

THIS IS NOT A LETTER OF TRANSMITTAL. THIS NOTICE OF GUARANTEED DELIVERY IS FOR USE IN ACCEPTING THE OFFER BY LEON'S FURNITURE LIMITED TO PURCHASE COMMON SHARES OF LEON'S FURNITURE LIMITED.

NOTICE OF GUARANTEED DELIVERY

**to tender Common Share of Leon's Furniture Limited
pursuant to the Offer to Purchase
dated November 17, 2021**

THE OFFER IS OPEN FOR ACCEPTANCE UNTIL 5:00 P.M. (EASTERN TIME) ON DECEMBER 30, 2021 (THE "EXPIRATION TIME") OR AT SUCH LATER TIME AND DATE TO WHICH THE OFFER MAY BE EXTENDED, UNLESS TERMINATED OR WITHDRAWN IN ACCORDANCE WITH ITS TERMS.

TO: LEON'S FURNITURE LIMITED
AND TO: TSX TRUST COMPANY, as Depositary

**By Hand, Courier or
Registered Mail**

1 Toronto Street
Suite 1200

Toronto, Ontario
M5C 2V6

Attention: Corporate Actions

**By Mail (Except
Registered Mail)**

P. O. Box 1036
Adelaide Street Postal
Station

Toronto, Ontario
M5C 2K4

Attention: Corporate
Actions

By E-mail

GD_CorporateActions@astfinancial.com

Inquiries

North American Toll Free: 1.800.387.0825

Local: 416.682.3860

E-mail: inquiries@astfinancial.com

Any questions or requests for assistance may be directed to the Depositary at the address and telephone number set forth above. Additional copies of the Offer and Circular, the Letter of Transmittal and this Notice of Guaranteed Delivery may be obtained from the Depositary. Manually executed photocopies of the Letter of Transmittal and this Notice of Guaranteed Delivery will be accepted. Shareholders may also contact their investment dealer, stock broker, commercial bank, trust company or other nominee for assistance concerning the Offer.

USE THIS NOTICE OF GUARANTEED DELIVERY IF YOU WISH TO ACCEPT THE OFFER BUT:

- 1. YOUR SHARE CERTIFICATE(S) ARE NOT IMMEDIATELY AVAILABLE; OR**
- 2. YOU CANNOT COMPLETE THE BOOK-ENTRY TRANSFER PROCEDURES PRIOR TO THE EXPIRATION TIME; OR**
- 3. YOU ARE NOT ABLE TO DELIVER YOUR SHARE CERTIFICATE(S) AND ALL OTHER REQUIRED DOCUMENTS TO THE DEPOSITARY PRIOR TO THE EXPIRATION TIME.**

This Notice of Guaranteed Delivery (the “**Notice of Guaranteed Delivery**”), or a manually executed photocopy thereof, may be used to accept the offer to purchase (the “**Offer**”) made by Leon’s Furniture Limited (the “**Company**”) to purchase from holders of Common Shares (“**Shareholders**”) up to \$200,000,000 in value of its Common Shares at a price not less than \$24.30 per Common Share and not more than \$25.05 per Common Share. The Offer is made upon the terms and subject to the conditions set forth in the offer to purchase dated November 17, 2021 (the “**Offer to Purchase**”) and accompanying issuer bid circular (the “**Circular**” and together with the Offer to Purchase, collectively, the “**Offer and Circular**”) and in this Notice of Guaranteed Delivery and the related letter of transmittal (the “**Letter of Transmittal**”).

The terms and conditions of the Offer and Circular and the Letter of Transmittal are incorporated by reference in this Notice of Guaranteed Delivery. The Offer and Circular contains important information and Shareholders are urged to read the Offer and Circular in its entirety. Capitalized terms used but not defined in this Notice of Guaranteed Delivery which are defined in the Offer to Purchase and Circular have the respective meanings ascribed thereto in the Offer and Circular.

All references to “U.S. \$” and “U.S. dollars” in this Notice of Guaranteed Delivery mean United States dollars and all references to “\$” and “Canadian dollars” in this Notice of Guaranteed Delivery mean Canadian dollars, unless otherwise indicated.

Any questions or requests for assistance may be directed to the Depositary at the address and telephone number set forth above. Additional copies of the Offer and Circular, the Letter of Transmittal and this Notice of Guaranteed Delivery may be obtained from the Depositary. Manually executed photocopies of this Notice of Guaranteed Delivery and the Letter of Transmittal will be accepted. Shareholders may also contact their investment dealer, stock broker, commercial bank, trust company or other nominee for assistance concerning the Offer.

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN THE ADDRESS OF THE DEPOSITARY SET FORTH IN THIS DOCUMENT WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY. YOU MUST SIGN THIS NOTICE OF GUARANTEED DELIVERY IN THE APPROPRIATE SPACE PROVIDED BELOW AND MUST INCLUDE A GUARANTEE BY AN ELIGIBLE INSTITUTION, AND MUST DELIVER A LETTER OF TRANSMITTAL AND THE CERTIFICATE(S) REPRESENTING YOUR COMMON SHARES TO THE ADDRESS OF THE DEPOSITARY, AS MORE FULLY DESCRIBED BELOW.

WHEN AND HOW TO USE THIS NOTICE OF GUARANTEED DELIVERY

If a Shareholder wishes to tender Common Shares pursuant to the Offer and cannot deliver certificates for such Common Shares, or time will not permit all required documents to reach the Depositary prior to the Expiration Time, or the procedures for book-entry transfer cannot be completed on a timely basis, such Common Shares may nevertheless be tendered if all of the following conditions are met:

- a) such tender is made by or through an Eligible Institution (as defined below);
- b) this properly completed and duly executed Notice of Guaranteed Delivery is received by the Depositary at its office as set out in this Notice of Guaranteed Delivery, prior to the Expiration Time; and

- c) the certificates for all tendered Common Shares in proper form for transfer (or confirmation of book-entry transfer), together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof), or a Book-Entry Confirmation in lieu thereof in the case of a book-entry transfer relating to such Common Shares, with signatures that are guaranteed if so required in accordance with the Letter of Transmittal, and any other documents required by the Letter of Transmittal, are received by the Depository before 5:00 p.m. (Eastern time) on or before the second Trading Day on the TSX after the Expiration Time.

This Notice of Guaranteed Delivery may be delivered by hand, courier or mail or transmitted by email transmission to the office of the Depository prior to the Expiration Time, as set out in this Notice of Guaranteed Delivery.

An “**Eligible Institution**” means a Canadian Schedule I chartered bank, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Industry Regulatory Organization of Canada, members of the Financial Industry Regulatory Authority or a bank or trust company in the United States.

This Notice of Guaranteed Delivery may be delivered by hand, courier or transmitted by e-mail transmission or by mail to the office of the Depository in Toronto, Ontario as set out in this Notice of Guaranteed Delivery, and must include a guarantee by an Eligible Institution in the form set forth in this Notice of Guaranteed Delivery.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures on the Letter of Transmittal. If a signature on the Letter of Transmittal is required to be guaranteed by an Eligible Institution, such signature must appear on the applicable space on the Letter of Transmittal.

DO NOT SEND SHARE CERTIFICATES WITH THIS NOTICE OF GUARANTEED DELIVERY. SHARE CERTIFICATES MUST BE SENT WITH YOUR LETTER OF TRANSMITTAL.

The undersigned hereby tenders to the Company, upon the terms and subject to the conditions set forth in the Offer and Circular and the Letter of Transmittal and this Notice of Guaranteed Delivery, receipt of which is hereby acknowledged, the number of Common Shares indicated below pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase entitled “*Procedure for Tendering Common Shares - Guaranteed Delivery*”. The following are the details of the Common Shares to be tendered to the Offer:

BOX 1			
DESCRIPTION OF COMMON SHARES TENDERED			
Certificate Number(s) (if Available)	Name(s) in which Certificate is Registered	Number of Common Shares Represented by Certificate(s) or held by DRS	Number of Common Shares Tendered*
TOTAL:			
* Unless otherwise indicated, the number of Common Shares evidenced by all certificates referenced above will be deemed to have been tendered. If you wish to tender fewer than all of the Common Shares evidenced by all certificates listed above, indicate in the fourth column the number of Common Shares you wish to deposit. See Instruction 8 of the Letter of Transmittal.			

BOX A	
TYPE OF TENDER	
Check only one box. If more than one box is checked or if no box is checked, all Shares identified above will be deemed to have been deposited pursuant to the Purchase Price Tender. Shares are being deposited hereby pursuant to:	
<input type="checkbox"/> An Auction Tender (Please complete Box B)	<input type="checkbox"/> A Purchase Price Tender (Please complete Box C)

BOX B

**AUCTION TENDER
PRICE (IN CANADIAN DOLLARS) PER SHARE
AT WHICH SHARES ARE BEING
DEPOSITED**

This box MUST be completed if Common Shares are being deposited pursuant to an Auction Tender.

Check the appropriate box to indicate the Auction Tender price.

CHECK ONLY ONE BOX.

Failure to specify any price below will result in Common Shares being deemed to have been deposited pursuant to a Purchase Price Tender. If you specify more than one price below, you will be deemed to have deposited your Common Shares at the lowest applicable price indicated.

- \$24.30 \$24.35 \$24.40 \$24.45 \$24.50 \$24.55 \$24.60 \$24.65
- \$24.70 \$24.75 \$24.80 \$24.85 \$24.90 \$24.95 \$25.00 \$25.05

IF PORTIONS OF SHAREHOLDINGS ARE BEING DEPOSITED AT DIFFERENT PRICES, YOU MUST SUBMIT A SEPARATE LETTER OF TRANSMITTAL FOR EACH PRICE SPECIFIED (SEE INSTRUCTION 11).

BOX C

PURCHASE PRICE TENDER

This box MUST be completed if Common Shares are being deposited pursuant to a Purchase Price Tender. Failure to complete either Box B or Box C will result in the Common Shares being tendered pursuant to the Purchase Price Tender.

The undersigned either (*check one*):

- is depositing Common Shares beneficially owned by the undersigned, or
- is a broker, dealer, bank, trust company or other nominee that is depositing, for the beneficial owners thereof, Common Shares with respect to which it is the owner.

BOX D

ODD LOTS

(See Instruction 5 of the Letter of Transmittal)

To be completed ONLY if Common Shares are being tendered by or on behalf of persons beneficially owning an aggregate of fewer than 100 Common Shares at the Expiration Time.

The undersigned either (*check one*):

- will be the beneficial owner of an aggregate of fewer than 100 Common Shares at the Expiration Time, all of which are tendered; or
- is a broker, dealer, commercial bank, trust company or other nominee that (i) is tendering, for the beneficial owners thereof, Common Shares with respect to which it is the record owner, and (ii) believes, based upon representations made to it by each such beneficial owner, that such beneficial owner will own an aggregate of fewer than 100 Common Shares at the Expiration Time and is tendering all such Common Shares.

The undersigned agrees that the tender information specified in this Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently delivered.

IMPORTANT: This Notice of Guaranteed Delivery (or a manually executed photocopy thereof), properly completed and duly executed and guaranteed by an Eligible Institution, must be received by the

Depository prior to the Expiration Time. Thereafter, the certificate(s) representing the tendered Common Shares along with the properly completed and duly executed Letter of Transmittal and all other documents required by the Letter of Transmittal must be received by the Depository before 5:00 p.m. (Eastern time) on or before the second Trading Day on the TSX after the Expiration Time.

Delivery of this Notice of Guaranteed Delivery and the Letter of Transmittal and accompanying certificate(s) representing Common Shares and all other required documents to any office other than as specified in this Notice of Guaranteed Delivery and the Letter of Transmittal, as applicable, does not constitute delivery for purposes of satisfying a guaranteed delivery.

The Eligible Institution which completes this form must communicate the guarantee to the Depository and must deliver the Letter of Transmittal and certificates for Common Shares to the Depository within the time period shown herein. Failure to do so could result in a financial loss to such institution.

The undersigned understands and acknowledges that payment for Common Shares deposited and accepted for payment, and not withdrawn, pursuant to the Offer will be made only after timely receipt by the Depository of certificate(s) for such Common Shares, a properly completed and duly executed Letter of Transmittal relating to such Common Shares, with the signatures guaranteed if required, and all other documents required by the Letter of Transmittal before 5:00 p.m. (Eastern time) on or before the second Trading Day on the TSX after the Expiration Time, and upon acceptance by the Company in accordance with the terms and conditions of the Offer. Under no circumstances will interest accrue or be paid by the Company to persons depositing Common Shares regardless of any delay in paying for any Common Shares, including persons using the guaranteed delivery procedures.

The undersigned acknowledges that all authority conferred or agreed to be conferred by this Notice of Guaranteed Delivery is irrevocable and may be exercised during any subsequent legal incapacity of the undersigned and shall, to the extent permitted by applicable law, survive the death or incapacity, bankruptcy or insolvency of the undersigned and all obligations of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

SHAREHOLDER SIGNATURE	
SIGNATURE(S) OF REGISTERED SHAREHOLDER(S)	
NAME(S) OF REGISTERED SHAREHOLDER(S) (PRINT OR TYPE)	ADDRESS(ES)
EMAIL ADDRESS	POSTAL CODE OR ZIP CODE
DATE	DAYTIME TELEPHONE NUMBER

GUARANTEE OF DELIVERY (Not to be used for signature guarantee)

The undersigned, an Eligible Institution (as defined herein), guarantees to deliver to the Depository, at its address set forth above, the certificate(s) representing the Common Shares tendered hereby, in proper form for transfer, with delivery of a properly completed and duly executed Letter of Transmittal and any other required documents, **on or before 5:00 p.m., Eastern time, on or before the second Trading Day on the Toronto Stock Exchange after the Expiration Time.**

Failure to comply with the foregoing could result in a financial loss to such Eligible Institution.

NAME OF FIRM	AUTHORIZED SIGNATURE
ADDRESS OF FIRM	NAME
POSTAL CODE / ZIP CODE	TITLE
AREA CODE AND TELEPHONE NUMBER	DATE