

Sleep Country Canada Announces Closing of Endy Acquisition



TORONTO, Dec. 7, 2018 /CNW/ - Sleep Country Canada Holdings Inc. ("Sleep Country" or "Sleep Country Canada") (TSX: ZZZ) today announced the closing of its previously announced acquisition of Endy Sleep ("Endy"). Today's completed deal brings together two Canadian leaders in

sleep and positions both to better serve Canadian customers coast-to-coast, online and in-store.

"This is an exciting day for all of us at Sleep Country and Endy," said Dave Friesema, CEO, Sleep Country. "We truly feel that our organizations complement each other perfectly in our entrepreneurial spirit, approach to sleep, operations, culture and dedication to customers. We look forward to a bright future alongside Endy."

"Today's announcement marks a major milestone for Endy, as we begin this new chapter as part of the Sleep Country family and continue on our mission to change the way Canadians sleep," said Rajen Ruparell, co-founder and Chairman, Endy. "We are thrilled to have a partner that is truly best-in-class as we strive to provide Canadians with a better night's sleep, and a more convenient way to buy a mattress."

Following today's acquisition, Sleep Country and Endy will continue to operate separately. All existing employees will remain with both companies. General oversight of the Endy business will be provided by a board comprised of the senior management of Sleep Country and Endy, chaired by Rajen Ruparell. Mike Gettis will continue to be Endy's CEO.

TD Securities Inc. acted as exclusive financial advisor to Sleep Country Canada. Davies Ward Philips & Vineberg LLP served as legal counsel to Sleep Country Canada and Dentons Canada LLP served as legal counsel for Endy.

About Sleep Country Canada

Sleep Country is Canada's leading sleep retailer. Sleep Country operates under two retail banners: Dormez-vous, the largest retailer of mattresses in Quebec and Sleep Country Canada, the leading mattress retailer in the rest of Canada. As of November 30, 2018, Sleep Country had 264 stores and 16 distribution centres across Canada. All of the Company's stores are corporate-owned, enabling it to develop and maintain a strong culture of customer service, resulting in a consistent and superior in-store and home delivery customer experience.

About Endy

Launched in 2015 and headquartered in Toronto, Endy (endy.com) is revolutionizing the way people sleep, through their ridiculously comfortable, supportive and Canadian-made mattress. Engineered to offer the perfect balance of comfort and support, The Endy Mattress is made with an open air cell foam that relieves pressure points, eliminates motion transfer, and releases body heat faster than conventional foam. With free shipping across Canada in a box the size of a hockey bag, it's easy to see why Endy has become one of the leading online mattress brand in Canada, with the most Canadian 5-star reviews. As one of Canada's fastest growing ecommerce companies and winner of the 2016 Techweek Top 100 Innovator Award, Endy has expanded its assortment to include The Endy Pillow, The Endy Sheets, and The Endy Mattress Protector. Endy was also named the fastest growing retail startup on the 2018 Startup 50 list by Maclean's and Canadian Business. The brand also works closely with Canadian charities to donate new and gently used mattresses to families and individuals in need.

Forward-Looking Information

Certain information in this news release contains forward-looking information and forward-looking statements which reflect the current view of management with respect to the Company's objectives, plans, goals, strategies, outlook, results of operations, financial and operating performance, prospects and opportunities. Wherever used, the words "may", "will", "anticipate", "intend", "estimate", "expect", "plan", "believe" and similar expressions identify forward-looking information and forward-looking statements. Forward-looking information and forward-looking statements should not be read as guarantees of future events, performance or results, and will not necessarily be accurate indications of whether, or the times at which, such events, performance or results will be achieved. All of the information in this news release containing forward-looking information or forward-looking statements is qualified by these cautionary statements.

Forward-looking information and forward-looking statements are based on information available to management at the time they are made, underlying estimates, opinions and assumptions made by management and management's current good faith belief with respect to future strategies, prospects, events, performance and results, and are subject to inherent risks and uncertainties surrounding future expectations generally. Such risks and uncertainties include, but are not limited to, those described in the Company's 2017 annual information

form (the "AIF") filed on March 1, 2018. A copy of the AIF can be accessed under the Company's profile on SEDAR at www.sedar.com. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be less significant may also adversely affect the Company.

Readers are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and forward-looking statements and are cautioned not to place undue reliance on such information and statements. The Company does not undertake to update any such forward-looking information or forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws.

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