

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 8-K
CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **April 29, 2024**

UNIQUE LOGISTICS INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation)

000-50612

(Commission
File Number)

01-0721929

(IRS Employer
Identification No.)

154-09 146th Ave,

Jamaica, NY 11434

(Address of Principal Executive Offices)

(718) 978-2000

Registrant's telephone number, including area code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On April 29, 2024, Unique Logistics International, Inc. (the "Company") entered into a Share Sale and Purchase agreement (the "Purchase Agreement"), by and between the Company and Unique Logistics Holdings Limited, a Hong Kong corporation (the "Seller"), providing for the acquisition by the Company of all of Seller's share capital (the "Shares") in Unique Logistics International (Sin) Pte Ltd. ("Unique Singapore"). Closing of the transaction contemplated by the Purchase Agreement (the "Closing") shall take place, in accordance with the terms of the Purchase Agreement at such time and place as shall be mutually agreed by the Seller and the Company subject to satisfaction of customary conditions to Closing.

As consideration for the Shares, the Company has agreed to (i) pay the Seller US\$350,000 (the "Cash Consideration") at Closing; and (ii) assume US\$1,800,000 in indebtedness (the "Indebtedness"). In connection with its assumption of the Indebtedness, the Buyer is borrowing from Seller US\$1,800,000 and is issuing to the Seller in exchange therefor a promissory note in the corresponding amount of US\$1,800,000 (the "Note" and, together with the Cash Consideration, the "Purchase Price"). The Purchase Price is subject to certain adjustments (increase or decrease) as set forth in the Purchase Agreement, up to a cap of US\$150,000.

The Purchase Agreement contains customary representations, warranties, covenants, indemnification and other terms for transactions of a similar nature. The closing of the transaction contemplated by the Purchase Agreement is subject to various conditions as set forth in the Purchase Agreement.

Patrick Lee, a director of the Company, is also a director of the Seller and is the Group Chief Operating Officer of the Seller. Richard Lee, an owner of the Seller, is also an affiliate of the Company through his interests in Great Eagle Freight Limited.

Item 1.01 of this Current Report on Form 8-K contains only a brief description of the material terms of and does not purport to be a complete description of the rights and obligations of the parties to the Purchase Agreement and the Note, and such description is qualified in its entirety by reference to the full text of the Purchase Agreement and the form of the Note, copies of which are filed as Exhibit 10.1 and 10.2 to this Current Report on Form 8-K and are incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information provided in Item 1.01 of this Current Report is incorporated herein by reference.

Item 9.01. Exhibits.

(d) Exhibits

Exhibit No.	Exhibit
10.1	Share Sale and Purchase Agreement, dated April 29, 2024, by and between Unique Logistics International, Inc. and Unique Logistics Holdings Limited.
10.2	Form of the Promissory Note by and between Unique Logistics International, Inc. and Unique Logistics Holdings Limited.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNIQUE LOGISTICS INTERNATIONAL, INC.

Dated: May 3, 2024

By: /s/ Sunandan Ray
Sunandan Ray
Chief Executive Officer

SHARE SALE AND PURCHASE AGREEMENT
(Singapore Acquisition)

THIS SHARE SALE AND PURCHASE AGREEMENT (this “Agreement”) is entered into the 29th day of April, 2024.

BETWEEN:

- (1) **UNIQUE LOGISTICS HOLDINGS LIMITED** of Unit 05-06, 3/F., Tower 2, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong (the “Seller”); and
- (2) **UNIQUE LOGISTICS INTERNATIONAL, INC.** of 154-09 146th Avenue, Jamaica, New York 11434 (the “Buyer”).

The Seller and the Buyer may be collectively referred to hereinafter as the “Parties” and, individually, as a “Party.”

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 In this Agreement the following terms shall have the meanings set forth below:

“Additional Trade Payable”	for purposes of this Agreement, means the additional US\$2,200,000 owed to the Buyer that will be recorded in the books of the Company as such;
“Adjudged Seller Stamp Duty Amount”	has the meaning given to it in Clause 6.1;
“Adjusted Net Asset Statement”	has the meaning given to it in Clause 3.1(b);
“Affiliate”	means, with respect to any specified Person, any other Person who or which, directly or indirectly, controls, is controlled by, or is under common control with such specified Person, including, without limitation, any general partner, limited partner, member, officer, director or manager of such Person. For purposes of this definition, the terms “controls,” “controlled by,” or “under common control with” means the possession, direct or indirect, of power to direct or cause the direction of management or policies (whether through ownership of voting securities, by contract or otherwise);
“Applicable Benefit Laws”	means all Laws, including those of a jurisdiction outside of the United States, applicable to any Employee Plan;
“Audited Financials”	has the meaning given to it in Clause 3.1(b);
“Business Day”	means a weekday on which banks are open for general banking business in New York and Singapore;
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“Board”	means the board of directors of the Company;
“Cap”	has the meaning given to it in Clause 3.1(a);
“Cash Payment”	has the meaning given to it in Clause 2.2(a);
“Closing”	means completion of the sale and purchase of the Sale Shares in accordance with Clause 4;
“Closing Date”	has the meaning given to it in Clause 5.1;
“Code”	means the Internal Revenue Code of the United States of America, as amended;
“Company”	means Unique Logistics International (Sin) Pte Ltd., a company incorporated in Singapore having limited liability;
“Company Group”	has the meaning given to it in Clause 17.9;
“Company Indebtedness”	has the meaning given to it in Clause 2.2(b);
“Conditions”	has the meaning given to it in Clause 4.1;
“Confidential Information”	has the meaning given to it in Clause 8.1;
“Contract”	means any written, oral or other agreement, contract, subcontract, lease, understanding, instrument, note, warranty, license, sublicense, insurance policy, benefit plan or legally binding commitment or undertaking of any nature, whether express or implied;
“Constituent Document”	means articles of association, certificates of incorporation, bylaws or other constitutive documents, share records of an Entity, (iii) the minutes and other records of the meetings and other proceedings (including any actions taken by written consent or otherwise without a meeting) of the shareholders of an Entity, and the minutes and written consents of the board of directors and the committees, if any, of the board of directors of an Entity, in each instance as maybe or have been amended and/or restated from time to time;
“Company Constituent Document(s)”	means the Constituent Documents of the Company;
“Deductible”	has the meaning given to it in Clause 17.10;

“Deficit Floor” has the meaning given to it in Clause 3.1(c);

“Deficit” has the meaning given to it in Clause 3.1(c);

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“Disclosure Schedule” means the disclosure schedule set out under the heading **“Disclosure Schedule”** at the back of this Agreement;

“Dispute Notice” has the meaning given to it in Clause 3.1(d);

“Disputed Item” has the meaning given to it in Clause 3.1(d);

“Employee Plan” means any employee benefit plan including: (i) any (a) nonqualified deferred compensation or retirement plan or arrangement or superannuation plan; (b) qualified defined contribution retirement plan or arrangement; or (c) qualified defined benefit retirement plan or arrangement, which is an “employee pension benefit plan”; (ii) any “employee welfare benefit plan” or material fringe benefit plan or program; or (iii) any share purchase, share option, profit sharing, deferred compensation, welfare, pension, retirement, severance pay, employment, change-in-control, vacation pay, equity awards, salary continuation, sick leave, excess benefit, bonus or other incentive compensation, life insurance, or other employee benefit plan, Contract, program, policy or other arrangement. For the avoidance of doubt, “Employee Plan” does not include any employee benefit plan that is mandatory under applicable Law;

“Encumbrance” means any claim, charge, mortgage, lien, option, hypothecation, security interest, title retention, right of pre-emption, right of first refusal or any agreement, arrangement or obligation to create any of the foregoing, other than liens arising by operation of law or restrictions set out in the Constituent Documents (if any);

“Entity” means any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust (including any limited liability company or joint stock company), firm or other enterprise, association, organization or entity;

“Environmental Law” means any Law relating to the environment, occupational health and safety, or exposure of persons or property to Materials of Environmental Concern, including any statute, regulation, administrative decision or order pertaining to: (a) the presence of or the treatment, storage, disposal, generation, transportation, handling, distribution, manufacture, processing, use, import, export, labeling, recycling, registration, investigation or remediation of Materials of Environmental Concern or documentation related to the foregoing; (b) air, water and noise pollution; (c) groundwater and soil contamination; (d) the release, threatened release, or accidental release into the environment, the workplace or other areas of Materials of Environmental Concern, including emissions, discharges, injections, spills, escapes or dumping of Materials of Environmental Concern; (e) transfer of interests in or control of real property which may be contaminated; (f) community or worker right-to-know disclosures with respect to Materials of Environmental Concern; (g) the protection of wild life, marine life and wetlands, and endangered and threatened species; (h) storage tanks, vessels, containers, abandoned or discarded barrels and other closed receptacles; and (i) health and safety of employees and other persons;

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“Employment Agreements” has the meaning given to it in Clause 5.2;

“Estimated Seller Stamp Duty Amount” has the meaning given to it in Clause 6.1;

“Financial Cut-Off Date” shall be December 31, 2023 for purposes of use in this Agreement.

“Fixed Assets” means those assets of the Company not easily convertible into cash (e.g., property, plant, equipment, vehicles);

“Goodwill” means certain Intangible Assets of the Company having an indefinite life, including company reputation, brand, customer loyalty, management expertise, research and development and corporate innovation;

“Governmental Authorization” means any (a) approval, permit, license, certificate, certificate of approval, franchise, permission, clearance, registration, qualification or other authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Law, or (b) right under any Contract with any Governmental Body;

“Governmental Body” means any nation or government or any federation, province or state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any governmental authority, agency, department, board, commission or instrumentality of any jurisdiction, including any department, agency or instrumentality of any government or political subdivision thereof; any court or arbitral tribunal and any self-regulatory organisation; and the governing body of any securities exchange, in each case having competent jurisdiction;

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“Indebtedness”

means, without duplication, the aggregate of the following: (a) all obligations for borrowed money (including the current portion thereof and all sums due on early termination and repayment or redemption calculated to the Closing Date), whether or not contingent, or issued or incurred in substitution or exchange for any such liability for borrowed money, or extensions of credit (including under credit cards, bank overdraft and advances), (b) all obligations evidenced by bonds, debentures, notes or other similar instruments (and including all sums due on early termination and repayment or redemption calculated to the Closing Date), (c) all obligations to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business consistent with past practice, (d) all obligations as lessee under leases that have been or should be, in accordance with US GAAP, IFRS and local accounting rules, recorded as capital leases in respect of which the Company is liable as a lessee, (e) all obligations of others secured by a Lien on any asset of the Company (including accounts and Contract rights), whether or not such obligations are assumed, (f) all obligations, contingent or otherwise, directly or indirectly guaranteeing any obligations of any other Person, all obligations to reimburse the issuer in respect of letters of credit or under performance or surety bonds, or other similar obligations; all obligations under which the Company has agreed (contingently or otherwise) to purchase or otherwise acquire the liability of any other Person or in respect of which the Company has otherwise assured a creditor against loss, (g) all obligations in respect of bankers’ acceptances, note purchases or similar facilities and under reverse repurchase agreements, (h) all obligations in respect of futures Contracts, other financial Contracts and other similar obligations (determined on a net basis as if such Contract or obligation was being terminated early on such date), (i) the amount of any termination payments in connection with the payment in full of any obligations for borrowed money, (j) accrued employment obligations, including without limitation, accrued salary, accrued vacation and accrued bonuses, (k) deferred revenue, (l) all obligations created or arising under any conditional sale or other title retention agreement with respect to property acquired by the Company (even though the rights and remedies of the Company or lender under such agreement in the event of default are limited to repossession or sale of such property), (m) all obligations to purchase, redeem, retire or otherwise acquire for value any ownership interests or share capital of the Company or any rights to acquire any ownership interests or share capital of the Company, valued, in the case of redeemable ownership interests or share capital, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, (n) any obligations under any interest rate, foreign exchange, currency, commodity, credit or equity swap, cap, collar, floor, option, forward or other hedging agreement or derivative Contract, net of any obligations to the Company thereunder, and (o) amounts due to the Buyer or its subsidiaries and other. For purposes of this Agreement, “Indebtedness” includes (i) any and all accrued interest, fees, change of control payments, prepayment premiums, make whole premiums or penalties and fees or expenses actually incurred (including attorneys’ fees) associated with the repayment of any Indebtedness, and (ii) any and all amounts of the nature described in clauses (a) through (o) above owed by the Company to any of its Affiliates, including any of the shareholders of the Company;

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“Independent Accountant”

means a nationally recognized independent public accounting firm selected in Buyer’s reasonable discretion which has no prior relationship with either of the Seller or Buyer and is capable of auditing under IFRS and US generally accepted auditing standards (GAAS);

“Intangible Assets”

means those assets of the Company that lack physical substance, that are non-physical (e.g., intellectual property rights, patents, copyrights, trademarks, tradenames, software, and Goodwill);

“IFRS”

means the set of accounting rules for the financial statements of public companies known as the International Financial Reporting Standards (or IFRS) intended to create consistency, transparency, reliability and comparability worldwide; and, for purposes of this Agreement are recognized to be the equivalent of Singapore Financial Reporting Standards (International) (“SFRS”);

“IRAS”

Inland Revenue Authority of Singapore;

“Intellectual Property Rights”

means all (a) foreign and domestic patents, patent applications, patent disclosures and inventions, (b) Internet domain names, trademarks, service marks, trade dress, trade names, logos and corporate or Company names (both foreign and domestic) and registrations and applications for registration thereof together with all of the goodwill associated therewith, (c) copyrights (registered or unregistered) and copyrightable works (both foreign and domestic) and registrations and applications for registration thereof, (d) mask works and registrations and applications for registration thereof, (e) computer software, data, data bases and documentation thereof, including rights to third party software used in the business, (f) trade secrets and other Confidential Information (including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, copyrightable works, financial and marketing plans and customer and supplier lists and information), (g) other intellectual property rights, and (h) copies and tangible embodiments thereof (in whatever form or medium);

“Labor Laws”

means all Laws governing or concerning labor relations, unions and collective bargaining, conditions of employment, termination of employment, employee classification, background checks, employment discrimination and harassment, wages, hours, meal and rest periods, accrual and payment of vacation pay and paid time off, or occupational safety and health and the payment and withholding of Taxes and other sums as required by the appropriate Governmental Body;

“Law”

means any applicable law, regulation, ruling, judgment, order or decree of any Governmental Body, and any applicable statute, regulation, proclamation, ordinance or by-law in any jurisdiction;

“Leased Real Property”

means all leasehold or subleasehold estates and other rights to use or occupy any land, buildings, structures, improvements, fixtures or other interest in real property held by the Company;

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“Legal Proceeding”	means any ongoing or threatened action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, order, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Body or any arbitrator or arbitration panel;
“Licensed Intellectual Property”	means Intellectual Property licensed to the Company;
“Lien”	means any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim, infringement, interference, option, right of first refusal, preemptive right, community property interest or restriction of any nature affecting property, real or personal, tangible or intangible, including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset, any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset, any lease in the nature thereof and any filing of or agreement to give any financing statement under the U.S. Uniform Commercial Code (or equivalent statute of any jurisdiction);
“Material Adverse Effect”	means any state of facts, change, event, effect, occurrence or circumstance that, individually or in the aggregate (considered together with all other state of facts, change, event, effect, occurrence or circumstance) has, has had or could reasonably be expected to have or give rise to a material adverse effect on (a) the business, condition (financial or otherwise), results of operations, prospects, capitalization, assets, liabilities, operations or financial performance of the Company, (b) the ability of the Seller to consummate the transactions contemplated by this Agreement or to perform any of its obligations under this Agreement, or (c) Buyer’s ability to vote, receive dividends with respect to or otherwise exercise ownership rights with respect to the shares in the Company;
“Materials of Environmental Concern”	means any: pollutants, contaminants or hazardous substances, pesticides, solid wastes and hazardous wastes, chemicals, other hazardous, radioactive or toxic materials, oil, petroleum and petroleum products (and fractions thereof), or any other material (or article containing such material) listed or subject to regulation under any Law due to its potential, directly or indirectly, to harm the environment or the health of humans or other living beings;

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“Net Asset Value”	for purposes of this Agreement, means the aggregate value of the Company’s Shareholder Equity less the net book value of the Fixed Assets less the value of the Intangible Assets and Goodwill, after taking into account the Company Indebtedness of SGD\$2,619,134.39 owed to Seller and including the US\$2,200,000 Additional Trade Payable, calculated in accordance with US GAAP, IFRS and SFRS, as the case may be;
“Note”	has the meaning given to it in Clause 2.2(b).
“Ordinary Shares”	means the ordinary shares in the share capital of the Company, with rights set out in the Company Constituent Documents;
“Owned Real Property”	means all land, together with all buildings, structures, improvements and fixtures located thereon, and all easements and other rights and interests appurtenant thereto, owned by the Company;
“Permitted Lien”	means any (a) Lien for Taxes not yet due and payable, (b) Liens of carriers, warehousemen, mechanics, materialmen and repairmen incurred in the ordinary course of business consistent with past practice and not yet delinquent, and (c) in the case of real property, zoning, building, occupancy or other restrictions, variances, covenants, rights of way, encumbrances, easements and other minor irregularities in title, none of which, individually or in the aggregate, (i) interfere in any material respect with the present use of or occupancy of the affected parcel by the Company, (ii) have more than an immaterial effect on the value thereof or its use, or (iii) would impair the ability of such parcel to be sold for its present use;
“Person”	means any individual, Entity, trust, Governmental Body or other organization;
“Pre-Closing Taxes”	has the meaning given to it in Clause 10.1(c);
“Purchase Price”	has the meaning given to it in Clause 2.2;
“Purchase Price Adjustment”	has the meaning given to it in Clause 3.1(c).
“Real Property”	means all Owned Real Property and the Leased Real Property;

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“Related Party”	means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, if an individual, on the one hand, related by blood, marriage, ownership or agreement, and a corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, on the other hand, by ownership or agreement, through which the party has a relationship of ownership or other interest with the Seller so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a Seller Contract with the party receiving an amount that meets or exceed five percent (5%) of the total Contract amount;
“Representatives”	means, with respect to a Person, the officers, directors, employees, agents, attorneys, accountants, advisors and representatives of such Person;
“Resolution Period”	has the meaning given to it in Clause 3.1(d);
“ROS”	means, solely for the purposes of this Agreement, the Republic of Singapore;

“Tax Authority”	means the IRAS;
“ROS Withholding Tax”	means the amount of tax assessed by the Tax Authority as due and owed, if any, that the Seller is required to pay;
“Sale Shares”	has the meaning given to it in Clause 2.1;
“SGD\$”	means Singapore dollar(s);
“Shares”	means the shares of the Company;
“Specified Courts”	has the meaning given to it in Clause 16.2;
“Tax”	means any tax (including income, gross receipts, windfall profit, occupation, license, registration, production, intangibles, inventory and merchandise, commercial activities, capital gains, share capital, capital structure, transfer, value-added, franchise, excise, payroll, employment, severance, social security, unemployment, disability, workers’ compensation, environmental, ad valorem, alternative, minimum, add-on, escheat or unclaimed property, sales, use, real and personal property, estimated, stamp, recording, withholding and other taxes), fee, impost, levy, assessment, tariff, duty (including any customs duty) or deficiency, and any other related charge or amount of any kind whatsoever (including any fine, penalty, interest, or addition to tax), whether payable directly or by withholding and whether or not disputed, and any liability for any of the foregoing pursuant to US Treas. Reg. §1-1502-6 (or any similar provision of state, local or foreign tax legal requirements), as transferee or successor, by Contract or otherwise, imposed, assessed, or collected by or under the authority of any Governmental Body or payable pursuant to any tax-sharing agreement or any other Contract relating to the sharing or payment of any such tax, fee, impost, levy, assessment, tariff, duty or deficiency;

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“Tax Returns”	means any and all reports, returns, or declarations relating to Taxes filed or required to be filed with any Governmental Body, including any schedule or attachment thereto, including any amendment thereof;
“US\$”	means United States dollar(s), the lawful currency of the United States of America; and
“US GAAP”	the generally accepted accounting principles, standards and rules established by the US Financial Accounting Standards Board.

1.2 In this Agreement:

- (a) references to a person include any individual, firm, company, government, state or agency of a state or any association, trust, joint venture, consortium, partnership (whether or not having separate legal personality), a body corporate and an unincorporated association of persons;
- (b) references to a Party include references to its successors and permitted assignees;
- (c) unless the context requires otherwise, words incorporating the singular shall include the plural and vice versa and words importing a gender shall include every gender;
- (d) references herein to “Clauses,” “Recitals,” “Schedules” and “Exhibits” are to clauses and recitals of, and schedules and exhibits to, this Agreement; and all of such recitals and schedules form an integral part of this Agreement and have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement includes such recitals and schedules;
- (e) all references to “\$” contained in this Agreement shall refer to United States Dollars unless otherwise stated; and
- (f) the following exchange rates shall be adopted:

Currency	Exchange Rate
USD(\$) to SGD(\$)	US\$0.74777 to SGD\$1.00

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1.3 In this Agreement, any reference, express or implied, to an enactment includes references to:

- (a) that enactment as re-enacted, amended, extended or applied by or under any other enactment (before or after the signature of this Agreement);
- (b) any enactment which that enactment re-enacts (with or without modification);
- (c) any subordinate legislation made (before or after the signature of this Agreement) under any enactment, as re-enacted, amended, extended or applied as described in Clause 1.3(a) above, or under any enactment referred to in Clause 1.3(b) above; and
- (d) provided that no such enactment or subordinate legislation made after the date of this Agreement shall increase the liability of any Party under this Agreement, and “enactment” includes any legislation in any jurisdiction.

1.4 The headings in this Agreement do not affect its interpretation.

2. SALE AND PURCHASE

2.1 At Closing, subject to the terms of this Agreement, the Seller shall sell to the Buyer, and the Buyer shall purchase from the Seller, 275,000 Ordinary Shares (the “Sale Shares”) of the Company, which shares constitute all of the issued and outstanding capital stock of the Company, together with all rights attaching or accruing to such shares at and following Closing.

2.2 The aggregate consideration payable by the Buyer for the purchase by it of the Sale Shares from the Seller, subject to adjustment as set forth in Clause 3.1(a) below, shall be US\$2,150,000 (the “**Purchase Price**”), which shall be payable at Closing as follows:

- (a) cash in the amount of US\$350,000 (the “**Cash Payment**”) which shall be paid by wire transfer of immediately available funds to a bank account identified by Seller; and
- (b) the assumption by the Buyer of US\$1,800,000 Indebtedness owed by the Company to the Seller (“**Company Indebtedness**”), as evidenced by the recordation thereof in the financial statements of the Company.

Buyer’s assumption of the Indebtedness shall be funded by a loan from Seller to Buyer as evidenced by issuance of a promissory note by Buyer in favour of Seller, substantially in the form attached hereto as Exhibit A, in the aggregate principal amount of US\$1,800,000 (the “**Note**”). The principal amount under the Note shall be due and payable in full twenty-four months from the date of Closing. In addition, the outstanding principal amount shall bear simple interest at the rate of 15% per annum on an accrued basis and be payable every six months commencing upon issuance of the Note. The Note shall provide for prepayment of amounts outstanding thereunder at any time, without penalty. In the event that the Seller becomes responsible to indemnify the Buyer pursuant to Section 17.10 hereto, Seller shall be entitled to offset amounts due under the Note to such amount as is equal to the amount the Seller is responsible to pay to the Buyer in indemnification. Payment of the Note shall, in any event, be subordinate to Buyer’s prior, existing and future, if any, loans and financings.

3. PURCHASE PRICE ADJUSTMENT

3.1 The Purchase Price shall be adjusted as set forth below:

- (a) Adjusted Purchase Price. The Purchase Price shall be subject to adjustment (increase or decrease) in an amount of up to SGDS\$150,000 (the “**Cap**”) based on the difference between the Company’s Net Asset Value as of the Financial Cut-Off Date (as set forth in the Adjusted Net Asset Statement to be provided in accordance with Clause 3.1(b) below), and the Deficit, if any, reflected in the Audited Financials to be delivered following Closing (as contemplated in Clause 3.1(b) below).

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- (b) Adjusted Net Asset Statement; Audited Financials. Not less than five Business Days prior to the Closing Date, the Seller shall deliver to the Buyer (i) a statement (the “**Adjusted Net Asset Statement**”) containing the latest annual management accounts for the Company as of the Financial Cut-Off Date and including the Additional Trade Payable; (ii) the Seller’s best estimate of profit, if any, before income tax for the period from January 1, 2024, to the calendar month ending immediately prior to the Closing; and (iii) any necessary calculations, designations or estimations made by the Seller in preparing the same (any such estimation to be calculated in good faith based on the books and records of the Company and other valuable information, including reasonable details of each calculation, designation or estimation). Within 90 days following the Closing Date, the Seller shall deliver to the Buyer the latest audited annual financial statements of the Company as of the Financial Cut-Off Date (including the Additional Trade Payable) prepared in accordance with SFRS (collectively, the “**Audited Financials**.”) The Buyer shall review each of the Adjusted Net Asset Statement and Audited Financials and, subject to Clause (d) below, calculate the Purchase Price Adjustment based on the foregoing.
- (c) Threshold for Adjustment. Subject to the Cap set forth in Clause 3.1(a), in the event that the Company’s adjusted Net Asset Value reflects a deficit (“**Deficit**”) in excess of SGDS\$4,400,000 (the “**Deficit Floor**”), the Purchase Price shall be reduced on a corresponding 1-to-1 dollar-for-dollar basis; conversely, and also subject to the Cap set forth in Clause 3.1(a), in the event that the Company’s adjusted Net Asset Value is less than the Deficit Floor on the Closing Date (as set forth in the Adjusted Net Asset Statement), the Purchase Price shall be increased on a corresponding 1-to-1 dollar-for-dollar basis (in each instance, as applicable, a “**Purchase Price Adjustment**”).
- (d) Disagreements and Resolution as to Purchase Price Adjustment. In the event that the Buyer does not agree with any of the content in the Adjusted Net Asset Statement, the Buyer shall as promptly as reasonably practicable, but in any event no later than 30 days following the transfer of Sale Shares hereunder, provide written notice to the Seller (a “**Dispute Notice**”) specifying in reasonable detail each item or amount that the Buyer disputes (each, a “**Disputed Item**”), the amount in dispute for each Disputed Item and the reasons supporting the Buyer’s positions. The Buyer shall be deemed to have agreed with all other items and amounts contained in the Adjusted Net Asset Statement other than the Disputed Items. During the 30 days immediately following the Seller’s receipt of a Dispute Notice (the “**Resolution Period**”), the Buyer and the Seller shall seek in good faith to resolve any differences that they may have with respect to the matters specified in the Dispute Notice.

In the event that the Seller does not agree with the Buyer’s calculation of the Purchase Price Adjustment as determined by the Buyer (the “**Calculation**”) the Seller shall as promptly as reasonably practicable, but in any event no later than 30 days following the transfer of Sale Shares hereunder, provide a Dispute Notice to the Buyer specifying in reasonable detail each Disputed Item, the amount in dispute for each Disputed Item and the reasons supporting the Seller’s positions. The Seller shall be deemed to have agreed with all other items and amounts contained in the Calculation other than the Disputed Items. During the 30 days immediately following the Buyer’s receipt of a Dispute Notice from the Seller, the Buyer and the Seller shall seek in good faith to resolve any differences that they may have with respect to the matters specified in the Dispute Notice.

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If the Buyer and the Seller are unable to reach an agreement on any unresolved Disputed Items within 30 days after receipt of a Dispute Notice, all unresolved Disputed Items shall be promptly referred to an Independent Accountant. The Independent Accountant shall be directed to render a written report on the unresolved Disputed Items only, with respect to the applicable calculation as promptly as practicable. If any unresolved Disputed Items are submitted to the Independent Accountant, the Buyer and the Seller shall each furnish to the Independent Accountant such work papers, schedules and other documents and information relating to the unresolved Disputed Items as the Independent Accountant may reasonably request. The Independent Accountant shall, within 45 days of its engagement, resolve the Disputed Items based solely on the applicable definitions and other terms in this Agreement and the documents presented by the Buyer and the Seller and other supporting materials reasonably requested by the Independent Accountant and not by independent review. The resolution of the Disputed Item covered by the corresponding Dispute Notice by the Independent Accountant shall be final and binding on the Parties. The fees and expenses of the Independent Accountant shall be borne equally between the Buyer, on the one hand, and the Seller, on the other hand.

4. CONDITIONS

4.1 Closing is subject to the following conditions (the “**Conditions**”) being satisfied, namely:

- (a) each of the Seller and the Company having obtained all other necessary governmental, regulatory and corporate (including shareholder) authorizations as well as third party approvals and consents, for the entering into of this Agreement and the performance of the obligations undertaken by the Seller hereunder. For the avoidance of doubt, any costs arising out of or in connection with the obtaining of any authorizations, approvals or consents required by the Seller under this Clause 4.1(a) shall be borne solely by the Seller;

- (b) the representations and warranties of the Seller in Schedule I hereof being true and correct on and as of the Closing Date with the same effect as though made at and as of such date;
- (c) completion of Buyer's due diligence investigation to its satisfaction in its sole discretion by the Closing Date;
- (d) the Buyer having obtained all necessary governmental, regulatory and corporate authorizations as well as third party approvals and consents, for the entering into of this Agreement and the performance of the obligations undertaken by the Buyer hereunder. For the avoidance of doubt, any costs arising out of or in connection with the obtaining of any authorizations, approvals or consents required by the Buyer under this Clause 4.1(d) shall be borne solely by the Buyer;
- (e) the representations and warranties of the Buyer in Schedule II hereof being true and correct on and as of the Closing Date with the same effect as though made at and as of such date;
- (f) the Company having no Indebtedness on the Closing Date other than as previously approved by the Buyer or incurred by the Company in the ordinary course of business;
- (g) each of Buyer and Seller shall pay all of its own transaction expenses relating to the transactions contemplated by this Agreement.

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- (h) the Buyer and the Seller shall have entered into an agreement acceptable to the Buyer pursuant to which the Seller has agreed not to compete with the business of the Company for a period of three years following Closing and not to solicit or hire any employee of the Company, or encourage any employee of the Company to leave the employ of the Company, for a period of three years following Closing;
- (i) there shall not have occurred any Material Adverse Effect following the date hereof up to and through the Closing Date.

4.2 The Conditions set out in Clauses 4.1(a) and (b) may be waived by the Buyer (in part or in whole) in writing.

4.3 The Conditions set out in Clauses 4.1(c) and (d) may be waived by the Seller (in part or in whole) in writing.

5. CLOSING

5.1 Subject to the satisfaction (or waiver pursuant to Clauses 4.2 and 4.3) of the Conditions set out in Clause 4.1, Closing shall take place on a date as the Parties may mutually agree or at such other time, date and place as may be mutually agreed in writing by the Parties (the "**Closing Date**") remotely by the exchange of counterpart signature pages via facsimile, electronic mail or portable document format. The Closing shall be effective as of 12:01 am (central time) on the Closing Date.

5.2 At or before Closing:

- (a) the Seller shall deliver to the Buyer:
 - (i) the share certificates representing the Sale Shares or an indemnity, in a form reasonably acceptable to the Buyer, for any lost certificates;
 - (ii) a duly executed instrument of transfer in favour of the Buyer in respect of the Sale Shares;
 - (iii) in respect of the Company, the certificate of incorporation, common seal (if it exists), share register or ledger and share certificate book (with any unissued share certificates) and all minute books and other statutory books;
 - (iv) employment agreements between the Company and each of certain existing members of the Company's senior management team who have been identified by the Buyer and duly executed by each of the Company and such individuals; (collectively, the "**Employment Agreements**");
 - (v) a duly executed non-compete/solicitation agreement between the Buyer and the Seller;
 - (vi) the duly tendered resignations of the following individuals: (I) Richard Chi Tak Lee and (II) Valerie Tricia Lee Whay Mein;
 - (vii) a cheque in favour of the Buyer or such entity as may be notified by the Buyer on account of the Seller's share of the Singapore stamp duty in the amount of SGD\$2,875.22 payable by the Seller upon the sale and purchase of the Sale Shares;

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- (viii) a certified copy of the resolutions of the Board of Directors of the Seller authorising the entry into and performance by the Seller of its obligations under this Agreement, and approving all matters contemplated under this Agreement; and
- (ix) a certified copy of the resolutions of the Board of Directors of the Company approving the transfer of the Sale Shares and the entry by the Company into the Employment Agreements as contemplated under this Agreement.

(b) the Buyer shall deliver to the Seller:

- (i) the Cash Payment;
- (ii) the Promissory Note, duly executed by the Buyer;
- (iii) the Employment Agreements, duly executed by the Buyer;
- (iv) an instrument of transfer duly executed by the Buyer in respect of the Sale Shares; and
- (v) a certified copy of the resolutions of the Board of Directors of the Buyer authorizing the entry into and performance by the Buyer of its obligations under this Agreement, and approving all matters contemplated under this Agreement.

5.3 At Closing, upon the delivery of documents in Clause 5.2(a) by the Seller to the Buyer, the Buyer shall transfer, by wire transfer of immediately available U.S funds, the Cash Payment portion of the Purchase Price to the Seller in an account designated by the Seller and deliver to the Seller the Note.

5.4 Upon receipt of the Purchase Price by the Seller, the Seller shall provide written confirmation that the executed closing documents may be released in consummation of Closing.

6. POST-CLOSING

6.1 The Buyer shall as soon as reasonably practicable after Closing submit all requisite documents in relation to the transfer of the Sale Shares to the appropriate Governmental Body, including the IRAS, for assessment of stamp duty. The Seller shall, at Closing, provide to the Buyer copies of the memorandum and articles of association of the Company, the Company's most recent annual accounts and any subsequent management accounts of the Company and shall, following Closing, promptly provide to the Buyer any other documentation (certified as being true copies where so requested) which the Buyer may reasonably request in connection with the submission to the appropriate Governmental Body contemplated by this Clause 6.1. All fixed and ad valorem stamp duty payable in respect of the transfer of the Sale Shares shall be borne by the Seller and the Buyer in equal shares. If 50% of the total stamp duty amount adjudged payable to the appropriate Governmental Body consequent on the submission contemplated by this Clause 6.1 (the "**Adjudged Seller Stamp Duty Amount**") is higher than the amount of the cheque in Clause 5.2(a)(vi) (the "**Estimated Seller Stamp Duty Amount**"), the Seller shall provide to the Buyer a cheque in favour of the Buyer or such entity as may be notified by the Buyer to the Seller equal to the difference between the Adjudged Seller Stamp Duty Amount and the Estimated Seller Stamp Duty Amount immediately on demand by the Buyer. If the Estimated Seller Stamp Duty Amount is higher than the Adjudged Seller Stamp Duty Amount, the Buyer shall forthwith return to the Seller the cheque referred to in Clause 5.2(a)(vi) and the Seller shall provide to the Buyer a cheque in favour of the Buyer or such entity as may be notified by the Buyer to the Seller equal to the Adjudged Seller Stamp Duty Amount immediately on demand by the Buyer.

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7. CERTAIN WARRANTIES OF BUYER AND SELLER

7.1 The Seller hereby: (a) warrants and undertakes to and with the Buyer with respect to itself and the Sale Shares they hold that the warranties set out in Schedule I are true and accurate on the date hereof, and (b) covenants to and with the Buyer that such warranties will be true and accurate on the Closing Date.

7.2 The Buyer hereby (a) warrants and undertakes to and with the Seller that the warranties set out in Schedule II are true and correct on the date hereof, and (b) covenants to and with the Buyer that such warranties will be true and accurate on the Closing Date.

7.3 Notwithstanding any contrary provision in this Agreement, any representation or warranty set forth in this Agreement is qualified by the conditions that all representation and warranties are made and given to the best of knowledge and belief of the party giving the relevant representation and warranties.

7.4 The Disclosure Schedule constitutes formal disclosure to the Buyer for the purposes of this Agreement of the facts and circumstance which are or may be inconsistent with the representations and warranties under this Agreement. Such facts and circumstances will be deemed to qualify the representations and warranties accordingly. Notwithstanding that reference may in some cases be made in the Disclosure Schedule to particular warranties or other provisions of this Agreement, all disclosures are made on the basis that they are made against all of the warranties and representations and the Buyer shall not be entitled to claim that any fact or matter has not been disclosed to it by reason of the relevant disclosure not being specifically related to any one or more of the representations or warranties or other provisions.

8. CONFIDENTIALITY

8.1 The terms and conditions of this Agreement (collectively, the "**Confidential Information**"), including their existence, shall be considered confidential information and shall not be disclosed by any of the Parties to any other person except that (i) each Party, as appropriate, may disclose any of the Confidential Information to its current or bona fide prospective investors, prospective permitted transferees, employees, investment bankers, lenders, accountants and attorneys, in each case only where such persons are under appropriate nondisclosure obligations; (ii) each Party may disclose any of the Confidential Information to its fund manager, its associated companies and the employees thereof so long as such persons are under appropriate nondisclosure obligations; (iii) each Party may disclose the Confidential Information to the extent required under applicable Law for the purpose of Closing; and (iv) if any Party is requested or becomes legally compelled (including without limitation, pursuant to securities Laws) to disclose the existence or content of any of the Confidential Information in contravention of the provisions of this Clause 8.1, such Party shall, to the extent permitted by Law, promptly provide the other Party with written notice of that fact so that such other Party may seek a protective order, confidential treatment or other appropriate remedy and in any event shall furnish only that portion of the information that is legally required and shall exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded such information.

8.2 Except as required by Law, by any Governmental Body or by any relevant stock exchange on which the shares of a Party or its parent company are listed or as otherwise agreed by all the Parties, no publicity release or public announcement concerning the relationship or involvement of the Parties shall be made by any Party.

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9. EFFECTIVE DATE AND TERMINATION

9.1 Effective Date; Termination

This Agreement shall become effective upon execution by all of the Parties and shall continue in force until terminated in accordance with Clause 9.2(a).

9.2 Termination of Agreement

- (a) This Agreement may be terminated at any time prior to the Closing Date by mutual written consent of the Parties.
- (b) The Buyer may unilaterally terminate this Agreement up until the Closing Date in the event that the results of its due diligence under Section 4.1(c) are unsatisfactory.
- (c) Subject to Sections 4.1(c), 9.2(a) and 9.2(b), no Party shall be entitled to terminate or rescind this Agreement whether before or after Closing.
- (d) Upon the termination of this Agreement, all rights and obligations of the Parties shall cease to have effect, provided however that:
 - (i) the termination of this Agreement shall be without prejudice to all rights and remedies available to each Party in respect of any breach by the other Party of obligations under or in respect of this Agreement prior to the termination of this Agreement;
 - (ii) the following shall survive the termination of this Agreement: Clause 1 (Interpretation), Clause 8 (Confidentiality), this Clause 9 (Effective Date and Termination), Clause 12 (Notices), Clause 13 (Costs), and Clause 16 (Governing Law and Dispute Resolution), and each of Clause 17 (Tax Matters) and Schedule I (Seller's Representations and Warranties) which shall survive as otherwise provided for in this Agreement.

10. TAX MATTERS

10.1 Tax Indemnification

- (a) The Seller shall defend, hold harmless and indemnify the Buyer and the Company, and their respective affiliates (other than the Seller) from and against any and all ROS Taxes imposed on the Buyer, the Company or their respective affiliates (other than the Seller) after Closing in connection with the transfer of the Excluded Interests.
- (b) The Seller shall defend, hold harmless and indemnify the Buyer, the Company and their respective affiliates (other than the Seller) from and against and in respect of any and all losses, damages, charges, costs and expenses, based upon, arising out of or incurred by the Seller as a result of any breach of, or inaccuracy in, the Seller's Tax warranties set out in Schedule I.
- (c) The Seller shall defend, hold harmless and indemnify the Buyer, the Company and their respective affiliates (other than Seller) against any and all Tax of the Company attributable to the operation of the Company prior to or as of the Closing ("**Pre-Closing Taxes**") and pay the Buyer, the Company or their respective affiliates (other than the Seller), as the case may be, an amount equal to any Pre-Closing Taxes payable or suffered by any of them arising in respect of any profits earned, accrued, received or otherwise recognized on or before Closing.

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- (d) The Seller shall defend, hold harmless and indemnify the Buyer from and against any ROS Withholding Taxes, associated late payment interests and penalty levied on the Buyer, as well as loss of cost basis (cost less than the acquisition cost paid by the Buyer to the Seller) if the Buyer disposes of the relevant Sale Shares, due to the failure by the Seller to fulfil its ROS Tax obligations with respect to the transactions contemplated in this Agreement.

The indemnification provided for in this Section 10.1(d) shall survive for a period of twenty-four months following the Closing Date.

11. ASSIGNMENT

This Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided, however, that no party hereto may assign its rights or delegate its obligations, in whole or in part, under this Agreement without the prior written consent of the other Party hereto. Any purported assignment or delegation in violation of this Agreement shall be null and void *ab initio*.

12. NOTICES

12.1 Any notice or other communication to be given under this Agreement shall be in writing and may be delivered in person or sent by registered mail to the relevant Party at its address appearing above in this Agreement or at such other address as it may notify to the other Party under this Clause 12.

12.2 Unless there is evidence that it was received earlier, a notice or communication is deemed given if:

- (a) delivered in person, when left at the address referred to in Clause 12.1;
- (b) sent by prepaid registered post or courier, three (3) Business Days (or five (5) Business Days if sent by airmail) after posting it; or
- (c) when received by facsimile, e-mail or other electronic means with electronic confirmation of delivery.

13. COSTS

Unless expressly provided to the contrary in this Agreement, each Party shall bear its own costs arising out of or in connection with the preparation, negotiation and implementation of this Agreement and the performance of its obligations therein.

14. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the Parties relating to the transactions contemplated by this Agreement, and supersedes all previous agreements, arrangements or understandings, including any term sheet or memorandum of understanding, whether oral or in writing, between the Parties relating to these transactions. Each Party acknowledges that in entering into this Agreement, it has not relied on any representation, promise or undertaking (whether oral or in writing) except such as are expressly incorporated into this Agreement.

15. FURTHER ASSURANCE

Each Party agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by Law or as the other Party may reasonably require to implement and/or give effect to this Agreement, and the matters contemplated by this Agreement.

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16. GOVERNING LAW AND DISPUTE RESOLUTION

16.1 Subject to any contrary mandatory Law in the Republic of Singapore, this Agreement and the relationship of the Parties hereto shall be governed by and construed in accordance with the internal Laws (and not the law of conflicts) of the State of New York.

16.2 All actions arising out of or relating to this Agreement shall be heard and determined exclusively in any state or federal court located in New York, New York (or in any appellate court thereof) (the "**Specified Courts**"). Each Party hereto hereby (a) submits to the exclusive jurisdiction of any Specified Court for the purpose of any action arising out of or relating to this Agreement brought by any party hereto, and (b) irrevocably waives, and agrees not to assert by way of motion, defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement or the transactions contemplated hereby may not be enforced in or by any Specified Court. Each Party agrees that a final judgment in any action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

17. GENERAL

17.1 With regard to each and every term and condition of this Agreement, the Parties hereto understand and agree that the same has or have been mutually negotiated, prepared and drafted, and if at any time the Parties hereto desire or are required to interpret or construe any such term or condition, no consideration will be given to the issue of which Party hereto actually prepared, drafted or requested any term or condition of this Agreement.

- 17.2 The provisions contained in each Clause of this Agreement shall be enforceable independently of each of the others. If any provision of this Agreement is held by a court to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way and shall be construed in accordance with the purposes and tenor and effect of this Agreement.
- 17.3 This Agreement may be executed (including by facsimile or electronic signatures) in any number of counterparts, all of which, taken together, shall constitute one and the same agreement, and any Party may enter into this Agreement by executing a counterpart.
- 17.4 Nothing in this Agreement shall be deemed to constitute a partnership between the Parties nor constitute any Party the agent of the other Party for any purpose.
- 17.5 The failure to exercise or the delay in exercising any right, power or remedy provided by Law or under this Agreement shall not operate to impair the same or be construed as a waiver thereof, and no single or partial exercise of any such right, power or remedy shall prevent any further or other exercise of the same or the exercise of any other right, power or remedy.
- 17.6 No waiver by any Party of any requirement of this Agreement or of any remedy or right under this Agreement shall have effect unless given by notice in writing signed by such Party. No waiver of any particular breach of the provisions of this Agreement shall operate as a waiver of any repetition of such breach.
- 17.7 Subject to the terms of this Agreement, this Agreement (other than obligations that have already been fully performed) remains in full force after Closing.

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- 17.8 No amendment, change or addition hereto shall be effective or binding on any Party unless made in writing and executed by all the Parties.
- 17.9 From the date hereof up to and through the Closing Date, none of the Seller, the Company, nor any of the respective affiliates, representatives, officers, employees, directors, agent, or stockholders (the “**Company Group**”) shall initiate, solicit, entertain, negotiate, accept or discuss, directly or indirectly, any proposal or offer from any person or group of persons other than the Buyer and its affiliates to acquire all or any part of the business, properties, capital stock or capital stock equivalents of the Company Group or enter into any agreement, arrangement or understanding requiring either the Seller or the Company to abandon, terminate or fail to consummate any transaction contemplated by this Agreement. Each of the Seller and the Company agrees to promptly notify the Buyer in the event that any of the foregoing occurs.
- 17.10 The representations and warranties of the Seller contained in Schedule I of this Agreement shall survive for a period of twenty-four months following the Closing Date; provided, however, that such survival period shall not apply to claims to the extent involving fraud, willful misconduct or intentional misrepresentation by the Seller, each of which shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement indefinitely.

The maximum aggregate liability of the Seller for all claims under this Agreement shall be equal to the Purchase Price. The Seller shall not be liable for a claim unless the Seller’s liability in respect of such claim exceeds US\$25,000 (the “**Basket**”), at which point the full amount of all claims, including the Basket shall be recoverable. Neither Party shall have liability to the other hereunder for any claim under this Agreement unless it receives written notice specifying the matter which gives rise to the claim, the nature of the claim and the amount claimed within twenty-four months following the Closing Date.

Promptly after the receipt by the Buyer of notice of the commencement of any action or proceeding against the Buyer (including by a third-party), the Buyer shall, if a claim with respect thereto is or may be made against the Seller for indemnification pursuant hereto, give the Seller written notice of the commencement of such action or proceeding and give the Seller a copy of such claim and/or process and all legal pleadings in connection therewith. The failure to give such notice shall not relieve the Seller of any of its indemnification obligations contained herein. The Buyer shall have the right to defend, compromise or settle such claim or suit. In any event, the Buyer, the Seller and its counsel shall cooperate in the defense against, or compromise of, any such asserted liability. In the event that the Seller shall decline to participate in the defense of such action, prior to paying or settling any claim against which the Seller is, or may be, obligated hereunder to indemnify the Buyer, the Buyer shall first supply such Seller with a copy of a final court judgment or decree holding the Buyer liable on such claim or, failing such judgment or decree, the terms and conditions of the settlement or compromise of such claim. The Buyer’s failure to supply such final court judgment or decree or the terms and conditions of a settlement or compromise to the Seller shall not relieve the Seller of any of its indemnification obligations contained herein.

Upon notice to the Seller specifying in reasonable detail the basis therefor, the Buyer may set-off any amount to which it is entitled in indemnification by the Seller against amounts otherwise payable by it under the Note or any provision of this Agreement. The exercise of such right of set-off by the Buyer in good faith, whether or not ultimately determined to be justified, will not constitute a default under this Agreement, the Note, or any instrument securing the Note, regardless of whether the Seller disputes such set-off claim, or whether such set-off claim is for a contingent or an unliquidated amount. Neither the exercise of, nor the failure to exercise, such right of set-off by the Buyer shall constitute an election of remedies or limit the Buyer in any manner in the enforcement of any other remedies that may be available to it in law or in equity.

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date written above.

Seller:

UNIQUE LOGISTICS HOLDINGS LIMITED

By: _____

Richard Chi Tak Lee, Chief Executive Officer

Buyer:

UNIQUE LOGISTICS INTERNATIONAL, INC.

By: _____

Sunandan Ray, Chief Executive Officer

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SCHEDULE I

SELLER’S REPRESENTATIONS AND WARRANTIES

Capitalized terms used herein but not otherwise defined shall have the respective meanings attribute to them under Article 1 (Interpretation) of the Agreement to which

this Schedule I is attached.

- 1.1 The Seller is duly incorporated or organized with limited liability and validly existing under the Laws of the jurisdiction of its incorporation or organization and has the full power and authority to enter into, execute and deliver this Agreement and to perform its obligations and the transactions contemplated therein.
- 1.2 The execution and delivery by the Seller of this Agreement and the performance by the Seller of its obligations and the transactions contemplated hereunder has been duly authorized by all necessary corporate or other action of the Seller.
- 1.3 As at Closing, the Seller has obtained all necessary governmental, regulatory and corporate authorizations as well as internal and third-party approvals and consents for the performance of the obligations undertaken by the Seller hereunder.
- 1.4 This Agreement constitutes the legal, valid and binding obligations of the Seller enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium or similar federal or state Laws affecting the rights of creditors, and is limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies. The execution and delivery of, and the performance of obligations under and compliance with the provisions of, this Agreement by the Seller will not:
 - 1.4.1 contravene any order or judgments of any court or Governmental Body, statutory or regulatory body to which it is subject to which has the effect of making unlawful or otherwise prohibiting the transactions contemplated in this Agreement by the Seller;
 - 1.4.2 conflict with or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Encumbrance upon any of its respective property or assets pursuant to the terms of any agreement, Contract or instrument to which the Seller or the Company is a party or by which the Seller or the Company or any of their respective property or assets is bound or to which it may be subject to respectively; or
 - 1.4.3 require the consent of any person other than such as already given or waived or to be given or waived on or before Closing.
- 1.5 The Sale Shares constitute all of the outstanding capital of the Company. The Seller is the owner of the Sale Shares. The Sale Shares have been validly issued and fully paid up, and are free of any Encumbrance.
- 1.6 No Governmental Authorization, or registration, declaration, notice or filing with, any Governmental Body is required by or with respect to the Seller or the Company: (i) in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement (except for payment of any stamp duty); or (ii) necessary for the Company to operate its business immediately after the Closing in the same manner as operated immediately prior to the Closing after giving effect to the consummation of the transactions contemplated by this Agreement.
- 1.7 Organization and Good Standing.
 - 1.7.1 The Company is a corporation duly incorporated, validly existing and in good standing under the Laws of the jurisdiction in which it was incorporated, has all requisite and necessary power and authority to own, lease, use and operate its properties and assets, to carry on and conduct its business as now being conducted and as proposed to be conducted by the Company as of the Closing Date and to perform its obligations under all Material Contracts (as defined below), and is not (and has never been) duly qualified or registered to do business in a jurisdiction other than the jurisdiction in which it was incorporated.

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- 1.7.2 The Seller has full corporate power and authority to do and perform all acts and things to be done by it under this Agreement.
- 1.7.3 The Company has not conducted any business under or otherwise used, for any purpose or in any jurisdiction, any fictitious name, assumed name, trade name or other name other than the name under which the Company is currently incorporated.
- 1.7.4 The Seller has provided to the Buyer true, correct and complete copies of the Company Constituent Documents. There have been no formal meetings or other proceedings of the shareholders of the Company, the board of directors of the Company or any committee of the board of directors of the Company that are not fully reflected in the Company Constituent Documents. There has not been any violation of the Company Constituent Documents, and the Company has not taken any action that is prohibited by the Company Constituent Documents. The Company is not in default under or in violation of any material provision of its Constituent Documents. The books and records of the Company are up to date, true, correct and complete in all material respects. All the records of the Company have been maintained in accordance with applicable Laws and prudent business practices and are in the actual possession and direct control of the Company.
- 1.8 Capitalization.
 - 1.8.1 The Company has not issued any warrants (each, a “**Warrant**”), options (each, an “**Option**”) or rights (each, a “**Right**”) with respect to the share capital of itself. The Company does not have any outstanding share appreciation rights, phantom share, performance-based share or equity rights or similar share or equity rights or obligations. The Company has not issued any debt securities which grant the holder thereof any right to vote on, or veto, any actions by the Company.
 - 1.8.2 None of the issued and outstanding shares of the Company common stock or shares constitute restricted shares or are otherwise subject to a repurchase or redemption right or right of first refusal in favor of the Company.
 - 1.8.3 The Company is not a party to or bound by any agreements or understandings with respect to the voting (including pooling agreements, voting trusts and proxies) or sale or transfer (including agreements imposing transfer restrictions) of any share capital or other equity interests of the Company.
 - 1.8.4 None of the outstanding share capital of the Company is entitled or subject to any purchase option, call option, right of first refusal, pre-emptive right, right of participation, subscription right or any similar right (whether pursuant to the Company Constituent Documents or any Contract to which the Company is subject) and there is no Contract relating to information rights, financial statement requirements, the voting or registration of, or restricting any Person from purchasing, selling, pledging, transferring or otherwise disposing of (or granting any option or similar right with respect to), any of the Company’s share capital. The Company is not under any obligation, or bound by any Contract pursuant to which it may become obligated (i) to repurchase, redeem or otherwise acquire any outstanding share capital of the Company; or (ii) make any investment (in the form of a loan or capital contribution) in any other Entity.
 - 1.8.5 The Company has never repurchased, redeemed or otherwise reacquired any of its share capital or other securities.
 - 1.8.6 The Company is not now, nor has it ever been, required to file any periodic or other reports, or any registration statement, with any applicable securities regulatory authority, pursuant to any securities legislation, regulations or rules or policies.

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- 1.9 Subsidiaries. The Company does not presently own or control, directly or indirectly, any interest in any other corporation, association, or other business entity. The Company is not a participant in any joint venture, partnership, or similar arrangement.
- 1.10 The Company's Financial Statements; Books and Records.
- 1.10.1 The audited balance sheets of the Company as of December 31, 2023 together with the related notes and schedules (such balance sheets, the related statements of operations, of shareholder's equity and of cash flows and the related notes and schedules are referred to herein as the "**Year-end Financial Statements**"); and
- 1.10.2 The unaudited balance sheet of the Company as of December 31, 2023 (the "**Balance Sheet Date**") and the related statements of operations and of shareholder's equity as of the Balance Sheet Date (such balance sheets, the related statements of operations, and of shareholder's equity are referred to herein as the "**Interim Financial Statements**") and certified by the Company's chief financial officer. The Interim Financial Statements shall be updated to a date no earlier than one month before the Closing Date. The Year-end Financial Statements and the Interim Financial Statements (collectively, the "**Financial Statements**") are attached as Section 1.10.2 to the Disclosure Schedule.
- 1.10.3 The Financial Statements: (i) are true, correct and complete in all material respects and have been prepared in conformity with (A) the books and records of the Company, which, in turn, are true, correct and complete, and (B) IFRS and local accounting rules consistently applied throughout the periods covered thereby (except as may be indicated in the notes to the Company's Financial Statement); (ii) accurately presents the financial position of the Company as of such dates and the results of operations, changes in shareholder's equity and cash flow of the Company for the periods then ended, subject in the case of unaudited financial statements to (y) normal recurring year-end audit adjustments, none of which would individually or in the aggregate be material, and (z) the absence of footnote disclosures, none of which would, alone or in the aggregate, be materially adverse to the business, operations, assets, liabilities, financial condition, operating results, value, cash flow or net worth of the Company; and (iii) contains and reflects adequate reserves, in accordance with IFRS and local accounting rules, for all reasonably anticipated losses, costs and expenses. No financial statement of any Person (other than the Company) is required by IFRS and local accounting rules to be included in the Company's Financial Statements.
- 1.10.4 The Financial Statements were prepared from the books, records and accounts of the Company, which books, records and accounts are accurate and have been maintained in accordance with all applicable Laws and (a) reflect all items of income and expense and all assets and liabilities required to be reflected in the Company's Financial Statements in accordance with IFRS an local accounting rules, and (b) are true, correct and complete in all material respects.
- 1.11 No Undisclosed Liabilities; Indebtedness.
- 1.11.1 As of the date of this Agreement and the Closing Date, the Company has no obligations or liabilities (whether or not absolute, accrued, contingent, determined, determinable, unliquidated or otherwise, whether known or unknown, whether due or to become due, whether or not required to be reflected in financial statements in accordance with IFRS and local accounting rules and regardless of when or by whom asserted), and there is no existing condition, situation or set of circumstances that could reasonably be expected to result in such an obligation or liability, except for: (a) liabilities that are fully reflected or provided for in the Company's Financial Statements; and (b) liabilities incurred in the ordinary course of business consistent with past practice since the date of the Balance Sheet Date and of a type reflected or provided for in the Year-end Financial Statements (none of which is a liability for breach of contract, breach of warranty, tort, infringement, violation of Law, claim or lawsuit), which in the aggregate are not in excess of US\$10,000 and will not be overdue as of immediately prior to the Closing Date.
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- 1.11.2 Section 1.11.2 of Annex 2 of the Disclosure Schedule sets forth a true, correct and complete list of all loan or credit agreements, notes, bonds, mortgages, indentures and other agreements and instruments pursuant to which any Indebtedness whereby an amount, individually or in the aggregate, in excess of US\$10,000 is outstanding or may be incurred on or prior to the date of this Agreement.
- 1.12 No Material Adverse Effect. Since January 1, 2021, the Company has conducted its business only in the ordinary course of business consistent with past practice and, since such date, there has not been (a) any event, occurrence, development or state of circumstances or facts that has had, or could reasonably be expected to result in, Material Adverse Effect, or (b) any event, occurrence, development or state of circumstances or facts that has, or could reasonably be expected to have, the effect of preventing, delaying, making illegal or otherwise interfering with the transactions contemplated by this Agreement.
- 1.13 Absence of Certain Changes or Events. Except as set forth in Annex 2 of the Disclosure Schedule, since January 1, 2023, the Company has not:
- 1.13.1 issued (a) any notes, bonds or other debt securities, (b) any share capital or other equity securities or any securities or rights convertible into or exchangeable or exercisable for any share capital or other equity securities (except for the Company's common stock or shares issued upon the exercise of Options or Warrants, if any), or (c) any Rights (except for the Company's Options or Warrants, if any);
- 1.13.2 amended or waived any of its rights under, or permitted the acceleration of vesting under, (a) any provision of the Company's Share Option Plan; (b) any provision of any agreement evidencing any outstanding Option; (c) any provision of any Warrant; or (d) any restricted share purchase agreement;
- 1.13.3 borrowed any amount or incurred or become subject to any liabilities, except current liabilities incurred in the ordinary course of business consistent with past practice, which individually or in the aggregate are not in excess of US\$10,000 and which will be satisfied and discharged by the Company as of immediately prior to the Closing;
- 1.13.4 discharged or satisfied any Lien or paid any obligation or liability, other than current liabilities paid in the ordinary course of business consistent with past practice;
- 1.13.5 declared, accrued, set aside or made any payment or distribution of cash or other property to any of its equity holders or its other Affiliates with respect to such equity holders' equity securities or otherwise, or purchased, redeemed or otherwise acquired any shares of its share capital or other equity securities (including any warrants, options or other rights to acquire its share capital or other equity);
- 1.13.6 mortgaged or pledged any of its properties or assets or subjected them to any Lien, except for Permitted Liens;
- 1.13.7 (i) acquired, leased or licensed any right or other asset from any Person; (ii) sold, assigned, transferred, leased or licensed to any Person, or otherwise encumbered, any of its assets, except in each case, in the ordinary course of business consistent with past practice; or (iii) cancelled any debts or claims;
- 1.13.8 sold, assigned, transferred, leased, licensed or otherwise encumbered any Intellectual Property Rights, disclosed any Confidential Information to any Person (other than to the Buyer and its Affiliates and other than disclosures made in the ordinary course of business consistent with past practice in circumstances in which it has imposed reasonable confidentiality restrictions), or abandoned or permitted to lapse any Intellectual Property Rights;

- 1.13.9 (i) granted any severance or termination pay to (or amended any existing arrangement with) any current or former director, officer or employee whose annual compensation is over US\$125,000; (ii) increased, or accelerated the payment of, the compensation or benefits payable under any existing severance or termination pay policies or employment agreements; (iii) entered into any employment, deferred compensation or other similar agreement (or any amendment to any such existing agreement) with any director, officer or employee whose annual compensation is over US\$125,000; (iv) established, adopted or amended (except as required by applicable Laws) any Employee Plan or any collective bargaining, works council, share option, restricted share, bonus, insurance, severance, deferred compensation, pension, retirement, profit sharing, or any other benefit plan, agreement or arrangement covering any employees, officers, consultants or directors of the Company; or (v) increased, or accelerated the payment of, the compensation, bonus or other benefits payable to any employees, officers, consultants or directors of the Company other than in the case of this clause (v) in accordance with the Company's ordinary course of business and consistent with past practice;
- 1.13.10 suffered any extraordinary losses or waived any rights of value (whether or not in the ordinary course of business or consistent with past practice) in excess of US\$10,000 individually or in the aggregate;
- 1.13.11 made capital expenditures or commitments therefor that exceed US\$10,000 individually or US\$25,000 in the aggregate;
- 1.13.12 delayed or postponed the payment of any accounts payable or commissions or any other liability or obligation or agreed or negotiated with any party to extend the payment date of any accounts payable or commissions or any other material liability or obligation or accelerated the collection of (or discounted) any accounts or notes receivable outside the ordinary course of business consistent with past practice in amounts that do not exceed US\$5,000 individually or in the aggregate;
- 1.13.13 made any loans or advances to, guaranties for the benefit of, or any investments in, any Person (other than advances to the employees of the Company in the ordinary course of business consistent with past practice);
- 1.13.14 suffered any damage, destruction or casualty loss exceeding in the aggregate US\$10,000, whether or not covered by insurance;
- 1.13.15 made or changed any Tax election, changed any annual tax accounting period, changed or adopted any method of tax accounting, filed any amended Tax Returns or claims for Tax refunds, entered into any closing agreement, settled any Tax claim, audit or assessment, consented to any extension or waiver of the limitation period applicable to any claim or assessment of Taxes, or surrendered any right to claim a Tax refund, offset or other reduction;
- 1.13.16 threatened, commenced or settled any Legal Proceeding;
- 1.13.17 made any investment in or taken any steps to incorporate or form any subsidiary or to acquire any equity interest or other interest in any other Entity;
- 1.13.18 amended any of its Constituent Documents or effected or been a party to any acquisition transaction, recapitalization, reclassification of shares, share split, reverse share split or similar transaction;
- 1.13.19 entered into any agreement or arrangement prohibiting or restricting it from freely engaging in any business, from competing with any Person in any line of business that is material to the Company or otherwise restricting the conduct of its business anywhere in the world;
- 1.13.20 entered into, amended or terminated any Material Contract other than in the ordinary course of business consistent with past practice;

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- 1.13.21 received notice, whether written or oral, from any party to a Material Contract (as defined below) of such party's intention not to renew, not to extend, to cancel or otherwise terminate or materially modify its business relationship with the Company;
- 1.13.22 entered into any transaction with any of its Affiliates, which exceeded US\$10,000 individually or US\$25,000 in the aggregate;
- 1.13.23 entered into any other material transaction (other than the entry into this Agreement and transactions contemplated by this Agreement), except in the ordinary course of business consistent with past practice, or materially changed any business practice; or
- 1.13.24 agreed, whether orally or in writing, to do any of the foregoing.

1.14 Taxes.

- 1.14.1 All Tax Returns required to have been filed by or on behalf of, or with respect to the assets of, the Company through the date of this Agreement have been timely filed in accordance with all applicable Laws (pursuant to an extension of time or otherwise) and are true, correct and complete in all material respects. The Seller has provided to the Buyer true, correct and complete copies of all Tax Returns of the Company.
- 1.14.2 Section 1.14.2 of Annex 2 to the Disclosure Schedule sets forth a true, correct and complete list of all jurisdictions (whether foreign or domestic) in which the Seller or the Company is required to file Tax Returns. No claim has ever been made by a Governmental Body in a jurisdiction where the Company or the Seller does not file Tax Returns that it is or may be subject to taxation or to a requirement to file Tax Returns in that jurisdiction.
- 1.14.3 All Taxes, estimated Taxes, deposits and other payments due and owing by or on behalf of the Seller or the Company (whether or not shown on any Tax Return) have been or will be timely paid in full through the date of this Agreement.
- 1.14.4 Each of the Seller and the Company has properly accrued in its Financial Statements, in accordance with IFRS and applicable local accounting rules all liabilities for unpaid Taxes through the date of this Agreement.
- 1.14.5 The amounts so paid, together with all amounts accrued as liabilities for Taxes (including Taxes accrued as currently payable but excluding any accrual to reflect timing differences between book and Tax income) on the books of the Company and Seller, respectively, shall be adequate based on the tax rates and applicable Laws in effect to satisfy all liabilities for Taxes of the Company and Seller, respectively, in any jurisdiction through the Closing Date, including Taxes accruable upon income earned through the Closing Date.
- 1.14.6 The Company has withheld all amounts of Taxes required to be withheld from its employees, agents, contractors, creditors, shareholders, members or other equity holders and third parties and timely remitted such amounts to the proper Governmental Body and filed all federal, state, local and foreign Tax Returns and reports with respect to employee income Tax withholding, social security, unemployment, and other similar Taxes, all in material compliance with the withholding provisions of the Code applicable to the Company (and any prior provision of the Code) and other applicable Laws.

- 1.14.7 The Company has collected all material sales, value-added and use Taxes required to be collected, and have remitted, or will remit on a timely basis, such amounts to the appropriate Governmental Body (or have been furnished properly completed exemption certificates and have maintained all such records and supporting documents in the manner required by all applicable sales and use Tax statutes and regulations).

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- 1.14.8 No claims have been asserted and no proposals or deficiencies for any Taxes of the Company or the Seller are being asserted, proposed or threatened, and no Legal Proceeding, audit, examination or investigation of any Tax Return of the Company or the Seller is currently underway, pending or threatened. There have been no examinations or audits of any Tax Return of the Company or the Seller. Each of the Seller and the Company has provided to the Buyer true, correct and complete copies of all audit reports, correspondence with Tax authorities and similar documents (to which the Company or the Seller has access) relating to the Tax Returns of the Company and the Seller, respectively.
- 1.14.9 All Tax deficiencies, if any, asserted by a Governmental Body against the Company or the Seller have been paid in full, accrued on the books of the Company and the Seller, respectively, or finally settled, and no indication of a Tax increase or other issue has been raised in any such examination that, by application of the same or similar principles, could reasonably be expected to result in a proposed Tax deficiency for any other period not so examined.
- 1.14.10 There are no outstanding waivers or agreements between any Governmental Body and the Company or the Seller for the extension of time for the assessment of any Taxes or deficiency thereof, nor are there any requests for rulings, outstanding subpoenas or requests for information, notices of proposed reassessment of any property owned or leased by the Company or the Seller or any other matter pending between the Company or the Seller and any Governmental Body.
- 1.14.11 There are no Liens for Taxes with respect to the Company or the Seller, or the assets or properties of either of them, nor is there any Lien that is pending or threatened.
- 1.14.12 Neither the Company nor the Seller has any liability for the Taxes of any Person (other than for itself) under Treasury Regulation Section 1.1502-6 (or any similar provision of national, provincial, territorial, state, local or foreign Law), as a transferee or successor, by Contract or otherwise.
- 1.14.13 Neither the Company nor the Seller is a party to or bound by any Tax allocation, Tax indemnification or Tax sharing.
- 1.14.14 Neither the Company nor the Seller has, directly or indirectly, transferred property to or acquired property from a Person with whom it was not dealing at arm's length for consideration other than consideration equal to the fair market value of the property at the time of the disposition or acquisition thereof and each has complied with all material transfer pricing rules and requirements, including any disclosure, reporting and other similar requirements under foreign Tax Law.
- 1.14.15 The Company is not and has not been since its inception a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.
- 1.14.16 If the transactions contemplated in this Agreement are subject to the ROS Withholding Taxes, all such taxes will be timely paid in full by the Seller to the ROS Tax Authority in accordance with the requirement of the ROS Tax Authority.
- 1.14.17 No permanent establishment or place of domicile has been created by the Company or the Seller other than its jurisdiction of incorporation, and no tax liabilities have arisen in respect of such a permanent establishment or place of domicile.

1.15 Real Property.

- 1.15.1 There is no Owned Real Property.

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- 1.15.2 Section 1.15.2 of Annex 2 to the Disclosure Schedule sets forth a true, complete and correct listing of all Leased Real Property (including street address, legal description (if known), lessor, rent and each of the Company's use thereof), and a true, complete and correct list of all lease Contracts for such Leased Real Property. The Seller or the Company have made available to Buyer true and complete copies of each such lease Contract, as amended through the date hereof. With respect to each such lease Contract:
- 1.15.2.1 The Company has a valid leasehold interest to the leasehold estate in the Leased Real Property granted to the Company pursuant to each such lease Contract;
- 1.15.2.2 Each such lease Contract is, and will continue to be, legal, valid, binding, enforceable and in full force and effect against the parties thereto in accordance with its terms following the consummation of the transactions contemplated hereby;
- 1.15.2.3 No event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute a material breach or default under such lease Contract; and
- 1.15.2.4 The Company has not assigned, transferred, conveyed, mortgaged, deeded in trust or encumbered any interest in any Leased Real Property held pursuant to such lease Contract.
- 1.15.3 The Company's Real Property and all present uses and operations of the Company's Real Property comply in all material respects with easements and disposition agreements affecting the Company's Real Property and there are no pending or threatened condemnation, fire, health, safety, building, zoning or other land use regulatory proceedings, lawsuits or administrative actions relating to any portion of the Company's Real Property or the current use, occupancy or value thereof, nor has the Company or the Seller received written notice of any pending or threatened special assessment proceedings affecting any portion of the Company's Real Property, in each case except to the extent that such actions or notice would result in a Material Adverse Effect on the Company.
- 1.15.4 There is no fact or condition exists which could result in the termination or material reduction of the current access from the Company's Real Property to existing roads or to water, sewer or other utility services presently serving the Company's Real Property.

1.16 Personal Property.

- 1.16.1 All items of equipment and other tangible personal property and assets owned by or leased to the Company, to the Seller's knowledge: (i) are adequate for the uses to which they are being put; (ii) are structurally sound, free of defects and deficiencies and in good operating condition, maintenance and repair, subject to ordinary wear and tear; (iii) comply in all material respects with, and are being operated and otherwise used in material compliance with, all applicable Laws; (iv) were acquired and are usable in the ordinary course of business consistent with past practice; and (v) are adequate for the conduct of the business of the Company in the manner in which such business is being conducted and as proposed to be conducted by the Company as of the Closing Date.

1.17 Intellectual Property.

- 1.17.1 The Company has no applicable filing or registration with respect to Intellectual Property. There is no application for a patent, copyright or trademark registration or any other type of registrations filed by or on behalf of the Company.
- 1.17.2 The Company has not filed any patent and trademark applications.
- 1.17.3 The Company owns no Intellectual Property.
- 1.17.4 No Person (including any current or former employee or consultant of the Company) has infringed, violated or misappropriated, or is infringing, violating or misappropriating, any of the Company's Intellectual Property and there are no facts or circumstances that could reasonably be expected to result in any of the foregoing or of any current or anticipated claims against a third Person relating to the foregoing.

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- 1.17.5 There is no license, covenant or other agreement pursuant to which the Company has (x) assigned or transferred to any Person, or (y) licensed or otherwise granted any right to any Person, or covenanted not to assert any right, in each such instance of (x) or (y), with respect to the Company's Intellectual Property. The Company has not agreed to indemnify any Person against any infringement, violation or misappropriation of any Intellectual Property Rights with respect to any third-party Intellectual Property Rights. The Company is not a member of or party to any patent pool, industry standards body, trade association or other organization pursuant to the rules of which it is obligated to license any existing or future Intellectual Property Rights to any Person, and the Company's owned Intellectual Property was not developed in whole or in part using any governmental funding or using any funding, facilities, or resources of any university or research institution.
- 1.17.6 The Company owns no Licensed Intellectual Property.
- 1.17.7 The Company is not subject to any proceeding or outstanding decree, order, judgment, agreement or stipulation (i) restricting in any manner the use, transfer or licensing by the Company of any of the Company's Intellectual Property; or (ii) that may affect the validity, use or enforceability of the Company's Intellectual Property or any product, product candidate or service of the Company related thereto.
- 1.17.8 The Company may continue to operate its business immediately after the Closing in the same manner as operated immediately prior to the Closing and after giving effect to the consummation of the transactions contemplated by this Agreement and will not result in the breach of, or create on behalf of any third-party the right to terminate or modify, (i) any license, sublicense or other agreement relating to any Intellectual Property; or (ii) any license, sublicense and other agreement to which the Company is a party and pursuant to which the Company is authorized to use any third-party Intellectual Property Rights that are useful to the business of each of the Company, as it is currently conducted and as it is contemplated to be conducted by the Company as of the Closing Date.
- 1.17.9 To the best of the Seller's knowledge: no current or former director, officer, employee, independent contractor, or consultant of the Company (i) is in violation of any provision or covenant of any employment agreement, invention assignment agreement, nondisclosure agreement, non-competition agreement or any other Contract with any other Person by virtue of such director's, officer's, employee's, independent contractor's, or consultant's being employed by, performing services for or serving on the board of directors of the Company; (ii) is using or has used any trade secrets or Confidential Information of any third Person in connection with performing any services for the Company or the development or creation of the Company's Intellectual Property without the permission of the Company and such third Person; or (iii) has developed or created any Company Intellectual Property that is subject to any agreement under which such director, officer, employee, independent contractor, or consultant has assigned or otherwise granted any third party any rights in or to such Intellectual Property. No director, agent, employee, independent contractor, or consultant of the Company is a party to, or is otherwise bound by, any Contract, including any confidentiality, non-competition or proprietary rights agreement, with any other Person that in any way adversely affects or will affect his or her ability to assign to the Company's rights to any invention, improvement, discovery or information relating to the Company's Intellectual Property or affecting the Company's ability to exploit any of the Company's Intellectual Property.

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1.18 Agreements.

- 1.18.1 The Company is not a party to any Contract, agreement or commitment that (i) would require payment by or to the Company in an amount equal to or in excess of US\$25,000 individually or, in the aggregate, equal to or in excess of US\$100,000 or (ii) the performance of which could reasonably be expected to have a Material Adverse Effect.

1.19 Litigation.

- 1.19.1 Except as set forth on Section 1.19.3 of the Disclosure Schedule (if any), there are no Legal Proceedings pending or threatened (i) against or affecting the Company or any of the assets owned, used or controlled by the Company or any Person whose liability the Company has or may have retained or assumed, either contractually or by operation of Law (or pending or threatened against or affecting any of the shareholders or the officers, directors, managers or employees of the Company with respect to its business or proposed business activities), or pending or threatened by the Company against any Person, at law or in equity, or before or by any Governmental Body (including any Legal Proceedings with respect to the transactions contemplated by this Agreement), or (ii) that relate to the ownership of any share capital of the Company, or any option or other right to the share capital of the Company, or any right to receive consideration as a result of this Agreement.
- 1.19.2 The Company is not subject to any Legal Proceedings under collective bargaining agreements or otherwise or any governmental investigations or inquiries.
- 1.19.3 The Company is not subject to any judgment, order or decree of any court or other Governmental Body, and the Company has not received any notice from legal counsel to the effect that it is exposed, from a legal standpoint, to any material liabilities. There are no actions, suits, proceedings (including any arbitration proceedings), orders, investigations or claims pending or threatened against or affecting any shareholder in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with the transactions contemplated by this Agreement. The Company has provided to the Buyer true, correct and complete copies of all pleadings, correspondence and other written materials to which the Company has access and that relate to any Legal Proceeding set forth on Section 1.19.3 of the Disclosure Schedule.

1.20 Environmental Matters.

- 1.20.1 The Company is, and has for the past three years been, in material compliance with all applicable Environmental Laws, which compliance includes the possession by the Company of all Governmental Authorizations required under applicable Environmental Laws (if any), and compliance with the terms and conditions thereof.

- 1.20.2 The Company has not received any notice or other communication (in writing or otherwise), whether from a Governmental Body, citizens group, employee or otherwise, that alleges that the Company is not in compliance with, or has liability under, any Environmental Law and there are no circumstances that could reasonably be expected to prevent or interfere with the Company's compliance with, or give rise to liability under, any Environmental Law in the future.
- 1.20.3 The Company has not at any time been subject to any administrative or judicial proceeding pursuant to, or paid any fines or penalties pursuant to, applicable Environmental Laws. The Company has not entered into or agreed to enter into, or has any present intent to enter into, any consent decree or order, and the Company is not subject to any judgment, decree or judicial or administrative order relating to compliance with, or the cleanup of Materials of Environmental Concern under, any applicable Environmental Law.
- 1.20.4 There has been no release of Materials of Environmental Concern at any plant, facility, site, area or property at which the Company currently operates or previously operated.
- 1.20.5 No current or prior owner of any property leased or controlled by the Company has received any notice or other communication (in writing or otherwise), whether from a Governmental Body, citizens group, employee (current or former) or otherwise, that alleges that such current or prior owner or the Company is not in compliance with, or has liability under, any Environmental Law.

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- 1.20.6 No improvement or equipment included in the property or assets of the Company contains any asbestos, polychlorinated biphenyls, underground storage tanks, open or closed pits, sumps or other containers on or under any property or asset.
- 1.20.7 The Company has not imported, received, manufactured, produced, processed, labelled or shipped, stored, used, operated, transported, treated or disposed of any Materials of Environmental Concern other than in compliance with all Environmental Laws.
- 1.20.8 The Company has provided to the Buyer true, correct and complete copies of all environmental reports, investigations and/or audits (if any) relating to facilities at which the Company currently operates or previously operated (whether conducted by or on behalf of the Company or a third party) of which the Company has possession or control.

1.21 Employee Matters.

- 1.21.1 Section 1.21.1 of the Disclosure Schedule sets forth a true, correct and complete list of all employees, consultants and independent contractors used by the Company as of the date of this Agreement whose annual compensation (excluding any fluctuating bonus) exceeds US\$125,000, specifying the name of the employee, consultant or independent contractor, type of services provided, fees paid to such consultant or independent contractor for calendar year 2022 and 2023, work location and work address, and accurately reflects any compensation payable to them, their dates of service, and their positions or titles. Each employee, consultant or independent contractor set forth on Section 1.21.1 of the Disclosure Schedule has the requisite Governmental Authorizations required to provide the services such employee, consultant or independent contractor provides the Company. The Company has provided to the Buyer a true, correct and complete copy of each written agreement with each material employee, consultant and independent contractor set forth on Section 1.21.1 of the Disclosure Schedule.
- 1.21.2 Each prior employee has, at all times, properly been classified and treated as an employee for all purposes including, but not limited to, the Employee Plans and Tax purposes. Each prior employee has at all times properly been classified as subject to or exempt from overtime requirements (if there is any such classification system in the applicable jurisdiction). The Company has never had any temporary or leased employees that were not treated and accounted for in all material respects as employees of the Company.
- 1.21.3 The Company is, and has at all times been, in material compliance with all applicable Laws and in particular, all Labor Laws applicable to its employees. The Company is not subject to or liable for any arrears of wages, penalties, fines, orders to pay, assessments, charges, damages or taxes for failure to comply with the Labor Laws and the Company is in material compliance with all Laws (including all Labor Laws) and Contracts relating to employment, employment practices, wages, hours, equal opportunity, affirmative action, harassment, occupational health and safety, disability, workers compensation, unemployment, insurance, benefits, taxes, bonuses and terms and conditions of employment.
- 1.21.4 There are no claims pending, or threatened or capable of arising, against the Company, by an employee or workman or third party, in respect of any accident or injury, which are not fully covered by insurance or under applicable workers compensation legislation. No levies, assessments or penalties have been made against the Company pursuant to Applicable Benefit Laws (other than any levies that are payable by all employers under applicable Law).
- 1.21.5 No notice has been received by the Company of any employment related claims commenced by any employee against the Company, including claims that the Company has violated Labor Laws or the common law with respect to an employee's employment, and no such claims are threatened.

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- 1.21.6 Each Person classified as an independent contractor or other non-employee service provider of the Company has, at all times, properly been classified and treated as an independent contractor or other non-employee service provider for all purposes including, but not limited to, Tax purposes. The Company is, and has at all times been, in material compliance with all applicable Laws and Contracts relating to its independent contractors and other non-employee service providers. No independent contractor, consultant or other non-employee service provider of the Company is eligible to participate in any Employee Plan. There are no claims pending or threatened against the Company by any independent contractor, other non-employee service provider or third party, in respect of any accident or injury, which are not fully covered by insurance.
- 1.21.7 All amounts due in relation to employees (whether arising under common law, statute, equity or otherwise) have been paid, including all remuneration, expenses, social insurance, pension contributions, liability to taxation, levies and other amounts (other than amounts owing with respect to the current salary or work period which are not yet due).
- 1.21.8 No Employee, since becoming an employee, has been, or currently is, represented by a labor organization or group that was either certified or voluntarily recognized by any labor relations board or certified or voluntarily recognized by any other Governmental Body. The Company is not and has never been a signatory to a collective bargaining agreement with any trade union, labor organization or group. No representation election petition or application for certification has been filed by employees is pending with any Governmental Body and no union organizing campaign or other attempt to organize or establish a labor union, employee organization or labor organization or group involving employees has occurred, is in progress or is threatened. No labor strike, work stoppage, slowdown, picketing, lockout or other material labor dispute has occurred, and none is underway or threatened.
- 1.21.9 No wrongful discharge, retaliation, libel, slander or other claim, complaint, charge or investigation that arises out of the employment relationship between the Company and any of its Employees has been filed or is pending or threatened against the Company under any applicable Law.

1.22 Employee Benefit Plans. The Company has not had an Employee Plan.

1.23 Compliance with Laws: Governmental Authorizations.

- 1.23.1 The Company is, and has at all times been, in compliance materially with all applicable Laws, except where non-compliance could not reasonably be expected to result in Material Adverse Effect. The Company has not received any notice or other communication from any Governmental Body or any other Person regarding (i) any actual, alleged, possible or potential material violation of, or failure to materially comply with, any Law; or (ii) any actual, alleged, possible or potential obligation on the part of the Company to undertake, or to bear all or any portion of the cost of, any cleanup or any remedial, corrective or response action of any nature under any applicable Law. The Company has provided to the Buyer a true, correct and complete copy of each report, study, survey or other document to which the Company has access that addresses or otherwise relates to the compliance of the Company with, or the applicability to the Company of, any Laws. To the knowledge of the Seller, no Governmental Body has proposed or is considering any Law that, if adopted or otherwise put into effect, (A) may have an adverse effect on the business, condition, assets, liabilities, operations, financial performance, net income or prospects of the Company or on the ability of the Company to comply with or perform any covenant or obligation under any of ancillary documents contemplated by this Agreement; or (B) may have the effect of preventing, delaying, making illegal or otherwise interfering with the transactions contemplated by this Agreement.
- 1.23.2 The Company does not require any Governmental Authorizations to operate its business beyond what Governmental Authorizations it currently holds, which have all been listed on Section 1.23.2 of the Disclosure Schedule. The Governmental Authorizations held by the Company are valid and in full force and effect, and collectively constitute all Governmental Authorizations necessary (i) to enable the Company to conduct its business in the manner in which its business is currently being conducted and as contemplated to be conducted by the Company as of the Closing Date; and (ii) to permit the Company to own and use its assets in the manner in which it is currently owned and used. The Company is, and at all times since its incorporation has been, in material compliance with the terms and requirements of the Governmental Authorizations held by the Company. The Company has not received any notice or other communication from any Governmental Body regarding (A) any actual or possible violation of or failure to comply with any term or requirement of any Governmental Authorization; or (B) any actual or possible revocation, withdrawal, suspension, cancellation, termination or modification of any Governmental Authorization. All of the Governmental Authorizations set forth or required to be set forth on Section 1.23.2 of the Disclosure Schedule will be available for use by the Company immediately after the Closing. In respect of approvals, licenses or permits requisite for the conduct of any part of the business of the Company which are subject to periodic renewal, the Company has no reason to believe that such renewals will not be timely granted by the relevant Governmental Body.
- 1.23.3 (i) The Company has at all times been, in full compliance with all of the terms and requirements of each Governmental Authorization set forth or required to be set forth on Section 1.23.2 of the Disclosure Schedule; (ii) no event has occurred, and no condition or circumstance exists, that might (with or without notice or lapse of time or both) reasonably (A) constitute or result directly or indirectly in a violation of or a failure to comply with any term or requirement of any Governmental Authorization set forth or required to be set forth on Section 1.23.2 of the Disclosure Schedule; or (B) result directly or indirectly in the revocation, withdrawal, suspension, cancellation, termination or modification of any Governmental Authorization set forth or required to be set forth on Section 1.23.2 of the Disclosure Schedule; (iii) the Company has not received, and no employee has ever received, any notice or other communication from any Governmental Body or any other Person regarding (x) any actual, alleged, possible or potential violation of or failure to comply with any term or requirement of any Governmental Authorization; or (y) any actual, proposed, possible or potential revocation, withdrawal, suspension, cancellation, termination or modification of any Governmental Authorization; and (iv) all applications required to have been filed for the renewal of the Governmental Authorizations required to be set forth on Section 1.23.2 of the Disclosure Schedule have been duly filed on a timely basis with the appropriate Governmental Bodies, and each other notice or filing required to have been given or made with respect to such Governmental Authorizations has been duly given or made on a timely basis with the appropriate Governmental Body.

- 1.24 Insurance. The Company has maintained all insurance policies that are required under applicable Law. The Company has provided to the Buyer true, correct and complete copies of the insurance policies set forth on Section 1.24 of the Disclosure Schedule. The Company has not reached or exceeded its policy limits for any such insurance policy in effect at any time during the past three (3) years. During the past three (3) years, the Company has not received any notice or other communication regarding any actual or possible (a) cancellation or invalidation of any such insurance policy; (b) refusal of any coverage or rejection of any claim under any such insurance policy; or (c) material adjustment in the amount of the premiums payable with respect to any such insurance policy. All premiums required to be paid with respect thereto covering all periods up to and including the Closing Date have been or will be paid in a timely fashion and there has been no lapse in coverage under such policies or failure of payment that will cause coverage to lapse during any period for which the Company has conducted its operations. The Company has not had any obligation for retrospective premiums for any period prior to the Closing Date. All such policies are in full force and effect and will remain in full force and effect up to and including the Closing Date, unless replaced with comparable insurance policies having comparable or more favorable terms and conditions. No insurer has provided the Company with notice that coverage will be denied with respect to any claim submitted to such insurer by the Company. Section 1.24 of the Disclosure Schedule sets forth all claims by the Company pending under any of such policies or bonds as to which coverage has been questioned, denied or disputed by the underwriters of such policies or bonds or in respect of which such underwriters have reserved their rights.

1.25 Title to and Sufficiency of Assets.

- 1.25.1 The Company owns, and has good, valid, transferable and marketable title to, or a valid leasehold interest in (i) all properties and assets used by it, located on its premises, shown on the Year-end Financial Statements or acquired after the date thereof, free and clear of all Liens (other than properties and assets disposed of in the ordinary course of business consistent with past practice since the date of the Audited Balance Sheet); (ii) all of its rights under the Material Contracts; and (iii) all other material assets used by the Company or reflected in the books and records of the Company as being owned by the Company.
- 1.25.2 All facilities, machinery, equipment, fixtures, vehicles and other properties owned, leased or used by the Company are maintained in a way consistent with the Company's past practice. The Company is in compliance with all material terms of each lease to which it is a party or is otherwise bound. The Company owns, has a valid leasehold interest in or has the valid and enforceable right to use all assets, tangible or intangible, necessary for the conduct of its business as currently conducted and as proposed to be conducted by the Company as of the Closing Date.

- 1.26 Inventory. All of the inventory of the Company: (a) was acquired and is sufficient for the operation of its business in the ordinary course of business consistent with the Company's past practice; (b) is of a quality and quantity usable or saleable in the ordinary course of business consistent with the Company's past practice; (c) is valued on the books and records of the Company at the lower of cost or market with the cost determined under the first-in-first-out inventory valuation method consistent with the Company's past practice; and (d) is free of any material defect or deficiency. The inventory levels maintained by the Company are adequate for the conduct of the operations of the Company in the ordinary course of business and consistent with the Company's past practice.

- 1.27 Bank Accounts. Section 1.27 of the Disclosure Schedule sets forth true, correct and complete information with respect to each account maintained by or for the benefit of the Company at any bank or other financial institution, including the name of the bank or financial institution, the account number, the balance as of the date of this Agreement (and whether any cash comprising such balances is "restricted cash") and the names of all individuals authorized to draw on or make withdrawals from such accounts (and no changes to such information shall have occurred as of the Closing Date).

- 1.28 Accounts Payable. Section 1.28 of the Disclosure Schedule sets forth a true, correct and complete breakdown and aging of the accounts payable of the Company as of the Closing Date, which are individually or in the aggregate in excess of US\$25,000. All such accounts payable were incurred in the ordinary course of business consistent with past practice, are valid payables for products or services purchased by the Company and except as set forth on the Disclosure Schedule, as of the date of this Agreement and the Closing Date, there is no account payable that is outstanding more than 90 days past the invoice date.
- 1.29 Related Party Transactions. Except as set forth on Section 1.29 of the Disclosure Schedule, no Related Party has, or has at any time had, any direct or indirect interest in any asset used in or otherwise relating to the business of the Company. No Related Party is, or has been, indebted to the Company. No Related Party has entered into, or has had any direct or indirect financial interest in, any Material Contract, transaction or business dealing involving the Company. No Related Party is competing, or has at any time competed, directly or indirectly, with the Company. No Related Party has any claim or right against the Company (other than claims or rights to receive compensation for services performed as an employee or as a director).
- 1.30 Customers and Suppliers. Section 1.30 of the Disclosure Schedule sets forth a true, correct and complete list of the names and addresses of the Company's top 10 suppliers (each, a "Supplier", and together, the "Suppliers"). No Supplier (or former Supplier) during the prior 12 months has cancelled, terminated or made any threat to cancel or otherwise terminate any of such Supplier's Contracts with the Company or to decrease such Supplier's supply of services or products to the Company. The Company has provided to the Buyer true, correct and complete copies of all of such current Supplier Contracts, and all such Contracts are in full force and effect, have not been withdrawn, amended, modified or terminated and are enforceable by the Company. The Company has not received any notice and the Company does not have any actual or constructive knowledge to the effect that any current customer or supplier may withdraw, terminate or materially alter, amend or modify its business relations with the Company, either as a result of the transactions contemplated by this Agreement, or otherwise.
- 1.31 Certain Payments. Neither the Company nor any manager, officer, employee, agent, consultant or other Person associated with or acting for or on behalf of the Company, has at any time, directly or indirectly: (a) used any corporate funds (i) to make any unlawful political contribution or gift or for any other unlawful purpose relating to any political activity; (ii) to make any unlawful payment to any governmental official or employee, including without limitation any payments made in violation of the FCPA or the UK Bribery Act; or (iii) to establish or maintain any unlawful or unrecorded fund or account of any nature; (b) made any false or fictitious entry, or failed to make any entry that should have been made, in any of the books of account or other records of the Company; (c) made any payoff, influence payment, bribe, rebate, kickback or unlawful payment to any Person; (d) performed any favor or given any gift which was not deductible for federal income tax purposes; (e) made any payment (whether or not lawful) to any Person, or provided (whether lawfully or unlawfully) any favor or anything of value (whether in the form of property or services, or in any other form) to any Person, for the purpose of obtaining or paying for (i) favorable treatment in securing business, or (ii) any other special concession; or (f) agreed, committed, offered or attempted to take any of the actions described in clauses (a) through (e) above.
- 1.32 Regulatory Filings. The Company has made all required registrations and filings with and submissions to all applicable Governmental Bodies relating to the operation of the business of the Company. There is no false or misleading information or significant omission in any submission to any Governmental Body. All such registrations, filings and submissions were in compliance in all material respects with all Laws and other requirements when filed. No material deficiencies have been asserted by any such applicable Governmental Bodies with respect to such registrations, filings or submissions and no facts or circumstances exist which would indicate that a material deficiency may be asserted by any such authority with respect to any such registration, filing or submission. The Company has delivered to the Buyer copies of (a) all material reports of inspection observations; (b) all material establishment inspection reports; (c) all material warning letters; and (d) any other material documents received by the Company from any Governmental Body relating to the business of the Company that assert ongoing material lack of compliance with any Laws.
- 1.33 OFAC. Neither the Company nor Representative of the Company, or any other Person acting for or on behalf of the Company has: (a) been or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("OFAC"); or (b) engaged or is currently engaging in any business or other dealings with, in, involving, or relating to (i) any country subject to a comprehensive embargo under the sanctions administered by OFAC; or (ii) any Person subject to sanctions administered by OFAC.
- 1.34 Purchased Share Certificate. All of the information contained in the shares certificates of the Company will be complete and accurate immediately prior to the Closing.

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SCHEDULE II

BUYER'S REPRESENTATIONS AND WARRANTIES

Capitalized terms used herein but not otherwise defined shall have the respective meanings attribute to them under Article 1 (Interpretation) of the Agreement to which this Schedule II is attached.

- (a) The Buyer is duly incorporated or organized with limited liability and validly existing under the Laws of the jurisdiction of its incorporation or organization, and has the full power and authority to enter into, execute and deliver this Agreement and to perform its obligations and the transactions contemplated therein.
- (b) The execution and delivery by the Buyer of this Agreement and the performance by the Buyer of its obligations and the transactions contemplated hereunder has been duly authorized by all necessary corporate or other action of the Buyer.
- (c) As of Closing, the Buyer has obtained all necessary governmental, regulatory and corporate authorizations as well as internal and third-party approvals and consents for the performance of the obligations undertaken by the Buyer hereunder.
- (d) This Agreement constitutes legal, valid and binding obligations of the Buyer enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium or similar federal or state Laws affecting the rights of creditors, and is limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies. The execution and delivery of, and the performance of obligations under and compliance with the provisions of, this Agreement by the Buyer will not:
- (i) contravene any order or judgments of any court or Governmental Body, statutory or regulatory body to which it is subject to which has the effect of making unlawful or otherwise prohibiting the transactions contemplated in this Agreement;
 - (ii) conflict with or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Encumbrance upon any of its respective property or assets pursuant to the terms of any agreement, Contract or instrument to which it is a party or by which it or any of its property or assets is bound or to which it may be subject, respectively; or
 - (iii) require the consent of any person other than such as already given or waived or to be given or waived on or before Closing.



PROMISSORY NOTE

__, 2024

US\$1,800,000

FOR VALUE RECEIVED, Unique Logistics International, Inc., a Nevada corporation (the “**Maker**”), hereby promises to pay to the order of Unique Logistics Holdings Limited, a Hong Kong corporation (“**ULHL**”), or its successors, assigns or other subsequent noteholder, as the case may be (the “**Noteholder**”), the principal amount of One Million Eight Hundred Thousand Dollars (US\$1,800,000) (the “**Principal Amount**”), as provided herein (as the same may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, the “**Note**”).

Each of the Maker and the Noteholder may be referred to herein as a “**Party**” and, collectively, as the “**Parties**.”

This Note is being issued by the Maker as part of the consideration to be paid to ULHL under a certain Stock Purchase Agreement, dated as of the 2nd of April, 2024, by and between the Maker and ULHL (the “**Purchase Agreement**”), pursuant to which the Maker has agreed to purchase from ULHL all of the shares of capital stock owned by ULHL (the “**Purchased Shares**”) in Unique Logistics International (Sin) Pte. Ltd. (“**Unique Singapore**”), pursuant to the terms and subject to the conditions set forth therein.

Capitalized terms used herein but not otherwise defined, if any, shall have the respective meanings attributed to them in the Purchase Agreement.

1. Payment Due Date; Optional Prepayment

1.1 Payment of Principal Amount; Maturity Date. The Principal Amount outstanding under this Note shall be paid in three equal installments of \$600,000 every three months commencing twelve months from the date of Closing (the last payment date being referred to herein as the “**Maturity Date**”).

1.2 Optional Prepayment. The Maker, in its sole discretion, may prepay the Principal Amount in whole or in part at any time or from time to time prior to the Maturity Date without penalty or premium.

1.3 No Dividends by Unique Singapore; Exception. From the date hereof, for so long as any of the Principal Amount hereunder remains outstanding, the Maker agrees, as a shareholder of Unique Singapore, that it will not vote in favor of or cause there to be declared any dividend in or by Unique Singapore, other than dividends payable to the Buyer to be used for repayment of amounts due to ULHL under this Note or any other note issued or issuable by the Maker in favor of ULHL under the Purchase Agreement.

2. Interest

2.1 Interest. The Principal Amount outstanding hereunder shall bear interest at the rate of fifteen percent (15%) per annum (the “**Interest Rate**”) from the date hereof until such time as the Principal Amount is paid in full (the “**Interest**”). Interest shall not accrue on the date on which payment of the Principal Amount and accrued Interest is paid.

2.2 Computation of Interest. All computations of Interest shall be made on the basis of a 365-day year based on the actual number of days elapsed. Interest shall accrue commencing on the date hereof.

2.3 Limitation on Rate; Savings Clause. If at any time, and for any reason whatsoever, the Interest Rate exceeds the maximum rate of interest permitted to be charged under applicable law, such rate shall be automatically reduced to the maximum rate permitted to be charged under applicable law.

3. Payment Mechanics

3.1 Manner of Payment. All payments hereunder shall be made in lawful currency of the United States of America on the date on which such payment is due, by cashier’s check, certified check, or by wire transfer of immediately available funds to the Noteholder’s account at such bank as may be specified by the Noteholder in writing to the Maker from time to time.

3.2 Application of Payments. All payments made hereunder shall be applied *first* to the payment of the Principal Amount outstanding hereunder, *second* to accrued Interest, if any, and *third* to the payment of any fees or charges outstanding under the Note.

3.3 Business Day Convention. Payment hereunder shall be due on a business day, meaning a day other than Saturday, Sunday, or other day on which commercial banks in New York, New York are authorized or required by law to close (each such day, a “**Business Day**”). Whenever any payment to be made hereunder shall be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension will be taken into account in calculating any Interest payable under this Note.

4. Representations and Warranties. The Maker hereby represents and warrants to the Noteholder on the date hereof as follows:

4.1 Existence. The Maker is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Nevada.

4.2 Power and Authority. The Maker has the requisite power and authority, and the legal right, to execute and deliver this Note and to perform its obligations hereunder.

4.3 Authorization; Execution and Delivery. The execution and delivery of this Note by the Maker and the performance of its obligations hereunder have been duly authorized by all necessary corporate action in accordance with all applicable laws. The Maker has duly executed and delivered this Note.

4.4 No Violations. The execution and delivery of this Note and the consummation by the Maker of the transactions contemplated hereby do not and will not, to the knowledge of the Maker: (a) violate any law applicable to the Maker or by which any of its properties or assets are bound; or (b) constitute a material default under any material agreement or contract by which the Maker is bound.

4.5 Enforceability. The Note is the valid, legal, and binding obligation of the Maker, enforceable against the Maker in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors’ rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

5. Events of Default. The occurrence and continuance of any of the following events shall constitute an Event of Default hereunder:

5.1 Failure to Pay. The Maker fails to pay:

- (a) the Principal Amount or Interest when due; and
- (b) such failure continues without cure for seven (7) days after written notice thereof to the Maker.

5.2 Bankruptcy.

(a) The Maker commences any case, proceeding, or other action (i) under any existing or future law relating to bankruptcy, insolvency, reorganization, or other relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (ii) seeking appointment of a receiver, trustee, custodian, conservator, or other similar official for it or for all or any substantial part of its assets, or the Maker makes a general assignment for the benefit of its creditors;

(b) There is commenced against the Maker any case, proceeding, or other action of a nature referred to in Section 5.2(a) which (i) results in the entry of an order for relief or any such adjudication or appointment or (ii) remains undismissed, undischarged, or unbonded for a period of sixty (60) days;

(c) There is commenced against the Maker any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof;

(d) the Maker takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in Section 5.2(a), Section 5.2(b), or Section 5.2(c); or

(e) The Maker is generally not, or is unable to, or admits in writing its inability to, pay its debts as they become due.

5.3 Purchase Agreement Obligations. Notwithstanding any other provisions of this Note and without prejudice to the Noteholder's right under that Stock Purchase Agreement, dated as of the 29th of April, 2024, by and between the Maker and ULHL, pursuant to which the Maker has agreed to purchase from ULHL all outstanding shares of capital stock owned by ULHL in Unique Singapore, the Maker acknowledges and agrees that: (a) upon an Event of Default hereunder, so long as no other event has occurred which would result in an event of default by Maker under either: (i) that certain Revolving Purchase, Loan and Security Agreement, dated as of June 1, 2021, as amended, supplemented or restated from time to time, between the Maker, certain of its affiliates and TBK Bank SSB; or (ii) that certain Financing Agreement, dated as of March 10, 2023, as amended by that certain Waiver and Amendment No. 1 thereto, dated as of September 13, 2023, among the Maker, certain subsidiaries of the Maker, the lenders party thereto from time to time, CB Agent Services LLC, as origination agent, and Alter Domus (US) LLC, as administrative agent and collateral agent (collectively, the "Facilities"), the Maker shall use a portion of the cash available to it as a result of consummation of the merger contemplated by the merger agreement with Edify Acquisition Corp, not to exceed US\$10,000,000, to pay the amounts owing hereunder, and (b) while this Note is outstanding the Maker shall not directly or indirectly grant a security interest in any of its business or assets other than those granted in connection with the foregoing Facilities.

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5.4 Remedies. Upon the occurrence of an Event of Default and at any time thereafter during the continuance of such Event of Default, the Noteholder may at its option, by written notice to the Maker provided within ten (10) Business Days of the Noteholder's discovery of the subject Event of Default: (a) declare any Principal Amount outstanding under this Note to become immediately due and payable, and (b) exercise any or all of its rights, powers, or remedies under applicable law or this Note; *provided, however,* that if an Event of Default described in Section 5.2 shall occur, the Principal Amount and any accrued Interest shall become immediately due and payable without any notice, declaration, or other act on the part of the Noteholder. If an Event of Default hereunder occurs, Maker agrees to pay all of Noteholder's reasonable costs and expenses incurred in connection with collection with amounts then due, including, without limitation, reasonable and documented attorney's fees and expenses incurred by the Noteholder as a result of the occurrence of such Event of Default. This Note is unsecured and without recourse other than as specifically set forth herein.

6. Subordination. Notwithstanding any other provisions of this Note, but subject to Section 5.3, by its acceptance of this Note the Holder acknowledges and agrees that the obligations of the Maker under this Note shall be subordinate in all respects to the obligations of the Maker under each of the Facilities.

7. Miscellaneous.

7.1 Notices. Any notice, request or other communication to be given or made under this Note to the Maker or the Noteholder shall be in writing. Such notice, request or other communication shall be deemed to have been duly given or made when it shall be delivered by hand, national or international courier (confirmed by email), or email or other electronic or digital means (with a hard copy delivered within two (2) Business Days) to the Party to which it is required or permitted to be given or made at such Party's address as such Party shall have designated by notice to the Party giving or making such notice, request or other communication, it being understood that the failure to deliver a copy of any notice, request or other communication to a Party to whom copies are to be sent shall not affect the validity of any such notice, request or other communication or constitute a breach of this Note.

7.2 Expenses. The Maker shall reimburse the Noteholder on demand for all reasonable and documented out-of-pocket costs, expenses, and fees (including reasonable attorneys' fees) actually incurred by the Noteholder in connection with the Noteholder's collection of amounts due hereunder or enforcement of any of the Noteholder's rights hereunder.

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7.3 Governing Law. This Note and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Note and the transactions contemplated hereby, shall be governed by the laws of the State of New York, without regard to any conflict of law provisions thereof.

7.4 Submission to Jurisdiction.

(a) The Maker hereby irrevocably and unconditionally (i) agrees that any legal action, suit, or proceeding arising out of or relating to this Note may be brought in the courts of any county or borough of New York City in the State of New York or in any federal court sitting therein, and (ii) submits to the exclusive jurisdiction of any such court in any such action, suit, or proceeding. Final judgment against the Maker in any action, suit, or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment.

(b) Nothing in this Section 7.4 shall affect the right of the Noteholder to (i) commence legal proceedings or otherwise sue the Maker in any other court having jurisdiction over the Maker, or (ii) serve process upon the Maker in any manner authorized by the laws of any such jurisdiction.

7.5 Venue. THE MAKER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE IN ANY COURT REFERRED TO IN SECTION 7.4 AND THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

7.6 Waiver of Jury Trial. THE MAKER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY.

7.7 Successors and Assigns. This Note may not be assigned, transferred, or negotiated by the Noteholder to any person or entity, at any time, without the prior written notice to and consent of the Maker. This Note shall inure to the benefit of and be binding upon the Parties and their permitted successors and assigns.

7.8 Headings. The headings of the various sections and subsections herein are for reference only and shall not define, modify, expand, or limit any of the terms or provisions hereof.

7.9 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Noteholder, of any right, remedy, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

7.10 Automatic Cancellation. After the Principal Amount and accrued Interest under this Note have been paid in full, this Note shall automatically be deemed canceled, shall be surrendered to the Maker for cancellation, and shall not be re-issued.

IN WITNESS WHEREOF, the Maker has executed this Note as of __, 2024.

UNIQUE LOGISTICS INTERNATIONAL, INC.

By: _____
Sunandan Ray, Chief Executive Officer

Agreed to and accepted by:

UNIQUE LOGISTICS HOLDINGS LIMITED

By: _____
Richard Lee Chi Tak, Chief Executive Officer

[Signature Page to Promissory Note]