

FOR IMMEDIATE RELEASE

November 8, 2017

Winnipeg, Manitoba (November 8, 2017)

***GENDIS ANNOUNCES RECEIPT OF EXPRESSION OF INTEREST WITH RESPECT TO A POTENTIAL GOING-PRIVATE TRANSACTION PROPOSAL AND FORMATION OF SPECIAL BOARD COMMITTEE***

Gendis Inc. (the “**Corporation**”) (TSX: GDS) announces today that its board of directors has received a non-binding letter dated November 7, 2017 (the “**Expression of Interest Letter**”) from Mr. James E. Cohen, Chief Executive Officer of the Corporation, expressing an interest in carrying out, subject to the satisfaction of certain conditions, a going-private transaction (the “**Potential Transaction**”) involving: (i) an insider bid (the “**Offer**”) which would be made by a corporation wholly-owned and controlled by him (the “**Offeror**”) to acquire all of the issued and outstanding common shares of the Corporation (other than common shares held by joint actors of the Offeror comprised of corporations controlled by Mr. Cohen and his two siblings) (the “**Target Shares**”) at a cash price of \$4.65 per common share; and (ii) a second step transaction.

To the knowledge of the Corporation, the Offeror together with its joint actors, currently hold an aggregate of approximately 9,130,057 common shares, representing approximately 72.64% of the issued and outstanding common shares of the Corporation.

According to the Expression of Interest Letter:

- (i) subject to the satisfaction of the conditions noted below, the Offeror is prepared to make an offer to acquire the Target Shares at a cash price of \$4.65 per common share, and, assuming that the Offer successfully closes, acquire the Target Shares which are not tendered under the bid for the same consideration per common share pursuant to a second step transaction (assuming that the Offer is successful); and
- (ii) the Offeror indicated that it expects to receive lock-up commitments from companies which are controlled by Mr. James E. Cohen, and Mr. Anthony Cohen and Ms. Anna-Lisa Cohen, siblings of Mr. James E. Cohen. Such parties hold in aggregate approximately 9,130,057 common shares of the Corporation, together representing approximately 72.64% of the issued and outstanding common shares of the Corporation; and
- (iii) the Offeror indicated that it expects to receive lock-up commitments from certain minority shareholders which the Corporation understands hold and control in the aggregate approximately 15.10% of the issued and outstanding common shares of the Corporation.

The Expression of Interest Letter indicates that the commencement of the Offer will be conditional upon:

- (i) the Potential Transaction receiving the support of the independent directors of the Corporation; and
- (ii) approval by the independent directors of the Corporation of the abridgment of the prescribed deposit period under National Instrument 62-104 – *Take-over Bids and Issuer Bids* (“**NI 62-104**”) from 105 days to such shorter time period so as to enable the Offer to be completed on February 1, 2018.

On the basis of having received the Expression of Interest Letter, the board of directors of the Corporation intends to form a special committee (the “**Special Committee**”) comprised of all of the independent directors of the Corporation with a mandate to conduct a detailed review and analysis of the Potential Transaction and to identify and analyze potential alternative transactions (including potentially maintaining the status quo) which may be available to the Corporation, with a view to determining whether it is in the best interests of the Corporation to support the Potential Transaction and abridge the deposit period as indicated in the Expression of Interest Letter.

The Special Committee, once formed, is required to appoint a qualified valuator to provide a formal valuation of the common shares of the Corporation in accordance with the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* and supervise the preparation of such formal valuation.

For further information, please contact Mr. James E. Cohen, President and Chief Executive Officer of Gendis Inc. at (204) 474-5200.