

Sleep Country Canada Holdings Inc. Announces Acceptance by TSX of an Amendment to its Normal Course Issuer Bid

TORONTO, Nov. 29, 2022 /CNW/ - Sleep Country Canada Holdings Inc. ("Sleep Country" or the "Company") (TSX: ZZZ) announced today acceptance by the Toronto Stock Exchange (the "TSX") of an amendment to the Company's Notice of Intention to Make a Normal Course Issuer Bid ("NCIB"), which commenced on March 9, 2022 and will conclude on the earlier of the date on which purchases under the bid have been completed and March 8, 2023. The NCIB was amended to permit the Company to purchase through the facilities of the TSX or alternative trading systems, from time to time until the completion of the NCIB, if considered advisable, up to a maximum of 3,155,250 common shares ("Shares") of the Company, being approximately 10% of its public float of 31,552,506 Shares as of February 28, 2022. Purchases may commence under the amended NCIB through the TSX on December 1, 2022 and will conclude on the earlier of the date on which purchases under the bid have been completed and March 8, 2023. The Company may purchase up to a daily maximum of 21,173 Shares (representing 25% of the average daily trading volume of the Shares on the TSX for the six months prior to February 28, 2022, being 84,695 Shares), except where such purchases are made in accordance with the "block purchase" exception under applicable TSX rules and policies.

The Shares may be purchased for cancellation through the facilities of the TSX or alternative trading systems. The board of directors of Sleep Country has concluded that the market price of Sleep Country's Shares may not, from time to time, reflect the inherent value of the Company and purchases of Shares pursuant to the bid may represent an appropriate and desirable use of funds that allows the Company to return excess cash to shareholders, while still having sufficient cash available to fund all of its growth capital expenditure requirements. As of the date of this press release, the Company is not in possession of any material undisclosed information relating to the Company.

Effective June 10, 2022, the Company established an automatic share purchase plan ("ASPP") in connection with the NCIB to facilitate the purchase of Shares during times when the Company would ordinarily not be permitted to purchase Shares due to regulatory restrictions or self-imposed black-out periods. Before entering a black-out period, the Company may, but is not required to, instruct its broker to make purchases under the NCIB based on parameters set by the Company in accordance with the ASPP, TSX rules and applicable securities laws. The maximum number of Shares eligible to be purchased through the ASPP will automatically increase to a maximum of 3,155,250 as a result of the amendment to the NCIB.

About Sleep Country

Sleep Country is Canada's leading specialty sleep retailer with a national retail store network and multiple robust eCommerce platforms. The Company has 288 corporate-owned stores and 20 warehouses across Canada and operates under retail banners: "Sleep Country Canada", with omnichannel operations in Canada excluding Québec; "Dormez-vous" with omnichannel operations in Québec; "Endy", Canada's leading direct-to-consumer online sleep solutions retailer; and recently acquired "Hush". Sleep Country is a purpose-led organization dedicated to transforming lives by awakening Canadians to the power of sleep and is committed to building a company culture of inclusion and diversity where differences are embraced and valued. The Company meaningfully and positively supports its environment and the communities where it operates through its comprehensive mattress and foundation recycling program that keeps mattresses out of landfills, as well as its bed donation program that contributes new and gently used mattresses and foundations to Canadian charities to help families and children in need get a good night's sleep.

For more information about the Company visit www.ir.sleepcountry.ca

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, the impact of the novel coronavirus pandemic, those described under the sections "Risk Factors" and "COVID-19 Business Update" in the Company's 2021 management's discussion and analysis filed on March 3, 2022 and those described in the Company's 2021 annual information form (the "AIF") filed on March 3, 2022. 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.

SOURCE Sleep Country Canada Holdings Inc. Investor Relations

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