



dependable.

K-Bro Linen Inc.

K-BRO ANNOUNCES RFP AWARD

(TSX: KBL)

Edmonton, Canada (April 27, 2021) – K-Bro Linen Inc. (the “Company” or “K-Bro”) announced today that it has been selected to provide laundry services for Alberta Health Services (“AHS”) for the entire province. The award is the result of a competitive RFP process and extends K-Bro’s existing relationships with AHS. The terms of the new contract remain subject to negotiation and additional details will be provided once the new contract is entered into.

In October 2020, AHS issued a request for proposal for linen services (the “AHS RFP”). The AHS RFP encompassed the linen services provided by the Corporation to AHS under its AHS Calgary contract, as well as the linen services provided by the Corporation to AHS in Edmonton, for which volumes are under contract as part of two existing agreements until 2022 and 2023 respectively. The AHS RFP also included new volume for additional rural and urban locations in Alberta. As part of the award, it is anticipated that volumes will increase through the addition of new sites however everything remains subject to settlement of definitive documentation.

The award renews all of K-Bro’s existing volume in Edmonton and Calgary and awards additional healthcare volume for other sites in Alberta. The new volume will be serviced from K-Bro’s existing state-of-the-art facilities in Edmonton and Calgary.

“We are very pleased to have the opportunity to expand our long-term relationship with Alberta Health Services”, said Linda McCurdy, President & Chief Executive Officer. “We began processing healthcare volume in Alberta in the 1980s, and we have worked closely and collaboratively with AHS over the past 30 years to earn their confidence and trust. We are happy that we will continue to provide service for all of our existing customers in Alberta while also being awarded new healthcare volume.”

CORPORATE PROFILE

K-Bro is the largest owner and operator of laundry and linen processing facilities in Canada. K-Bro provides a comprehensive range of general linen and operating room linen processing, management and distribution services to healthcare institutions, hotels and other commercial accounts. K-Bro currently operates nine processing facilities under three distinctive brands, including K-Bro Linen Systems Inc., Buanderie HMR and Les Buanderies Dextraze, in eight Canadian cities: Québec City, Montréal, Toronto, Edmonton, Calgary, Regina, Vancouver and Victoria.

Fishers was established in 1900 and is an operator of laundry and linen processing facilities in Scotland, providing linen rental, workwear hire and cleanroom garment services to the hospitality, healthcare, manufacturing and pharmaceutical sectors. Fishers’ client base includes major hotel chains and prestigious venues across Scotland and the North East of England. The company operates sites in Scotland and the North East of England with facilities in Cupar, Perth, Newcastle, Livingston and Coatbridge.

Additional information regarding the Corporation including required securities filings are available on our website at www.k-brolinen.com and on the Canadian Securities Administrators’ website at www.sedar.com; the System for Electronic Document Analysis and Retrieval (“SEDAR”).

K-Bro est le plus important propriétaire et exploitant de buanderies au Canada. K-Bro fournit une gamme étendue de services de buanderie aux établissements de soins de santé, hôtels et autres clients commerciaux. K-Bro exploite actuellement neuf usines sous trois marques distinctives, incluant K-Bro Linen Systems Inc., Buanderie HMR et Les Buanderies Dextraze, dans huit villes canadiennes: Québec, Montréal, Toronto, Edmonton, Calgary, Regina, Vancouver et Victoria.

Vous pouvez obtenir des renseignements supplémentaires sur la Société, y compris les documents déposés auprès des autorités de réglementation, sur notre site Web, au www.k-brolinen.com et sur le site Web des autorités canadiennes en valeurs mobilières au www.sedar.com, le site Web du Système électronique de données, d'analyse et de recherche (« SEDAR »).

FORWARD LOOKING STATEMENTS

This news release contains forward-looking information that represents internal expectations, estimates or beliefs concerning, among other things, future activities and/or future operating results and various components thereof. The use of any of the words “anticipate”, “continue”, “expect”, “may”, “will”, “project”, “should”, “believe”, and similar expressions suggesting future outcomes or events are intended to identify forward-looking information. Statements regarding such forward-looking information reflect management’s current beliefs and are based on information currently available to management.

These statements are not guarantees of future performance and are based on management’s estimates and assumptions that are subject to risks and uncertainties, which could cause K-Bro’s actual performance and/or financial results in future periods to differ materially from the forward-looking information contained in this news release. These risks and uncertainties include, among other things: (i) risks associated with acquisitions, including the possibility of undisclosed material liabilities; (ii) K-Bro’s competitive environment; (iii) utility costs, minimum wage legislation and labour costs; (iv) K-Bro’s dependence on long-term contracts with the associated renewal risk, including, without limitation, in connection with the settlement of definitive documentation in respect thereof; (v) increased capital expenditure requirements; (vi) reliance on key personnel; (vii) changing trends in government outsourcing; (viii) changes or proposed changes to minimum wage laws in Ontario, British Columbia, Alberta, Quebec, Saskatchewan and the United Kingdom (the “UK”); (ix) the availability of future financing; (x) textile demand; (xi) the adverse impact of the COVID-19 pandemic on the Corporation, which has been significant to date and which we believe will continue to be significant for the short to medium term; and (xii) foreign currency risk. Material factors or assumptions that may be applied by management in drawing conclusions or making estimates set out in forward-looking information include: (i) volumes and pricing assumptions; (ii) expected impact of labour cost initiatives; (iii) frequency of one-time costs impacting quarterly and annual financial results; (iv) foreign exchange rates; (v) the level of capital expenditures; and (vi) the expected impact of the COVID-19 pandemic on the Corporation. Although the forward-looking information contained in this news release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements.

All forward-looking information in this news release is qualified by these cautionary statements. Forward-looking information in this news release is presented only as of the date made. Except as required by law, K-Bro does not undertake any obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

For more information, please contact:

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