utility added: "This merger is a natural fit that brings together two great teams whose combined expertise in the food and retail services, security and corporate apparel sectors will position us to be a leading provider of image wear in the North American marketplace."

On closing of the Acquisition, Utility's Vice President and minority shareholder, David Miller, will assume the additional role of Senior Vice President, Corporate Development of the merged entity. David obtained his Executive MBA from Queens University in 2004, a Juris Doctor degree from the Cardozo School of Law and was called to the New York Bar in 1999. "We are very excited by this merger because it was the next logical step in the consolidation of the Canadian Uniform Industry," commented David.

Christian Turgeon, CEO and Managing Partner of BDG, will be joining the board of directors of Unisync following the Closing of the Transaction providing a Quebec based perspective to our board. Christian co-founded BDG and has over 20 years of experience in mergers and acquisitions and has served on the board of several Canadian and US corporations. He is also a YPO member and sits on the board of the Quebec Chapter.

Acquisition Highlights

- Utility is the leading provider of corporate uniforms in Quebec. Based in Montreal and founded in 1935, Utility has provided uniform solutions in the Quebec market for over 80 years.
- Utility brings a large established recurring revenue base supported by a wide range of high quality customers. Utility's revenues are expected to exceed \$21 million in the year following the Acquisition (2017 Revenue was \$17.3 million).
- Highly complementary acquisition with very little customer or geographic overlap to Unisync.
- Pro-Forma the Acquisition and the Offering, the transaction is expected to be immediately accretive to Unisync EBITDA and earnings per share, net of acquisition related expenses.
- As part of the Utility Acquisition, Unisync is also acquiring Utility's strategically located Montreal facility of 65,000sq feet with an appraised value of \$4.4 million as well as a positive working capital balance of approximately \$9.75 million.
- The Acquisition is expected to dramatically increase Unisync's bi-lingual capabilities and the scale, scope, and ability to execute on behalf of their current and newly acquired customer base.

Subscription Receipt Offering

The Company has entered into an agreement with Acumen Capital Finance Partners Limited (the "Underwriter"), to issue 2,106,000 Subscription Receipts at a price of C\$3.80 per Subscription Receipt, on a bought deal private placement basis, for gross proceeds of C\$8,000,000. The Company has also granted the Underwriter an option to purchase up to an additional 526,300 Subscription Receipts on the same terms and conditions, exercisable at any time, in whole or in part, up to 30 days after the closing of the Offering (the "Over-Allotment Option"). If the Over-Allotment Option is exercised the gross proceeds from the offering will increase to approximately \$10 million. The net proceeds from the sale of the Subscription Receipts will be held by an escrow agent pending the fulfillment or waiver of all outstanding conditions precedent to closing of the Acquisition (other than the payment of the consideration for the Acquisition). Upon the satisfaction or waiver of each of the conditions precedent to the closing of the Acquisition (other than the payment of the consideration for the Acquisition): (a) one common share of the Company will be automatically issued in exchange for each Subscription Receipt (subject to customary anti-dilution protection), without payment of additional consideration or further action by the holder thereof; and (b) the net proceeds from the sale of the Subscription Receipts will be released from escrow to the Company for the purposes of completing the Acquisition.

The Subscription Receipts will be offered via private placement in each of the provinces of Canada. The Offering is expected to close on or about September 11, 2018 and is subject to certain conditions including, but not limited to, the receipt of all regulatory approvals including the approval of the TSXV.

The securities offered pursuant to the Offering have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "1933 Act") and may not be offered, sold or delivered, directly or indirectly, in the United States, or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the 1933 Act), except pursuant to an exemption from the registration requirements of the 1933 Act. This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or to, or for the account or benefit of, U.S. persons.

ABOUT UNISYNC

Unisync Corp. operates through two business units: Unisync Group of Mississauga, Ontario, and Peerless Garments LP ("Peerless") of Winnipeg, Manitoba. Unisync Group is a leading customer-focused provider of corporate apparel, serving a list of Canadian iconic brands through operations in Vancouver, Calgary, Mississauga, Guelph, Carleton (Ottawa Region), Montreal and the Maritimes. Peerless specializes in the production and distribution of highly technical protective garments, military operational clothing, and accessories for a broad spectrum of Federal, Provincial and Municipal government departments and agencies. Unisync Corp. is a vertically integrated Canadian enterprise with exceptional capabilities in garment design, domestic manufacturing, and off-shore outsourcing, including state-of-the-art web based B2B ordering, distribution, and program management.

For more information on our capabilities, products and services please visit our website at www.unisyncgroup.com.

On Behalf of the Board of Directors

Douglas F. Good, CEO

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

This press release contains statements which may constitute forward-looking information under applicable Canadian securities legislation. Such forward-looking statements include, but are not limited to, statements with respect to the proposed Acquisition, the anticipated revenues of Utility, the anticipated effect of the Acquisition with respect to EBITDA and earnings per share, the anticipated effect of the Acquisition with respect to the Company's capabilities, the proposed financing of the Acquisition including the increased credit facilities and the proposed Offering, the expected terms of the Offering and the expected use of proceeds of the financing. Persons reading this press release are cautioned that such statements or information are only predictions, and that no assurance can be given that the Acquisition and the Offering will close on the terms or in accordance with the timing currently expected or at all or as to the effect of the Acquisition on the Company's strategy and financial results. Factors that could cause actual events or results to differ materially from those suggested by these forward-looking statements include, but are not limited to: competition, operational risk, customer concentration/economic dependence, working capital, disruptions in production, reliance on key personnel, reliance on few suppliers, reliance on subcontractors, technological milestones, operating cost fluctuations, increases in interest rates, decreases in the value of the Canadian dollar against the U.S. dollar and other foreign currencies, access to credit, and potential unknown liabilities and including, but not limited to, other factors described in the Company's reports filed on SEDAR, including its financial statements and management's discussion and analysis for the year ended September 30, 2017. All forward-looking statements made in this press release are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by the Company will be realized. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.