Sleep Country Canada Announces Innovative Partnership Expansion with Walmart Canada through "Sleep Country Express" Stores, Providing More Canadians with Access to a Great Night's Sleep

Building on a successful partnership, Sleep Country Canada Inc. will pilot 10 new locations at Walmart Canada stores as part of its strategic growth roadmap

TORONTO, Aug. 31, 2021 /CNW/ - Sleep Country Canada Holdings Inc. ("Sleep Country" or the "Company") (TSX: ZZZ), Canada's leading omnichannel specialty sleep retailer, today announced it will expand its partnership with Walmart Canada through the launch of 10 new "Sleep Country Express" and "Dormez-vous Express" stores in Walmart Canada licensee spaces. This exciting expansion of the Company's sleep ecosystem, the first of its kind with a retailer, signals its ongoing commitment to broaden its customer reach and drive growth through channel innovation, strategic partnerships with the world's most well-known brands and exceptional customer experiences.

This innovative new concept for Sleep Country will offer cash-and-carry products and traditional mattresses delivered with the Company's renowned white glove service at each "Sleep Country Express" and "Dormezvous Express" location. The initial 10 stores, with an average footprint of 500 square feet, will open in strategic locations across Ontario and Quebec, enabling the Company to test, learn and optimize with the goal to expand into other Walmart Canada stores across the country.

"We are thrilled to deepen our partnership with Walmart Canada to provide new customers with a seamless journey to their best night's sleep as we expand our omnichannel footprint," said Stewart Schaefer, President of Sleep Country Canada. "The launch of these 10 new "Sleep Country Express" and "Dormez-vous Express" locations will help transform millions of Walmart Canada customers' lives through the power of sleep by providing them with access to the world's premier sleep brands for the first time in-store. We look forward to sharing our industry-leading assortment with even more customers, no matter where they choose to shop, as we execute against our aggressive growth roadmap."

The launch of these "Sleep Country Express" and "Dormez-vous Express" stores builds on the successful first phase of the partnership between the two retailers, who joined forces in March 2019 to bring Sleep Country's celebrated Bloom collection online at Walmart.ca and to pop-up shops for Greater Toronto Area Walmart shoppers in August of the same year. The partnership has strengthened in recent years with Walmart Canada now carrying Sleep Country's entire assortment of mattresses under \$1,000 alongside a curated selection of sleep accessories on its digital marketplace. With an average of three million visitors per store location per year, Sleep Country's physical expansion into Walmart Canada stores will reach a target customer segment, generate new revenue opportunities and increase profitability via a cash-and-carry model for in-store purchases.

"Sleep Country Express" and "Dormez-vous Express" stores will be staffed by Sleep Country's highly trained Sleep Experts, who will bring their renowned sleep expertise to Walmart Canada customers. Each of the 10 new Express locations will offer a curated assortment of products, including its leading bed-in-a-box selection, sheets, pillows, protectors, adjustable bases and headboards. Additionally, each location will feature 8-9 traditional mattresses for clientele to experience on-site.

"At Walmart Canada, we continue to establish and grow successful partnerships with exceptional brands that Canadians trust, such as Sleep Country, to ensure our customers always have access to the products they need at affordable prices," said Sam Hamam, Sr. Director, Licensees for Walmart Canada. "We are excited to partner with Sleep Country in-store for the first time and deliver on our mission to bring the world's leading products and brands to every Walmart Canada customer across the country."

The 10 pilots are expected to launch in Autumn 2021.

Ontario Locations

Milton Walmart, 1280 Steeles Ave. E.

Mississauga-Heartland Walmart, 800 Matheson Blvd W.

Kitchener-Waterloo Walmart, 100 The Boardwalk

Kanata South Walmart, 5357 Fernbank Rd.

Windsor East Walmart, 7100 Tecumseh Rd E.

Ancaster Walmart, 1051 Garner Rd. W.

Aurora Walmart, 135 First Commerce Dr.

<u>Brossard Walmart</u>, 9000 Blvd Leduc <u>Kirkland Walmart</u>, 17000 Rte Transcanadienne <u>Saint-Bruno-de-Montarville Walmart</u>, 1475 Boul Saint Bruno

About Sleep Country

Sleep Country is Canada's leading omnichannel specialty sleep retailer with a national retail store network and robust eCommerce platforms. The Company operates under three retail banners: "Sleep Country Canada", with omnichannel operations in Canada excluding Québec; "Dormez-vous?" with omnichannel operations in Québec and "Endy", Canada's leading direct-to-consumer online sleep solutions retailer. As of August 31, 2021, Sleep Country has 287 stores, 17 fulfillment centres and 2 storage hubs across Canada. Sleep Country is a purposeled company dedicated to transforming lives by awakening Canadians to the power of sleep. The company is committed to meaningfully and positively supporting its environment, people and communities including operating a comprehensive Mattress Recycling Program and working closely with Canadian charities to donate new and gently used mattresses to families and children in need.

For more information about the Company visit www.sleepcountryir.ca

About Walmart Canada

Walmart Canada operates a chain of more than 400 stores nationwide serving 1.5 million customers each day. Walmart Canada's flagship online store, Walmart.ca is visited by more than 900,000 customers daily. With more than 100,000 associates, Walmart Canada is one of Canada's largest employers and is ranked one of the country's top 10 most influential brands. Walmart Canada was recently recognized as a LinkedIn Top Company of 2021 and was also named one of Canada's most popular brands (based on Google searches). Walmart Canada's extensive philanthropy program is focused on supporting Canadian families in need, and since 1994 Walmart Canada has raised and donated more than \$500 million to Canadian charities. Additional information can be found at walmartcanada.ca and on Walmart Canada's social media pages – Facebook, Twitter and Instagram.

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Additional assets available online: Photos (2)

https://ir.sleepcountry.ca/2021-08-31-Sleep-Country-Canada-Announces-Innovative-Partnership-Expansion-with-Walmart-Canada-through-Sleep-Country-Express-Stores,-Providing-More-Canadians-with-Access-to-a-Great-Nights-Sleep