

Avendus Capital advises The Sleep Company on its INR 480 crore Series D fundraising led by ChrysCapital and 360 ONE Asset

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India's leading comfort-tech brand, The Sleep Company, has raised INR 480 crore in a Series D funding round led by ChrysCapital and 360 ONE Asset. The funding will accelerate the company's plans to scale manufacturing, deepen offline presence, unlock new product categories and invest in innovation and talent as it prepares for its next phase of growth.

| Avendus Capital and Deutsche Bank acted as financial advisors, with Avendus also serving as the exclusive financing arranger to Tilaknagar Industries Limited.

In just a few years, The Sleep Company has crossed INR 700 crore annual revenue run rate (ARR), recorded 60% year-on-year growth in FY25, and recently celebrated the opening of its 150th exclusive brand outlet. The company has also doubled monthly revenue since its last raise and grown its team from 650 to over 1,500 employees, reflecting strong consumer demand and operational scale.

The newly raised capital will be strategically deployed to:

- **Accelerate CAPEX investments**, including the setup of new manufacturing facilities to support growing demand and ensure full control over product quality
- **Expand the brand's offline retail presence**, especially in metro and Tier-1 cities, where experience-led purchases are key
- **Enter new comfort categories**, aligned with the brand's vision of transforming how India sits and sleeps
- **Invest in R&D and product innovation**, with a focus on extending the company's patented SmartGRID® technology across everyday use cases
- **Strengthen core teams** across product, technology, design, and retail operations

The company's unique ROPO (Research Online, Purchase Offline) strategy continues to drive conversion and loyalty, with offline retail contributing to 70% of total revenue. This seamless blend of digital discovery and physical experience has proven instrumental in driving both brand trust and business growth. Avendus Capital was the exclusive financial advisor to The Sleep Company on the transaction.

Priyanka Salot & Harshil Salot, Co-Founders, The Sleep Company said, "This fundraising powers the next phase of our journey to lead the comfort-tech revolution in India. We're scaling faster- opening more stores to be

where our customers are, expanding capacity to meet growing demand, and doubling down on innovation to launch products that truly transform the way India sits and sleeps. As we look ahead, our focus is clear: strengthen our presence in metro and Tier-1 cities, deepen our reach in Tier-2 markets, invest further in R&D, and expand into new categories aligned with our long-term vision. This sets us up for the next three years—to scale with intent, grow sustainably, and move closer to our goal of becoming a cash-positive, innovation-first business.”

They further added, “Over the years, we’ve seen a clear shift in how India views sleep and wellness: what was once a low-involvement purchase is now a lifestyle decision, with consumers actively seeking premium, research-backed solutions that offer real, tangible benefits. This funding marks an important milestone in our journey to build India’s most loved comfort-tech brand. From the start, our mission has been to reimagine comfort—something often overlooked—through science, innovation, and deep consumer insight.”

Rajiv Batra, Director and Consumer sector lead, ChrysCapital said, “ChrysCapital is thrilled to partner with The Sleep Company at this pivotal moment in their journey as they redefine comfort-tech in India. In a short span of time, the founders, Harshil and Priyanka, along with the management team have built a category-defining brand anchored in innovation, customer-centricity, and operational excellence. Their patented SmartGRID® technology, omnichannel presence, and unwavering focus on product quality position them uniquely in the fast-evolving comfort-tech space.

This investment also represents a compelling opportunity to participate in India’s broader premiumization wave—where consumers are increasingly gravitating towards high-quality, science-led, and design-first products that enhance everyday living. We believe The Sleep Company is poised to become a dominant force not only in sleep solutions but across the wider comfort and wellness landscape, and we are excited to support them through their next phase of scalable and sustainable growth.”

Chetan Naik, Senior Fund Manager and Strategy Head - Technology, 360 ONE Asset, said, “The Sleep Company is disrupting comfort and sleep solutions through science-backed, tech-enabled approach. It is redefining comfort-tech in India through a powerful blend of patented material innovation, deep R&D focus, full-stack execution, and omnichannel excellence. Backed by exceptional founders, the company has created a unique blend of digital discovery and immersive offline retail. With growing consumer resonance, an expanding product portfolio, and capital-efficient growth, The Sleep Company is well poised to become a category-defining brand. We’re excited to partner with Priyanka, Harshil, and the team on this journey.”

Neeraj Shrimali, Co-Head & Managing Director, Digital, Technology & Consumer Investment Banking, Aventus Capital added, “We’re excited to partner with Priyanka, Harshil, and the team as they build something truly unique in the comfort-tech space. The Sleep Company is shaking up a category that hasn’t seen much innovation, with a fresh approach, patented tech, and strong omnichannel execution. There’s real momentum behind new-age consumer brands like them who are combining strong execution with category-defining innovation which is leading high quality investors to partner with them.” Moreover, recently the company also unveiled its latest 150th store that showcases the evolution of retail into an experience. Designed as a Sleep Lab, the store features interactive zones including Pressure and Heat Mapping Tests that compare SmartGRID® products to traditional memory foam. These aren’t just product trials, they’re immersive experiences that educate consumers about the science behind better sleep and ergonomic comfort.

At the heart of The Sleep Company's success is its patented SmartGRID® technology, a breakthrough innovation designed to deliver scientifically engineered comfort tailored to the human body. What began with mattresses has now expanded into chairs, recliners, cushions, sofas, and more - shaping a comprehensive portfolio of ergonomic solutions for modern lifestyles.

With strong fundamentals, category-first innovations, and a growing offline footprint, The Sleep Company is redefining the comfort-tech landscape in India, building not just products, but a movement rooted in better living.

| About Avendus

Avendus Group is a leading financial services firm with a presence in Investment Banking, Institutional Equities, Wealth Management, Asset Management and Credit Solutions. Established in 1999 in Mumbai, India, Avendus is today present in 11 cities across India, US and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus' wide range of clients is testimony to its ability to serve its corporates throughout their life cycle - from growth stage funding to large-sized transactions, M&A advisory and access to public markets.

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For more information, please visit www.avendus.com

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