

## Term Sheet

### Public Offering of Subscription Receipts

*A preliminary prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, other than Québec. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The preliminary prospectus is still subject to completion. Copies of the preliminary prospectus may be obtained from Integral Wealth Securities Limited at [fl@integralcapitalmarkets.com](mailto:fl@integralcapitalmarkets.com) or Echelon Wealth Partners Inc. at [ecm@echelonpartners.com](mailto:ecm@echelonpartners.com). There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary prospectus, the final prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.*

*The Subscription Receipts (as defined below) have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. The prospectus and this term sheet does not constitute an offer to sell or solicitation of an offer to buy any of the Subscription Receipts in the United States.*

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Issuer:	CE Brands Inc. (the “ <b>Corporation</b> ”).
Resulting Issuer:	The term “ <b>Resulting Issuer</b> ” refers to the Corporation following the proposed business combination (the “ <b>Proposed Qualifying Transaction</b> ”) with eBuyNow eCommerce Ltd. (“ <b>EBN</b> ”), pursuant to the terms of an amended and restated amalgamation agreement among the Corporation, EBN, and a subsidiary of the Corporation (the “ <b>Amended and Restated Amalgamation Agreement</b> ”).
Agents:	Integral Wealth Securities Limited and Echelon Wealth Partners Inc. as co-lead agents and joint bookrunners (the “ <b>Co-Lead Agents</b> ”) and Richardson Wealth Ltd. and Mackie Research Capital Corporation (collectively, with the Co-Lead Agents, the “ <b>Agents</b> ”).
Description of Agency:	The Agents will act as the Corporation’s agents to sell subscription receipts of the Corporation (“ <b>Subscription Receipts</b> ”) on a “commercially reasonable efforts” basis (the “ <b>Offering</b> ”). The Agents are not obligated under any circumstances to purchase any Subscription Receipts but may choose to do so in their sole discretion.
Offering:	Up to 3,614,457 Subscription Receipts for proceeds of up to \$15,000,000.
Over-Allotment Option:	The Corporation has granted to the Agents an option (the “ <b>Over-Allotment Option</b> ”), exercisable, in whole or in part, at any time for a period of 30 days after the Closing Date (as defined below), to offer up to an additional 542,169 Subscription Receipts at the Offering Price (as defined below) solely to cover over-allotments, if any.
Offering Price:	\$4.15 per Subscription Receipt (“ <b>Offering Price</b> ”).

Subscription Receipts:	<p>Each Subscription Receipt entitles the holder of the Subscription Receipt to receive, without payment of additional consideration and without any further action, one unit of the Resulting Issuer (a “<b>Unit</b>”) upon the satisfaction of the escrow release conditions more particularly described below (the “<b>Escrow Release Conditions</b>”). Each Unit consists of one common share of the Resulting Issuer (a “<b>Resulting Issuer Share</b>”) and one-half of one common share purchase warrant of the Resulting Issuer (a “<b>Resulting Issuer Warrant</b>”). Each such Resulting Issuer Warrant entitles the holder to purchase one additional Resulting Issuer Share, for a purchase of price of \$7.50 per Resulting Issuer Share, for a period of 24 months following the date on which the Resulting Issuer Warrant was issued.</p> <p>The Subscription Receipts will be issued pursuant to the terms of a Subscription Receipt Agreement among the Corporation, EBN, the Co-Lead Agents (on behalf of the Agents) and Odyssey Trust Company (the “<b>Subscription Receipt Agent</b>”).</p>
Escrow:	<p>The Subscription Receipt Agent will hold in escrow the net proceeds of the Offering, after deducting the expenses of the Agents up to the Closing Date and 50% of the Agents’ Commission (as defined below) (the “<b>Escrowed Funds</b>”), pending the satisfaction of the Escrow Release Conditions. Upon the satisfaction of the Escrow Release Conditions, the Subscription Receipt Agent will release the Escrowed Funds and the interest accrued on the Escrowed Funds, less the balance of the Agents’ remuneration and any additional expenses of the Agents to the Corporation, and the Corporation will automatically exchange each Subscription Receipt for one Unit. If: (a) the Escrow Release Conditions are not satisfied within 90 days after the issuance of the final receipt for the prospectus (or any amendment to the prospectus, as applicable), or (b) the Corporation or EBN delivers a notice to the Agents and the Subscription Receipt Agent declaring that the Amended and Restated Amalgamation Agreement has been terminated or that it will not be proceeding with the Proposed Qualifying Transaction; then the Subscription Receipt Agent will return to each holder of Subscription Receipts an amount equal to the purchase price paid for the Subscription Receipts and the <i>pro rata</i> entitlement of the holder to interest earned on such amount (less applicable withholding tax, if any), and EBN will pay any shortfall relating to such amount.</p>
Escrow Release Conditions:	<p>The Escrow Release Conditions are: (a) except as consented to in writing by the Co-Lead Agents (on behalf of the Agents), no material provision of the Amended and Restated Amalgamation Agreement has been amended by the parties thereto; (b) that the Proposed Qualifying Transaction has closed and the Resulting Issuer has delivered a notice to the Co-Lead Agents (on behalf of the Agents) confirming that the Proposed Qualifying Transaction has closed; (c) that all of the conditions contained in the agency agreement have been satisfied (or waived with the prior written approval of the Co-Lead Agents (on behalf of the Agents)); and (d) that the Resulting Issuer and the Co-Lead Agents (on behalf of the Agents) have delivered an irrevocable direction to the Subscription Receipt Agent confirming that the conditions stated in the Subscription Receipt Agreement have been satisfied (or waived with the prior written approval of the Subscription Receipt Agent).</p>
Use of Proceeds	<p>The Resulting Issuer intends to use the net proceeds from the Offering to strengthen its financial position and pursue growth strategies, which include expanding the Resulting Issuer’s customer base; accelerating the rollout of new product lines; supporting the growth</p>

of existing customers; establishing the Resulting Issuer's products on new sales channels; and selectively pursuing acquisitions.

- Closing:** On or around March 29, 2021 (the "**Closing Date**").
- Listing:** The Corporation has applied to list the Resulting Issuer Shares (including Resulting Issuer Shares issued on the exercise of Resulting Issuer Warrants) underlying the Subscription Receipts sold pursuant to the Offering on the TSX Venture Exchange. Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX Venture Exchange. The Corporation's common shares trade under the symbol CEBI.P.
- Eligibility:** The Resulting Issuer Shares and Resulting Issuer Warrants will be qualified investments under the *Income Tax Act* (Canada) for RRSPs, RRIFs, DPSPs, RESPs and TFSA's.
- Selling Jurisdictions:** The Subscription Receipts will be offered: (i) by way of a long-form prospectus to be filed in all provinces of Canada, excluding Québec (the "**Canadian Offering Jurisdictions**") pursuant to National Instrument 41-101 - General Prospectus Requirements; and (ii) in jurisdictions other than the Canadian Offering Jurisdictions, in each case in accordance with all applicable laws provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction.
- Costs and Expenses:** Whether or not the Offering is completed, reasonable offering costs, travel expenses and other expenses including the fees and disbursements of the Agents' designated legal counsel shall be borne by the Corporation.
- Agents' Commission:** The Agents will receive a cash commission of 8% of the gross proceeds of the Offering, including the Over-Allotment Option (the "**Agents' Commission**"). As additional compensation, upon satisfaction of the Escrow Release Conditions, the Corporation will grant to the Agents an irrevocable and non-transferable options (the "**Agents' Options**") entitling the Agents to purchase that number of Resulting Issuer Shares equal to 8% of the aggregate number of Subscription Receipts sold pursuant to the Offering, including the Over-Allotment Option. The Agents' Options will be exercisable at a price of \$4.15 per Resulting Issuer Share, for a period of 12 months following the satisfaction of the Escrow Release Conditions.
- Termination Rights:** The Offering is subject to certain closing conditions and may be terminated at their discretion on the basis of "material change out", "disaster out", "regulatory out", "market out", "due diligence out" and "breach out" provisions and may also be terminated upon the occurrence of certain other stated events.