VANCOUVER, British Columbia, May 03, 2018 – Unisync Corp. (TSXV:UNI) (the "Company") reported revenue for the six months ended March 31, 2018 of $50.0 million as compared to $28.2 million for the same period ended March 31, 2017.

The Company realized net income and total comprehensive income of $6.5 million in the six month period ended March 31, 2018 compared to a net loss and total comprehensive loss of $0.1 million in the same period last year. Cash flow from operations, before non-cash working capital items and distributions to minority partner, was $10.0 million for the first half of Fiscal 2018 versus $0.8 million for the same period last year. The improvement in net income reflects a return to more normal gross profit margins following a significant and sustained period of reduced margins caused by the precipitous drop in the value of the Canadian dollar and its consequent effect on our cost of goods purchased offshore. The proven effect of economies of scale associated with greater absorption of fixed costs with the increase in revenue also played a large role in the improved profitability.

The Company operates through two business segments: Unisync Group Limited ("UGL") of Mississauga, Ontario and Peerless Garments LP ("Peerless") of Winnipeg, Manitoba. The large increase in revenue year-over-year was the result of the UGL segment's shipment of new uniform kits to approximately 23,000 uniformed employees of the Company's largest airline account, Air Canada. The UGL segment demonstrated the capabilities of its distribution team and the handling capacity of its Guelph distribution facility to execute the large airline account's new uniform rollout by delivering record revenue of $33.3 million in the second quarter of fiscal 2018 compared to $8.1 million in the same period last year. The Peerless segment's second quarter revenue of $4.0 million declined by 27% over the same period in the prior year due to a delay in the release of new contracts and in the exercise of outstanding options on existing contracts by the Department of National Defence ("DND"), that segment's largest customer.

Business Outlook

The launch of a re-designed uniform program for a large new or existing client is a major undertaking both for the client and our Company. Extensive involvement and pre-staging of resources is required from early in the design process to the actual launch and changeover to the new uniforms by a team of people responsible for the implementation process at both the client and Company organizations. This re-design process can span up to a two year period before the actual launch takes place largely due to the extensive selection and quality control process that these clients go through. It also explains why it is often 10 years or more before these companies undertake another re-design of their existing program. A launch involves the delivery of kits that may include two or more pieces of each uniform item per employee. As a result, lower replenishment deliveries are expected during the first couple of quarters following a rollout but volumes then return to normal "steady state" maintenance and replacement levels during the following years of these typically long-term engagements.

As announced on April 3, 2018, UGL was selected by the North American Association of Uniform Manufacturers and Distributors to receive the Image of the Year Award in the "Transportation – People" category for its involvement in the design and production of this new airline uniform. In addition, the Air Canada new uniform program was also awarded the highly prestigious "Best of the Best" Award presented to the highest scoring entry in recognition of overall excellence.

The Company's second largest airline account, Alaska Airlines, recently unveiled its new custom uniforms collection and is scheduled to officially rollout its new uniforms to its employees starting in late 2019. UGL will be responsible for all aspects of the program including manufacturing, quality, safety, inventory planning, online ordering, customer service, and warehouse and distribution. These successes have led to interest from other companies in the North American airline sector and the Company is presently pursuing these new opportunities.

The Peerless business segment is well positioned to increase revenues and profitability over the balance of fiscal 2018 with $29 million in firm contracts and options on hand as at March 31 2018.

More detailed information is contained in the Company's Interim Financial Statements for the period ended March 31, 2018 and Management Discussion and Analysis dated May 3, 2018 which may be accessed at www.sedar.com.

On Behalf of the Board of Directors

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